NorRail, Inc.
Buying, Selling, Leasing
Railcars / Locomotives

308 12th Avenue South, Buffalo, Minnesota 55313 • Phone: (612) 557-0215 • Fax: (612) 682-2452

January 9, 1997

RECORDATION NO. 18976-II
JAN 14 1997 3 45 PM

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two copies of a Partial Release dated as of December 20, 1996 which release certain railcars from the Security Agreement dated June 24, 1994 which was filed and recorded with the Interstate Commerce Commission on September 8, 1994 at 3:45 p.m. and was assigned recordation number 18976.

The names and addresses of the parties to the enclosed documents are:

Debtor: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313
(612) 557-0215

Secured Party: Norwest Bank Minnesota National Association
Sixth Street & Marquette Avenue
Minneapolis, MN 55479

The Partial Release covers 221 covered hopper railcars which are identified in Exhibit A to the Partial Release. We have also enclosed our check in the amount of $22.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact me at 612-557-0215.

Very truly yours,

Bradley C. Gunstad

18976-7+

PARTIAL RELEASE

This Partial Release is dated as of the 23rd day of December, 1996, by NORWEST BANK MINNESOTA, NATIONAL ASSOCIATION (the "Secured Party") to and for the benefit of NORRAIL, INC. (the "Owner").

The Owner entered into a Security Agreement with the Secured Party dated June 24, 1994 (the "Security Agreement"), which Security Agreement was filed and recorded with the Interstate Commerce Commission pursuant to the provisions of Section 11303 of the Interstate Commerce Act on September 8, 1994 at 3:45 p.m. and was assigned recordation number 18976.

The Security Agreement covers, among other things, each and every railroad car of every type, kind, name or description now owned or hereafter acquired by the Owner.

The Owner has requested that the Secured Party release from the lien and security interest granted pursuant to the Security Agreement certain specified railroad cars and the Secured Party has agreed to do so.

ACCORDINGLY, the Secured Party hereby releases, terminates, discharges and satisfies its security interest in those certain railroad cars identified and described on the one-page Exhibit A attached to and made a part of this Partial Release.

The Secured Party's security interest in property of the Owner not described above shall remain in full force and effect.

IN WITNESS WHEREOF, the Secured Party has executed this Partial Release of the day and year first above written.

NORWEST BANK MINNESOTA,
NATIONAL ASSOCIATION

By _____

Its VICE PRESIDENT

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this 20th day of December, 1996, before me personally came Andrew Christensen to me known, who, being by me duly sworn, did depose and say that she/he is the Vice President of Norwest Bank Minnesota, National Association, a national banking association, and she/he acknowledged to me that she/he executed the foregoing Partial Release on behalf of said corporation by order of its Board of Directors and that such document was the free act and deed of said corporation.

Witness my hand and official seal:

_____
Notary Public in and for said State

My Commission Expires: 1/31/2000

NOTARY PUBLIC
HENNEPIN COUNTY
My Commission Expires Jan. 31, 2000

FORMS/PARTRELEASE

EXHIBIT A

Orig. Car No.	New Car No.	Orig. Car No.	New Car No.
1. CR 886140	NRLX046219	57. CR 886656	NRLX046406
2. CR 888169	NRLX046265	58. CR 888003	NRLX046407
3. CR 890833	NRLX046266	59. CR 886672	NRLX046408
4. CR 891064	NRLX046267	60. CR 891013	NRLX046409
5. CR 886246	NRLX046268	61. CR 890977	NRLX046410
6. CR 886643	NRLX046269	62. CR 886664	NRLX046411
7. CR 888010	NRLX046270	63. CR 888556	NRLX046412
8. CR 888161	NRLX046271	64. CR 888638	NRLX046413
9. CR 888648	NRLX046272	65. CR 888589	NRLX046415
10. CR 890262	NRLX046273	66. CR 890839	NRLX046416
11. CR 890836	NRLX046274	67. CR 888162	NRLX046418
12. CR 891027	NRLX046275	68. CR 888526	NRLX046421
13. CR 886260	NRLX046276	69. CR 888627	NRLX046422
14. CR 886691	NRLX046277	70. CR 889635	NRLX046423
15. CR 886096	NRLX046284	71. CR 888296	NRLX046425
16. CR 886106	NRLX046285	72. CR 891211	NRLX046427
17. CR 886481	NRLX046361	73. CR 886709	NRLX046428
18. CR 886531	NRLX046362	74. CR 886667	NRLX046429
19. CR 886552	NRLX046363	75. CR 891000	NRLX046430
20. CR 888321	NRLX046364	76. CR 891010	NRLX046431
21. CR 888316	NRLX046365	77. CR 890922	NRLX046432
22. CR 888276	NRLX046366	78. CR 890956	NRLX046433
23. CR 888028	NRLX046367	79. CR 890813	NRLX046435
24. CR 888361	NRLX046368	80. CR 890378	NRLX046436
25. CR 890893	NRLX046369	81. CR 888074	NRLX046437
26. CR 888176	NRLX046370	82. CR 888179	NRLX046438
27. CR 888586	NRLX046371	83. CR 888050	NRLX046439
28. CR 891072	NRLX046373	84. CR 888521	NRLX046440
29. CR 886522	NRLX046374	85. CR 888389	NRLX046441
30. CR 888080	NRLX046375	86. CR 888140	NRLX046442
31. CR 890841	NRLX046376	87. CR 886671	NRLX046443
32. CR 891081	NRLX046377	88. CR 888125	NRLX046444
33. CR 888105	NRLX046378	89. CR 886670	NRLX046445
34. CR 888127	NRLX046379	90. CR 888345	NRLX046446
35. CR 888019	NRLX046380	91. CR 890978	NRLX046447
36. CR 891065	NRLX046381	92. CR 890948	NRLX046448
37. CR 888739	NRLX046382	93. CR 886005	NRLX046449
38. CR 890825	NRLX046384	94. CR 886006	NRLX046450
39. CR 891051	NRLX046386	95. CR 886008	NRLX046451
40. CR 891060	NRLX046387	96. CR 886017	NRLX046452
41. CR 888545	NRLX046388	97. CR 886021	NRLX046453
42. CR 886698	NRLX046389	98. CR 886059	NRLX046454
43. CR 888286	NRLX046390	99. CR 886061	NRLX046455
44. CR 888015	NRLX046391	100. CR 886080	NRLX046456
45. CR 891042	NRLX046392	101. CR 886083	NRLX046457
46. CR 888560	NRLX046393	102. CR 886093	NRLX046458
47. CR 886112	NRLX046394	103. CR 886094	NRLX046459
48. CR 887840	NRLX046395	104. CR 886095	NRLX046460
49. CR 891110	NRLX046398	105. CR 886097	NRLX046461
50. CR 887908	NRLX046399	106. CR 886102	NRLX046462
51. CR 888066	NRLX046400	107. CR 886108	NRLX046463
52. CR 888136	NRLX046401	108. CR 886116	NRLX046464
53. CR 890827	NRLX046402	109. CR 886119	NRLX046465
54. CR 891021	NRLX046403	110. CR 886120	NRLX046466
55. CR 886658	NRLX046404	111. CR 886149	NRLX046467
56. CR 888395	NRLX046405	112. CR 887846	NRLX046469

EXHIBIT A

Orig. Car No.	New Car No.	Orig. Car No.	New Car No.
113. CR 886168	NRLX046470	168. CR 891277	NRLX047177
114. CR 886329	NRLX046471	169. CR 891278	NRLX047178
115. CR 887843	NRLX046472	170. CR 891280	NRLX047179
116. CR 887835	NRLX046473	171. CR 891283	NRLX047180
117. CR 887838	NRLX046474	172. CR 891285	NRLX047181
118. CR 887841	NRLX046475	173. CR 891286	NRLX047182
119. CR 887848	NRLX046476	174. CR 891287	NRLX047183
120. CR 887849	NRLX046477	175. CR 891288	NRLX047184
121. CR 887852	NRLX046478	176. CR 891289	NRLX047185
122. CR 887854	NRLX046479	177. CR 891290	NRLX047186
123. CR 887855	NRLX046480	178. CR 891291	NRLX047187
124. CR 887861	NRLX046482	179. CR 887931	NRLX047188
125. CR 887862	NRLX046483	180. CR 886127	NRLX047189
126. CR 887865	NRLX046484	181. CR 886067	NRLX047190
127. CR 887867	NRLX046485	182. CR 886530	NRLX047191
128. CR 887868	NRLX046486	183. CR 886042	NRLX047192
129. CR 887869	NRLX046487	184. CR 886072	NRLX047194
130. CR 887870	NRLX046488	185. CR 886245	NRLX047195
131. CR 887872	NRLX046489	186. CR 886288	NRLX047196
132. CR 887878	NRLX046490	187. CR 886495	NRLX047197
133. CR 887881	NRLX046491	188. CR 886068	NRLX047297
134. CR 887884	NRLX046492	189. CR 886356	NRLX047298
135. CR 887887	NRLX046493	190. CR 886044	NRLX047299
136. CR 887888	NRLX046494	191. CR 886143	NRLX047300
137. CR 887889	NRLX046495	192. CR 886226	NRLX047301
138. CR 887894	NRLX046496	193. CR 886052	NRLX047302
139. CR 887901	NRLX046497	194. CR 886024	NRLX047303
140. CR 887903	NRLX046498	195. CR 886486	NRLX047304
141. CR 891012	NRLX046499	196. CR 886224	NRLX047305
142. CR 886164	NRLX046509	197. CR 887958	NRLX047309
143. CR 886209	NRLX047152	198. CR 886026	NRLX047310
144. CR 888279	NRLX047153	199. CR 886225	NRLX047313
145. CR 889710	NRLX047154	200. EL 020215	NRLX047316
146. CR 886219	NRLX047155	201. CR 886073	NRLX047350
147. CR 886035	NRLX047156	202. CR 886211	NRLX047351
148. CR 886048	NRLX047157	203. CR 886295	NRLX047352
149. CR 886060	NRLX047158	204. CR 886966	NRLX047353
150. CR 886136	NRLX047159	205. CR 887946	NRLX047354
151. CR 886165	NRLX047160	206. CR 889457	NRLX047355
152. CR 886171	NRLX047161	207. CR 889862	NRLX047356
153. CR 886238	NRLX047162	208. CR 889950	NRLX047357
154. CR 886264	NRLX047163	209. CR 886208	TPW 000200
155. CR 886307	NRLX047164	210. CR 886281	TPW 000207
156. CR 886373	NRLX047165	211. CR 886290	TPW 000208
157. CR 886376	NRLX047166	212. CR 886291	TPW 000209
158. CR 886527	NRLX047167	213. CR 886306	TPW 000213
159. CR 886540	NRLX047168	214. CR 886311	TPW 000214
160. CR 886863	NRLX047169	215. CR 886904	TPW 000222
161. CR 886893	NRLX047170	216. CR 887003	TPW 000234
162. CR 889232	NRLX047171	217. CR 887018	TPW 000235
163. CR 889543	NRLX047172	218. CR 887646	TPW 000239
164. CR 889892	NRLX047173	219. CR 887791	TPW 000240
165. CR 889952	NRLX047174	220. CR 887797	TPW 000242
166. CR 889960	NRLX047175	221. CR 887803	TPW 000243
167. CR 891276	NRLX047176		