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Plaintiffs Want La., Defendants Want Texas For BP MDL

By Jesse Greenspan

Law360, New York (July 29, 2010) -- The U.S. Judicial Panel on Multidistrict Litigation heard oral argument Thursday on where to consolidate the hundreds of cases stemming from the BP PLC oil spill, with most defendants pushing for a district court in Houston and most plaintiffs pushing for a district court in New Orleans.

The roving seven-member MDL panel, sitting in Boise, Idaho, suspended a rule limiting oral argument to a maximum of 20 minutes, but said it didn't anticipate allotting more than one hour for the oil spill docket. About two dozen attorneys representing the various parties in the case ended up speaking, according to the Associated Press.

It is unknown exactly when the panel will make its decision.

Most plaintiffs — including restaurant owners, fishermen and the families of those who died when the Deepwater Horizon rig exploded on April 20 — want their cases to be consolidated in the U.S. District Court for the Eastern District of Louisiana, arguing that much of the damage occurred there and that the court is particularly well-equipped to handle complex litigation.

Other plaintiffs are pushing for the cases to be consolidated in Mississippi, Alabama or Florida courts, or for there to be multiple MDLs.

Meanwhile, the companies potentially responsible for the oil spill have indicated their preference for the U.S. District Court for the Southern District of Texas, in Houston, which is often dubbed "the oil capital of the world."

BP argued that the forum is appropriate since the defendants' headquarters, documents and key witnesses are all located there. <u>Halliburton</u> Co. and Cameron International Corp. — which are named as defendants in most of the litigation — filed papers supporting BP's position.

Like in all MDL considerations, the panel will look at several factors in placing the MDL, among them where the cases were initially filed, where the defendants are based, where the relevant documents and witnesses are located, whether the court is easily accessible to the parties and the court's capacity to devote the necessary resources to the litigation.

According to the panel, one oil spill case is currently pending in the Northern District of Alabama, 23 are pending in the Southern District of Alabama, 10 are pending in the Northern District of Florida, 31 are pending in the Eastern District of Louisiana, two are pending in the Western District of Louisiana, eight are pending in the Southern District of Mississippi and two are pending in the Southern District of Texas.

Other such cases exist, but they were not listed on the panel's notice of hearing session.

Gregory Evans, a trial attorney with Los Angeles-based Integer Law Corp. who is not directly involved in the matter, said he was concerned there would not be sufficient judges, courtrooms, staff and resources to process these cases.

"We don't have enough time, talent and treasure to address the grievances — the legitimate grievances, in many cases — that these folks have," Evans said.

"I think we have to expect ... that many people will opt out of the administrative claims process," he added in reference to the \$20 billion escrow fund set up by BP. "If that is the case, then folks are going to need a place to go where their cases can be heard in a fair and efficient matter."

The case is In re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010, case number 2179, in the U.S. Judicial Panel on Multidistrict Litigation.

--Additional reporting by Julie Zeveloff