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Service Date- December 24, 1996

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[S.B. Finance Docket No. 333061

Wabash & Western Railway Co.--Lease and Operation

Exemption--Morris Leasing Co., Ltd., and Michigan Southern

Railroad, Inc.

Wabash & Western Railway Co., Ltd. (WAB), a Class III shortline rail carrier, has filed a notice of exemption under 49 CFR 1150.41 to lease and operate approximately 49.6 route miles of rail lines (the Lines) owned and/or operated by Morris Leasing Co., Ltd. (MLSC) and Michigan Southern Railroad, Inc. (MSR), Class III rail carriers, as follows: (1) between milepost 119.0 and milepost 120.1, at or near Kendallville, Noble County, IN, (a portion of the GR&I Industrial Track); (2) between milepost 0.0 and milepost 9.8, at or near Elkhart, Elkhart and St. Joseph Counties, IN, (a portion of the E&W Secondary Track); and (3) between milepost 382.5, at or near Coldwater, MI, and milepost 421.2, at or near White Pigeon, MI, (the Quincy Secondary Track). Michigan Southern will be the operator of the lines<sup>1</sup>

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<sup>1</sup>For purposes of this lease transaction, WAD will enter into an agreement with MLSC and MSR whereby WAD will be permitted to do business under the trade name "Michigan Southern Railroad.

**S.B. Finance Docket No. 33306**

The transaction was expected to be consummated on or after December 4, 1996. 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 does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STE Finance Docket No. 33306, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1201 Constitution Avenue, NW, Washington, DC 20423. In addition, a copy of each pleading must be served on Robert A. Wimbish, Esq., Rea, Cross & Auchincloss, Suite 420, 1920 N Street, NW, Washington, DC 20036.

Decided: December 17, 1996.

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

Vernon A. Williams

Secretary