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Presentment Date: November 12, 2001
Time: 12:00 noon

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DIV. OF OIL, GAS & MINING

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
MAGNESIUM CORPORATION OF AMERICA, et al.,	:	**Case No. 01-14312 (REG)**
Debtors.	:	**(Jointly Administered)**

NOTICE OF PRESENTMENT OF ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE EXTENDING PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

PLEASE TAKE NOTICE that upon the annexed motion (the "Motion") of Magnesium Corporation of America ("Magcorp") and Renco Metals Inc. (together with Magcorp, the "Debtors"), the undersigned will present the proposed order pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules(s)"), annexed to the Motion as Exhibit "A," extending period within which Debtors may remove actions (the "Proposed Order"), before the Honorable Robert E. Gerber, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Room 627, The Alexander Hamilton Customs House, One Bowling Green, New York, New York 10004-1408, on November 12, 2001 at 12:00 noon.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Motion must be made in writing, shall conform to the Bankruptcy Rules and the Local Bankruptcy Rules for the Southern District of New York, shall set forth the name of the objecting party, the basis for the objection and the specific grounds therefore, and shall be filed with the Court, with a copy to Judge Gerber's chambers together with proof of service thereof, and shall be served in a manner so as to be received by (i) Chadbourne & Parke LLP, 30 Rockefeller Plaza, New York, New York 10112, Attn: Joseph H. Smolinsky, Esq., (ii) Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian S. Masumoto Esq., (iii) Willkie Farr & Gallagher, Attorneys for the Official Committee of Unsecured Creditors, 787 Seventh Avenue, New York, New York 10019, Attn: Alan J. Lipkin, Esq., and (iv) Otterbourg, Steindler, Houston & Rosen, P.C., Attorneys for Congress Financial Corporation, 230 Park Avenue, New York, New York 10169, Attn: Jonathan N. Helfat, Esq., no later than three (3) days before the date of presentment.

PLEASE TAKE FURTHER NOTICE that unless a written objection to the Proposed Order, with proof of service, is filed with the Clerk of the Court and a courtesy copy is delivered to Judge Gerber's chambers at least three (3) days before the date of presentment, there will not be a hearing and the Proposed Order may be signed.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely filed, the Court will notify the moving and objecting parties of the date and time of the hearing and of the moving parties' obligation to notify all other parties entitled to receive notice. The moving and objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

Date: New York, New York
October 29, 2001

CHADBOURNE & PARKE LLP

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Presentment Date: November 12, 2001
Time: 12:00 noon

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
MAGNESIUM CORPORATION OF AMERICA, et al.,	:	**Case No. 01-14312 (REG)**
Debtors.	:	**(Jointly Administered)**

DEBTORS' MOTION FOR AN ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE EXTENDING PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

TO: THE HONORABLE ROBERT E. GERBER, UNITED STATES BANKRUPTCY JUDGE

By their motion, Magnesium Corporation of America ("Magcorp") and Renco Metals, Inc. ("Metals," and together with Magcorp, the "Debtors") hereby move for the entry of an order (the "Proposed Order"), a copy of which is annexed hereto as Exhibit "A," pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rule(s)"), extending the period within which the Debtors may remove actions and in support thereof, respectfully represents as follows:

Introduction

1. On August 2, 2001 (the "Petition Date"), each of the Debtors filed with the Clerk of this Court a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

2. Since the Petition Date, the Debtors continue in the possession of their property and in the operation and management of their businesses as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On August 14, 2001, the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an official committee of unsecured creditors (the "Creditors' Committee") in these chapter 11 cases.[1] No trustee or examiner has been requested or appointed in these chapter 11 cases.

Jurisdiction and Venue

4. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Judges of the United States District Court for the Southern District of New York (Ward, Acting C.J.), dated July 10, 1984. The statutory predicate for relief sought herein is 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Bankruptcy Rules. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(O). Venue of the Debtors' chapter 11 cases and the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

[1] After the formation of the Committee, one of its members, Jeffries & Co., resigned. Pursuant to the Amended Appointment of Committee dated September 24, 2001, the U.S. Trustee appointed Conseco Capital Management to the Committee.

The Debtors' Businesses

5. Magcorp is a wholly owned subsidiary of Metals, a holding company which is itself wholly owned by The Renco Group, Inc. ("Group"). Magcorp is engaged in the production and sale of magnesium and magnesium alloys for customers throughout the world. Magcorp is the second largest producer of pure magnesium and magnesium alloys outside the Commonwealth of Independent States and People's Republic of China and the largest single producer of magnesium in the United States. In addition, due to the recent rise in energy prices in the western United States, Magcorp has been generating additional revenues from the generation and sale of power. Magcorp had aggregate sales in fiscal year 2000 of approximately $111 million.

Relief Requested

6. As of the Petition Date, the Debtors were party to approximately twenty civil actions pending in various forums (collectively, the "Prepetition Actions"). Pursuant to 28 U.S.C. § 1452, the time within which the Debtors may file a notice of removal with respect to the Prepetition Actions (the "Removal Period") is scheduled to expire on October 31, 2001. For the reasons cited herein, the Debtors seek the entry of an order, pursuant to Bankruptcy Rule 9006, extending the Removal Period for a period of ninety (90) days. Thus, the Debtors propose that the time by which they may file notices of removal in the bankruptcy court with respect to Prepetition Actions be extended to the latest to occur of (a) January 29, 2002 or (b) the day which is thirty (30) days after entry of an order terminating the automatic stay with respect to the particular Prepetition Action sought to be removed.

Basis of Relief Requested

7. The Debtors are parties to several Prepetition Actions. In a number of those actions, the Debtors have filed counterclaims and crossclaims. The determination as to whether to seek to remove any particular Prepetition Action requires the evaluation of a number of legal and factual issues. Since the Petition Date, however, the Debtors have been required to devote their time and resources to numerous other matters of immediate import, including negotiating post-petition debtor in possession financing, stabilizing their business operations, preparing their schedules and statements and responding to various information requests from the Creditors' Committee.

8. Because the Debtors necessarily have been required to focus their attention on other matters, additional time is needed to analyze each of the Prepetition Actions and make appropriate determinations concerning possible removal. Without an extension, the Debtors would be forced to make removal decisions that could be detrimental to the Debtors, their estates and their creditors. Accordingly, an extension of the time period with which the Debtors may determine which Prepetition Actions, if any, should be removed is warranted.

9. Bankruptcy Rule 9027 and 28 U.S.C. § 1452 govern the removal of pending civil actions. Specifically, section 1452 of title 28 of the United States Code provides, in pertinent part, as follows:

> (a) A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is

> pending, if such district court has jurisdiction of such claim or cause of action under Section 1334 of this title.

28 U.S.C. § 1452. Further, Bankruptcy Rule 9027(a)(2) provides, in pertinent part as follows:

> If the claim or cause of action in a civil action is pending when a case under the Code is commenced, a notice of removal may be filed only within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

FED. R. BANKR. PROC. 9027(a)(2). Accordingly, the Debtors' time to remove Prepetition Action that are not subject to the automatic stay imposed by section 362 of the Bankruptcy Code would expire on October 31, 2001.

10. Bankruptcy Rule 9006(b) permits the extension of certain time periods, including the Removal Period. Bankruptcy Rule 9006(b)(1) provides, in pertinent part, as follows:

> [W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order . . . .

Fed. R. Bankr. 9006(b)(1). Thus, pursuant to Bankruptcy Rule 9006(b)(1), this Court is authorized to grant the relief requested herein and extend the Removal Period without notice or motion, if the Debtors show "cause" and the request is made prior to the expiration of the Removal Period. 10 COLLIER ON BANKRUPTCY ¶9027.05[1]. 9027-10 (Lawrence P. King, et al. eds 15th ed rev. 1996)("Subdivisions (b) and (c) of Rule 9006 permit the periods of Rule

9027(a)(2) to be extended or reduced."); see also Jandous Elec. Constr. Corp. v. City of New York (In re Jandous Elec. Constr. Corp.), 106 B.R. 48, 50 (Bankr. S.D.N.Y. 1989) (period in which to file motion to remove may be expanded pursuant to Bankruptcy Rule 9006); Pacor, Inc. v. Higgins, 743 F.2d 984, 996 n.17 (3d Cir. 1984) (under Bankruptcy Rule 9006(b), "it is clear that the court may grant such an extension [of time to remove]"). Courts in other chapter 11 cases in the Second Circuit and other jurisdictions have granted the same or similar relief to that sought herein. See, e.g., In re The Singer Company N.V., et al., Case No. 99-10578 (BRL) (Bankr. S.D.N.Y. November 18, 1999) (granting extension for 90 days); In re Randall's Island Family Centers, Inc. et al., Case No. 00-41065 (SMB) (Bankr. S.D.N.Y. November 28, 2000) (granting extension for 120 days).

Debtors have Shown Cause for the Relief Requested

11. "Cause shown" has been defined as a liberal standard and an application for an extension of time should be granted, "as long as the moving party has not been guilty of negligence or bad faith and the privilege of extension has not been abused . . . ." 10 COLLIER ON BANKRUPTCY ¶ 9006, 9006-12.

12. The Debtors submit that cause exists to grant the relief requested. The extension sought will afford the Debtors the additional time needed to make informed decisions concerning removal of each Prepetition Action, ensuring that the Debtors do not forfeit valuable rights. In addition, if, and when, a Prepetition Action is removed, any party to that action may thereafter seek to have it remanded in accordance with 28 U.S.C. § 1452. Therefore, the requested extension of the time period during which the Prepetition Actions may be removed will not prejudice the rights of any other parties.

Notice

13. Notice of this Motion has been served on (i) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian S. Masumoto Esq., (ii) Willkie Farr & Gallagher, Attorneys for the Official Committee of Unsecured Creditors, 787 Seventh Avenue, New York, New York 10019, Attn: Alan J. Lipkin, Esq., (iii) the non-debtor parties to the Prepetition Action, (iv) Otterbourg, Steindler, Houston & Rosen, P.C., Attorneys for Congress Financial Corporation, 230 Park Avenue, New York, New York 10169, Attn: Jonathan N. Helfat, Esq., and (v) any entity that has filed a notice of appearance in these chapter 11 cases. The Debtors submit that given the nature of the relief requested herein, no other or further notice need be given.

14. Inasmuch as this Motion presents no novel issue of law which requires consideration of any authority other than that contained herein, the Debtors request the Court to waive and dispense with the requirement set forth in Local Bankruptcy Rule 9013-1(b) that a motion be accompanied by a memorandum of law.

15. No motion for similar relief has been made or granted by this Court.

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Order (i) extending the Removal Period to the latest to occur of (a) January 29, 2002 or (b) the day which is thirty (30) days after entry of an order terminating the automatic stay with respect to the particular Prepetition Action sought to be removed, and (ii) granting such other and further relief as is just and proper.

Date: New York, New York
October 29, 2001

CHADBOURNE & PARKE LLP

By: Joseph H. Smolinsky
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Attorneys for the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
MAGNESIUM CORPORATION OF AMERICA, et al.,	:	**Case No. 01-14312 (REG)**
Debtors.	:	**(Jointly Administered)**

ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE EXTENDING THE PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

Upon the application of Magnesium Corporation of America and Renco Metals Inc., the above-captioned debtors and debtors-in-possession (the "Debtors"), for entry of an Order, pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") extending the period within which Debtors may remove actions (the "Motion"); the Court having reviewed the Motion; and notice having been given to the United States Trustee, counsel for the Official Committee of Unsecured Creditors, counsel for Congress Financial Corporation, the non-debtor parties to the Prepetition Actions (as defined in the Motion) and all other parties who have filed a notice of appearance in this chapter 11 case; and it appearing that no other or further notice is necessary; and good and sufficient cause appearing therefor,

THEREFORE, THE COURT HEREBY ORDERS, ADJUDGES, AND DECREES:

1. The time period provided by Bankruptcy Rule 9027 within which the Debtors may remove action is extended to the latest to occur of: (a) January 22, 2002; or (b) the

day which is thirty (30) days after entry of an order terminating the automatic stay with respect to the particular Prepetition Action sought to be removed.

2. This Order is without prejudice to the Debtors' rights to seek further extensions of time within which to remove actions.

Dated: New York, New York
November ___, 2001

_____
UNITED STATES BANKRUPTCY JUDGE