

LAW OFFICES OF
LOUIS E. GITOMER

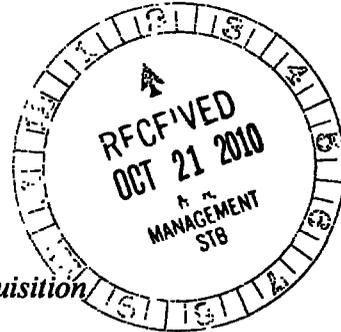
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October 21, 2010

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

228027



RE: Finance Docket No. 35427, *DeQueen and Eastern Railroad, LLC—Acquisition and Operation Exemption—DeQueen and Eastern Railroad Company*

Dear Ms. Brown:

Enclosed for filing are the original and 10 copies of a Verified Notice of Exemption under 49 C.F.R. 1150.31, a check covering the \$1,800.00 filing fee, and a CD with the WORD and pdf file Notice of Exemption.

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them with our messenger. Thank you for your assistance.

If you have any questions, please call or email me.

ENTERED
Office of Proceedings

OCT 21 2010

Part of
Public Record

Sincerely yours

A handwritten signature in black ink, appearing to read "Louis E. Gitomer".

Louis E. Gitomer
Attorney for: DeQueen and Eastern Railroad, LLC

Enclosures

FILED

OCT 21 2010

**SURFACE
TRANSPORTATION BOARD**

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TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35427

**DEQUEEN AND EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION
EXEMPTION—DEQUEEN AND EASTERN RAILROAD COMPANY**

**VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.**

**Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250**

**Attorney for DEQUEEN AND EASTERN
RAILROAD, LLC**

Dated: October 21, 2010

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35427

DEQUEEN AND EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION
EXEMPTION—DEQUEEN AND EASTERN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.

DeQueen and Eastern Railroad, LLC, a Delaware limited liability company (“DQE”), a noncarrier, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D – Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit DQE to acquire and operate over about 47 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0, and Perkins, AR, milepost 87.0, including auxiliary, temporary storage, and spur tracks, all in Howard and Sevier Counties, AR (the “Line”). DQE is acquiring the Line from the DeQueen and Eastern Railroad Company, an Arkansas corporation (“Old DQE”) as part of the transaction whereby newly created non-carrier subsidiaries of Tennessee Southern Railroad Company (“TSRR”) are acquiring the railroad assets of certain subsidiaries of the Weyerhaeuser NR Company.

In support of this Notice of Exemption, DQE submits the following information as required by 49 C.F.R. § 1150.33:

a. Full name and address of applicant:

DeQueen and Eastern Railroad, LLC
One Boca Place
2255 Glades Road, Suite 342W
Boca Raton, FL 33431
(561) 443-5300

b. Applicant's Representative:

Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250
Lou_Gitomer@verizon.net

c. Patriot Rail LLC or its subsidiaries, assigns or affiliates, which includes DQE, (the "Buyers")

entered an Asset Purchase Agreement dated as of July 21, 2010 (the "Agreement") with Weyerhaeuser NR Company ("Weyerhaeuser"), Columbia & Cowlitz Railway Company ("CLC"), DeQueen and Eastern Railroad Company ("Old DQE"), Golden Triangle Railroad Company ("GTRA"), Mississippi & Skuna Valley Railroad Company ("MSV"), and Texas, Oklahoma & Eastern Railroad Company ("TOE") (the "Sellers"). Under the Agreement, Buyers will acquire substantially all of the assets of CLC, Old DQE, GTRA, MSV, and TOE, and the railroad assets of the Weyerhaeuser Woods Railroad, a non-carrier operating division of Weyerhaeuser.

d. The operator of the Line will be DQE.

e. Summary of proposed transaction:

1. The name and address of the party transferring the property is:

DeQueen and Eastern Railroad Company
412 E. Lockesburg Ave.
DeQueen, AR 71832

2. The proposed time schedule for the consummation of the transaction is on or after December 21, 2010.

3. The mileposts of the subject property, including any branch lines. Between the Oklahoma-Arkansas state border, milepost 40.0, and Perkins, AR, milepost 87.0, all in Howard and Sevier Counties, AR.

4. DQE will own and operate over 47 route miles as a common carrier railroad.

DQE intends to interchange traffic at DeQueen, AR with Kansas City Southern Railway Company (“KCS”), at Perkins, AR with Union Pacific Railroad Company (“UP”), and at the Arkansas-Oklahoma border with its affiliate the Texas, Oklahoma & Eastern Railroad, LLC (“TOE”).

f. A color map of the Line is attached as Exhibit C.

g. A Certificate of Compliance with the provisions of 49 CFR § 1150.33(g) is attached as Exhibit A.

h. There are no interchange commitments or paper barriers in the agreement between Buyers and Sellers. Nor will there be any interchange commitments or paper barriers in the Interchange Agreements between DQE and KCS, UP, and TOE.

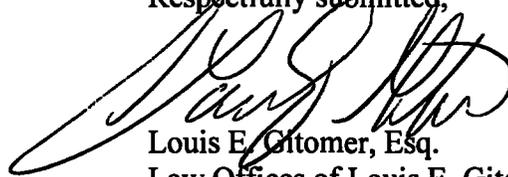
i. A caption summary, as required by 49 C.F.R. §1150.34, is attached as Exhibit B.

j. No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 CFR §1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. Hence, this Notice of Exemption does not require environmental documentation under 49 CFR §1105.6(b)(4) and (c)(2)(i).

k. An historic report is not required because DQE will operate the Line, will require further Board approval to abandon the Line or any portion of the Line, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. §1105.8(b)(1).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,



Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(410) 296-2250
Lou_Gitomer@verizon.net

Attorney for DEQUEEN AND EASTERN
RAILROAD, LLC

Dated: October 21, 2010

EXHIBIT A

VERIFICATION

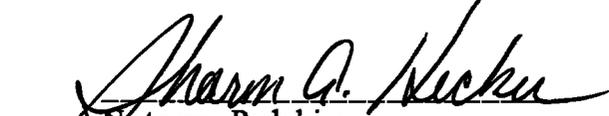
State of Florida)
) ss
County of Palm Beach)

I, Robert I. Schellig, Jr., being duly sworn, deposes and says that he is Vice-President Law of the DeQueen and Eastern Railroad, LLC, a Delaware limited liability company, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information and belief.



Robert I. Schellig, Jr.
20th

Subscribed and sworn to before me this 20th day of October 2010.



Notary Public



**EXHIBIT B – CAPTION
SUMMARY**

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. 35427

DEQUEEN AND EASTERN RAILROAD, LLC—ACQUISITION AND OPERATION
EXEMPTION—DEQUEEN AND EASTERN RAILROAD COMPANY

DeQueen and Eastern Railroad, LLC, a Delaware limited liability company (“DQE”) has filed a notice of exemption to acquire and operate over about 47 miles of railroad line between the Oklahoma-Arkansas state border, milepost 40.0 and Perkins, AR, milepost 87.0, including auxiliary, temporary storage, and spur tracks, all in Howard and Sevier Counties, AR (the “Line”) from the DeQueen and Eastern Railroad Company, a Washington corporation.

The transaction is scheduled to take place on or after December 21, 2010.

DQE certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and further certifies that its projected annual revenue will not exceed \$5 million.

A class exemption for Patriot Rail, LLC, and its subsidiaries Patriot Rail Holdings LLC, Patriot Rail Corp., and Tennessee Southern Railroad Company, to continue in control of DeQueen and Eastern Railroad, LLC, was concurrently filed in Finance Docket No. 35425, *Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.—Continuance in Control Exemption—Columbia & Cowlitz Railway, LLC, DeQueen and Eastern Railroad, LLC, Golden Triangle Railroad, LLC, Mississippi & Skuna Valley Railroad, LLC, Patriot Woods Railroad, LLC, and Texas, Oklahoma & Eastern Railroad, LLC.*

If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to reopen the proceeding 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. Petitions to stay must be filed no later than _____, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35427, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Esq., Law Offices of Louis E. Gitomer LLC, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (410) 296-2250, Lou_Gitomer@verizon.net.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: _____, 2010.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

EXHIBIT C-MAP

