

UNION PACIFIC RAILROAD
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606-1718

P 312.777.2055
F 877.213.4433
mackshumate@up.com

Mack H. Shumate, Jr.
Senior General Attorney, Law Department

238202

ENTERED
Office of Proceedings
April 14, 2015
Part of
Public Record

April 14, 2015

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

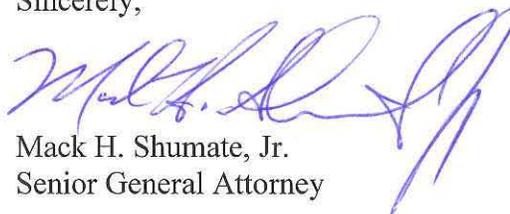
RE: Proposed Discontinuance of the Curtiss Branch Line from Milepost 1040.15 at Curtiss to Milepost 1084.0 at Naco a total distance of 48.03 miles in Chochise County, Arizona; STB Docket Nos. AB-33 (Sub No. 308X)

Dear Ms. Brown:

Pursuant to the Board's exemption procedures for discontinuance of service of rail lines with no local business for at least two (2) years, (49 C.F.R. § 1152.50), I am hereby e-filing the Verified Notice of Exemption, including a Certificate of Service and Publication.

Please file the Notice of Exemption in Docket No. AB-33 (Sub-No. 308X). Enclosed is a credit authorization voucher in the amount of \$3,900.00 for the filing fee.

Sincerely,



Mack H. Shumate, Jr.
Senior General Attorney

MHS/ev

2015_04_14_Brown-Ltr-NOE

FILED
April 14, 2015
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
April 14, 2015
SURFACE
TRANSPORTATION BOARD



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-33 (Sub-No. 308X)

**UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN COCHISE COUNTY, ARIZONA**

**VERIFIED NOTICE OF EXEMPTION
FOR DISCONTINUANCE OF SERVICE**

UNION PACIFIC RAILROAD COMPANY

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 312-777-2065

Dated and Filed: April 14, 2015

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-33 (Sub-No. 308X)

UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN COCHISE COUNTY, ARIZONA

VERIFIED NOTICE OF EXEMPTION

Union Pacific Railroad Company ("UP") submits this verified Notice of Exemption for Discontinuance of Service ("Notice of Exemption") pursuant to 49 § C.F.R. 1152, Subpart F ~ Exempt Abandonments and Discontinuances of Service, for an exempt discontinuance of that portion of the Curtiss Branch from Milepost 1040.15 at Curtiss, to Milepost 1084.0 at Naco, a distance of 48.03 miles in Cochise County, Arizona (the "Line"). (Note: There is a milepost overlap equation. The Line segment from Curtiss at M.P. 1040.15 to Fairbank at M.P. 1050.57 is 10.42 miles and the Line segment from Fairbank at M.P. 1046.39 to Naco at M.P. 1084.0 is 37.61 miles for a total distance of 48.03 miles.)

In accordance with the requirements of 49 C.F.R. § 1152.50(d)(2), UP submits the following information:

Proposed Consummation Date: 49 C.F.R. § 1152.50(d)(2)

The discontinuance is proposed to be consummated or effective on or after June 3, 2015 at least 50 days after filing this Notice of Exemption.

Certification: 49 C.F.R. 1152.50(b)

UP certifies that no local or overhead traffic has moved over the Line for at least two years. Therefore, there is no need to reroute any traffic. UP further certifies that no formal complaint filed by a user of rail service on the Line (or filed by a state or local governmental entity acting on behalf of such user) regarding cessation of service over the Line is pending either with the Board or any U.S. District Court, or has been decided in favor of the complainant within the two-year period.

Additional Information Required: 49 C.F.R. 1152.22(a)(1)-(4), (7)-(8) and (e)(4)

(a) General.

(a)(1) The railroad's exact name is Union Pacific Railroad Company.

(a)(2) UP is a common carrier by railroad subject to 49 U.S.C. Subtitle IV, Chapter 105.

(a)(3) UP intends to discontinue service over the Curtiss Branch from Milepost 1040.15 at Curtiss, to Milepost 1084.0 at Naco, a distance of 48.03 miles in Cochise County, Arizona.

(a)(4) A map showing the location of the Line in relation to other rail lines, highways, and major roads in the area is attached as **Exhibit 1**.

(a)(7) The representative to whom correspondence regarding this abandonment and discontinuance should be sent is:

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 312-777-2065

(a)(8) ZIP Codes. The Line traverses U.S. Postal Service Zip Codes 85602, 85630, 85616, 85638, 85635, 85615, 85603 and 85620.

(e)(4) Rural and Community Impact.

The Curtiss to Lewis Springs portion of the Line was constructed by the Arizona and South Eastern Railroad in 1895, and the Lewis Springs to Naco portion was constructed by the El Paso and Southwestern Railroad in 1912. The Arizona and South Eastern Railroad was purchased by the El Paso and Southwestern Railroad in 1912, which was in turn merged into the Southern Pacific Railroad in 1961. The SWKR Operating Co., Inc. (SWKR) both acquired the Line from Southern Pacific Railroad and operated the Line in 1994. Several attempts were subsequently made to make the Line viable. SWKR was acquired by StatesRail, Inc. (FD 33340, served 4/17/2001) which was then acquired by Rail America, Inc. (FD 34129 served 12/28/2001). San Pedro Railroad Operating Company (SPROC) was the last railroad to own the Line prior to UP and received authority from the Board to operate the Line in 2003 (FD 34430 served 11/21/2003). Finally, SPROC sought and received abandonment authority from the Board in AB-441-4X in 2005. SPROC salvaged the track structure on the Line. Before SPROC consummated the abandonment of the Line, UP expressed interest in retaining the Line for long term strategic railroad operating purposes. SPROC requested and received extensions of the consummation deadline from the Board, the most recent being through 9/24/2012. UP sought and received operating authority from the Board over the Line (FD 35666 served 9/7/2012). UP and SPROC entered into a purchase and sale agreement covering the Line dated 9/1/2012. UP and SPROC closed on said purchase and sale agreement for the Line on 9/24/2012. At said closing, UP became the sole Board authorized common carrier by railroad on the Line.

As stated above UP acquired the Line with Board authority from SPROC on

September 24, 2012 after SPROC had completed salvage of the track structure under AB-441-4x. SPROC never consummated abandonment of the Line. In accordance with 49 CFR §1150.10 UP did not seek any advance waiver regarding salvaging of the Line from the Board with regard to this Notice of Exemption for Discontinuance of Service on the Line, because such information is clearly not applicable since SPROC has already completed the salvaging of the track structure as authorized by the Board. It is UP's objective to land bank and preserve the common carrier railroad right of way which makes up the Line for potential future common carrier service by railroad on all or portions of the Line itself and as a potential international interchange point with the railroad system in the country of Mexico. UP will continue to undertake all applicable grade crossing responsibilities with regard to the Line as ordered by the Utilities Division of the Arizona Corporation Commission while the Line is discontinued and if and when all or any portion of the Line is reinstated as an active line of railroad.

No local traffic has moved over the Line in at least two years, and there is no overhead traffic or passenger service on the Line. UP has received no request for rail service on the Line in well over two years. No complaint regarding cessation of service has been filed, is pending, or has been ruled upon in favor of a complainant during the prior two years.

Rail service is available from the San Pedro Southwestern Railroad at Curtiss, AZ, at the North end of the discontinuance, and just across the International border at the Southern end at Naco by Ferrocarril Mexicano (Ferromex). The entire length of the Line lies within 10 miles of the Arizona Highways 80, 90, and 92 which connect to the Interstate highway system near Benson, Arizona. Based on information in UP's

possession the Line does contain federally granted rights of way. According to land records in UP's possession, of the approximately 961.36 acres which make up the right-of-way for the Line, 398.52 acres are federally granted right of way. Any documentation in UP's possession with regard to the Line will be made available promptly to those requesting it.

Labor Protection

The interests of railroad employees will be protected by the conditions discussed in Oregon Short Line Railroad Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

Certifications

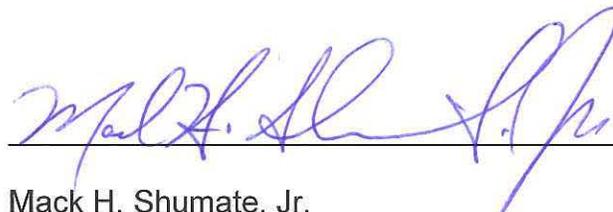
Attached as **Exhibit 2** is a Certificate of Service and Publication, pursuant to the notice requirements of 49 C.F.R §§ 1152.50(d)(1), 1105.11 and 1105.12.

Environmental and Historic Report

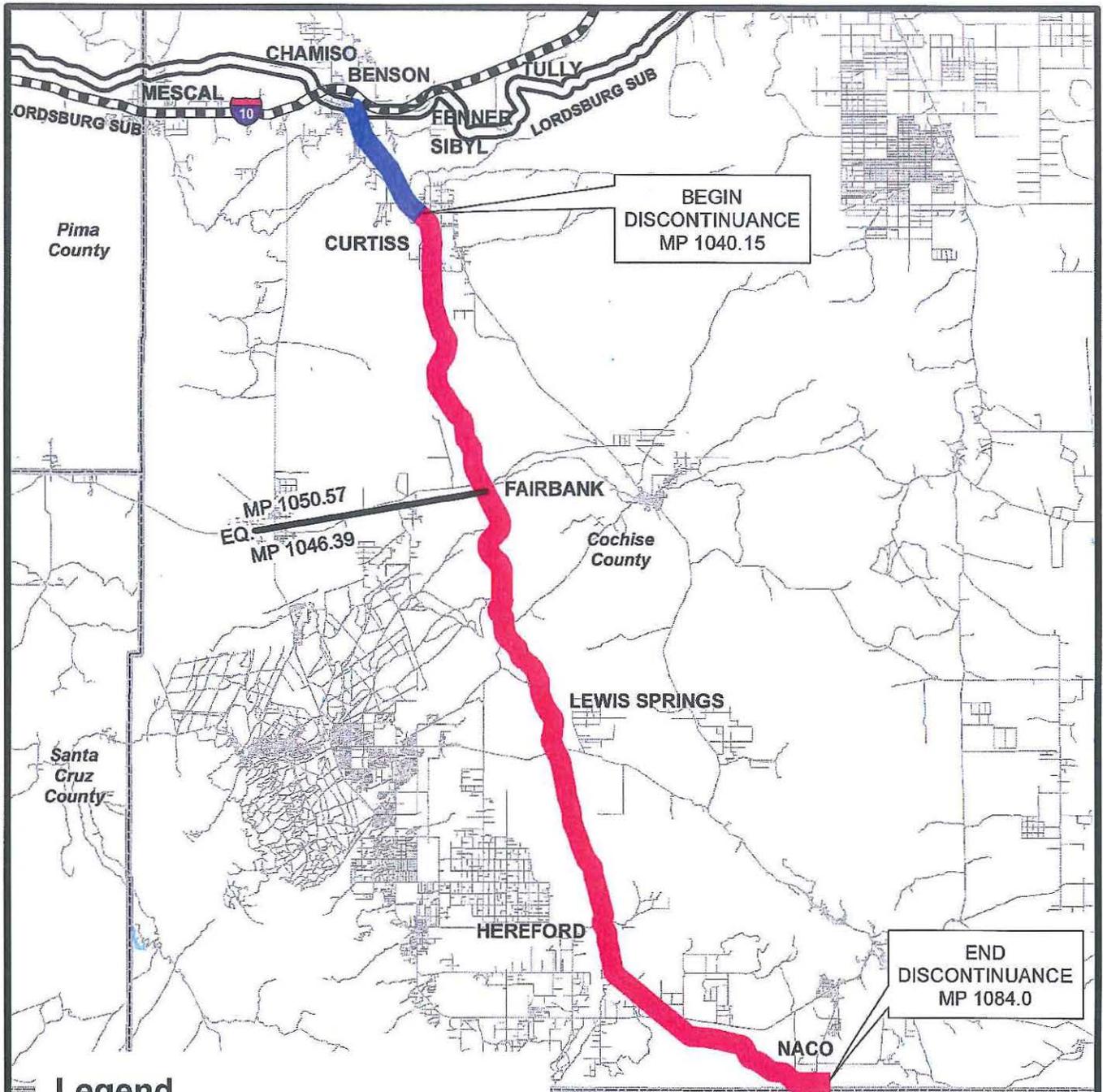
Not applicable in that UP is merely discontinuing service on the Line.

Respectfully submitted,

UNION PACIFIC RAILROAD COMPANY



Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 312-777-2065
MACKSHUMATE@UP.com



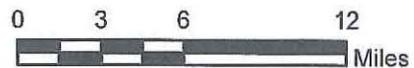
Legend

- UPRR TRACK TO BE DISCONTINUED
- LEASED BY UPRR TRACK TO SPROC
- OTHER UPRR LINES
- OTHER RAILROADS
- PRINCIPAL HIGHWAYS
- OTHER ROADS

DOUGLAS LINE

MP 1040.15 TO MP 1084.0
TOTAL OF 48.03 MILES
IN COCHISE COUNTY ARIZONA

**UNION PACIFIC RAILROAD CO.
DOUGLAS LINE
ARIZONA**



DOCKET NO. AB – 33 (SUB-NO. 308X)

UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN COCHISE COUNTY, ARIZONA

CERTIFICATE OF SERVICE AND PUBLICATION

49 C.F.R. § 1152.50(d)(1) – Notice

The undersigned certifies that on April 11, 2015 (at least 10 days before a Notice of Exemption is filed), written notice was given by Union Pacific stating Union Pacific's intent to use the Notice of Exemption procedure to discontinue service on the Curtiss Branch in Cochise County, Arizona in Docket No. AB-33 (Sub-No. 308X). Said written notice (a copy of which is attached hereto as **Attachment No. 1**) was served on the following:

U.S. Dept. of Agriculture
Chief of the Forest Service
4th Floor, N.W. Auditors Bldg.
U.S. Department of Agriculture
14th St. & Independence Ave., SW
Washington, DC 20250

National Park Service
Pacific West Regional Office
333 Bush Street, Suite 500
San Francisco, CA 94104-2828

Headquarters
Military Surface Deployment & Distribution
Command
Transportation Engineering Agency
ATTN: ADTE - SA
Railroads for National Defense Program
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357

Arizona Corporation Commission
Attn: Utilities Division
1200 West Washington
Phoenix, AZ 85007-2996

49 C.F.R. § 1105.12 – Newspaper Notice

The undersigned further certifies that a “Notice of Intent to Discontinue Service” was published in the form prescribed by the Board for a Notice of Exemption (Copy Attached as **Attachment No. 2**). The Notice was published one time in a major newspaper in the county in which the Line is located as follows:

<u>County</u>	<u>Newspaper</u>	<u>Date</u>
Cochise	Sierra Vista Herald	April 11, 2015

Dated this 14th day of April, 2015



Mack H. Shumate, Jr.

UNION PACIFIC RAILROAD
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606-1718

Mack H. Shumate, Jr.
Senior General Attorney, Law Department

P 312.777.2055
F 877.213.4433
mackshumate@up.com

April 1, 2015

U.S. Dept. of Agriculture
Chief of the Forest Service
4th Floor, N.W. Auditors Bldg.
U.S. Department of Agriculture
14th St. & Independence Ave., SW
Washington, DC 20250

Headquarters
Military Surface Deployment & Distribution Command
Transportation Engineering Agency
ATTN: ADTE - SA
Railroads for National Defense Program
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357

National Park Service
Pacific West Regional Office
333 Bush Street, Suite 500
San Francisco, CA 94104-2828

Arizona Corporation Commission
Attn: Utilities Division
1200 West Washington
Phoenix, AZ 85007-2996

RE: Proposed Discontinuance of the Curtiss Branch Line from Milepost 1040.15 at Curtiss to Milepost 1084.0 at Naco a total distance of 48.03 miles in Chochise County, Arizona; STB Docket No. AB-33 (Sub No. 308X)

Dear Sir or Madam:

Please be advised that Union Pacific Railroad Company ("UP") expects to file with the United States Surface Transportation Board ("STB"), on or after April 11, 2015, a notice of an exempt discontinuance of a portion of a line of railroad known as the Curtiss Branch Line, located in Chochise County, Arizona, extending from Milepost 1040.15 at Curtiss to Milepost 1084.0 at Naco, a total distance of 48.03 miles (the "Line"). The Line traverses U.S. Postal Service zip codes 85602, 85630, 85638, 85616, 85635, 85615, 85603 and 85620.

The "no business" exemption procedure will be used to discontinue the Line, pursuant to the STB's abandonment and discontinuance regulations at 49 C.F.R. §1152.50. No local traffic has moved over the Line for at least two years and there is no overhead traffic on the Line. A Notice of Exemption to discontinue service on the Line pursuant to 49 C.F.R. § 1152.50 (no local traffic for at least two years) will be filed with the STB on or after April 11, 2015.

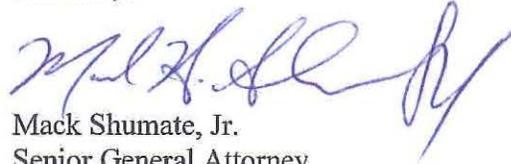
Based on information in UP's possession, the Line does contain federally granted right-of-way. Any documentation in UP's possession related to the Line will be made available promptly to those requesting it.

A map showing the segment of Line to be discontinued is attached for your information.



April 1, 2015
Page 2 of 2

Sincerely,

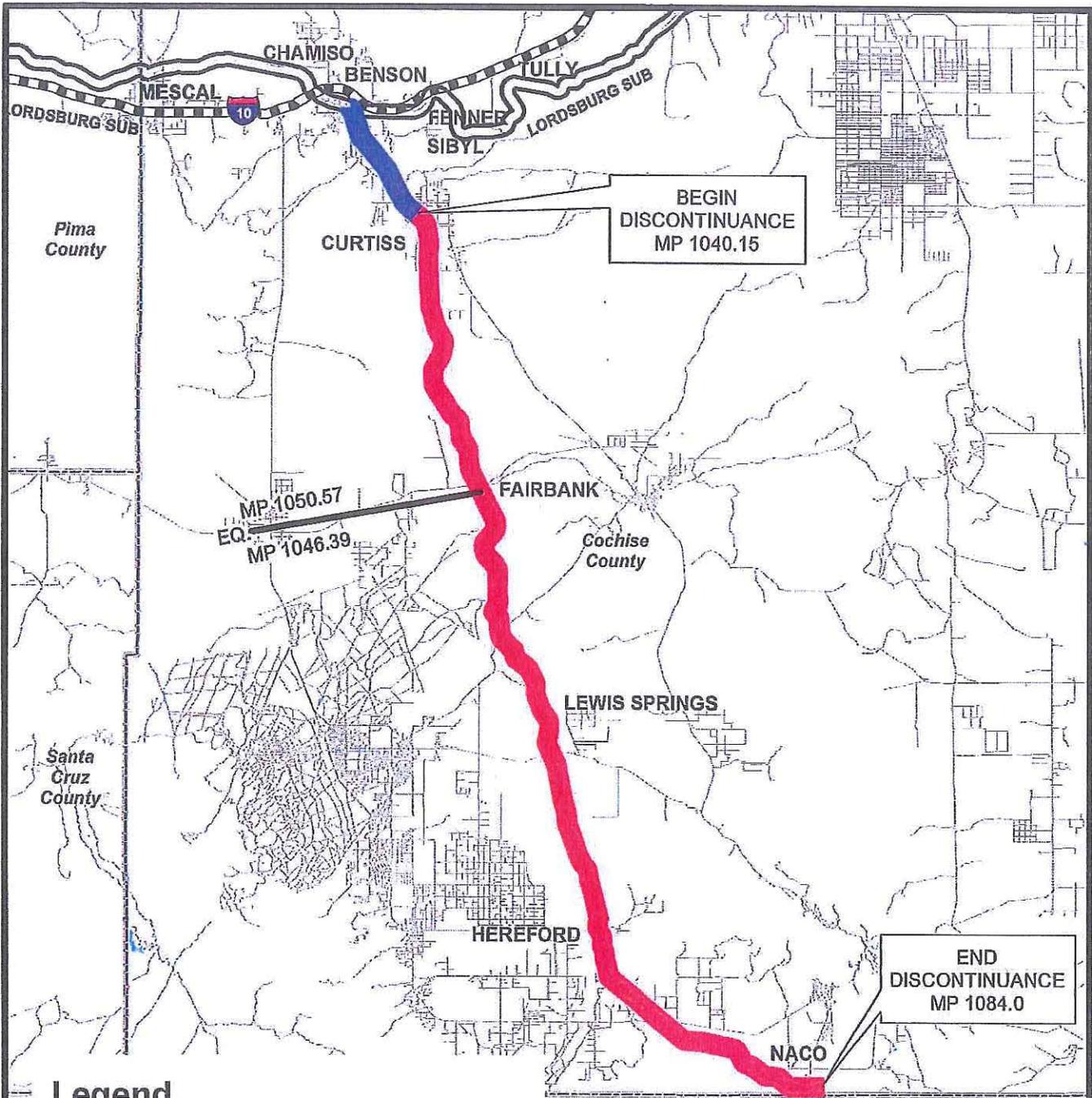


Mack Shumate, Jr.
Senior General Attorney

MHS/ev
Attachment

2015_04_01 Ten Day Notice.doc





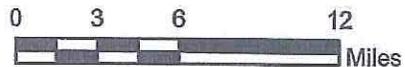
Legend

- UPRR TRACK TO BE DISCONTINUED
- LEASED BY UPRR TRACK TO SPROC
- OTHER UPRR LINES
- OTHER RAILROADS
- PRINCIPAL HIGHWAYS
- OTHER ROADS

DOUGLAS LINE

MP 1040.15 TO MP 1084.0
 TOTAL OF 43.85 MILES
 IN COCHISE COUNTY ARIZONA

**UNION PACIFIC RAILROAD CO.
 DOUGLAS LINE
 ARIZONA**



To: Sierra Vista Herald
 102 Fab Avenue
 Sierra Vista, AZ 85635

From: Union Pacific Railroad
 Attn: Sarah Rief, Legal Assistant
 1400 Douglas St. Mailstop 1580
 Omaha, NE 68179
 402-544-0438
sjrief@up.com

Re: Notice Of Intent To Discontinue Service

Please publish the attached Notice once in the Sierra Vista Herald newspaper on Saturday, April 11, 2015. Immediately thereafter, please issue an Affidavit/Proof of Publication and forward it to Sarah Rief via email at sjrief@up.com and send a hard copy, via U.S. Mail, to the following address:

Union Pacific Railroad
 Attn: Sarah Rief
 1400 Douglas St., Mail Stop 1580
 Omaha, NE 68179

NOTICE OF INTENT TO DISCONTINUE SERVICE

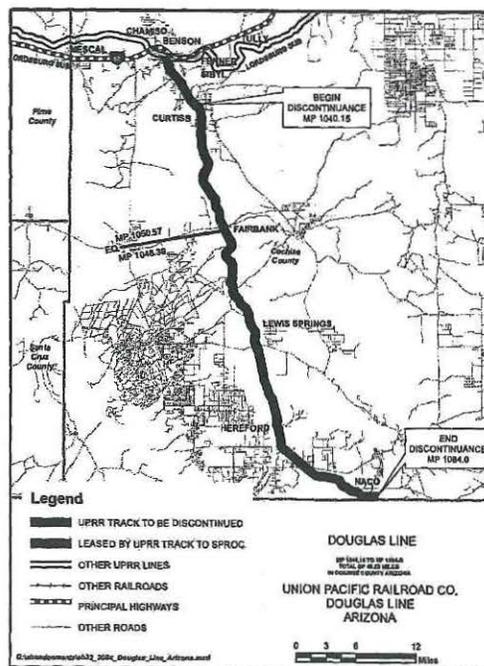
UNION PACIFIC RAILROAD COMPANY ("UP") gives notice that on or after April 11, 2015, it intends to file with the Surface Transportation Board, Washington, D.C. 20423, a Notice of Exemption under 49 C.F.R. Part 1152, Subpart F -- Exempt Abandonments and Discontinuances, for an exempt discontinuance of service on that portion of the Curtiss Branch Line extending from Milepost 1040.15 to Milepost 1084.0 at Naco, a total distance of 48.03 miles located in the County of Cochise, Arizona (the "Line"). The traverses U.S. Postal Service Zip Codes 85602, 85630, 85638, 85616, 85635, 85615, 85603 and 85620. The proceeding has been docketed as No. AB-33 (Sub-No. 308X).

The Board's Section of Environmental Analysis ("SEA") will generally prepare an Environmental Assessment ("EA"), which will normally be available twenty-five (25) days after the filing of the Notice of Exemption. Comments on environmental and energy matters should be filed no later than 15 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to the Section of Environmental Analysis (SEA), Surface Transportation Board, Washington, DC 20423 or by calling that office at (202) 245-0295. The Notice of Exemption will provide that the proceeding is exempt from environmental reporting requirements under 49 CFR 1105.6(c) and from historic reporting requirements under 49 CFR 1105.8(b).

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 395 E Street, SW, Washington, DC 20423 [See 49 CFR 11 04.1(a) and 11 04.3(a).], and one copy must be served on the applicant's representative. [See 49 CFR 11 04.12(a).] Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Public Assistance, Governmental Affairs, and Compliance at (866) 254-1792. Copies of any comments or requests for conditions should be served on UP's: Mack Shumate, Jr., Senior General Attorney, 101 North Wacker Drive, #1920, Chicago, Illinois 60606 (312) 777-2055.

PUBLISH: April 11, 2015

UNION PACIFIC RAILROAD COMPANY

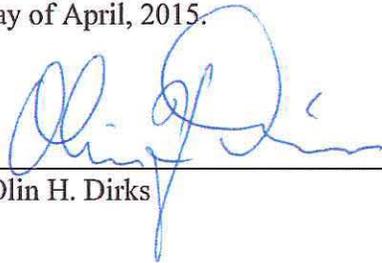


VERIFICATION

STATE OF NEBRASKA)
)SS:
COUNTY OF DOUGLAS)

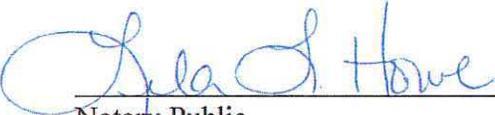
I, OLIN H. DIRKS, Senior Manager Rail Line Planning of Union Pacific Railroad Company, declare under penalty of perjury, under the law of the United States of America, that I have read the foregoing document and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Union Pacific Railroad Company.

Dated at Omaha, Nebraska, this 10th day of April, 2015.

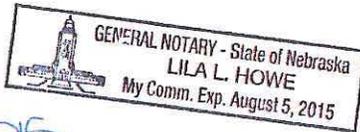


Olin H. Dirks

SUBSCRIBED AND SWORN TO
before me this 10th day of
April, 2015.



Notary Public



My Commission expires: Aug 5, 2015