

August 31, 2012

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BY E-FILING

Ms. Cynthia A. Brown,
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 D Street, S.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings
August 31, 2012
Part of
Public Record

**RE: FD 35666 --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:

I am writing on behalf of the San Pedro Railroad Operating Company, LLC ("SPROC") in support of the above-captioned class exemption filed by the Union Pacific Railroad Company ("UP").

SPROC is a class III short line railroad that currently holds authority to operate over the line of railroad that is the subject of UP's class exemption request. As explained in more detail in that class exemption, SPROC or its predecessors have provided common carrier railroad service over the subject Line since 1995. In Docket No. AB-1081X, SPROC sought and obtained an exemption from the Board on February 3, 2006, permitting it to abandon the subject trackage. Anticipating that UP would be interested in reacquiring this corridor for future rail service at some point, SPROC sought a series of extensions to the date for

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consummation of its abandonment. The most recent extension will expire on September 24, 2012.

SPROC has now entered into an agreement with UP to acquire from SPROC those sections of the line it currently owns and for UP to acquire SPROC's operating rights on those portions that it leases from UP. In order to protect the integrity of the right of way constituting the line, UP has now filed for authority to reacquire this property. Inasmuch as SPROC desires to close this transaction as soon as possible, it requests that the Board promptly issue the exemption sought by UP.

Sincerely yours,



John D. Heffner

Cc: Mack Shumate, Esq. (by email)
Mr. David Parkinson (by email)