Title: Republic of the Philippines vs. Hon. Court of Appeals and Isabel Lastimado

Facts:

1. Isabel Lastimado filed a Petition on September 11, 1967, in the Court of First Instance of Bataan to reopen cadastral proceedings over Lot No. 626 of the Mariveles Cadastre, wanted to be registered under Republic Act No. 931. No opposition was presented, and Lastimado submitted evidence ex parte.

2. On October 14, 1967, the trial court adjudicated the land to Lastimado. A decree of registration was issued by the Land Registration Commission on November 21, 1967, leading to the issuance of Original Certificate of Title No. N-144 in Lastimado's name. She subdivided the land, resulting in new Transfer Certificates.

3. On June 3, 1968, within a year of registration entry, the Republic filed a Petition for Review under Sec. 38, Act No. 496, citing fraud; the land was part of the U.S. Military Reservation and public forest, not subject to private ownership.

4. The trial court dismissed the Republic's Petition for Review on December 20, 1968, holding that the Republic was estopped due to its failure to oppose. The Republic's Motion for Reconsideration was denied on May 20, 1969.

5. Petitioner's appeal was refused by the trial court's Judge Vera on July 15, 1972. A Motion for Reconsideration was denied, and the court declared that the proper recourse was Certiorari, not appeal, as the dismissal had become final.

6. On November 9, 1972, the Republic filed a Petition for Certiorari and Mandamus with the Court of Appeals, arguing the dismissal was in error. The Court of Appeals upheld the trial court's dismissal on September 30, 1974, denying the Republic's petition.

7. In the present Petition for Review by Certiorari to the Supreme Court, the Republic raised multiple errors against the trial court and the Court of Appeals decisions.

Issues:

1. **Jurisdiction Over Military and Forest Lands:** Whether possession can be claimed, and cadastral proceedings initiated over lands that are part of a military reservation or public forest.

 Fraud Allegations by the Republic: Whether the alleged fraud by Lastimado in misrepresenting possession justified the reopening of the decree under Sec. 38, Act No. 496.

3. **Estoppel of the Government:** Whether the Republic was estopped from questioning the decree of registration due to inaction.

Court's Decision:

1. **Reversal of Lower Court Decisions:** The Supreme Court found reversible error in dismissing the Petition for Review without a full hearing on the alleged fraud. It emphasized the necessity of allowing the presentation of evidence on actual fraud.

2. **Land in Military Reservation/ Forest:** The Court recognized that if proven that the land was within military reservation or public forest, it could not have been the object of cadastral proceedings or registration, as it would be a mistake in jurisdiction.

3. **Government Not Estopped:** It reiterated that the State cannot be estopped by neglect or mistakes of its agents. The Court emphasized the public interest and government responsibility in overseeing land titles.

Doctrine:

- The State cannot be estopped by the inaction of its agents in matters of public patrimony and land titles.

- Sec. 38, Act No. 496 permits review of a decree obtained by fraud, as long as evidence of extrinsic fraud can be warranted.

Class Notes:

- **Extrinsic Fraud:** Involves deceit preventing fair trial participation and is grounds for reopening judgments.

- **Public Land Limitations:** Lands within military reserves or public forests are restricted from being converted to private ownership under cadastral proceedings.

- **Estoppel Against Government:** The government is not easily estopped in land title matters, highlighting its role in protecting national lands.

Historical Background:

This case illustrates post-WWII land disputes involving former U.S. Military reservations in the Philippines and government efforts to rectify land titles. It shows the transition in land management to the Republic after military and foreign uses.