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June 18, 2010

Cynthia T. Brown
Chief of the Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

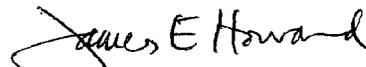
Re: STB Docket No. 1043 (Sub.-No. 1)
Montréal, Maine & Atlantic Ry., Ltd.--Discontinuance of Service
and Abandonment--In Aroostook and Penobscot Counties, Maine

Dear Ms. Brown:

Enclosed for filing in the above-captioned matter is a letter dated June 17, 2010, which is a joint status report that was submitted yesterday by Montréal, Maine & Atlantic Ry., Ltd. and the State of Maine. This letter and the enclosed letter dated June 17, 2010 are being served on the parties of record in these proceedings by e-mail or by first class US mail, postage prepaid.

Thank you very much for your attention to this request. If you have any questions or need further information, please contact me or Mr. Hocky, who is counsel for the State of Maine.

Very truly yours,


James E. Howard

cc: Eric M. Hocky

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June 17, 2010

Rachel D. Campbell
Director
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

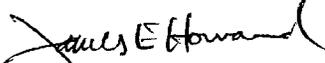
Re: STB Docket No. AB-1043 (Sub.-No. 1)
Montréal, Maine & Atlantic Railway, Ltd.--Discontinuance of Service
and Abandonment--In Aroostook and Penobscot Counties, Maine

Dear Ms. Campbell:

In a decision served on May 25, 2010 in the above-captioned proceeding, the Board directed Montréal, Maine & Atlantic Railway, Ltd. ("MMA") and the State of Maine (the "State") to submit a joint status report outlining their progress toward an agreement pursuant to which MMA would sell the lines to be abandoned to the State for continued rail operations. This letter sets forth the joint report of MMA and the State.

MMA and the State have exchanged a number of written proposals and counterproposals for settlement and have met several times to discuss settlement issues. Substantial progress has been made, but a final settlement has not been reached as of this time. The parties currently have reached an impasse, but remain open to continuing the discussions in an attempt to reach a definitive agreement. Both the State and MMA request the Board to continue its consideration of the merits of the abandonment. To the extent that the Board contemplates a public hearing, the parties request the Board to reschedule the hearing consistent with the Board's schedule.

Very truly yours,


James E. Howard

cc: Eric M. Hocky