

PETRON GASUL LPG DEALERS ASSOCIATION AND TOTALGAZ LPG DEALERS ASSOCIATION, PETITIONERS, VS. ELENA LAO, IMELDA LAO, POMPIDOU GOLANGCO, JEREMY WILSON GOLANGCO, CARMEN CASTILLO, AN...

G.R. No. 205010. July 18, 2016

Ponente: DEL CASTILLO, J.

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DEL CASTILLO, J.:

Assailed in this Petition for Review on Certiorari is the April 16, 2012 Decision[1] of the Court of Appeals (CA) in CA-GR. CV Nos. 88723 and 89313. The CA partially granted the appeal by setting aside the December 29, 2005 Resolution[2] and May 22, 2006 Order[3] of the Regional Trial Court of La Trinidad, Benguet, Branch 8 (RTC-La Trinidad) which granted the Motions to Quash Search Warrant (SW) Nos. 05-70 and 05-71 against Zenaida Co, Wilson Tan, Wilbert Tan, Norma Yao, Lino Sandil, Hemiogenes Pacheco and/or occupants of Benguet Gas Corporation (Benguet Gas); but affirmed the December 29, 2005 Resolution[4] and March 30, 2006 Order[5] of the RTC-La Trinidad which granted the Motions to Quash SW Nos. 05-72 and 05-73 against Elena Lao, Imelda Lao, Pompidou Golangco, Jeremy Wilson Golangco, Carmen Castillo and/or occupants of Baguio Gas Corporation (Baguio Gas) for violation of Section 2(a),[6] in relation to Sections 3(c)[7] and 4[8] of Batas Pambansa Bilang 33 (BP 33),[9] as amended, and for violation of Section 2(c),[10] in relation to Section 4 of BP 33, as amended. Also assailed is the December 12, 2012 CA Resolution[11] denying the Motion for Partial Reconsideration of its April 16, 2012 Decision.

Factual Antecedents

In his separate Affidavits[12] dated May 19, 2005, Darwin Lising (Using), Supervising Agent of the National Bureau of Investigation-Cordillera Administrative Region (NBI-CAR), stated that on March 1, 2005, Atty. Genesis Adarlo (Atty. Adarlo), counsel of private complainants LPG Dealers Associations (Shellane Dealers Association, Inc., Petron Gasul Dealers Association, Inc., Totalgaz Dealers Association, Inc. and Caltex Starflame LPG Dealers Association) requested assistance from NBI-CAR. for the investigation and if necessary, the prosecution of persons and/or establishments in the Cordillera and Mountain Province engaged in illegal trade of petroleum products and/or sale of underfilled liquefied petroleum gas (LPG) or possession of underfilled LPG cylinders in violation of BP 33, as amended.[13]

Lising averred that upon his verification, among the suspected persons and/or establishments that violated BP 33, as amended, were Benguet Gas, is located at Km. 14, Caponga, Tublay, Benguet, and Baguio Gas, which is located at Km. 3, Naguilian Road, Irisan, Baguio City; based on their Articles of Incorporation[14] and General Information Sheet[15] respectively, Benguet Gas is majority-owned and controlled by Zenaida Co, Wilson Tan, Wilbert Tan, Norma Yao, Lino Sandil and Hermogenes Pacheco (Benguet Gas owners); while Baguio Gas is majority-owned and controlled by Elena Lao, Imelda Lao, Pompidou Golangco, Jeremy Wilson Golangco and Carmen Castillo (Baguio Gas owners).

Lising also averred that Atty. Adarlo certified that Benguet Gas and Baguio Gas were not authorized to refill LPG cylinders bearing the brands of Pilipinas Shell Petroleum Corporation, Petron Gasul Corporation, Total (Philippines) Corporation/Superkalan Gaz Corporation, and Caltex (Philippines), Inc.[16] He added that for several days in March 2005, he and other NBI-CAR operatives, particularly, Security Officer I William A. Fortea (Fortea), conducted surveillance on Benguet Gas and Baguio Gas. On April 1, 2005, he and Fortea brought empty LPG cylinders with assorted brands and executed "test-buy" operations in both Benguet Gas and Baguio Gas. He confirmed that he witnessed the actual refilling of these tanks by the Benguet Gas employees for a total consideration of P3,300.00; and by the Baguio Gas employees for P3,650.00.

Upon purchase of said illegally refilled LPG tanks, Lising and Fortea brought and marked them in their office. Lising also asserted that such tanks were underfilled and had fake seals. He added that after the initial test-buy, the NBI-CAR conducted further surveillance and investigation on Benguet Gas' and Baguio Gas' illegal activities from the third week of April 2005 up to the second week of May 2005.

On May 19, 2005, on behalf of the People of the Philippines, Lising filed with the RTC-La Trinidad separate Applications[17] for Search Warrant (SW) against Benguet Gas and its owners; and Baguio Gas and its owners (respondents) for illegal trade of LPG products, and underfilling of LPG products and/or possession of underfilled LPG cylinders. He affirmed that Benguet Gas and Baguio Gas were respectively in control of the following items being utilized, kept, displayed and/or stored at their respective premises:

A)

Empty/filled Fifty Kilogram (50 Kg.) and/or Twenty-Two Kilogram (22 Kg.) and/or Eleven Kilogram (11 Kg.) and/or Five and 5/10 Kilogram (5.5 Kg.) and/or Two and 7/10 Kilogram (2.7 Kg.) [LPG] cylinders being used and/or intended to be used for the illegal trading of LPG products, i.e., refilling of the branded LPG cylinders enumerated hereunder without the written authorization of their respective companies, [and for the underfilling beyond authorized limits of LPG products for the purpose of sale, distribution, transportation, exchange or barter][18] more particularly described as follows:

(a)

Empty/filled Shellane 50 Kg. and/or 11 Kg. LPG cylinders owned by Pilipinas Shell Petroleum Corporation;

(b)

Empty/filled Petron Gasul 50 Kg. and/or 11 Kg. LPG cylinders owned by Petron Corporation;

(c)

Empty/filled Petron Gasulette 2.7 Kg. LPG cylinders owned by Petron Corporation;

(d)

Empty/filled Totalgaz 50 Kg. and/or 22 Kg. and/or 11 Kg. LPG cylinders owned by Total (Philippines) Corporation;

(e)

Empty/filled Superkalan Gaz 2.7 Kg. LPG cylinders owned by Superkalan Gaz Corporation; and

(f)

Empty/filled Caltex Starflame 50 Kg. and/or 11 Kg. LPG cylinders owned by Caltex Philippines, Inc.;

B)

Machinery and/or equipment, such as but not limited to, LPG bullet tanks, LPG filling heads, LPG filling scales, LPG seals bearing the marks of the abovementioned companies, compressors, pumps, electric switches, and/or panel boards, being used or intended to be used for the illegal trading [and for the underfilling beyond authorized limits x x x for the purpose of sale, distribution, transportation, exchange or barter][19] of the abovementioned LPG cylinders owned by the aforementioned companies;

C)

Invoices, ledgers, journals, delivery receipts, official receipts, purchase orders, cash and/or check vouchers, counter-receipts, and all other books of accounts and/or documents showing the illegal trading [and the underfilling beyond authorized limits x x x for the purpose of sale, distribution, transportation, exchange or barter][20] of the abovementioned LPG cylinders owned by the aforementioned companies; and

D)

Delivery vehicles, tanker tony, and/or conveyances being used or intended to be used for the illegal trading of the abovementioned LPG cylinders owned by the aforementioned companies;[21] [and for the underfilling beyond authorized limits of the above-mentioned LPG cylinders owned by the aforementioned companies for the purpose of sale, distribution, transportation, exchange or barter].[22]

Moreover, Lising declared that his SW Applications with the RTC-La Trinidad included Baguio Gas even if it is located in Baguio City because of "compelling reasons of urgency, subject, time, and place." Using explained that a) time is of essence here as the volume of LPG cylinders being illegally refilled by Baguio Gas reflected the capacity of its facilities to perpetrate illegal acts resulting to unhampered illegal trade of LPG and unhampered underfilling of LPG products or possession of underfilled LPG cylinders for the purpose of sale, distribution, exchange or barter; b) the brisk sales of LPG cylinders may result in the depletion of stocks, leaving nothing to be seized if an SW will be eventually issued but at a later date; and, c) the immediate hearing on and issuance of SW are precautions against possible leakage of information to Baguio Gas.

On May 19, 2005, the RTC-La Trinidad issued SW Nos. 05-70 and 05-71[23] against Benguet Gas and its owners; and SW Nos. 05-72 and 05-73[24] against respondents. It ordered Lising to make an immediate search on the above-described premises, and seize the personal properties subject of the SWs.

On May 20, 2005, Lising served upon Benguet Gas and its owners, and respondents the corresponding SWs against them. On the same day, he submitted to the RTC the respective Consolidated Returns[25] and Inventory Sheets[26] relating to the SWs. The Inventory Sheets revealed that the following were the items seized from Benguet Gas:

- 1) Gas Compressor - 1 unit
- 2) Pump Motor - 1 unit
- 3) Hydraulic Operator - 1 unit
- 4) Filling Scale - 4 unit[s]
- 5) Filling Heads with Hose - 4 pieces
- 6) Otex weighing Scale 100 Kg - 1 unit
- 7) Air Compressor (Vespa) 1.5 HP - 1 unit
- 8) Air Compressor (Vespa) 2.0 HP - 1 unit

Tampered Cylinders

- 1) Shell 11 Kg - 9 [Empty]
- 2) Caltex 11 Kg - 9 [Empty]
- 3) Caltex 22 Kg - 1 [Empty]

- 4) GasulKg - 1 [Empty]
- 5) Caltex 11 Kg - 1 (Filled)

Grinded Nameplates - 11 Kgs - 9 cylinders[27]

On the other hand, the items seized from Baguio Gas were as follows;

- 2 Units Wt. Scale w/o S/N Akiba
- 8 Units Wt. Scale No Brand Name w/o S/N
- 1 Unit Corken gas Compressor w/ S/N WC29794
- 2 Units Blackmer LPG Pump w/ SN - 2526 & BX110252 respectively
- 1 Unit Truck (Mitsubishi Canter) w/ P/N AHF 968
- 2 Units Pump Motor - US Electrical Frame# 213T
- Fuji Electric Co. Frame 1325
- 3 Units Weitex Toledo Wt. Scale - S/N 6844, 11444, & 18058 respectively
- 1 Unit Air Compressor, Quincy, Color Blue
- 100 Gasul Cylinders
- 20 Shellane Cylinders
- 15 Caltex Cylinders
- 1 Spare Tire 7.50 x 15 for Mitsubishi Canter PN # AHF968[28]

Lising also filed with the RTC-La Trinidad Motions[29] for Temporary Custody of the Seized Items alleging that the seized items were flammable, combustible and hazardous by nature, and the RTC and/or NBI-CAR were incapable of storing them. On May 23, 2005, the RTC-La Trinidad granted[30] Lising's Motions and ordered that the seized items be stored at the warehouse of Asephil Manufacturing Corporation in Antipolo deputizing the NBI-CAR to be responsible for its custody. It noted that such items shall remain in custodia legis subject to the control of the RTC-La Trinidad.

Thereafter, Benguet Gas and its owners, and respondents respectively moved for the quashal of the SWs against them.[31]

According to Benguet Gas and its owners, there existed no probable cause for the issuance of SWs against them; such SWs failed to describe with particularity the place to be searched and the items to be seized; and the transfer of the seized items to another place will cause their deterioration resulting to business losses and inconvenience.

Meanwhile, respondents argued that the offenses imputed against them were committed outside the RTC-La Trinidad's territorial jurisdiction, and there is no showing of any compelling reason that would warrant the issuance of SWs against them. They further contended that the SWs were not supported by probable cause and that they failed to describe with particularity the place to be searched and the items to be seized.

On December 29, 2005, the RTC-La Trinidad granted the respective Motions to Quash SWs filed by Benguet Gas and its owners, and by respondents.

Lising and private complainants appealed.

On April 16, 2012, the CA partially granted the consolidated appeal, the dispositive portion of its Decision reads:

WHEREFORE, in view of the foregoing premises, the consolidated appeal is PARTIALLY GRANTED, thus:

1. We hereby REVERSE and SET ASIDE the Resolution dated 29 December 2005 of the Regional Trial Court of La Trinidad, Benguet, Branch 8 granting the Motion to Quash Search Warrant Nos. 05-70 and 05-71 and its Order dated 22 March 2006 denying complainants-appellants' Motion for Reconsideration. Accordingly, Search Warrant Nos. 05-70 and 05-71 are hereby REINSTATED.

2. We AFFIRM the Resolution dated 29 December 2005 of the Regional Trial Court of La Trinidad, Benguet, Branch 8 granting the Motion to Quash Search Warrant Nos. 05-72 and 05-73 and its Order dated 30 March 2006 denying complainants-appellants' Motion for Reconsideration-Complainants-appellants are hereby ordered to return to respondents-appellees Elena Lao, Imelda Lao, Pompidou Golangco, Jeremy Wilson Golangco, Carmen Castillo and/or occupants of Baguio Gas Corporation the items and equipment seized under Search Warrant Nos. 05-72 and 05-73.

No costs.

SO ORDERED.[32]

The CA held that considering that the RTC-La Trinidad initially ordered the issuance of SWs against Benguet Gas and its owners, then there is probable cause, or such good and sufficient reason to believe that violation of BP 33 had been committed in the place sought to be searched. It added that it is rather unusual for the court to later on claim that its searching questions on Lising and his witness were not exhaustive enough. It also declared that the items to be seized were sufficiently described as circumstances would allow and the SWs were issued in relation to specific offenses indicated in each warrant.

However, the CA was unconvinced that there was any compelling reason for RTC-La Trinidad to issue SWs against respondents as Baguio Gas is located outside its jurisdiction, Echoing the RTC-La Trinidad's quashal of SWs against respondents, the CA noted that Lising received Atty. Adarlo's complaint on March 1, 2005; the test-buy was conducted on April 1, 2005; and the SW applications were filed on May 19, 2005. It held that these circumstances disproved that there was any urgency on the SW applications against respondents. It added that the supposed influence of Baguio Gas in Baguio City is inconsequential as the SW applicants themselves admitted that Baguio Gas is influential not only in Baguio City but in the whole of Benguet Province.

On December 12, 2012, the CA denied Using and private complainants' Motion for Partial Reconsideration.

Issue

Hence, Petron Gasul LPG Dealers Association and Totalgaz LPG Dealers Association (petitioners) filed this Petition raising the sole ground as follows:

THE, COURT OF APPEALS MADE A DECISION NOT IN ACCORD WITH THE: 2000 RULES ON CRIMINAL PROCEDURE x x x AND THE APPLICABLE DECISIONS OF THE HONORABLE COURT WHEN IT RULED THAT THERE ARE NO 'COMPELLING REASONS' TO JUSTIFY THE APPLICABILITY OF SECTION 2 (B) OF RULE 126 OF THE RULES.[33]

Petitioners' Arguments

Petitioners concede that Baguio Gas is outside the territorial jurisdiction of the RTC-La Trinidad; however, they maintain that there are compelling reasons that will justify the issuance of SWs against respondents. They also stress that even after the test-buy or from the third week of April 2005 until the second week of May 2005, the NBI-CAR conducted additional surveillance and investigation to validate their April 1, 2005 test-buy operation on respondents. They argue that after the completion of the gathering of the evidence, the NBI-CAR was pressed for time to file the SW applications and to enforce the SWs against respondents.

Petitioners further claim that the immediate hearing on and issuance of SWs were precautions taken since the possibility of information leakage to Baguio Gas is foreseeable and imminent because of its influence and pervasive connections in Baguio City and the entire Benguet Province.

Respondents' Arguments

For their part, respondents counter that there is no valid justification why the SW applications against them were filed before RTC-La Trinidad and not in Baguio City. They also argue that during the hearing, Lising failed to prove that respondents' wealth and influence fall within the "compelling reasons," which would support such issuance of SWs.

In addition, respondents state that contrary to Lising's position, the seized items are bulky and may not be easily moved or sold briskly. They also aver that the seized items are not illegal by themselves but are equipment necessary for the conduct of respondents' business. They likewise allege that the possible information leakage was not shown to factually exist.

Finally, respondents reiterate that considering the length of time between the test-buy and the SW applications, there appears no urgency of time as would amount to compelling reason for the issuance of SW against them.

Our Ruling

The Court grants the Petition.

A search warrant (SW) is defined as a written order issued in the name of the People of the Philippines, signed by a judge, and directed to a peace officer commanding him to search for the personal property described therein and bring it to the court.[34]

In *Malaloan v. Court of Appeals*, [35] the Court held that the requisites, procedure and purpose for SW issuance are totally different from those of a criminal action. It stressed that the application for and issuance of a SW is not a criminal action but a judicial process, more particularly, a special criminal process designed to respond to an incident in the main case, if one has been instituted, or in anticipation thereof. The power to issue SW is inherent in all courts, such that the power of courts to issue SWs where the place to be searched is within their jurisdiction is not intended to exclude other courts from exercising the same power.

In addition, SW shall be issued only upon probable cause personally determined by the judge after examination under oath or affirmation of the complainant and the witnesses he may produce, and particularly describing the place to be searched, and the persons or things to be seized.[36] In turn, probable cause for SW refers to such "facts and circumstances which would lead a reasonably discreet and prudent man to believe that an offense has been committed and that the objects sought in connection with the offense are in the place to be searched." [37]

In its separate Orders dated May 19, 2005, the RTC-La Trinidad found probable cause in the SW applications after conducting a hearing in relation thereto, hence it granted the applications. In these Orders, the RTC-La Trinidad expressly declared that there are sufficient reasons to believe that the alleged offenses were committed and that respondents were in possession of the subject personal properties.[38] Similarly, the CA found that there is probable cause for the SWs when it sustained the SWs against Benguet Gas. Worth noting is that it only affirmed the quashal of the SWs against respondents on the ground that they were defective for the supposed failure to establish compelling reasons supporting the SW applications in a court not having jurisdiction over the place where a crime was committed.[39]

Hence, there is no dispute that in this case, both the RTC-La Trinidad and the CA found that there exists probable cause that respondents had committed an offense and that the objects used in committing the offense are in the place to be searched. Consequently, the only issue for resolution is whether there is any compelling reason warranting the RTC-La Trinidad's issuance of SW on respondents, whose business presence is in Baguio City, not in La Trinidad.

In this regard, Section 2 of Rule 126 of the Rules of Court provides for the proper court where an SW application

shall be filed, to wit:

Section 2. Court where application for search warrant shall be filed. — An application for search warrant shall be filed with the following:

- a) Any court within whose territorial jurisdiction a crime was committed.
- b) For compelling reasons stated in the application, any court within the judicial region where the crime was committed if the place of the commission of the crime is known, or any court within the judicial region where the warrant shall be enforced.

x x x x

The foregoing provision is clear. Generally, the SW application must be filed with the court which has territorial jurisdiction over the place where the offense was alleged to be committed. This, however, is not an iron-clad rule. For compelling reasons, which must be expressly stated in the application, an SW application may be filed in a court other than the one having jurisdiction over the place where the purported offense was committed and where the SW shall be enforced.[40]

In this case, Using cited the foregoing compelling reasons on why the two separate SW applications against respondents were filed with the RTC-La Trinidad instead in RTC-Bagui City, to wit:

4.1. The 'compelling reasons of urgency, subject, time and place' in the instant application[s] are:

- (a) Time is absolutely of the essence in the case.

As attested to by [Lising] and his witness [Fortea] in their attached affidavits, the volume of the LPG cylinders being illegally refilled by the respondents reflects the capacity of respondents' facilities to perpetrate their unauthorized and illegal acts. Respondents' continued and unhampered acts of illegally tracing LPG products, in violation of Section 2 (a), in relation to Sections 3 (c) and 4, of BP 33, as amended; [and of underdelivery or underfilling of LPG products or possession of underfilled LPG cylinders for the purpose of sale, distribution, transportation, exchange or baiter, in violation of Section 2 (c), in relation to Section 4, of BP 33, as amended[,] will result in the unabated and unhampered endangerment of consumers, deprivation of business from the legitimate LPG industry players, and denial of payment of proper taxes to the government.

(b) Time brisk sales of the subject LPG cylinders might result in the depletion of available stocks, leaving nothing to be seized in case a search warrant be issued but on a later date.

(c) The immediate hearing on and issuance of the search warrant applied for are precautions against possible leakage of information to respondents.[41]

We find that the above-cited portions of the SW applications satisfactorily comply with the required statement of compelling reasons on why they were filed in RTOLa Trinidad and not in a court in Bagui City, Nonetheless, in quashing the SWs against respondents, the RTC-La Trinidad, ruled that these stated reasons in the applications were not compelling because:

x x x There is no urgency of time as the affidavit of the applicant states that his office received the letter-complaint of the lawyers of LPG Dealers Association on March 1, 2005. They conducted surveillance on the property of the respondents from that time on until they conducted a test-buy on April 1, 2005, Yet it was only on May 19, 2005 that they applied for a search warrant. Where now is the urgency of time when the search warrant was filed more than two months after the applicant received the letter-complaint?[42]

We do not agree with the pronouncement of the RTC-La Trinidad for the following reasons:

First, in his Affidavit attached to the SW applications, Lising explicitly stated that after the April 1, 2005 test-buy,

additional surveillance and investigation were made on respondents, viz.:

12. To further validate the aforementioned illegal activities, the NBI- CAR conducted additional surveillances and investigations from the third week of April 2005 to the second week of May 2005. As expected, the illegal trading and underfilling [activities] of Baguio Gas remained unhampered. A copy of the photograph of Baguio Gas taken during the additional surveillance and investigation is hereto attached. x x x

13. After the conduct of the numerous surveillance and investigation proceedings, and taking into consideration all the evidence at hand, I have every reasonable ground to believe that Baguio Gas is indeed engaged in the illegal trading of LPG products, in violation of BP 33, as amended.[43] (Emphasis supplied)

Second, the searching questions and answers thereto show that Lising, and his witness (Forteza) explained the gap between the test-buy made on April 1, 2005 and the filing of the SW applications on May 19, 2005. They testified that after the test-buy, further surveillance and investigation were conducted against persons and/or entities suspected to be engaged in the illegal trade and underfilling of LPG products, and/or possession of underfilled LPG cylinders. Lising declared that:

Q-

So all of these - from what I gather, all of these transactions were conducted in one day?

A-

Yes, your honor. April 1, your honor, but we conducted surveillance on different dates before April 1 and after April 1.

Q-

And were they still selling prior [to] and after your own transactions?

A-

Yes, your honor.

Q-

And usually, are there a lot of customers [y]ou see [there] in all of these?

A-

Yes, your honor.[44] (Emphasis supplied)

Forteza corroborated Lising's testimony in this manner:

Q-

So you said that you helped in the surveillance. When was the surveillance conducted?

A-

First week of March, third week of April and second week of May, your honor.

Q-

But you made your purchase April 1[st] 2005?

A-

Yes, your honor.[45] (Emphasis supplied)

As properly argued by petitioners, the urgency of time here refers to urgency to secure and enforce the SWs against respondents, Credence should thus be given to the fact that, as above discussed, immediately after the gathering and completion of evidence, NBI-CAR operatives were pressed for time to file the SW applications.

To reiterate, both Lising and Fortea pointed out that further surveillance and investigation were conducted even after the test-buy; as such, the RTC-La Trinidad and the CA erred in using April 1, 2005 as the reckoning point to determine the urgency of the SW issuance. This is because from April 1, 2005 up to second week of May 2005 the evidence was still being gathered, assessed and completed, and after which, the filing of the SW applications were immediately made on May 19, 2005.

The period of time between the test-buy and the filing of the applications does not by itself negate the strength of the applicant's allegations or his testimony, including that of his witness. It even strengthens the case as it shows that thorough investigations were first made so that the applications would not just be filed hastily without first obtaining sufficient evidence in support of the probable cause necessary for the issuance of SWs.

Third, in issuing SW, the court must consider the subject, the time and the place of its enforcement. When the RTC-La Trinidad initially granted SWs applications against respondents, the same was based on its sound judicial discretion, taking into consideration that there are indeed compelling reasons which convinced it that SWs must be issued even if the place where they shall be enforced is outside of its jurisdiction.[46]

In *People v. Chlu*,^[47] the Court sustained the issuance of SW against therein appellant even if the SW was issued by RTC Pasay, and not RTC-Quezon City, which has jurisdiction over the place where the SW would be enforced. Among the compelling reasons enumerated therein were the possibility of appellant's removal of the subject items therein, and the possibility that SW application may come to the knowledge of appellant and his co-accused rendering its enforcement a useless effort.

The foregoing reasons, aside from the above-discussed urgency of time, were also cited as compelling reasons in this case. The Court reiterates that RTC-La Trinidad took cognizance of and initially granted the SWs against respondents based on its determination of probable cause as well as its finding of compelling reasons in the applications. To our mind, to later on quash the SWs on the ground that the applicant failed to prove compelling reasons is a mere afterthought and cannot defeat its initial finding that there are indeed good and sufficient justifications for the SWs against respondents.

Simply put, to quash SW Nos. 05-72 and 05-73 against respondents on a belated view that no compelling reason was established, is to disregard established facts, which facts include - the required statement of compelling reasons in the applications; Lising's Affidavit and the searching questions and answers supporting this statement; and, the RTC-La Trinidad's own finding of probable cause and compelling reasons in its initial grant of SWs against respondents. When it reversed itself, the RTC-La Trinidad ignored clear dictates of reason;^[48] therefore, its quashal of the SWs against respondents cannot be sustained.

Given these, the CA erred in affirming the RTC-La Trinidad Orders granting the Motion to Quash SW Nos. 05-72 and 05-73 against respondents.

WHEREFORE, the Petition is GRANTED. The April 16, 2012 Decision and December 12, 2012 Resolution of the Court of Appeals in CA-G.R. CV Nos. 88723 and 89313 are REVERSED and SET ASIDE insofar as they affirmed the December 29, 2005 Resolution and March 30, 2006 Order of the Regional Trial Court, La Trinidad, Branch 8 granting the Motion to Quash Search Warrant Nos. 05-72 and 05-73 against Elena Lao, Imelda Lao, Pompidou Golangco, Jeremy Wilson Golangco, Carmen Castillo and/or occupants of Baguio Gas Corporation. Accordingly, Search Warrant Nos. 05-72 and 05-73 are REINSTATED.

SO ORDERED.

Carpio, (Chairperson), and Leonen, JJ., concur.

Brion, J., on leave.

Mendoza, J., on official leave.

[1] CA rollo, Vol. II, pp. 316-344; penned by Associate Justice Elihu A. Ybañez and concurred in by Associate Justices Celia C. Librea-Leagogo and Ramon A. Cruz.

[2] Records, Vol. I, pp. 105-106; penned by Presiding Judge Marybelle L. Demot Mariñas.

[3] Id. at 125.

[4] Records, Vol. II, pp. 207-208.

[5] Id. at 245.

[6] Sec. 2. Prohibited Acts. — The following acts are prohibited and penalized:

[7] Sec. 3. Definition of terms. — For the purpose of this Act, the following terms shall be construed to mean;

"Illegal trading in petroleum and/or petroleum products" —

x x x x

(c) Refilling of liquefied petroleum gas cylinders without authority from said Bureau, or refilling of another company's or firm's cylinders without such company's or firm's written authorization;

[8] Sec. 4. Penalties. — Any person who commits any act herein prohibited shall, upon conviction, be punished with a fine of not less than [two] TWENTY thousand pesos (P20,000) but not more than [ten] FIFTY thousand pesos [(P50,000)], or imprisonment of at If ast two (2) [months] YEARS but not more than [one (1)] FIVE: (5) years, or both, in the discretion of the (joint. IN CASES OF SECOND AND SUBSEQUENT CONVICTION UNDER THIS ACT, THE PENALTY SHALL BE BOTH FINE AND IMPRISONMENT AS PROVIDED HEREIN. Furthermore, the petroleum and/or petroleum products, subject matter of the illegal trading, ADULTERATION, SHQRTSELLING, hoarding, overpricing [and] OR misuse, shall be forfeited in favor of the Government: Provided, That if the petroleum and/or petroleum products have already been delivered and paid for, THE OFFENDED PARTY [the payment made] shall be INDEMNIFIED TWICE THE AMOUNT PAID [the subject of forfeiture], and if the seller who has not yet delivered has been fully paid, the price received shall be returned to the buyer WITH AN ADDITIONAL AMOUNT EQUIVALENT TO SUCH PRICE; and in the addition, if the offender is [a trader] AN OIL COMPANY, MARKETER, DISTRIBUTOR, REFILLER, DEALER, SUB-DEALER AND OTHER RETAIL OUTLETS, OR HAULER, the cancellation of his license.

x x x x

[9] An Act Defining and Penalizing Prohibited Acts Inimical to the Public Interest and National Security Involving Petroleum and/or Petroleum Products, Prescribing Penalties Therefor and for Other Purposes, promulgated on June 6, 1979.

[10] Sec. 2. Prohibited Acts. — The following acts are prohibited and penalized:

x x x x

(c) Underdelivery or underfilling beyond authorized limits in the sale of petroleum products or possession of

underfilled liquefied petroleum gas cylinder for the purpose of sale, distribution, transportation, exchange or barter;

x x x x

[11] CA rollo, Vol. II, pp. 383-386.

[12] Records, Vol. I, pp. 7-9, 19-21; Vol. II, pp. 7-9, 19-21.

[13] Id. at 26-27.

[14] Records, Vol. I, pp. 34-35.

[15] Records, Vol. II, pp. 32-33.

[16] Records, Vol. I, p. 48; Vol. II, p. 35.

[17] Records, Vol. I, pp. 1-3, 13-15; Vol. II, pp. 1-3, 13-15.

[18] Records, Vol. I, p. 13; Vol. II, p. 13.

[19] Id. at 14.

[20] Id.

[21] Records, Vol. I, pp.1-2; Vol. II, pp. 1-2.

[22] Id. at 14.

[23] Records, Vol. I, pp. 58-61; penned by Presiding Judge Marybelle L. Demot Mariñas.

[24] Records, Vol. II, 45-48.

[25] Records, Vol. I, pp. 62-64; Vol. II, pp. 49-51.

[26] Records, Vol. I, pp. 69-70; Vol. II, p. 69-70.

[27] Records, Vol. I, p. 69.

[28] Records, Vol. II, p. 57.

[29] Records, Vol. I, pp. 62-63; Vol. II, pp. 49-50.

[30] Records, Vol. I, pp. 73-74; Vol. II, pp. 60-61.

[31] Records, Vol. I, pp. 77-82; Vol. II, pp. 70-94.

[32] CA rollo, Vol. II, pp. 342-343.

[33] Rollo, p. 51.

[34] RULES OF COURT, Rule 12.6

Section 1. Search warrant defined. - A search warrant is an order in writing issued in the name of the People of the Philippines, signed by a judge and directed to a peace officer, commanding him to search for personal property described therein and bring it before the court. (1)

[35] G.R. No. 104879, May 6, 1994, 232 SCRA 249, 356-257, 261.

[36] Section 2, Article III, 1987 Philippine Constitution

Section 2. x x x no search warrant or warrant of arrest shall issue except upon probable cause to be determined personally by the judge after examination under oath or affirmation of the complainant and the witnesses he may produce, and particularly describing the place to be searched and the persons or things to be seized.

[37] Yao, Sr. v. People, 552 Phil. 195, 212 (2007).

[38] Records, Vol. II, pp. 45-48.

[39] CA rollo, Vol. II, p. 339.

[40] Pilipinas Shell Petroleum Corporation v. Romars International Gases Corporation, G.R. No. 189669, February 16, 2015, 750 SCRA 547, 554-555.

[41] Records, Vol. II, pp. 2-3, 14-15.

[42] Id. at 208.

[43] Id. at 8-9, 20-21.

[44] TSN, May 19, 2005, p. 10.

[45] Id. at 11.

[46] People v. Chiu, 468 Phil. 183, 198 (2004).

[47] Id. at 198-199.

[48] See Yao, Sr. v. People, supra note 37 at 218.

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