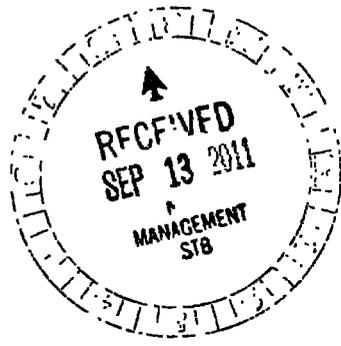


230949



IOWA TRAILS COUNCIL
P.O. Box 131
Center Point, IA 52213
TomNecnan1@aol.com

SUNFLOWER RAIL-TRAILS CONSERVANCY, INC.
P.O. Box 44-2043
Lawrence, KS 66044
316-685-5681
larryross7133@yahoo.com

ENTERED
Office of Proceedings
SEP 13 2011
Part of
Public Record

August 15, 2011

Ms. Cynthia T. Brown
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

**RE: Petition to Transfer Holder of Notice of Interim Trail Use/Trail
Manager/Responsible Party Status for the Lyons to Beaver, Kansas rail line;
Status granted in STB Docket No. AB-406 (Sub-No. 7X) Central Kansas Railway
Limited Liability Company—Abandonment Exemption – in Barton, Ellsworth
and Rice, Counties, Kansas**

Dear Ms. Brown:

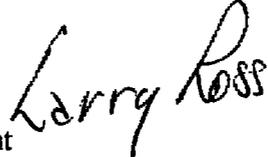
Enclosed please find the following pleading: An original and ten copies of a "Joint
Petition of the Iowa Trails Council, Inc. and Sunflower Rail-Trails Conservancy, Inc. for
Substitution of New Holder of Interim Trail Use/Trail Manager/Responsible Party,"
along with a Statement of Willingness to Assume Financial Responsibility filed on
behave of Sunflower Rail-Trails Conservancy, Inc.

A check from SRTC for the \$250 filing fee is enclosed.

If you have any questions, please feel free to contact us.

Sincerely,


Tom Neenan
ITC Executive Director

Larry Ross 
SRTC President

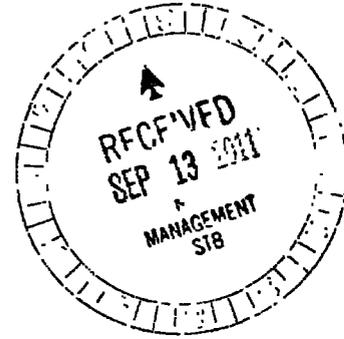
Enc.

BEFORE THE
SURFACE TRANSPORTATION BOARD
STB DOCKET NO. AB-406 (Sub-No. 7X)
--ABANDONMENT EXEMPTION--
CENTRAL KANSAS RAILWAY LIMITED LIABILITY COMPANY
IN BARTON, ELLSWORTH AND RICE COUNTIES, KS

Tom Neenan
Executive Director
ITC Trails Council
P.O. Box 131
Center Point, IA 52213
319-849-1844

Larry Ross
President
Sunflower Rail-Trails
Conservancy, Inc.
P.O. Box 44-2043
Lawrence, KS 66044
316-685-5681

BEFORE THE
SURFACE TRANSPORTATION BOARD
STB DOCKET NO. AB-406 (Sub-No. 7X)



--ABANDONMENT EXEMPTION--

IN BARTON, ELLSWORTH, AND RICE COUNTIES, KANSAS

JOINT PETITION OF THE IOWA TRAILS COUNCIL, INC. AND
SUNFLOWER RAIL-TRAILS CONSERVANCY, INC. FOR SUBSTITUTION OF
NEW HOLDER OF INTERIM TRAIL USE/TRAIL MANAGER/RESPONSIBLE
PARTY

Pursuant to 49 C.F.R. & 1152.29(f), the Iowa Trails Council ("ITC") and Sunflower Rail-Trails Conservancy, Inc. ("SRTC") submit this joint petition to the Surface Transportation Board (STB) requesting that the above-captioned proceedings be reopened so that SRTC may be substituted as the Holder of Interim Trail Use/Trail Manager/Responsible Party for the rail line in the above-captioned proceeding, specifically the rail line located between milepost 577.1 near Lyons, KS, and milepost 594.1 near Lorraine, KS, and the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1, a total of 37.4 miles in Barton, Ellsworth and Rice Counties, Kansas. In support of said petition, the ITC and SRTC set forth the following, to wit:

1. By decision and notice of interim trail use or abandonment (NITU) served on January 29, 1998, the STB under U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903, the abandonment by Central Kansas Railway, Limited Liability Company of the above-referenced rail line known as the Little River Subdivision. (Said NITU is attached hereto as Exhibit A).

2. Extensions of the negotiating period were granted by the STB in subsequent decisions. In a final decision on December 19, 2001, (Said extension decision is attached hereto as Exhibit B) the STB extended the negotiating period until June 24, 2002, between milepost 577.1 near Lyons, KS, and milepost 594.1 near Lorraine, KS, and between milepost 20.7 near Lorraine, KS to milepost and the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1, a total distance of 37.4 miles, in Rice, Ellsworth and Barton Counties (37.4 mile segment); and noted that the railroad had provided notice of consummation of abandonment pursuant to 49 CFR 115.29(e)(2) as to the remaining segment of the rail line between the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1 and milepost 56.9 near Galatia, KS, a distance of 15.8 miles, in Barton County, KS.

3. Pursuant to the above-referenced decision ITC entered into an Interim Trail Use Agreement (ITUA) with Central Kansas Railway, Limited Liability Company (Watco Companies, Inc.) (Said ITUA or Line Donation Contract is attached hereto as Exhibit C).

4. Sunflower Rail-Trails Conservancy, Inc. is a duly incorporated Kansas corporation with a corporate address of:

Sunflower Rail-Trails Conservancy, Inc.
P.O. Box 44-2043
114 Pawnee Ave.
Lawrence, KS 66044

Larry Ross, President
Telephone 316-685-5681

5. Attached hereto as Exhibits D and E are the SRTC's Statement of Willingness to Assume Financial Responsibility and a map of the corridor.

6. The date for the transition of total responsibility as the new interim trail manager to the SRTC is October 1, 2011.

WHEREFORE, the ITC and SRTC respectfully request that the STB reopen the above-captioned cause, vacate the existing NITU issued to ITC, and issue an appropriate NITU to the SRTC as the new Holder of Interim Trail Use/Trail Manager/Responsible Party.

Respectfully submitted,



August 4th, 2011

Tom Neenan
On behalf of
Iowa Trails Council, Inc.



August 8, 2011

Larry Ross
On behalf of
Sunflower Rail-Trails Conservancy, Inc.

EXHIBIT A

SERVICE DATE - JANUARY 29, 1998

SURFACE TRANSPORTATION BOARD

DECISION AND NOTICE OF INTERIM TRAIL USE OR ABANDONMENT

STB Docket No. AB-406 (Sub-No. 7X)

**CENTRAL KANSAS RAILWAY, LIMITED LIABILITY COMPANY
--ABANDONMENT EXEMPTION--
IN BARTON, ELLSWORTH AND RICE COUNTIES, KS**

Decided: January 27, 1998

By decision served and notice published in the Federal Register on April 29, 1997 (62 FR 23291), the Board granted an exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 permitting the abandonment by Central Kansas Railway, Limited Liability Company (CKR) of a 53.2-mile portion of its Little River Subdivision from milepost 577.1 near Lyons to milepost 594.1 near Lorraine, then from milepost 20.7 near Lorraine to milepost 56.9 near Galatia, in Barton, Ellsworth and Rice Counties, KS. The exemption became effective on May 29, 1997.

On May 19, 1997, James D. Jennings of Jennings & Co. (Jennings) filed a request for issuance of a notice of interim trail use/rail banking (NITU) to enable him to negotiate with CKR for use of the line as a trail. By letter filed June 24, 1997, CKR indicated that the abandonment had not been consummated and that it was willing to negotiate with Jennings. In a decision served July 1, 1997, the Board issued a NITU, authorizing a 180-day period for Jennings to negotiate an interim trail use/rail banking agreement with CKR for the right-of-way. The NITU negotiating period expired on December 28, 1997.

On December 24, 1997, Iowa Trails Council (ITC) filed a request for issuance of a new NITU for the above-described rail line to enable it to negotiate with CKR for use of the

line as a trail.⁽¹⁾ ITC submitted the requisite statement of willingness to assume financial responsibility for interim trail use/rail banking in compliance with 49 CFR 1152.29, and acknowledged that the use of the right-of-way as a trail is subject to future reactivation of rail service. By letter filed December 24, 1997, CKR states that it is agreeable to the issuance of a NITU to ITC.

Trail use requests may be accepted as long as the Board retains jurisdiction over the right-of-way⁽²⁾ and the carrier is willing to enter into negotiations. Inasmuch as CKR has not consummated the abandonment and is willing to negotiate for trail use, a new NITU will be issued under 49 CFR 1152.29, and ITC will be substituted as the new negotiating party. The parties may negotiate a trail use agreement during the 180-day period, which commenced on December 28, 1997. If the parties reach a mutually acceptable final agreement, further Board approval will not be necessary. If no agreement is reached within the 180 days, CKR may fully abandon the line. See 49 CFR 1152.29(d)(1) Use of the right-of-way for trail purposes is subject to restoration for rail purposes.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. This proceeding is reopened.

2. The decision served and published in the Federal Register on April 29, 1997, exempting the abandonment by CKR of the line described above, is modified to the extent necessary to implement interim trail use/rail banking as set forth below, for a period of 180 days from December 28, 1997, or until June 26, 1998.

3. If an interim trail use/rail banking agreement is reached, it must require the trail user to assume, for the term of the agreement, full responsibility for management of, for any legal liability arising out of the transfer or use of (unless the user is immune from liability, in which case it need only indemnify the railroad against any potential liability), and for the payment of any and all taxes imposed on the right-of-way

4. Interim trail use/rail banking is subject to the future restoration of rail service and to the user continuing to meet the financial obligations for the right-of-way.

5. If the user intends to terminate trail use, it must send the Board a copy of this decision and notice and request that trail use be vacated on a specified date.

6. If an agreement for interim trail use/rail banking is reached by June 26, 1998, interim trail use may be implemented. If no agreement is reached by that date, CKR may fully abandon the line.

7. This decision is effective on its service date.

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

Vernon A. Williams

Secretary

1. Jennings filed a letter on December 24, 1997, advising the Board that he is agreeable to the issuance of a NITU to ITC. On January 26, 1998, Jennings submitted a fax transmittal indicating that he is no longer interested in negotiating for interim trail use/rail banking in this proceeding.

2. See Rail Abandonments--Supplemental Trails Act Procedures, 4 I.C.C.2d 152, 157-58 (1987); Soo Line Railroad Company--Exemption--Abandonment in Waukesha County, WI, Docket No. AB-57 (Sub-No. 23X) (ICC served May 14, 1987); and Missouri-Kansas-Texas Railroad Company--Abandonment--in Pettis and Henry Counties, MO, Docket No. AB-102 (Sub-No. 16) (ICC served Apr. 26, 1991).

EXHIBIT B

32382
DO

SERVICE DATE - DECEMBER 26, 2001

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-406 (Sub-No. 7X)

CENTRAL KANSAS RAILWAY, LIMITED LIABILITY COMPANY
-ABANDONMENT EXEMPTION-
IN BARTON, ELLSWORTH AND RICE COUNTIES, KS

Decided: December 19, 2001

On January 29, 1998, a decision and notice of interim trail use or abandonment (NITU) was served in this proceeding, authorizing a 180-day period for Iowa Trails Council (ITC) to negotiate an interim trail use/rail banking agreement with Central Kansas Railway, Limited Liability Company (CKR) for a 53.2-mile portion of CKR's Little River Subdivision from milepost 577.1 near Lyons to milepost 594.1 near Lorraine, then from milepost 20.7 near Lorraine to milepost 56.9 near Galatia, in Barton, Ellsworth and Rice Counties, KS.¹ In decisions served on July 6, 1998, December 23, 1998, June 25, 1999, January 11, 2000, and August 2, 2000, respectively, the negotiating period was extended to December 23, 1998, June 21, 1999, December 18, 1999, June 15, 2000, and December 12, 2000.

By letter filed on December 10, 2001, CKR: (1) requests an extension of the negotiating period for an additional 180 days in which to negotiate a trail use agreement regarding a segment of the line between milepost 577.1 near Lyons, KS, and milepost 594.1 near Lorraine, KS, and between milepost 20.7 near Lorraine, KS, and the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1, a total distance of 37.4 miles, in Rice, Ellsworth and Barton Counties (37.4 mile segment); and (2) provides notice of consummation of abandonment pursuant to 49 CFR 115.29(e)(2) as to the remaining segment of the rail line between the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1 and milepost 56.9 near Galatia, KS, a distance of 15.8 miles, in Barton County, KS.

¹ By decision served July 1, 1997, the Board issued a NITU, which authorized a 180-day period for James D. Jennings of Jennings & Co. (Jennings) to negotiate an interim trail use/rail banking agreement with CKR for the right-of-way. On December 24, 1997, ITC requested a NITU to permit it to negotiate with CKR. The negotiating period for Jennings expired on December 28, 1997, and, on January 26, 1998, Jennings submitted a fax transmittal indicating that he was no longer interested in negotiating for interim trail use/rail banking in this proceeding.

An extension of the trail use negotiating period may be granted as long as the Board retains jurisdiction over the involved railroad right-of-way² and the carrier is willing to continue negotiations. Even if the negotiating period has expired, when a carrier consents to continue negotiations and has not consummated the abandonment of the line at the end of the previously imposed period, as is the case here, the Board continues to have jurisdiction to grant an extension. As indicated by its letter, CKR has not consummated the abandonment with regard to the 37.4-mile segment and has indicated a willingness to continue to negotiate. Thus, the extension request can be granted.

The requested extension of the negotiating period for the 37.4-mile segment will promote the establishment of trail use and rail banking consistent with the National Trails System Act, 16 U.S.C. 1247(d). Accordingly, the extension will be granted.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The request to extend the interim trail use negotiating period as to the 37.4-mile segment is granted.
2. The negotiating period under the NITU is extended for a period of 180 days from the service date of this decision (until June 24, 2002).
3. This decision is effective on its service date.

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

Vernon A. Williams
Secretary

² Where, as here, the carrier has not consummated the abandonment at the end of the previously imposed negotiating period and is willing to continue trail use negotiations, the Board retains jurisdiction to extend the NITU negotiating period. See Rail Abandonments – Supplemental Trails Act Procedures, 4 I.C.C.2d 152, 157-58 (1987); Missouri Pacific Railroad Company–Abandonment in Okmulgee, Okfuskee, Hughes, Pontotoc, Coal, Johnson, Atoka, and Bryan Counties, OK, Docket No. AB-3 (Sub-No. 63) (ICC served Jan. 2, 1990); and St. Louis Southwestern Railway Company–Abandonment–In Smith and Cherokee Counties, TX, Docket No. AB-39 (Sub-No. 12) (ICC served Mar. 27, 1992).

EXHIBIT C

LINE DONATION CONTRACT

THIS AGREEMENT is made and entered into as of the 7th day of December, 2001, by and between **CENTRAL KANSAS RAILWAY, L.L.C.**, a Colorado limited liability company ("Donor") and **IOWA TRAILS COUNCIL, INC.**, an Iowa nonprofit corporation ("Donee").

RECITALS:

Subject to the Decision and Notice of Interim Trail Use or Abandonment served by the Surface Transportation Board ("STB") on January 29, 1998, in Docket No. AB-406, Sub-No. 7X, ("STB Decision"), as subsequently extended by the STB, Donor wishes to donate to Donee that portion of its right-of-way between Milepost No. 577.1 at or near Lyons, Kansas, and Milepost No. 594.1 at or near Lorraine, Kansas, and between Milepost No. 20.7 at or near Lorraine, Kansas, and Milepost No. 41.2 at or near Beaver, Kansas, including all existing ballast, bridges, ties and culverts located thereon (hereinafter collectively "Property"), as such Property is more particularly described in the attached Exhibit A.

This Agreement is made to cover the donation of the Property to the Donee.

AGREEMENT:

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

Section 1. DATE OF CLOSING.

The transaction described herein shall be consummated on a date mutually agreeable to the parties, but not later than December 14, 2001 ("Closing").

Section 2. CONVEYANCE.

A. The Property shall be quitclaimed to the Donee by Donor without warranty of title or for quiet enjoyment, and subject to the STB Decision and The National Trails

System Act, 16 U.S.C. §1247(d) ("Trails Act"), as further described in Section 4 below, and subject also to all conditions, restrictions, reservations, easements and encumbrances, whether recorded or otherwise applicable to the Property shown in Exhibit A.

B. Notwithstanding the foregoing, Donor shall cooperate with and assist the Donee to effect the Closing of this transaction and shall furnish to the Donee the records, prints, archival information or other evidence that Donor may have bearing upon the use of or title to said Property.

Section 3. DOCUMENTS TO BE DELIVERED AT CLOSING.

At Closing, Donor shall deliver the following documents to the Donee:

1. a Quitclaim Deed in the form of Exhibit B, hereto attached and hereby made a part hereof, that transfers the Property to Donee,
2. a Bill of Sale in the form of Exhibit C, hereto attached and hereby made a part hereof, that transfers the remaining ballast, bridges, ties and culverts to Donee, and
3. an Assignment in the form of Exhibit D, hereto attached and hereby made a part hereof, that assigns and transfers to the Donee all of Donor's right, title and interest in and to the agreements identified in Exhibit E, hereto attached and hereby made a part hereof.

Section 4. COMPLIANCE WITH TRAILS ACT.

A. This Agreement and the documents described in Section 3 above are made in accordance with and subject to the Trails Act. After Closing, Donee agrees to assume full responsibility for management of the Property and for any legal liability arising out of

such transfer or use, and for payment of any and all taxes that may be levied or assessed against Property. In the event reactivation of rail service upon Property is necessary, Donee agrees to transfer Property back to Donor by executing a Quitclaim Deed in recordable form. Nothing in this document shall confer any obligation upon Donor to reactive rail service over Property. Donor retains the sole and exclusive right to reactivate rail service over Property, but is under no obligation to do so. However, in the event of reactivation of rail service, Donee shall be entitled to receive the reasonable value of any improvements which it constructed on the Property.

B. As a condition of this transaction, Donee agrees that, except for parking lots for the trail to be constructed, all authorized public use of Property shall be solely by nonmotorized means pursuant to the Trails Act.

Section 5. LIABILITY AND INSURANCE; STANDARD AGREEMENTS.

A. Donee assumes the risk of and agrees to indemnify and hold Donor harmless, and to defend Donor against and from any claims, costs, liabilities, expenses (including, without limitation, court costs and attorneys' fees), or demands of whatsoever nature or source arising or resulting from (i) any contamination or Environmental Problems, latent or obvious, discovered or undiscovered, in the Property to be transferred hereunder, (ii) any personal injury to or death of persons whomsoever (including without limitation employees, agents or contractors of Donee, Donor, or any third party), or (iii) any property damage or destruction of whatsoever nature (including, without limitation, property of Donor, or Donee, or property in its or their care, custody, or control and third party property), where such contamination, Environmental Problems, injury, death or damage

arose out of acts, omissions or events occurring after Closing.

B. Donor assumes the risk of and agrees to indemnify and hold Donee harmless, and to defend Donee against and from any claims, costs, liabilities, expenses (including, without limitation, court costs and attorneys' fees), or demands of whatsoever nature or source arising or resulting from (i) any contamination or Environmental Problems, latent or obvious, discovered or undiscovered, in the Property to be transferred hereunder, (ii) any personal injury to or death of persons whomsoever (including, without limitation, employees, agents or contractors of Donor, Donee or any third party) or (iii) any property damage or destruction of whatsoever nature (including, without limitation, property of Donee or Donor, or property in its or their care, custody or control, and third party property), where such contamination, Environmental Problems, injury, death or damage arises out of acts, omissions or events occurring before Closing; provided, however, Donee has the burden of proving that such contamination, Environmental Problems, injury, death or damage arise out of acts, omissions or events occurring before Closing.

C. "Environmental Problems" means any cause or action under the federal Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, and any cause or action arising from similar federal, state or local legislation or other rules of law, and private causes of action of whatsoever nature which arise from environmental damage, contamination, toxic wastes or similar causes.

D. If Donor's indemnification of Donee for such contamination or Environmental Problems becomes effective, Donor has the right to assume sole control of and/or implement any order, demand, plan or request, or defend against any cause of action of

whatsoever nature, using legal and technical counsel of its choosing.

E. Donee shall, at its sole cost and expense, procure the following kinds of insurance and promptly pay when due all premiums for that insurance. If Donee shall fail or refuse to do so, Donor shall have the right to obtain such insurance at reasonable expense and Donee shall promptly reimburse Donor for that expense. The following insurance shall be kept in force during the life of this Agreement:

Comprehensive Liability insurance providing bodily injury, including death, personal injury and property damage coverage with a combined single limit of at least Two Million Dollars (\$2,000,000.00) each occurrence or claim, and a general aggregate limit of at least Two Million Dollars (\$2,000,000.00). This insurance shall contain **Contractual Liability** covering the indemnity provisions contained in this Agreement, except uninsurable environmental liability, and shall name Donor as an additional insured with respect to all insurable liabilities arising out of Donee's obligation to Donor under this Agreement. If coverage is purchased on a "claims made" basis, it shall provide for at least a three (3) year extended reporting or discovery period, which shall be invoked should insurance covering the time period of this Agreement be canceled unless replaced with policy containing the same retroactive anniversary date as the policy being replaced.

F. Donee hereby agrees to cause its insurance carriers to waive any right to subrogation, with respect to the above insurance policy(ies), against Donor for payments made to or on behalf of employees of Donee or its agents and for loss of its owned or leased property or property under its care, custody and control while on or near Donor's right-of-way or other real property. Donee's insurance shall be primary with respect to any insurance carried by Donor.

G. Donee warrants that this Agreement has been thoroughly reviewed with its insurance agent(s)/broker(s) and the agent(s)/broker(s) has been instructed to procure the available insurance coverage required herein and name Donor as additional insured with

respect to all insurable liabilities arising out of Donee's obligation to Donor.

H. Donee shall furnish to Donor certificate(s) of insurance evidencing the required coverage and endorsement(s) and, upon request, a certified duplicate original of any of those policies. The insurance company(ies) issuing such policy(ies) shall endeavor to notify Donor in writing of any material alteration, including any change in the retroactive date in any "claims made" policies or substantial reduction of aggregate limits, if such limits apply, or cancellation thereof at least thirty (30) days prior thereto.

I. The insurance policy(ies) shall be written by a reputable insurance company or companies acceptable to Donor, or with a current Best's Insurance Guide Rating of B and Class VI or better. Such insurance company(ies) shall be authorized to transact business in the State of Kansas.

J. Insurance coverage provided in the amounts set forth herein shall not be construed to relieve Donee of liability in excess of such coverage, nor shall it preclude Donor from taking such other action as is available to it under any other provision of this Agreement or otherwise in law.

Section 6. MISCELLANEOUS PROVISIONS.

A. Amendment. No modification, addition or amendments to this Agreement or the exhibits attached hereto shall be effective unless and until such modification, addition or amendment is in writing and signed by the parties.

B. Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each party. Any assignments of this Agreement, in whole or in part, shall only be effective with the prior written consent of Donor.

C. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Kansas.

D. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

E. Survival of Representations and Warranties. All representations and warranties made in this Agreement shall survive Closing.

F. Notices. Any and all notices or other communications required or permitted by this Agreement or by law shall be deemed duly served when personally delivered to the party to whom they are directed, or in lieu of such personal service, when the notices are deposited in the United States Mail, certified return receipt requested, addressed to the party at the party's last known address. Any notice to Donor shall be sent to Central Kansas Railway, L.L.C., 252 Clayton Street, 4th Floor, Denver, Colorado 80206. Any notice to Donee shall be sent to Iowa Trails Council, Inc., P.O. Box 131, Center Point, Iowa 52213-01031.

G. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable under present or future laws, then, in that event, it is the intention of the parties hereto that the remainder of the Agreement shall not be affected thereby and shall be valid and shall be enforced to the fullest extent permitted by law, provided that the primary purposes of this Agreement are not frustrated.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in counterpart originals on the date first herein written.

Attest:

CENTRAL KANSAS RAILWAY, L.L.C.

By: ON FILE

By: _____

Title: _____

Title: _____

Attest:

IOWA TRAILS COUNCIL, INC.

By: DN FILE

By: _____

Title: _____

Title: _____

EXHIBIT D

STATEMENT OF WILLINGNESS TO ASSUME FINANCIAL RESPONSIBILITY

In order to establish interim trail use and railbanking under section 8(d) under the National Trails System Act 16 U.S.C. 1247(d), and 49 C.F.R. 1152.29, Sunflower Rail-Trails Conservancy, Inc. is willing to assume full responsibility for management of, for any legal liability arising out of the transfer or use of, and payment of any and all taxes that may be levied or assessed against the right-of-way owned by the Iowa Trails Council (formerly owned by the Central Kansas Railway, Limited Liability Company).

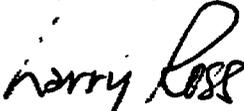
The property, known as the Little River Subdivision, extends from railroad milepost 577.1 near Lyons, KS, to milepost 594.1 near Lorraine, KS, and from railroad milepost 20.7 near Lorraine, KS, to the east edge of Vine Street in Beaver, KS, at approximately milepost 41.1, a total distance of 37.4 miles, in Rice, Ellsworth, and Barton Counties, Kansas. The right-of-way is part of a railroad proposed for abandonment in STB Docket No. AB-406 (Sub-No. 7X).

A map depicting the right-of-way is attached.

Sunflower Rail-Trails Conservancy, Inc. acknowledges that use of the right-of-way is subject to the user's continuing to meet its responsibilities described above and subject to possible future reactivation of the right-of-way for rail service.

By my signature below, I certify service upon the Central Kansas Railway, Limited Liability Company (Watco Companies, Inc.), 315 W. 3rd Street, Pittsburg, KS 66762.

Respectfully submitted,



Larry Ross
On behalf of
Sunflower Rail-Trails Conservancy, Inc.

August 23, 2011

EXHIBIT E

MAP:
LYONS - LOWER RIGHT
BEAVER - UPPER LEFT

