

<p>DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO 1437 Bannock Street Denver, Colorado 80202 Phone: (303) 606-2300</p>	<p>DATE FILED April 2, 2025 6:39 PM FILING ID: 9F5548108B131 CASE NUMBER: 2025CV30881</p> <p style="text-align: center;"><b>▲ COURT USE ONLY ▲</b></p>
<p><b>PLAINTIFFS:</b></p> <p>MAMMOTH FARMS, LLC, a Colorado limited liability company; MAMMOTH MANUFACTURING, LLC, a Colorado limited liability company; and MAMMOTH FORTE JV, LLC, a Colorado limited liability company,</p> <p><b>v.</b></p> <p><b>DEFENDANTS:</b></p> <p>COLORADO DEPARTMENT OF REVENUE; COLORADO DEPARTMENT OF REVENUE MARIJUANA ENFORCEMENT DIVISION; and HEIDI HUMPHREYS, in Her Official Capacity as Executive Director of the Colorado Department of Revenue.</p>	<p>Case Number: 2025CV30881</p> <p>Div: 203    Ctrm.: 203</p>
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**PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION**

Under Colorado Rule of Civil Procedure 65, Plaintiffs Mammoth Farms, LLC, Mammoth Manufacturing, LLC, and Mammoth Forte JV, LLC (collectively, “Mammoth”) move for a preliminary injunction against Defendants Colorado Department of Revenue (the “Department”), Colorado Department of Revenue Marijuana Enforcement Division (“MED”), and Heidi Humphreys (the “Director”) (collectively, “Defendants”), stating as follows.

### **CERTIFICATION**

Under Rules 65(b) and 121 § 1-15(8), undersigned counsel for Mammoth certifies that she has (1) served a copy of this Motion on Defendants through their counsel and (2) conferred in good faith with Defendants’ counsel regarding this motion, which is opposed.

### **INTRODUCTION**

Colorado’s marijuana industry is in crisis. Although Defendants are responsible for regulating the industry, they are allowing bad actors to cheat Colorado out of millions in taxes; to smuggle high-quality marijuana out of the regulated market into more profitable illegal markets; and to mislead consumers in the regulated market into overpaying for low-quality products that are mislabeled, dangerous, and illegal. These practices have become ubiquitous as bad actors use them to gain an unlawful competitive advantage that pushes law-abiding enterprises out of the market. This crisis warrants a preliminary injunction requiring Defendants to deter such misconduct by establishing necessary measures for tracking and testing marijuana products.

When this case reaches the merits, Mammoth will succeed in obtaining permanent injunctive relief by showing that Defendants are not complying with their legal obligations to (1) develop and maintain a system for tracking marijuana from seed to sale and (2) establish testing requirements to ensure that regulated marijuana products are accurately labeled and safe

for human consumption. In the meantime, a preliminary injunction would deter misconduct that threatens irreparable injury to Mammoth for which there is no adequate remedy at law. That is, unless Defendants are ordered to establish basic tracking and testing measures, bad actors will continue enjoying unlawful competitive advantages that cut into Mammoth's profitability and market share and will continue selling dangerous products that reduce the size of the market by giving marijuana a bad name. An injunction requiring Defendants to fulfill their pre-existing legal obligations would not impose any cognizable harm and would serve the public interests in tax revenue, health and safety, and consumer protection. Finally, a preliminary injunction is necessary to preserve the status quo by preventing further harm to Mammoth.

### **FACTUAL BACKGROUND**

1. The constitutional amendment by which Colorado legalized retail marijuana for adult recreational use stated several policy goals behind the creation of its regulated marijuana market, including interests in "enhancing revenue for public purposes," Colo. Const. art. XVIII, § 16(1)(a), promoting "public safety" by creating a market in which marijuana users would not need to deal with "criminal actors," *id.* § 16(1)(b)(IV), protecting "the health . . . of our citizenry," *id.* § 16(1)(b), and "ensur[ing] that consumers are informed and protected," *id.* § 16(1)(b)(V).

2. The Colorado Constitution requires the Department to "adopt regulations necessary for implementation" of these policies. *Id.* § 16(5)(a). The Colorado Revised Statutes assign the Director "regulatory authority for retail marijuana and retail marijuana products" in her capacity as the State Licensing Authority. C.R.S. § 44-10-201(1)(a). And the Director has partially delegated her powers to MED employees pursuant to 1 C.C.R. § 212-3-8-105. Thus,

the latest notice of rulemaking on MED’s website describes the Director and MED as a unit, stating that “[t]he State Licensing Authority and Division is charged with implementing and enforcing the Colorado Marijuana Code.” *See* MED, “DOR MED Notice of Rulemaking Hearing,” Aug. 15, 2024, <https://tinyurl.com/y4adb9f9> (last accessed Apr. 1, 2025).

3. Tracking and testing are key, mandatory elements of the regulatory scheme that Defendants are obligated to implement. C.R.S. §§ 44-10-202(1)(a), 44-10-203(2)(d)(I).

4. Defendants do not have a system that tracks the movement of marijuana through the supply chain. The purported tracking system that they have adopted—the Marijuana Enforcement Tracking Reporting Compliance, or Metrc—simply collects reports by actors in the marijuana supply chain (“licensees”) about where marijuana has come from and where it is going. Decl. ¶ 6.

5. The problem is that the self-reports collected by Metrc are not a reasonable proxy for the actual movement of marijuana through the supply chain. Decl. ¶ 12. Indeed, Defendants have known for years that bad actors regularly submit self-serving false self-reports in Metrc. As early as 2021, they knew that bad actors were smuggling or “inverting” cheap, dangerous, and illegal hemp-derived THC (“Inverted Hemp” or “Converted THC”) into Colorado’s regulated market. Decl. ¶¶ 13–16. Hemp inversion requires false reports to Metrc that purport to trace Converted THC through the supply chain to marijuana grown and tested in compliance with the state’s health and safety regulations. Decl. ¶ 13. This is known to be a common practice, and Defendants have acknowledged that it “threaten[s] to put the conventional marijuana concentrate manufacturers out of business.” Decl. ¶¶ 14–16. False reports are also necessary for the

widespread practice of diversion. Decl. ¶¶ 17–22. Thus, it is well known that self-reports to Metrc are often false and cannot be taken at face value.

6. However, false reports can be detected based on their inherent implausibility and used to determine when quality products are being illegally diverted out of the regulated market without proper taxation and illegally replaced with Inverted Hemp that is mislabeled as a regulated marijuana product. For example, Mammoth urged the state at a meeting in November 2024 to monitor Metrc for licensed marijuana cultivations that claim to sell marijuana far below market value—reporting to Metrc in some cases that they have spent millions of dollars to buy marijuana from other cultivations only to resell it for pennies on the dollar. Decl. ¶¶ 20, 27.

7. These bad actors clearly do not stay in business by buying high and selling low. Instead, they are following a common business model in which (a) a licensed cultivation sells marijuana outside Colorado’s regulated market (and thus in an “illegal market”) in an untaxed transaction for multiple times the price it would have commanded in the Colorado market, which is a process called “diversion;” (b) to avoid suspicion, the cultivation claims to sell the marijuana to a licensed manufacturer—but, to reduce excise taxes, reports an unusually low price for the sale; and (c) in a process called inversion, the manufacturer procures cheap THC that is synthetically converted from hemp-derived CBD oil, which is illegal in Colorado (C.R.S. § 25-5-427(4)(e)(1)), and sells the converted THC at a marked-up rate by disingenuously claiming that it is natural THC distilled from the marijuana that it purportedly purchased at bargain rates. Decl. ¶¶ 14, 17–20.

8. A system for flagging discrepancies and anomalies in licensees’ reports to Metrc would help MED determine which reports are reasonable indicators of how marijuana is moving

within the regulated market and which reports are blatant lies that indicate quality products are being illicitly diverted out of the regulated market without proper taxation and replaced with cheap, illegal, and dangerous products that are mislabeled. This is essential if MED is to track the actual movement of marijuana through the supply chain.

9. But MED has no system for detecting anomalous and inherently implausible reports to Metrc. It does not analyze these reports systematically, either on its own or with the help of the Metrc Insights add-on offered by the company that developed the Metrc software. MED has no problem analyzing Metrc data to calculate the Average Market Rate (“AMR”) for marijuana every quarter. Decl. ¶ 7, 28. But it has chosen not to establish any process for flagging extreme outliers in the same data sets that it analyzes to calculate the AMR.

10. As bad actors have realized that MED is simply taking their reports at face value, they have become increasingly bold in deflating the reported price of taxable transactions, saving more on taxes and increasing their ability to undercut lawful competitors on price. Decl. ¶ 20.

11. Defendant’s testing requirements are also inadequate. The most fundamental problem is that, unlike state-mandated testing for other products (including hemp), MED typically allows licensees to select their own samples for testing—although Defendants have long known that bad actors often select unrepresentative samples. Decl. ¶ 23.

12. Moreover, Defendants have not established any testing requirement to detect Inverted Hemp that has been mislabeled as marijuana-derived THC, despite acknowledging as early as 2021 that Inverted Hemp has the potential to take over the concentrate market and as recently as last year that reports of hemp inversion continue to be widespread. Decl. ¶ 16. Inversion schemes are so prevalent in Colorado that the overwhelming majority of distillate

products—the largest and fastest-growing portion of the Colorado market, including products like gummies, beverages, chocolates, tinctures, lotions, salves, and vapes—contain Inverted Hemp even though they are mislabeled for sale on the regulated market as marijuana-derived THC. Decl. ¶ 15.

13. Defendants also have not established any testing requirement to detect methylene chloride, which is also known as dichloromethane or DCM. Defendants have found methylene chloride contamination in numerous products that have been sold on the regulated market. Decl. ¶ 23. As early as 2021, they recognized that methylene chloride is a Class 2 Solvent, “defined as being carcinogenic and possibly causing irreversible toxicity, such as neurotoxicity,” and that it can cause organ damage. Decl. ¶ 24. More recently, Defendants have recognized:

Health effects caused by exposure to methylene chloride include headaches, fatigue, difficulty walking, and dizziness. High levels of exposure can cause fainting or in some cases, death. Methylene chloride is a solvent not permitted for use on Regulated Marijuana pursuant to Marijuana Rule 6-315(A)(2). It is also banned for consumer use by the Environmental Protection Agency due to long-term health effects it may cause, including liver and lung cancer and damage to the nervous, immune, and reproductive systems. Decl. ¶ 24.

14. Reliable tests for Converted THC and methylene chloride are available and could be added to existing testing requirements without incurring significant additional costs. Decl. ¶ 31.

15. The inadequacy of Defendant’s tracking and testing requirements hurts the public by undermining the policy goals behind the legalization of marijuana. It enables bad actors to divert marijuana out of Colorado’s regulated market into illegal markets where it is not taxed, likely costing the state at least \$100 million in the last two years. Decl. ¶ 21. It also enables

them to undermine public health and consumer protection by inverting millions of dangerous products and mislabeling them for sale to Colorado consumers without their knowledge. Decl. ¶ 23.

16. The inversion and diversion allowed by Defendants' inadequate tracking and testing requirements also hurts Mammoth and other law-abiding marijuana cultivations and manufacturers in at least two ways. Decl. ¶¶ 34–38. First, law-abiding enterprises are unable to compete with bad actors' prices. Bad actors gain an unlawful competitive edge by avoiding taxes, profiting off the illegal markets through diversion, and selling Converted THC rather than marijuana-derived THC on the regulated market. Second, bad actors reduce overall demand by making consumers afraid to participate even in the regulated market because they cannot distinguish legitimate products like Mammoth's from dangerous products that are mislabeled. Many cultivations and distributors have gone out of business as a result. And every day that Defendants leave diversion and inversion unchecked is another day that Mammoth loses significant profits and goodwill.

17. Mammoth has repeatedly requested that Defendants fulfill their statutory mandate to regulate in a manner that curtails inversion and diversion, including by strengthening its tracking and testing requirements. Decl. ¶ 27. But Defendants have neither strengthened these requirements nor indicated that they will do so or even seriously consider doing so. Decl. ¶ 33. To the contrary, they have rebuffed Mammoth's requests. Decl. ¶ 33. Thus, Mammoth has been forced to conclude that Defendants are functionally denying its requests and that this Court's intervention is necessary to force Defendants to fulfill their statutory obligations.

## ARGUMENT

“Preliminary injunctions protect plaintiffs from sustaining irreparable injury while preserving the trial court’s ability to render a meaningful decision following a trial on the merits.” *Phx. Cap., Inc. v. Dowell*, 176 P.3d 835, 839 (Colo. App. 2007). A preliminary injunction requires (i) “a reasonable probability of success on the merits”; (ii) “a danger of real, immediate, and irreparable injury which may be prevented by injunctive relief”; (iii) “no plain, speedy, and adequate remedy at law”; (iv) no disservice of the public interest; (v) a balance of equities in favor of the injunction; and (vi) a showing “that the injunction will preserve the status quo pending trial on the merits.” *Rathke v. MacFarlane*, 648 P.2d 648, 653–54 (Colo. 1982) (en banc).

### **I. Mammoth Is Likely to Succeed in Obtaining an Injunction at the Merits Stage.**

As relevant here, Mammoth is likely to succeed in its three tracking- and testing-related causes of action under the Colorado Administrative Procedure Act (“APA”). Compl. ¶¶ 183–223. Colorado’s APA “specifically empowers the judicial branch to review executive action.” *Prospect 34, LLC v. Gunnison Cnty. Bd. of Cnty. Comm’rs*, 363 P.3d 819, 823 (Colo. App. 2015) (rejecting separation of powers argument against judicial review). This includes judicial review of an agency’s “failure to act.” C.R.S. § 24-4-102(1). Indeed, upon finding that the agency’s inaction is arbitrary, capricious, an abuse of discretion, or otherwise contrary to law, the reviewing court “shall . . . compel any agency action to be taken that has been unlawfully withheld or unduly delayed.” C.R.S. § 24-4-106(7)(b) (providing for judicial review even of an agency’s use of discretion that has been vested in it by the legislature). Judicial review may be requested by “any person adversely affected or aggrieved.” C.R.S. § 24-4-106(4). “Where, as

here, there is no specific decision being challenged, and consequently no specific date from which to reckon the time for filing for judicial review,” judicial relief may be requested at any time that is “reasonable.” *Nat’l Wildlife Fed’n v. Cotter Corp.*, 665 P.2d 598, 603 (Col. 1983) (en banc).

Mammoth is adversely affected and aggrieved by Defendants’ failure to establish seed-to-sale tracking and proper testing, which gives bad actors an unlawful competitive edge over Mammoth by enabling them to evade taxes, divert marijuana to profitable illegal markets, and sell Inverted Hemp at a markup. *See* C.R.S. § 24-4-106(4). Defendants have a legal obligation to maintain seed-to-sale tracking and require proper testing, and they have readily available means for doing so. This makes it arbitrary, capricious, an abuse of discretion, or otherwise contrary to law for them not to take action. *See id.* § 24-4-106(7)(b). Because Mammoth is challenging a failure to act rather than an affirmative decision made on a specific date, it instituted this action “within a reasonable time” after allowing Defendants the opportunity to implement appropriate tracking and testing measures voluntarily. *See Nat’l Wildlife Fed’n*, 665 P.2d at 603. Thus, Mammoth is likely to succeed on the merits and to obtain an injunction requiring Defendants to analyze Metrc data for indicators of tax evasion, diversion, and inversion; to require testing for Converted THC and methylene chloride; and to end self-selection of test samples.

**A. Defendant’s Obligation to Develop and Maintain a Seed-to-Sale Tracking System Supports an Injunction Requiring a System to Evaluate Metrc Data.**

Colorado law requires Defendants to “[d]evelop and maintain a seed-to-sale tracking system that tracks regulated marijuana from either the seed or immature plant stage until the regulated marijuana or regulated marijuana product is sold” to a consumer. C.R.S. § 44-10-

202(1)(a). But Metrc cannot fairly be described as a “system that tracks regulated marijuana.” As already explained, Metrc tracks reports by licensees. This difference matters, because false reports in Metrc are routine for licensees that are engaged in the common practices of diversion and inversion. Decl. ¶ 12. Indeed, false reports are the necessary predicate for the sale of Converted THC as if it were legally derived from marijuana—a problem that has been reported to MED on numerous occasions. Decl. ¶¶ 13–16. Even if Metrc functioned as a seed-to-sale tracking system before the advent of Inverted Hemp increased the economic incentives to submit false reports, Defendants have known since at least 2021 that Metrc is no longer functional as a means of determining where marijuana is going or where THC originated.

Thus, Defendants are in violation of § 44-10-202(1)(a). They are required to further develop and maintain their tracking system, and it is unlawful for them to withhold or unduly delay remedial action after unquestioning reliance on licensees’ representations has proven unreasonable. And remedial action is not difficult. Metrc could function as a seed-to-sale tracking system, or at least become far more functional, if Defendants simply established a system for identifying inherently implausible reports—most importantly, for reports of transactions priced far below market value. Defendants could accomplish this either on their own or by using the Metrc Insights add-on for the software they are already using. Either way, a system for flagging discrepancies and anomalies in the data reported to Metrc would help Defendants distinguish reports that can reasonably be used as a proxy indicator of how marijuana is moving within the regulated market from reports that are obvious lies and that should be treated as a proxy indicator of diversion and subsequent inversion. This would transform Metrc from a system that records truths and lies without distinction to a system that uses reasonable

proxies to track regulated marijuana. The unlawful withholding or undue delay of this mandatory action since 2021 and in the face of Mammoth’s requests is likely ground for a permanent injunction once the Court reaches the merits.

**B. Defendant’s Obligation to Establish Proper Testing Requirements Supports an Injunction Requiring Testing for Converted THC and Methylene Chloride and Ending the Practice of Self-Sampling by Licensees.**

Colorado law also obligates Defendants to establish “proper” testing requirements “to ensure, at a minimum, that products sold for human consumption [in Colorado’s regulated marijuana market] do not contain contaminants that are injurious to health and to ensure correct labeling.” C.R.S. §§ 44-10-202(1)(c), 44-10-203(2)(d)(I). As already explained, Defendants’ testing requirements fall far short of this statutory obligation, for at least three reasons. First, Defendants have been aware since at least 2021 that Inverted Hemp is often mislabeled as marijuana-derived THC, but they have not required testing to identify Inverted Hemp even though reliable testing could be obtained at little additional cost. Decl. ¶¶ 16, 31–33. Second, Defendants have been aware since at least 2021 that methylene chloride is an extremely toxic contaminant found in numerous products sold on the regulated market, but they have not required testing for methylene chloride contamination even though reliable testing could be obtained at no additional cost. Decl. ¶¶ 13, 31–33. Third, Defendants have long known that bad actors often take advantage of the opportunity to select test samples by submitting samples that are not representative, but they have not changed their general practice of allowing self-sampling. Decl. ¶¶ 23, 31–33

Defendants have had ample opportunity to address these problems. For example, Defendants could have mandated testing for Converted THC and methylene chloride in its

annual rulemakings, which regularly revise minimum testing requirements pursuant to 1 C.C.R. 212-3-4-215. They could have ended self-sampling by revising MED's sampling policy. *See* 1 C.C.R. 212-3-4-225(A)(1). They could also have pursued an emergency rulemaking pursuant to C.R.S. § 24-4-103(6)(a); issued a bulletin informing licensees that their responsibility under 1 C.C.R. 212-3-4-205(C) for "ensuring adequate testing" even beyond what is required in Rule 4-215 includes testing for Converted THC and methylene chloride using samples collected by third parties; or imposed these same requirements pursuant to its authority to require additional testing under 1 C.C.R. 212-3-4-205(D) or (E). But Defendants have unlawfully withheld or at least unduly delayed the promulgation of these testing requirements, which are necessary to meet the "minimum" requirement to "ensure" that marijuana products sold in the regulated market "do not contain contaminants that are injurious to health and to ensure correct labeling." *See* C.R.S. § 44-10-203(2)(d)(I). This also provides likely ground for a permanent injunction once the Court reaches the merits.

**II. A Preliminary Injunction Is Necessary to Prevent Irreparable Injury for Which No Adequate Remedy at Law Exists.**

Irreparable harm is generally defined as "certain and imminent harm for which a monetary award does not adequately compensate." *Gitlitz v. Bellock*, 171 P.3d 1274, 1279 (Colo. App. 2007) (citation omitted). Relatedly, "an action at law is an inadequate remedy" where injuries are not "compensable by adequate damages." *Macleod v. Miller*, 612 P.2d 1158, 1160 (Colo. App. 1980). Thus, an injury is irreparable and has no adequate legal remedy where monetary damages "are difficult to ascertain or where there exists no certain pecuniary standard for the measurement of the damages." *Gitlitz*, 171 P.3d at 1279. For example, "competitive injur[y] and loss of good will are difficult to quantify," making them classic irreparable injuries.

*Nat'l Oilwell Varco, LP v. Nygard*, 2023 WL 12052506, at \*7 (Colo. App. Oct. 19, 2023) (quoting *Basicomputer Corp. v. Scott*, 973 F.2d 507, 512 (6th Cir. 1992)).

Mammoth suffers increasing competitive and reputational harm every day that Defendants continue to fail in their obligations to track marijuana through the regulated supply chain and to require testing for converted THC and methylene chloride. Decl. ¶¶ 34–38. Mammoth suffers competitive injury as Defendants' regulatory failures enable other cultivations to participate in untaxed and highly lucrative illegal markets and enable other manufacturers to hawk cheap, dangerous, and illegal Inverted Hemp in the regulated market. *See SizeWise Rentals, Inc. v. Mediq/PRN Life Support Servs., Inc.*, 2000 WL 797338, at \*4 (10th Cir. 2000) (table decision) (recognizing “inherent difficulty in quantifying . . . the damages resulting from loss of customers and good will”). Mammoth also suffers reputational harm, along with the entire marijuana industry, because inadequate tracking and testing leave the public unable to distinguish mislabeled products that contain dangerous Converted THC from legitimate products that contain marijuana-derived THC cultivated and processed consistent with MED's health and safety regulations. *See Denver Firefighters Local No. 858 v. City & Cnty. of Denver*, 292 P.3d 1101, 1111 (Colo. App. 2012), *rev'd on other grounds* 320 P.3d 354 (Colo. 2014) (affirming preliminary injunction based on reputational harm). A preliminary injunction is necessary to prevent further irreparable injury to Mammoth.

### **III. The Public Interest and Balance of Equities Favor a Preliminary Injunction.**

Public safety is a key consideration in evaluating the public's interest in an injunction. *See Trinidad Area Health Ass'n v. Trinidad Ambulance Dist.*, 562 P.3d 928, 936 (Colo. App. 2024) (holding injunction “would adversely affect the public interest” by inhibiting prompt

responses to 911 calls). A “functional tax collection process [also] serves the public interest.” *United States v. TEG Rest. Grp. Inc.*, 2021 WL 1577711, at \*2 (D. Colo. Apr. 22, 2021). Both interests support an injunction in this case requiring Defendants to develop and maintain a seed-to-sale tracking system and to establish proper testing requirements. These measures will detect and deter diversion schemes, which have likely cost Colorado about \$100 million in taxes over the last two years alone. And they will promote public safety by protecting the public from direct or second-hand exposure to poisonous and mislabeled Inverted Hemp.

Nor are there any countervailing public interests or injuries to Defendants that could serve as a counterweight to the irreparable harm Mammoth would face without an injunction. The “public never benefits” from allowing a violation of the law to continue. *See Xantrex Tech., Inc. v. Advanced Energy Indus., Inc.*, 2008 WL 2185882, at \*15–16 (D. Colo. May 23, 2008). Nor will Defendants suffer any cognizable harm from an order to comply with the law, particularly when doing so will aid them in pursuing their mandate to collect taxes. *See Chamber of Com. of U.S. v. Edmondson*, 594 F.3d 742, 771 (10th Cir. 2010) (holding state had no cognizable interest in pursuing course of conduct that was likely to be legally “infirm”); *Kourlis v. Dist. Ct., El Paso Cnty.*, 930 P.2d 1329, 1336 (Colo. 1997) (en banc) (holding balance of equities favored party seeking compliance with law over non-compliant party).

#### **IV. A Preliminary Injunction Is Necessary to Maintain the Status Quo.**

Finally, Mammoth’s requested injunction will preserve the status quo pending a decision on the merits. *Rathke*, 648 P.2d at 654. The status quo is preserved by an injunction that serves to “prevent any further damage to plaintiff.” *Am. Television & Commc’ns Corp v. Manning*, 651 P.2d 440, 446 (Colo. App. 1982); *see also Kourlis*, 930 P.2d at 1336. Thus, where a plaintiff is

suffering ongoing harm, an injunction may order a change in harmful conduct to maintain the status quo. *See Home Shopping Club, Inc. v. Roberts Broad. Co. of Denver*, 961 P.2d 558, 563 (Colo. App. 1998) (affirming grant of injunction ordering contract compliance because “the status quo was the contract”). Here, the requested injunction would put a temporary stop to Defendant’s inaction in order to prevent further competitive and reputational injury to Mammoth. Like the injunction in *Home Shopping Club* that required compliance with existing contract obligations, the injunction requested by Mammoth would simply require compliance with existing legal obligations, compelling actions that are mandated by existing law. *See* C.R.S. §§ 44-10-202(1)(a), 44-10-202(1)(c), 44-10-203(2)(d)(I). In these circumstances, the relevant status quo is that which is contemplated by existing law. *See Home Shopping Club*, 961 P.2d at 563; *Sanger v. Dennis*, 148 P.3d 404, 419 (Colo. App. 2006). Because requiring Defendants to comply with the law will prevent additional harm to Mammoth by restoring the law’s intended status quo, a preliminary injunction should be granted.

### **CONCLUSION**

For the reasons stated above, Mammoth respectfully requests that the Court grant its Motion for Preliminary Injunction.

Respectfully submitted this 2nd day of April 2025.

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