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SERVICE DATE – APRIL 3, 2026

OCC

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[FD 35217 (Sub No. 1)]

Stillwater Central Railroad, L.L.C.—Lease and Operation Exemption—Hollis & Eastern Railroad, L.L.C.

Stillwater Central Railroad, L.L.C. (SLWC), a Class III carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to continue to lease and to operate, pursuant to a lease agreement entered into with Hollis & Eastern Railroad, L.L.C. (HE), 14 miles of rail line extending from milepost 0.0 at Duke, Okla., to milepost 14.0 at Altus, Okla. (the Line).

SLWC is the current operator on the Line, having received authority to lease and operate the Line in 2010. See Stillwater Cent. R.R.—Lease & Operation Exemption—Hollis & E. R.R., FD 35217 (STB served Feb. 12, 2010). According to the verified notice, SLWC and HE have recently agreed to updated terms governing SLWC's continued lease from HE, and operation of, the Line. SLWC certifies that its agreement with HE contains no commitments or provisions prohibiting or limiting SLWC from interchanging traffic with a third-party carrier.

SLWC further certifies that its projected annual revenues as a result of the transaction will not exceed the threshold of a Class I or Class II rail carrier. However, its projected annual revenues will exceed \$5 million. Pursuant to 49 CFR 1150.42(e), if a carrier's projected annual revenues will exceed \$5 million, it must, at least 60 days before

the exemption becomes effective, post a notice of its intent to undertake the proposed transaction at the workplace of the employees on the affected lines, serve a copy of the notice on the national offices of the labor unions with employees on the affected lines, and certify to the Board that it has done so. However, SLWC has petitioned for waiver of the 60-day advance labor notice requirements. SLWC's waiver request will be addressed in a separate decision. The Board will establish the effective date of the exemption in its decision on the waiver request.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than April 10, 2026.

All pleadings, referring to Docket No. FD 35217 (Sub No. 1), must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on SLWC's representative, Stephen J. Foland, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to SLWC, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: March 30, 2026.

By the Board, Scott M. Zimmerman, Acting Chief Counsel, Office of Chief
Counsel.