



RECORDATION NO. 20937 FILED
OCT 15 '97 10-18 AM

DJJ Transportation Services, Inc.
a subsidiary of
The David J. Joseph Company

October 8, 1997

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Mr. Williams:

Enclosed is an original and one copy of the Memorandum of Railroad Equipment Lease Agreement dated as of September 24, 1997 between the following parties:

Lessor: DJJ Transportation Services, Inc.
300 Pike Street
Cincinnati, OH 45202

Lessee: RailTex, Inc.
4040 Broadway, Suite 200
San Antonio, TX 78209

Please see Exhibit A, attached hereto, for the Equipment involved in this transaction.

Please file this agreement as a primary document. The amount of \$24.00 is included in the enclosed check.

Sincerely,

THE DAVID J. JOSEPH COMPANY

Shelley B. Bacon
Contract Assistant

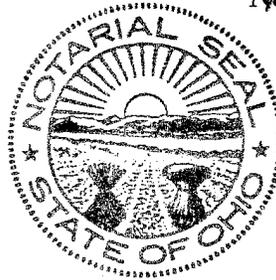
Enclosures

OCT 15 10 18 AM '97
RECEIVED
SURFACE TRANSPORTATION
BOARD

CERTIFICATE

The undersigned, Shelley B. Bacon notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.

Shelley B. Bacon
Notary Public



SHELLEY B. BACON
Notary Public, State of Ohio
My Commission Expires July 22, 2002

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**MEMORANDUM OF
RAILROAD EQUIPMENT MASTER LEASE
AND SCHEDULE NO. 001**

This **MEMORANDUM OF RAILROAD EQUIPMENT MASTER LEASE** ("Memorandum of Lease and Schedule No. 001") entered into this 24th day of September, 1997, is intended to evidence the Railroad Equipment Master Lease and Schedule No. 001 dated as of September 24, 1997 (the "Lease"), between **DJJ TRANSPORTATION SERVICES, INC.**, a Delaware corporation (the "Lessor"), and **RAILTEX, INC.**, a Texas corporation (the "Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board under Section 49 of U.S.C. 11301. Lessor has the right to lease the fourteen (14) railcars described in Exhibit A attached hereto (the "Units"). Lessee leased from Lessor all the Units at the rentals and upon the terms and conditions provided in the Lease and Schedule No. 1.

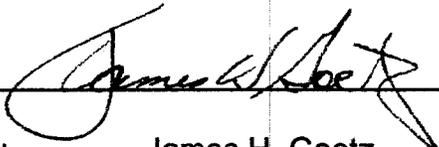
IN WITNESS WHEREOF, Lessor and Lessee, each pursuant to due corporate authority, has executed this Memorandum of Lease and Schedule No. 001 on the date indicated below its signature.

LESSOR:

LESSEE:

DJJ TRANSPORTATION SERVICES, INC.

RAILTEX, INC.

By: 

By: 

Name: James H. Goetz

Name: Laura D. Davies

Title: Vice President

Title: CFO + VP

Date: September 24, 1997

Date: 9-29-97

STATE OF OHIO)
)
COUNTY OF HAMILTON)

SS:

The foregoing instrument was acknowledged before me this 24th day of September, 1997, by James H. Goetz, the Vice President of DJJ Transportation Services, Inc., a Delaware corporation, on behalf of the corporation.

Shelley B. Bacon



Notary Public

SHELLEY B. BACON
Notary Public, State of Ohio
My Commission Expires July 22, 2002

STATE OF TEXAS)
)
COUNTY OF BEXAR)

SS:

The foregoing instrument was acknowledged before me this 29th day of SEPTEMBER, 1997, by LAURA D. DAVIES, the CEO & VP of Railtex, Inc., a Texas corporation, on behalf of the corporation.

D. J. Wiest

Notary Public

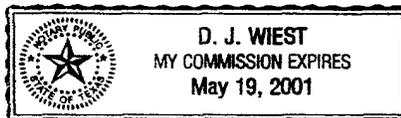


EXHIBIT A

To the Memorandum of Lease and Schedule No. 001 dated September 24, 1997, between DJJ Transportation Services, Inc. and Railtex, Inc.

DESCRIPTION OF UNITS

Fourteen (14) railcars bearing reporting marks as follows:

DJJX 9116	DJJX 9285
DJJX 9123	DJJX 9299
DJJX 9128	DJJX 9321
DJJX 9213	DJJX 9338
DJJX 9268	DJJX 9349
DJJX 9280	DJJX 9357
DJJX 9284	DJJX 9403