

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



MARK L. SHURTLEFF
ATTORNEY GENERAL

RAY HINTZE
Chief Deputy - Civil

RYAN MECHAM
Chief of Staff

KIRK TORGENSEN
Chief Deputy - Criminal

May 30, 2001

CERTIFIED MAIL

Clerk, U.S. Bankruptcy Court
Eastern District of Kentucky
Box 1111
Lexington, KY 40588-1111

Re: Lodestar Energy, Inc., Case No. 01-50969JMS
Lodestar Holdings, Inc., Case No. 01-50972JMS

Dear Sir or Madam:

This office represents the State of Utah, Division of Oil, Gas and Mining, in the above bankruptcy matters. Enclosed for filing are the enclosed four items:

1. Notice of Appearance of Kurt E. Seel
2. Notice of Appearance of Thomas A. Mitchell
3. Proof of Claim for Permit No. ACT/007/001 in the amount of \$4,292,000.00 plus supporting documentation
4. Proof of Claim for Permit No. ACT/007/020 in the amount of \$711,000.00 plus supporting documentation

In order to receive back a file stamped copy, we have filed the Proof of Claims in triplicate and included a self-addressed, stamped envelope.

Outgoing
c/007/001
and c/007/020
Copy RAM

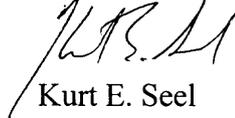
Page 2

Clerk, U.S. Bankruptcy court

May 30, 2001

Thank you for your assistance in this matter. If you have any questions, please contact me (801) 366-0508, or Tom Mitchell (801) 366-0398.

Very truly yours,



Kurt E. Seel

Assistant Attorney General, State of Utah

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enclosures

cc: Tom Mitchell, Assistant Attorney General

Lowell Braxton, DOGM

Mary Ann Wright, DOGM

Pam Grubaugh-Littig, DOGM

Gregory R. Schaaf, Greenebaum, Doll & McDonald, PLLC

Kurt E. Seel (#8374)
Assistant Attorney General
Mark L. Shurtleff (#4666)
Attorney General
Attorneys For State of Utah,
Division of Oil, Gas and Mining
160 East 300 South, 5th Floor
P.O. Box 140811
Salt Lake City, Utah 84114-0811
Telephone: (801) 366-0216

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY**

IN RE:)	
)	
LODESTAR ENERGY, INC.)	CASE NO. 01-50969
LODESTAR HOLDING, INC.)	CASE NO. 01-50972
)	
DEBTORS)	NOTICE OF APPEARANCE OF KURT E. SEEL

The undersigned, on behalf of the State of Utah, Division of Gas, Oil and Mining (DOGM), having filed DOGM's Proof of claims on or about May 30, 2001 now formally enters his appearance herein pursuant to local bankruptcy rule 1007-2 and hereby requests that all notices, pleadings and other actions taken and filed by any other parties in interest, including the Debtors, be sent to him.

DATED this 31st day of May, 2001.

MARK L. SHURTLEFF
UTAH ATTORNEY GENERAL
Kurt E. Seel
Assistant Attorney General



Attorneys for State of Utah, Natural
Resources Division

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF APPEARANCE together with a copy of the ADDENDUM TO MAILING LIST MATRIX to be mailed by first class mail, postage prepaid, this 31st day of May, 2001, to the following:

Gregory R. Schaff
Greenebaum Doll & McDonald PLLC
333 West Vine Street Suite 1400
Lexington KY 40507

Shelley Exeter

Kurt E. Seel (#8374)
Assistant Attorney General
Mark L. Shurtleff (#4666)
Attorney General
Attorneys For State of Utah,
Division of Oil, Gas and Mining
160 East 300 South, 5th Floor
P.O. Box 140811
Salt Lake City, Utah 84114-0811
Telephone: (801) 366-0216

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY**

IN RE:)	
)	
LODESTAR ENERGY, INC.)	CASE NO. 01-50969
LODESTAR HOLDING, INC.)	CASE NO. 01-50972
)	
DEBTORS)	ADDENDUM TO MAILING LIST MATRIX

The undersigned, on behalf of the State of Utah, Division of Gas, Oil and Mining,
pursuant to local rule 1007-2 hereby requests that he be added to the Mailing List Matrix in the
above entitled matter:

Kurt E Seel
Utah Assistant Attorney General
160 East 300 South 5th Floor
P O Box 140811
Salt Lake City UT 84114-0811

Kurt E Seel
Utah Assistant Attorney General
160 East 300 South 5th Floor
P O Box 140811
Salt Lake City UT 84114-0811

DATED this 31st day of May, 2001.

MARK L. SHURTLEFF
UTAH ATTORNEY GENERAL
Kurt E. Seel
Assistant Attorney General



Attorneys for State of Utah, Natural
Resources Division

Thomas A. Mitchell (#3737)
Assistant Attorney General
Mark L. Shurtleff (#4666)
Attorney General
Attorneys For State of Utah,
Division of Oil, Gas and Mining
160 East 300 South, 5th Floor
P.O. Box 140811
Salt Lake City, Utah 84114-0811
Telephone: (801) 366-0216

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY**

IN RE:)	
)	
LODESTAR ENERGY, INC.)	CASE NO. 01-50969
LODESTAR HOLDING, INC.)	CASE NO. 01-50972
)	
DEBTORS)	NOTICE OF APPEARANCE OF THOMAS A. MITCHELL

The undersigned, on behalf of the State of Utah, Division of Gas, Oil and Mining (DOGM) now formally enters his appearance herein pursuant to local bankruptcy rule 1007-2.

DATED this 3/ day of May, 2001.

MARK L. SHURTLEFF
UTAH ATTORNEY GENERAL
Thomas A. Mitchell
Assistant Attorney General

Attorneys for State of Utah, Natural
Resources Division

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF APPEARANCE to be mailed by first class mail, postage prepaid, this 31st day of

May, 2001, to the following:

Gregory R. Schaff
Greenebaum Doll & McDonald PLLC
333 West Vine Street Suite 1400
Lexington KY 40507

Shelley Exeter

UNITED STATES BANKRUPTCY COURT

Eastern District of Kentucky

Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 11 bankruptcy case concerning the debtor corporation listed below was filed on 03/30/01.

You may be a creditor of the debtor. This notice lists important deadlines. You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor (name and address):

Lodestar Energy, Inc., a Delaware Corporation

aka/dba:
333 W Vine St #1700
Lexington, KY 40507

Case Number:
01 - 50969 JMS

Taxpayer ID Nos.:
95-2623858

Attorney for Debtor (name and address):

Stephen D Lerner
312 Walnut St #3500
Cincinnati, OH 45202

Telephone number: 513 361-1200

Meeting of Creditors:

Date: June 6, 2001 Time: 03:00 pm Location: Office of US Trustee
Meeting of Creditors Room 807
100 E Vine St
Lexington, KY 40507-1406

Deadline to File a Proof of Claim

Proof of Claim must be received by the bankruptcy clerk's office by the following deadline:

Notice of that date will be sent at a later time.

******Proof of claim forms and attachments must be filed IN DUPLICATE******
To receive a file-stamped copy, file claim in triplicate and include
a self-addressed, stamped envelope.

Creditors May Not Take Certain Actions:

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

Address of the Bankruptcy Clerk's Office:

US Bankruptcy Court
PO Box 1111
Lexington, KY 40588-1111
Telephone number: (859) 233-2608

For the Court:

Clerk of the Bankruptcy Court:
Jerry D Truitt

Hours Open: Monday - Friday 8:30 AM to 4:30 PM

Date: 05/17/01

Case information 24 hours per day: VCIS 1-800-998-2650 or (859) 233-2650

Visit our website at www.kyeb.uscourts.gov for more information.

F I L E D

05/17/01

Clerk, U.S. Bankruptcy Court
Lexington, KY

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF KENTUCKY (LEXINGTON)		PROOF OF CLAIM
Name of Debtor Lodestar Energy, Inc., a Delaware Corporation		Case Number 01-50969
<p>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. §503</p>		
Name of Creditor (The person or other entity to whom the debtor owes money or property): STATE OF UTAH Name and Address where notices should be sent: STATE OF UTAH DIVISION OF OIL GAS & MINING P O BOX 14580 SALT LAKE CITY, UT 84114 Telephone Number:		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Account or other number by which creditor identifies debtor: Permit No. ACT/007/001		Check here if <input type="checkbox"/> replaces this claim <input type="checkbox"/> amends a previously filed claim, dated _____
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>Mine Reclamation obligation under Federal and State Coal Mining Reclamation Acts</u>		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. §1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ to _____ (date) (date)
2. Date debt was incurred: July 14, 1999		3. If court judgment, date obtained:
4. Total Amount of Claim at Time Case Filed: \$ _____ If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>Reclamation Agreement Surety Bond, Frontier Insurance Company, Surety</u> Value of Collateral: \$ _____ Value to Utah: \$4,292,000.00 Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$ 2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date 5/30/01	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): KURT E. SEEL, ASSISTANT ATTORNEY GENERAL	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

**** Proof of claim forms and attachments must be filed IN DUPLICATE****

To receive a file-stamped copy, file claim in triplicate and include a self-addressed, stamped envelope.

UNITED STATES BANKRUPTCY COURT
 Eastern District of Kentucky

Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 11 bankruptcy case concerning the debtor corporation listed below was filed on 03/30/01.

You may be a creditor of the debtor. **This notice lists important deadlines.** You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below. **NOTE:** The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor (name and address):

Lodestar Energy, Inc., a Delaware Corporation

aka/dba:
 333 W Vine St #1700
 Lexington, KY 40507

Case Number:
 01 - 50969 JMS

Taxpayer ID Nos.:
 95-2623858

Attorney for Debtor (name and address):
 Stephen D Lerner
 312 Walnut St #3500
 Cincinnati, OH 45202

Telephone number: 513 361-1200

Meeting of Creditors:

Date: June 6, 2001 **Time:** 03:00 pm **Location:** Office of US Trustee
 Meeting of Creditors Room 807
 100 E Vine St
 Lexington, KY 40507-1406

Deadline to File a Proof of Claim

Proof of Claim must be received by the bankruptcy clerk's office by the following deadline:

Notice of that date will be sent at a later time.

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 To receive a file-stamped copy, file claim in triplicate and include
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Address of the Bankruptcy Clerk's Office:
 US Bankruptcy Court
 PO Box 1111
 Lexington, KY 40588-1111
Telephone number: (859) 233-2608

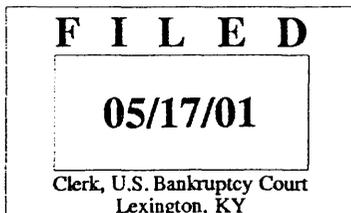
For the Court:
Clerk of the Bankruptcy Court:
 Jerry D Truitt

Hours Open: Monday - Friday 8:30 AM to 4:30 PM

Date: 05/17/01

Case information 24 hours per day: VCIS 1-800-998-2650 or (859) 233-2650

Visit our website at www.kyeb.uscourts.gov for more information.



UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF KENTUCKY (LEXINGTON)		PROOF OF CLAIM
Name of Debtor Lodestar Energy, Inc., a Delaware Corporation	Case Number 01-50969	  THIS SPACE IS FOR COURT USE ONLY
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. §503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property): STATE OF UTAH Name and Address where notices should be sent: STATE OF UTAH DIVISION OF OIL GAS & MINING P O BOX 14580 SALT LAKE CITY, UT 84114 Telephone Number:	<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Account or other number by which creditor identifies debtor: Permit No. ACT/007/020	Check here if <input type="checkbox"/> replaces this claim <input type="checkbox"/> amends a previously filed claim, dated _____	
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other <u>Mine Reclamation obligation under Federal and State Coal Mining Reclamation Acts</u>	<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. §1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ to _____ (date) (date)	
2. Date debt was incurred: July 14, 1999	3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>711,000.00</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input checked="" type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>Reclamation Agreement Surety Bond, Frontier Insurance Company, Surety</u> Value of Collateral: \$ _____ Value to Utah: \$711,000.00 Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____	6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$ 2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
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9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date 5/30/01	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>Kurt E. Seel, Assistant Attorney General</u>	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

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