

**HELM-ATLANTIC ASSOCIATES**  
LIMITED PARTNERSHIP

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

**VIA AIR COURIER**

November 14, 1996.

Mr. Vernon Williams  
Recordations Unit  
Surface Transportation Board  
Department of Transportation  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

RECORDATION NO. 20372  
FILED 1023  
NOV 19 1996 -10 55 AM

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Lease of Railroad Equipment dated as of October 4, 1996 between the following parties:

Lessor: Helm-Atlantic Associates Limited Partnership  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

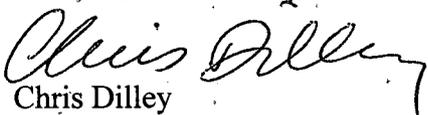
Lessee: Nebraska Northeastern Railway Company  
c/o Texas Northwestern Rwy. Co.  
Route 1, Box 9  
Sunray, TX 79086-9702

The equipment involved in this transaction is as follows:

Equipment: One (1) GP38 locomotive (See Schedule A attached for reporting mark & number.)

Please file this agreement as a primary document. The filing fee of \$22.00 is enclosed.

Sincerely,

  
Chris Dilley  
Administrative Assistant

/cpd  
Enclosure

RECORDATION NO. 20372 FILED 10/26  
NOV 17 1996 - 10 55 AM

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT (the "Memorandum") is made as of October 4, 1996 and is intended to evidence that certain Locomotive Lease Agreement dated as of October 4, 1996 (the "Lease") between HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership ("Lessor"), and NEBRASKA NORTHEASTERN RAILWAY COMPANY, a Nevada corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11303. Lessor has the right to lease the locomotive, more fully described in Schedule A hereto (the "Unit"). Lessee leased from Lessor the Unit at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Unit cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Unit. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to 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-ATLANTIC ASSOCIATES  
LIMITED PARTNERSHIP

NEBRASKA NORTHEASTERN RAILWAY COMPANY

By: Helm Atlantic Corporation,  
its General Partner

By: JUAN A. RIFE

Print Name: David R. Eckles

Print Name: TERESA A. RIFE

Title: President

Title: V.P. FINANCE

cm

SCHEDULE A  
TO THE MEMORANDUM OF LEASE

THE UNIT

Equipment Description:

One (1) 2000 horsepower, GP38 locomotive built by EMD in 1967.

Unit Number: HATX 105

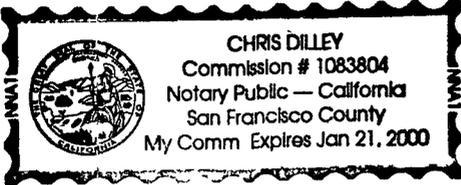
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STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On October 28, 1996, before me, Chris Dilley personally appeared David R. Eckles, President of HELM ATLANTIC CORPORATION,

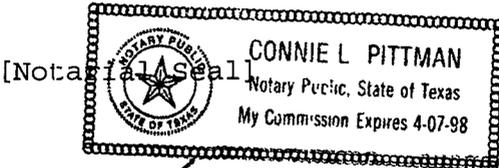
X personally known to me -OR-

— 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.

Chris Dilley  
SIGNATURE OF THE NOTARY



STATE OF Texas )  
 ) S.S.  
COUNTY OF Dallas )

On October 15, 1996, before me, Connie L. Pittman personally appeared Terese A. Rife, Vice President, Finance of NEBRASKA NORTHEASTERN RAILWAY COMPANY,

— 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.

Connie L. Pittman  
SIGNATURE OF THE NOTARY

[Notarial Seal]