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October 14, 2008



Surface Transportation Board
395 E Street, S.W., Suite 1149
Washington, DC 20024

Re: Docket No AB-491 (SUB-NO. 2X)
R.J. Corman Railroad Company/Pennsylvania Lines, Inc.,
Petition for Stay filed by P&N Coal Company, Inc

Dear Secretary:

Enclosed please find a Petition for Stay and Notice of Expression of Intent to Make Offer to Purchase or Financial Assistance by P&N Coal Company, Inc., along with a Verification and Service sheet, along with eleven (11) copies. Can you kindly return a filed copy in the self-addressed stamped envelope.

Thank you in advance.

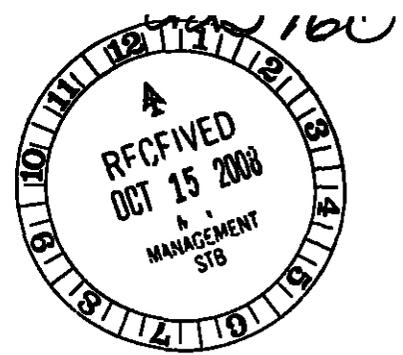
Very truly yours,

Jeffrey Lundy

ENTERED
Office of Proceedings
OCT 15 2008
Part of
Public Record

JL/rsc
Enclosures
Cc: P&N Coal Company
Michael Barron, Jr.

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO AB-491 (SUB-NO 2X)

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R J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES, INC
-- ABANDONMENT EXEMPTION --
IN CLEARFIELD, JEFFERSON AND INDIANA COUNTIES, PENNSYLVANIA

**PETITION TO STAY AND NOTICE OF EXPRESSION OF INTENT TO MAKE
OFFER TO PURCHASE OR FINANCIAL ASSISTANCE
BY P&N COAL COMPANY INC.
49 C.F.R. § 1152.50**

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(814) 938-8110

**ATTORNEY FOR P&N COAL
COMPANY INC.**

Dated: October 13, 2008

BEFORE THE
SURFACE TRANSPORTATION BOARD



DOCKET NO. AB-491 (SUB-NO. 2X)

R.J. CORMAN RAILROAD COMPANY/PENNSYLVANIA LINES, INC
-- ABANDONMENT EXEMPTION --
IN CLEARFIELD, JEFFERSON AND INDIANA COUNTIES, PENNSYLVANIA

**PETITION TO STAY AND NOTICE OF EXPRESSION OF INTENT TO MAKE
OFFER TO PURCHASE OR FINANCIAL ASSISTANCE
BY P&N COAL COMPANY INC.
49 C.F.R. § 1152.50**

P&N Coal Company Inc , hereinafter (P&N) hereby submits this Petition For Stay pursuant to 49 C.F R Part 1152 Subpart F, to stay the exemption as well as objection to abandonment of the segment of railroad known as Hillman Branch, 7 miles long, extending from Milepost 0 near McGees to Milepost 7 near Hillman, in Clearfield, Jefferson and Indiana Counties, Pennsylvania, and submits the following information in support thereof.

BACKGROUND

1. On or about September 16, 2008, the R.J. Corman Railroad Company/Pennsylvania Lines, Inc , filed a Notice of Exemption for Abandonment of the 7 mile long Hillman Branch. The Notice of Exemption provided and certified that no local traffic had moved on the Hillman Branch for at least two years prior to the filing of the Petition.

2. In a companion filing Corman filed an Environmental/Historic Report dated July 2, 2008, which provided, at Page 5, Paragraph 4, (i)

The proposed abandonment will not have any effect on the transportation

of energy resources. Until January, 2006, the P&N Coal Company mined significant amounts of coal from a mine at Hillman. The coal was sent to PPL Corporation (a utility company) or exported. PPL Corporation's new specifications exclude coal from the mine at Hillman and the export moves ended when China started buying coal from Australia. All coal now mined at Hillman moves by truck. No rail service has been provided on the Hillman Branch since January, 2006.

3. At no time was P&N Coal Company notified directly by Corman of their intentions to abandon the line. P&N Coal Company became aware of the abandonment by a Notice of Publication dated June 6, 2008, which appeared in the local newspaper, The Punxsutawney Spirit.

4. P&N Coal Company is in the principal business of mining coal and has been in the business of mining coal in excess of 61 years. P&N Coal Company has utilized the Hillman Branch over the last decade up to January, 2006, transporting more than 2,000,000 tons of coal over this 10 year period of time.

5. P&N Coal Company currently has permits in the Hillman area (copy identified on Map attached hereto)

MINE	SMP#	Mineable Reserves / Tons
Benezette Mine	24020102	50,000
Camp Run Mine	17010102	1,200,000
Fehley Run Mine	GFCC 33-07-12	60,000
Hiner Mine	03060102	120,000
Hurd Mine	17080104	80,000
Lamkie Mine	32070104	150,000
Leathem Mine	33070102	30,000
Moore Mine	32030105	25,000
Oliveburg Mine	33070101	60,000
Porter Mine	33071106	300,000
Shaw Mine	17070107	50,000

TOTAL 2,125,000

6. It is the intention of P&N Coal Company to utilize the lines and it is expected that 2,000,000 of coal may be available for transportation over the line over the next 10 years.

7. The P&N Coal Company, after notice of the publication, did contact R J Corman to request a meeting to discuss the line. Although R J Corman initially indicated that he would agree to do so he has not further contacted P&N Coal Company to discuss the aforementioned abandonment.

8. P & N Coal Company is informed and believes that significant financial support has been received by Corman in direct support of the seven-mile line by both state and federal governments which support was provided in order to maintain this line as an open rail service into a rural communities and areas.

PETITION AND REQUEST FOR STAY

9. P&N Coal Company requests that the Surface Transportation Board stay the administrative proceedings in that:

(a) P&N Coal Company requests the opportunity to consider an offer for financial assistance or an offer to purchase the line and continue the existing rail service and is in a financial position to do so;

(b) P&N Coal Company would suffer irreparable harm in the absence of a stay in that P&N Coal Company would not have an opportunity to fully explore an offer to purchase or an offer for financial assistance and P&N Coal Company would have no other means of transportation but for truck transportation which has become increasingly cost prohibitive as a result of the current fuel prices;

(c) Once the line is abandoned there are no other railroad lines in the vicinity for rail service of the coal to be mined,

(d) No other party would be substantially harmed in the issuance of a stay,

(e) Public interest supports the granting of the stay as P&N Coal Company is a significant employer and has been a significant user but for the last two years.

**NOTICE OF EXPRESSION OF INTENT TO MAKE OFFER
TO PURCHASE OR FINANCIAL ASSISTANCE**

10. P&N Coal Company hereby expresses an intent to make an offer for financial assistance or an offer to purchase the line and continue the existing rail service and would request that the matter be automatically stayed for 40 days pursuant to 49CFR1152.27.

11 P&N Coal Company would request, and by this filing does request, from Comran that it provide the information set forth in §1152.27 including:

(a) an estimate of the annual subsidy and minimum purchase price required to keep the line or a portion of the line in operation.

(b) Physical condition of the line involved

(c) Traffic, revenue, and other data necessary to determine the amount of annual financial assistance that would be required to continue the rail transportation over the railroad line. Such information should include carrier's estimate of the net liquidation value of the line, supporting data reflecting available real estate appraisals, assessments of the quality and quantity of track materials in a line, and removal cost estimates including the cost of transporting removed materials to the point of sale or salvage and an estimate of the costs of rehabilitating the line to Federal Railroad Administration safety requirements

12. P&N further requests that access be allowed to documents pursuant to § 1152 27 (d) and that the records, accounts, appraisals, working papers, and other documents which would have been used in preparing any Exhibits for an abandonment or discontinuance application been filed, or other records, reports, and data in the possession of the carrier seeking exemption be provided.

13. P&N is a financially responsible party capable of assuming any obligations for purposes of an offer and/or for financial assistance and subsidy, the exact determination of an offer for financial assistance to be set forth in an offer once information has been provided per this request.

PROTEST TO NOTICE OF EXEMPTION

14. The Notice of Exemption should be rejected and declared void initio:

(a) Page 3 of the Exemption Notice references the Environmental/Historic Report having been filed

(b) As referenced in Paragraph 2 of this Petition, said Report as prepared by Corman, contained the following misleading statements.

i. "The proposed abandonment will not have any effect on the transportation of energy resources." That statement is misleading the elimination of the Hillman line will prevent P&N from shipping coal by rail on those mines, thereby increasing costs.

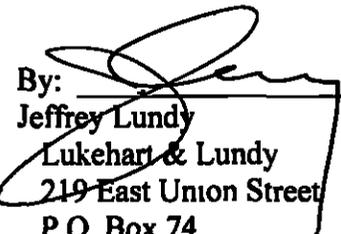
ii. "The coal was sent to PPL Corporation or exported." That statement is partly misleading as the coal was also transported and sold to other utilities, including Sunbury, WPS.

iii. "PPL Corporation's new specifications exclude coal from the mine at Hillman and the export moves ended when China started buying coal from Australia" There is no foundation for the statement as to the export market ending, and PPL has most recently contacted P&N advising that scrubbers were in place at PPL which allowed use the Hillman coal, all of which makes the statements misleading

CONCLUSION AND RELIEF REQUESTED

WHEREFORE for all the reasons stated, P&N Coal Company requests that the Notice of Exemption of Abandonment be stayed pursuant to Order by the Surface Transportation Board, that the Notice of Exemption be automatically stayed for 40 days pursuant to §1152 27, that Corman provide any and all necessary information to consider a meaningful offer to purchase and/or to financially assist with a subsidy, all of which would be in the best interest of all parties, and finally, that the Notice of Exemption and Abandonment be rejected ab initio and in the alternative rejected in that the present or future public convenience and necessity require that the Hillman line not be abandoned or discontinued.

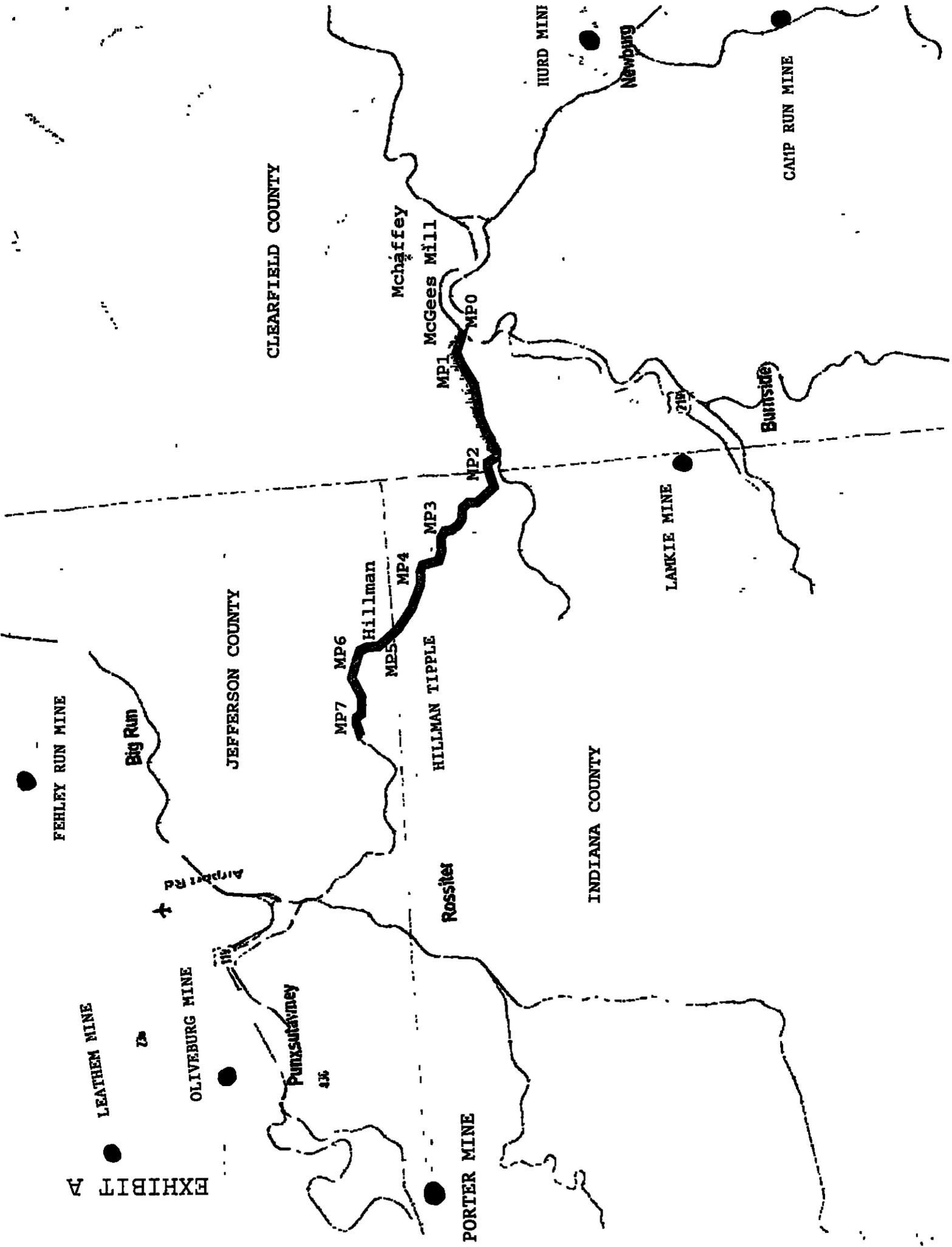
Respectfully submitted,

By: 
Jeffrey Lundy
Lukehart & Lundy
219 East Union Street
P O Box 74
Punxsutawney, PA 15767-0074
(814) 938-8110

**ATTORNEY FOR: P&N COAL
COMPANY INC.**

Dated: October 13, 2008

EXHIBIT A



DOCKET NO AB-491 (Sub-No. 2X)

CERTIFICATE AND VERIFICATION

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF JEFFERSON)

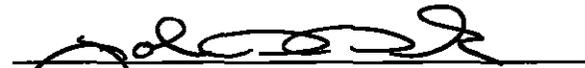
John Prushnok, being duly sworn, deposes and says, under penalty of perjury,

1. He is President of the P&N Coal Company, Inc., and is familiar with the operation of the Hillman Line

2 That the information contained in the Petition for Stay and Notice of Intent to Offer to Purchase or Subsidy including information concerning P&N Coal Company's use of the line, mining future use, permits, expression of intent to make an offer and/or subsidize the line, the financial responsibility and capability of P&N Coal Company, and other information set forth in the Stay is true and correct;

3. That he has read the foregoing Petition for Stay and Notice of Intent to Offer to Purchase, knows the facts therein asserted, and that the same is true as stated

Dated October 14, 2008.


Name: John Prushnok
Title: President, P&N Coal Company, Inc

Subscribed and sworn to before me
This 14th day of October, 2008.


Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Melanie M Skarbek, Notary Public
Purxsutawney Boro, Jefferson County
My Commission Expires Oct. 18, 2011
Member, Pennsylvania Association of Notaries

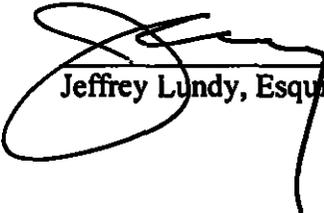
CERTIFICATE

I, Jeffrey Lundy, Esquire, an attorney for P&N Coal Company, hereby certify that, for the proceedings before the Surface Transportation Board known as Docket No. AB-491 (SUB-No 2X):

1. That a copy of the original and ten copies of the Petition for Stay and Notice of Expression of Intent to Make Offer to Purchase or Financial Assistance by P&N Coal Company, Inc , were mailed by certified, return receipt requested, mail to the Surface Transportation Board on 14th day of October, 2008

2 That further copies of the Petition for Stay and Notice of Expression of Intent to Make Offer to Purchase or Financial Assistance, by P&N Coal Company, Inc., were served by regular mail on Michael J Corman, Jr , attorney for R.J. Corman Railroad Company on the 14th day of October, 2008.

3 Further, that copies of said letter of Notice attached hereto


Jeffrey Lundy, Esquire

Dated: October 14, 2008