

RECORDATION NO. 20799 FILED

AUG 1 '97 4-37 PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973

OF COUNSEL
URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

August 1, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is: (1) a Memorandum of Lease, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor: NationsBanc Leasing Corporation
2300 North Lake Centre Drive
Suite 300
Tucker, Georgia 30084

Lessee: Dakota Gasification Company
1600 East Interstate Avenue
Bismarck, North Dakota 58501

A description of the railroad equipment covered by the enclosed documents is:

Two Hundred (200) tank railcars cars bearing DGCX reporting marks and road numbers 001000 through 001199 inclusive, and One Hundred (100) covered hopper railcars cars bearing DGCX reporting marks and road numbers 2000 through 2099 inclusive.

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

AUG 1 4 37 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Counterparts - Edw M Lewis

Mr. Vernon A. Williams
August 1, 1997
Page 2

Kindly return one stamped copy of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Edward M. Lewis".

Robert W. Alvord

RWA/bjg
Enclosures

MEMORANDUM OF LEASE AGREEMENT

AUG 1 '97

4-37 PM

Memorandum of Master Equipment Lease Agreement for 200 tank cars and 100 covered hopper cars ("Lease Agreement") made and entered into as of August 1, 1997 by and between NationsBanc Leasing Corporation, a North Carolina corporation, ("Lessor") and Dakota Gasification Company, a North Dakota corporation, ("Lessee").

WITNESSETH:

1. Lessor has agreed to furnish to Lessee, and the Lessee has agreed to lease from Lessor two hundred (200) tank cars and one hundred (100) hopper cars marked and numbered as set forth in the Exhibit "A" attached hereto and made a part hereof.
2. The Lease Agreement shall be effective as of the date first set forth hereinabove.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

NATIONSBANC LEASING CORPORATION

By:

Title: Damon R. Excell
Assistant Vice President

DAKOTA GASIFICATION COMPANY

By:

Title: Kent E. Janssen
Vice President

STATE OF NORTH DAKOTA)
COUNTY OF Burleigh) ss:

On this 1st day of August, 1997, before me personally appeared Kent E. Janssen, to me personally known, who being by me duly sworn, says that he is the Vice President of Dakota Gasification Company, a North Dakota corporation, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

[Signature]
Notary Public

My Commission Expires: July 22, 1998

STATE OF GEORGIA)
COUNTY OF DeKalb) ss:

On this 1 day of AUGUST, 1997, before me personally appeared Damon Excell, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of NationsBanc Leasing Corporation, a North Carolina corporation, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

T. Conlon
Notary Public

My Commission Expires: 1/28/98

EXHIBIT A

DGCX 001000 through DGCX 001199, inclusive

DGCX 2000 through DGCX 2099, inclusive