

This memorandum opinion was not selected for publication in the New Mexico Appellate Reports. Please see Rule 12-405 NMRA for restrictions on the citation of unpublished memorandum opinions. Please also note that this electronic memorandum opinion may contain computer-generated errors or other deviations from the official paper version filed by the Court of Appeals and does not include the filing date.

1 **IN THE COURT OF APPEALS OF THE STATE OF NEW MEXICO**

2 **CHICA ENERGY, LLC,**

3 Plaintiff-Appellee,

4 v.

NO. 32,608

5 **COG OPERATING, LLC,**

6 Defendant-Appellant.

7 **APPEAL FROM THE DISTRICT COURT OF EDDY COUNTY**

8 **Richard J. Brown, District Judge**

9 Max Houston Proctor

10 Hobbs, NM

11 Dick A. Blendon

12 Carlsbad, NM

13 for Appellant

14 Maddox, Holloman, & Kirksey, P.C.

15 Scotty Holloman

16 Hobbs, NM

17 for Appellee

18 **MEMORANDUM OPINION**

19 **VANZI, Judge.**

1 Chica Energy appeals from a judgment dismissing its claim against Defendant
2 COG Operating. In our notice of proposed summary disposition, we proposed to
3 affirm. Chica Energy has filed a memorandum in opposition, which we have duly
4 considered. As we are not persuaded by Chica Energy's arguments, we affirm.

5 **Sufficiency of the Evidence**

6 In Chica Energy's docketing statement, it raised three issues regarding the
7 sufficiency of the evidence to support the district court's decision. The first of these
8 was Chica Energy's claim that there was not substantial evidence to support a
9 conclusion that the agreement between Biscuit Hills Disposal, LLC, and COG
10 Operating, LLC, was a lawful and effective assignment of 100% of Biscuit Hill
11 Disposal's interests in the well such that COG Operating subsequently stood in the
12 shoes of Biscuit Hills Disposal. The other two were arguments that there was
13 substantial evidence to make findings different from those the district court actually
14 made.

15 In our notice of proposed summary disposition, with respect to the first issue,
16 we proposed to hold that the assignment and bill of sale constituted substantial
17 evidence to prove that there was an assignment of Biscuit Hill Disposal's interests in
18 the well to COG Operating. We noted that, to the degree that Chica Energy was
19 challenging the legal conclusion that the assignment was effective, it would have to
20 present relevant authority to demonstrate legal error in its memorandum in opposition.

1 With respect to Chica Energy's other two claims of error, we pointed that our standard
2 of review on appeal does not permit this Court to evaluate the sufficiency of the
3 evidence to support findings that were not made. This is because the question on
4 appeal "is not whether substantial evidence exists to support the opposite result, but
5 rather whether such evidence supports the result reached." *Las Cruces Prof'l Fire*
6 *Fighters v. City of Las Cruces*, 1997-NMCA-044, ¶ 12, 123 N.M. 329, 940 P.2d 177.
7 "In reviewing a sufficiency of the evidence claim, this Court views the evidence in a
8 light most favorable to the prevailing party and disregards any inferences and
9 evidence to the contrary." *Weidler v. Big J Enters.*, 1998-NMCA-021, ¶ 30, 124 N.M.
10 591, 953 P.2d 1089 (alteration, internal quotation marks, and citation omitted). And
11 "[w]hen the trial court's findings of fact are supported by substantial evidence, . . .
12 refusal to make contrary findings is not error." *Griffin v. Guadalupe Med. Ctr., Inc.*,
13 1997-NMCA-012, ¶ 22, 123 N.M. 60, 933 P.2d 859. Therefore, we indicated that
14 Chica Energy could not demonstrate error on this basis and that it would have to
15 reframe its issues to properly challenge the district court's actual findings and
16 conclusions.

17 Chica Energy's memorandum in opposition provides this Court with no facts
18 or legal authority that would demonstrate that the district court erred in concluding
19 that the assignment and bill of sale constituted a valid assignment of rights to the well.
20 In addition, it does not demonstrate any error with respect to its second and third

1 claims of error. Accordingly, Chica Energy has failed to demonstrate error on the
2 grounds of its first three issues.

3 **Quantum Meruit**

4 Chica Energy contends that the district court erred in refusing to award damages
5 for unjust enrichment under a theory of quantum meruit. In this Court's notice of
6 proposed summary disposition, we proposed to find no error on three independent
7 alternative grounds. The first of these—and the one on which the district court
8 relied—was that generally a contract will be enforced as written, such that equity will
9 only relieve a party of the consequences of its bargain under extremely limited
10 circumstances. *See Arena Res., Inc. v. OBO, Inc.*, 2010-NMCA-061, ¶ 17, 148 N.M.
11 483, 238 P.3d 357 (“A court of equity is bound by a contract as the parties have made
12 it and has no authority to substitute for it another and different agreement, and should
13 afford relief only where obviously there is fraud, real hardship, oppression, mistake,
14 unconscionable results, and the other grounds of righteousness, justice and morality.”
15 (alteration, internal quotation marks, and citation omitted)). In Chica Energy’s
16 memorandum in opposition, it asserts that the facts of this case demonstrated that
17 there was real hardship and oppression because Chica Energy was not being paid for
18 the water that COG Operating was disposing in its own well. [MIO unnumbered pages
19 5-6] However, the contract only provided that Chica Energy would be paid a
20 percentage of any revenues that COG Operating received if it were to charge other

1 parties to dispose of water in the well. We hold that the district court did not err in
2 determining that the fact that Chica Energy did not receive payments to which it was
3 not entitled is not the sort of injustice that warrants equitable relief from the clear
4 terms of a contract.

5 Therefore, for the reasons stated in this opinion and in our notice of proposed
6 summary disposition, we affirm.

7 **IT IS SO ORDERED.**

8
9 **LINDA M. VANZI, Judge**

10 **WE CONCUR:**

11
12 **CYNTHIA A. FRY, Judge**

13
14 **TIMOTHY L. GARCIA, Judge**