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RECORDATION NO. 15600-E,F FILED

APR 11 '97 11-32AM

LOUIS E. GITOMER
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Counterpart to Original

April 11, 1997

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of two documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a Partial Release of Collateral, a secondary document, dated as of April 9, 1997. The primary document to which this is connected is recorded under Recordation No. 15600. We request that this document be recorded under Recordation No. 15600-E.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, CA 94163

Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Partial Release of Collateral consists of 59 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9701, 9705, 9712, 9723, 9728,

9731, 9734, 9736-9750, inclusive, 9752-9754, inclusive, 9756-9773, inclusive, 9775-9777, inclusive, and 9779-9791, inclusive.

The second document is a Partial Release of Collateral, a secondary document, dated as of April 9, 1997. The primary document to which this is connected is recorded under Recordation No. 15600. We request that this document be recorded under Recordation No. 15600-F.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, CA 94163

Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Partial Release of Collateral consists of 11 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9792-9797, inclusive, and 9799-9803, inclusive.

A fee of $48.00 is enclosed. Please return the original of each document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the documents to appear in the index follows: (1) a Partial Release of Collateral between Wells Fargo Bank, N.A., 420 Montgomery Street, San Francisco, CA 94163, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002 covering 59 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9701, 9705, 9712, 9723, 9728, 9731, 9734, 9736-

9750, inclusive, 9752-9754, inclusive, 9756-9773, inclusive, 9775-9777, inclusive, and 9779-9791, inclusive; and (2) a Partial Release of Collateral between Wells Fargo Bank, N.A., 420 Montgomery Street, San Francisco, CA 94163, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002 covering 11 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9792-9797, inclusive, and 9799-9803, inclusive.

Very Truly Yours,

Louis E. Gitomer

Enclosures

RECORDATION NO. 15600-E FILED

APR 11 '97 11-32AM

PARTIAL RELEASE OF COLLATERAL

THIS PARTIAL RELEASE OF COLLATERAL, dated as of April 9, 1997 (this "Partial Release"), is executed by **WELLS FARGO BANK, N.A.**, a national banking association, in its capacity as agent ("Secured Party") for the banks and financial institutions which are signatories to that certain Second Amended and Restated Credit Agreement, dated as of November 19, 1993 (as from time to time amended, modified, renewed, extended, restated, replaced, or supplemented, herein referred to as the "Credit Agreement"), entered into among Southdown, Inc., a Louisiana corporation and successor by merger to Southwestern Portland Cement Company, a Delaware corporation ("Debtor"), Secured Party, and the other banks and financial institutions that from time to time are parties thereto. Secured Party and Debtor are parties to that certain Security Agreement, dated as of April 5, 1988, and recorded with the Interstate Commerce Commission on April 22, 1988 (Recordation Number 15600), as amended by that certain Amendment Number One to Security Agreement dated as of May 22, 1989, as amended by that certain Amendment Number Two to Security Agreement, dated as of April 30, 1991 and recorded with the Interstate Commerce Commission on July 30, 1991 (Recordation Number 15600-A), and as amended by that certain Amendment Number Three to Security Agreement, dated as of November 19, 1993 and recorded on January 5, 1994 with the Interstate Commerce Commission (Recordation Number 15600-B) (as amended, supplemented or otherwise modified, the "Security Agreement").

Secured Party hereby releases its security interest in after acquired property created by section three of the Security Agreement for 59 110-ton covered hopper cars numbered SDWX 9701, 9705, 9712, 9723, 9728, 9731, 9734, 9736-9750, inclusive, 9752-9754, inclusive, 9756-9773, inclusive, 9775-9777, inclusive, and 9779-9791, inclusive. Except as expressly modified and amended by this Partial Release, the provisions of the Security Agreement shall remain in full force and effect in accordance with their original terms.

Secured Party has executed this Partial Release as of the date first set forth above.

WELLS FARGO BANK, N.A.,
a national banking association

By: _____
Title: VICE PRESIDENT

ACKNOWLEDGED AND ACCEPTED:

SOUTHDOWN, INC.
a Louisiana corporation

By: L Craig Carlton
Title:

STATE OF Texas)
) ss
COUNTY OF Harris)

On 4/9/97, before me, the undersigned, a Notary Public in and for said State, personally appeared Ann Rhoads, personally known to me (or proved to me on basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

MARY AUSTIN HARLOW
Notary Public, State of Texas
My Commission Expires
JULY 10, 2000

Mary Austin Harlow
Notary Public in and for Said State

STATE OF Texas)
) ss
COUNTY OF Harris)

On April 9, 1997, before me, the undersigned, a Notary Public in and for said State, personally appeared L. Craig Carleton personally known to me (or proved to me on basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

LINDA F. HARRELL
Notary Public, State of Texas
My Commission Expires 08-30-1997

Linda F. Harrell
Notary Public in and for Said State

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Partial Release of Collateral, dated as of April 9, 1997, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

Louis E. Gitomer
April 11, 1997