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Settlement provides \$1.2M to reclaim Utah coal mine

The state has reached a settlement with The Renco Group Inc. and several of its creditors that will provide \$1.2 million to reclaim the Lodestar White Oak coal mine near Scofield in east central Utah.

An agreement announced by the Utah Division of Oil, Gas and Mining and the Utah Attorney General's Office will allow the division to continue a cleanup that began last year using \$1 million from an earlier insurance settlement.

The Utah project is part of a \$10 million settlement that The Renco Group and its creditors also reached with West Virginia and Kentucky for coal-mine reclamation obligations in those two states. Settlement talks were overseen by William Bishop, a bankruptcy court trustee liquidating two Renco Group subsidiaries, Lodestar Energy, Inc. and Lodestar Holding Inc., which went bankrupt in March 2001.

The Renco Group is controlled by Ira Rennert, a New York businessman who also has fought with the state and federal Bureau of Land Management over reclamation of the solar extraction ponds that Magnesium Corp. of America, formerly known as AMAX Magnesium, developed in the late 1980s off the west-desert pond created by the Great Salt Lake pumping project.

— Mike Gorrell