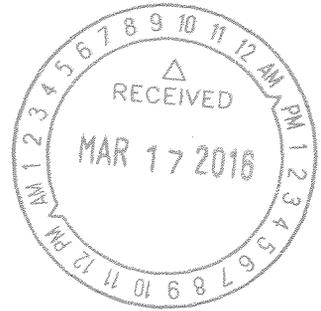


LAW OFFICE
THOMAS F. McFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. McFARLAND

March 16, 2016



By UPS overnight mail

240321

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

ENTERED
Office of Proceedings
March 17, 2016
Part of
Public Record

Re: Finance Docket No. 36013, *Southern Switching Company -- Operation Exemption -- Lone Star Railroad, Inc. in Howard County, TX*

Dear Ms. Brown:

Hereby transmitted is the original and 10 copies of a Verified Notice Of Exemption Under 49 C.F.R. § 1150.41 for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$1,900 for the filing fee.

Very truly yours,

A handwritten signature in cursive that reads "Tom McFarland".

Thomas F. McFarland
Attorney for Applicant

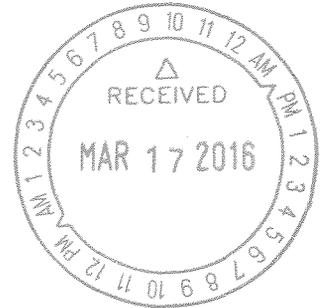
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FEE RECEIVED
March 17, 2016
SURFACE
TRANSPORTATION BOARD

FILED
March 17, 2016
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

SOUTHERN SWITCHING COMPANY --)
OPERATION EXEMPTION -- LONE) FINANCE DOCKET
STAR RAILROAD, INC. IN HOWARD) NO. 36013
COUNTY, TX)



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

SOUTHERN SWITCHING COMPANY
P.O. Box 99
O'Fallon, IL 62269

Applicant

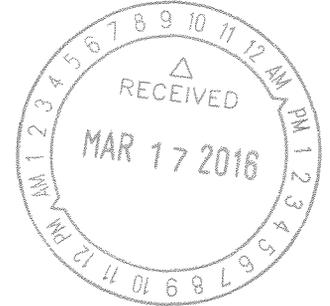
THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204 (ph)
(312) 201-9695 (fax)
mcfarland@aol.com

Attorney for Applicant

Date Filed: March 17, 2016

BEFORE THE
SURFACE TRANSPORTATION BOARD

SOUTHERN SWITCHING COMPANY --)
OPERATION EXEMPTION -- LONE) FINANCE DOCKET
STAR RAILROAD, INC. IN HOWARD) NO. 36013
COUNTY, TX)



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

Pursuant to 49 C.F.R. § 1150.41 *et seq.*, SOUTHERN SWITCHING COMPANY (SSC), a Class III rail carrier, hereby provides notice of its class exemption from 49 U.S.C. § 10902 for its operation of a rail line approximately 3.18 miles in length at an industrial park near Big Springs, Howard County, Texas,^{1/} pursuant to an operating agreement with its sister rail carrier, Lone Star Railroad, Inc. (LSR)^{2/} (the "Rail Line").

BACKGROUND

In a decision served March 3, 2016, in Docket No. FD 35874, *Lone Star Railroad, Inc. and Southern Switching Company -- Track Construction and Operation Exemption -- in Howard County, Tex.*, the Board authorized LSR to construct the Rail Line, but denied authority for SSC to operate the Rail Line because the record did not support the authority requested. By virtue of

^{1/} The rail line connects with a rail line of Union Pacific Railroad Company (UP) that extends between Dallas and El Paso, TX.

^{2/} LSR is a wholly-owned subsidiary of CGX, Inc. (CGX). SSC is a wholly-owned subsidiary of Ironhorse Resources, Inc., which is a wholly-owned subsidiary of CGX. Ironhorse Resources, Inc. and CGX are holding companies.

this Verified Notice of Exemption under 49 C.F.R. § 1150.41, *et seq.*, SSC is seeking the operating authority that was denied in that proceeding.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.43

(a) The full name and address of the Class III rail carrier applicant;

Applicant is Southern Switching Company, P.O. Box 99, O'Fallon, IL 62269.

b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative is Thomas F. McFarland, Thomas F. McFarland, P.C. 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

Attached as Appendix 1 is a copy of an agreement by which LSR has agreed to SSC's operation of the Rail Line.

(d) The operator of the property;

The operator of the property will be SSC.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property to the Class III rail carrier applicant,

The transferor is LSR, P.O. Box 99, O'Fallon, IL 62269.

(2) The proposed time schedule for consummation of the transaction,

The transaction will be consummated no sooner than 30 days after filing of this notice with the Board.

(3) The mileposts of the subject property, including any branch lines, and

The Rail Line consists of 3.18 miles of track at an industrial park near Big Spring, Howard County, TX that connects with a rail line owned and operated by UP. The Rail Line does not have milepost numbers.

(4) The total route miles being acquired;

A total of approximately 3.18 miles of rail line will be operated.

(f) A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states; and

The required map is attached as Appendix 2.

(g) A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under § 1150.45.

Attached to this notice as Appendix 3 is a verification that projected revenues do not exceed those that would qualify it as a Class III rail carrier..

(h) Transactions imposing interchange commitments. (1) If a proposed acquisition or operation of a rail line or change of operators involves a provision or agreement that may limit future interchange with a third-party connecting carrier, whether by outright prohibition, per-car penalty, adjustment in the purchase price or rental, positive economic inducement, or other means ("interchange commitment"), the following additional information must be provided:

(i) The existence of that provision or agreement and identification of the affected interchange points;

(ii) A confidential, complete version of the document(s) containing or addressing that provision or agreement, which may be filed with the Board under 49 CFR 1104.14(a) and will be kept confidential without need for the filing of an accompanying motion for a protective order under 49 CFR 1104.14(b); and

There is no such interchange commitment.

VERIFICATION

The verification attached to this notice as Appendix 3 includes a verification of all facts contained in this notice.

REVENUES LESS THAN \$5 MILLION PER YEAR

The verification attached as Appendix 3 includes a verification that the projected revenues of SSC will not exceed \$5 million per year.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

Pursuant to 49 C.F.R. § 1105.6(c)(2), no environmental documentation or report is required for the proposed transaction. Pursuant to 49 C.F.R. § 1105.8(b)(2), no historic documentation or report is required for the proposed transaction.

LABOR PROTECTION

Pursuant to 49 U.S.C. § 10902(c), no labor protection is required for the proposed transaction.

CAPTION SUMMARY

Attached to this notice as Appendix 4 is a caption summary required by 49 C.F.R. § 1150.44.

LAND GRANT RIGHT-OF-WAY

There is no land grant right-of-way in the Rail Line.

CONCLUSION

WHEREFORE, the Board should publish notice of the exemption in the *Federal Register* within 16 days of its filing.

Respectfully submitted,

SOUTHERN SWITCHING COMPANY
P.O. Box 99
O'Fallon, IL 62269

Applicant

Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204 (ph)
(312) 201-9695 (fax)
mcfarland@aol.com

Attorney for Applicant

Date Filed: March 17, 2016

Lone Star Railroad, Inc.
1575 North Green Mount Road, Suite 300
P.O. Box 99
O'Fallon, Illinois 62269
Ph: (618) 632-4400
Fax: (618) 632-4562

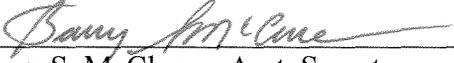
Mr. Greg Cundiff
Southern Switching Company
434 South 2nd Street
Abilene, TX 79602

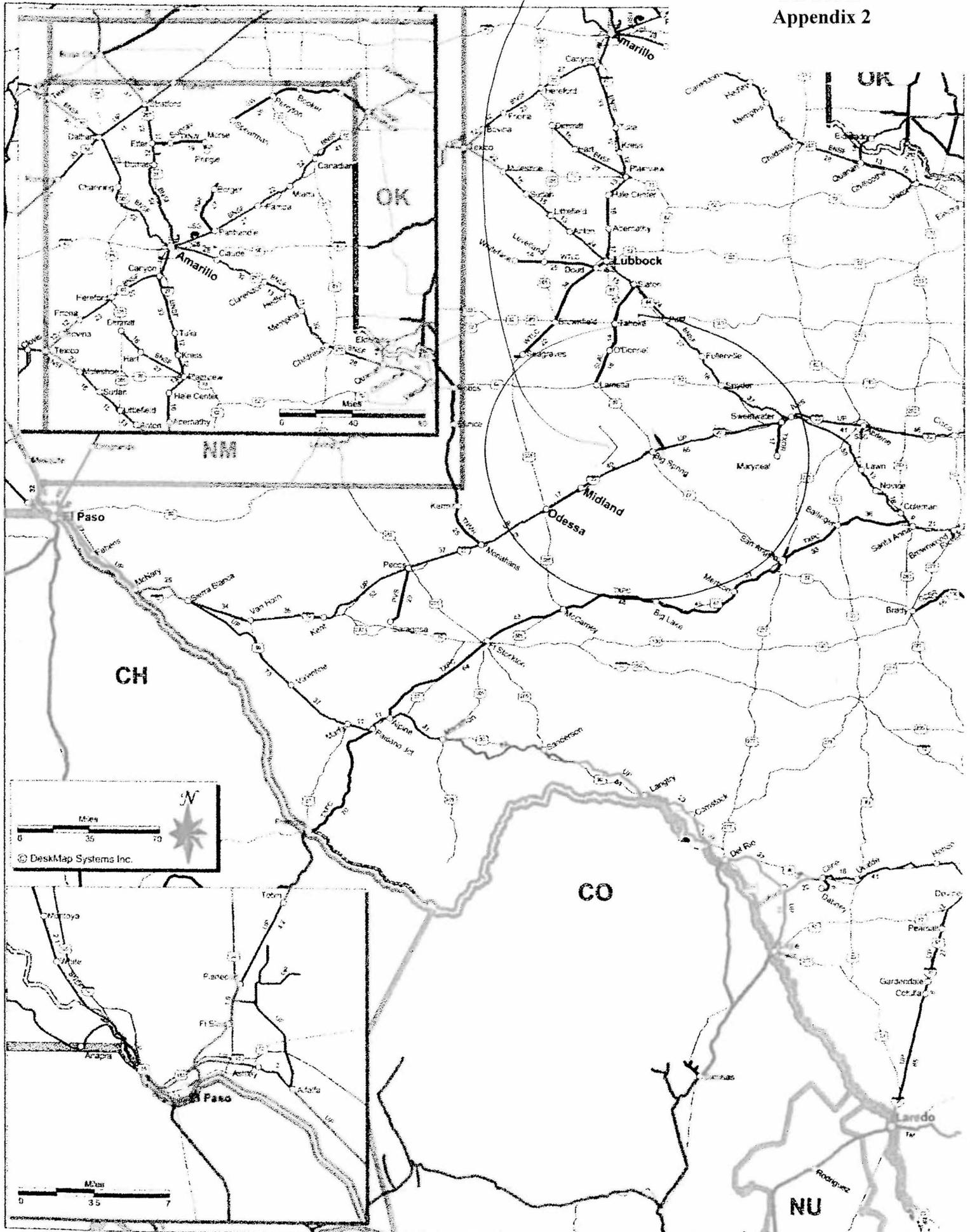
Re: Operation of 3.18-mile rail line near Big Spring, TX

Dear Mr. Cundiff:

This constitutes agreement of Lone Star Railroad, Inc., owner of a 3.18-mile rail line near Big Spring, TX, to operation of that rail line by Southern Switching Company, effective on the date on which an exemption issued by the Surface Transportation Board for such operation becomes final.

Very truly yours,


Barry S. McClure – Asst. Secretary
Lone Star Railroad, Inc.



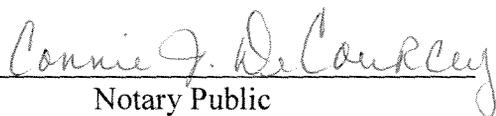
VERIFICATION

Barry S. McClure, being duly sworn, states that he is the Assistant Secretary of Lone Star Railroad, Inc.; that he has knowledge of the factual assertions set forth in this Notice of Exemption; and that all of those assertions are true and correct:



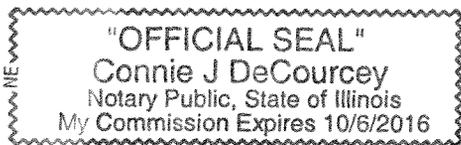
STATE OF ILLINOIS)
) SS:
COUNTY OF ST. CLAIR)

SUBSCRIBED and SWORN to before me
this 7th_ day of March, 2016.



Notary Public

My Commission expires: 10-6-2016



CAPTION SUMMARY

**SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION**

(Finance Docket No. 36013)

**SOUTHERN SWITCHING COMPANY -- OPERATION
EXEMPTION -- LONE STAR RAILROAD, INC.
IN HOWARD COUNTY, TX**

Southern Switching Company (SSC), a Class III rail carrier, has filed a notice of its class exemption from 49 U.S.C. § 10902 for its operation of a rail line approximately 3.18 miles in length at an industrial park near Big Springs, Howard County, Texas, pursuant to an operating agreement with its sister rail carrier, Lone Star Railroad, Inc. (LSR). The transaction was to be consummated no sooner than 30 days after the filing of the notice of exemption.

Any comments must be filed with the Board and must be served on applicant's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

This notice of exemption is filed under 49 C.F.R. § 1150.41. 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.

(SEAL)

By the Board