

LAW OFFICES
FRITZ R. KAHN, P.C.
1919 M STREET, NW (7TH FL.)
WASHINGTON, DC 20036

TEL: (202) 263-4152
FAX: (202) 331-8330
e-mail: xicccg@gmail.com

238954

ENTERED
Office of Proceedings
July 31, 2015
Part of
Public Record

July 31, 2015

VIA ELECTRONIC FILING

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

re: Docket No. FD 35946, Flatiron Rail Inc.—Lease and Operation Exemption--
Yreka Western Railroad Company

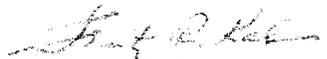
Dear Ms. Brown:

Attached for filing in the subject proceeding is the Verified Notice of Exemption of Flatiron Rail Inc.

The Payment Form with information about this firm's credit card in payment of the \$1,800.00 filing fee was facsimile transmitted to the Board earlier today.

If you have any question concerning this filing or if I otherwise can be of assistance, please let me know.

Sincerely yours,


Fritz R. Kahn

FEE RECEIVED
July 31, 2015
SURFACE
TRANSPORTATION BOARD

FILED
July 31, 2015
SURFACE
TRANSPORTATION BOARD

SURFACE TRANSPORTATION BOARD

Docket No. FD 35946

FLATIRON RAIL INC.
-- LEASE AND OPERATION EXEMPTION --
YREKA WESTERN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
OF
FLATIRON RAIL INC.

Fritz R. Kahn
Fritz R. Kahn, P.C.
1919 M Street, NW (7th fl.)
Washington, DC 20036
Tel.: (202) 263-4152
email: xiccgc@gmail.com

Attorney for

FLATIRON RAIL INC.

Dated: July 31, 2015

SURFACE TRANSPORTATION BOARD

Docket No. FD 35946

FLATIRON RAIL INC.
-- LEASE AND OPERATION EXEMPTION --
YREKA WESTERN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
OF
FLATIRON RAIL INC.

Flatiron Rail Inc . (“FRINC”), a non-carrier, pursuant to 49 U.S.C. § 10902 and 49 C.F.R. § 1150.31, et seq., states, as follows:

1. Applicant’s name and address:

Flatiron Rail Inc.
3002 75th Street
Boulder, CO 80301

2. Name and address of applicant’s representative:

Fritz R. Kahn
Fritz R. Kahn, P.C.
1919 M Street, NW (7th fl.)
Washington, DC 20036
Tel.: (202) 263-4152
e-mail: xiccgc@gmail.com

3. Agreement

Applicant, FRINC, and lessor, Yreka Western Railroad Company (“YW”), on July 21, 2015, entered into a memorandum of understanding for FRINC to lease and operate the railroad line of the YW, with an option to purchase it, subject to the Board’s authorization.

4. The operator of the railroad lines will be FRINC..
5. The following is a brief summary of the proposed transaction:

- a. The leasing carrier is:

Yreka Western Railroad Company
300 E. Miner Street
Yreka, CA 96097

- b. The transaction is scheduled to be consummated thirty days following the Notice's filing.

- c. The line to be leased by FRINC extends between Milepost 0.0 near Yreka 96097 and Milepost 10.2, near Montaque 96064, a distance of 10.2 miles in Siskiyou County, California.

6. A schematic map of the railroad lines to be leased by FRINC is attached as Exhibit A.

7. FRINC, by its representative, certifies that as a result of the proposed acquisition the revenue of FRINC will not exceed \$5 million and that the proposed lease will not result in the creation of a Class II or Class I rail carrier.

8. FRINC, by its representative, certifies that the memorandum of understanding between FRINC and YW contains no interchange commitment and that the railroad lines being leased contain no solid waste transfer facility.

9. Since this is a transaction which will result in no significant changes in the presently performed railroad operations, that is, there will be no increase in trail traffic exceeding the thresholds of 49 C.F.R. § 1105.7(e)(4) or (5), no environmental documentation is required, pursuant to 49 C.F.R. § 1105.6(c)(2)(i). Similarly, since the proposed transaction will not result in the disposition or alteration of properties subject to

the Board's jurisdiction which are 50 years old or older, no historic report is required, pursuant to 49 C.F.R. § 1105.8(b)(1).

10. Pursuant to 49 U.S.C. § 10902(c), no employee protective conditions need to be attached.

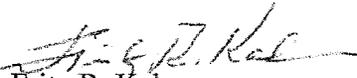
11. A caption summary is attached as Exhibit B.

12. A statement of no conflict of interests is attached as Exhibit C

Respectfully submitted,

FLATIRON RAIL INC.

By its attorney,



Fritz R. Kahn

Fritz, R. Kahn, P.C.

1919 M Street, NW (7th fl.)

Washington, DC 20036

Tel.: (202) 263-4152

e-mail: xiccgc@gmail.com

Dated: July 31, 2015

VERIFICATION

I, John H. Knapp, the President of Flatiron Rail Inc, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Notice of Exemption and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Flatiron Rail Inc. I know that willful misstatements or omission of material fact constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Boulder, CO., this 27th of July 2015.

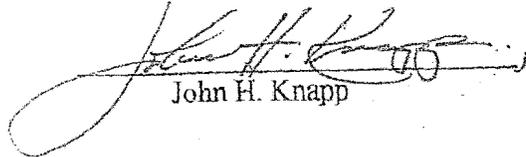
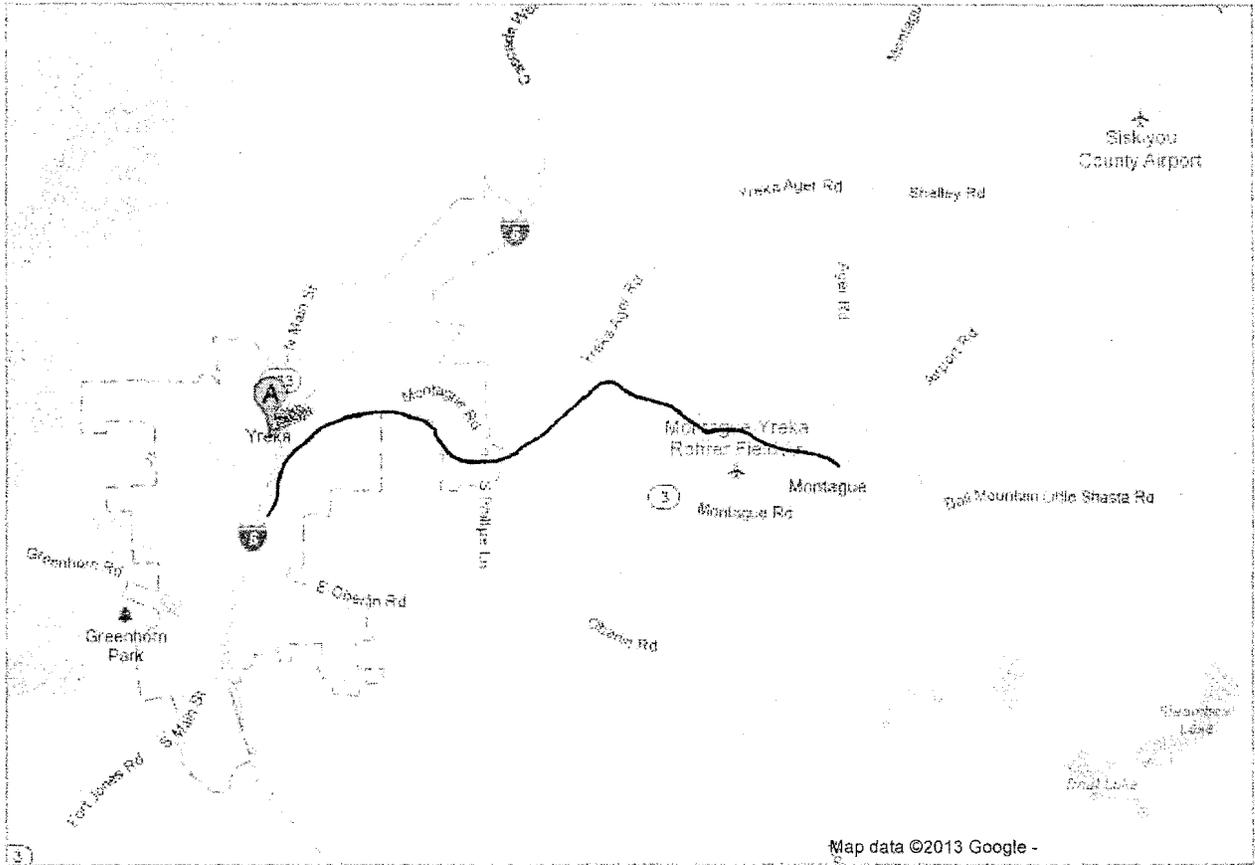

John H. Knapp
CHAIRMAN
F.R. INC

EXHIBIT A



YREKA WESTERN RAILROAD COMPANY

EXHIBIT B

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Docket No. FD 35946

FLATIRON RAIL INC.
-- LEASE AND OPERATION EXEMPTION --
LINE OF YREKA WESTERN RAILROAD COMPANY.

Flatiron Rail Inc. has filed a Verified Notice of Exemption to lease the line of the Yreka Western Railroad Company between Milepost 0.0 near Yreka 96097 and Milepost 10.2, near Montaque 96064, a distance of 10.2 miles in Siskiyou County, Colorado.

Comments must be filed with the Board and served on Fritz R. Kahn, Fritz R. Kahn, P.C., 1919 M Street, NW (7th fl.), Washington, DC 20036 (Tel.: (202) 263-4152; e-mail: xiccg@gmail.com).

The Verified Notice of Exemption is filed under 49 C.F.R. § 1150.31, *et seq.* 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 the exemption will not automatically stay the transaction.

EXHIBIT C

YREKA WESTERN RAILROAD COMPANY

Established 1896

300 East Miner Street • P.O. Box 660 • Yreka, California 96097
Phone: (530) 842-4146 • FAX: (530) 842-4148
Yrekawesternrr@aol.com

July 30, 2015

Fritz R. Kahn, P.C.
1919 M Street, NW (7th fl.)
Washington, DC

RE: Legal Council

Mr. Kahn,

This letter will confirm that the Yreka Western Railroad Company, has no objection to Mr. Fritz Kahn representing Flatiron Rail Inc as its legal council for its Surface Transportation Board and Rail Industry matters. YWR recognizes no conflict of interest Flatiron Rail Inc or with Mr. Kahn as council.

Please feel free to contact me if you have any other questions.

Thank you,



Court Hammond
President
Yreka Western Railroad Company

Cc: John Knapp, FLINC, Bob Bassett, Holland and Hart