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October 10, 2012

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October 10, 2012

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Via: E-File

The Honorable Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E. Street, S.W., Room #100
Washington, DC 20423-0001

LETTER OF NOTIFICATION

**RE: STB Docket No. AB-1081X, San Pedro Railroad Operating Company, LLC
Abandonment Exception – Cochise County, Arizona**

AND

**STB Finance Docket No. 35666; Verified Notice of Class Exemption Under 49
C.F.R. § 1180.2(d)(1) and 49 C.F.R. § 1180.2(d)(7) for a Transaction Proposed
Under 49 U.S.C. 11323 Involving More than One Common Carrier; Union Pacific
Railroad Company Class Exemption for Acquisition of and Operating Authority
Over and Overhead Trackage Rights Over Various Portions of the Curtiss Branch
Line of the San Pedro Railroad Operating Company, LLC All Being Located in
Cochise County, Arizona**

Dear Ms. Brown:

On July 26, 2006, the Board originally served a decision permitting the abandonment exemption granted on February 3, 2006 to San Pedro Railroad Operating Company, LLC (“SPROC”), to become effective subject to certain conditions. By letter dated January 29, 2007, SPROC advised the Board that it had consummated the portions of this abandonment between (1) milepost 1084.0 and milepost 1097.3 at Paul Supr, (2) milepost 1097.3 at Paul Spur and milepost 1106.5 near Douglas, and (3) milepost 1085.0 at Bisbee Jct. and milepost 1090.6 at Bisbee, all in the State of Arizona. However, on May 11, 2007, SPROC asked the Board for permission to postpone until July 26, 2008, the deadline for consummating the abandonment of the remaining portion of the line covered by the above-captioned exemption. The Board granted that request. The deadline for consummating the abandonment of the remaining portion of the line was extended by the Board several times with the most recent extension having a Service Date of July 5, 2012 extending the consummation date to September 24, 2012.

Union Pacific Railroad Company (“UP”) by Purchase and Sale Agreement dated as of September 1, 2012 closed on the repurchase of that segment of the remaining portion of the line between milepost 1040.15 and milepost 1084.0 near Bisbee Jct., AZ on September 24, 2012.

With a Service Date of September 7, 2012, the Board accepted UP’s Verified Notice of Class Exemption in Finance Docket No. 35666 as referenced above with a determination that September 22, 2012 would be the earliest date that the transactions could be consummated. On

September 4, 2012 UP filed with the Board fully executed copies of the Purchase and Sale Agreement and Overhead Trackage Rights Agreement between UP and SPROC.

Wherefore, UP hereby notifies the Board that as of September 24, 2012, UP became the sole board authorized common carrier by railroad over the remaining portion of the Curtiss Branch Line being the line between and including milepost 1040.15 and milepost 1084.00 near Bisbee Jct., Cochise County, Arizona.

Sincerely,



Mack H. Shumate, Jr.
Senior General Attorney

MHS:dro
Attachment
cc: John D. Heffner
2012_10_09 San Pedro – Ltr – Letter of Notification



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Cochise County, Arizona**

CERTIFICATE OF SERVICE

I hereby certify that on October 10, 2012, I mailed a copy of Union Pacific Railroad Company's Letter of Notification to the Surface Transportation Board dated October 9, 2012 with regard to the above-captioned matters to all parties of record by First Class U.S. Mail, postage prepaid, on the 10th day of October, 2012, on the following parties:

John D. Heffner
Strasburger & Price, LLP
1700 K Street, N.W., Suite 640
Washington, D.C. 20006-3817

Dated this 10th day of October, 2012.



Mack H. Shumate, Jr.