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SERVICE DATE – NOVEMBER 5, 2010

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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35427]

DeQueen and Eastern Railroad, LLC—Acquisition and Operation Exemption—DeQueen and Eastern Railroad Company

DeQueen and Eastern Railroad, LLC (DQE), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to acquire from DeQueen and Eastern Railroad Company and to operate approximately 47 miles of rail line between milepost 40.0 (the Oklahoma–Arkansas state border) and milepost 87.0 (Perkins, Ark.), including auxiliary, temporary storage, and spur tracks, in Howard and Sevier Counties, Ark.¹

This transaction is related to a transaction in which Patriot Rail, LLC and its subsidiaries entered into an asset purchase agreement on July 21, 2010, to acquire from Weyerhaeuser NR Company certain rail assets and the rail assets of five of its subsidiaries.

This transaction is also related to six other transactions for which notices of exemption have been concurrently filed: Docket No. FD 35425, Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail

¹ DQE states that it intends to interchange traffic at De Queen, Ark. with Kansas City Southern Railway Company, at Perkins with Union Pacific Railroad Company, and at the Arkansas-Oklahoma state border with its affiliate, Texas Oklahoma & Eastern Railroad, LLC.

Corp.—Continuance in Control Exemption—Columbia & Cowlitz Railway, LLC, DeQueen and Eastern Railroad, LLC, Golden Triangle Railroad, LLC, Mississippi & Skuna Valley Railroad, LLC, Patriot Woods Railroad, LLC, and Texas, Oklahoma & Eastern Railroad, LLC, in which Patriot Rail, LLC and its subsidiaries seek to continue in control of DQE in this proceeding and five other newly created noncarrier subsidiaries, upon the latter becoming Class III rail carriers in the following proceedings: (1) Docket No. FD 35426, Columbia & Cowlitz Railway, LLC—Acquisition and Operation Exemption—Columbia & Cowlitz Railway Company; (2) Docket No. FD 35428, Golden Triangle Railroad, LLC—Acquisition and Operation Exemption—Golden Triangle Railroad Company; (3) Docket No. FD 35429, Mississippi & Skuna Valley Railroad, LLC—Acquisition and Operation Exemption—Mississippi & Skuna Valley Railroad Company, (4) Docket No. FD 35430, Texas, Oklahoma & Eastern Railroad, LLC—Acquisition and Operation Exemption—Texas, Oklahoma & Eastern Railroad Company; and (5) Docket No. FD 35431, Patriot Woods Railroad, LLC—Acquisition and Operation Exemption—Weyerhaeuser NR Company, Weyerhaeuser Woods Railroad Operating Division.

The parties intend to consummate the transaction on or after December 21, 2010.

DQE certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and will not exceed \$5 million.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will

not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than November 12, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35427, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, 600 Baltimore Ave., Suite 301, Towson, MD 21204.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

Decided: November 1, 2010.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.