# *Hunt, creditors spar over mineral rights in crumbling empire*

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— Terry Bell
attorney for Manufacturers Hanover Trust Co.

BY SCOTT WILLIAMS
Fort Worth Star-Telegram

DALLAS — Six months after losing a fortune in one of the largest personal bankruptcies ever, fallen Texas oil tycoon Nelson Bunker Hunt is back in court, fighting for the rights to any unexplored minerals remaining in his former empire.

In a dispute waged in Dallas federal court, Hunt and his creditors are squabbling over an earlier agreement that gave the ex-billionaire an opportunity to recoup some of his lost wealth.

The agreement — part of an out-of-court settlement in Hunt's Chapter 11 bankruptcy case — established a 50-50 split between Hunt and his creditors on the former oil magnate's unexercised claims to underground minerals on property that includes the Circle T Ranch in northeast Tarrant County.

Creditors say that because of conflicting interpretations, the court-approved arrangement has started unraveling in recent weeks. Hunt's interpretation, they contend, would return considerable wealth to the Dallas businessman.

"Suffice it to say, we didn't think that's what we were doing," said Claude Montgomery, an attorney for one of the creditors, the Hunt International Resources Corp. trust.

The creditors agreed six months ago to settle for a fraction of what they originally claimed Hunt owed them. So the potentially high-stakes dispute over mineral rights has brought both sides back before the presiding judge in the case.

"There are only so many dollars," said Terry Bell, an attorney for Manufacturers Hanover Trust Co., another Hunt creditor. "The more that goes to him, the less that comes to us."

The bankruptcy settlement reached last December required Hunt to relinquish $220 million in assets — most of what remained of a fortune once estimated at $1.4 billion. At the time, the 64-year-old Hunt said he was too old to try to rebuild his empire.

Through family members and attorneys, Hunt has declined to comment on the mineral rights dispute in recent weeks.

U.S. Bankruptcy Judge Harold Abramson has sealed most records of the dispute and has barred reporters from court hearings. Several attorneys involved said Abramson also has imposed a gag order prohibiting them from discussing the matter.

Jo Schneider, another attorney for Manufacturers Hanover Trust, likened the dispute with Hunt to one of the "little glitches or bumps" that sometimes develops in bankuptcy cases.

But, she added, "I take everything seriously when it involves money."

Mineral rights can yield profits in two ways: The property may be explored for underground oil, gas, coal or other minerals, or the rights themselves may be sold or leased.

Larry Richardson, a Hunt property manager for several years, said Hunt was "more sensitive" than most business people to the issue of mineral rights whenever completing a real estate deal.

Creditors said another reason they are concerned about Hunt's continued influence over the mineral rights is that it could complicate efforts to sell some former Hunt properties — including the Circle T Ranch, a site being considered for development in northeast Tarrant County.

The 2,000-acre ranch has twice attracted offers topping $30 million from would-be developers.

Jerry Janik, a Canadian developer who last year offered $37 million, said Hunt's 50-percent

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