

4 pgs

CUTLER, DONAHOE & MICKELSON, LLP

ATTORNEYS AT LAW

Telephone (605) 335-4950

Fax (605) 335-4961

RICHARD A. CUTLER
KENT R. CUTLER
BRIAN J. DONAHOE
CYNTHIA H. MICKELSON
MARK E. SALTER

JEAN BROCKMUELLER, CPA
BUSINESS MANAGER

*Also licensed to practice
in Minnesota and Iowa
**Also licensed to practice
in Minnesota

December 23, 1997

VIA UPS OVERNIGHT DELIVERY

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423

RECORDATION NO. 20591-B FILED

DEC 24 '97 9-44 AM

DEC 24 9 44 AM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

RE: Partial Release of Security Interest - Recordation No. 20591
(Our File No. DM-100-01.X)

Dear Secretary:

Enclosed herewith, in compliance with 49 CFR § 1177.3, please find an original and three counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Partial Release of Security Interest, a secondary document, dated December 22, 1997. The primary document to which this is connected is recorded under Recordation Number 20591, recordation date March 21, 1997.

The names and addresses of the parties to the documents are as follows:

- Lessor: Comerica Leasing, a Division of Comerica Bank
29201 Telegraph Road, 2nd Floor
Southfield, MI 48034
- Lessee: Dakota, Minnesota & Eastern Railroad Corp.
PO Box 178
Brookings, SD 57006-0178

A description of the equipment covered by the document follows:

- Five (5) SD-10 model locomotives with the reporting marks:
 - DME 549
 - DME 550
 - DME 555
 - DME 558
 - DME 560

Surface Transportation Board
Filing - Partial Release of Security Interest
Recordation No. 20591
5 SD-10 locomotives - DME 549, 550, 555, 558, 560
December 23, 1997 - Page 2

A fee of \$24.00 is enclosed. Please return any copies not needed for recordation to me with a notation of the recordation number, date and time of filing for our records.

A short summary of the document to appear in the index as described in 49 CFR § 1177.4(a) follows:

Other secondary documents - Partial Release of Security Interest to Memorandum of Lease with Recordation No. 20591, dated December 22, 1997 and covering 5 SD-10 locomotives.

Should you have any questions or require additional information with respect hereto, please do not hesitate to contact me.

Sincerely,

CUTLER, DONAHOE & MICKELSON, LLP



Brian J. Donahoe

For the Firm

Attorneys for Dakota, Minnesota & Eastern Railroad
Corp.

BJD:rkk

Enclosures

cc: David Parrott
Michael MacMichael
Thomas Quigley

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

OFFICE OF THE SECRETARY

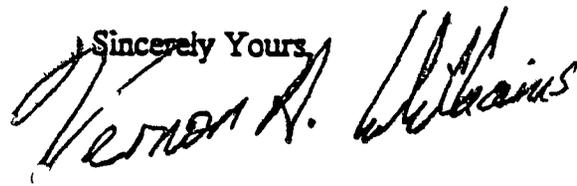
Brian J. Donahoe
Cutler, Donahoe & Mickelson, LLP
100 North Phillips Avenue
Ste. 901
Sioux Falls, South Dakota 57104-6725

DATE: 12/24/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 12/24/97 at 9.44AM, and
assigned recordation number(s). 20591-B.

Sincerely Yours,



Vernon A. Williams
Secretary

Enclosure(s)

\$ 24.00 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

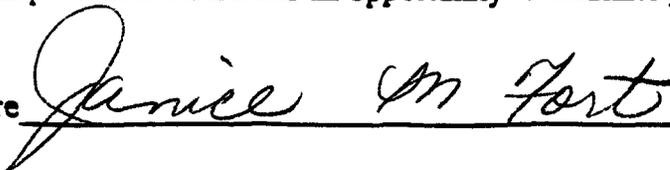


EXHIBIT A

Number of Items: 5

Description of Units: Used SD-10 Locomotives with the following reporting marks:

DME 549

DME 550

DME 555

DME 558

DME 560