

CLARK HILL

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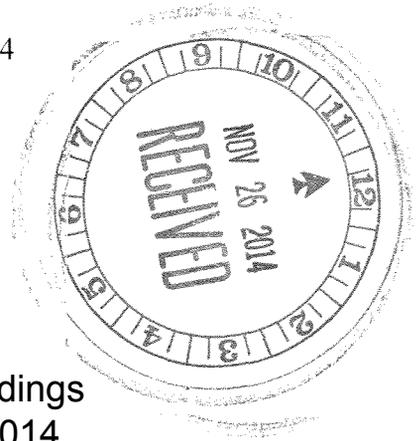
November 25, 2014

VIA FEDEX

237123

Cynthia T. Brown
Chief, Section of Administration - Office of
Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

ENTERED
Office of Proceedings
November 26, 2014
Part of
Public Record



Re: Arkansas Louisiana & Mississippi Railroad Company -
Lease and Operation Exemption Including Interchange Commitment -
Union Pacific Railroad Company
STB Docket No. FD 35862

Dear Ms. Brown:

Enclosed for filing are the original and 10 copies of the Notice of Exemption being filed on behalf of Arkansas Louisiana & Mississippi Railroad Company. A check in the amount of \$1,800.00 representing the filing fee is also enclosed.

Pursuant to 49 CFR 1150.43(h)(1), an original and 10 copies of a Confidential Appendix including information regarding the interchange commitment is being provided under seal. No protective order is required.

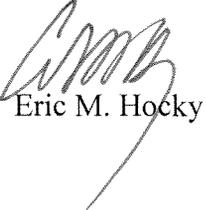
Please time stamp the extra copy of this letter to indicate receipt of the foregoing, and return to me in the stamped, self-addressed envelope provided for your convenience.

FILED
November 26, 2014
Surface Transportation Board

FEE RECEIVED
November 26, 2014
Surface Transportation Board

Cynthia T. Brown
November 25, 2014
Page 2

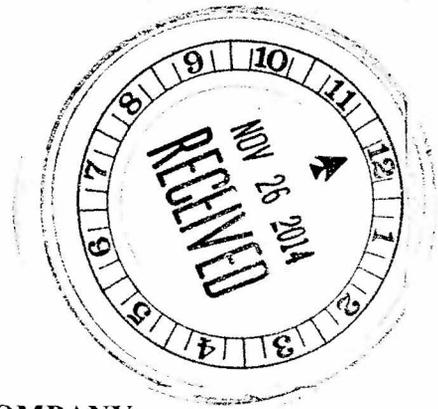
Please let me know if you have any questions regarding this filing. Thank you for your assistance.

Respectfully,
CLARK HILL PLC

Eric M. Hocky

EMH/e
Encls.

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 35862



**ARKANSAS LOUISIANA & MISSISSIPPI RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT--
UNION PACIFIC RAILROAD COMPANY**

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

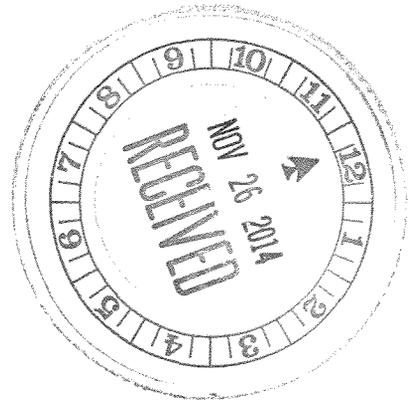
ERIC M. HOCKY
CLARK HILL, PLC
One Commerce Square
2005 Market Street, Suite 1000
Philadelphia, PA 19103
(215) 640-8500

Attorney for:
Arkansas Louisiana & Mississippi Railroad
Company

Dated: November 25, 2014

Before the
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. FD 35862



**ARKANSAS LOUISIANA & MISSISSIPPI RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT--
UNION PACIFIC RAILROAD COMPANY**

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

Arkansas Louisiana & Mississippi Railroad Company (“ALM”), 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 ALM to lease from Union Pacific Railroad Company (“UP”), and operate approximately 9.32 miles of rail line located in Collinston, Louisiana, known as the Bastrup Lead, between milepost 551.25 and milepost 560.57 (the “Leased Line”).

NOTICE

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

- (a) Full name and address of applicant:

Arkansas Louisiana & Mississippi Railroad Company
P.O. Box 757
140 Plywood Mill Road
Crossett, Arkansas 71635

- (b) Name, address and telephone number of Applicant's Representative:

ERIC M. HOCKY
CLARK HILL, PLC
One Commerce Square
2005 Market Street, Suite 1000
Philadelphia, PA 19103
(215) 640-8500

- (c) Statement of Agreement.

The parties have entered into a Lease Agreement.

- (d) The operator of the property:

UP is the current operator of the Leased Line. After the Lease becomes effective, ALM will be the operator of the property.

- (e) Summary of proposed transaction:

The Leased Line is a line of railroad that connects the line currently leased by ALM between Bastrop and Monroe, to UP's McGehee Sub at Collinston, Louisiana. There are no shippers located on the Leased Line, and UP currently does not operate over the Leased Line. The Lease will allow ALM and UP to shift their primary interchange location from Monroe to Collinston which should allow for the more efficient interchange and handling of traffic that is moved jointly by the carriers.

- (1) Full name and address of the railroad transferring the Leased Line:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

- (2) The involved transaction is expected to be consummated on or shortly after the effective date of this notice of exemption.
- (3) The Leased Line is known as the Bastrup Lead and is located between milepost 551.25 and milepost 560.57 in Collinston, Louisiana.
- (4) The length of the rail line to be leased is approximately 9.32 miles.

- (f) A map of the Leased Line is attached as Exhibit A.
- (g) ALM hereby certifies that ALM's projected revenues as a result of this transaction will not result in ALM becoming a Class II or Class I rail carrier.
- (h) (1) ALM certifies that the Lease Agreement contains an interchange commitment. Accordingly, ALM provides the following additional information with respect to the interchange commitment:
 - (i) The Lease Agreement contains an interchange commitment that indirectly affects interchange with a carrier other than UP at the following interchange point: Kansas City Southern Railway – Monroe, Louisiana.
 - (ii) A confidential, complete version of the Lease Agreement is being submitted under separate cover as part of a Confidential Appendix governed by 49 CFR 1104.14(a).
 - (iii) No shippers are located on, or have used the Leased Line in the last two years.
 - (iv) No traffic originated or terminated on the Leased Line in the last two years.
 - (v) There are no shippers identified in subparagraph (iii) above to whom notice must be given.
 - (vi) There are no third party railroads that can physically interchange with the Leased Line. Kansas City Southern Railway connects to ALM's connecting line at Monroe, Louisiana.
 - (vii) An estimate of the difference in rent with and without the interchange commitment is set forth in the Confidential Appendix.
 - (viii) The caption of this proceeding reflects the existence of an interchange commitment.

ADVANCED NOTICE TO LABOR

ALM certifies that its annual revenues exceed \$5 million. Accordingly, the requirements of 49 C.F.R. §1150.42 (e) apply to this transaction. ALM arranged for a notice to labor to be posted by UP, and filed a certification of the posting with the Board on October 24, 2014. See Exhibit B attached hereto.

LABOR PROTECTION

ALM is a Class III carrier, and pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions. Additionally, since UP has not been operating over the Leased Line, ALM does not believe that any employees of UP will be adversely affected by the transaction.

ENVIRONMENTAL AND HISTORIC IMPACTS

ALM will lease the rail line from UP for continued rail operations. Further Board approval is required for ALM to discontinue or abandon 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).

ALM's Lease Agreement 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 local rail traffic of at least 100 percent (there will be no traffic originating or terminating on the Leased Line), or an increase of at least eight trains a day on any segment of the Leased 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. ALM's lease of the Leased 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.

CAPTION SUMMARY

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

CONCLUSION

Based on the foregoing, ALM requests that the Board grant the exemption requested herein.

Respectfully submitted,



ERIC M. HOCKY
CLARK HILL, PLC
One Commerce Square
205 Market Street, Suite 1000
Philadelphia, PA 19103
(215) 640-8500

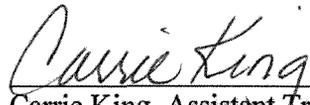
Attorney for:
Arkansas Louisiana & Mississippi Railroad
Company

Dated: November 25, 2014

VERIFICATION

I hereby verify on behalf of Arkansas Louisiana & Mississippi Railroad Company, under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verification.

Executed on November 25, 2014.

A handwritten signature in cursive script that reads "Carrie King". The signature is written in black ink and is positioned above a horizontal line.

Carrie King, Assistant Treasurer

EXHIBIT A

MAP

EXHIBIT A

MAP

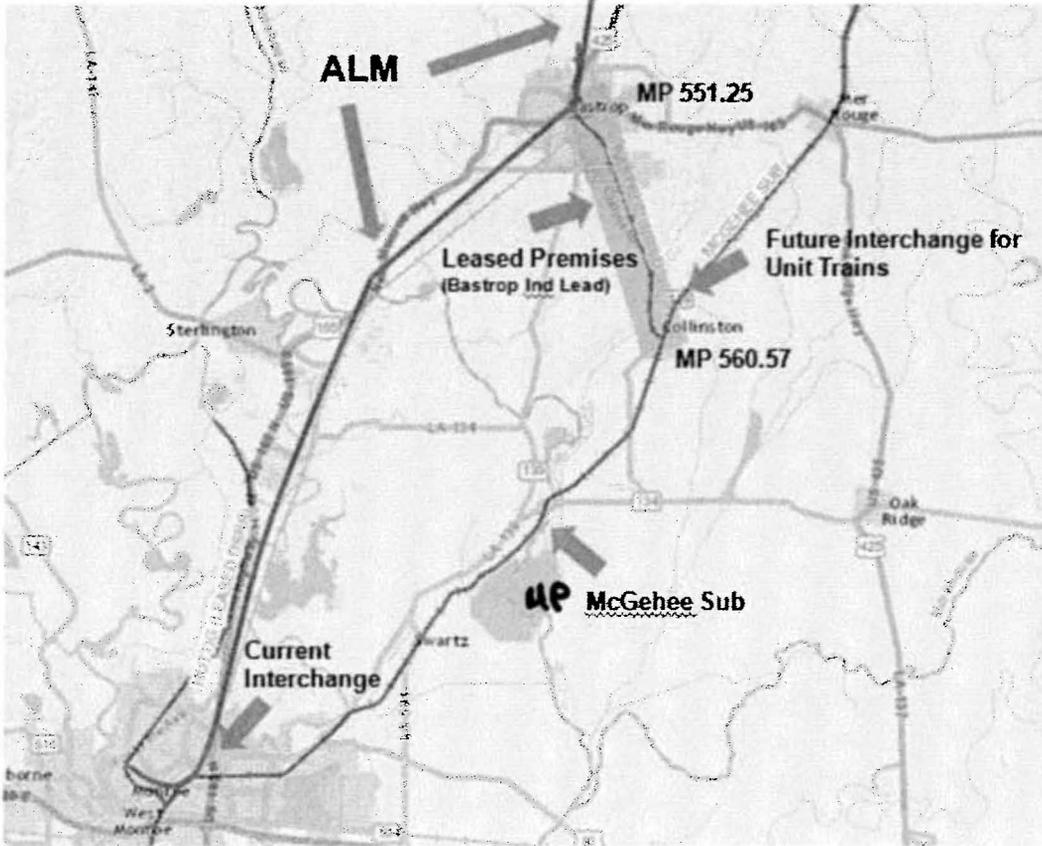


EXHIBIT B

**CERTIFICATION OF
ADVANCED NOTICE TO LABOR**

CLARK HILL

Eric M. Hocky
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Clark Hill PLC
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2005 Market Street
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clarkhill.com

October 24, 2014

VIA ELECTRONIC FILING

Cynthia T. Brown
Chief, Section of Administration - Office of
Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

Re: Arkansas Louisiana & Mississippi Railroad Company -
Lease and Operation Exemption Including Interchange Commitment -
Union Pacific Railroad Company
STB Docket No. FD 35862

Dear Ms. Brown:

Arkansas Louisiana & Mississippi Railroad Company (“ALM”) hereby certifies that On October 16, 2014 and October 23, 2014, an unsigned version of the enclosed Notice was posted at the workplaces of the employees on the Union Pacific Railroad Company (“UP”) working on the line (the “Line”) that ALM intends to lease from UP. UP has advised ALM that the Notice was posted at the following location(s): Monroe Yard Office, Monroe, LA; Crest Crew Building, North Little Rock, AR; and Locust Crew Building, North Little Rock, AR.

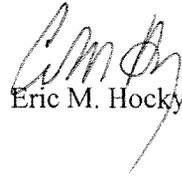
ALM also certifies that it has served a copy of this letter, including the Notice, on the national offices of all labor unions with employees on the Line as shown on the attached certificate of service.

Cynthia T. Brown
October 24, 2014
Page 2

Please let me know if you have any questions regarding this filing. Thank you for your assistance.

Respectfully,

CLARK HILL PLC



Eric M. Hocky

EMH/e
Encls.

cc: All persons on the attached certificate of service

Cynthia T. Brown
October 24, 2014
Page 3

CERTIFICATE OF SERVICE

I hereby certify that on October 24, 2014, copies of the foregoing letter and the Notice were served on the following persons by the method indicated:

By U.S. mail, postage prepaid:

Brotherhood of Locomotive Engineers and Trainmen,
A division of the IBT
1370 Ontario Street – Mezzanine
Cleveland, OH 04413

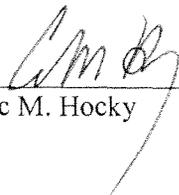
SMART Transportation Division
United Transportation Union
24950 Country Club Blvd., Ste. 340
North Olmsted, OH 44070-5333

Brotherhood of Railroad Signalmen
917 Shenandoah Shores Road
Front Royal, VA 22630

Brotherhood of Maintenance of Way
Employees Division of the IBT
41475 Gardenbrook Road
Novi, MI 48375-1328

By electronic mail:

Jeremy M. Berman
Assistant General Attorney
Union Pacific Railroad
1400 Douglas St., STOP 1580
Omaha, NE 68179
jmberman@up.com



Eric M. Hocky

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 35862

ARKANSAS LOUISIANA & MISSISSIPPI RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT --
UNION PACIFIC RAILROAD COMPANY

NOTICE OF INTENT DIRECTED TO EMPLOYEES OF
UNION PACIFIC RAILROAD COMPANY

Pursuant to the regulations of the Surface Transportation Board (the "Board") at 49 CFR §1150.42(e), Arkansas Louisiana & Mississippi Railroad Company ("ALM"), a Class III rail carrier, hereby gives notice of its intent to lease from Union Pacific Railroad Company ("UP"), and operate, approximately 9.32 miles of rail line located in Collinston, Louisiana, known as the Bastrup Lead, between milepost 551.25 and milepost 560.57. The lease is intended to be effective as of December 6, 2014, or as soon thereafter as the Board gives its approval or the exemption becomes effective.

As a result of the transaction, ALM does not expect any new jobs to be available on ALM. Further, ALM understands that no jobs on UP are expected to be affected.

Arkansas Louisiana & Mississippi
Railroad Company

Dated: October 16, 2014

By: Carrie King
Name: CARRIE KING
Title: ASSISTANT TREASURER

EXHIBIT C
CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

Docket No. FD 35862

**ARKANSAS LOUISIANA & MISSISSIPPI RAILROAD COMPANY
--LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT--
UNION PACIFIC RAILROAD COMPANY**

Arkansas Louisiana & Mississippi Railroad Company, a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. §1150.41, to lease from Union Pacific Railroad Company, and operate, the rail line known as the Bastrup Lead and located between milepost 551.25 and milepost 560.57 in Collinston, Louisiana.

Comments must be filed with the Board and served on ERIC M. HOCKY, CLARK HILL, PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103, (215) 640-8500.

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.