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February 4, 2010

**BY ELECTRONIC FILING**

Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423

**RE: STB Finance Docket No. 35250  
LRY, LLC D.B.A. Lake Railway-Lease and Operation  
Exemption-Union Pacific Railroad Company**

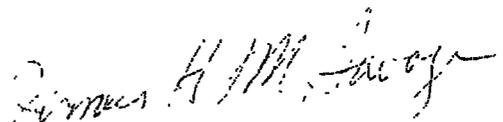
Dear Ms. Brown:

Please accept this letter amending LRY, LLC D.B.A. Lake Railway's ("LRY") Exemption Notice and Caption Summary *nunc pro tunc* to reflect the correct milepost at Perez, CA as 508.0 rather than 506.1; further correcting the same pleadings to reflect the correct mileage of the Line as 64.1 miles rather than the 62.21 miles as set forth in the original pleadings.

The mileage discrepancy came to LRY's attention on December 29, 2009, after the Board published notice of the exemption on December 18, 2009 when Union Pacific Railroad Company ("UPRR") Manager – Shortline Development John J. Miller transmitted an electronic message to LRY owner Paul Didelius stating that the previous lease erroneously reported the milepost as 506.1 which is actually situated in the middle of the siding, rather than the interchange point at milepost 508.0. See, Exhibit A. The current lease has been amended to reflect the correct mileposts.

Please contact me if you have any questions regarding this filing. On behalf of our client, thank you for your time and consideration.

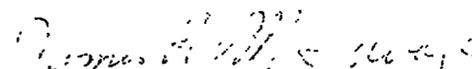
Respectfully submitted,  
John D. Heffner, PLLC



By: James H. M. Savage  
Of Counsel  
*Attorneys for LRY, LLC*

#### CERTIFICATION OF SERVICE

I, James H. M. Savage, an attorney-at-law of the District of Columbia, certify that I have served this day by electronic mail a true copy of the within pleading upon Mack H. Shumate, counsel for Union Pacific Railroad Company, upon Thomas McFarland and James Bailey, counsel for Lake County, OR in the cross referenced finance docket number 35250, Sub. No. 1 captioned LRY, LLC D.B.A. Lake Railway – Lease and Operation Exemption – Rail Line in Lake County, Oregon, STB Notice Served Dec. 18, 2009.

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James H. M. Savage

Dated: February 4, 2010

**From:** [JJMILLER@UP.COM](mailto:JJMILLER@UP.COM) [mailto:[JJMILLER@UP.COM](mailto:JJMILLER@UP.COM)]

**Sent:** Tuesday, December 29, 2009 1:52 PM

**To:** Paul Didellus

**Cc:** [djstimac@up.com](mailto:djstimac@up.com); 'Larry Brooks', [MLHAMILT@up.com](mailto:MLHAMILT@up.com); [MACKSHUMATE@UP.COM](mailto:MACKSHUMATE@UP.COM)

**Subject:** Re: Perez mileposts / rights

Thanks for the update. As I discussed separately with you and Dave Stimac there had been a misunderstanding on my part as to the exact milepost of the west switch at Perez. Shame on me for not double checking. The current lease is erroneously in effect for the middle of the siding and needs to be amended. Paul, you mentioned that it would be better from a reporting standpoint to have the necessary interchange trackage under LRY control rather than having to allow for the headroom trackage. With this in mind we may as well amend the lease to include this trackage. Based on what you have indicated below it looks like the lease breakpoint should be Milepost 508.0. Please discuss with Messrs. Stimac and Hamilton and let me know if you have a consensus as to where we need to amend the lease. I will prepare an amendment to reflect the appropriate milepost. It has always been our intention to ensure that LRY maintained and operated the west switch and siding at Perez.

I checked with my attorney and he said that you can send a letter to the STB to make a correction to your original filing. You do not have to have a new STB filing. We can work on this in January when my attorney gets back.

John Miller  
Manager - Shortline Development  
Union Pacific Railroad

Off: 402-544-4522

<http://webmail.aol.com/30603-111/aim-2/en-us/mail/PrintMessage.aspx>

2/4/2010

EXHIBIT A