

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Alfredo Zavaleta v. Layne Christensen Company, et al.

Zavaleta v. Layne Christensen Co. · No. 2:25-cv-06591-FLA (AGRx) · Decided July 31, 2025

SUMMARY

The United States District Court for the Central District of California issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction. The court questioned whether the removing defendant had demonstrated by a preponderance of the evidence that the amount in controversy exceeded \$75,000 and ordered written responses within fourteen days.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Fernando L. Aenlle-Rocha
JURISDICTION	United States District Court for the Central District of California
DECIDED	July 31, 2025
DOCKET	2:25-cv-06591-FLA (AGRx)
DISPOSITION	other
PROCEDURAL POSTURE	The action was removed to federal court. The district court, before proceeding to the merits, issued an order to show cause why the action should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	The party asserting federal jurisdiction bears the burden of establishing it. When the amount in controversy is contested or questioned, the court determines jurisdiction based on the evidence under a preponderance-of-the-evidence standard. Removal jurisdiction is strictly construed, and doubts are resolved against federal jurisdiction.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

- subject matter jurisdiction
- civil procedure
- federalism

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the Notice of Removal adequately demonstrated that the amount in controversy exceeded \$75,000 for purposes of diversity jurisdiction under 28 U.S.C. § 1332(a).
2. Whether the parties should be required to show cause why the action should not be remanded for lack of subject matter jurisdiction.

HOLDINGS

1. A federal district court must examine its subject matter jurisdiction sua sponte before proceeding to the merits and must dismiss or remand when jurisdiction is absent.
2. When the court questions the amount-in-controversy allegations supporting removal, the parties must submit proof, and the party asserting federal jurisdiction must establish by a preponderance of the evidence that the amount exceeds \$75,000.

KEY QUOTATIONS

“Federal courts are courts of “limited jurisdiction,” possessing “only that power authorized by the Constitution and statute[.]”” (1)

“As Defendant is the party asserting federal jurisdiction, Defendant’s failure to respond timely and adequately to this Order shall result in remand of the action without further notice.” (2)

FACTUAL BACKGROUND

The action was removed to federal court under an asserted basis of diversity jurisdiction. The Notice of Removal did not demonstrate by a preponderance of the evidence that the amount in controversy exceeded the \$75,000 jurisdictional threshold. The court therefore questioned whether subject matter jurisdiction existed.

PROCEDURAL HISTORY

Plaintiff Alfredo Zavaleta's action was removed to the Central District of California. After reviewing the Notice of Removal, the court could not determine that the amount in controversy exceeded \$75,000 by a preponderance of the evidence. The court ordered the parties, particularly the removing defendant, to show cause within fourteen days why the action should not be remanded.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties must respond in writing within fourteen days of the July 31, 2025 order, explaining why the action should not be remanded for lack of subject matter jurisdiction. Responses may include evidence or judicially

noticeable facts and are limited to ten pages. The removing defendant's failure to respond timely and adequately will result in remand without further notice.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n. 3 (2006)
- Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999)
- Dart Cherokee Basin Operating Co. v. Owens, 574 U.S. 81, 88-89 (2014)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Leite v. Crane Co., 749 F.3d 1117, 1122 (9th Cir. 2014)

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