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August 24, 2015

By E-Filing

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Re: Docket No. AB 603 (Sub-No.4X), *V AND S Railway, LLC - Abandonment
Exemption - in Pueblo, Crowley, and Kiowa Counties*

Dear Ms. Brown:

Accompanying this letter for filing in the referenced docket is a Notice of Intent to File an Offer of Financial Assistance, submitted on behalf of KCVN, LLC, and the Colorado Pacific Railroad, LLC, both of which are non-carriers.

Do not hesitate to contact the undersigned with any questions or if you need additional information.

Sincerely,

Thomas W. Wilcox
*Attorney for KCVN, LLC and Colorado
Pacific Railroad, LLC*

cc: Fritz R. Kahn, Esq.
William S. Osborn, Esq.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Docket No. AB 603 (Sub- No. 4X)

**V AND S RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN PUEBLO, CROWLEY, AND KIOWA COUNTIES, COLORADO**

**NOTICE OF INTENT TO FILE AN
OFFER OF FINANCIAL ASSISTANCE**

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Attorneys for KCVN, LLC and
Colorado Pacific Railroad, LLC

August 24, 2015

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Docket No. AB 603 (Sub-No. 4X)

**V AND S RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN PUEBLO, CROWLEY AND KIOWA COUNTIES, COLORADO**

**NOTICE OF INTENT TO FILE AN
OFFER OF FINANCIAL ASSISTANCE**

Pursuant to 49 U.S.C. § 10904 and 49 C.F.R. § 1152.27(c)(2)(i), and the Notice served in this proceeding on August 21, 2015, KCVN, LLC¹ and its wholly owned subsidiary, Colorado Pacific Railroad, LLC, both of which are non-carriers ("Offerors"), hereby formally express their intent to jointly file an offer of financial assistance ("OFA") whereby the Colorado Pacific Railroad, LLC would acquire by purchase the approximately 121.9 miles of railroad line between milepost 747.5, near Towner, Colorado and milepost 869.4, near NA Junction in Pueblo, Crowley, and Kiowa Counties, Colorado, known as the "Towner Line," proposed to be abandoned by V AND S Railway, LLC ("V&S") on August 3, 2015 in STB Docket No. AB 603 (Sub-No. 4X).

By copy of this Notice, Offerors, pursuant to 49 C.F.R. § 1152.27(a), hereby request that V&S provide the following to the undersigned at the earliest opportunity:

1. V&S's minimum purchase price for Towner Line;

¹ As noted in footnote 1 to the August 21, 2015 Notice, KCVN, LLC is one of the complainants in Docket No. NOR 42140. The record in that proceeding reflects that KCVN, LLC has previously expressed its desire to restore common carrier rail service over the Towner Line.

2. V&S's most recent reports on the physical condition of Towner Line;
3. V&S's estimate of the Net Liquidation Value of Towner Line, including, at a minimum, supporting data reflecting available real estate appraisals, assessments of the quality and quantity of track material on the line, and removal cost estimates (including the cost of transporting removed materials to point of sale or point of storage for relay use);
4. Data necessary to determine the amount of financial assistance required to restore and maintain operations over Towner Line; and
5. Relevant documentation concerning easements and rights-of-way that are associated with the Towner Line, including but not limited to the following information related to the December 1, 2005 Purchase Agreement between The State of Colorado for the Use and Benefit of The Department of Transportation and V and S Railway, Inc. for the Towner Line ("Purchase Agreement"), most of which was attached to V&S's Petition for Exemption filed in STB Docket No. FD 35664 on August 15, 2012. Offerors believe this Purchase Agreement may have some impact on the OFA process, specifically:
 - a. The Purchase Agreement states at page 1 that the "Line Sale Contract [between Union Pacific Railroad Company and CDOT] imposed certain conditions on the 'operator' of the Line that CDOT must pass on to any lessee/purchaser of the Line." See also sections 5(i), (j), and (k) of the Purchase Agreement. Offerors request a true and correct copy of the referenced Line Sale Contract if V&S has this document in its possession.
 - b. Exhibits A-E to the Purchase Agreement were not attached to the copy of the Purchase Agreement V&S filed with the STB in Docket No. FD 35644. Offerors therefore request true and correct copies of Exhibits A-C, particularly Exhibit B, which is described in the Purchase Agreement as listing the "various agreements, licenses, leases, and easements associated with the Line" that V&S was required to accept under the Purchase Agreement. See Section 2(d); and
 - c. In addition to (a) and (b), to what extent would the purchase of the Towner Line by Offerors pursuant to the OFA process be subject to any of the terms and conditions of the Purchase Agreement, which appears to not contain a termination date?

- d. Offerors also respectfully request permission from V&S to inspect the Towner Line, at Offerors' cost.

Additionally, in light of the Board's accelerated procedures in abandonment exemption proceedings, and since it is unlikely that the requested information can be provided to Offerors prior to the date their formal Offer of Financial Assistance would normally be due, Offerors hereby request the Board to toll the 30 day period for submitting offers of financial assistance for an additional 30 days in order to provide Offerors with an adequate opportunity to review and analyze the material provided by V&S in response to this Notice and prepare and submit their OFA. Such extension is consistent with the National Transportation Policy and will not unfairly prejudice the interests of any party.

Respectfully submitted,



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(202) 342-5248

*Attorneys for KCVN, LLC and Colorado
Pacific Railroad, LLC*

August 24, 2015

CERTIFICATE OF SERVICE

I do hereby certify that on this 24th day of August 2015, I have served a copy of the foregoing Notice of Intent to File an Offer of Financial Assistance by email to:

Fritz Kahn, Esq.
Fritz R. Kahn, P.C.
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Washington, DC 20036
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Thomas W. Wilcox