

LAW OFFICES  
FRITZ R. KAHN, P.C.  
EIGHTH FLOOR  
1920 N STREET, N.W.  
WASHINGTON, D.C. 20036-1801  
  
(202) 263-4152  
FAX (202) 331-8330  
e-mail: xicgc@worldnet.att.net

215262  
ORIGINAL



December 2, 2005

VIA HAND DELIVERY - RETURN COPY

Hon. Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW (7<sup>th</sup> fl.)  
Washington, DC 20423-0001

ENTERED  
Office of Proceedings  
DEC 2 2005  
Part of  
Public Record

Dear Secretary Williams:

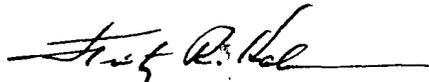
Enclosed for filing in STB Finance Docket No. 34779, V & S Railway, Inc.—Acquisition and Operation Exemption—Colorado, Kansas & Pacific Railway Company, are the original and ten copies of the Verified Notice of Exemption of V & S Railway, Inc.

This firm's check for \$1,500 in payment of the filing fee is attached.

Additional copies of the Notice and of this letter are enclosed for you to stamp to acknowledge your receipt of them and to return to me via the messenger.

If you have any question concerning the foregoing which you believe I may be able to answer or if I otherwise can be of assistance, please let me know.

Sincerely yours,

  
Fritz R. Kahn

FEE RECEIVED

TRANSPORTATION BOARD

FILED

TRANSPORTATION BOARD

215267

**ORIGINAL**

BEFORE THE  
SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C.



STB Finance Docket No. 34779

V & S RAILWAY, INC.  
-- ACQUISITION AND OPERATION EXEMPTION --  
COLORADO, KANSAS & PACIFIC RAILWAY COMPANY

ENTERED  
Office of Proceedings

DEC 2 2005

Part of  
Public Record

VERIFIED NOTICE OF EXEMPTION  
OF  
V & S RAILWAY, INC.

**FILED**

DEC 2 2005

SURFACE  
TRANSPORTATION BOARD

Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8<sup>th</sup> fl.)  
Washington, DC 20036-1601  
Tel.: (202) 263-4152

Attorney for

V & S RAILWAY, INC.

Dated: December 2, 2005

BEFORE THE  
SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C.

---

STB Finance Docket No. 34779

V & S RAILWAY, INC.  
-- ACQUISITION AND OPERATION EXEMPTION --  
COLORADO, KANSAS & PACIFIC RAILWAY COMPANY

---

VERIFIED NOTICE OF EXEMPTION  
OF  
V & S RAILWAY, INC.

V & S Railway, Inc. ("VSR"), pursuant to 49 C.F.R. 1150.41, et seq., states, as follows:

1. Applicant's name and address:

V & S Railway, Inc.  
P. O. Box 26421  
Salt Lake City, UT 84126  
(801) 977-6377

2. Name and address of applicant's representative:

Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8<sup>th</sup> fl.)  
Washington, DC 20036-1601  
Tel.: (202) 263-4152

3. Agreement:

VSR, a rail carrier subject to the jurisdiction of the Board, has reached an agreement in principle with the Colorado Department of Transportation ("CDOT") and the Colorado, Kansas &

Pacific Railway Company ("CKPR") for VSR to be the assignee of the lease between CDOT and CKPR approved by Decision of the Board in STB Finance Docket No. 33857, Colorado, Kansas & Pacific Railway Company—Lease, Operation, and Future Purchase Exemption—Colorado Department of Transportation, served April 7, 2000, pursuant to which VSR will acquire by lease and operate the Towner Line, extending between Milepost 747.5, near Towner, and Milepost 869.4, near NA Junction, a distance of approximately 121.9 route miles in Kiowa, Crowley and Pueblo Counties, Colorado.

a. Operator:

VSR will operate the line.

b. The lessor of the line is:

Colorado Department of Transportation  
4201 E. Arkansas Avenue  
Denver, CO 80222  
Tel.: (303) 757-9011

c. The assignor of the line is:

Colorado, Kansas & Pacific Railway Company  
1701 Wynkoop Street  
Denver, CO 80202  
Tel. (303) 623-6035

d. Consummation date:

On or after seven days after the date of the Notice's filing.

e. Milepost designations:

The Towner Line extends between Milepost 747.5, near Towner and Milepost 869.4, near NA Junction, a distance of approximately 121.9 route miles in Kiowa, Crowley and Pueblo Counties, Colorado.

4. Map:

A schematic map of the railroad line is attached.

5. Environmental certification:

Since this is a transaction under a class exemption from the provisions of 49 U.S.C. 10901 which will result in no significant changes in railroad operations, that is, no increase in rail traffic of more than fifty percent or three trains a day on any segment of rail line or a twenty percent increase of rail yard activity, no environmental documentation is required, pursuant to 49 C.F.R. 1105.6(c)(2). Similarly, since the proposed transaction will not result in the disposition or alteration of properties subject to the Board's jurisdiction that are 50 years old or older, no historic report is required, pursuant to 49 C.F.R. 1105.8(b).

6. Employee protection:

Pursuant to 49 U.S.C. 10902(b), no employee protective condition need be attached.

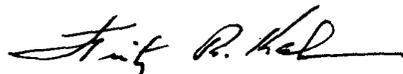
7. Revenue certification:

V & S's projected annual revenue will not exceed \$5 million; the acquisition will not result in the creation of a Class II or Class I rail carrier.

Respectfully submitted,

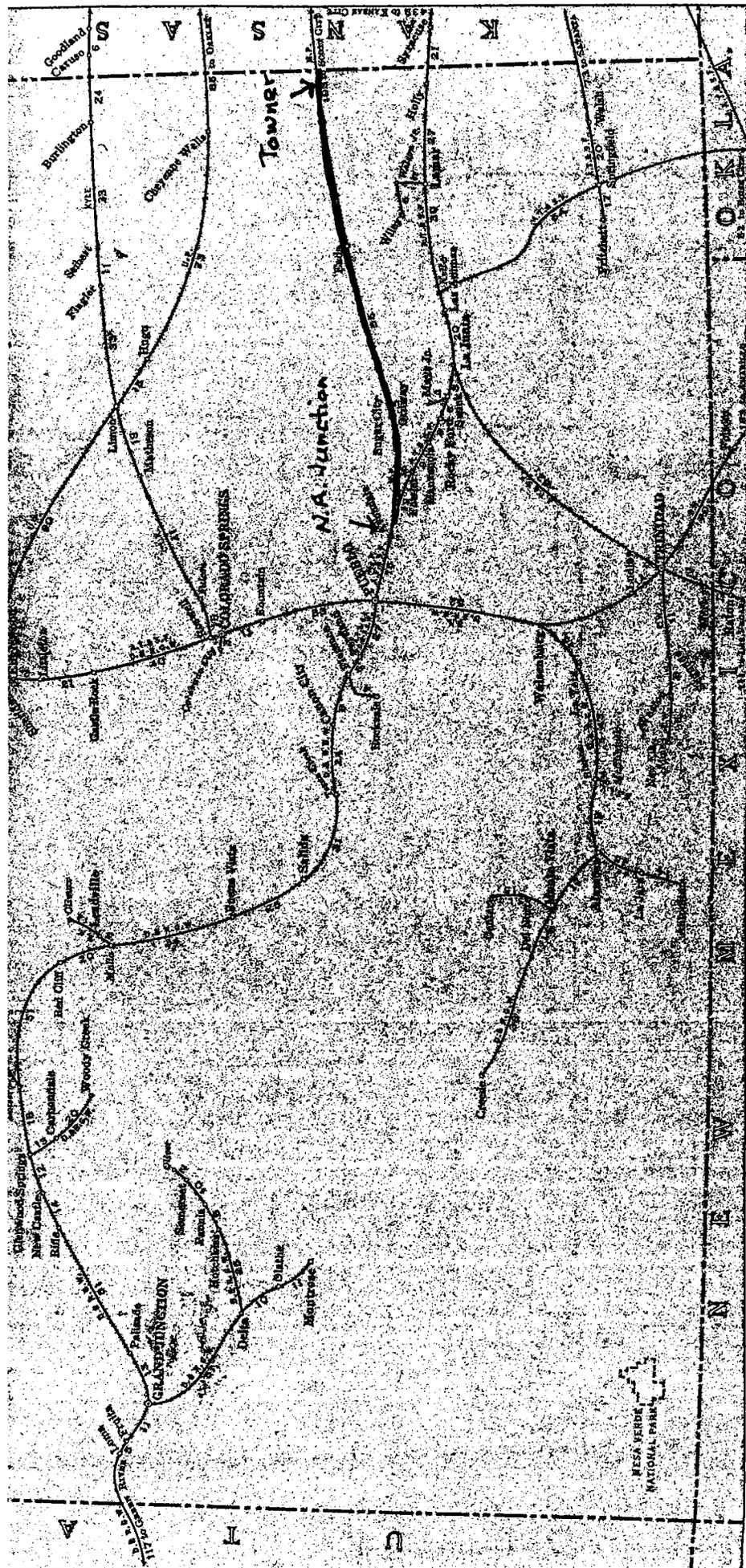
V & S RAILWAY, INC.

By its attorney,



Fritz R. Kahn  
Fritz R. Kahn, P.C.  
1920 N Street, NW (8<sup>th</sup> fl.)  
Washington, DC 20036-1601  
Tel.: (202) 263-4152

Dated: December 2, 2005



## CAPTION SUMMARY

BEFORE THE  
SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C.

---

STB Finance Docket No. 34779

V & S RAILWAY, INC.  
– ACQUISITION AND OPERATION EXEMPTION --  
COLORADO, KANSAS & PACIFIC RAILWAY COMPANY

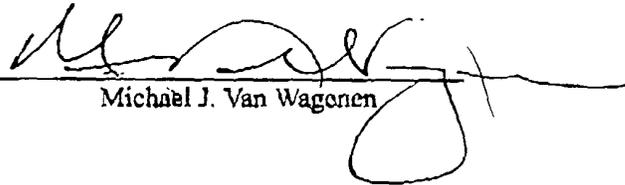
V & S Railway, Inc., the Colorado Department of Transportation (“CDOT”) and the Colorado, Kansas & Pacific Railway Company (“CKPR”) have reached an agreement in principle pursuant to which V & S Railway, Inc., will acquire by assignment of the lease between CDOT and CKPR and operate the Towner Line, extending between Milepost 747.5, near Towner, and Milepost 869.4, near NA Junction, a distance of approximately 121.9 route miles in Kioawa, Crowley and Pueblo Counties, Colorado. Comments must be filed with the Board and served on Fritz R. Kahn, Fritz R. Kahn, P.C., 1920 N Street, NW (8<sup>th</sup> fl.), Washington, DC 20036-1601, Tel.: (202) 263-4152.

The Notice is filed under 49 C.F.R. 1150.41, et seq. 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.

**VERIFICATION**

I, Michael J. Van Wagenen, Vice President and General Counsel of V & S Railway, Inc., declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Notice of Exemption and 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 V & S Railway, Inc. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Salt Lake City, UT, this 1<sup>st</sup> day of December 2005.



Michael J. Van Wagenen