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SERVICE DATE – NOVEMBER 18, 2005

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34722]

Beth A. Blansett, William D. Blansett, and Modoc Railway and Land Company LLC—  
Continuance in Control Exemption

Beth A. Blansett and William D. Blansett (Blansetts), noncarrier individuals, have filed a verified notice of exemption to continue in control of Modoc Railway and Land Company LLC (MR&L)<sup>1</sup> and Modoc Northern Railroad Company (MNRR),<sup>2</sup> upon their becoming Class III rail carriers. The Blansetts currently control Utah Central Railway Company (UCRC), a Class III rail carrier.<sup>3</sup> MR&L also is invoking the class exemption to control MNRR, when both become rail carriers.

The transaction was expected to be consummated on or shortly after November 1, 2005

This transaction is related to two concurrently filed notices of exemption:

(1) STB Finance Docket No. 34769, Modoc Railway and Land Company LLC—

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<sup>1</sup> Beth A. and William D. Blansett each own one-third interests in MR&L. Cristina C. Blansett, a minor, owns the remaining one-third interest in MR&L.

<sup>2</sup> Beth A. and William D. Blansett each own 50 percent interests in MNRR.

<sup>3</sup> Beth A. and William D. Blansett own 953 shares in UCRC. Also, Stephen M. Richards owns 200 shares, William C. Blansett owns 505 shares and Carl E. Baker owns 48 shares.

Acquisition Exemption–Union Pacific Railroad Company, wherein MR&L seeks to acquire by lease, with an option to purchase, approximately 107.15 miles of rail lines from Union Pacific Railroad Company, consisting of the line known as the Modoc Subdivision extending between milepost 552.0 near Texum, OR, and milepost 445.6 at the end of the track near McArthur, CA, and the Lakeview Branch extending between milepost 456.89 and milepost 458.60 at Alturas, CA; and (2) STB Finance Docket No. 34768, Modoc Northern Railroad Company–Operation Exemption–Union Pacific Railroad Company, wherein MNRR seeks to operate the rail lines being acquired by lease by MR&L.

The Blansetts state that: (1) the rail lines being operated by UCRC do not connect with the rail lines being acquired by lease by MR&L and operated by MNRR; (2) the continuance in control is not a part of a series of anticipated transactions that would connect the rail lines being acquired by MR&L with any railroad in their corporate family; and (3) the transaction does not involve a Class I railroad. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III carriers.

If the 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 transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34722, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Dennis C. Farley, Lear & Lear, L.L.P., 229 South Main, Suite 2200, Wells Fargo Center, Salt Lake City, UT 84111.

Board decisions and notices are available on our website at  
“[WWW.STB.DOT.GOV](http://WWW.STB.DOT.GOV).”

Decided: November 9, 2005.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary