



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

SANGGUNIANG BARANGAY
OF PANGASUGAN, BAYBAY,
LEYTE,

Petitioner,

- versus -

EXPLORATION PERMIT
APPLICATION (EXPA-000005-
VIII) OF PHILIPPINE
NATIONAL OIL COMPANY,

Respondent.

G.R. No. 162226

Present:

CARPIO, J., Chairperson,

BRION,

DEL CASTILLO,

PEREZ, and

PERLAS-BERNABE, JJ.

Promulgated:

SEP 02 2013

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RESOLUTION

PERLAS-BERNABE, J.:

Assailed in this petition for review on *certiorari*¹ is the Order² dated January 21, 2004 of the Mines Adjudication Board (MAB) declaring its Decision³ dated September 24, 2002 final and executory. Such Decision, in turn, dismissed the protest of petitioner Sangguniang Barangay of Pangasugan, Baybay, Leyte (petitioner) against the application for exploration permit of respondent Philippine National Oil Company–Energy Development Corporation (PNOC-EDC).

The Facts

On July 3, 1996, PNOC-EDC applied for an exploration permit, denominated as EXPA-000005-VIII (subject application) with the Mines

¹ *Rollo*, pp. 3-38.

² *Id.* at 41-43. Docketed as MAB Case No. 085-98. Issued by Chairman Elisea G. Gozun and Members Renato A. De Rueda and Horacio C. Ramos.

³ *Id.* at 156-162. Issued by Chairman Heherson T. Alvarez and Members Horacio C. Ramos and Ramon J. P. Paje.

and Geosciences Bureau (MGB), Regional Office No. VIII, covering a total area of 16,144 hectares in the Province of Leyte and located within the Leyte Geothermal Reservation.⁴

On November 19, 1996, petitioner passed Resolution No. 58, Series of 1996,⁵ expressing its deep concern for the possible environmental damages that may be brought about by PNOC-EDC's activities. Thereafter, it filed a Complaint⁶ dated February 18, 1997 praying for the denial of the subject application with the MGB Panel of Arbitrators (PA).⁷

In its Position Paper⁸ filed on August 15, 1997, petitioner argued, *inter alia*, that the area covered by the subject application is within a watershed area that is protected under existing laws, which, if granted, would endanger the water supply of the residents and nearby municipalities and cause damage to rivers and forests.⁹

For its part, in its Position Paper¹⁰ dated August 14, 1997, PNOC-EDC argued that the area covered by the subject application is not closed to mining applications as it is not a proclaimed watershed area and no initial component of National Integrated Protected Areas Systems¹¹ covers the same.¹²

The PA Ruling

In a Resolution¹³ dated June 22, 1998, the PA dismissed petitioner's complaint for lack of jurisdiction, but remanded the same to the Mining Environment and Safety Division of the Office of the Regional Director of MGB for appropriate action.¹⁴ It held that petitioner's protest to the subject application relates mainly to the issue of environment which it has no jurisdiction to hear and decide pursuant to Section 2, Rule III of the Rules on Pleading, Practice and Procedure before the PA and the MAB (Rules).¹⁵

⁴ Id. at 156.

⁵ Id. at 89-90.

⁶ Id. at 91-101.

⁷ Id. at 156-157.

⁸ Id. at 113-116.

⁹ Id. at 113-114.

¹⁰ Id. at 215-222.

¹¹ "National Integrated Protected Areas Systems (NIPAS)" is the classification and administration of all designated protected areas to maintain essential ecological processes and life-support systems, to preserve genetic diversity, to ensure sustainable use of resources found therein, and to maintain their natural conditions to the greatest extent possible. (Section 4[a], Republic Act No. 7586, otherwise known as the "National Integrated Protected Areas System Act of 1992.")

¹² *Rollo*, p. 219.

¹³ Id. at 125-130. Docketed as Mining Case No. 97-001. Issued by Presiding Officer Atty. Fiel I. Marmita and Members Atty. Rodrigo O. Dapula and Engr. Amelia O. Blanco.

¹⁴ Id. at 130.

¹⁵ Section 2, Rule III of the Rules reads:

SEC. 2. JURISDICTION. – The Panel of Arbitrators shall have exclusive and original jurisdiction to hear and decide on the following:

(a) Disputes involving rights to mining areas;

Petitioner filed a Motion for Reconsideration¹⁶ dated July 28, 1998 which was, however, denied in an Order¹⁷ dated September 25, 1998. Aggrieved, petitioner appealed to the MAB.¹⁸

The MAB Ruling

In a Decision¹⁹ dated September 24, 2002, the MAB affirmed the dismissal of petitioner's complaint, albeit on a different ground. While it ruled that the PA has jurisdiction over the complaint, the same is nevertheless dismissible for being premature.²⁰ The MAB opined that since the complaint is primarily anchored on perceived environmental damages which are still abstract, anticipatory, and not ripe for determination, petitioner lacks a cause of action against PNOC-EDC.²¹ Nonetheless, the MAB declared that such dismissal is without prejudice to any protest or opposition to PNOC-EDC's non-compliance with its Environmental Work Program under any exploration permit that may be issued to it.²²

Petitioner filed a Manifestation and Motion for Time²³ dated October 30, 2002, praying for an extension to file a motion for reconsideration of the aforesaid Decision.

On September 17, 2003, PNOC-EDC, through its Chairman and President/CEO Atty. Sergio A. F. Apostol, requested that an Order be issued declaring the MAB's Decision dated September 24, 2002 final and executory for petitioner's failure to file a motion for reconsideration within the reglementary period.²⁴

In an Order²⁵ dated January 21, 2004, the MAB declared its Decision dated September 24, 2002 final and executory. It cited Section 11, Rule V of the Rules which provides that motions for reconsideration should be filed within 10 days from receipt of the decision, resolution or order sought to be reconsidered. Moreover, it noted that petitioner actually failed to file a

(b) Disputes involving mining permits, mineral agreements, financial or technical assistance agreement;

(c) Disputes involving surface owners, occupants, and claimholders/concessionaires; and

(d) Disputes pending before the Regional Office and the Department at the date of the effectivity of the Act; *Provided*, That appealed cases before the Department shall be under the jurisdiction of the Board.

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¹⁶ *Rollo*, pp. 131-135.

¹⁷ *Id.* at 146-148.

¹⁸ *Id.* at 149-155. Memorandum of Appeal dated October 12, 1998.

¹⁹ *Id.* at 156-162.

²⁰ *Id.* at 160.

²¹ *Id.* at 160-161.

²² *Id.* at 162.

²³ *Id.* at 164.

²⁴ *Id.* at 41.

²⁵ *Id.* at 41-43.

motion for reconsideration.²⁶ Accordingly, the subject application was given due course, subject to pertinent laws, rules, and regulations.²⁷

Hence, this petition.

The Issue Before the Court

The primordial issue raised for the Court's resolution is whether or not the MAB is correct in giving due course to the subject application.

The Court's Ruling

The petition is denied.

At the outset, it should be made clear that petitioner itself admits that it is assailing the MAB's Order dated January 21, 2004.²⁸ However, it is well to emphasize that such Order merely declared the MAB's earlier Decision dated September 24, 2002 final and executory for failure of petitioner to either move for reconsideration or appeal the same.

It is well-settled that under the doctrine of immutability of judgment, a decision that has acquired finality becomes immutable and unalterable, and may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact and law, and whether it be made by the court that rendered it or by the Highest Court of the land.²⁹ Any act which violates this principle must immediately be struck down.³⁰ This doctrine has a two-fold purpose, namely: (a) to avoid delay in the administration of justice and thus, procedurally, to make orderly the discharge of judicial business; and (b) to put an end to judicial controversies, at the risk of occasional errors, which is precisely why courts exist.³¹ Controversies cannot drag on indefinitely. The rights and obligations of every litigant must not hang in suspense for an indefinite period of time.³² The doctrine is not a mere technicality to be easily brushed aside, but a matter of public policy as well as a time-honored principle of procedural law.³³

A close perusal of the arguments in the instant petition readily reveal petitioner's attempt to re-litigate a subject matter of the MAB's Decision

²⁶ Id. at 42-43.

²⁷ Id. at 43.

²⁸ Id. at 3.

²⁹ *FGU Insurance Corporation v. Regional Trial Court of Makati City, Branch 66*, G.R. No. 161282, February 23, 2011, 644 SCRA 50, 56.

³⁰ Id.

³¹ *Apo Fruits Corporation v. Court of Appeals*, G.R. No. 164195, December 4, 2009, 607 SCRA 200, at 213.


³² Id.

³³ Id. at 213-214.

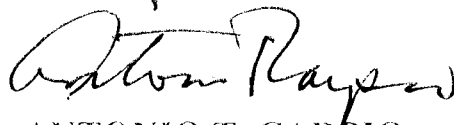
dated September 24, 2002 which had long become final and executory. This audacious act of petitioner should not be countenanced.

WHEREFORE, the petition is **DENIED**. The Order dated January 21, 2004 of the Mines Adjudication Board is hereby **AFFIRMED**.

SO ORDERED.


ESTELA M. PERLAS-BERNABE
Associate Justice

WE CONCUR:


ANTONIO T. CARPIO
Associate Justice
Chairperson

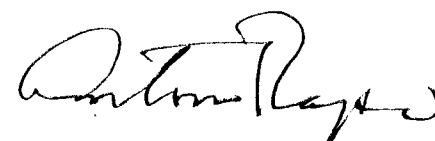

ARTURO D. BRION
Associate Justice


MARIANO C. DEL CASTILLO
Associate Justice


JOSE PORTUGAL PEREZ
Associate Justice

ATTESTATION

I attest that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ANTONIO T. CARPIO
Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, I certify that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**MARIA LOURDES P. A. SERENO**

Chief Justice