

SUPREME COURT OF TEXAS

Cimarron Hydrocarbons Corp. v. Carpenter

98 S.W.3d 682 (Tex. 2002) · Decided December 31, 2002

SUMMARY

The Texas Supreme Court held that the Craddock standard does not apply to a motion for new trial following summary judgment when the nonmovant had notice of the hearing and an opportunity to seek a continuance or leave to file a late response. The Court established that leave to file a late summary-judgment response requires good cause, consisting of an accidental or mistaken failure to respond and an absence of undue delay or injury to the movant. The Court reversed the court of appeals and remanded for consideration of an unresolved issue concerning summary judgment against Cimarron’s individual-capacity claim.

CASE DETAILS

COURT	Supreme Court of Texas
WRITING FOR THE COURT	Justice O'Neill; Chief Justice Phillips; Justice Enoch; Justice Owen; Justice Hankinson; Justice Jefferson
JURISDICTION	Texas
DECIDED	December 31, 2002
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	After the trial court denied Cimarron's motion for leave to file a late response to Carpenter's summary-judgment motion, denied a continuance, and granted summary judgment, the trial court denied Cimarron's motion for new trial. The court of appeals reversed and remanded, applying the Craddock standard. The Supreme Court of Texas granted Carpenter's petition for review.
STANDARD OF REVIEW	A trial court's ruling on a motion for leave to file a late summary-judgment response is reviewed for abuse of discretion. A trial court abuses its discretion when it acts without reference to guiding rules or principles.
PRECEDENTIAL VALUE	Published Texas Supreme Court opinion; binding precedent in Texas.
PARTIES	Cimarron Hydrocarbons Corp. v. Bob E. Carpenter, C.D. Consulting and Operating Co., C.D. Roustabout Co.

TOPICS

summary judgment

motion for new trial

motion to amend

standard of review

appellate procedure

PRACTICE AREAS

civil procedure

appellate procedure

commercial litigation

QUESTIONS PRESENTED

1. Whether the equitable Craddock standard for setting aside default judgments applies to a motion for new trial filed after summary judgment was granted when the nonmovant knew of its failure to respond before the summary-judgment hearing and could seek a continuance or leave to file a late response.
2. What standard governs a motion for leave to file a late response to a summary-judgment motion under Texas Rule of Civil Procedure 166a(c).
3. Whether the trial court abused its discretion in denying Cimarron's motion for leave to file a late summary-judgment response and motion for new trial.
4. Whether the court of appeals should consider Cimarron's unresolved contention that summary judgment was improper as to Carpenter individually.

HOLDINGS

1. Craddock does not apply to a motion for new trial filed after summary judgment is granted when the nonmovant had notice of the hearing and an opportunity before judgment to seek a continuance or obtain leave to file a late response under the Texas Rules of Civil Procedure.
2. A motion for leave to file a late summary-judgment response should be granted when the nonmovant establishes good cause by showing that the failure to respond timely was not intentional or the result of conscious indifference, but resulted from accident or mistake, and that allowing the late response will cause no undue delay or otherwise injure the summary-judgment movant.
3. The trial court did not abuse its discretion in denying Cimarron leave to file a late response or in denying its motion for new trial because Cimarron's motion did not explain the failure to respond and offered no supporting evidence establishing accident or mistake.

KEY QUOTATIONS

“Our purpose in adopting the Craddock standard was to alleviate unduly harsh and unjust results at a point in time when the defaulting party has no other remedy available.” (at 686)

“Accordingly, we hold that a motion for leave to file a late summary-judgment response should be granted when a litigant establishes good cause for failing to timely respond by showing that (1) the failure to respond was not intentional or the result of conscious indifference, but the result of accident or mistake, and (2) allowing the late response will occasion no undue delay or otherwise injure the party seeking summary judgment.” (at 688)

FACTUAL BACKGROUND

Cimarron sued Carpenter after casing failed while being cemented in a new oil and gas well, preventing completion of the well. After Cimarron's original counsel withdrew, new counsel received notice that the summary-judgment hearing had been reset and mistakenly failed to ensure that the date was calendared for the attorney assigned to prepare the response. Cimarron discovered two days before the hearing that no response had been prepared, but the trial court denied its same-day motion for leave to file a late response and motion for continuance.

PROCEDURAL HISTORY

Cimarron sued Carpenter for negligence, violations of the Texas Deceptive Trade Practices Act, and breach of express and implied warranties arising from the failure of casing in an oil and gas well. After Cimarron's counsel withdrew and new counsel failed to timely calendar the reset summary-judgment hearing, Cimarron filed a late-response motion and a continuance motion on the day of the hearing. The trial court denied both motions and granted summary judgment; the court of appeals reversed under Craddock. On rehearing, the Texas Supreme Court withdrew its prior opinion, held that Craddock did not apply, affirmed the trial court's discretionary rulings, reversed the court of appeals, and remanded for consideration of an unresolved summary-judgment issue.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The case was remanded to the court of appeals to consider Cimarron's points, including its contention that summary judgment was improperly rendered for Carpenter in his individual capacity, that the court of appeals had not previously addressed.

CASES CITED

- Craddock v. Sunshine Bus Lines, 133 S.W.2d 124 (Tex. 1939)
- Ivy v. Carrell, 407 S.W.2d 212 (Tex. 1966)
- Huffine v. Tomball Hosp. Auth., 979 S.W.2d 795 (Tex. App.—Houston [14th Dist.] 1998, no pet.)
- Medina v. W. Waste Indus., 959 S.W.2d 328 (Tex. App.—Houston [14th Dist.] 1997, pet. denied)
- Washington v. McMillan, 898 S.W.2d 392 (Tex. App.—San Antonio 1995, no writ)
- Gonzales v. Surplus Ins. Servs., 863 S.W.2d 96 (Tex. App.—Beaumont 1993, writ denied)
- Krchnak v. Fulton, 759 S.W.2d 524 (Tex. App.—Amarillo 1988, writ denied)
- Costello v. Johnson, 680 S.W.2d 529 (Tex. App.—Dallas 1984, writ ref'd n.r.e.)
- Stelly v. Papania, 927 S.W.2d 620 (Tex. 1996)
- Wal-Mart Stores, Inc. v. Deggs, 968 S.W.2d 354 (Tex. 1998)
- Sharp v. Broadway Nat'l Bank, 784 S.W.2d 669 (Tex. 1990)
- E.F. Hutton & Co. v. Youngblood, 741 S.W.2d 363 (Tex. 1987)
- Downer v. Aquamarine Operators, Inc., 701 S.W.2d 238 (Tex. 1985)

