

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

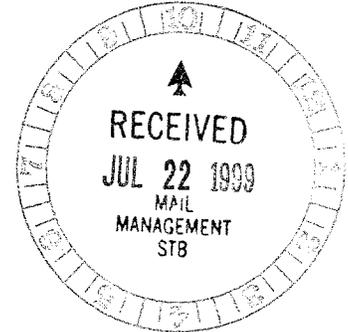
RECORDATION NO. 22271 FILED

VIA FEDERAL EXPRESS

JUL 23 '99

10:00 AM

July 21, 1999



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated February 17, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Northern Plains Railroad
P.O. Box 745
Devils Lake, ND 58301

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase
Manager of Documentation

Enclosures

EXHIBIT A
to
RIDER NO. 2

RECORDATION NO. 22271 FILED
JUL 23 '99 10:00 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 17th day of February, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Northern Plains Railroad ("Lessee"), a North Dakota corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of April 11, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of February 17, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K.A. Dombrowski
Name: K.A. DOMBROWSKI
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 17th day of April, 1999.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 14th day of April, 1999.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2000
(Notary Public)



LESSEE:

NORTHERN PLAINS RAILROAD

ATTEST:

By: [Signature]
Name: Fredrick [Signature]
Title: Secretary

By: [Signature]
Name: Gregg R. Haug
Title: Pres

Executed on this 5th day of April, 1999.

[CORPORATE SEAL]

STATE OF Wisconsin
COUNTY OF Bayfield

I, Peggy L. Hodson, a Notary Public of the County and State aforesaid, certify that Gregg Haug personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 5th day of April, 1999

[Signature]
Notary Public

My Commission Expires:

9-19-99
(Notary Public)

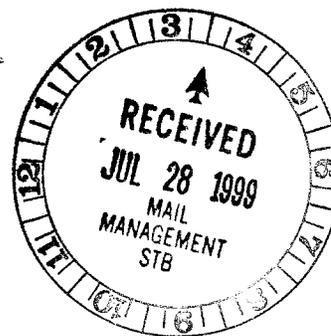


EXHIBIT A
to
MEMORANDUM OF LEASE

DESCRIPTION OF RAILCARS TO BE PROVIDED

100 Ton, 5150 cu. ft. covered hopper cars
equipped with gravity outlets and trough hatches
initialed and numbered per attached

EXHIBIT A
to
Memorandum of Lease



NUMBER OF CARS: Fifty (50)

DESCRIPTION OF CARS: 100 ton, 5150 cu.ft. covered hopper cars, equipped with gravity outlets and through hatches

CAR NUMBERS: See below:

| | | |
|---------|------|--------|
| NPRR002 | NDYX | 516450 |
| NPRR002 | NDYX | 516451 |
| NPRR002 | NDYX | 516452 |
| NPRR002 | NDYX | 516453 |
| NPRR002 | NDYX | 516454 |
| NPRR002 | NDYX | 516455 |
| NPRR002 | NDYX | 516456 |
| NPRR002 | NDYX | 516457 |
| NPRR002 | NDYX | 516458 |
| NPRR002 | NDYX | 516459 |
| NPRR002 | NDYX | 516460 |
| NPRR002 | NDYX | 516461 |
| NPRR002 | NDYX | 516462 |
| NPRR002 | NDYX | 516463 |
| NPRR002 | NDYX | 516464 |
| NPRR002 | NDYX | 516465 |
| NPRR002 | NDYX | 516466 |
| NPRR002 | NDYX | 516467 |
| NPRR002 | NDYX | 516468 |
| NPRR002 | NDYX | 516469 |
| NPRR002 | NDYX | 516470 |
| NPRR002 | NDYX | 516471 |
| NPRR002 | NDYX | 516472 |
| NPRR002 | NDYX | 516473 |
| NPRR002 | NDYX | 516474 |
| NPRR002 | NDYX | 516475 |

| | | |
|---------|---------------|-----------|
| NPRR002 | NDYX | 516476 |
| NPRR002 | NDYX | 516477 |
| NPRR002 | NDYX | 516478 |
| NPRR002 | NDYX | 516479 |
| NPRR002 | NDYX | 516480 |
| NPRR002 | NDYX | 516481 |
| NPRR002 | NDYX | 516482 |
| NPRR002 | NDYX | 516483 |
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| NPRR002 | NDYX | 516495 |
| NPRR002 | NDYX | 516496 |
| NPRR002 | NDYX | 516497 |
| NPRR002 | NDYX | 516498 |
| NPRR002 | NDYX | 516499 |
| | Count: | 50 |