

ALERT

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SUBROGATION AND RECOVERY

News Concerning
Recent Subrogation and Recovery Issues



RECOVERY POTENTIAL IN THE 2011 NEW MEXICO ONGOING WILDFIRES

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The Arizona Wallow, Monument, and Horseshoe wildfires last month reminded us how devastating wildfires can be to people, property, and natural landmarks. The frustration experienced in wildfires is heightened substantially when we learn that the severe destruction could have been avoided but for the negligence of an individual or utility. Unfortunately, New Mexico is sharing that frustration as it battles two wildfires, one of which was reportedly caused by a downed power line.

Las Conchas Fire

The Las Conchas fire started at approximately 1:00 p.m. on June 26, 2011, approximately 12 miles southwest of Los Alamos, N.M. In just a few days it has covered over 103,000 acres, and is now New Mexico's largest wildfire ever (the previous record-holder was the Dry Lakes fire in 2003 that burned 94,000 acres). Thus far it has destroyed 13 homes, and forced more than 10,000 people to evacuate their homes. Over 1,200 firefighting personnel are attacking this fire, including the use of five helicopters. At this point, it is only 3 percent contained and is expected to cause considerably more damage.

The Los Alamos fire chief Doug Tucker recently reported that witnesses stated the fire started from downed power lines running through the Jemez Mountains near the Las Conchas Campground. The fire chief's investigation into the area of origin confirmed down power lines in that area. Additional reports indicate the downed power line may have been displaced by a falling tree or large tree limb that snapped in high winds. During a public meeting this week at a local high school, Incident Commander Joe Reinartz stated that the blaze started because a tree fell across a power line, touching off an inferno that grew to more than 40,000 acres in 24

hours. The specific location is believed to be by a private ranch called Triple H Ranch/Ye Olde Ponderosa near New Mexico State Road 4.

One of the major concerns with the Las Conchas fire is how perilously close it came to the Los Alamos nuclear weapons lab and the adjacent town which is home to 10,000 residents. The lab and nearby residents have been evacuated, and lab officials report that there has not been a release of radiation or other hazardous materials.

Wallow Fire

New Mexico is also still dealing with the Wallow fire which started in Arizona and has become the largest wildfire in terms of acreage burned in Arizona history. The Wallow fire started in Arizona on May 29, 2011, and spread into New Mexico earlier this month. It has destroyed 538,049 acres in total, of which 15,407 acres is in New Mexico. Thirty-two homes have been destroyed by the Wallow fire as well as 40 other structures. Fortunately, it is now 93 percent contained. As we reported in our Arizona Wildfire Alert earlier this month, the Wallow fire is reported to have been caused by an unattended campfire. Authorities have reportedly questioned one or more individuals concerning the origin of the fire.

Preliminary Conclusions

The Las Conchas fire may present a viable subrogation opportunity. We are working on gathering more information regarding the location of the downed power line, who was responsible for monitoring/safekeeping the line, and additional specifics regarding the origin of this fire.

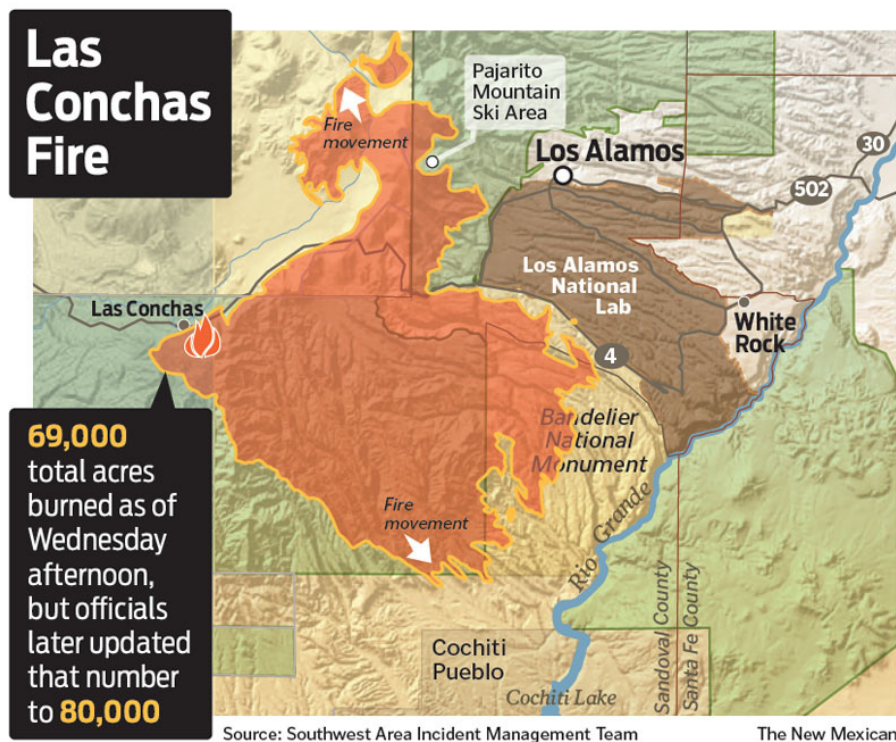
Cozen O'Connor is available to discuss any losses incurred relating to these and other wildfires to determine whether any recovery opportunities exist.



Flames from the Las Conchas fire burn in the hills above the Los Alamos National Laboratory:



Smoke from the Las Conchas fire near Los Alamos, NM:



Map of Las Conchas Fire Movement:

Atlanta • Charlotte • Cherry Hill • Chicago • Dallas • Denver • Harrisburg • Houston • London • Los Angeles • Miami • New York
Philadelphia • San Diego • Santa Fe • Seattle • Toronto • Washington, DC • West Conshohocken • Wilkes-Barre • Wilmington