

OSTER RESEARCHING SERVICES

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July 1, 2014

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

Dear Section Chief:

Enclosed for recording with the Surface Transportation Board are one original and one counterpart of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code:

Memorandum of Security Agreement dated as of 6/19/14

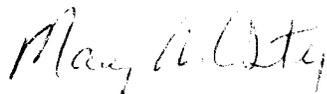
Secured Party: Wells Fargo Bank, N.A.
733 Marquette Avenue
Minneapolis, MN 55402

Debtor: Northern Plains Railroad, Inc.
100 Railroad Avenue
Fordville, ND 58213

Equipment: 1, SD40T Locomotive
NPR 2854 fka NREX 2854

Please record this agreement as a primary document.. The filing fee of \$44 is enclosed.
Thank you.

Sincerely,



Mary Ann Oster
Research Consultant



Memorandum of Security Agreement

Wells Fargo Bank, N.A. | 733 Marquette Avenue, Suite 700 | MAC N9306-070 | Minneapolis, MN 55402

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 19th day of June, 2014, by and between Northern Plains Railroad, Inc., a North Dakota corporation ("Debtor"), and WELLS FARGO BANK, N.A. a National Association ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of June 19, 2014 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated June 19, 2014 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) 1973 Locomotive Model SD40T Marking NPR 2854 (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Railcars or any part thereof;

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WELLS FARGO BANK, N.A.

By: Kenneth M. Smith
Title: VP

NORTHERN PLAINS RAILROAD, INC.

By: E. Bay
Title: Accounting Manager

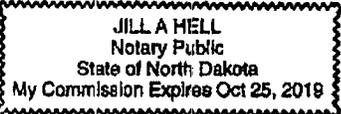
STATE OF North Dakota
COUNTY OF Walsh

On this 19 day of June, 2014, before me, a Notary Public of the City and State aforesaid, personally appeared Eric Berg to me personally known, who being by me duly sworn, says that he is the Accounting Manager of North Plains Railway, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Jill A Hell
Notary Public

My commission expires: Oct 25, 2019



STATE OF North Dakota
COUNTY OF Walsh

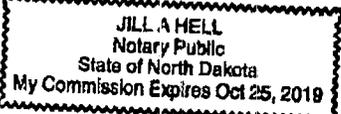
On this 19 day of June, 2014, before me a Notary Public of the City and State aforesaid, personally appeared Eric Berg to me personally known who being by me duly sworn, says that (he/she) is a Accounting Manager of North Plains Railway that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

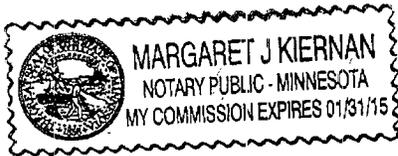
Jill A Hell
Notary Public

(Seal)

My commission expires: Oct 25, 2019



STATE OF Minnesota
COUNTY OF Hennepin



On this 1st day of July, 2014, before me, a Notary Public of the City and State aforesaid, personally appeared Robert J. [unclear] to me personally known, who being by me duly sworn, says that he is the V.P. of [unclear], the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Margaret J. Kiernan
Notary Public

My commission expires:

STATE OF _____
COUNTY OF _____

On this ____ day of _____, 2014, before me a Notary Public of the City and State aforesaid, personally appeared _____, to me personally known who being by me duly sworn, says that (he/she) is a _____ of _____, that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

(Seal)

Notary Public

My commission expires: