

**HELM-PACIFIC LEASING**  
JOINT VENTURE

One Embarcadero Center • San Francisco, CA 94111  
415/398-4510 FAX 415/398-4816

November 19, 1998

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

RECORDATION NO. 19827 FILED -A

NOV 20 '98 10-28AM

Dear Mr. Williams:

Enclosed are three (3) originals of the **Memorandum of Amendment To Railcar Lease Agreement** dated as of August 10, 1998 which is intended to evidence **Amendment No. 2** to the Railcar Lease Agreement dated as of September 11, 1995, as amended, between the following parties:

Lessor: Helm-Pacific Leasing  
c/o Helm Pacific Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

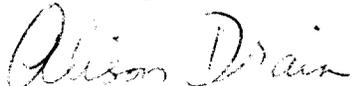
Lessee: Dakota, Minnesota & Eastern Railroad  
Corporation  
337 22nd Avenue South  
Brookings, SD 57006

The equipment involved in this transaction is as follows:

Equipment: Sixty-five (65) boxcars as more fully described  
in the attached Schedule A to the memorandum.

Please file this memorandum as a supplementary document to Recordation No. 19827 filed on December 24, 1995 and return two (2) stamped originals to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Sincerely,



Alison Drain  
Document Administrator

/ad  
Enclosures (3)

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY

Date: 11/20/98

Alison Drain  
Helm-Pacific Leasing Joint Venture  
One Embarcadero Center  
San Francisco, CA., 94111

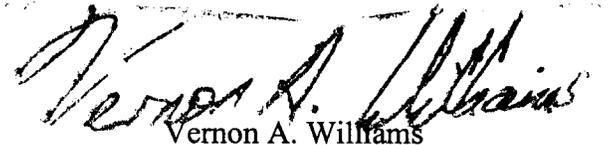
Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301

and 49 CFR 1177.3(c), on 11/20/98 at 10:28AM, and

assigned recordation number(s). 21797, 21797-A, 21798, 21799, 19827-A and 21716-B

Sincerely Yours,

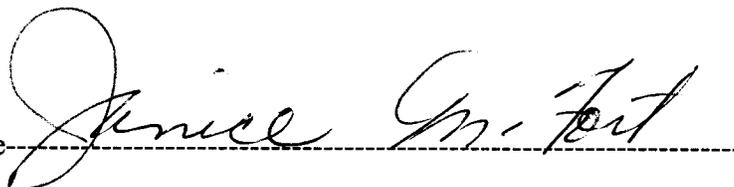
  
Vernon A. Williams

Enclosure(s) (6)

\$ 156.00

\$\_\_\_\_\_ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature



MEMORANDUM OF AMENDMENT TO RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF AMENDMENT TO RAILCAR LEASE AGREEMENT ("Memorandum") is made as of August 10, 1998 and is intended to evidence that certain Amendment No. 2 dated August 10, 1998 ("Amendment") to the Railcar Lease Agreement dated as of September 11, 1995, as amended ("Agreement"), between HELM-PACIFIC LEASING, a Nebraska general partnership ("Lessor"), and DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation ("STB") under Section 49 of U.S.C. 11303. The Agreement was originally filed with the STB on December 24, 1995 under ICC Recordation No. 19827. Lessor has the right to lease the sixty-five (65) insulated boxcars, more fully described in Schedule A. hereto ("Cars"). Lessee leased from Lessor the Cars at the rentals and upon the terms and conditions provided in the Agreement and the Amendment.

The Agreement and the Cars cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM-PACIFIC LEASING

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION

By: Helm Pacific Corporation,  
a General Partner

By: Keith Kupec

By: David R. Eckles

Print Name: David R. Eckles

Print Name: Keith Kupec

Title: President

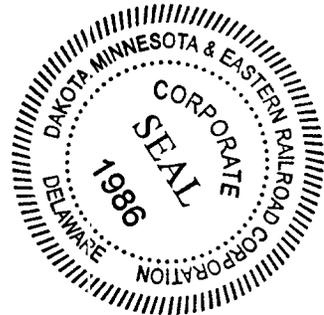
Title: GM Railcar Fleet

By: Union Pacific Venture Leasing,  
Incorporated, a General Partner

By: Eric L. Butler

Print Name: Eric L. Butler

Title: President



*[Handwritten mark]*

SCHEDULE A  
TO THE MEMORANDUM OF AMENDMENT TO RAILCAR LEASE AGREEMENT

THE CARS

Equipment Description:

Sixty-five (65), 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 1100-1141, 1143-1149

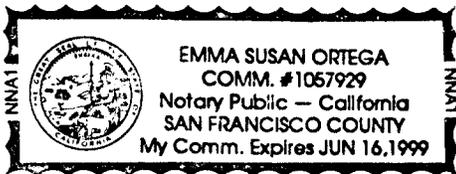
88

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

On October 23, 1998, 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

(Notarial Seal)

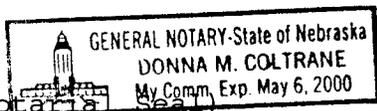
STATE OF NEBRASKA )  
 ) S.S.  
COUNTY OF DOUGLAS )

On October 20, 1998, before me, Donna M. Coltrane personally appeared Eric L. Butler, President of UNION PACIFIC VENTURE LEASING, INCORPORATED,

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.



Donna M. Coltrane  
SIGNATURE OF THE NOTARY

4

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

On October 5, 1998, before me, Joyce E. Hock,  
personally appeared Keith Kupec, Gm Railcar Fleet of  
DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION,

personally known to me -or-

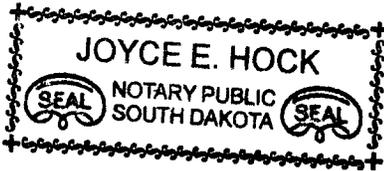
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

WITNESS my hand and official seal.

My Commission Expires on 5-5-2002

(Notarial Seal)

Joyce E. Hock  
SIGNATURE OF THE NOTARY



AK