

FLETCHER & SIPPEN LLC
ATTORNEYS AT LAW

29 North Wacker Drive
Suite 92C
Chicago, Illinois 60606-2832

THOMAS J. LITWILER
(312) 252-1508
tlitwiler@fletcher-sippel.com

FEE RECEIVED

JUL 22 2010

**SURFACE
TRANSPORTATION BOARD**

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

July 21, 2010



27979

VIA FEDERAL EXPRESS

ENTERED
Office of Proceedings

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

JUL 22 2010

Part of
Public Record

Re: **Finance Docket No. 35382**
Northern Plains Railroad, Inc. -- Lease Renewal
Exemption -- Soo Line Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Verified Notice of Exemption of Northern Plains Railroad, Inc. Pursuant to 49 C.F.R. § 1150.41**, dated July 21, 2010. A check in the amount of \$1,800.00, representing the appropriate fee for this filing, and a computer disk containing the text of the Notice and the *Federal Register* caption summary in MS Word 2003 format are attached.

Also enclosed in a separate envelope, to be filed under seal and kept confidential pursuant to 49 C.F.R. § 1150.43(h)(1)(ii), is a complete copy of transactional documents containing an interchange commitment.

One extra copy of the Notice and this letter are enclosed as well. I would request that you date-stamp those items to show receipt of this filing and return them to me in the provided envelope. If you have any questions regarding this filing, please feel free to contact me. Thank you for your assistance on this matter.

Respectfully submitted,

Thomas J. Litwiler
Attorney for Northern Plains Railroad, Inc.

FILED

TJL:tl

Enclosures

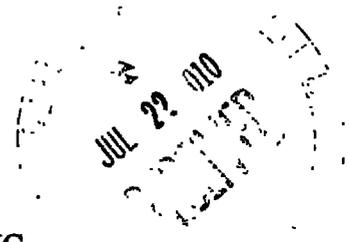
JUL 22 2010

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35382

NORTHERN PLAINS RAILROAD, INC.
-- LEASE RENEWAL EXEMPTION --
SOO LINE RAILROAD COMPANY



**VERIFIED NOTICE OF EXEMPTION
OF
NORTHERN PLAINS RAILROAD, INC.
PURSUANT TO 49 C.F.R. § 1150.41**

William C. Sippel
Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEYS FOR NORTHERN PLAINS
RAILROAD, INC.**

Dated: July 21, 2010

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35382

NORTHERN PLAINS RAILROAD, INC.
-- LEASE RENEWAL EXEMPTION --
SOO LINE RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
OF
NORTHERN PLAINS RAILROAD, INC.
PURSUANT TO 49 C.F.R. § 1150.41**

Pursuant to 49 C.F.R. § 1150.41, *et seq.*, Northern Plains Railroad, Inc. ("NPR"), a Class III rail carrier, hereby files this Verified Notice of Exemption to renew its lease of approximately 290 miles of rail line of Soo Line Railroad Company, d/b/a Canadian Pacific ("Soo") in Minnesota and North Dakota (the "Wheat Lines"). NPR has operated the Wheat Lines pursuant to its existing lease with Soo since 1997. Based on projected revenues on the Wheat Lines, NPR expects to remain a Class III rail carrier after consummation of the transaction proposed herein.

In accordance with the requirements of 49 C.F.R. § 1150.43, NPR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the rail carrier applicant herein is as follows:

Northern Plains Railroad, Inc.
100 Railroad Avenue
P.O. Box 38
Fordville, ND 58231
(701) 229-3330

Applicant's Representative: 49 C.F.R. § 1150.43(b)

NPR's representative to whom correspondence regarding this transaction should be sent is as follows:

Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, IL 60606-2832
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

NPR and Soo have entered into a Wheat Lines Lease Renewal Agreement and a related Renewed Exchange and Operating Agreement, both dated as of July 19, 2010 providing for NPR's continued lease of and provision of rail service on the Wheat Lines. The term of the lease renewal is twenty years.¹

Operation of the Property: 49 C.F.R. § 1150.43(d)

NPR will be the operator of the Wheat Lines. NPR has provided all service on the Wheat Lines since 1997, and no changes in operations are expected.

Summary of the Transaction: 49 C.F.R. § 1150.43(e)

NPR is a Class III common carrier by rail which has leased and operated the Wheat Lines since 1997. See Northern Plains Railroad, Inc. -- Lease and Operation Exemption -- Certain Lines of Soo Line Railroad Company, d/b/a Canadian Pacific Railway, Finance Docket No. 33324 (STB served January 9, 1997). NPR is controlled by Gregg Haug, who also controls two other Class III rail carriers, Mohall Railroad, Inc. and Mohall Central

¹ The Lease Renewal Agreement includes other changes beyond the extension of the lease term. As a result, the class exemption at 49 C.F.R. § 1180.2(d)(4), covering lease renewals where only an extension of time is involved, is not available here.

Railroad, Inc. See Gregg Haug -- Continuance in Control Exemption -- Northern Plains Railroad, Inc., Mohall Railroad, Inc. and Mohall Central Railroad, Inc., Finance Docket No. 34828 (STB served May 10, 2006).

Pursuant to the agreements between NPR and Soo, NPR will renew its lease of the Wheat Lines extending: (a) from milepost 309.69 at Thief River Falls, Minnesota to milepost 474.5 at Bisbee, North Dakota; (b) from milepost 390.99 at Fordville, North Dakota to milepost 445.50 at Devils Lake, North Dakota; and (c) from milepost 535.00 at Kramer, North Dakota to milepost 605.99 at Kenmare, North Dakota, a total distance of approximately 290.31 miles.

NPR's prior lease also included rail lines between Bisbee and Kramer and between Devils Lake and Harlow, North Dakota that have since been abandoned. See Soo Line Railroad Company -- Abandonment Exemption -- In Ramsey and Benson Counties, ND, Docket No. AB-57 (Sub-No. 54X) (STB served October 22, 2004) (Soo abandonment of Devils Lake-Harlow line);² Northern Plains Railroad, Inc. -- Discontinuance of Service Exemption -- In Ramsey and Benson Counties, ND, Docket No. AB-1054X (STB served December 28, 2009) (NPR discontinuance on Devils Lake-Harlow line); Soo Line Railroad Company -- Abandonment Exemption -- In Bottineau, Rolette and Towner Counties, ND, Docket No. AB-57 (Sub-No. 56X) (STB served September 5, 2008) (Soo abandonment of Bisbee-Kramer line); Northern Plains Railroad, Inc. -- Discontinuance of Service Exemption -- In Bottineau, Rolette and Towner Counties, ND, Docket No. AB-1054 (Sub-No. 1X) (STB served December 28, 2009) (NPR discontinuance on Bisbee-Kramer line). As part of its current lease renewal with

² Soo's notice of exemption in Docket No. AB-57 (Sub-No. 54X) indicated that the abandonment began at milepost 446.0 +/- in Devils Lake. As reflected in the current lease renewal, the precise endpoint in Devils Lake is at milepost 445.50.

Soo, NPR will lease five miles of abandoned Soo trackage at Kramer and 4.95 miles of abandoned Soo trackage at Bisbee for rail supply and other purposes. NPR seeks no authority here to operate those previously-abandoned segments.

The complete name and address of the owner of the Wheat Lines is as follows:

Soo Line Railroad Company, d/b/a Canadian Pacific
501 Marquette Avenue South
Minneapolis, MN 55402

NPR intends to consummate the proposed lease renewal transaction on September 1, 2010.

Map: 49 C.F.R. § 1150.43(f)

A map showing the Wheat Lines and the surrounding area is attached as Exhibit A to this Notice.

Certificate of Compliance: 49 C.F.R. § 1150.43(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit B to this Notice.

Interchange Commitments: 49 C.F.R. § 1150.43(h)

The Wheat Lines Lease Renewal Agreement between NPR and Soo includes a provision that would limit NPR's future interchange of Wheat Line traffic with a third-party connecting carrier at any location.³ NPR is separately filing under seal a confidential, complete version of the Wheat Lines Lease Renewal Agreement and the related Renewed Exchange and Operating Agreement pursuant to the provisions of 49 C.F.R. § 1150.43(h)(1)(ii).

³ A similar restriction is included in the existing NPR-Soo lease. In addition to its interchanges with Soo, NPR has interchanges with BNSF Railway Company at Ardoch and Devils Lake, North Dakota and at Warren, Minnesota.

Advance Notice: 49 C.F.R. § 1150.42(e)

NPR posted the 60-day notice of this transaction required by 49 C.F.R. § 1150.42(e) at the workplaces of current NPR employees on the Wheat Lines on June 8-9, 2010; posted the notice at the workplaces of Soo employees whose territory includes the Wheat Lines on June 17, 2010; served the notice on the national offices of the labor unions for such Soo employees on June 17, 2010; and certified all three actions to the Board on June 18, 2010. A copy of the 60-day notice and certification as filed with the Board is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

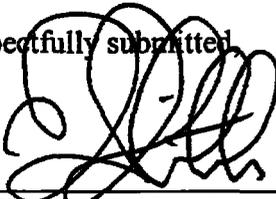
Under 49 C.F.R. § 1105.6(c)(2), the proposed renewal of NPR's lease of the Wheat Lines is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), the proposed lease renewal also is exempt from historic preservation reporting requirements. The proposed transaction is for the purpose of continued rail operations. Further Surface Transportation Board approval is required to discontinue any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.44

A caption summary in appropriate form is attached as Exhibit D to this Notice.

Respectfully submitted,

By: 

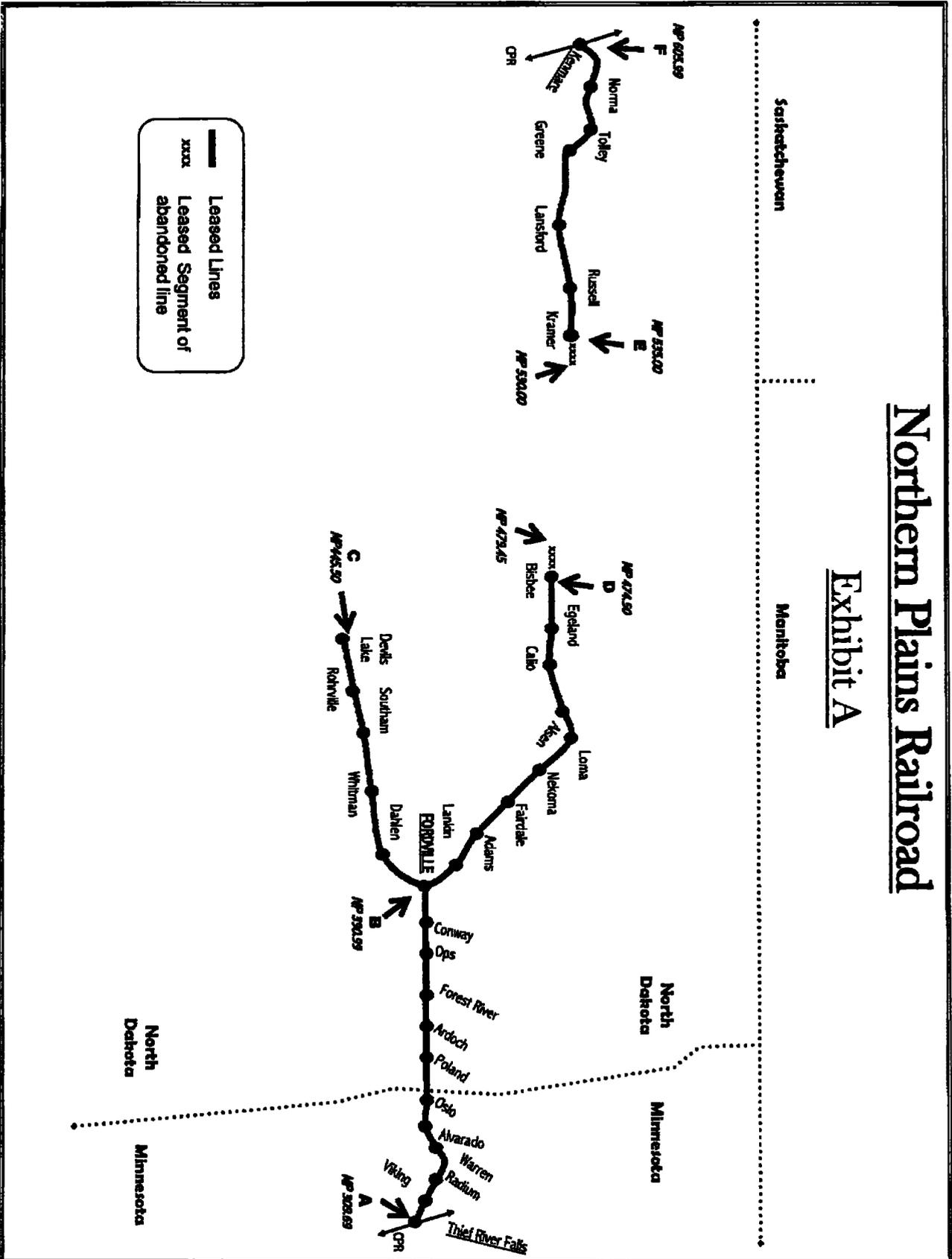
William C. Sippel
Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

**ATTORNEYS FOR NORTHERN PLAINS
RAILROAD, INC.**

Dated: July 21, 2010

Northern Plains Railroad

Exhibit A

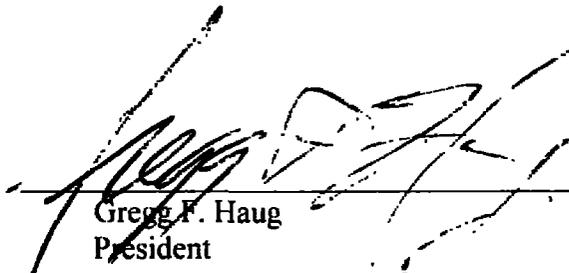


— Leased Lines
- - - Leased Segment of abandoned line

CERTIFICATION

State of North Dakota)
) ss:
County of Walsh)

Gregg F. Haug, being duly sworn, hereby certifies that the projected annual rail revenues of Northern Plains Railroad, Inc. as a result of the transaction proposed herein will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1).



Gregg F. Haug
President

SUBSCRIBED AND SWORN TO
before me this 18th day
of July, 2010.



Notary Public

My Commission expires:
March, 10, 2015

**JULIE CHALICH
Notary Public
State of North Dakota
My Commission Expires Mar. 10, 2015**

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. LITWILER
(312) 252-1508
tjlwiler@fletcher-sippel.com

June 17, 2010

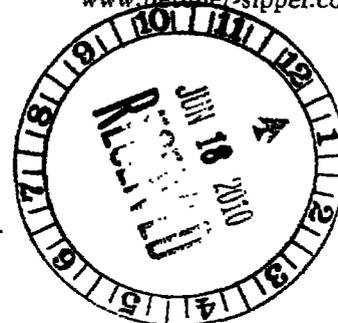
VIA FEDERAL EXPRESS

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20024

ENTERED
Office of Proceedings

JUN 18 2010

Part of
Public Record



Re: **Finance Docket No. 3538²**
Northern Plains Railroad, Inc. – Lease Renewal
Exemption – Soo Line Railroad Company

Dear Chief Brown:

Pursuant to 49 C.F.R. § 1150.42(e), Northern Plains Railroad, Inc. ("NPR") hereby certifies that on June 8, 2010 (in the case of Fordville) and June 9, 2010 (in the case of the other locations), the attached Notice was posted at the following workplaces of NPR employees on the rail lines in Minnesota and North Dakota (the "Wheat Lines") that are the subject of the above-captioned exemption proceeding.

Duluth, Minnesota
Fordville, North Dakota
Lansford, North Dakota
Warren, Minnesota

NPR also certifies that on June 17, 2010, the attached Notice was posted at the following workplaces of Soo Line Railroad Company d/b/a Canadian Pacific ("Soo") employees whose territory includes the Wheat Lines:

Harvey, North Dakota
Kenmare, North Dakota
Minot, North Dakota
Portal, North Dakota

NPR further certifies that on June 17, 2010, the attached Notice was served by first class mail, postage prepaid, on the national offices of the labor unions representing Soo employees whose territory includes the Wheat Lines, at the following addresses:

FLETCHER & SIPPEL LLC

Ms. Cynthia T. Brown
June 17, 2010
Page 2

Mr. Paul T. Sorrow
National President
Brotherhood of Locomotive Engineers and Trainmen
1370 Ontario Street, Mezzanine
Cleveland, OH 44113

Mr. Freddie N. Simpson
President
Brotherhood of Maintenance of Way Employees, IBT
20300 Civic Center Drive, Suite 320
Southfield, MI 48076-4169

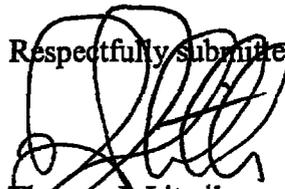
Mr. Malcolm B. Futhy, Jr.
International President
United Transportation Union
24950 Country Club Boulevard, Suite 340
North Olmsted, OH 44070-5333

Mr. W. Dan Pickett
International President
Brotherhood of Railroad Signalmen
917 Shenandoah Shores Road
Front Royal, VA 22630-6418

There are no labor unions that represent employees of NPR.

Ten copies of this letter, with attachment, are enclosed for filing at the Board. One extra copy also is enclosed, and I would request that you date-stamp that copy to show receipt of this filing and return it to me in the provided envelope. If you have any questions regarding this filing, please feel free to contact me.

Respectfully submitted,



Thomas J. Litwiler
Attorney for Northern Plains
Railroad, Inc.

TJL:tl

Attachment

**NORTHERN PLAINS RAILROAD, INC.
100 Railroad Avenue
P.O. Box 38
Fordville, ND 58231**

NOTICE

Pursuant to regulations of the Surface Transportation Board ("STB") at 49 C.F.R. § 1150.42(e), Northern Plains Railroad, Inc. ("NPR"), a Class III rail carrier, hereby gives notice to employees of NPR and Soo Line Railroad Company, d/b/a Canadian Pacific Railway ("Soo") that on or about September 1, 2010, NPR intends to renew its existing lease of Soo's lines of railroad (the "Wheat Lines") extending: (a) from milepost 309.69 at Thief River Falls, Minnesota to milepost 474.5 at Bisbee, North Dakota; (b) from milepost 390.99 at Fordville, North Dakota to milepost 445.50 at Devils Lake, North Dakota; and (c) from milepost 535.00 at Kramer, North Dakota to milepost 605.99 at Kenmare, North Dakota, a total distance of approximately 290.31 miles. NPR also will lease certain previously-abandoned, exempt trackage at Bisbee and Kramer from Soo. NPR has provided all rail service on the Wheat Lines since its initial lease of the lines in 1997.

A notice of exemption to authorize the proposed lease renewal transaction will be filed with the Surface Transportation Board on or about July 1, 2010 in Finance Docket No. 35381.

NPR does not expect to hire any additional employees as a result of its renewal of the Wheat Lines lease with Soo. Employees desiring further information regarding the transaction may contact Cheryl Harlow, NPR Manager - Personnel and Administration, at (701) 229-3330.

6/8/10

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 35382

NORTHERN PLAINS RAILROAD, INC.
-- LEASE RENEWAL EXEMPTION --
SOO LINE RAILROAD COMPANY

Northern Plains Railroad, Inc. ("NPR"), a Class III rail carrier, has filed a Verified Notice of Exemption to renew its lease of rail lines of Soo Line Railroad Company, d/b/a Canadian Pacific extending: (a) from milepost 309.69 at Thief River Falls, Minnesota to milepost 474.5 at Bisbee, North Dakota; (b) from milepost 390.99 at Fordville, North Dakota to milepost 445.50 at Devils Lake, North Dakota; and (c) from milepost 535.00 at Kramer, North Dakota to milepost 605.99 at Kenmare, North Dakota, a total distance of approximately 290.31 miles (the "Wheat Lines").

NPR expects to consummate the proposed lease renewal for the Wheat Lines on September 1, 2010.

Comments must be filed with the Board and served on:

Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

This Notice is filed under 49 C.F.R. § 1150.41. If the Notice contains false or misleading information, the exemption is void ab initio. 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.

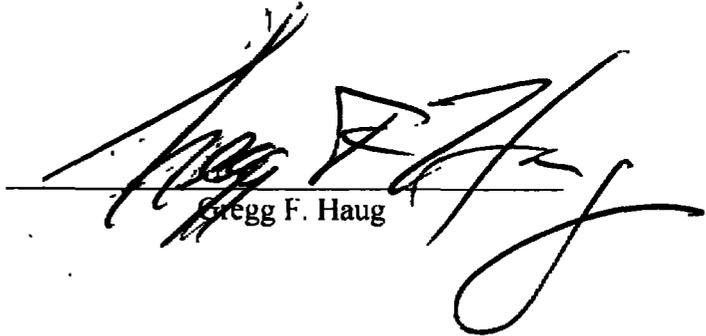
Dated: August __, 2010

By the Board

VERIFICATION

State of North Dakota)
) ss:
County of Walsh)

Gregg F. Haug, being duly sworn, deposes and says that he is President of Northern Plains Railroad, Inc., that he has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated.



Gregg F. Haug

SUBSCRIBED AND SWORN TO
before me this 18th day
of July, 2010.



Notary Public

My Commission expires:
March 10, 2015

JULIE CHALICH
Notary Public
State of North Dakota
My Commission Expires Mar. 10, 2015