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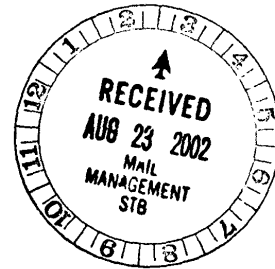
BALL JANIK LLP

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August 23, 2002

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

Re: Finance Docket No. 34245, Timber Rock Railroad, Inc. -- Lease
Exemption -- The Burlington Northern and Santa Fe Railway
Company

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. 1150.41 and a check covering the \$1,300.00 filing fee. Also enclosed is a 3.5-inch diskette formatted for WordPerfect containing the Notice and Summary.

Please time and date stamp the extra copy of the Notice of Exemption and return it with our messenger.

If you have any questions, please contact me.

Sincerely,

Karl Morell

Enclosures

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34245

TIMBER ROCK RAILROAD, INC.
--LEASE EXEMPTION--
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.41, Et Seq.



KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorneys for:
TIMBER ROCK RAILROAD, INC.

Dated: August 23, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34245

TIMBER ROCK RAILROAD, INC.
--LEASE EXEMPTION--
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.41, Et Seq.



Timber Rock Railroad, Inc. ("TRRR"), a Class III rail carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E--Exempt Transactions Under 49 U.S.C. 10902, to permit TRRR to lease a 99.2-mile rail line from The Burlington Northern And Santa Fe Railway Company ("BNSF"). As part of this transaction, TRRR will also acquire incidental trackage rights over a 2.49-mile BNSF rail line in order to interchange traffic with BNSF at its Tenaha Yard.

In support of this Notice of Exemption, TRRR submits the following information as required by 49 C.F.R. § 1150.43:

- (a) Full name and address of applicant:

Timber Rock Railroad, Inc.
315 West 3rd Street
Pittsburg, Kansas 66762

(b) Applicant's Representative:

Karl Morell
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

(c) Statement of Agreement:

TRRR has entered into an agreement with BNSF for the lease of the rail line and acquisition of the incidental trackage rights.

(d) The operator of the property:

TRRR will be the operator of the property.¹

(e) Summary of proposed transaction:

(1) The name and address of the railroad leasing the subject property is:

The Burlington Northern And Santa Fe Railway Company
2600 Lou Menk Drive
Fort Worth, Texas 76131

(2) TRRR's lease of the rail line is expected to be consummated on or shortly after September 1, 2002.

(3) The rail line being leased from BNSF by TRRR is located between Milepost 51.0, near Kirbyville, TX, and Milepost 150.2, near Tenaha, TX.
As part of the lease of this line, TRRR will also acquire incidental

¹ BNSF is retaining the right to operate certain overhead trains over the line being leased to TRRR.

overhead trackage rights between Milepost 150.2, near Tenaha, and Milepost 152.69, at BNSF's Tenaha Yard for the purpose of interchanging traffic with BNSF.

- (4) The length of the rail line being leased is 99.2 miles and the length of the line over which TRRR is acquiring incidental trackage rights is 2.49 miles.
- (f) A map of the rail line being leased is attached as Exhibit 1.
- (g) TRRR hereby certifies that TRRR's projected revenues as a result of this transaction will not result in TRRR becoming a Class II or Class I rail carrier. TRRR further certifies that the projected annual revenue of TRRR will not exceed \$5 million. Accordingly, the requirements of 49 C.F.R. § 1150.42(e) do not apply to this transaction.

A caption summary, as required by 49 C.F.R. § 1150.44, is attached.

ENVIRONMENTAL AND HISTORIC IMPACTS

TRRR is leasing the line from BNSF for continued rail operations. Further Board approval is required for TRRR to discontinue any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

TRRR's lease will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50

vehicles a day. TRRR's lease of the rail line will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

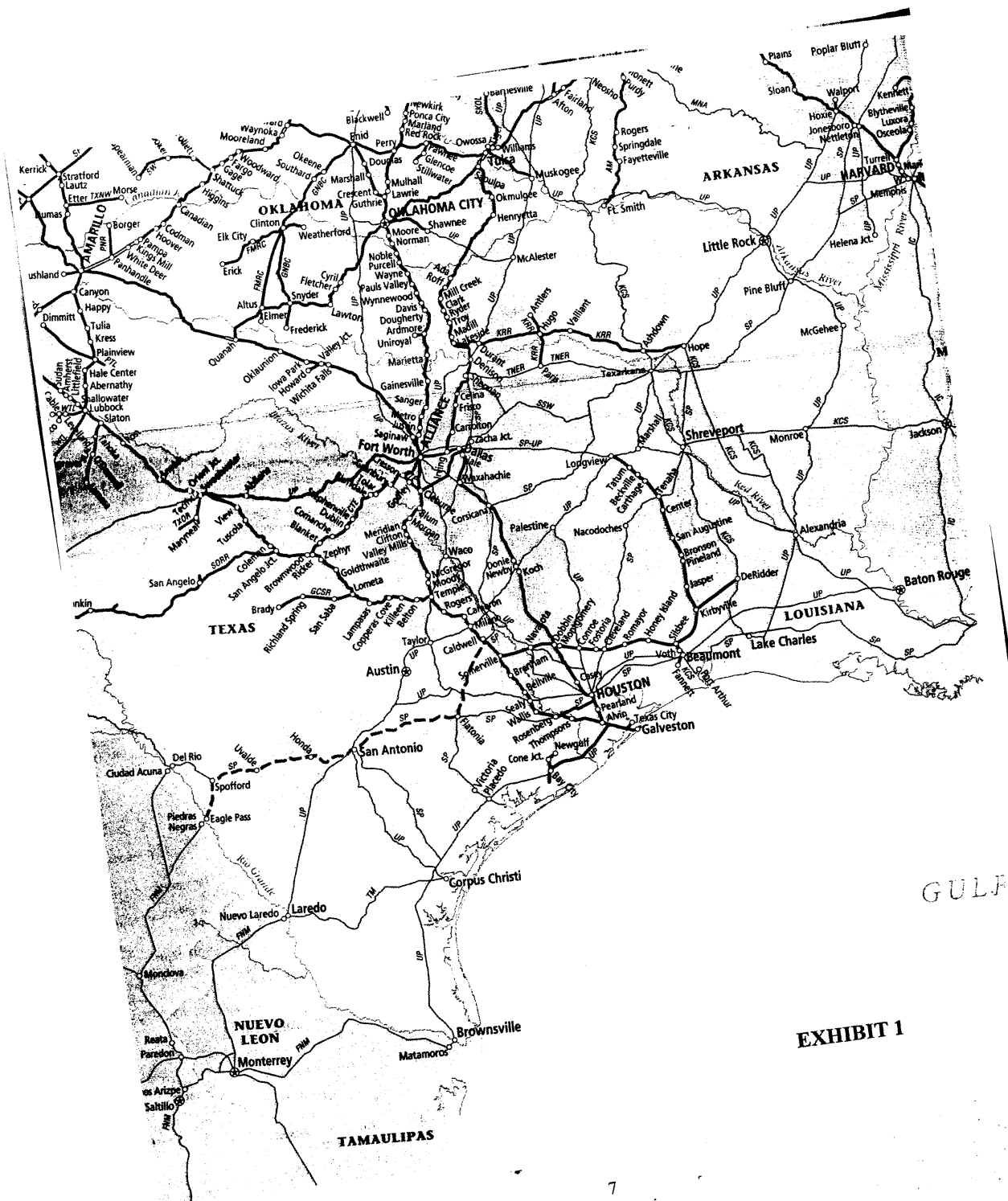
Respectfully submitted,



KARL MORELL
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Suite 225
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Washington, DC 20005
(202) 638-3307

Attorneys for:
TIMBER ROCK RAILROAD, INC.

Dated: August 23, 2002



SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34245

TIMBER ROCK RAILROAD, INC.

--LEASE EXEMPTION--

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

Timber Rock Railroad, Inc., a Class III rail carrier, has filed a notice of exemption to lease from The Burlington Northern And Santa Fe Railway Company ("BNSF") the rail line located between Milepost 51.0, near Kirbyville, Texas, and Milepost 150.2, near Tenaha, Texas. In conjunction with the lease of the rail line, TRRR will acquire incidental overhead trackage rights over BNSF's 2.49-mile rail line between Milepost 150.2, near Tenaha, and Milepost 152.69, at BNSF's Tenaha Yard.

Comments must be filed with the Board and served on Karl Morell, Of Counsel, BALL JANIK LLP, Suite 225, 1455 F Street, N.W., Washington, DC 20005, (202) 638-3307.

This notice is filed under 49 C.F.R. 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

STATE OF KANSAS)
) ss.
COUNTY OF CRAWFORD)

I, Richard B. Webb, being duly sworn depose and state that I am President of the Timber Rock Railroad, Inc., that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

Richard B. Webb
Richard B. Webb

SUBSCRIBED AND SWORN TO before me this 21st day of August, 2002, in the County of Crawford, State of Kansas.

My Commission Expires: 11-12-2004

Jamea Hanson
Notary Public