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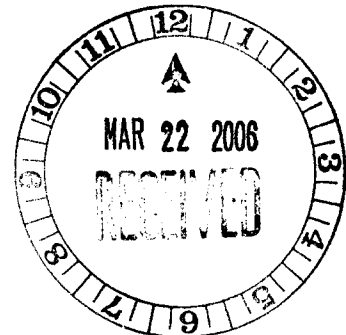
Gabriel S. Meyer
Assistant General Attorney

March 21, 2006

Via UPS Overnight

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

ENTERED
Office of Proceedings
March 22, 2006
Part of
Public Record



**Re: Finance Docket No. 32720 (Sub-No. 1); Union Pacific Railroad Company –
Trackage Rights Exemption – BNSF Railway Company**

Dear Secretary Williams:

Enclosed for filing in the above proceeding are the following:

1. An original and ten (10) copies of a Verified Notice of Exemption and Caption Summary (Exhibit 3 to the Notice) pursuant to the trackage rights class exemption, 49 C.F.R. § 1180.2(d)(7).
2. A payment form in the amount of \$1,000.00 for the filing fee required by 49 C.F.R. § 1002.2(f), Part IV (40).
3. Twenty (20) unbound copies of the Exhibit 1 map.

Please indicate receipt of the enclosed materials by returning a stamped copy of this letter in the self-addressed, stamped envelope enclosed for this purpose. Thank you for your time and attention to this matter.

Sincerely,

Gabriel S. Meyer

cc: (w/attachments)
Sarah Whitley Bailiff, Esq. - BNSF

FILED
MAR 22 2006
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED

MAR 22 2006

SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



FINANCE DOCKET NO. 32720 (SUB-NO. 1)

UNION PACIFIC RAILROAD COMPANY
-- AMENDMENT OF TRackage RIGHTS EXEMPTION --
BNSF RAILWAY CO.

FILED
MAR 22 2005
SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION **FEE RECEIVED**

MAR 22 2005
SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings
MAR 23 2006
Part of
Public Record

UNION PACIFIC RAILROAD COMPANY

Gabriel S. Meyer
Assistant General Attorney
1400 Douglas Street
STOP 1580
Omaha, NE 68179
(402) 544-1658
(402) 501-3393 (FAX)

Dated: March 21, 2006
Filed: March 22, 2006

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 32720 (SUB-NO. 1)

**UNION PACIFIC RAILROAD COMPANY
-- AMENDMENT OF TRackage RIGHTS EXEMPTION --
BNSF RAILWAY COMPANY**

VERIFIED NOTICE OF EXEMPTION

Union Pacific Railroad Company ("UP") submits this Verified Notice of Exemption, pursuant to 49 C.F.R. § 1180.2(d)(7), for exemption of portions of the Fourth Supplemental Agreement ("Supplement") to an existing trackage rights agreement covering UP's use of a line of railroad of BNSF Railway Company ("BNSF") between Milepost 5.1 at Ft. Worth, TX and Milepost 417.5 at Dalhart, TX. The Supplement addresses issues involving the set-out and pick-up of traffic at Milepost 114.1 at Wichita Falls, TX.

Under 49 C.F.R. § 1180.2(d)(7), the acquisition, renewal or modification of trackage rights by a rail carrier over lines owned or operated by any other rail carrier or carriers is exempt if the rights are (i) based on written agreements, and (ii) not filed or sought in responsive applications in rail consolidations proceedings. See Railroad Consolidation Procedures -- Trackage Rights Exemption, 1 I.C.C. 2d 270 at 275 (1985) (exemption covers all trackage rights whether new, renewed or modified). The

Supplement and amended trackage rights covered by this Notice are covered by the written agreement attached as Exhibit 2, and are not being filed or sought in responsive applications in a rail consolidation proceeding. As such, the § 1180.2(d)(7) exemption is applicable.

Pursuant to the Board's regulations at 49 C.F.R. § 1180.4(g), a Notice of Exemption shall contain the information required in § 1180.6(a)(1)(i)-(iii), (a)(5)-(6), and (a)(7)(ii), and shall indicate the level of labor protection to be imposed. UP provides the following information:

§ 1180.6(a)(i) Description of Proposed Transaction

The transaction covered by this notice is the amendment of an existing trackage rights agreement covering UP's use of a BNSF line of railroad between Milepost 5.1 near Ft. Worth, TX and Milepost 417.5 at Dalhart, TX. Pursuant to the Supplement, UP will acquire rights of set-out and pick-up of traffic at Milepost 114.1 at Wichita Falls, TX.

§ 1180.6(a)(1)(i) Summary of the proposed transaction.

See answer to § 1180.6(a)(1), above.

§ 1180.6(a)(1)(i) Name, business address, and telephone number of applicant, and the name of counsel to whom questions can be addressed.

The name and business address of the applicant is:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

Questions regarding this transaction are to be addressed to the representative named below:

Gabriel S. Meyer
Assistant General Attorney
1400 Douglas Street
STOP 1580
Omaha, NE 68179
(402) 544-1658
(402) 501-3393 (FAX)

§ 1180.6(a)(1)(ii) Consummation Date

The terms of the Supplement will take effect on March 29, 2006.

§ 1180.6(a)(1)(iii) Purpose of the Transaction

The purpose of the transaction covered by the notice is to amend the terms of the existing trackage rights agreement.

§ 1180.6(a)(5) States in which the Applicant Operates

UP operates in the states of Arizona, California, Colorado, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wisconsin and Wyoming.

§ 1180.6(a)(6) Map (Exhibit 1)

A map documenting the trackage rights described in the Supplement is provided as Exhibit 1.

§ 1180.6(a)(7)(ii) Agreement (Exhibits 2)

An executed copy of the Fourth Supplemental Agreement is attached as Exhibit 2.

§ 1180.4(g)(1)(i) Labor Protection

The applicable labor protection conditions are those imposed in Norfolk and Western Ry. Co. -- Trackage Rights -- BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry., Inc. -- Lease and Operate, 360 I.C.C. 653 (1980).

1180.4(g)(2)(iii) Caption Summary (Exhibit 3)

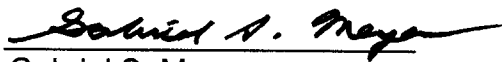
A caption summary of this transaction suitable for publication in the *Federal Register* is attached as Exhibit 3.

§ 1180.4(g)(3) Environmental Documentation

Environmental documentation is not required for this transaction. See 49 C.F.R. § 1105.6(c)(4) (no environmental documentation required for common use of rail terminals and trackage rights).

Respectfully submitted,

UNION PACIFIC RAILROAD COMPANY

By: 
Gabriel S. Meyer
Assistant General Attorney
1400 Douglas Street
STOP 1580
Omaha, NE 68179
(402) 544-1658
(402) 501-3393 (FAX)

VERIFICATION

I, Gabriel S. Meyer, Assistant General Attorney of Union Pacific Railroad Company, under penalty of perjury, declare and verify that I have read the foregoing Notice of Exemption in Finance Docket No. 32720 (Sub. No. 1), know the facts stated therein, and believe to the best of my knowledge and ability that said facts are true as stated.

Dated: March 21, 2006



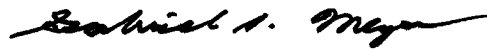
Gabriel S. Meyer

CERTIFICATE OF SERVICE

I certify that I have this day served a copy of the foregoing document upon
the following by first class United States mail, postage prepaid:

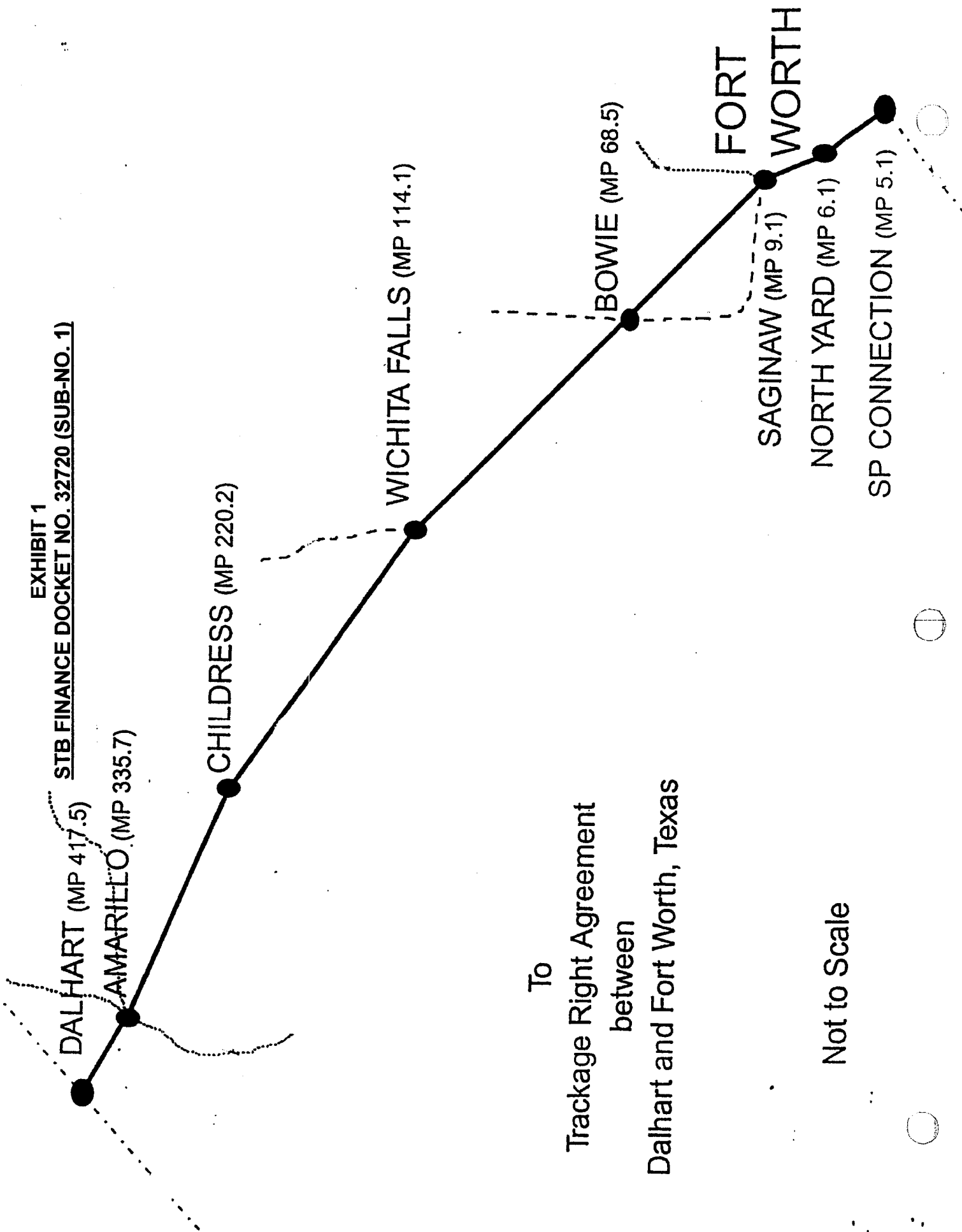
Sarah Whitley Bailiff, Esq.
BNSF Railway Company
2500 Lou Menk Drive
Fort Worth, TX 76161-2828

Dated at Omaha, Nebraska, this 21st day of March, 2006.

A handwritten signature in black ink, appearing to read "Gabriel S. Meyer", written over a horizontal line.

Gabriel S. Meyer

EXHIBIT 1
STB FINANCE DOCKET NO. 32720 (SUB-NO. 1)



To
Trackage Right Agreement
between
Dalhart and Fort Worth, Texas

Not to Scale

STB FINANCE DOCKET NO. 32720 (SUB-NO. 1)**FOURTH SUPPLEMENTAL AGREEMENT TO
DALHART TO FT. WORTH TRACKAGE RIGHTS**

THIS FOURTH SUPPLEMENTAL AGREEMENT made this 20th day of September 2005 (the "Execution Date"), by and between **BNSF RAILWAY COMPANY**, formerly known as The Burlington Northern and Santa Fe Railway Company, a Delaware corporation and successor to Burlington Northern Railroad Company, (hereinafter referred to as "BNSF" or "Owner") and **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation and successor to Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, The Denver and Rio Grande Railroad Company and SPCSL Corporation, (hereinafter referred to as "UP" or "User".)

WITNESSETH:

WHEREAS, BNSF and UP entered into an agreement dated August 1, 1995, as amended thereafter (the "Current Agreement"), under the terms of which BNSF granted UP the right to use certain BNSF tracks between Dalhart, Texas, and Fort Worth, Texas, and the right to access all industries served directly or by reciprocal switching by BNSF at Amarillo, Texas, and no other industries on the Joint Trackage; and

WHEREAS, BNSF, successor to Burlington Northern Railroad Company and UP, successor to the Missouri-Kansas-Texas Railroad Company are party to an agreement dated April 12, 1985 (the "MKT Agreement"), wherein BNSF granted UP overhead trackage rights between Fort Worth and Wichita Falls, Texas; and

WHEREAS, pursuant to the terms of the Current Agreement, UP is prohibited from setting out and picking up traffic at Wichita Falls; and

WHEREAS, UP would like to amend the Current Agreement to allow UP the ability to set out and pick up traffic at Wichita Falls; and

WHEREAS, BNSF is willing to amend the Current Agreement to allow UP to set out and pick up traffic at Wichita Falls based on the following terms and conditions.

NOW, THEREFORE, it is mutually agreed by and between the parties:

Section 1. AMENDMENT OF CURRENT AGREEMENT

Section 3, Rights of User, subsection (A), (i), in the Current Agreement is amended to reflect that UP shall also have, in addition to all other rights previously granted at Amarillo, the right to set out and pick up Equipment at UP's facility in Wichita Falls; provided, however, that UP's right to set out and pick up Equipment at UP's facility in Wichita Falls shall not expand UP's commercial access in Wichita Falls beyond those rights which existed immediately prior to the Effective Date of this Fourth Supplemental Agreement.

Section 2. TERMINATION OF MKT AGREEMENT

Concurrent with the Effective Date of this Fourth Supplemental Agreement, the MKT Agreement shall be terminated, subject to any necessary approvals required by the U.S. Department of Transportation Surface Transportation Board ("STB"). Upon execution of this Supplemental Agreement, if required by applicable laws and regulations, the parties shall jointly make any regulatory filings and with reasonable diligence prosecute to conclusion same as necessary to terminate the MKT Agreement. Legal fees of the parties, if any, shall be borne by the respective party, and costs of any required filing fees shall be shared equally.

Section 3. EFFECT OF THIS FOURTH SUPPLEMENTAL AGREEMENT ON CURRENT AGREEMENT

Subject to and conditioned upon approval of the STB, if required, this Fourth Supplemental Agreement shall be effective as of the later of February 1, 2005 or the date upon which STB approval is effective ("Effective Date"), and shall remain in effect for the Term stated in the General Conditions.

Except as otherwise expressly provided herein and previously amended and supplemented, all the terms and conditions of the Current Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Supplemental Agreement the day and year first above written.

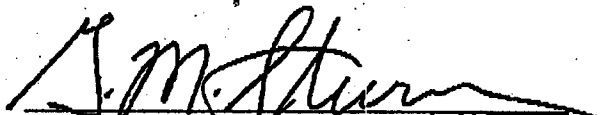
UNION PACIFIC RAILROAD COMPANY**BNSF RAILWAY COMPANY**
Title: General Manager Joint Facilities
Title: VP CENTRAL REGION

EXHIBIT 3
STB FINANCE DOCKET NO. 32720 (SUB-NO. 1)

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION
FINANCE DOCKET NO. 32720 (SUB-NO. 1)

UNION PACIFIC RAILROAD COMPANY
-- AMENDMENT OF TRACKAGE RIGHTS EXEMPTION --
BNSF RAILWAY COMPANY

BNSF Railway Company has agreed to modify an existing overhead trackage rights agreement, under which Union Pacific Railroad Company operates over BNSF trackage between Milepost 5.1 at Ft. Worth, TX and Milepost 417.5 at Dalhart, TX. The modified trackage rights agreement, under which Union Pacific will retain its existing rights, will grant Union Pacific the right to set out and pick up of traffic at Milepost 114.1 at Wichita Falls, TX. The modification will be effective on March 29, 2006.

This Notice is filed under 49 C.F.R. § 1180.2(d)(7). Petitions to revoke the exemption under 49 U.S.C. § 10505(d) may be filed at any time. The filing of a petition to revoke will not stay the transaction.

Dated:
By the Board,

Vernon A. Williams,
Secretary