

BEFORE THE
SURFACE TRANSPORTATION BOARD



STB FINANCE DOCKET NO. FD 34847

216049

LUCAS RAIL LINES, INC.
--ACQUISITION AND OPERATION EXEMPTION--
BPM RAIL, INC.

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 AND 49 CFR 1150.31

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

Submitted By:

FILED

Keith T. Borman
Attorney-at-Law
Suite 7020
50 F Street N.W.
Washington, D.C. 20001
202-585-3448

MAR 21 2006

Counsel for Petitioner

FEE RECEIVED

Dated: March 21, 2006

MAR 21 2006

SURFACE
TRANSPORTATION BOARD

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NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.33

<u>Name and Address of Applicant</u>	49 CFR 1150.33(a)
Lucas Rail Lines, Inc. 302 North Sheridan St. Corona, CA 92880-2067	

<u>Applicant's Representative</u>	49 CFR 1150.33 (b)
Robert Patison 302 North Sheridan St. Corona, CA 92880-2067	

<u>Statement of Agreement</u>	49 CFR 1150.33 (c)
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Lucas Rail Lines, Inc. ("LRL"), a wholly owned subsidiary of Lucas Oil Products, Inc., has entered into an agreement with BPM Rail, Inc. ("BPM") doing business as the Louisville, New Albany & Corydon Railroad ("LNAC"), to acquire and operate all the rail assets and lines of LNAC, which operates entirely within Harrison County, Indiana. LNAC consists of 7.7 miles of main line and approximately 2.3 miles of side tracks and

lead tracks. It operates from its terminus at Corydon, Indiana, LNAC Mile Post 7.7, northward to its sole interchange with the Norfolk Southern Railway Company ("NS") at Corydon Junction, Indiana, LNAC Mile Post 0.0. There are no branch lines or intermediate stations.

Lucas Rail Lines, Inc. plans to commence operation of LNAC on or after April 1, 2006, dependent upon the effective date of its Notice of Exemption and the receipt of grant deeds to LNAC real property.

Operator of the Property

49 CFR 1150.33(d)

As described further in the transaction summary provided below, LRL will operate LNAC and continue to fulfill its common carrier obligations as a class III railroad over its rail facilities.

Brief Summary of Transaction

49 CFR 1150.33(3)

This exemption involves the acquisition by a noncarrier, Lucas Rail Lines, Inc., a wholly owned subsidiary of Lucas Oil Products, Inc., of an existing class III railroad, LNAC, in order to assume its operations and common carrier obligations. LNAC has operated as a common carrier continuously since 1883. Its assets were purchased by BPM, an Indiana corporation, in 1987. Loss of customers on the line in recent years has threatened its ability to continue operations under current ownership. Lucas Oil Products, Inc. has organized LRL to acquire LNAC in order to avoid abandonment and preserve rail service for itself and other shippers.

Map

49 CFR 1150.33(f)

A map depicting the line to be acquired and operated is attached as Exhibit A.

Certification of Carrier Classification

49 CFR 1150.33 (g)

LRL certifies that the projected annual revenues of LNAC will be less than \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.33(g) is attached as Exhibit B to this notice.

Caption Summary

49 CFR 1150.34

A Caption Summary in the form prescribed in 49 CFR 1150.34 is attached to this Notice as Exhibit C.

Labor Protection

No labor protection should be imposed in this proceeding. This transaction is exempt from the requirements of 49 U.S.C. 11326 as it involves solely a class III carrier. See 49 U.S.C. 1326(c).

Environmental and Historic Impact

As the transaction proposed herein will not significantly affect the quality of the human environment nor energy conservation nor will it result in operating changes in excess of the thresholds described in 49 CFR 1105.7(e) (4) or (5), it is exempt from environmental review under 49 CFR 1105(c)(2)(i). See 49 CFR 1105.6(c) (2).

This transaction is also exempt from historic review under 49 CFR 1105.8(b)(1) as rail operations will continue after its completion, and there are no plans to abandon, dispose of or alter the rail facilities subject to the jurisdiction of the Board.

Dated: March 21, 2006

Respectfully submitted,

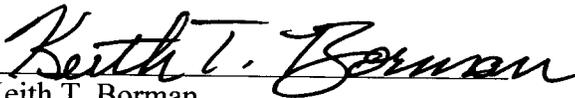

Keith T. Borman
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EXHIBIT B

I, Robert Patison, an officer of Lucas Rail Lines, Inc., hereby certify under penalty of perjury that the projected annual revenues of Lucas Rail Lines, Inc., in the aggregate will not exceed \$5,000,000, and that Lucas Rail Lines, Inc., doing business as Louisville, New Albany & Corydon Railroad will be a Class III rail carrier as set forth at 49 CFR 1201 (1-1)(a). I further certify that I am qualified and authorized to make this certification on behalf of Lucas Rail Lines, Inc.


Robert Patison

EXHIBIT C

SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION
Finance Docket No. FD 34847

LUCAS RAIL LINES, INC.
--ACQUISITION AND OPERATION EXEMPTION--
BPM RAIL, INC.

Lucas Rail Lines, Inc. has filed a notice of exemption to acquire and operate BPM Rail, Inc.'s 7.7 mile-long line known as the Louisville, New Albany & Corydon Railroad ("LNAC") between Corydon, Indiana at LNAC Mile Post 7.7 and its interchange with Norfolk Southern Railway Company at Corydon Junction, Indiana, LNAC Mile Post 0.0. Comments must be filed with the Board and served on Robert Patison, Lucas Rail Lines, Inc., 302 North Sheridan St. Corona, CA 92880-2067, telephone: 1-800-342-2512.

This notice is filed under 49 CFR 1150.31. 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.