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March 3, 2004

2/0214

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

ENTERED
Office of Procurement
MAR - 3 2004
Part of
Public Record

Re: Finance Docket No. 34482, Old Augusta Railroad, LLC -
Acquisition and Operation Exemption - Assets of Old Augusta
Railroad Company

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. Section 1150.41 and a check in the amount of \$1,400.00 for the filing fee. Also enclosed is a 3.5-inch diskette containing the Notice.

Please time and date stamp the two extra copies of the Notice and return it with our messenger.

If you have any questions, please contact me at (202) 682-7094.

Sincerely,

David J. Taylor

Enclosures

FILED
MAR - 1 2004
SURFACE
TRANSPORTATION BOARD

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BEFORE THE
SURFACE TRANSPORTATION BOARD



STB FINANCE DOCKET NO. 34482

OLD AUGUSTA RAILROAD, LLC

FILED
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VERIFIED NOTICE OF EXEMPTION
OF
OLD AUGUSTA RAILROAD, LLC
PURSUANT TO 49 C.F.R. § 1150.41

ENTERED
Office of Proceedings

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SURFACE
TRANSPORTATION BOARD

Glen D. West, Esq.
David J. Taylor, Esq.
Weil, Gotshal & Manges, LLP
1501 K Street, N.W., Suite 100
Washington, D.C. 20005
(202) 682-7094

ATTORNEYS FOR
OLD AUGUSTA RAILROAD, LLC

Dated: March 3, 2004

SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34482

OLD AUGUSTA RAILROAD, LLC

**VERIFIED NOTICE OF EXEMPTION OF
OLD AUGUSTA RAILROAD, LLC**



Pursuant to provisions of 49 C.F.R. Section 1150.41 *et seq.*, Old Augusta Railroad Company, LLC ("Applicant"), a newly created class III carrier, files this Verified Notice of Exemption from requirements of 49 U.S.C. Section 10902, for operation of a short-line railroad. In support of this Notice, Applicant submits the following:

Section 1150.43(a) and (b)
Identification of Applicant and Representative

The full name and address of the applicant is:

Old Augusta Railroad, LLC
P.O. Box 2256
Wichita, KS 67201
Attention: Patrick J. Boushka
(316) 828-5500

Any questions concerning this Notice should be sent to the Applicant's representative at the following address:

Raffaele G. Fazio, Esq.
Senior Counsel
Koch Industries, Inc.
P.O. Box 2256
Wichita, KS 67201
(316) 828-8310

Section 1150.43(c)
Agreement

On February 26, 2004, Koch Cellulose, LLC ("Koch Cellulose"), the parent corporation of Applicant, signed a definitive agreement to acquire, among other things, substantially all of the assets of the Old Augusta Railroad Company, including its approximately 2.5 mile short-line rail line. Before closing of the transaction, Koch Cellulose will assign to Applicant its right to acquire substantially all of the assets of the Old Augusta Railroad Company.

Section 1150.43(d)
Identification of Operators of the Subject Property

The operator of the subject property will be Old Augusta Railroad, LLC.

Section 1150.43(e)
Summary of the Proposed Transaction

The name and address of the railroad transferring the subject property:

Old Augusta Railroad Company
c/o Georgia-Pacific Corporation
Leaf River Operations
P.O. Box 329
Buck Creek Road
New Augusta, MS 39462
Attn: Al Fordham

On February 26, 2004, Koch Cellulose, the parent corporation of Applicant, signed a definitive agreement with Georgia-Pacific Corporation ("Georgia-Pacific") and various subsidiaries of Georgia-Pacific to acquire Georgia-Pacific's non-integrated market and fluff pulp operations. In connection with this transaction, Koch Cellulose will acquire, among other things, Georgia-Pacific's Leaf River Pulp Mill in New Augusta, Mississippi and substantially all of the assets of the Old Augusta Railroad Company. Old Augusta Railroad Company currently operates an approximately 2.5 mile short-line railroad between the Leaf River Pulp Mill and the Canadian National Railway Company interchange. Before closing of the transaction, Koch Cellulose will transfer to Applicant its right to acquire the assets of the Old Augusta Railroad Company. Accordingly, upon closing of the transaction, Applicant will acquire and operate the short-line railroad currently operated by the Old Augusta Railroad Company.

Subject to obtaining the necessary regulatory approvals, the transaction is expected to close the first week of May 2004.

The rail line is located in Perry County in the state of Mississippi, extending approximately 2.5 miles from New Augusta, Mississippi (Station No. FSAC 10) to Augusta, Mississippi (Station No. FSAC 20). There are no branch lines, and no mile posts.

Section 1150.43(f)
Maps of Subject Property

A map of the rail line is attached hereto as Exhibit A.

Section 1150.42(a), (e) and 115.43(g)
Class III Revenue Certification

The projected annual revenue of the Applicant will not exceed the annual revenue of a Class III railroad and, will not result in the creation of a Class II or Class I rail carrier that would require processing under Section 1150.45. The Applicant's certification is attached hereto as Exhibit B.

Section 1150.42(d)
Historic Preservation

Applicant will preserve intact all sites and structures on the property that are more than 50 years old until compliance with Section 1056 of the National Historic Preservation Act, 16 U.S.C. Section 470f, is achieved. Since cessation of rail operations would require Board approval, there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older, no historic preservation report is required under 49 C.F.R. Section 1105.8(b)(1).

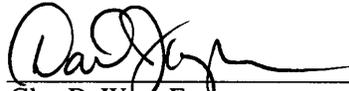
Section 1105.6(c)(2)
Environmental Documentation

The proposed transaction will not result in any changes in carrier operations. No environmental documentation is required under the criteria of 49 C.F.R. Section 1105.6(c)(2) because the proposed transaction continues rail service on existing tracks and will not cause operating changes that exceed the thresholds in 49 C.F.R. Section 1105.7(e)(4) or (5).

Section 1105.44
Caption Summary

A caption summary of the proposed transaction suitable for publication in the Federal Register is attached hereto as Exhibit C.

Respectfully Submitted,



Glen D. West, Esq.

David J. Taylor, Esq.

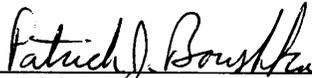
Weil, Gotshal & Manges, LLP
1501 K Street, N.W., Suite 100
Washington, D.C. 20005
(202) 682-7094

Attorneys for
Old Augusta Railroad, LLC

VERIFICATION

State of Kansas)
)
County of Sedgwick)

Patrick J. Boushka, being duly sworn, deposes and says that he is the Manager of Old Augusta Railroad, LLC; that he has read the foregoing Notice of Exemption, that he has personal knowledge of the facts asserted therein, and that he certifies the same are true as stated.



Patrick J. Boushka
Manager
Old Augusta Railroad, LLC

SUBSCRIBED AND SWORN TO

Before me this 2nd day of March, 2004



Notary Public



My commission expires: 9-27-2005

EXHIBIT A

ATTACHED MAP OF OARLLC RAIL LINE

REGION 12
AR/LA/MS

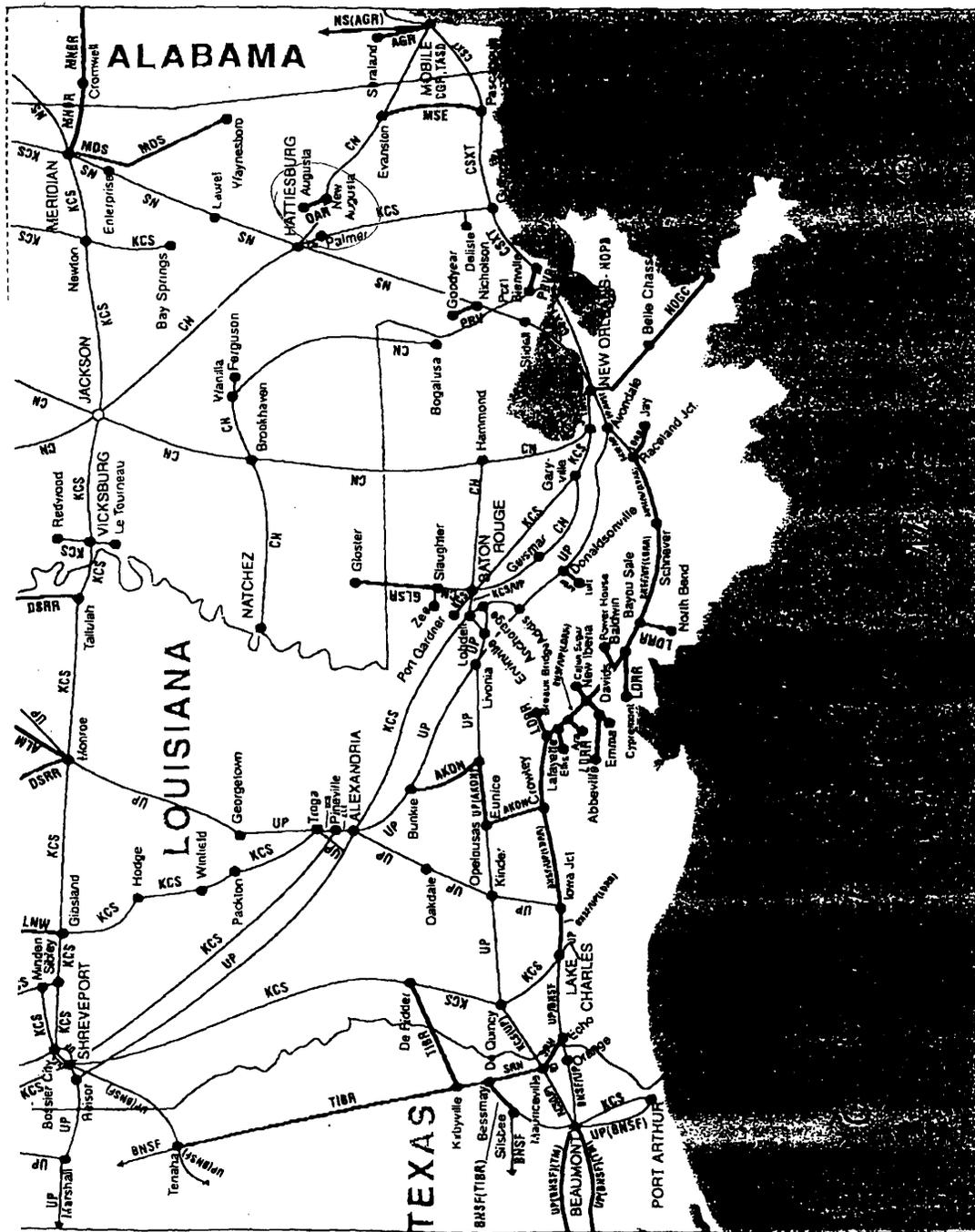
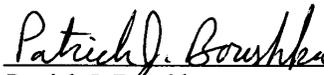


Exhibit B

CERTIFICATION

Patrick J. Boushka, Manager of Old Augusta Railroad, LLC, being duly sworn certifies that the projected revenues for Old Augusta Railroad, LLC upon consummation of the proposed transaction will not result in creation of a Class I or Class II rail carrier and the projected annual revenue will not exceed \$20,000,000.



Patrick J. Boushka
Manager
Old Augusta Railroad, LLC

Dated: March 2, 2004

EXHIBIT C

ATTACHED NOTICE OF EXEMPTION

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 34482

OLD AUGUSTA RAILROAD, LLC

Old Augusta Railroad, LLC ("OARLLC"), a newly created class III short line railroad, has filed a Verified Notice of Exemption under 49 C.F.R. Section 1150.41 *et seq.* to acquire and operate substantially all of the assets of Old Augusta Railroad Company that include approximately 2.5 miles of rail line.

The rail line extends from August, Mississippi, where it serves certain industries, to New Augusta, Mississippi, where it connects to the tracks of Canadian National Railway Company for interchange purposes only.

An original and ten (10) copies of all pleadings and comments in this proceeding, STB Finance Docket No. 34482, must be filed with the Surface Transportation Board, Office of the Secretary, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy must be served on OARLLC's representative: Raffaele G. Fazio, Esq., Senior Counsel, Koch Industries, Inc., PO Box 2256, Wichita, Kansas 67201.

This Notice is filed under 49 C.F.R. § 1150.41. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petition to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. However, the filing of a petition to revoke will not automatically stay the transaction.

Decided: _____

Vernon A. Williams
Secretary