

**First Union
Commercial Corporation**

Post Office Box 13327 VA7467
Roanoke, Virginia 24040-0001

October 16, 1996

**FIRST
UNION®**

Secretary
Surface Transportation Board
Washington, D.C. 20423-0001

MEMORANDUM NO 20315
OCT 22 1996 10 20 AM
FRIED 1425

OCT 22 10 19 AM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

Re: Memorandum of Lease Agreement

Dear Secretary:

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 October 7, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor: First Union Commercial Corporation
213 S. Jefferson Street, 4th Floor
Roanoke, Virginia 24011

Attn: Sharon B. Bateman VA-7467

Lessee: West Texas and Lubbock
Railroad Company, Inc.
211 South Sixth Street
Brownfield, Texas 79316

A description of the railroad equipment covered by the enclosed document is set forth on Schedule I attached hereto.

Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original of the enclosed document to the undersigned.

Very Truly Yours,

FIRST UNION COMMERCIAL CORPORATION



Betty S. Edwards
Vice President

Enclosures

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

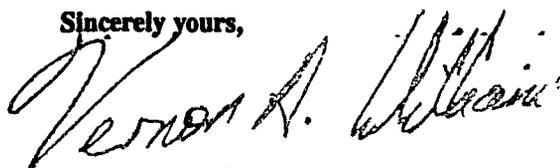
10/22/96

Betty S. Edwards
Vice President
First Union Commercial Corporation
Post Office Box 13327 VA7467
Roanoke, VA., 24040-0001

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/22/96 at 10:20AM, and assigned recordation number(s). 20315 and 20316.

Sincerely yours,



Vernon A. Williams
Secretary

Enclosure(s)

464.00 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 and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

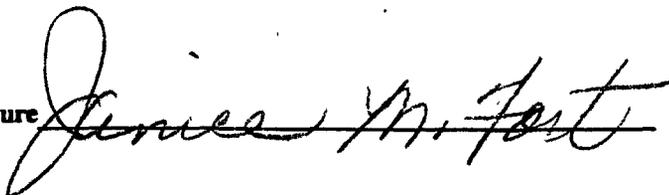


EXHIBIT A

20315
OCT 22 1996 10 AM

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as of October 7, 1996, is between FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation ("Lessor") and WEST TEXAS AND LUBBOCK RAILROAD COMPANY, INC., a Texas corporation ("Lessee").

WHEREAS, the Lessor and the Lessee are entering into the certain Master Equipment Lease Agreement dated October 7, 1996 (the "Lease") and places under lease that certain equipment set forth on Schedule I dated October 7, 1996, attached hereto, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor;

IN WITNESS WHEREOF, the parties wish to show for the public record the aforesaid Lease, and accordingly have caused this Memorandum of Lease Agreement to be executed by their officers thereunto duly authorized, as of the date first above written. This memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

FIRST UNION COMMERCIAL CORPORATION

By Betty S Edwards

Name BETTY S. EDWARDS

Title VICE PRESIDENT

WEST TEXAS AND LUBBOCK RAILROAD COMPANY, INC.

By John H. Headman

Name JOHN H. HEADMAN

Title PRESIDENT

STATE OF Virginia
City / COUNTY OF Roanoke

I, Betty J. Webster a Notary Public in and for said state and county, do hereby certify that Betty S. Edwards personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

Witness my hand and official seal this 16th day of Oct, 1996.

Betty J. Webster
Notary Public

My commission expires: 10-31-2000

[NOTARY SEAL]

STATE OF VIRGINIA
COUNTY OF FAIRFAX

I, Anne Park a Notary Public in and for said state and county, do hereby certify that John H. Marino personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

Witness my hand and official seal this 9th day of Oct, 1996.

Anne Park
Notary Public

My commission expires: 30 Nov 96

[NOTARY SEAL]

SCHEDULE I

DESCRIPTION OF EQUIPMENT

1. NUMBER OF CARS: (2)
2. DESCRIPTION OF CARS: GP-38 LOCOMOTIVES
3. CAR NUMBERS AND MARKS: 3806, 3809