

Document 0429

[20429001]

Lone Star Technologies Inc. said its Lone Star Steel Co. unit sued it in federal court here , seeking to recover an intercompany receivable valued at a minimum of \$ 23 million .

[20429002]

The lawsuit was filed by Lone Star Steel 's unsecured creditors ' committee on behalf of Lone Star Steel , which has been operating under Chapter 11 of the federal Bankruptcy Code since June 30 .

[20429003]

Lone Star Technologies said it and its subsidiary 's creditors agree that the parent company owes the unit money , but they have n't been able to reach agreement on the amount .

[20429004]

Judith Elkin , lawyer for the creditors , said the creditors group is challenging certain accounting entries on the parent company 's books and estimates that the receivable owed the steel company could be as much as \$ 40 million .

[20429006]

Separately , Lone Star Technologies said the bankruptcy court granted Lone Star Steel an extension until year end on its exclusive period to present a reorganization plan .

[20429007]

The 120-day exclusivity period was to expire yesterday .

[20429008]

Under Chapter 11 , a company continues to operate , but is protected from creditor lawsuits while it tries to work out a plan to pay its debt .