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Office of Proceedings

September 4, 2013

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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

STATUS REPORT AND PETITION TO HOLD
DECISION IN ABEYANCE UNTIL JANUARY 31, 2014

RE: Amendment to Combined Joint Petition for Exemption for Union Pacific Railroad Company (“UP”) to discontinue its operation of the B&M Bridge Line, as hereinafter defined, and to abandon and discontinue service on a portion of UP’s Brownsville Subdivision from milepost 7.4 near Olmito Junction, TX to milepost 0.22 at Brownsville, TX (the “Brownsville Subdivision”) and for Brownsville and Matamoros Bridge Company (“B&M”) to abandon B&M’s 0.8 mile of rail line north of the international border with Mexico, at Brownsville, TX (The “B&M Bridge Line”); UP Docket AB-33 (Sub-No. 306X) and B&M Docket AB – 1091X.

AND

Request under 49 U.S.C. §10502 to exempt this proposed Combined Joint Petition for UP’s discontinuance of UP’s operations of the B&M Bridge Line and to abandon and discontinue service on a portion of UP’s Brownsville Subdivision and for Exemption to abandon B&M’s B&M Bridge Line from the Offer of Financial Assistance Provisions of 49 U.S.C. 10904 and the Public Use Provisions of 49 U.S.C. §10905 for reasons that such exemption from said provisions will not adversely impact the ability to carry out the transportation policy of 49 U.S.C. §10101, that the transaction is of limited scope and that the right of way is needed for a valid public purpose and overriding public need.

Dear Ms. Brown:

By decisions with a service dates of April 9, 2013 and July 5, 2013, the Board granted the respective motions to hold the above-referenced proceedings in abeyance for 90 days respectively. The Union Pacific Railroad Company (“UP”) and the Brownsville and Matamoros Bridge Company, (“B&M”) respectfully request that the Office of Proceedings and the Board hold in abeyance until January 31, 2014, any further proceedings with regard to the above referenced matter.

As the Board is aware from the public notice in FR Doc. 04-14468, June 25, 2004 that the Presidential Permit to Cameron County, Texas for the Brownsville/Matamoros West Rail Relocation Project ("West Rail Project") is for the relocation of the railroad crossing between the United States of America and the Country of Mexico from the B&M Bridge to the West Rail Project. (See Union Pacific's January 23, 2013 filing with the Board in this matter.)

This relocation of UP's railroad operations from the B&M Bridge to the West Rail Project is neither an extension nor addition of UP's lines of railroad nor its operations but rather a relocation of such line and the operations thereover.

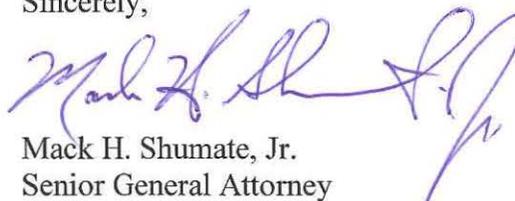
It has been brought to UP's and B&M's attention that a complete and total relocation of the line and the operations thereover, requires the assumption by UP of B&M's rights and obligations as a common carrier by railroad (the "Assumption"). The Assumption will permit UP to undertake a complete relocation of the Line and common carrier operations thereon, from the B&M Bridge to the West Rail Project.

STATUS REPORT

UP and B&M are still in the process of entering into agreements and obtaining all necessary corporate board authority necessary to complete the Assumption. The Administration of the newly elected president for the Country of Mexico is still in the process of appointing New Members of the Board of the Brownsville and Matamoros Bridge Company. Once these appointments are made and ratified the Board of B&M will be in a position to authorize the transfer of B&M's rights and obligations as a common carrier by railroad to UP thereby permitting UP to undertake a complete relocation of the Line and common carrier operations thereon, from the B&M Bridge to the West Rail Project. The construction of the West Rail Project on the United States of America side of the project is not yet complete. Track work and Homeland Security installations are under construction but are not completed.

Therefore, for the reasons outlined above, UP and B&M hereby respectfully request that the Office of Proceedings and the Board continue to hold in Abeyance any decision concerning the above referenced matter to January 31, 2014 while UP and B&M complete the Assumption and prepare any necessary filings with the Board with regard to said Assumption and any further amendments to the filings made thus far in this proceeding.

Sincerely,



Mack H. Shumate, Jr.
Senior General Attorney

MHS/ev

cc: MTMCTEA
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