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ANDREW P. GOLDSTEIN  
apg@mshpc.com



October 12, 2010

227972

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

ENTERED  
Office of Proceedings

OCT 12 2010

Part of  
Public Record

Re Finance Docket No. 35434  
HC Railroad LLC – Asset Purchase and Operation Exemption –  
Partial Line of Honey Creek Railroad, Inc.

Dear Ms. Brown:

Enclosed for filing is a signed original and 10 copies of Verified Notice of Exemption for Asset Purchase and Operation of Rail Line Pursuant to 49 C.F.R. § 1150.31 in the above-captioned case. Also enclosed is a check in the amount of \$1,800 as filing fee for the same.

Please return the extra copy, date-stamped, with our messenger. Thank you.

Sincerely,

Andrew P. Goldstein  
Attorney for Applicant  
HC Railroad, LLC

**FEE RECEIVED**

OCT 12 2010

**SURFACE  
TRANSPORTATION BOARD**

**FILED**

OCT 12 2010

**SURFACE  
TRANSPORTATION BOARD**

**ORIGINAL**

BEFORE THE  
SURFACE TRANSPORTATION BOARD

227972

STB FINANCE DOCKET NO. 35434

HC RAILROAD, LLC  
- ASSET PURCHASE AND OPERATION EXEMPTION -  
PARTIAL LINE OF HONEY CREEK RAILROAD, INC.

VERIFIED NOTICE OF EXEMPTION  
FOR ASSET PURCHASE AND OPERATION OF RAIL LINE  
PURSUANT TO 49 C.F.R. § 1150.31

ENTERED  
Office of Proceedings  
OCT 12 2010  
Part of  
Public Record

**FILED**

OCT 12 2010

**SURFACE  
TRANSPORTATION BOARD**

Andrew P. Goldstein  
Gabriel D. Soll  
McCarthy, Sweeney & Harkaway, P.C.  
1825 K Street, N.W.  
Suite 700  
Washington, DC 20006  
Phone: (202) 775-5560  
Facsimile: (202) 775-5574

Attorneys for Applicant  
HC Railroad, LLC

**FEE RECEIVED**  
OCT 12 2010  
**SURFACE  
TRANSPORTATION BOARD**

Dated: October 12, 2010

Pursuant to 49 C.F.R. § 1150.31, *et seq.*, HC Railroad, LLC (“Applicant”), a non-carrier Delaware corporation, hereby files this Verified Notice of Exemption to purchase and operate assets consisting of 6.4 miles of rail trackage and right-of-way, between M.P. 17.4 and M.P. 23.8, owned by Honey Creek Railroad, Inc. (“HCR”) in Rush County, Indiana. The subject trackage serves one shipper, Morristown Grain Company, Inc., which will be separately purchased by an affiliate of Applicant. The line connects with CSX Transportation (“CSXT”) at Rushville, IN, near M.P. 23.8. HCR is a common carrier but is not selling all of its rail assets to Applicant.

Based upon projected revenues, Applicant expects to become a Class III rail carrier upon consummation of the transaction proposed herein.

In accordance with the requirements of 49 C.F.R. § 1150.33, Applicant submits the following information:

Full Name and Address of Applicant: 49 C.F.R. § 1150.33 (a)

HC Railroad, LLC  
11720 Borman Drive  
St. Louis, MO 63146

Applicant’s Representative: 49 C.F.R. § 1150.33 (b)

Question’s concerning this notice should be directed to Applicant’s representatives at the following address:

Andrew P. Goldstein  
McCarthy, Sweeney & Harkaway, P.C.  
1825 K Street, N.W.  
Suite 700  
Washington, D.C. 20006  
Phone: (202) 775-5560

Statement of Agreements: 49 C.F.R. § 1150.33 (c)

Applicant expects to execute agreements with HCR to acquire by purchase the assets at issue, including the right to operate between M.P. 17.4 and M.P. 23.8, not earlier than November 11, 2010.

Operator of the Property: 49 C.F.R. § 1150.33 (d)

Applicant will provide common carrier and/or contract rail transportation services for loaded and empty rail cars, as applicable, moving over the subject rail line, or may contract with another Operator to provide service in Applicant's name.

Summary of the Proposed Transaction: 49 C.F.R. § 1150.33 (e)

This verified exemption involves the purchase by Applicant of the rail assets of HCR, between M.P. 17.4 and M.P. 23.8, including the right to operate thereon. Applicant will become a Class III short line railroad carrier upon acquisition and operation of the subject rail property owned by HCR.

(1) Name and address of railroad transferring the subject property:

Honey Creek Railroad, Inc.  
120 E. Broadway  
Morristown, IN 46173

(2) Proposed time schedule for consummation of transaction:

Subject to obtaining the necessary regulatory approvals, the transaction is expected to close on or after November 11, 2010.

(3) Mileposts of the subject property:

6.4 miles of single line track between M.P. 17.4 and M.P. 23.8 (Appendix A, map)

(4) Total Route Miles: 6.4

Applicant intends to purchase and operate rail property comprising a total of 6.4 route miles.

Map of the Area to be Served: 49 C.F.R. § 1150.33 (f)

A map clearly indicating the area to be served, including origins, termini, stations, cities, counties, and states is attached here as Appendix A. There are no stations on the line.

Certificate of Carrier Classifications: 49 C.F.R. § 1150.33 (g)

A certificate complying with the provisions of 49 C.F.R. § 1150.33 (g) is attached here as Appendix B.

Transactions Imposing Interchange Commitments: 49 C.F.R. § 1150.33 (h)

The proposed purchase and operation of the 6.5 miles of rail trackage by Applicant does not involve any agreement that would limit future interchange with a third-party connecting carrier.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary is attached here as Appendix C, in compliance with the requirements of 49 C.F.R. § 1150.34.

Disclosure of Intent to Transport Waste:

Applicant does not presently intend to transport Hazardous waste. However, if Applicant handles any such material on or about the leased rail property it shall comply with all Federal, state and local laws, rules, regulations and ordinances relating to the control of air, water, noise, solid waste and other pollution or to the security, storage, transport, release or disposal of Hazardous waste.

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

Under 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, *i.e.*, changes exceeding the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). The proposed purchase is for the purpose of continued rail operations. Further Board approval would be required for Applicant to abandon or 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.

Respectfully Submitted,



Andrew P. Goldstein  
Gabriel D. Soll  
McCarthy, Sweeney & Harkaway, P.C.  
1825 K Street, N.W.  
Suite 700  
Washington, DC 20006  
Phone: (202) 775-5560  
Facsimile: (202) 775-5574

Attorneys for Applicant,  
HC Railroad, LLC

Dated: October 12, 2010

**VERIFICATION**

State of Missouri            )  
County of St. Louis        )

I, C. Bailey Ragan, being duly sworn, deposes and says that he is the Vice President of HC Railroad, LLC; that he has read the foregoing Notice of Exemption, that he has personal knowledge of the facts asserted therein, and certifies the same are true as stated.

Executed on October 8, 2010.

  
C. Bailey Ragan, Vice President  
HC Railroad, LLC

SUBSCRIBED AND SWORN TO

Before me this 8th day of October, 2010

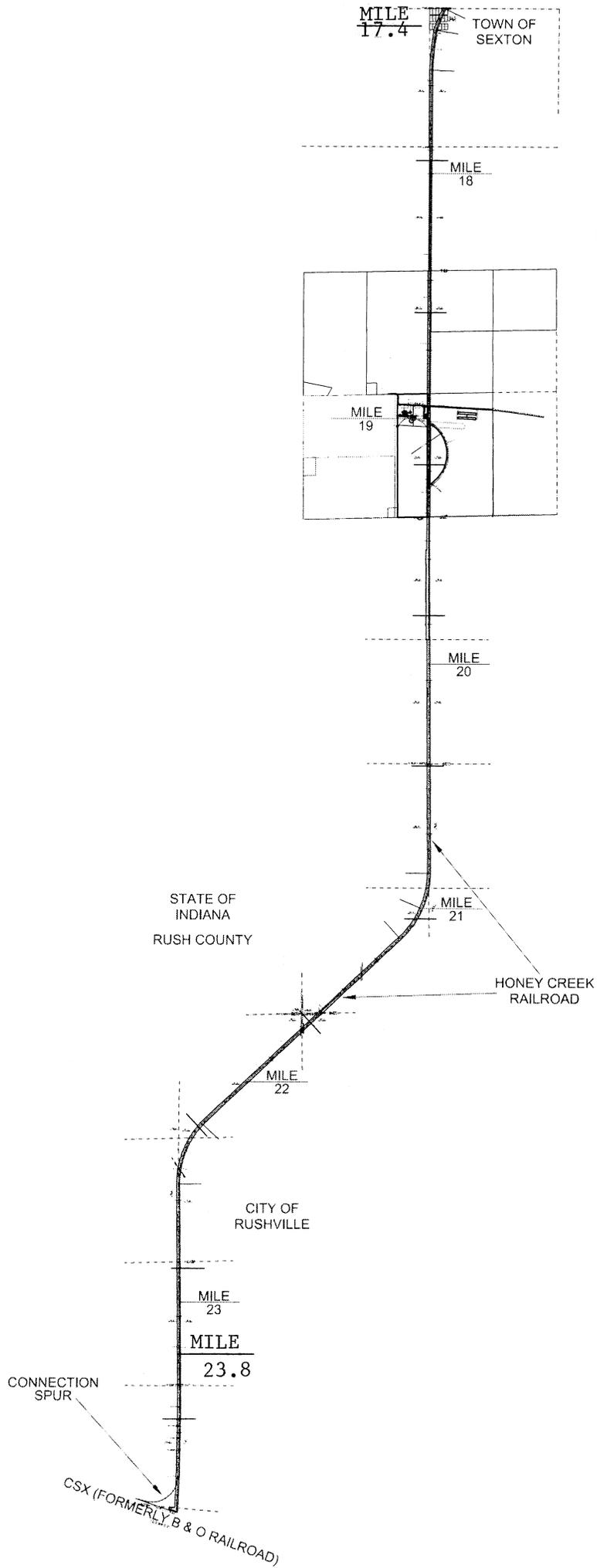
  
Notary Public

My commission expires: 1/26/2013

JEAN M. MCMULLEN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for St. Charles County  
My Commission Expires: January 26, 2013  
Commission Number: 09659111

## **APPENDIX A**

ATTACHED MAP OF THE AREA TO BE SERVED



# **APPENDIX B**

## CERTIFICATION

CERTIFICATION

I, C. Bailey Ragan, the Vice President of HC Railroad, LLC, being duly sworn, certify that the projected revenues for HC Railroad, LLC, upon consummation of the proposed transaction, will not result in creation of a Class I or Class II rail carrier will not exceed \$5,000,000 annually and will qualify HC Railroad, LLC as a Class III carrier.

  
C. Bailey Ragan, Vice President  
HC Railroad, LLC

Dated: October 8, 2010

## **APPENDIX C**

Caption Summary

Surface Transportation Board

*Notice of Exemption*

STB Finance Docket No. 35434

HC Railroad, LLC – Asset Purchase and Operation Exemption - Partial Line of  
Honey Creek Railroad, Inc.

HC Railroad LLC (“Applicant”) has filed a Verified Notice of Exemption under 49 C.F.R. § 1150.31, *et seq.* to purchase and operate 6.4 miles of rail trackage owned by Honey Creek Railroad, Inc. in Rush County, IN. Said trackage serves property occupied by a grain elevator that requires continued rail service, which it presently receives from Honey Creek Railroad. Applicant’s line will connect with CSX Transportation at M.P. 23.8. Applicant expects to consummate the transaction on or after November 11, 2010.

An original and ten (10) copies of all pleadings and comments in this proceeding, STB Finance Docket No. 35434, must be filed with the Surface Transportation Board, Chief, Section of Administration, Office of Proceedings, 395 E. Street, S.W., Washington, D.C. 20423. In addition, a copy must be served on Applicant’s representative: Andrew P. Goldstein, McCarthy, Sweeney & Harkaway, P.C., and 1825 K Street, N.W., Suite 700, Washington, D.C. 20006.

This Notice is filed under 49 C.F.R. § 1150.31. If the Notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 40 U.S.C. § 10502(d) may be filed at any time. However, the filing of a petition to revoke will not automatically stay the transaction.

Decided: \_\_\_\_\_

By the Board  
Office of Proceedings

Cynthia Brown  
Chief, Section of Administration  
Office of Proceedings

CERTIFICATE OF SERVICE

I, Andrew P. Goldstein, 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 Counsel for Honey Creek Railroad, Inc.

  
\_\_\_\_\_  
Andrew P. Goldstein

Dated: October 12, 2010