

Title: Semirara Mining Corp. vs. HGL Development Corp. and Hon. Antonio Bantolo

Facts:

1. Semirara Mining Corporation (formerly Semirara Coal Corporation), received a Coal Operating Contract over Semirara Island, spanning 5,500 hectares, granted by the Department of Energy under Presidential Decree No. 972.
2. HGL Development Corporation obtained Forest Land Grazing Lease Agreement (FLGLA) No. 184 over 367 hectares in Antique from the Ministry of Environment and Natural Resources in 1984, which was set to end in 2009.
3. For years, HGL used the leased land for cattle grazing. In 1999, Semirara requested permission for its trucks to pass through HGL's area, which HGL granted under the condition that no aspect of the FLGLA would be violated.
4. Despite this, Semirara constructed buildings, conducted excavation, and undertook blasting operations without HGL's consent, severely damaging the grazing land and impacting HGL's cattle.
5. HGL demanded Semirara cease construction, but the demand was ignored. In 2000, the DENR canceled HGL's FLGLA, citing non-payment of dues and failure to submit reports.
6. HGL contested the cancellation, but the DENR reaffirmed its decision, leading HGL to file a lawsuit for specific performance and damages against the DENR in Caloocan City, alongside a separate suit against Semirara in Antique for recovery of possession.
7. Semirara's motion for postponement and subsequent Omnibus Motion and motions for reconsideration were denied, culminating in an Antique trial court order issuing a writ of preliminary mandatory injunction against Semirara.
8. Semirara challenged this order, but the Court of Appeals reinforced the trial court's decision, prompting Semirara to bring the case to the Supreme Court.

Issues:

1. Does HGL retain a legal right to the land under the FLGLA sufficient to warrant the ancillary remedy of a preliminary mandatory injunction?
2. Was the procedural due process denied to Semirara by the trial court?
3. Did the trial court err by issuing the writ without resolving Semirara's motion for reconsideration?
4. Is HGL's complaint barred due to alleged forum shopping?
5. Is the issuance of the injunction barred by Presidential Decree 605 regarding licenses for natural resource exploitation?

Court's Decision:

1. **Legal Right and Preliminary Injunction**: The Supreme Court found that HGL had a clear legal right to the property under the still legally contested FLGLA, justifying the preliminary mandatory injunction, which aims to protect HGL's possession rights.
2. **Due Process**: The ruling confirmed that Semirara was not denied procedural due process, as it had adequate opportunity to present evidence but failed to do so due to its counsel's negligence.
3. **Motion Handling**: The Court ruled that the trial court acted properly in not considering Semirara's second motion for reconsideration because it was essentially identical to the first one, which had already been resolved.
4. **Forum Shopping**: The claim of forum shopping by Semirara was dismissed since the actions in different courts concerned distinct issues: one about challenging DENR's cancellation and the other seeking recovery of possession.
5. **Presidential Decree 605**: The Court concluded that Presidential Decree 605 does not apply since HGL's action was concerned with trespass and disturbance of possession, not with the cancellation of a natural resource exploitation license.

#### Doctrine:

The decision reiterated the principle under Article 539 of the New Civil Code, providing that a lawful possessor is entitled to be respected in possession, and any disturbance is a valid basis for a preliminary mandatory injunction, even amidst other legal contests over possession.

#### Class Notes:

- **Elements of Legal Possession**: Article 539 of the New Civil Code; includes: lawful possession, right to be respected, and remedies for disturbances.
- **Due Process Standards**: Opportunity to present evidence must be provided; failure by one's own actions negates claims of deprivation.
- **Procedural Prohibitions**: Second motions for reconsideration are not entertained if they are mere reiterations of denied previous motions.
- **Specific Performance and Injunction Distinctions**: Injunctions address disturbance matters, not contractual performance claims.

#### Historical Background:

This case arises amid complex interactions involving land rights and operational claims,

showcasing tensions between environmental foundational land usage and expansive mineral exploitation contracts amidst regulatory structures. It highlights legal challenges land lessees face against overarching mining operations on legally contested lands in the Philippines.