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July 3, 2008

VIA ELECTRONIC FILING

Ms. Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423

Re: **Finance Docket No. 35152**
Arkansas Midland Railroad Company, Inc. --
Operation Exemption -- In Jacksonville, Arkansas

Dear Secretary Quinlan:

Pursuant to 49 C.F.R. § 1121.4(h), Arkansas Midland Railroad Company, Inc. ("AKMD") hereby certifies that on July 2, 2008, the attached Notice was posted at the workplaces of Union Pacific Railroad Company ("UP") employees on the rail trackage at Jacksonville, Arkansas (the "Jacksonville Industrial Spur") that is the subject of the above-captioned exemption proceeding.

AKMD also certifies that on July 3, 2008, the attached Notice was served by first class mail, postage prepaid, on the national offices of the labor unions representing UP employees on the Jacksonville Industrial Spur, at the following addresses:

Mr. Edward W. Rodzwick
National President
Brotherhood of Locomotive Engineers and Trainmen
1370 Ontario Street, Mezzanine
Cleveland, OH 44113

Mr. Freddie N. Simpson
President
Brotherhood of Maintenance of Way Employees, IBT
20300 Civic Center Drive, Suite 320
Southfield, MI 48076-4169

FLETCHER & SIPPEL LLC

Ms. Anne K. Quinlan
July 3, 2008
Page 2

Mr. Malcolm B. Futhey
International President
United Transportation Union
14600 Detroit Avenue
Cleveland, OH 44107-4250

Mr. W. Dan Pickett
International President
Brotherhood of Railroad Signalmen
917 Shenandoah Shores Road
Front Royal, VA 22630-6418

If you have any questions regarding this filing, please feel free to contact me.
Thank you for your assistance on this matter.

Respectfully submitted,



Thomas J. Litwiler
Attorney for Arkansas Midland
Railroad Company, Inc.

TJL:tl

Attachment

ARKANSAS MIDLAND RAILROAD COMPANY, INC.
314 Reynolds Road, Building 41
Malvern, AR 72104

NOTICE

Pursuant to regulations of the Surface Transportation Board ("STB") at 49 C.F.R. § 1150.42(e), Arkansas Midland Railroad Company, Inc. ("AKMD"), a Class III rail carrier, hereby gives notice to employees of Union Pacific Railroad Company ("UP") that on or about September 8, 2008, AKMD intends to initiate operations on approximately 2.6 miles of rail trackage in Jacksonville, Arkansas owned by the City of Jacksonville and known as the Jacksonville Industrial Spur. The Jacksonville Industrial Spur extends from the wye track connections with UP's Little Rock-Poplar Bluff main line near South James Street to General Samuels Road near the south side of Little Rock Air Force Base. UP currently operates the Jacksonville Industrial Spur as exempt spur trackage, and will cease such operations upon AKMD's initiation of service. AKMD will lease the Jacksonville Industrial Spur from the City of Jacksonville and will operate the line on a regulated, common carrier basis.

A notice of exemption to authorize the proposed transaction will be filed with the Surface Transportation Board on or before August 8, 2008 in Finance Docket No. 35152.

AKMD does not expect to hire any additional employees as a result of its operation of the Jacksonville Industrial Spur. Employees desiring further information regarding the transaction may contact Charles Laggan, AKMD General Manager, at (501) 844-4444.