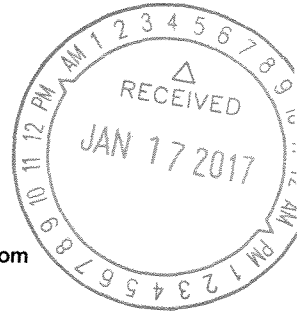


January 17, 2017

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JOHN D. HEFFNER
(202) 742-8607
Direct Fax (202) 742-8697
John.Heffner@strasburger.com



BY HAND

Ms. Cynthia T. Brown
Chief of Administration
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

RE: FD 36084, West Branch Intermediate Holdings, LLC, and Continental Rail LLC –Acquisition of Control Exemption – Cimarron Valley Railroad, L.C., Clarkdale Arizona Central Railroad, L.C., Wyoming And Colorado Railroad Company, Inc.

RE: FD 36085, New Mexico Central Railroad, LLC - Acquisition and Operation Exemption - Southwestern Railroad, Inc., Whitewater Division

RE: FD 36087, West Branch Intermediate Holdings, LLC, and Continental Rail LLC – Continuance in Control Exemption – New Mexico Central Railroad, LLC

Dear Ms. Brown:

On behalf of the applicants shown above, West Branch Intermediate Holdings, LLC, Continental Rail LLC, and New Mexico Central Railroad, LLC, I am enclosing for filing in the above-captioned proceedings an original and ten copies of three verified notices of exemption as well as a Motion for a Protective Order for the exemption in FD 36084. Additionally, I am submitting in the envelop marked “confidential” a copy of a confidential Letter of Intent governing New Mexico Central’s acquisition of the three carriers identified in FD 36084.

Please date stamp and return copy of each filing as well a copy of the Motion for a Protective Order and the extra confidential Letter of Intent as well as

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Strasburger & Price, LLP

Strasburger
ATTORNEYS AT LAW

Ms. Cynthia T. Brown

January 17, 2017

Page 2

a copy of each filing on a compact disk. A check for \$4,700 representing the combined filing fees is enclosed as well. Please contact me if you have any questions.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John D. Heffner", with a long, sweeping horizontal flourish extending to the right.

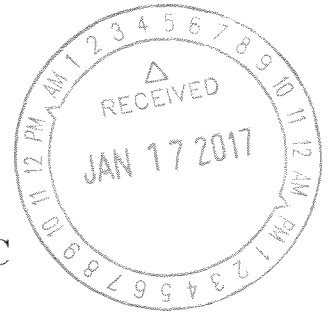
John D. Heffner

Enclosures

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36087

**WEST BRANCH INTERMEDIATE HOLDINGS, LLC
AND CONTINENTAL RAIL LLC**



**– CONTINUANCE IN CONTROL EXEMPTION –
NEW MEXICO CENTRAL RAILROAD, LLC
VERIFIED NOTICE OF EXEMPTION
UNDER 49 CFR § 1180.2(d)(2)**

Respectfully submitted,

John D. Heffner
Strasburger & Price, LLP
1025 Connecticut Ave., N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Counsel for Applicants

Color images enclosed

Dated: January 17, 2017

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36087

**WEST BRANCH INTERMEDIATE HOLDINGS, LLC
AND CONTINENTAL RAIL LLC**

**–CONTINUANCE IN CONTROL EXEMPTION –
NEW MEXICO CENTRAL RAILROAD, LLC
VERIFIED NOTICE OF EXEMPTION
UNDER 49 CFR § 1180.2(d)(2)**

Pursuant to the class exemption at 49 C.F.R. §1180.2(d)(2), West Branch Intermediate Holdings, LLC. (“West Branch”) and Continental Rail LLC (“Continental”) submit this verified notice of exemption (“Notice”) from 49 U.S.C. §11323 for West Branch to acquire control of, and for Continental to manage, New Mexico Central Railroad, LLC (“NMCR”) upon NMCR becoming a Class III rail carrier while West Branch remains in control of West Branch’s wholly owned railroad subsidiary Delta Southern Railroad, Inc.(“Delta”) and the Durbano controlled railroads.

In order to claim the section 1180.2(d)(2) exemption, section 1180.4(g) requires the filing of a verified notice of exemption furnishing the information requested in sections 1180.6(a)(1)(i) – (iii), 1180.6(a)(5) – (6), and 1180.6(a)(7)(ii) of those rules. That information is provided as follows:

Description of the Parties

West Branch is a limited liability company and a non-carrier formed for the purpose of acquiring and financing short line railroads as an investment.

Continental is an existing limited liability company and a non-carrier formed for the purpose of managing and operating short line railroads.

Delta is an existing Class III common carrier short line railroad operating two disconnected former Union Pacific lines in the State of Louisiana between Lake Providence and Tallulah and between Monroe and Sterlington, a total distance of about 36 miles. West Branch acquired the stock of Delta in 2015 from its former owners in a transaction outside of the Board's jurisdiction, as it was West Branch's first acquisition and Continental's initial management operation.

NMCR is a newly established non-carrier formed to acquire the Whitewater Division assets of the Southwestern Railroad, Inc.

The Durbano controlled railroads consist of Cimarron Valley Railroad, L.C. ("Cimarron"), Clarkdale Arizona Central Railroad, L.C. ("Clarkdale"), and Wyoming and Colorado Railroad Company, Inc. ("WYCO"), and Southwestern Railroad, Inc. ("Southwestern"). All four carriers are Class III carriers subject to the Board's jurisdiction. In FD 36084, Applicants seek authority to acquire and control Cimarron, Clarkdale, and WYCO.

Southwestern's owner, David L. Durbano, originally established Southwestern as a Class III common carrier short line railroad for the purpose of acquiring and operating the Santa Fe Railway's (now BNSF Railway's) Whitewater and Shattuck Branches in New Mexico, Texas and Oklahoma, respectively. As a result of various transactions (including abandonments), the Southwestern system now consists of only two divisions: the Whitewater Division and the Carlsbad Division. The Whitewater Division extends from Deming to Whitewater and then radiates from Whitewater to Tyrone, Fierro, and Santa Rita. It also includes operating rights via a lease from BNSF Railway that allows Southwestern the right to operate the segment of the Whitewater Division between Deming and Rincon, NM. The Carlsbad Division consists solely of Southwestern operating rights via a lease from BNSF that allows Southwestern to operate between Carlsbad and Clovis, NM.

Summary of Proposed Transaction: 49 CFR § 1180.6(a)(1)(i)

By this transaction, West Branch seeks to continue in control of, and Continental seeks to manage NMCR once it becomes a carrier through its acquisition of the Southwestern Whitewater Division while remaining in control of Delta and the three former Durbano controlled railroads. NMCR will become a carrier by acquiring the Whitewater Division of Southwestern. NMCR will not be acquiring Southwestern's operating rights over the Carlsbad Division as part of its

purchase of the Whitewater Division assets nor is West Branch or any of its owners or affiliates seeking to acquire ownership or control of the stock of Southwestern Railroad. The stock of Southwestern will be excluded from West Branch's acquisition and control of the Durbano controlled railroads.

As a result of this transaction and the related transactions in FD 36084 and FD 36085, the STB regulated railroad properties that will be owned and operated by Applicants will include Delta, NMCR, and the three Class III short line common carrier railroads owned by Mr. Durbano that are the subject of a notice of acquisition of control filed in FD 36084. None of these lines will connect with each other and there are no plans to connect them with each other.

Under section 1180.2(d)(2) of the Board's consolidation rules, certain transactions are automatically exempt from the prior approval requirements for common control. Specifically, section 1180.2(d)(2) exempts the acquisition of nonconnecting carriers where (i) the railroads will not connect with each other or any railroad in their corporate family, (ii) the acquisition is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and (iii) the transaction does not involve a Class I carrier.

Applicants' name, address, and telephone number:

West Branch Intermediate Holdings, LLC
One Embarcadero Center, 39th Floor
San Francisco, CA 94111
(415) 983-2700

Continental Rail LLC
2929 E. Commercial Boulevard, Suite PH-D
Fort Lauderdale, Florida 33308
(855) 946-7245

Legal counsel to whom questions should be addressed:

John D. Heffner
Strasburger & Price, LLP
1025 Connecticut Ave., N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Schedule for consummation: 49 CFR §1180.6(a)(1)(ii)

The parties intend to consummate the proposed transaction on or about February 17, 2017.

Purpose to be accomplished by the transaction: 49 CFR §1180.6(a)(1) (iii)

Mr. Durbano seeks to sell his current railroad assets in order to spend his time on other business and personal pursuits. West Branch seeks to acquire (and Continental seeks to manage) common carrier short line and regional railroads as a prudent business investment and an essential part of our country's infrastructure. West Branch and Continental are young companies that see tremendous growth opportunities in the rail transportation business. West Branch acquired Delta from

individuals who sought to sell their business and retire. West Branch and Continental saw the Delta acquisition as an opportunity to rehabilitate and improve an underperforming railroad with substantial potential. They expect to do the same with NMCR and the other Durbano controlled railroads that West Branch is acquiring.

State(s) in which the property of each carrier is situated: 49 CFR §1180.6(a)(5)

<u>Railroad</u>	<u>State(s)</u>
NMCR	New Mexico
Delta	Louisiana
Wyoming and Colorado Railroad Company, Inc.	Oregon
Cimarron Valley Railroad, L.C.	Kansas, Oklahoma, and Colorado
Clarkdale Arizona Central Railroad, L.C.	Arizona

Map: 49 CFR § 1180.6(a)(6)

Attached hereto as Exhibit A.

Copy of Agreement: 49 CFR § 1180.6(a)(7)(ii)

Applicants will not enter into any agreement, or sign any written instrument, to continue in control of NMCR.

Related transactions:

By an exemption notice docketed as FD 36085, NMCR seeks Board authority to acquire and operate two segments of railroad currently owned or leased and operated by Southwestern known as its Whitewater Division. In

addition, by an exemption notice docketed as FD 36084, Applicants seek Board authority to acquire control of three Durbano controlled Class III common carrier short line railroads: Cimarron, Clarkdale, and WYCO.

The rail properties owned or leased and operated by Southwestern are located in New Mexico, hundreds of miles from the other rail lines that are the subject of this filing and that in FD 36084.

Certification

Applicants hereby certify that (1) the carriers that are the subject of this notice, including NMCR and Delta, as well as Cimarron, Clarkdale, and WYCO, do not connect with each other; (2) that this transaction is not a part of a series of anticipated transactions that would connect these rail carriers with each other; and (3) the transaction does not involve a Class I carrier.

Environmental and Historic Report:

This acquisition of control and continuance in control proceeding is exempt from environmental review under 49 CFR §1105.6(c) (2) (i) because the proposed action will not cause any operating changes that exceed the thresholds established in 49 CFR §1105.7(e) (4) or (5). In addition, this proceeding is exempt from historic review under 49 CFR §1105.8(b)(1) because there are no plans to dispose of or alter properties subject to Board jurisdiction that are at least 50 years old. Accordingly, no historic report is required.

Labor Protection

No labor protection applies to transactions involving only class III rail carriers. See, 49 U.S.C. §11326(c).

Respectfully submitted,



John D. Heffner
Strasburger & Price, LLP
1025 Connecticut Ave., N.W.
Suite 717
Washington, D.C. 20036
(202) 742-8607

Counsel for Applicants

Dated: January 17, 2017

EXHIBIT A

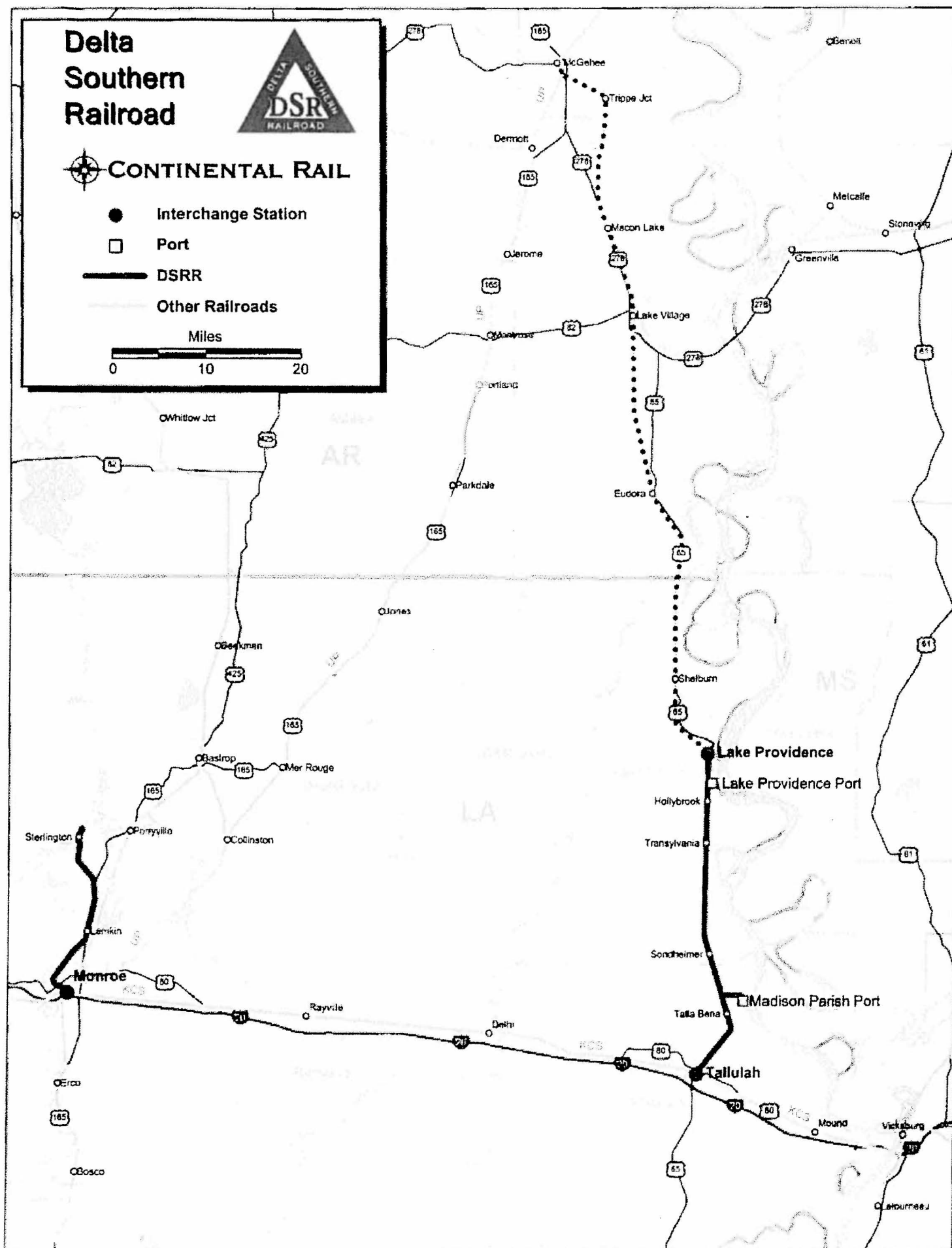
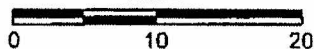
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Other Railroads

Miles



Southwestern Railroad Whitewater Division



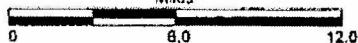
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- SW
- Union Pacific
- BNSF Railway
- Other Railroads

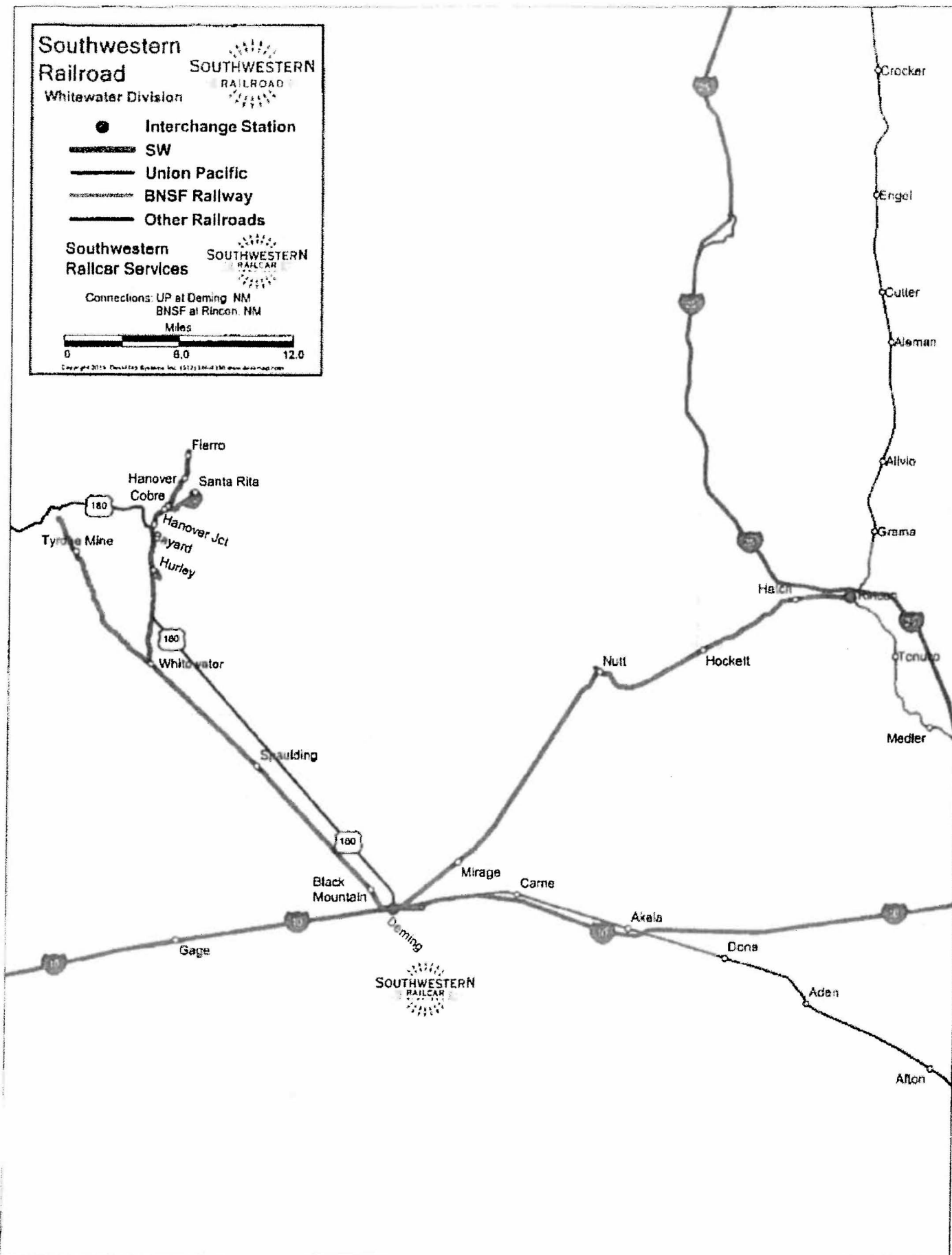
Southwestern Railcar Services

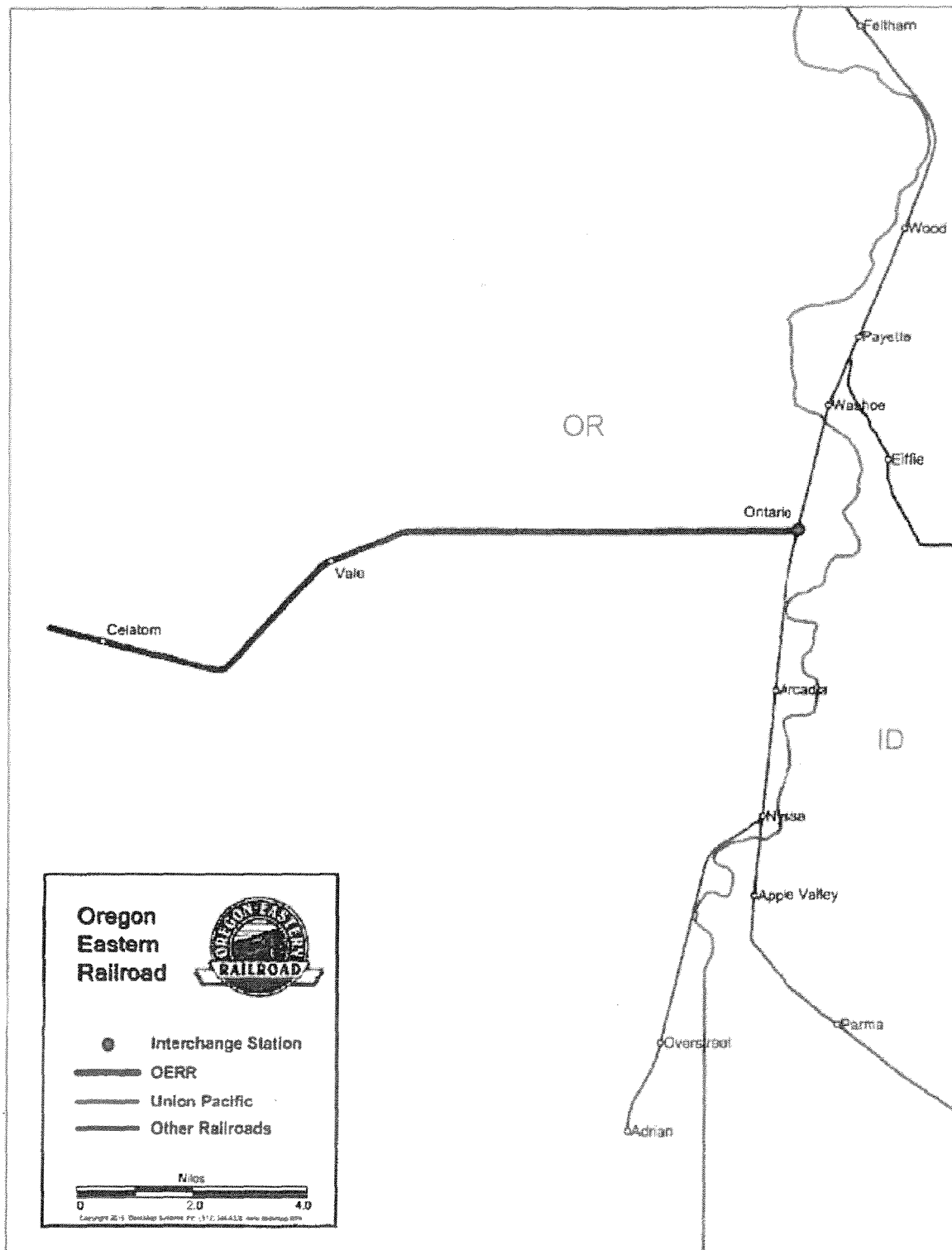


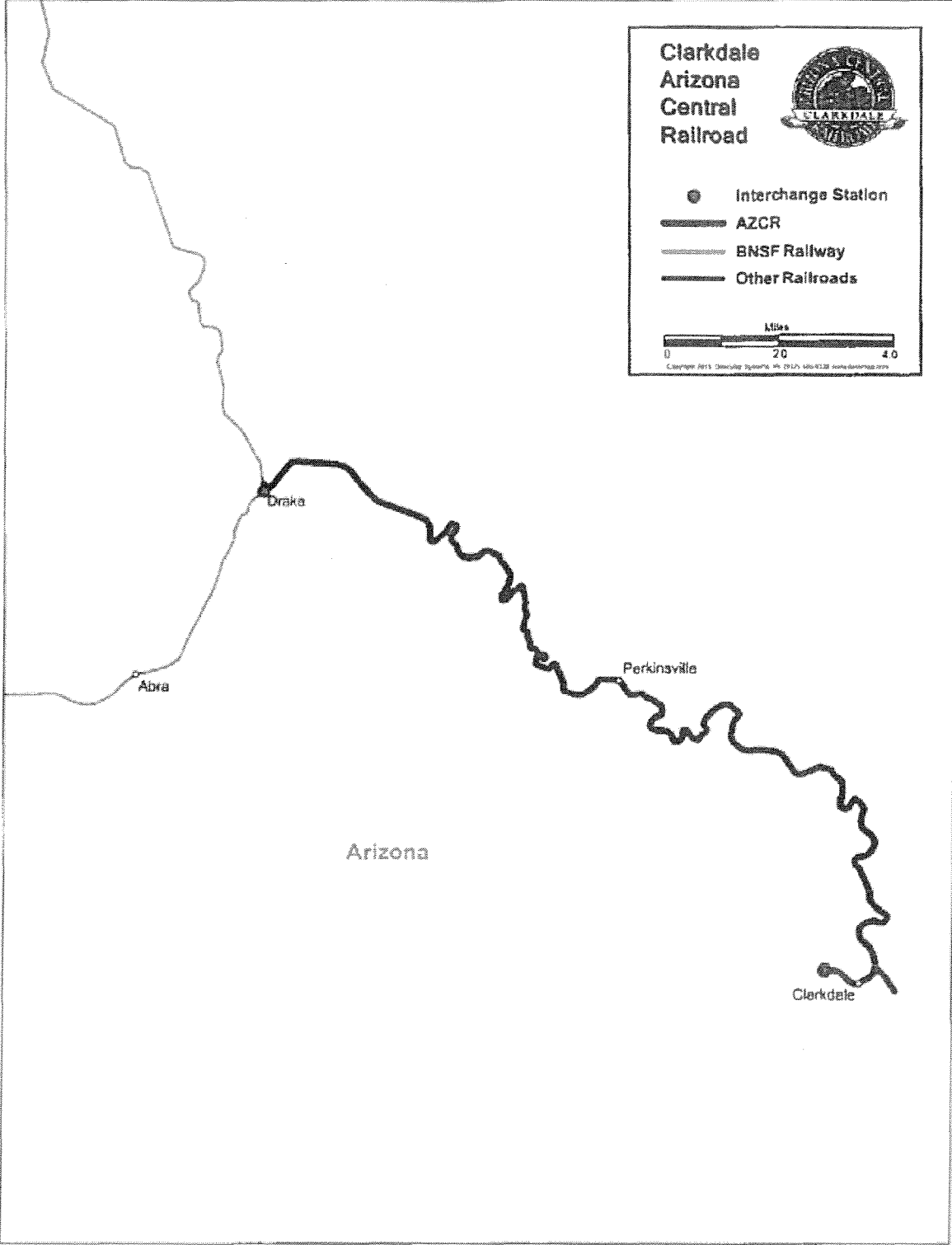
Connections: UP at Deming NM
BNSF at Rincon NM

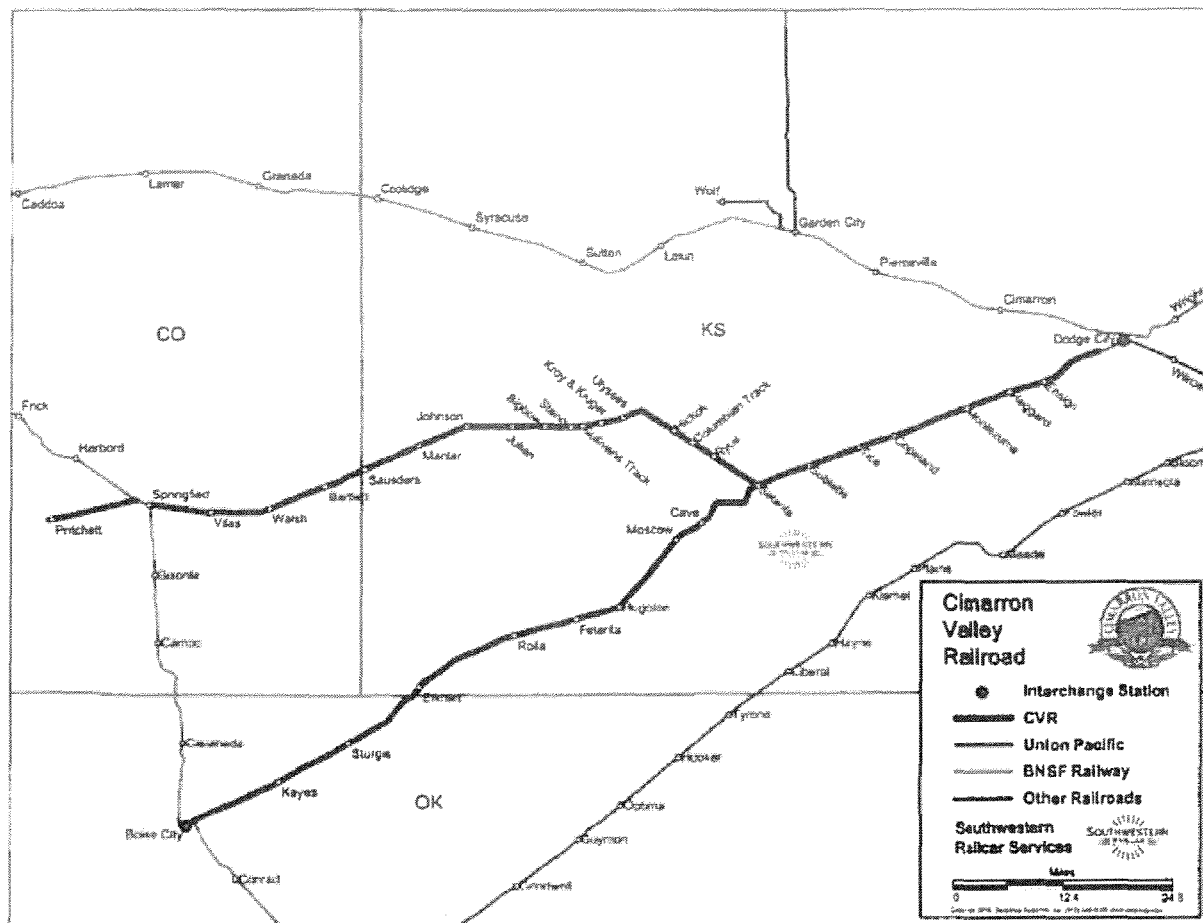


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VERIFICATION

STATE OF Virginia)

CITY OF Alexandria)

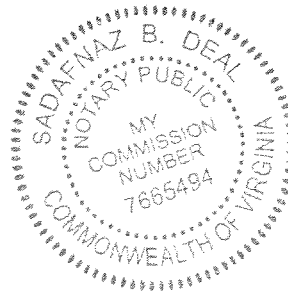
John H. Maringhoff, being duly sworn according to law, hereby deposes and states that (s)he holds the position of - CEO - with applicant/petitioner, is authorized to make this Verification, had read the foregoing document, and knows the facts asserted therein are true and accurate as stated, to the best of (her)his knowledge, information, and belief.

John H. Maringhoff

Subscribed to and sworn to before me, a Notary Public, in and for the City of Alexandria in the State of VA, this 11th day of Jan.

S. Deal
Notary Public

My Commission expires: 06/30/19



Delta Southern Railroad



 CONTINENTAL RAIL

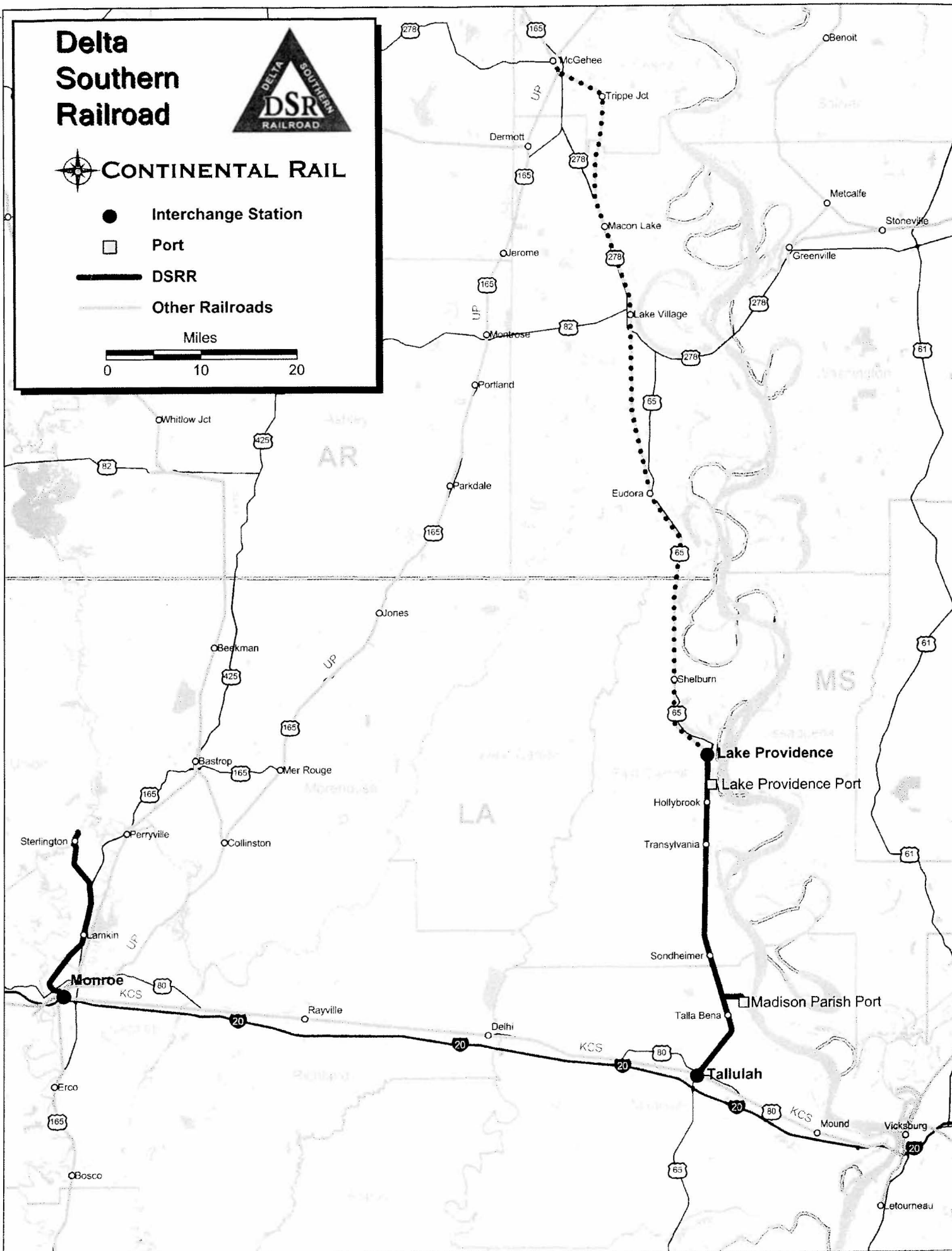
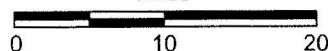
● Interchange Station

□ Port

— DSR

— Other Railroads

Miles



Southwestern Railroad Whitewater Division

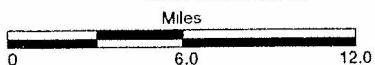


- Interchange Station
- SW
- Union Pacific
- BNSF Railway
- Other Railroads

Southwestern Railcar Services



Connections: UP at Deming, NM
BNSF at Rincon, NM



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