

HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA AIR COURIER

December 15, 1995

Ms. Mildred Lee
Recordations Unit
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

19827
1995-12-15 AM

Dear Ms. Lee:

Enclosed are three (3) originals of the Memorandum of Lease of Railroad Equipment dated as of September 11, 1995 between the following parties:

Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Dakota, Minnesota & Eastern Railroad Corporation 337 22nd Avenue South Brookings, SD 57006

The equipment involved in this transaction is as follows:

Equipment: Forty-nine (49) 50 foot, 70-ton boxcars (See Schedule A attached for reporting mark & numbers.)

Please file this agreement as a primary document. The filing fee of \$21.00 is enclosed.

Sincerely,



Chris Dilley
Administrative Assistant

/cpd

Enclosure

MEMORANDUM OF
RAILCAR LEASE AGREEMENT

19827
21 1995 10:57 AM

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT ("Memorandum of Lease") made as of September 11, 1995 is intended to evidence the Railcar Lease Agreement dated as of September 11, 1995 (the "Agreement") between HELM-PACIFIC LEASING, a Nebraska joint venture ("Lessor"), and DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Interstate Commerce Commission under Section 49 of U.S.C. 11303. Lessor has the right to lease the forty-nine (49) railcars, more fully described in Schedule A hereto (the "Cars"). Lessee leased from Lessor all the Cars at the rentals and upon the terms and conditions provided in the Agreement.

IN WITNESS WHEREOF, each party, pursuant to due corporate authority, has executed this Memorandum of Lease on the date indicated below its signature.

LESSOR

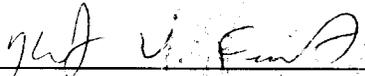
LESSEE

HELM-PACIFIC LEASING

DAKOTA, MINNESOTA & EASTERN
RAILROAD CORPORATION

By: Helm Pacific Corporation,
its Joint Venturer

By: 

By: 

Title: President

Title: CFO

Date: 11/21/95

Date: 10-26-95

By: Union Pacific Venture Leasing,
Inc., its Joint Venturer

By: 

Title: PRESIDENT

Date: 11/9/95

AP

SCHEDULE A

To the Memorandum of Railcar Lease Agreement dated as of September 11, 1995 between Helm-Pacific Leasing and Dakota, Minnesota & Eastern Railroad Corporation

Equipment Description:

Forty-nine (49), 50 foot, 70-ton, insulated boxcars with 20 inch cushioned underframe, load dividers, plug doors and two pneumatic bulkheads with one (1) air bag each; built by Pacific Car and Foundry in 1974 and 1975.

Car Reporting
Marks and Numbers

ATW 1050-1099

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STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

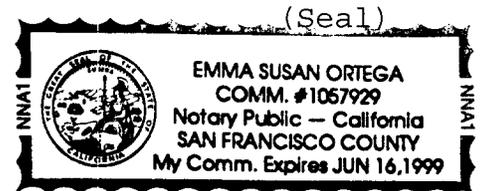
On November 21, 1995, before me, Emma S. Ortega
personally appeared David R. Eckles, President of HELM PACIFIC
CORPORATION,

personally known to me -OR-

proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity (ies), and that by
his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed
the instrument.

Witness my hand and official seal.

Emma Susan Ortega
SIGNATURE OF THE NOTARY

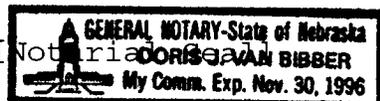


STATE OF NEBRASKA)
) S.S.
COUNTY OF DOUGLAS)

On this 11 day of November, 1995, before me personally
appeared Eric J. Butler, to me personally known,
who being by me duly sworn says that he is a President
of UNION PACIFIC VENTURE LEASING, INC., that said
instrument was signed and sealed on behalf of said corporation by
authority of its President and Directors and he acknowledged that the
execution of the foregoing instrument was the free act and deed of
said corporation as a joint venture partner of Helm-Pacific Leasing.

Norma Jean Bibber
Notary Public

My Commission Expires: Nov. 30, 1996



STATE OF SOUTH DAKOTA)
) S.S.
COUNTY OF BROOKINGS)

On this 30th day of October, 1995, before me personally appeared Kurt V. Feaster, to me personally known, who, being by me duly sworn, says that he is Chief Financial Officer of DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, that said instrument was signed and sealed on behalf of said corporation by authority of its President and Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Joyce E. Hock
Notary Public

My Commission Expires: MAY 5, 2002

[Notarial Seal]

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