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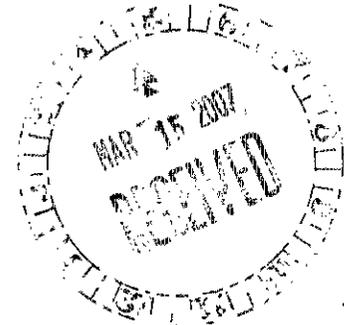
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March 15, 2007

BY HAND DELIVERY

Vernon A. Williams
Secretary
Surface Transportation Board
Suite 101
395 E Street, S.W.
Washington, D.C. 20423-0001



Re: CSX Corp. *et al.* – Control and Operating Leases/Agreements – Conrail Inc. *et al.*, Finance Docket No. 33388 (Sub-No. 100), Petition for Clarification Or in the Alternative For Supplemental Order-North Jersey Shared Assets Area.

Dear Secretary Williams:

I enclose for filing in the above captioned proceeding an original and ten copies of the Reply of Norfolk Southern Corporation and Norfolk Southern Railway Company To Reply of Bridgewater Resources, Inc. and ECDC Environmental LLC, together with a compact disc containing an electronic copy of the reply and supporting verified statement and the exhibits thereto.

Sincerely,

A handwritten signature in black ink that reads 'Richard A. Allen'.

Richard A. Allen

Enclosures

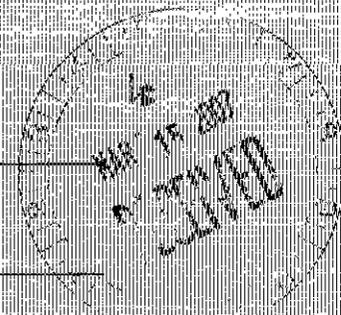
cc: All parties of Record

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Before The
Surface Transportation Board

Finance Docket No. 33388 (Sub-No. 100)



CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
— CONTROL AND OPERATING LEASES/AGREEMENTS —
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

REPLY OF NORFOLK SOUTHERN CORPORATION AND NORFOLK
SOUTHERN RAILWAY COMPANY TO REPLY OF BRIDGEWATER
RESOURCES, INC. AND ECDC ENVIRONMENTAL, L.L.C.

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**REPLY OF NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN
RAILWAY COMPANY TO REPLY OF BRIDGEWATER RESOURCES, INC. AND
ECDC ENVIRONMENTAL, L.L.C.**

Pursuant to the Board's order served February 27, 2007, Norfolk Southern Corporation and Norfolk Southern Railway Company (collectively, "NS") files this reply to the reply filed on February 6, 2007 by petitioners Bridgewater Resources, Inc. and ECDC Environmental, L.L.C. (collectively, "Petitioners" or "BRI").

Introduction and Summary

In their petition that initiated this proceeding and in every subsequent pleading until their latest reply, Petitioners have based their claim that BRI's facility is entitled to switching service by Conrail on the contention that their industrial spur, known as the Royce Spur, connects to trackage on the Lehigh Line (which runs east and west to the south of the BRI facility) that is part of the North Jersey Shared Assets Area ("NJSAA"); they have contended that trackage is part of the NJSAA because they have claimed that the point of connection is east of CP-Port

Reading Junction, which is the boundary on the Lehigh Line between NS trackage and NJSAA trackage established by the Transaction Agreement.

In their reply filed on February 6, 2007, however, Petitioners have abandoned the contention that the Royce Spur connects to trackage that is part of the NJSAA, and acknowledge that the Royce Spur connects to NS trackage at a point west of CP Port Reading Junction. Thus, in their reply, Petitioners state (BRI Reply at 3): “BRI/ECDC do not contest the railroads’ evidence indicating that the term ‘CP-Port Reading Jct.’ was intended to refer to Milepost 35.92 on the Lehigh Line,” and they acknowledge that “this point is less than half a mile east of the connection between the Lehigh Line and BRI’s Royce Spur.”

Petitioners’ reply instead advances a completely new argument to support their claim that the BRI Facility is entitled to switching service from Conrail. This new argument is based on the assertion that Conrail is entitled and obliged to serve the BRI facility from an entirely new direction, from the Raritan Valley Line, which runs east and west to the north of the facility. See Exhibit A. Petitioners advance this novel argument despite the facts that (1) the Raritan Valley Line is owned and operated by New Jersey Transit (“NJT”), (2) freight service to the BRI Facility via the Raritan Valley Line has not been physically possible since NJT removed a switch connection in the 1980s, (3) the Royce Spur does not now, nor at the time of the Conrail Transaction, connect to the Raritan Valley Line – instead it connect only with NS’ Lehigh Valley line via the Royce Running Track; and (4) petitioners do not actually *want* Conrail service via the Raritan Valley Line, but instead ask the Board to authorize Conrail to serve the facility via NS’s Lehigh Line trackage and the Royce Spur.

Petitioners’ latest argument has no more substance than their initial and now-abandoned argument. It is factually and legally unfounded for the following reasons:

1. The argument is premised on a factually incorrect assumption about the location of the dividing line between NS' freight operating rights and Conrail's freight operating rights on the Raritan Valley Line. On this point, all three parties to the Transaction Agreement concur.
2. The argument is also premised on the legally incorrect assumption that the removal of the connection between the Raritan Valley Line and the so-called Reading Connector required regulatory approval. Since Conrail possessed all of the relevant freight rights at the time and since the removal did not impair Conrail's ability to serve shippers on the Reading Connector via the Lehigh Line (the method BRI prefers and desires), removing the connection was not a line abandonment requiring regulatory approval. *See, e.g. Union Pacific Railroad Company and Stillwater Central Railroad Company--Joint Relocation Project Exemption--Fort Sill, OK, STB Finance Docket No. 34439 (served December 16, 2003).*
3. The premise of petitioners' argument -- that Conrail has a legal obligation to restore a connection to the Raritan Valley Line -- is also contrary to the express terms on which Conrail sold the Reading Connector to the then owner of BRI, whom BRI's describes as its predecessor.
4. If, contrary to point 2, above, removal of the connection between the Reading Connector and the Raritan Valley Line and Conrail's subsequent sale of the Reading Connector to BRI's predecessors were unlawful abandonments of lines of a line of railroad, BRI would not be entitled to service by Conrail because the

Reading Connector would be allocated to NS under the terms of the Transaction Agreement.

5. BRI is in any event not entitled to service from Conrail via the Lehigh Valley Line. BRI makes a strained argument that such service is authorized by Section 3(c)(ii) of NJSAA Operating Agreement because it is “necessary to effect train operations and services contemplated by this agreement” – namely, according to petitioners, Conrail service to the BRI Facility via the Raritan Valley Line. This claim is refuted by the facts that (1) operations via the Raritan Valley line had been physically impossible for years before the NJSAA Operating Agreement and thus could not possibly have been contemplated by the parties to that agreement, and (2) such operations were clearly not contemplated by BRI inasmuch as BRI’s then-owner expressly *disclaimed* any expectation or right to Conrail service when he purchased the Reading Connector from Conrail in 1995.

STATEMENT OF FACTS RELEVANT TO PETITIONERS’ REPLY

In previous pleadings, NS set forth the facts surrounding the allocation of lines in the vicinity of the BRI Facility by the Transaction Agreement among CSX (referred to as “NYC Allocated Assets”), NS (referred to as “PRR Allocated Assets”) and the NJSAA (referred to as “Retained Assets”).¹ These focused on the location of CP Port Reading Junction on the Lehigh Line, which was placed in issue by petitioners’ petition. We refer the Board to those descriptions and set forth here additional facts specifically pertinent to the new arguments and assertions

¹ See Comments of Norfolk Southern Corporation and Norfolk Southern Railway Company on Supplement to Petition for Clarification or in the Alternative for Supplemental Order – North Jersey Shared Assets Area, filed December 1, 2006; Motion of Norfolk Southern Corporation and Norfolk Southern Railway Company To Dismiss Petition for Clarification or in the Alternative for Supplemental Order – North Jersey Shared Assets Area, filed February 9, 2006.

advanced in petitioners' reply. The additional facts concerning the location of tracks, switches and other physical features are attested to by the attached verified statement of Ralph A. Shelhamer, Manager, Joint Facilities and Real Estate of Conrail.

Exhibit A to Mr. Shelhamer's statement is a schematic map showing the general locations of the tracks, stations, former tracks and former connections relevant to petitioners' new argument. Prior to 1980, Conrail owned and provided freight service over the Raritan Valley Line (formerly owned by the Central Railroad of New Jersey), the Lehigh Line (formerly owned by the Lehigh Valley Railroad) and the Trenton Line (formerly owned by the Delaware and Bound Brook Railway. The Trenton Line now connects with the Lehigh Line a short distance east of CP Port Reading Junction. Prior to 1980, the Trenton Line also crossed the Lehigh Line via a diamond at CP Port Reading Junction and proceeded north, across the Raritan River and past the location now occupied by the BRI Facility, and connected via a switch connection to the Raritan Valley Line at a point then known as Bound Brook Junction, which was at approximately Milepost 31.9, about 1.7 miles west of Bound Brook Station, located at Milepost 30.2. The tracks and right of way of the Trenton Line between the Lehigh Line and the Raritan Valley Line were known as the Reading Connector.

In 1982, Conrail sold a number of rail lines and other properties, including the Raritan Valley Line, to NJT, who wished to use them to provide commuter passenger service. Conrail, however, retained operating rights over the Raritan Valley Line to provide freight service.

Also, in 1982, Conrail granted NJT an easement, subject to various conditions and limitations, over certain Conrail lines, including the Trenton Line, to provide commuter service. For some period in 1982, NJT commuter service was provided over the Trenton Line. This service was terminated by NJT at end of 1982 and has never been resumed. Subsequently,

probably in the 1980's, NJT removed the switch connection at Bound Brook Junction between the Reading Connector and the Raritan Valley Line.

At some point after 1982, Conrail removed the diamond over which the Trenton Line crossed the Lehigh Line. Conrail, however, retained the ability to provide rail service to locations along the Reading Connector from a spur, the Royce Spur, connected to a siding of the Lehigh Line known as the Royce Running Track.² After removal of the diamond, the Trenton Line terminated at its switch connection with the Lehigh Line. Much of the former Reading Connector trackage was removed.

NS, CSX and Conrail executed the Transaction Agreement as of June 10, 1997 and implemented the Transaction approved by the Board on June 1, 1999 (commonly referred to as "Split Date"). The Transaction Agreement allocated the Lehigh Line west of CP Port Reading Junction, including the Royce Running Track, to NS and the Trenton Line and Manville Yard to CSX. With respect to NJT's Raritan Valley Line, the Transaction Agreement allocated Conrail's trackage rights between "Bound Brook NJ" and "Ludlow NJ" to NS and allocated Conrail's trackage rights between "Aldene NJ" and "Bound Brook NJ" to the NJSAA. Transaction Agreement, Schedule 1, Attachment 1, Vol. B at 98, 102. Ludlow NJ is a now-closed rail station on the Raritan Valley Line west of Bound Brook station, and Aldene NJ is a station on the Raritan Valley Line east of Bound Brook station. The Transaction Agreement also allocated to NS a 2-mile branch line known as the Middle Brook Branch, which connects to the Raritan Valley Line at about Milepost 32.3.

² The Royce Spur and its connection to the Royce Running Track is shown on Exhibit 4 to the Verified Statement of John Friedmann attached to the NS Comments filed December 1, 2006 in this proceeding, which is a handwritten map produced by Conrail in discovery, which Mr. Friedmann understands was prepared by a Conrail employee at about the time the parties entered into the Transaction Agreement.

At that time of the Transaction Agreement, BRI was wholly owned by Joseph C. Horner. NS is not aware of the extent, if any, of Conrail's rail service to BRI prior to the negotiation and execution of the Transaction Agreement. What is known is that Mr. Horner desired to purchase from Conrail the real estate and other property comprising the Reading Connector, which was adjacent to the BRI Facility, for use in BRI's waste transfer business, and Conrail accommodated that desire. Accordingly, by deed dated August 24, 1995, Conrail conveyed to Mr. Horner the real estate comprising the right of way of the Reading Connector situated between the right of way of the Lehigh Line and the right of way of the Raritan Valley Line, together with the track, track materials, switches located on it as well as the railroad bridge over the Raritan River. This deed (Exhibit B to Mr. Shelhamer's statement) made absolutely clear that Mr. Horner had no right or expectation to receive rail service from Conrail on the property being sold or to require Conrail to establish any rail connections between that property and Conrail's other lines.

Covenant No. 10 of the deed states:

Grantor [Conrail] and Grantee [Horner] do not contemplate that Grantor shall (a) operate its trains, cars and engines to or on the Premises (or any portion thereof), (b) interchange traffic with Grantee or its successors or assigns, (c) participate in any rail rate relationship with Grantee, (d) establish or maintain a track connection with Grantee, or (e) provide cars or car service to Grantee. If Grantee hereafter desires that Grantor do any of the foregoing, the Grantor and Grantee agree that such activities shall be conducted only on such terms and conditions as Grantor and Grantee hereto may hereafter mutually agree upon in writing. Grantor and Grantee further agree that in respect to the matters referred to in items (a) through (e), above, Grantor shall not be called upon, or required, by Grantee to accept obligations in excess of those expressly assumed by Grantor except by written agreement between Grantor and Grantee hereto.

NS understands that Horner leases this property to BRI and that BRI has an option to purchase the property at the end of the lease term. NS also understands that BRI has new owners since emerging from bankruptcy in 2005.

After Horner acquired the property from Conrail, BRI desired to have new track facilities constructed on it, and, as contemplated by Covenant No. 10 of the deed, Conrail and BRI entered into a written agreement specifying the terms under which the new tracks would be constructed and operated. This agreement, entitled "Sidetrack Agreement" (Exhibit C to Shelhamer statement) and dated December 14, 1998, specified that the new tracks would have a switch connection on the Royce Running Track, then owned by Conrail and subsequently acquired by NS pursuant to the Transaction Agreement. The agreement, which applies to the "parties and their respective successors and assigns" (Section 1.3), also provided that Conrail "shall have the right to use the Sidetrack" (Section 4.1) and that "[n]either party hereto shall permit or authorize the use of the Sidetrack by, or for the benefit of, any other person, firm, or corporation not a party hereto without the prior written consent of the other party, which consent shall not be unreasonably withheld" (Section 4.2). The new track constructed under this agreement, to the extent it is located on the property conveyed to Horner, is what is now referred to as the Royce Spur.

Since Split Date, NS, as Conrail's successor, has provided rail service to the BRI Facility over the Royce Running Track and the Royce Spur under the terms of the Sidetrack Agreement.

PETITIONERS' NEW ARGUMENT

Petitioners' new argument is based on the following allegations: (1) The Reading Connector used to connect to the Raritan Valley Line at Bound Brook Junction. (2) Bound Brook Junction is at a place on the Raritan Valley Line that is part of the NJSAA, because the Transaction Agreement only allocated to Conrail's freight rights over the Raritan Valley Line west of the intersection of the Middle Brook Branch and the Raritan Valley Line, which is west of Bound Brook Junction. (3) Conrail unlawfully removed the switch connection between the

Reading Connector and the Raritan Valley Line (as well as the diamond by which the Trenton Line crossed the Lehigh Line) without required regulatory authority. (4) Conrail is therefore legally required to restore the switch connection and trackage and provide switching service to BRI's facility via the Raritan Valley Line. (5) Conrail is also authorized by Section 3(c)(ii) of the NJSAA Operating Agreement to use a portion of NS' Lehigh Line to serve the BRI Facility via that line because such use would be "necessary to effectuate the train operations and services contemplated by this Agreement." According to petitioners, the operations and services "contemplated by this agreement" that Conrail's use of NS' Lehigh Line would be "necessary to effectuate" would be serving the BRI Facility via the Raritan Valley Line over the switch that was removed in the early 1980s. BRI/ECDC Reply at 3-8.

As discussed below, petitioners' new argument is based on a number of incorrect factual and legal contentions, any one of which errors is sufficient to sink the argument.

ARGUMENT

I. BOUND BROOK JUNCTION IS NOT IN THE NJSAA.

The first incorrect premise of Petitioners' new argument is that Bound Brook Junction – the place where the former Reading Connector joined the Raritan Valley Line – is within the NJSAA. In fact, it is within territory that the Transaction Agreement allocated to NS, as all three parties to the Transaction Agreement agree.

This is shown first by the terms of Attachment 1 to Schedule 1 of the Transaction Agreement, which, as noted, allocated to "PRR Allocated Assets" trackage rights between "Bound Brook, NJ" and "Ludlow NJ," and allocated to "CRC Retained Assets – North Jersey Shared Assets Area" trackage rights between "Bound Brook, NJ" and "Aldene NJ."

It is also shown by the map attached to the Transaction Agreement, pertinent portions of which were attached as Exhibits 2 and 3 to the verified statement of John Friedmann included with the NS Comments. Those Exhibits show in green – *i.e.*, as allocated to NS – both the “Middle Brook I.T.” and trackage rights on the Raritan Valley Line proceeding *east* of the Middle Brook Branch as far as “Bound Brook.” This is not disputed by petitioners. Petitioners, however, incorrectly state that Exhibit 3 “shows the southernmost track of the Raritan Valley Line in blue color as far west as the point denominated “Brook,” which is where the Raritan Valley Line connects with the Middle Brook Branch (denominated “Middle Brook I.T. on the map.” Pet. Reply at 4-5. What is shown in blue on Exhibit 3 as far west as “Brook” is not part of the Raritan Valley Line itself, but is what the map specifically identifies as “Bound Brook Yard” and “Calco Sdg.”

That the Transaction Agreement allocated to NS rights on the Raritan Valley Line as far east as Bound Brook Station and allocated to the NJSAA Bound Brook Yard is confirmed by a “cut point” map prepared by CSX prior to Split Date (Exhibit D to Shelhamer V.S.) and notes in CSX’s “cut point” file (Exhibit E to Shelhamer V.S.). These clearly show the allocation of rights on the Raritan Valley Line to NS (in green) to “NN-3” at Bound Brook Station, and the allocation of rights to the NJSAA (in purple) only to Bound Brook Yard, as far west as “NN-20.” As explained by Mr. Shelhamer, Conrail and NS personnel have understood these to be the division points between NS and the NJSAA on the Raritan Valley Line since Split Date, and Conrail has not provided freight service west of Bound Brook Station since Split Date. He also explains that “Calco Sdg.”, referred to on the Transaction Agreement Map, was a siding that at one time extended westward from Bound Brook Yard and connected with the Raritan Valley Line at Bound Brook Junction (also known simply as “Brook” and so referred to on the

Transaction Agreement map), but that siding did not exist at the time of the Transaction Agreement.

Petitioners point to the fact that the deed by which Conrail conveyed its lines in Somerset County, NJ to PRR, as part of the description of the Middle Brook Branch being conveyed to PRR, stated: "Also, INCLUDING Grantor's remaining rights, title and interest in the line of Railroad known as the Raritan Valley Railroad that lies west of Middle Brook Branch including Somerset Yard." It is true the deed contains this language, and it is also true that respondents' relied on other language in this deed to support their contention that "CP Port Reading Junction" is at Milepost 35.92 on the Lehigh Line and is east of where the Royce Spur connects to NS' Royce Running Track.

In the case of CP Port Reading Junction, however, the deed language confirmed abundant other evidence as to the location of the boundary between NS trackage and the NJSAA, including the Transaction Agreement map, the cut point maps and notes, and the agreement and consistent practice of the three parties to the Transaction Agreement. In the case of the Raritan Valley Line, the deed does not explicitly define the boundary between NS and NJSAA territory, and to the extent it could be read to imply that the boundary is at the junction of the Raritan Valley Line and the Middle Brook Branch rather than at Bound Brook Station, such an implication would be directly contrary to the Transaction Agreement language and map, the cut point notes and map and the understanding and consistent practice of the parties. In this case, therefore, the weight of the evidence clearly shows, and all parties to the Transaction Agreement agree, that the boundary is at Bound Brook Station. Since Bound Brook Station is 1.7 miles east of the former Bound Brook Junction, the factual premise of petitioners' new argument fails.

II. REGULATORY AUTHORITY WAS NOT REQUIRED TO REMOVE THE SWITCH CONNECTION BETWEEN THE READING CONNECTOR AND THE RARITAN VALLEY LINE OR THE DIAMOND OVER THE LEHIGH LINE.

It is true that neither Conrail nor NJT sought authorization from the Interstate Commerce Commission ("ICC") to remove the switch connection at Bound Brook Junction and the diamond at CP Port Reading Junction, a fact that NS brought to the Board's attention when it sought a stay of a notice of exemption filed by James Riffin in Finance Docket No. 34963, which sought authority to acquire and provide common carrier service over the Reading Connector. Petitioners' base their new argument on this fact despite the fact that, if regulatory authority were required, it would also call into question the validity of the conveyance of the Reading Connector to Mr. Horner, BRI's former owner, and his lease of the property to BRI.

On further consideration of all the facts, however, it appears to NS that regulatory authority was not required for any of those actions, because, at the time, Conrail owned, or had freight rights over, all of the relevant trackage, and the actions merely constituted a rearrangement of tracks that did not impair Conrail's ability to provide rail service to any shippers. Indeed, the conveyance of the Reading Connector to Mr. Horner was done as an accommodation to the owner of the only shipper located on the Reading Connector.

It is well settled that track removals and realignments do not constitute line abandonments requiring regulatory approval when they do not impair the railroad's ability to serve shippers. In *Union Pacific Railroad Company and Stillwater Central Railroad Company--Joint Relocation Project Exemption--Fort Sill, OK*, STB Finance Docket No. 34439 (served December 16, 2003), for example, the Board held: "The Board will exercise jurisdiction over the

abandonment or construction components of a relocation project, and require separate approval or exemption, only where the removal of track affects service to shippers or the construction of new track involves expansion into new territory. See *City of Detroit v. Canadian National Ry. Co., et al.*, 9 I.C.C.2d 1208 (1993), *aff'd sub nom. Detroit/Wayne County Port Authority v. ICC*, 59 F.3d 1314 (D.C. Cir. 1995).” See also, e.g., *Flats Industrial Railroad Company and Norfolk Southern Railway Company--Joint Relocation Project Exemption--in Cleveland, OH*, STB Finance Docket No. 34108 (served November 15, 2001); *State of Texas—Acquisition Exemption—West Texas & Lubbock Railroad Company, Inc.*, STB Finance Docket No. 33889 (served March 6, 2001).

The actions at issue here did not adversely affect Conrail’s ability to serve any shippers on the Reading Connector, since it retained the ability to do so from the Lehigh Line, as NS has served BRI since Split Date. Indeed, service to the BRI facility from the Lehigh Line is clearly preferable to the shipper to service from the Raritan Valley Line via the switch connection that NJT removed in the 1980s as demonstrated by the fact that BRI does not *want* Conrail to service it from the Raritan Valley Line, but wants the Board to order Conrail to serve it from the *Lehigh Line*.

III. PETITIONERS’ ARGUMENT IS CONTRARY TO EXPLICIT AGREEMENTS OF BRI’S PREDECESSOR AND CURRENT LESSOR.

Petitioners’ claim that Conrail has a legal obligation to restore a switch connection on the Raritan Valley Line and to provide service that petitioners do not want is also contrary to explicit agreements of Mr. Horner, BRI’s former owner and current lessor, in the deed by which he acquired the property comprising the Reading Connector, which BRI now leases and benefits from the use of. As discussed at page 7, the deed specifically stated that Conrail and Horner “do

not contemplate that Grantor shall (a) operate its trains, cars and engines to or on the Premises (or any portion thereof), (b) interchange traffic with Grantee or its successors or assigns, (c) participate in any rail rate relationship with Grantee, (d) establish or maintain a track connection with Grantee, or (e) provide cars or car service to Grantee.”

IV. BRI WOULD NOT BE ENTITLED TO CONRAIL SERVICE FROM THE RARITAN VALLEY LINE IN ANY EVENT.

Even if, contrary to the previous discussion, Bound Brook Junction were within the NJSAA and NJT removed the switch connection there in the 1980s without required regulatory approval, the BRI Facility would still not be entitled to service from Conrail via the Raritan Valley Line. That is so because, if regulatory approval had been required but not obtained, then the Reading Connector would have been a line of railroad subject to the ICC’s and Board’s jurisdiction, and its sale in 1995 to BRI’s predecessor and present lessor would likewise have been unlawful. At the time of the Transaction Agreement and at Split Date, the Reading Connector was physically connected only to the Royce Running Track, which the Transaction Agreement allocated to NS. Under the terms of the Transaction Agreement, therefore, the Reading Connector would have been allocated to NS. Schedule I, Item 2(A)(4) provides in pertinent part: “The ‘PRR Allocated Assets’ shall include all of CRR’s, CRC’s and the respective Affiliates’ right, title and interest in and to the following Assets: (A) . . . All Routes identified as PRR Allocated Assets and Attachment I and II . . . together with the following assets that are related to such Routes . . . (4) real estate (whether or not used for operating purposes) adjacent or in proximity to the Routes included in the PRR Allocated Assets . . .” Attachment I further provides in its preamble: “Lines not specifically listed are to be acquired by the owner/acquirer of the CRC route/line to which they connect.” As NS discussed in its reply

to the comments of CNJ Rail Corporation and James Riffin, the Transaction Agreement allocated lines among NS, CSX and the Shared Assets Areas based on actual connections that existed at the time, not on connections that existed at some time in the past.

V. BRI WOULD NOT BE ENTITLED TO CONRAIL SERVICE OVER NS' LEHIGH LINE IN ANY EVENT.

Finally, even if BRI were entitled to service from Conrail via the Raritan Valley, there would be no basis for petitioners' request that the Board declare that "Conrail's operation over a short segment of the Lehigh Line that is owned by NS to switch cars between the BRI waste transfer facility and CSX's Manville Yard s authorized under the Transaction Agreement and Sections 3(c)(11) and (iii) of the NJSAA Operating Agreement." Pet. Reply at 8-9. Petitioners cite no provision of the Transaction Agreement to support this request and it has no support from the cited provisions of the NJSAA Operating Agreement. Section 3(c)(ii) of that agreement provides:

NSR hereby grants CRC and CSXT overhead operating rights to operate CRC and CSXT trains, with their own crews, over such NSR line segments access to and use of which by CRC and CSXT are necessary to effectuate the train operations and services contemplated by this Agreement.

Petitioners argue that Conrail's access to use NS's Lehigh Line to serve the BRI Facility is "necessary to effectuate the train operations and services contemplated by this Agreement" – namely, operations and service by Conrail to the BRI Facility via the Raritan Valley Line. Pet. Reply at 7-8.

The claim that Conrail service to the BRI Facility via the Raritan Valley Line was a service "contemplated by [the NJSAA] Agreement" is specious. It is refuted by the simple fact that there had been no physical rail connection between the Raritan Valley Line and the BRI Facility for years when the Transaction Agreement and the NJSAA Operating Agreement were

executed, Conrail service to the BRI Facility via the Raritan Valley Line could hardly have been contemplated by the parties to those agreements.

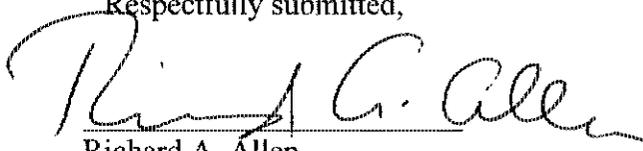
It is also clear that such service was not contemplated at the time by BRI's predecessor and former owner, Mr. Horner, inasmuch as he acquired the property comprising the Reading Connector in 1995 in a deed in which he expressly disclaimed any expectation of receiving rail service from Conrail and disclaimed any right to require Conrail to establish any connections to its lines.

Section 3(c)(iii) of the NJSAA Operating Agreement, also cited by petitioners, merely gives Conrail and NS access to CSX's Manville Yard. It provides no basis for authorizing Conrail to operate over NS' Lehigh Line to serve the BRI Facility.

CONCLUSION

In sum, petitioners' new argument for seeking service from Conrail has no more merit than their initial and now-abandoned argument. The Board should deny their petition.

Respectfully submitted,



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*Attorneys for
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March 15, 2007

CERTIFICATE OF SERVICE

I certify that I have this 15th day of March, 2007 caused copies of the foregoing Reply of Norfolk Southern Corporation and Norfolk Southern Railway Company To Reply of Bridgewater Resources, Inc. and ECDC Environmental, LLC to be served by hand or first class mail, postage prepaid, on the following:

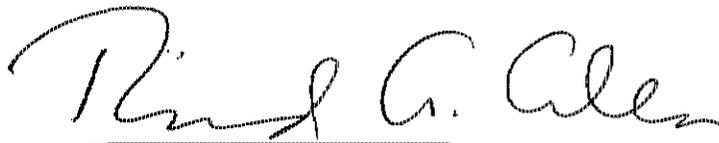
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Bridgewater, NJ 08807



Richard A. Allen

Before The
Surface Transportation Board

Finance Docket No. 33388 (Sub-No. 100)

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY
— CONTROL AND OPERATING LEASES/AGREEMENTS —
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

VERIFIED STATEMENT OF RALPH A. SHELHAMER

My name is Ralph A. Shelhamer. My title is Manager -- Joint Facilities and Real Estate, Consolidated Rail Corporation ("Conrail"). I am giving this statement to describe the recent history and locations of existing and former rail lines and other facilities in the vicinity of Bound Brook Station, New Jersey. I am very familiar with this subject, as I have lived in the area and have worked for railroads operating in the area since beginning my railroad career 35 years ago. My office address is 405 Division Street, Elizabeth, New Jersey. I reside at 163 Barbara Place, Middlesex, NJ, which is the town immediately east of Bound Brook.

I began my railroad career in June 1972, when I was employed by the Central Railroad of New Jersey ("CNJ") as a towerman at Bound Brook Junction, the former junction of the Reading Connector and the Raritan Valley Line, which I will describe below. I continued employment with Conrail when Conrail acquired lines of CNJ and other railroads on April 1, 1976 and after June 1, 1999 ("Split Date"), when Norfolk Southern Railway ("NS") and CSX Transportation, Inc. ("CSX") divided the use of most of Conrail's lines between them and retained Conrail to provide switching service in the

Shared Assets Areas, including the North Jersey Shared Assets Area ("NJSAA"). I have had a variety of operational and management positions at Conrail since 1976. My current duties include managing joint facility arrangements with other railroads and dealing with a variety of operational and real estate issues.

Exhibit A is a map showing the general location of the rail lines and other facilities discussed in this statement. Before 1983, Conrail owned and/or provided freight service over all of the lines depicted on Exhibit A, including the Raritan Valley Line (formerly owned by CNJ and now owned by New Jersey Transit ("NJT")), the Lehigh Line and the Trenton Line, which connects to the Lehigh Line in the vicinity of CP Port Reading Junction. At that time, the Trenton Line also crossed the Lehigh Line via a diamond and extended to a switch connection with the Raritan Valley Line at a location known as Bound Brook Junction or, often, simply as "Brook," which is located at approximately Milepost 31.9 on the Raritan Valley Line. The section of Trenton Line track between the Lehigh Line and the Raritan Valley Line was known as the Reading Connector.

At the end of 1982, Conrail sold many of its lines, including the Raritan Valley Line, to NJT, but retained operating rights over those lines to provide freight service. As part of the same transaction, Conrail granted easements to NJT on some of Conrail's lines, subject to various conditions and limitations, to permit NJT to provide commuter service, including on the Trenton Line. For some months in 1982, NJT provided commuter service to Trenton via the Raritan Valley Line and the Trenton Line, including the Reading Connector. NJT terminated this service at the end of 1982 and never resumed it.

Sometime thereafter, probably in the 1980s, NJT removed the switch at Bound Brook Junction that had connected the Reading Connector and the Raritan Valley Line, since it was not needed for NJT's commuter operations and there was evidently no request for freight service from the Raritan Valley Line by any shipper located on the Reading Connector. Conrail did not remove the switch, as it was located on NJT property. Some time during the same period, Conrail removed the diamond by which the Trenton Line had crossed the Lehigh Line. I do not know of any shipper located on the Reading Connector during that period, but if such a shipper had requested rail service, Conrail could have satisfied it from a spur connected to the Royce Running Track, a part of the Lehigh Line, which is how NS now provides service to Bridgewater Resources, Inc. ("BRI").

It appears, however, that in 1995 the then-owner of BRI, Joseph Horner, did not want rail service via the Reading Connector but instead desired to purchase the real estate and other property comprising the Reading Connector from Conrail for use in BRI's waste transfer business. Conrail accommodated that desire and sold the property to Horner and gave him a deed, attached hereto as Exhibit B, in which he disclaimed any expectation or right to receive rail service from Conrail or to require Conrail to establish new rail connections to Conrail's lines.

Several years later, but before Split Date, Conrail and BRI entered into an agreement for the construction and operation of new industrial tracks on the property owned or leased by BRI. Pursuant to that "Sidetrack Agreement" (Exhibit C), the industrial tracks now referred to as the Royce Spur were constructed.

In the NS/CSX/Conrail Transaction that was implemented on Split Date, The Lehigh Line west of CP Port Reading Junction was allocated to NS, the Lehigh Line east of that point was allocated to NJSAA, and the Trenton Line south and west of its connection to the Lehigh Line was allocated to CSX.

With respect to the Raritan Valley Line, Conrail's freight trackage rights between Ludlow NJ east to Bound Brook Station were allocated to NS. Ludlow is a now-abandoned station at Milepost 60.1 west of High Bridge NJ (Milepost 52.2), the present western terminus of the Raritan Valley Line. This allocation is reflected in the Transaction Agreement among CSX, NS and Conrail, which lists in the "PRR Allocated Assets" (for use of NS), "TR" (trackage rights) from "Ludlow NJ" to "Bound Brook." In railroad terminology, the designation "Bound Brook" signifies the station at Bound Brook, which is located at Milepost 30.2 on the Raritan Valley Line. Conrail's freight rights in Bound Brook Yard and between Bound Brook Station and Aldene, NJ (Milepost 15.0), were allocated to NJSAA, as is also reflected in the Transaction Agreement.

This allocation is also reflected in a more detailed "cut point" map prepared by CSX before Split Date and in CSX's related cut point notes. Exhibit D to this statement is a portion of that map which shows in detail the dividing lines between NS territory (in green) and NJSAA territory (in purple) in the vicinity of Bound Brook Station. Exhibit E is a page from CSX's cut point notes, dated 5/21/99, which verbally describe the divisions depicted on Exhibit B. These descriptions have reflected my understanding since Split Date of the boundary between NS and NJSAA territory on the Raritan Valley Line. I am not aware of any statement or actions by NS or Conrail personnel that have indicated a contrary understanding. Conrail, has not, to my knowledge, ever operated

trains to the west of Bound Brook station to provide freight service to any shipper west of that point, and NS trains frequently operate over the Raritan Valley Line between Bound Brook Station and points west to provide freight service to shippers.

The Transaction Agreement also allocated to NS a two-mile branch line known as the Middle Brook Branch, which connects to the Raritan Valley Line at about Milepost 32.3. There are no shippers currently located on the Raritan Valley Line between Milepost 32.3 and Bound Brook Station.

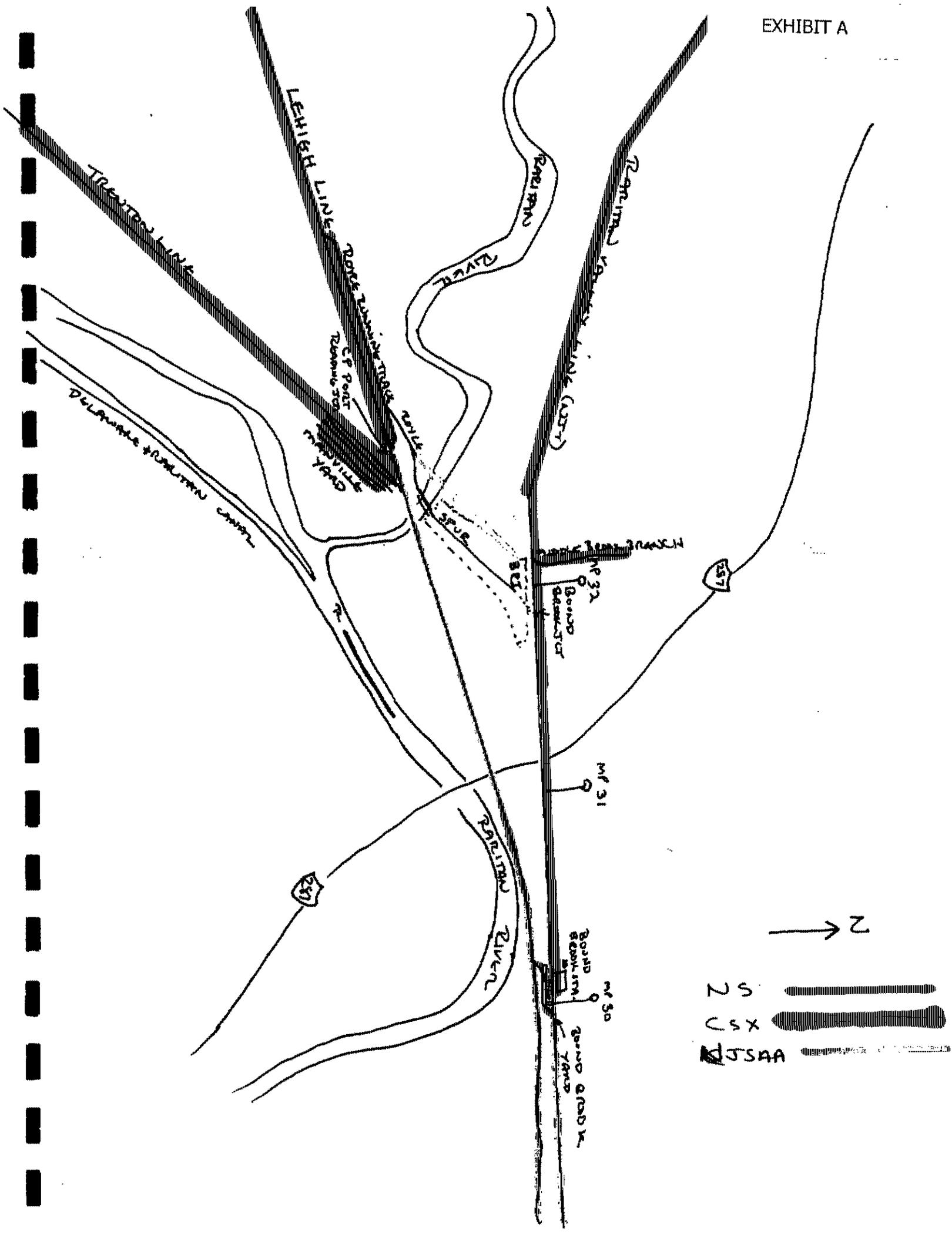
I understand that the map attached to the Transaction Agreement indicates that a former siding known as Calco Siding was to be allocated to the NJSAA. That siding, which once extended from Bound Brook Yard to Bound Brook Junction, was removed some time prior to the Transaction Agreement and did not exist at the time of the Transaction Agreement.

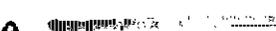
VERIFICATION

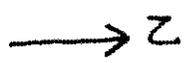
I, Ralph A. Shelhamer, verify under penalty of perjury that I have read the foregoing verified statement and know its contents, and that it is true and correct to the best of my knowledge and belief. I further certify that I am qualified and authorized to make this statement.

Executed on March 09, 2007

Ralph A. Shelhamer



- NS 
- CSX 
- USAA 

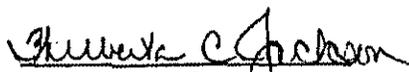


CASE NO. 70980

TO WHOM IT MAY CONCERN:

I HEREBY CERTIFY THAT BY THE AUTHORITY CONFERRED BY THE BOARD OF DIRECTORS OF CONSOLIDATED RAIL CORPORATION (CONRAIL) ON MARCH 18, 1988 TO THE CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER TO CONDUCT THE BUSINESS AND AFFAIRS OF THE CORPORATION AND TO DELEGATE SUCH AUTHORITY AS HE MAY DEEM NECESSARY, THE CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER DID DELEGATE ON MARCH 19, 1991 TO THE SENIOR VICE PRESIDENT-DEVELOPMENT, WHO ON MAY 23, 1991 REDELEGATED TO THE ASSISTANT VICE PRESIDENT-ASSET DEVELOPMENT, AND WHO ON JUNE 26, 1991 REDELEGATED TO THE DIRECTOR-REAL ESTATE FIELD SERVICES AND DIRECTOR-MANAGEMENT SERVICES (FORMERLY KNOWN AS DIRECTOR-ASSET MANAGEMENT AND NOW KNOWN AS ASSISTANT VICE PRESIDENT-REAL ESTATE), OR ANY OF THEM, THE AUTHORITY TO EXECUTE AND DELIVER ON BEHALF OF CONRAIL ANY AND ALL DOCUMENTS NECESSARY TO COMPLETE THE SALE OF APPROXIMATELY 1.25 MILES OF THE CORPORATION'S ABANDONED RARITAN VALLEY CONNECTING TRACK (LINE CODE 0326, SUB. NO. 1038), CONTAINING 11.747 ACRES, MORE OR LESS, TOGETHER WITH THE TRACKS, BRIDGE AND ITS APPURTENANCES THEREON, FROM APPROXIMATELY MILE POST 57.25, AT MANVILLE YARD, IN MANVILLE BOROUGH, TO APPROXIMATELY MILE POST 58.50, AT NEW JERSEY TRANSIT'S COMMUTER LINE, IN BRIDGEWATER TOWNSHIP, ALL IN SOMERSET COUNTY, NEW JERSEY, FOR THE TOTAL CONSIDERATION OF \$200,000 TO JOSEPH C. HORNER, AN INDIVIDUAL, OR THE NOMINEE THEREOF.

DRAFTING COPY


Assistant Secretary
WILBERTA C. JACKSON

THIS DEED, made the 24th day of August
in the year of our Lord One Thousand Nine Hundred and Ninety-five
(1995),

BETWEEN CONSOLIDATED RAIL CORPORATION, a
Corporation of the Commonwealth of Pennsylvania, having an office at
Two Commerce Square, 2001 Market Street, Philadelphia,
Pennsylvania, 19101-1419, hereinafter referred to as the Grantor, and
JOSEPH C. HORNER, an individual, having a mailing address of 156
Route No. 206, Somerville, New Jersey 08876, hereinafter referred to
as the Grantee.

WITNESSETH, that the said Grantor, for and in consideration of
the sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00)
lawful money of the United States of America, unto it well and truly
paid by the said Grantee, at or before the sealing and delivery of these
presents, the receipt whereof is hereby acknowledged, Grantor does by
these presents, remise, release and forever quitclaim unto the said
Grantee, the heirs or successors and assigns of the said Grantee, all
right, title and interest of the said Grantor of, in and to the following
described Premises:

ALL THOSE CERTAIN two (2) pieces or parcels of land of the
Grantor, together with the track, other track materials, two switches and
Railroad Bridge thereon, being a portion of the line or railroad known as
the Reading Company New York Branch (a.k.a. the Raritan Valley
Connecting Track) and identified as Line Code 0326, situate partly in
the Borough of Manville and partly in the Township of Bridgewater,

TAX REFERENCE:

Lot 3, Block 309 in the
Borough of Manville and
Lot 1, Block 6102 in the
Township of Bridgewater,
Somerset County, New
Jersey

THIS INSTRUMENT PREPARED BY:

Nancy T. Reynolds
Nancy B. Reynolds
Consolidated Rail Corporation
19-B, Two Commerce Square
2001 Market Street
Philadelphia, PA 19101-1419

County of Somerset and State of New Jersey, which are separately bounded and described in accordance with a Plat of Survey, identified as Project No. 94024, dated February 8, 1994, prepared by Richard C. Mathews, Professional Land Surveyor No. 29353, of the State of New Jersey, hereinafter referred to as "Premises" and described as follows:

Parcel 1

Lot 3, Block 309

ALL THAT CERTAIN lot, tract or parcel of land and premises situate, lying and being in the Borough of Manville, County of Somerset and State of New Jersey, being more particularly described as follows:

BEGINNING at an iron rail monument found at the intersection of the southwesterly sideline of the former Delaware and Bound Brook Railroad with the northerly sideline of the former Lehigh Valley Railroad (now Consolidated Rail Corporation), said point also being the most southeasterly corner of lands belonging now or formerly to Johns Manville Corporation and from said point running; thence (1) along the said line of Johns Manville Corporation North $35^{\circ} 55' 14''$ East, a distance of 651.00 feet; thence (2) continuing along said Johns Manville Corporation North $38^{\circ} 14' 14''$ East, a distance of 1,197.49 feet, more or less, to the southerly bank of the Raritan River; thence (3) down said southerly bank in an easterly direction, a distance of 145.24 feet, more or less; thence (4) South $39^{\circ} 00' 14''$ West, a distance of 1,703.70 feet, more or less, to the northerly sideline of the aforementioned former Lehigh Valley Railroad; thence (5) along said northerly sideline South $69^{\circ} 11' 17''$ West, a distance of 182.98 feet to the point and place of Beginning.

CONTAINING 227,271 square feet or 5.217 acres of land, more or less.

Parcel 2

Lot 1, Block 6102

ALL THAT CERTAIN lot, tract or parcel of land and premises situate, lying and being in the Township of Bridgewater, County of Somerset and State of New Jersey, being more particularly described as follows:

BEGINNING at a point in the southerly sideline of lands belonging now or formerly to the Central Railroad Company of New Jersey, said point being located North $86^{\circ} 07' 26''$ East, a distance of 605.50 feet along said southerly line from the intersection of said southerly sideline with the westerly sideline of Polhemus Lane and from said point running; thence (1) continuing along said southerly line of the Central Railroad Company of New Jersey, North $86^{\circ} 07' 26''$ East, a

distance of 521.64 feet to a point in the line of lands belonging now or formerly to Bridgewater Resources, Inc.; thence (2) along said line of Bridgewater Resources, Inc., South 81° 41' 07" West, a distance of 136.88 feet to a point on a curve; thence (3) continuing along said lands on a curve to the left, said curve having a radius of 1,392.50 feet, a length along the arc of 1,361.96 feet, a chord bearing of South 58° 06' 16" West, and a length along the chord of 1,308.32 feet to a point of tangency; thence (4) still along said lands South 30° 05' 50" West, a distance of 830.37 feet to a point of curvature; thence (5) continuing along said lands on a curve to the right, said curve having a radius of 3,025.00 feet, a length along the arc of 358.30 feet, a chord bearing of South 33° 28' 41" West, and a chord length of 358.09; thence (6) remaining along the lands of said Bridgewater Resources, Inc. South 21° 12' 27" West, a distance of 150.00 feet to a point in the line of lands belonging now or formerly to the American Cyanamid Company; thence (7) along the lands of said American Cyanamid Company South 39° 00' 14" West, a distance of 1,047.68 feet, more or less, to the northerly top of bank of the Raritan River; thence (8) along said top of Bank in a westerly direction, a distance of 125.88 feet to a point in the line of lands belonging now or formerly to Joseph C. Horner; thence (9) along the lands of said Horner, North 39° 00' 14" East, a distance of 298.44 feet, more or less, to an iron bar found; thence (10) continuing along said lands North 25° 39' 41" East, a distance of 65.00 feet; thence (11) still along said lands North 39° 00' 14" East, a distance of 733.56 feet to a point of curvature; thence (12) continuing along the line of said Horner on a curve to the left, said curve having a radius of 2,947.50 feet, a length along the arc of 75.01 feet, a chord bearing of North 38° 16' 29" East, and a length along the chord of 75.01; thence (13) along the said lands of said Horner North 50° 17' 39" East, a distance of 65.00 feet to a point on a curve; thence (14) continuing along the said lands on a curve to the left, said curve having a radius of 2,962.50 feet, a length along the arc of 322.38 feet, a chord bearing of North 33° 12' 08" East, and a length along the chord of 322.22 feet to a point of tangency; thence (15) along the line of said Horner North 30° 05' 05" East, a distance of 830.37 feet to a point of curvature; thence (16) continuing along said lands on a curve to the right, said curve having a radius of 1,455.00 feet, a length along the arc of 1,033.28 feet, a chord bearing of North 50° 25' 45" East, and a length along the chord of 1,011.70 feet to the point and place of Beginning.

CONTAINING 284,469 square feet or 6.530 acres of land, more or less.

TOGETHER with Grantor's right, title and interest in and to the Bridge, its piers, abutments and appurtenances extending from the top of bank at the southerly bank of the Raritan River (described in course (3)

of Parcel 1) across the Raritan River to the top of bank at the northerly bank of the Raritan River (described in course (8) of Parcel 2).

TOGETHER with Grantor's right, title and interest, if any, to all lands lying under the water of the South Branch of the Raritan River, as it may abut the Premises, and including any land containing wing walls and bridge structure between Block 309, Lot 3 in Manville Borough and Block 6102, Lot 1 in Bridgewater Township, as if the same were a part of the above descriptions.

BEING a portion of the same premises which The Delaware and Bound Brook Railroad Company, by Conveyance Document No. D&BB-CRC-RPI-2, issued pursuant to the Regional Rail Reorganization Act of 1973, as amended (P.L. 93-236, H.R. 9142), the Final System Plan of the United States Railway Association and Special Court (Washington, D.C.) Misc. Order No. 75-3, dated March 25, 1976 and March 31, 1976, in the Matter of Regional Rail Reorganization Proceedings, granted and conveyed certain property, easements, interest and rights unto Consolidated Rail Corporation and which Conveyance Document was Filed and Recorded on October 12, 1978 in the Recorder's Office of the Secretary of State for the State of New Jersey.

EXCEPTING AND RESERVING, thereout and therefrom and unto the said Grantor, permanent, perpetual, exclusive, assignable and unrestricted easements and rights for any and all existing and future sewer, gas, water, poles, pipes, wires, cables, power, signal and communication lines, fiber optic lines, telecommunication lines and their appurtenances, hereinafter referred to as "facilities", which may be occupancies, agreements and licenses that in any way or manner encumber or are located in, on, over, under, above, across or through the Premises; and together with the right to construct, install, operate, maintain, use, repair, replace, renew, rehabilitate and remove said facilities and the easement and right of unimpeded and immediate ingress and egress on, over, across and through the Premises for the aforesaid purposes; together with all and any necessary rights to convey and transfer such easements and rights to any occupant, or third party, without securing prior approval or notice of the Grantee; and Grantor specifically excepts, reserves and retains for itself, the right to sell and to collect any and all rentals, fees, income, charges and considerations resulting from such facilities; in, on, under, above, across, through or beneath the surface of the Premises.

EXCEPTING AND RESERVING, thereout and therefrom and unto the said Grantor, permanent, perpetual and assignable easements and rights for surface access easements, for the purpose of ingress and egress for vehicular and pedestrian access on, over, across and through a parcel or strip of land located on the Premises in Lot 1, Block 6102 and which is a 50 foot wide roadway easement as recorded in Deed Book 1330 at

page 463&c., containing 5,225 square feet or 0.120 acres and which is indicated on the Richard C. Matthews Plat of Survey.

UNDER and SUBJECT, however, to (1) whatever rights the public may have to the use of any roads, alleys, bridges or streets crossing the Premises, (2) any streams, rivers, creeks and water ways passing under, across or through the Premises, and any rights the State of New Jersey, the Borough of Manville and the Township of Bridgewater may have in and to the Raritan River passing through the Premises, and (3) any easements or agreements of record or otherwise affecting the Premises, and to the state of facts which a personal inspection or accurate survey would disclose, and to any pipes, wires, poles, cables, culverts, drainage courses or systems and their appurtenances now existing and remaining in, on, under, over, across and through the Premises, together with the right to maintain, repair, renew, replace, use and remove same.

THIS INSTRUMENT is executed and delivered by Grantor, and is accepted by Grantee, subject to the covenants set forth below, which shall be deemed part of the consideration of this conveyance and which shall run with the land and be binding upon, and inure to the benefit of, the respective heirs, legal representatives, successors and assigns of Grantor and Grantee. Grantee hereby knowingly, willingly, and voluntarily waives the benefit of any rule, law, custom, or statute of the State of New Jersey now or hereafter in force with respect to the covenants set forth below.

(1) Grantor shall neither be liable or obligated to construct or maintain any fence or similar structure between the Premises and adjoining land of Grantor nor shall Grantor be liable or obligated to pay for any part of the cost or expense of constructing or maintaining any fence or similar structure, and Grantee hereby forever releases Grantor from any loss or damage, direct or consequential, that may be caused by or arise from the lack or failure to maintain any such fence or similar structure.

(2) Grantee hereby forever releases Grantor from all liability for any loss or damage, direct or consequential, to the Premises and to any buildings or improvements now or hereafter erected thereon and to the contents thereof, which may be caused by or arise from the normal operation, maintenance, repair, or renewal of Grantor's railroad, or which may be caused by or arise from vibration resulting from the normal operation, maintenance, repair or renewal thereof.

(3) Grantee hereby forever releases Grantor from any liability for any loss or damage, direct or consequential, which may be caused by or arise from the sliding, shifting or movement of any part of any adjoining embankment of Grantor, or by the drainage or seepage of water

therefrom, upon or into the Premises, or upon, under, or into anything which may be erected or placed thereon.

(4) Grantor shall not be liable or obligated to provide lateral support for the surface of the Premises, and Grantee waives all right to ask for, demand, recover or receive any relief or compensation for any damage that may be caused by the sliding, shifting, or movement of any part of the slope or embankment supporting the Premises. Grantee shall use due diligence to prevent the drainage or seepage of water, or the precipitation of snow or ice, or anything whatever, from the Premises onto, under or upon the adjoining and adjacent lands of Grantor.

(5) Grantee shall indemnify and defend Grantor against, and hold Grantor harmless from, all claims, actions, proceedings, judgments and awards, for death, injury, loss, or damage to any person or property, brought by any person, firm, corporation, or governmental entity, caused by, resulting to, arising from, or in connection with, the active or passive effects or existence of any physical substance of any nature or character, on, under, or in the land, water, air, structures, fixtures, or personal property comprising the Premises, from and after the date of delivery of this deed.

(6) In the event the tracks or land of Grantor are elevated or depressed, or the grades of any streets, avenues, roads, lanes, highways or alleys over such railroad in the vicinity of the Premises are changed so that they shall pass overhead or underneath such tracks or land, or in the event any grade crossing is vacated and closed, Grantee forever releases Grantor from all liability for any loss or damage, direct or consequential, caused by or arising from the separation or change of grades of such railroad or such streets, avenues, roads, lanes, highways, or alleys, or from the vacating and closing of any grade crossing.

(7) No right or means of ingress, egress or passageway to or from the Premises is hereby granted, expressly or by implication, and Grantor shall not be liable or obliged to provide or obtain for Grantee any such means of ingress, egress or passageway.

(8) Should a claim adverse to the title hereby quitclaimed be asserted and/or proved, no recourse shall be had against the Grantor herein.

(9) Grantee by the acceptance of this Instrument, does hereby accept all existing and prospective responsibility for removal and/or restoration costs for any and all railroad bridges and grade crossings and their appurtenances that may be located on the Premises conveyed to the said Grantee; and Grantee further covenants and agrees that it will also assume any obligation and/or responsibility as may have been or may hereafter be imposed on Grantor by any Public Utility Commission or

any other governmental agency having jurisdiction for any and all bridge structures and grade crossings and their appurtenances, including but not limited to the removal, repairing or restoration of same in accordance with the requirements of said Commission or other governmental agency; and Grantee further agrees to indemnify, defend and hold Grantor harmless against all costs, penalties, expenses, obligations, responsibility and requirements associated with said bridge structures and grade crossings and their appurtenances.

(10) Grantor and Grantee do not contemplate that Grantor shall (a) operate its trains, cars and engines to or on the Premises (or any portion thereof), (b) interchange traffic with Grantee or its successors or assigns, (c) participate in any rail rate relationship with Grantee, (d) establish or maintain a track connection with Grantee, or (e) provide cars or car service to Grantee. If Grantee hereafter desires that Grantor do any of the foregoing, the Grantor and Grantee agree that such activities shall be conducted only on such terms and conditions as Grantor and Grantee hereto may hereafter mutually agree upon in writing. Grantor and Grantee further agree that in respect to the matters referred to in items (a) through (e), above, Grantor shall not be called upon, or required, by Grantee to accept obligations in excess of those expressly assumed by Grantor except by written agreement between Grantor and Grantee hereto.

TOGETHER with all and singular the tenements, hereditaments and track, bridges and their appurtenances thereunto belonging, or in any wise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of it, the said Grantor as well at law as in equity or otherwise howsoever of, in and to the same and every part thereof, EXCEPTING and RESERVING and UNDER and SUBJECT and provided as aforesaid.

TO HAVE AND TO HOLD, all and singular the said Premises, together with the track, bridges and their appurtenances thereon, unto the Grantee, the heirs or successors and assigns of the Grantee, forever, EXCEPTING and RESERVING and UNDER and SUBJECT and provided as aforesaid.

THE words "Grantor" and "Grantee" used herein shall be construed as if they read "Grantors" and "Grantees", respectively, whenever the sense of this instrument so requires and whether singular or plural, such words shall be deemed to include at all times and in all cases the heirs, legal representatives or successors and assigns of the Grantor and Grantee.

IN WITNESS WHEREOF, the Grantor has caused this Indenture

70980

DEED

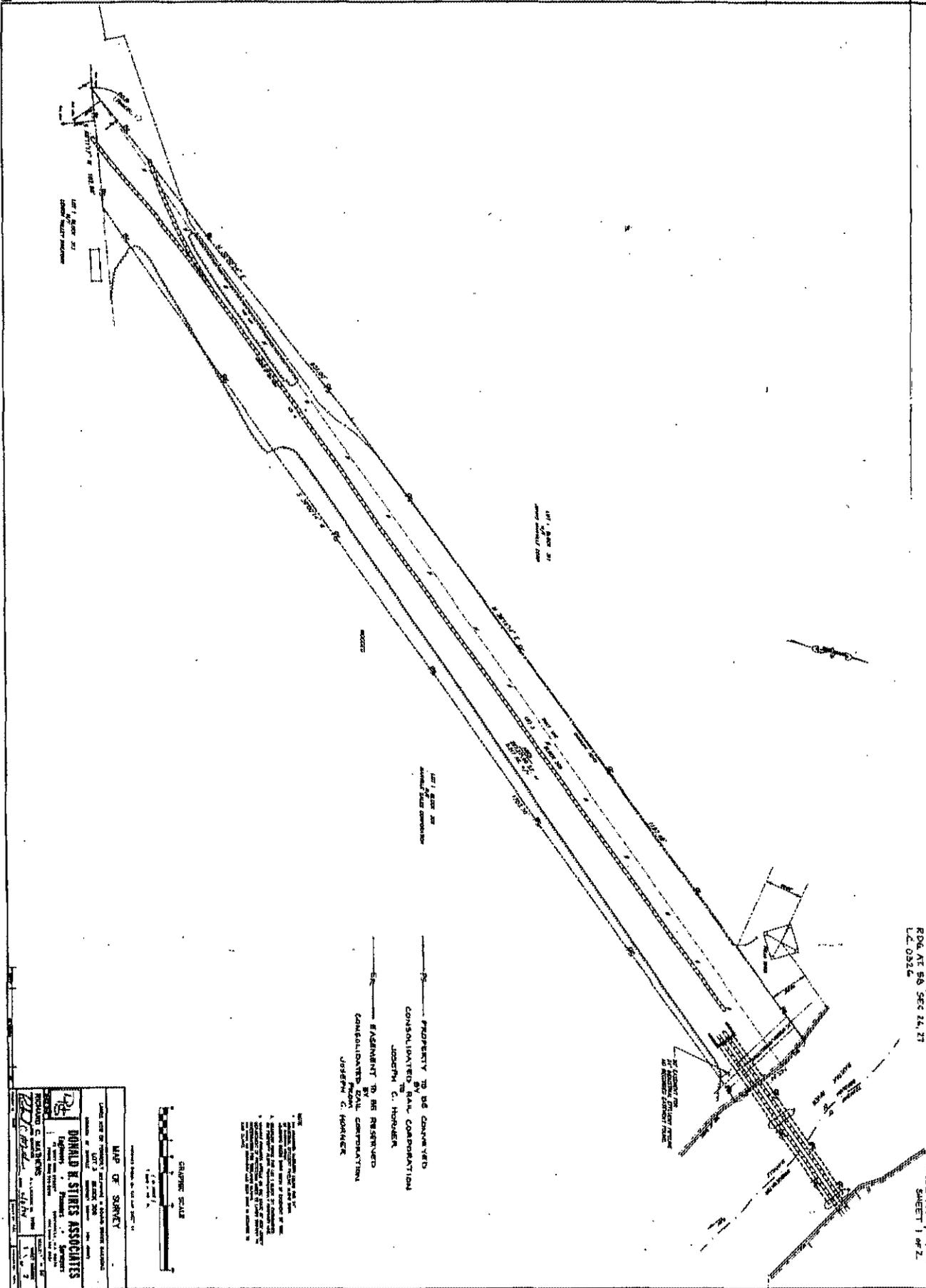
CONSOLIDATED RAIL CORPORATION

-to-

JOSEPH C. HORNER,
AN INDIVIDUAL

Land situate partly in the Borough
of Manville and partly in the
Township of Bridgewater,
County of Somerset and State of
New Jersey.

Prep: Descp:
Chkd: Compd:
Apvd:



U.S. PATENT OFFICE
 REG. AT 58 SEC 14, 27
 L.C. 0822

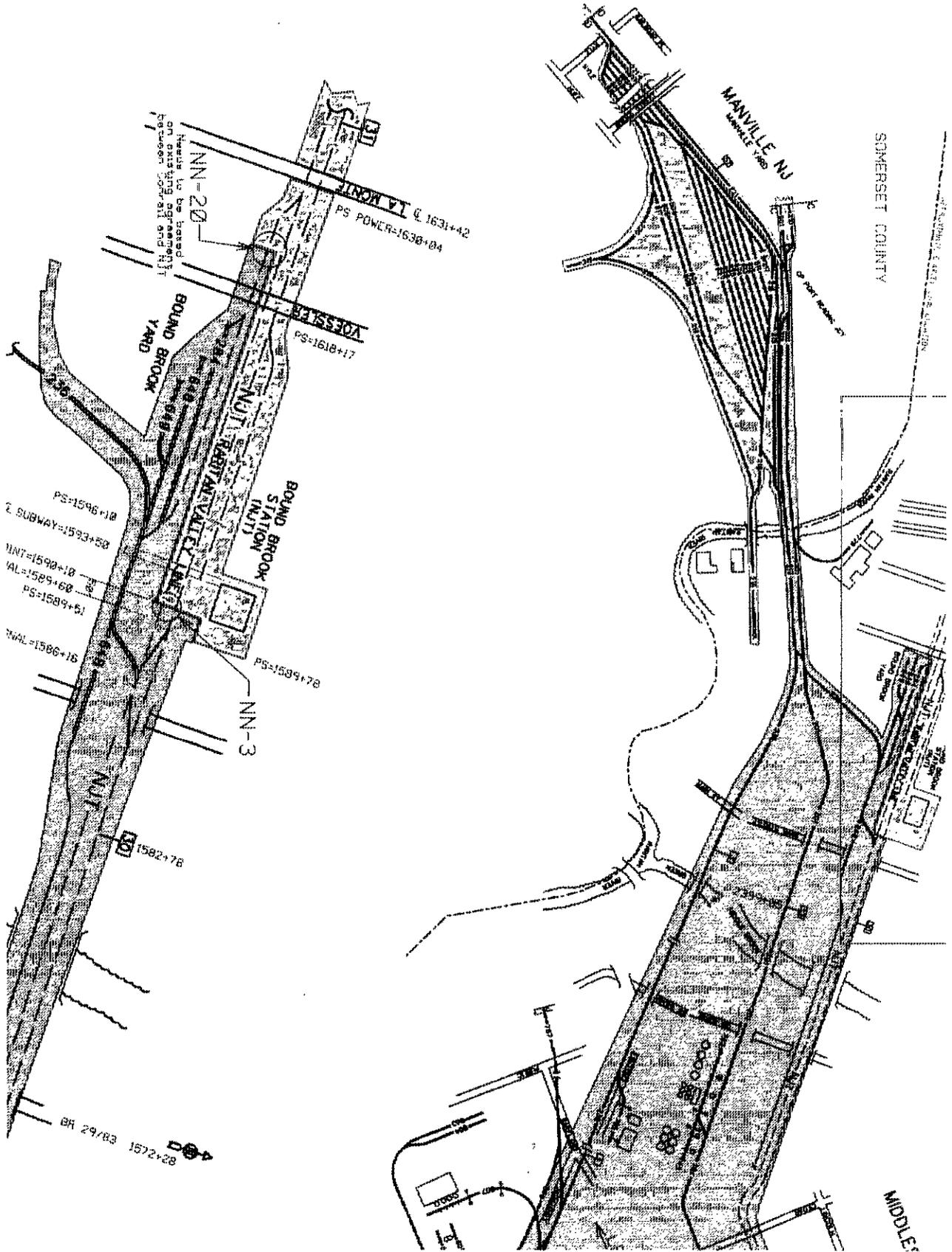
CASE NO. 70980
 SHEET 1 OF 2

PROPERTY TO BE CONVEYED
 CONSOLIDATED RAIL CORPORATION
 JOSEPH C. HOBBS
 EASEMENT TO BE RESERVED
 BY
 CONSOLIDATED RAIL CORPORATION
 JOSEPH C. HOBBS

NOTE:
 1. THE PROPERTY SHOWN ON THIS MAP IS THE PROPERTY OF THE CONSOLIDATED RAIL CORPORATION AND IS SUBJECT TO THE EASEMENT TO BE RESERVED BY THE CONSOLIDATED RAIL CORPORATION AS SHOWN ON THIS MAP.
 2. THE PROPERTY SHOWN ON THIS MAP IS THE PROPERTY OF THE CONSOLIDATED RAIL CORPORATION AND IS SUBJECT TO THE EASEMENT TO BE RESERVED BY THE CONSOLIDATED RAIL CORPORATION AS SHOWN ON THIS MAP.
 3. THE PROPERTY SHOWN ON THIS MAP IS THE PROPERTY OF THE CONSOLIDATED RAIL CORPORATION AND IS SUBJECT TO THE EASEMENT TO BE RESERVED BY THE CONSOLIDATED RAIL CORPORATION AS SHOWN ON THIS MAP.



<p>MAP OF SURVEY</p> <p>Prepared by DONALD H. STILES ASSOCIATES, Inc., Surveyors, 1111 1/2 N. 1st St., St. Paul, Minn. 55102</p> <p>Surveyed and Platted by DONALD H. STILES ASSOCIATES, Inc., Surveyors, 1111 1/2 N. 1st St., St. Paul, Minn. 55102</p> <p>Platted by DONALD H. STILES ASSOCIATES, Inc., Surveyors, 1111 1/2 N. 1st St., St. Paul, Minn. 55102</p>	
<p>DATE OF SURVEY: 1968</p> <p>DATE OF PLATTING: 1968</p>	<p>SCALE: 1" = 100'</p>



05/21/99

Page 2

CSXT Cutpoint Identification	Location	Description/Valuation	M. Fee	Inter-Modal	Other	Map Date
<p>NN 21 Port Reading Jct NN 21A " " "</p>	<p>" " "</p>	<p>A lateral line drawn across the one hundred ft (100') R-O-W on the Lehigh Valley Line at a distance of fifty feet (50') west of the signal at C.P. Port Reading Jct at valuation station 2244+97. (At points on main track #201 and #210 changes from NS ownership to shared on Lehigh Valley of NJ V 3724, LC 0302.) This defines the end of the NS ownership to the west and the beginning of CSXT and SAC ownership to the east.</p>				08/07/98
<p>NN 2 Drill Track Lead</p>	<p>Manville Yard, NJ</p>	<p>CSXT to receive ownership of all of track #218 from the east end of Manville Yard at Bridge W71 to its terminus at valuation station 158+00 (Cutpoint located on Port Reading RR V41 N/1-6, VS 8141, LC 0336) which is adjacent to SAC track #212/#238 at C.P. Bound Brook.</p>				08/07/98
<p>NN 3 Bound Brook, NJ</p>	<p>Bound Brook, NJ</p>	<p>A lateral line drawn across the 100 ft R-O-W from the north line to the south line on V.S. Central RR of NJ to maps 16-17-18 near Bound Brook Station on the NJT Raritan Valley line at a distance of fifty ft. (50') west of the signal at C.P. 30 at Valuation Station 1590+10.</p>				08/07/98
<p>NN 20 Raritan Valley Line</p>	<p>" " "</p>	<p>This is an existing cutpoint between Conrail and NJT to be between NS, SAC and NJT). This should be investigated and documented. Generally described as the south 50 ft. from the center line to the south R-O-W on valuation section Central RR of NJ on NJT Raritan Valley Line near Bound Brook Yard. Beginning on the east at valuation station 1590+10 and extending to the west to the clearance point V.S. 1628+54 of number 14 yard track with a point of switch at V.S. 1630+04 between west of Vecesler Rd (St. 7) and between LaMotte Rd 19 include adjacent parcels #27, #33 and #37 used for connection track #236.</p>				
<p>NN 4 CR NJ Div. HQ (Elizabethport/Tomball St.)</p>	<p>Elizabeth, NJ</p>	<p>Letter agreement states "CSXT will be assigned CR developable property encompassing current CR Elizabeth Yard", including NJ Div. HQ facilities and AR Bulk Pkg. leased property. SAC shall have trackage rights within and through the yard to access and serve customers within the yard and those located north or west of the yard via track #281 or track #274. Also, NS gets two (2) trucks for support of E-Rail. CSXT will lease the NJ Div. HQ building to SAC on a 3 year net lease basis. SAC responsible for structure maintenance and all costs associated with real estate and building.</p>				05/01/99
<p>NN 5 Chemical Coast Branch</p>	<p>" " "</p>	<p>(A) It has been agreed that land on V.S. 8276, LC 0211 northwest of the Chemical Coast track #210 will go to CSXT in order to reconstruct the south leg of the wye. This land is on both sides of Tomball St. and extends from the south R-O-W line on V.S. 8272, LC 0301 to near Port Avenue and is the land northwest of a line 25 ft. northwest and perpendicular to the center line of Chemical Coast track #210.</p> <p>(B) SAC shall keep ownership of the land from the south R-O-W line on V.S. 8275, LC 0265 to the north R-O-W line on V.S. 8276, LC 0211. This is the former north and south R-O-W limits on V.S. 8272, LC 0201 on the Chemical Coast main line. This R-O-W extends from Valuation Station 278 + 75 (+/-) to 285 + 80 as measured along</p>				



March 31, 1999

CERTIFIED MAIL

Mr. Edward P. Bales
General Manager
Bridgewater Resources, Inc.
15 Polhemus Lane
Bridgewater, NJ 08807

Re: Track Facilities at Manville (Port Reading Junction)
Somerset County, New Jersey

Dear Mr. Bales:

Thank you for the return of the Sidetrack Agreement, covering use of the track facilities at the above location.

Enclosed is a copy of the fully executed agreement for your records.

If I can be of assistance in the future, please contact my office. We look forward to the opportunity to serve your rail service requirements at this location.

Sincerely,

D. R. Greer
General Manager-Service Delivery
Philadelphia Division

Mount Laurel Corporate Center
1000 Howard Boulevard - Room 400
Mount Laurel, NJ 08054-2355
609-231-2000

Dist 4/7/99
/ - GM PH
/ - *Chris Singh*
/ - *John*
/ - *Moni*
/ - *Purp*
/ - *NE*

cc: J. M. Bova
F. X. Giacoma
F. P. Hennessey - Attached is fully Executed Agreement for registry and distribution.

SIDETRACK AGREEMENT

THIS AGREEMENT ("Agreement"), made and effective as of December 14, 1998, by and between CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation, 2001 Market Street, Philadelphia, Pennsylvania 19101-1400 ("Conrail"), and BRIDGEWATER RESOURCES, INC., having offices at 15 Polhemus Lane, Bridgewater, NJ 08807 ("Industry").

WHEREAS, Industry has requested track facilities at Manville (Port Reading Junction), Somerset County, New Jersey, described as follows:
A new industrial sidetrack consisting of about 10,700 feet of track with a point of switch located in Conrail's Lehigh Line (Royce Running Track), LC 10-0501, MP 35.90, in accordance with Plan No. 10-0501-035.90-001, dated 11/30/98, attached as "Exhibit A," such track facilities and the underlying right-of-way being collectively referred to as the "Sidetrack."

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

Section 1. Term

1.1 This Agreement shall continue in force until terminated by either party, with or without cause, on thirty (30) days prior written notice to the other party. In the event Conrail is unable to locate Industry, such notice may be posted on or near the Sidetrack and this Agreement shall terminate thirty (30) days after such posting. If Conrail, in accordance with applicable law, abandons or otherwise discontinues service over the rail line that connects with the involved Sidetrack, this Agreement shall terminate automatically on the effective date of any such abandonment or discontinuance. Any obligation assumed and any liability which may have arisen or been incurred by either party shall survive termination of this Agreement.

1.2 Upon termination of this Agreement, Conrail shall have the right, but not the obligation, to remove the switch connection and any portion or all of the Sidetrack on its property and to enter upon property leased to or owned, controlled or maintained by Industry and remove any and all material owned by Conrail.

1.3 Until terminated, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns, but Industry shall not assign or otherwise transfer this Agreement without the written consent of Conrail.

Section 2. Construction and Maintenance

2.1 Industry, at its sole cost and expense, shall:

- (i) Provide all necessary right-of-way beyond Conrail's property line;
- (ii) Comply with all requirements of, and obtain all consents required by, public authorities regarding the Sidetrack;

- (iii) Construct that portion of the Sidetrack located between points B and C, about 750' and the Conrail property line and Industry's facility, which is located between points C and end of tracks, as indicated on Exhibit A, in a manner designed to safely accommodate all railcars shipped or received by Industry;
- (iv) Erect and maintain fences and highway-railroad grade crossing protection devices required by public authorities; and
- (v) Keep the Sidetrack free of all hazardous materials and obstructions, and, as necessary, repair, maintain, replace, renew, and remove the portion of the Sidetrack located between points B and C, about 750', and C and end of tracks, as indicated on Exhibit A, so as to safely accommodate all railcars shipped or received by Industry.

2.2 Conrail shall perform the following:

- (i) Construct and maintain that portion of the Sidetrack located between the point of switch and the Conrail property line, which is located between points A and B, about 117', as indicated on Exhibit A, so as to safely accommodate all railcars moving to and from Industry's facility.
- (ii) At the time the Industry executes this Agreement, Industry shall remit to Conrail the amount of \$32,985 for that portion of the Sidetrack construction to be performed by Conrail on Conrail right of way, between points A and B as indicated on Exhibit A.

The estimated amount set forth above includes the actual cost of material plus the current applicable overhead percentages for storage, handling, transportation, purchasing and other related material management expenses and the actual cost of labor plus the current applicable overhead percentages as developed by the accounting department of Conrail for fringe benefits, payroll taxes, administration, supervision, use of tools, machinery and other equipment, supplies, employers liability insurance, public liability insurance, and other insurance, taxes and all other indirect expenses. It is to be understood that the aforementioned material and labor overhead charges are to be applied at the rates which are effective at the time of performance of work by employees of Conrail.

This estimate excludes the cost of any necessary grading, surveying, or drainage work from point of switch to end of track. Such work shall be performed by and at the sole cost and expense of the Industry.

2.3 The Sidetrack shall be maintained to a minimum of Federal Railroad Administration Class 1 Track Standards. Notwithstanding any provision of Section 2.1, Industry shall be subject to Conrail's Tariff Maintenance Charge for Industrial Switch Connections, attached as "Exhibit B," and all reissues and supplements thereto, wherein the word "owner" shall mean Industry.

2.4 The parties recognize that some public authorities may not have jurisdiction over Industry as to clearances, bridges or highway-railroad crossings affecting the Sidetrack and such bodies may direct Conrail

to take actions regarding such matters. Any expense incurred by Conrail in complying with such directions shall be billed to Industry, which shall reimburse Conrail. This Section 2.4 shall survive termination of this Agreement.

Section 3. Ownership

The rails, ties, and fittings in the Sidetrack shall be owned as follows:

- (i) That portion of the Sidetrack located between the point of switch and the Conrail property line, which is located between points A and B, about 117', and B and C, about 750', as indicated on Exhibit A, shall be owned by Conrail;
- (ii) That portion of the Sidetrack between Conrail's property line and the end of track, which is located between points C and end of tracks, as indicated on Exhibit A, shall be owned by the Industry.

Section 4. Use

4.1 Conrail shall have the right to use the Sidetrack, but may not unreasonably interfere with the use thereof by Industry.

4.2 Neither party hereto shall permit or authorize the use of the Sidetrack by, or for the benefit of, any other person, firm or corporation not a party hereto without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the preceding sentence, Conrail retains the right to construct and use additional switch connections on that portion of the Sidetrack located on Conrail's property when such additional sidetracks may be necessary in the conduct of its business.

4.3 The parties shall comply with (i) all applicable federal, state, and local laws, rules, regulations or orders pertaining to shipments originating or terminating on the Sidetrack and (ii) Conrail's Technical Specifications for Industrial Sidetrack.

4.4 Industry shall not grant or otherwise authorize any rights to establish vehicular or pedestrian grade crossings over the Sidetrack without the prior written consent of Conrail.

4.5 Conrail may enter upon Industry's property for the purpose of inspecting, repairing or operating over the Sidetrack, but Conrail shall have no duty or obligation to engage in such activities.

Section 5. Changes

Industry shall not make any changes in the Sidetrack without the prior written consent of Conrail. Changes in the Sidetrack necessary to comply with the requirements of a public authority shall, following receipt of written notice from Conrail, be made by Industry at its sole expense. If Conrail incurs any expense in connection with any such change, such expense shall be billed to Industry, which shall reimburse Conrail.

Section 6. Clearances

Industry shall not construct or permit any obstruction over the Sidetrack less than the statutory limit or 23' above top of rail, whichever is greater, or alongside thereof less than the statutory limit or 8'6" from center

of track, whichever is greater (and with the necessary additional clearances on curves), without the prior written approval of Conrail and any public authority having jurisdiction. Such minimum clearances may be changed by Conrail to meet legal requirements and Industry shall, at its sole expense, upon notice from Conrail, make such changes in the Sidetrack as may be necessary.

Section 7. Liability

7.1 Except as otherwise provided in Section 7.2, responsibility for Claims (as defined in Section 7.5) as between the parties shall be borne as follows:

- (i) Conrail shall be responsible for Claims arising from Conrail's and its directors', officers', employees', agents', contractors', or subsidiaries' negligence, and from Conrail's failure to comply with its obligations under this Agreement when such failure is a contributing cause to such Claims;
- (ii) Industry shall be responsible for Claims arising from Industry's and its directors', officers', employees', agents', contractors', or subsidiaries' negligence, and from Industry's failure to comply with its obligations under this Agreement when such failure is a contributing cause to such Claims;
- (iii) The parties shall share in proportion to their respective degrees of responsibility for all Claims arising from their and their directors', officers', employees', agents', contractors', or subsidiaries' joint or concurring negligence or failure to comply with their respective obligations under this Agreement when any such failure is a contributing cause to such Claims. If Conrail is subjected to any Claims under the Federal Employers' Liability Act ("FELA") based on the allegation that Conrail failed, in respect to the portion of the Sidetrack leased to or owned, controlled or maintained by Industry, to provide a safe place to work or failed to correct or guard against an unsafe condition, the standards of negligence and causality established by FELA shall be applied in determining whether such Claims arose from the individual, joint or concurring negligence of Industry and its directors, officers, employees, agents, subsidiaries and contractors;
- (iv) Each party shall be responsible for Claims arising from the presence of trespassers, vandals or other unauthorized persons on the portion of the Sidetrack leased to or owned, controlled or maintained by it.

7.2 Except where claims result from Conrail's gross negligence or willful and wanton misconduct, Industry shall be responsible for Claims arising from any nonstandard conditions, now or hereafter existing, irrespective of any ordinary negligence on the part of Conrail, including without limitation the following nonstandard conditions: none.

7.3 The negligence of any tenant, invitee, licensee or grantee of Industry occurring on property leased to or owned, controlled or maintained by Industry shall be deemed the negligence of Industry. For purposes of this Section 7.3, Conrail shall not be considered to be a tenant, invitee, licensee or grantee of Industry.

7.4 Except as otherwise provided in Section 7.1, the party which is responsible for any claim shall release the other party from all responsibility for such Claims and shall defend, indemnify, protect, and save harmless the other party and its directors, officers, agents, and employees from and against all such Claims. Industry and Conrail waive any constitutional, statutory or decisional immunity which would invalidate Industry's or Conrail's obligation to indemnify the other party with respect to Claims asserted by employees of Industry and Conrail.

7.5 The word "Claims" as used in this Section 7 shall mean all claims, liabilities, demands, actions at law and equity, judgments, settlements, losses, damages, and expenses of every character (including, without limitation, attorneys' fees) for any injury to or death of any person or persons, for any damage to or loss or destruction of property of any kind, and for any damage to the environment, caused by, arising out of or occurring in connection with the construction, use, maintenance, replacement, presence or removal of the Sidetrack. Except as may otherwise be specifically set forth in this Agreement, neither party shall be liable for consequential damages under this Agreement.

Section 8. Discontinuance

Conrail shall not be responsible for any loss or damage sustained by Industry as a consequence of any temporary or permanent elimination of the Sidetrack, or service thereon, due to circumstances beyond Conrail's reasonable control. Conrail may suspend rail service in the event Industry breaches any of the covenants in this Agreement, and such suspension may continue until such breach is remedied.

Section 9. Payment

9.1 All payments called for under this Agreement shall be made by Industry within thirty (30) days after receipt of bills. The records of Industry relating to payments due under this Agreement shall be open for inspection by Conrail at all reasonable business hours.

9.2 Except for payments required by Section 2.3, all bills rendered by Conrail shall include direct labor and material costs, together with surcharges for fringe benefits, overheads, material handling costs, and equipment rentals at rates specified by Conrail.

9.3 If Conrail performs any work or satisfies any responsibility or liability which under this Agreement Industry is obligated to perform or satisfy, Industry shall reimburse Conrail for all costs and expenses in accordance with this Section.

Section 10. General Provisions

10.1 A determination that any term, covenant, obligation or condition of this Agreement is invalid or unenforceable to any extent shall not affect the validity or enforceability of any other part of this Agreement.

10.2 This Agreement shall be governed by the laws of the state in which the Sidetrack is located.

10.3 This Agreement is for the exclusive benefit of the parties and not for the benefit of any other party. Nothing contained in this Agreement shall be construed as conferring upon any other party the rights of a third party beneficiary or any right of such other party to recover by way of damages or otherwise against Conrail or Industry.

10.4 The headings in each section of this Agreement are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

10.5 This Agreement contains the entire agreement of the parties and supersedes any prior written or oral understandings, agreements or representations of any kind between the parties.

10.6 The terms, conditions and provisions of this Agreement may not be changed, modified, amended, waived or discharged except by an instrument in writing signed by the parties hereto.

10.7 All words, terms, and phrases used in this Agreement shall be construed in accordance with their generally applicable meaning in the railroad industry.

10.8 The provisions of any exhibit or addendum to this Agreement shall be deemed a part hereof.

10.9 Every notice, approval, consent, or other communication desired or required under this Agreement shall be effective only if the same shall be in writing and sent postage prepaid by overnight courier or United States registered or certified mail (or a similar mail service available at the time), and when directed to Conrail, it shall be addressed to the General Manager, Philadelphia Division, Consolidated Rail Corporation at 1000 Howard Blvd., Mt. Laurel, NJ 08054, and when directed to Industry, it shall be sent to the address listed for Industry in the preamble of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

WITNESS:

CONSOLIDATED RAIL CORPORATION

[Handwritten Signature]

By: [Handwritten Signature]

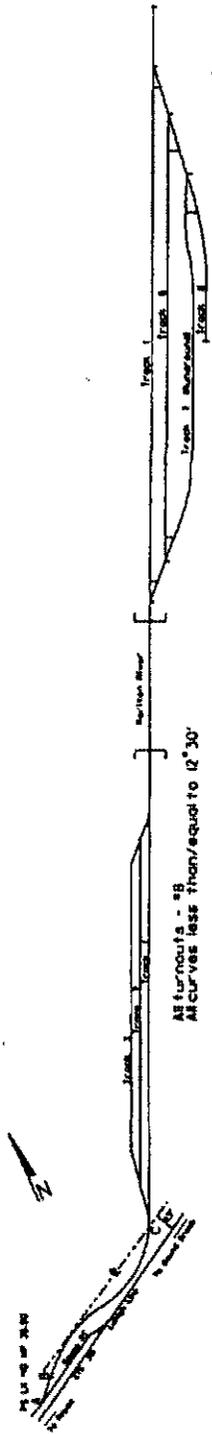
WITNESS:

BRIDGEWATER RESOURCES, INC.

[Handwritten Signature]

By: [Handwritten Signature]

EXHIBIT A



CONRAIL

Port Reading Jct., NJ

Sidetrack to serve Bridgewater Industries Inc.
 Lehigh Line
 LG 15-004
 Philadelphia Div.
 Drawn by FXG
 Not to scale
 Plan No. 0501-035.90-001

A - B 27' owned and maintained by Conrail
 B - C 150' owned by Conrail and maintained by industry
 C - end of tracks - owned and maintained by industry

Monville Borough
 Mercer County
 New Jersey

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

SUPPLEMENT TO		
CIC (F) 293 IL OC 206 MD PSC CR 9330-F	MDOT CR 9330-F NY DOT CR 9330-F	ICC CR 9330-F VOC CR 9330-F PSC-WV CR 9330-F

CONSOLIDATED RAIL CORPORATION

SUPPLEMENT 25
TO
FREIGHT TARIFF CR 9330-F

Supplements 1, 2, 4, 5, 6, 7, 16, 17, 18, 19, 20, 21, 22, 24, 25 and the following special supplement contain all changes.

Supplement 23 - Postponing Supplement.

LOCAL AND JOINT FREIGHT TARIFF
RULES, REGULATIONS AND CHARGES
GOVERNING
MISCELLANEOUS SERVICES
AND THE HANDLING OF TRAFFIC
APPLYING AT STATIONS
- ON -
CONSOLIDATED RAIL CORPORATION

This Tariff is also applicable on Intrastate Traffic except where expressly provided to the contrary in connection with particular items or rates.

MISCELLANEOUS SERVICES TARIFF

Governed, except as otherwise provided herein, by Uniform Freight Classification, and by Exceptions to said Classification (Item 5).

ISSUED JULY 28, 1993

EFFECTIVE AUGUST 19, 1993

ISSUED BY
A. J. MCSEE, JR.
MANAGER - TARIFF PUBLICATIONS & DIVISIONS
2001 MARKET STREET - 23C
P. O. BOX 41423
PHILADELPHIA, PA. 19101-1423

Filed with ICC-CIC-IL-MD-MI-NY-VA-WV
(C-356-2-JEC) (235)

(PRINTED IN USA)

SUPPLEMENT 25 TO FREIGHT TARIFF CR 9330-F

RULES AND OTHER GOVERNING PROVISIONS

SPECIAL RULES AND REGULATIONS - UNLIMITED

A ITEM 230-EMAINTENANCE CHARGE FOR INDUSTRIAL SWITCH CONNECTIONS

DEFINITION OF TERMS

An industrial switch connection is a switch located upon Conrail property and maintained by Conrail for access to privately-owned sidetracks.

CHARGE FOR MAINTENANCE OF INDUSTRIAL SWITCH CONNECTION

The charge for maintaining each industrial switch connection is \$3,500 per year. This charge is payable by the owner of the sidetrack served by the industrial switch connection within thirty (30) days of invoice date and for each succeeding year.

EXEMPTIONS

The charge will not apply as to any calendar year in which the privately owned sidetrack served by the industrial switch connection originates or terminates seven (7) or more carloads.

The charge will not apply where specific terms of an executed Sidetrack Agreement so provide.

The charge will not apply if the owner of the sidetrack served by the industrial switch connection requests, before the June 30 payable date of the charge, that Conrail remove the industrial switch connection.

MULTI-SIDINGS

Where more than one privately-owned sidetrack is served by a single industrial switch connection, each of the individual owners of the private sidetracks will be liable for an equal share of the charge. The total number of carloads originated or terminated on all of the private sidetracks served by the industrial switch connection will determine whether the exemption above applies.

Conrail is under no obligation to provide service to or from those private sidetracks for which any part of the applicable charge is unpaid.

λ - Increase.