

Law Department

UNION PACIFIC RAILROAD COMPANY



1416 DODGE STREET
ROOM 830
OMAHA, NEBRASKA 68179-0001
FAX (402) 271-5610

July 1, 2002



Via UPS Next Day Air

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

205765

Re: Finance Docket No. 34177, Iowa, Chicago & Eastern Railroad Corporation --
Acquisition & Operation Exemption -- Lines of I&M Rail Link, LLC

Dear Mr. Williams:

This refers to UP's comments dated June 18, 2002, in the above proceeding.

UP's comments were limited to the issue of whether IC&E intended to assume all of the agreements governing the UP-IMRL joint facilities listed in Exhibit "A" to IC&E's Notice of Exemption. IC&E's Reply dated June 22, 2002, confirms that IC&E intends to assume these agreements, VS of Robert O. Brownell at 13, "All existing IMRL trackage rights and other joint facility agreements with other railroads that are assignable, including those cited by UP in its comments, will be assigned to and assumed by IC&E. No distinction was intended in the Notice of Exemption regarding the rights to be assigned to IC&E."

This representation by IC&E's witness satisfies the concerns expressed in UP's comments. Accordingly, the Board need give no further consideration to our June 18, 2002 filing.

An additional ten (10) copies of this letter are enclosed for the Board's files.

ENTERED
Office of Proceedings

JUL 2 2002

Part of
Public Record

Yours very truly,

Robert T. Opal
General Commerce Counsel
Phone: 402/271-3072
Fax: 402/271-5610

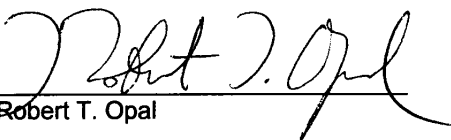
cc: William C. Sippel, Esq.
Mr. Robert O. Brownell, IC&E

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by UPS overnight delivery on:

William C. Sippel, Esq.
Fletcher & Sippel, L.L.C.
Two Prudential Plaza, Suite 3125
180 North Stetson Avenue
Chicago, IL 60601-6721

Dated at Omaha, Nebraska this 1st day of July 2002.


Robert T. Opal