

HERZOG CONTRACTING CORP.

600 S. RIVERSIDE RD.
P.O. BOX 1089
ST. JOSEPH, MO 64502
PHONE (816) 233-9001
FAX (816) 233-9881

WILLIAM E. HERZOG, PRESIDENT

RECORDATION NO. 21618 FILED

August 27, 1998

SEP 1 '98

5-01 PM

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of CFR 49, Parts 1000 to 1199, Part 1177, are two originals of a Memorandum of Lease Agreement dated August 26, 1998, as a primary document as defined in the Board's Rules for Recordation of Documents.

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

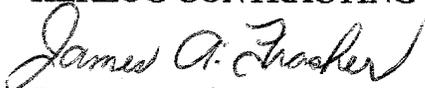
Lessee: Union Pacific Railroad Company
1416 Dodge Street - Room 200
Omaha, NE 68179

Lessor: Herzog Contracting Corp.
P. O. Box 1089
St. Joseph, MO 64502

The Memorandum of Lease Agreement covers the lease of Thirty-five (35) 3716 cubic foot open-top hopper railcars identified in Schedule A to the Memorandum of Lease Agreement. The railcars in Schedule A are identified by the existing reporting marks and numbers. We have also enclosed a check for \$26.00, payable to the Surface Transportation Board, for the required recording fee. Please return one stamped copy of the enclosed documents to the undersigned. If you have any questions or require additional information concerning this filing, contact the undersigned at (816) 233-9001.

Sincerely yours,

HERZOG CONTRACTING CORP.



James A. Frasher
Vice President

JAF/clb

SEP 1 '98 5-01 PM

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of August 26, 1998 by and between UNION PACIFIC RAILROAD COMPANY, a Nebraska Corporation, (LESSEE) and HERZOG CONTRACTING CORP., a Missouri Corporation, (LESSOR), with reference to the following:

- 1. LESSOR has agreed to lease to LESSEE, and LESSEE has agreed to lease from LESSOR various railcars pursuant to Schedule A in the Lease Agreement Document identified as Number 141, dated August 26, 1998 between LESSOR and LESSEE.
- 2. Pursuant to Exhibit A., LESSOR has agreed to lease, and LESSEE has agreed to lease thirty-five (35) H350 railcars bearing the existing reporting marks and numbers as indicated on Schedule A hereto attached, as more particularly described on the Lease Agreement Document Number 141.
- 3. The transaction shall be effective as of the execution date of the Lease Agreement Document Number 141, subject to all terms and conditions.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement, Document Number 141, to be executed as of the date first written.

HERZOG CONTRACTING CORP.

UNION PACIFIC
RAILROAD COMPANY

LESSOR

LESSEE

BY: James A. Frasher

BY: Michael J. [Signature]

ITS: Vice President

ITS: Director Purchasing

Schedule A

1	HZGX	6965	19	HZGX	6983
2	HZGX	6966	20	HZGX	6984
3	HZGX	6967	21	HZGX	6985
4	HZGX	6968	22	HZGX	6986
5	HZGX	6969	23	HZGX	6987
6	HZGX	6970	24	HZGX	6988
7	HZGX	6971	25	HZGX	6989
8	HZGX	6972	26	HZGX	6990
9	HZGX	6973	27	HZGX	6991
10	HZGX	6974	28	HZGX	6992
11	HZGX	6975	29	HZGX	6993
12	HZGX	6976	30	HZGX	6994
13	HZGX	6977	31	HZGX	6995
14	HZGX	6978	32	HZGX	6996
15	HZGX	6979	33	HZGX	6997
16	HZGX	6980	34	HZGX	6998
17	HZGX	6981	35	HZGX	6999
18	HZGX	6982			