

Title: Benguet Corporation vs. Hon. Oscar L. Leviste, RTC Presiding Judge, and Helen Dizon-Reyes

Facts:

- Initiation:** Helen Dizon-Reyes claimed ownership over 11 mining claims in Zambales.
- Special Power of Attorney:** On January 15, 1967, Helen appointed her father, Celestino M. Dizon, as her attorney-in-fact to dispose of these claims.
- Operations Agreement:** On January 21, 1967, Celestino, as attorney-in-fact, entered an agreement with Dizon Copper-Silver Mines, Inc. (Dizon Mines) to operate 57 mining claims, including Helen's.
- Ratification:** On December 17, 1974, Helen and other claim owners ratified the assignment of the mining claims to Dizon Mines.
- Revocation:** On March 1, 1975, Helen revoked the power of attorney, citing the avoidance of additional burden on her father. This was notified to Dizon Mines on March 20, 1975, and Benguet Corporation (Benguet) on August 26, 1975.
- Subsequent Agreement:** Despite the revocation notice, Dizon Mines and Benguet entered into an operations agreement on September 6, 1975, making Benguet the operator of the claims.
- Complaint:** On June 20, 1980, Helen filed a complaint to annul the operations agreement, claiming it was invalid due to the revoked power of attorney, the exclusive obligation of Dizon Mines to operate the mines, and the alleged mental incapacity of her father to consent to the ratification.

Procedural Posture:

- Motion to Dismiss:** August 12, 1980, Benguet filed a motion to dismiss on the grounds of lack of jurisdiction, res judicata, laches, prescription, and improper venue. Dizon Mines also filed a motion to dismiss.
- Trial Court Decision:** The trial court denied these motions on March 26, 1982.
- Reconsideration:** Benguet's motion for reconsideration was denied on June 20, 1983.
- Supreme Court:** Benguet filed a Petition for Certiorari and Prohibition with Preliminary Injunction with the Supreme Court.

Issues:

- Jurisdiction:** Whether the RTC has jurisdiction over an annulment action concerning a mining contract.
- Res Judicata:** Whether the decision by the Secretary of Natural Resources on the validity of the contract constitutes res judicata.

3. **Laches and Prescription**: Whether Helen's claims are barred by laches and the prescriptive period.
4. **Venue**: Whether the venue of the action was improperly laid.

Court's Decision:

1. **Jurisdiction**: The Supreme Court ruled that under Section 7(c) of Presidential Decree No. 1281, the Bureau of Mines and Geo-Sciences has exclusive jurisdiction over disputes regarding the cancellation and enforcement of mining contracts.
2. **Res Judicata, Laches, and Prescription**: The Supreme Court found these issues to be factual and not suitable for resolution in a petition for certiorari, and noted that Benguet did not substantiate them adequately.
3. **Venue**: Given that jurisdiction lies with the Bureau of Mines, the issue of venue became irrelevant.

Doctrine:

1. **Exclusive Jurisdiction of the Bureau of Mines**: Section 7(c) of P.D. 1281 grants the Bureau of Mines and Geo-Sciences exclusive jurisdiction over cases involving the cancellation and enforcement of mining contracts due to non-compliance by either party.

Class Notes:

- **Exclusive Jurisdiction**: The Bureau of Mines has sole authority over mining disputes, per P.D. 1281.
- **Annulment of Contracts**: Disputes involving the validity of mining contracts must be brought before the Bureau, not regular courts.
- **Section 7(c) P.D. 1281**: Enforces administrative adjudication of mining-related disputes.
- **Jurisdictional Competence**: The essence of a dispute over the validity of a mining contract suffices to confer jurisdiction to the Bureau, regardless of the invalidity claims.

Historical Background:

This case is situated within the context of the Philippine government's efforts to streamline and control the administration of its mineral resources, which culminated in the issuance of Presidential Decree No. 1281. This decree sought to centralize and clarify jurisdictional competence over mining disputes, thus removing complexities and inefficiencies inherent in divided jurisdiction. The decision in this case underscores the judiciary's reinforcement of administrative oversight over mining activities during a period of significant resource management reforms.