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August 8, 2016
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Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. FD 36055

SOUTHEASTERN LAND, LLC
— **ACQUISITION AND OPERATION EXEMPTION** —
VAUGHAN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.31, Et Seq.

Bryan K. Mattingly
Frost Brown Todd LLC
250 W. Main St., Suite 2800
Lexington, KY 40507
(859) 244-3235
bmattingly@fbtlaw.com

Attorneys for Southeastern Land, LLC

Dated: August 5, 2016

Note: Map attached as Exhibit A contains color

FILED
August 8, 2016
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
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— ACQUISITION AND OPERATION EXEMPTION —
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VERIFIED NOTICE OF EXEMPTION

PURSUANT to 49 C.F.R. § 1150.31, Et Seq.

Pursuant to 49 U.S.C § 10502(a) and the Board’s regulations at 49 C.F.R. §§ 1150.31 *et seq.*, Southeastern Land, LLC (“Southeastern”), a non-carrier, hereby submits this Verified Notice of Exemption from the prior approval requirements of 49 U.S.C. § 10901 to permit Southeastern to acquire from Vaughan Railroad Company (“Vaughan”) and operate 14 miles of rail line between MP 7.5 near Belva, WV and MP 22.0 on Twentymile Creek northeast of Vaughan, WV (the “Line”).

Notice

In accordance with 49 C.F.R. § 1150.33, Southeastern hereby provides the following information:

(a) The full name and address of Southeastern is: Southeastern Land, LLC, 81 Enterprise Drive, Debord, KY 41214.

(b) The name, address and telephone number of the representative of Southeastern who should receive correspondence is: Rebecca S. Gohmann, General Counsel of Southeastern Land, LLC, 2408 Sir Barton Way, Suite 325, Lexington, KY 40509, (859) 721-0342.

(c) Southeastern, Vaughan and Vaughan's affiliates have entered into that certain Purchase and Sale Agreement under which Southeastern will purchase the Line in addition to certain other assets.

(d) The Line has not been used since 2012 and there are presently no active customers. If a customer requires service, Southeastern intends to provide the service itself or contract with a third party to provide such service.

(e) Brief Summary of the Proposed Transaction: Under the proposed transaction, Southeastern seeks authority to acquire from Vaughan and operate approximately 14 miles of rail line. The Line is subject to a trackage rights agreement with CSX Transportation, Inc. and a separate trackage rights agreement with Norfolk Southern Railway. *See CSX Transp., Inc. – Trackage Rights Exemption – Vaughan Railroad Co.*, ICC Finance Docket 32695, 60 Fed. Reg. 28168 (May 30, 1995); *Consolidated Rail Corp. – Trackage Rights Exemption – Vaughan Railroad Co.*, ICC Finance Docket 32670, 60 Fed. Reg. 21553 (May 2, 1995).

- (1) The name and address of the railroad transferring the Line: Vaughan Railroad Company, 1000 CONSOL Energy Drive, Canonsburg, PA 15317.
- (2) The parties propose that the transaction be consummated as soon as possible; however, the transfer of the Line will not occur until the exemption is effective 30 days after this notice is filed.
- (3) Southeastern will acquire the Line located in Nicholas and Fayette County, West Virginia, between MP 7.5 near Belva, WV and MP 22.0 on Twentymile Creek northeast of Vaughan, WV. As stated above, the Line is not currently in use and, if a customer requires service on the Line in the

future, Southeastern intends to provide the service itself or contract with a third party to provide such service.

(4) The total route miles being acquired are approximately 14 miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Line.

(g) Southeastern hereby certifies that this transaction will not result in Southeastern becoming a Class II or Class I rail carrier. Upon consummation of this transaction, Southeastern will become a Class III rail carrier. Southeastern additionally certifies that its projected annual revenues of the Line will not exceed \$5,000,000 per year. Accordingly, the requirements of 49 C.F.R. § 1150.32(e) do not apply to this transaction.

(h) The agreement between Southeastern and Vaughan does not contain any provision that prohibits Vaughan from interchanging traffic with a third party or limits Southeastern's ability to interchange traffic with a third party.

Environmental and Historic Impacts

Southeastern is acquiring the rail line from Vaughan. Further Board approval is required for Southeastern to abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Therefore, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

Southeastern's acquisition of the rail line will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average

daily traffic or 50 vehicles a day. Southeastern's acquisition of the rail line will not affect a Class 1 or nonattainment area under the Clean Air Act. The thresholds of 49 C.F.R. §1105.7(e)(5)(ii) will not be exceeded as a result of this transaction. Finally, this transaction does not contemplate the transportation of any ozone depleting materials. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

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

Caption Summary

Attached hereto as Exhibit B is the caption summary required by 49 C.F.R. §1150.34.

Conclusion

Accordingly, Southeastern requests that the Board issue an exemption notice reflecting the information set forth herein.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bryan K. Mattingly', written over a horizontal line.

Bryan K. Mattingly
Frost Brown Todd LLC
250 W. Main St., Suite 2800
Lexington, KY 40507
(859) 244-3235
bmattingly@fbtlaw.com

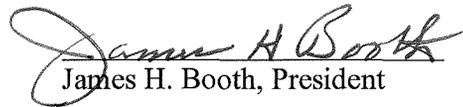
Attorneys for Southeastern Land, LLC

Dated: August 5, 2016

VERIFICATION

I, James H. Booth, President of Southeastern Land, LLC, verify under penalty of perjury that statements contained in the foregoing are true and correct to the best of my knowledge and belief. Further, I certify that I am qualified and authorized to file the foregoing document.

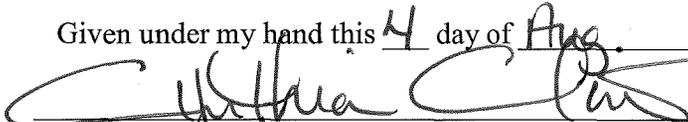
Executed on Aug. 4, 2016.


James H. Booth, President

COMMONWEALTH OF KENTUCKY,
COUNTY OF Martin, TO-WIT:

The foregoing instrument was acknowledged before me this 4th day of Aug., 2016 by James H. Booth, President of Southeastern Land, LLC, a Kentucky limited liability company, on behalf of the company.

Given under my hand this 4 day of Aug., 2016.


Notary Public

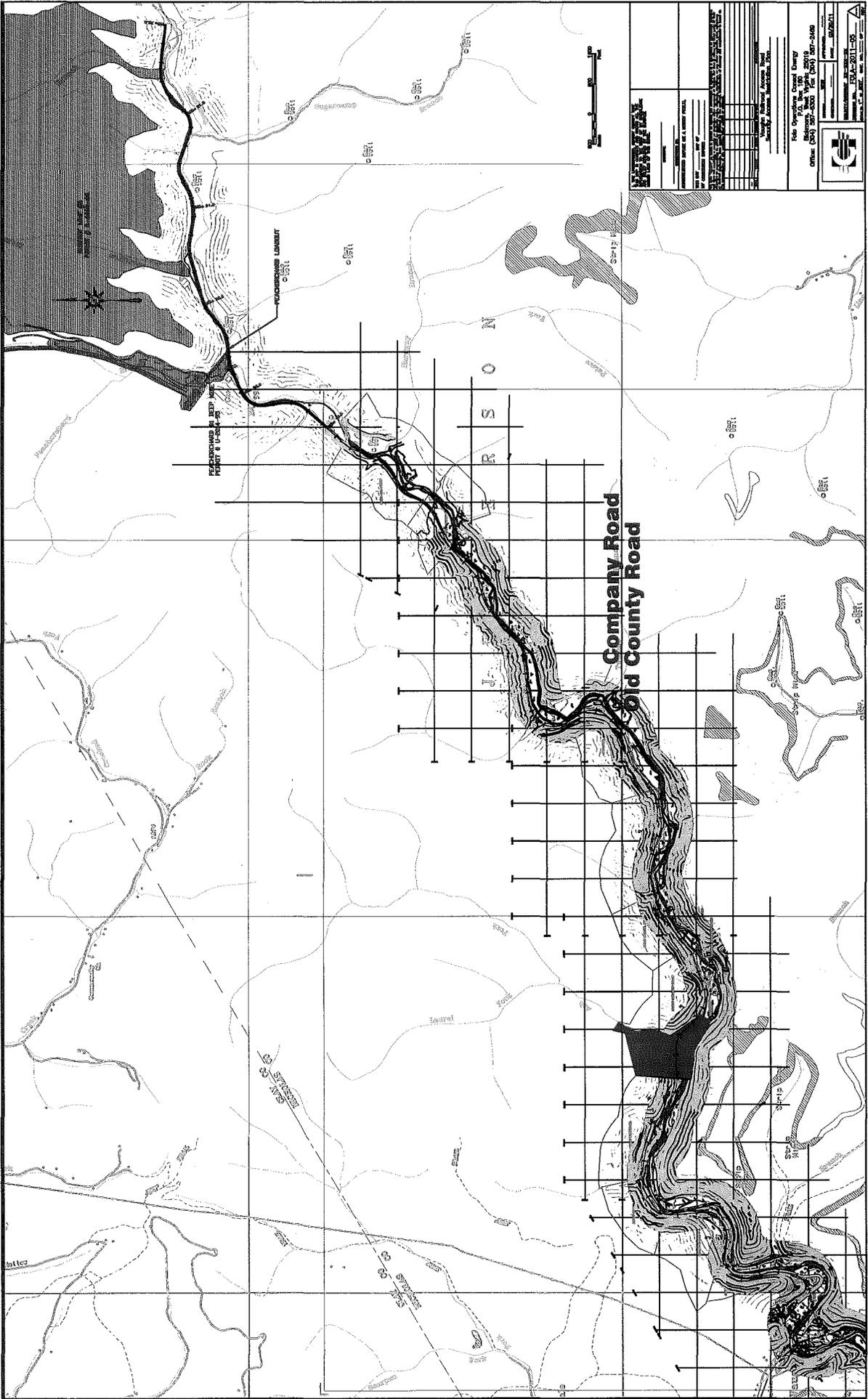
My commission expires: 08-18-2017.

(NOTARIAL SEAL)

EXHIBIT A

MAP

(2 attachments)



Company Road
Old County Road

PACIFIC POWER & LIGHT COMPANY

The One Energy 1111 N. 11th St. Suite 200 Lincoln, NE 68502 Phone: (402) 441-2000 Fax: (402) 441-2001 Website: www.theoneenergy.com	
Project Information Project Name: _____ Project No.: _____ Revision: _____ Date: _____	
Approval Prepared by: _____ Checked by: _____ Approved by: _____ Date: _____	

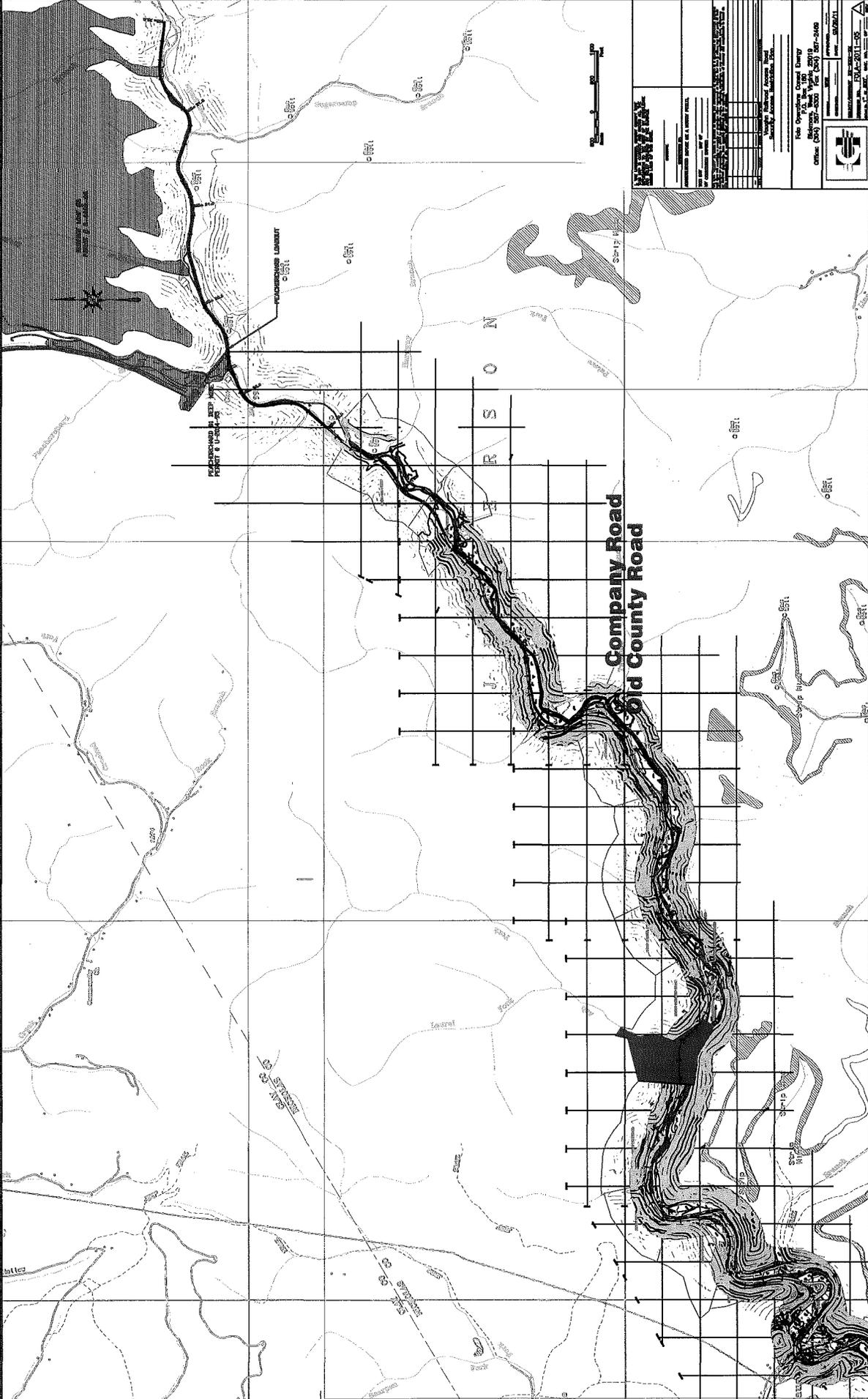


EXHIBIT B

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Finance Docket No. FD 36055

**SOUTHEASTERN LAND, LLC
— ACQUISITION AND OPERATION EXEMPTION —
VAUGHAN RAILROAD COMPANY**

Southeastern Land, LLC (“Southeastern”), a noncarrier, has filed a Notice of Exemption to acquire from Vaughan Railroad Company and operate approximately 14 miles of rail line in Nicholas and Fayette County, West Virginia, between MP 7.5 near Belva, WV and MP 22.0 on Twentymile Creek northeast of Vaughan, WV. The rail line is currently not in use and presently has no active customers.

Comments must be filed with the Board and served on Southeastern’s representative, Rebecca S. Gohmann, General Counsel of Southeastern Land, LLC, 2408 Sir Barton Way, Suite 325, Lexington, KY 40509, (859) 721-0342.

The Notice is filed under 49 C.F.R. §1150.31. 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.