Court / From Page 1

interest in the mineral rights has at least "nuisance value," because no developer would want to risk building on the ranch without buying out Hunt first.

Janik said his development plans ran into opposition among neighboring property owners and the deal fell through before the mineral rights became an issue.

"If it had been an issue," he noted, "we'd have raised it, and it might have been a deal-killer."

One of several reasons the Canadian dropped his offer was the question of whether Hunt would retain some control over the property, said Tom Matthews, a real estate broker who represented Janik.

"What's going to stop him from going and opening up a gravel pit out there?" Matthews said.

Texas law grants the holder of mineral rights greater autonomy than the owner of the property. If the ownership has been divided and the mineral rights owner wants to explore underground, the property owner must permit the exploration in most cases, said Carl Quisenberry, a Fort Worth oil and gas lawyer.

"The surface is subservient to the minerals," he added. "That's the major premise."

The court docket in Hunt's 2-year-old bankruptcy case indicates that numerous matters have been brought before the judge in the six months since the case was settled out of court. The mineral rights dispute first was brought to the judge's attention two months ago.

The agreement between Hunt and his creditors granted him 50 percent of the "net proceeds" from his interests in any mineral rights on property that was not producing minerals at the time.

Negotiations toward a settlement with Hunt were rushed by a court-imposed deadline, Bell contended, which led to some "non-traditional language" in the mineral rights provision.

"There just wasn't time to get all the details done," Bell said. "You can't think of everything. There were so many massive issues, this one was sort of left until later."

He declined to elaborate, citing the judge's gag order.

Hunt agreed in the out-of-court settlement to assume the expense of continuing to administer his mineral rights portfolio in exchange for half the profits, said Thomas Gorman, attorney for Minpeco S.A., a foreign minerals concern and another Hunt creditor.

The deal was attractive to creditors, Gorman said, because they did not have to invest anything and were guaranteed the other half of the profits.

"He was simply trying to salvage something that might be of value," Gorman said.