

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D C 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

LOUIS E GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@bjllp.com

RECORDATION No. 20605

RECORDATION No. 15599-A

March 31, 1997

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION No. 13700

Filed pursuant to the
... of ... at ...

MAR 31 1 46 PM '97
RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Secretary Williams:

I have enclosed two originals of tone document, and the original and one certified copy of two documents, all described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a **Memorandum of Lease Agreement**, a primary document, dated as of March 31, 1997. We request that this document be recorded under the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

The Fifth Third Leasing Company
38 Fountain Square Plaza
Cincinnati, OH 45263

Lessee:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Memorandum of Lease Agreement consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703,

Counterpart of [Signature]

Honorable Vernon A. Williams
March 27, 1997
Page 2

9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

The second document is a Partial Release of Collateral, a secondary document, dated as of March 31, 1997. The primary document to which this is connected is recorded under Recordation No. 15599. We request that this document be recorded under Recordation No. 15599-A.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Southdown Financing, Inc.
1200 Smith Street
Houston, TX 77002

Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

A description of the equipment covered by the Partial Release of Collateral consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

The third document is a Partial Release of Collateral, a secondary document, dated as of March 31, 1997. The primary document to which this is connected is recorded under Recordation No. 15600. We request that this document be recorded under Recordation No. 15600-D.

The names and addresses of the parties to the Partial Release of Collateral are:

Secured Party:

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, CA 94163

Honorable Vernon A. Williams

March 27, 1997

Page 3

Debtor:

Southdown, Inc.
1200 Smith Street
Houston, TX 77002

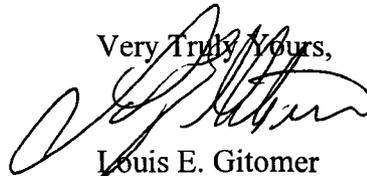
A description of the equipment covered by the Partial Release of Collateral consists of 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735.

A fee of \$72.00 is enclosed. Please return one original of each document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the documents to appear in the index follows: (1) a Memorandum of Lease Agreement between The Fifth Third Leasing Company, 38 Fountain Square Plaza, Cincinnati, OH 45263, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002; (2) a Partial Release of Collateral between Southdown Financing, Inc., 1200 Smith Street, Houston, TX 77002, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002; and (3) a Partial Release of Collateral between Wells Fargo Bank, N.A., 420 Montgomery Street, San Francisco, CA 94163, and Southdown, Inc., 1200 Smith Street, Houston, TX 77002, all covering 29 3250 cubic foot, 110-ton covered hopper cars numbered SDWX 9700, 9702, 9703, 9704, 9706, 9707, 9708, 9709, 9710, 9711, 9713, 9714, 9715, 9716, 9717, 9718, 9719, 9720, 9721, 9722, 9724, 9725, 9726, 9727, 9729, 9730, 9732, 9733, and 9735

Very Truly Yours,



Louis E. Gitomer

Enclosures

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

3/31/97

Louis E. Gitomer
Of Counsel
Ball Janik LLP
1455 F Street, NW., Ste. 225
Washington, DC., 20005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/31/97 at 1:46PM, and assigned recordation number(s). 20605, 15599-A and 15600-D.

Sincerely yours,

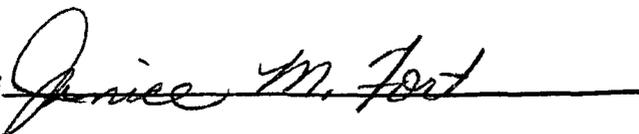


Vernon A. Williams
Secretary

Enclosure(s)

\$ 72.00 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



EXECUTION COPY

MEMORANDUM OF LEASE AGREEMENT

dated as of March 31, 1997

between

SOUTHDOWN, INC.
as Lessee,

and

THE FIFTH THIRD LEASING COMPANY
as Lessor

**FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on March _____, 1997 at _____: _____ .m.**

RECEIVED
TRANSPORTATION
BOARD
MAR 31 1 45 PM '97

MEMORANDUM OF LEASE AGREEMENT

31, THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of March 1997, by and between THE FIFTH THIRD LEASING COMPANY, an Ohio corporation ("Lessor"), and SOUTHDOWN, INC , a Louisiana corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, Twenty Nine (29) new Thrall Car Inc 3250 cubic foot, 110 ton covered hopper cars bearing the following reporting marks:

<u>Reporting Marks</u>	<u>Light Weight</u>	<u>Load Limit</u>
SDWX9713	58800	227200
SDWX9722	58600	227400
SDWX9729	59000	227000
SDWX9730	58000	227000
SDWX9732	58700	227300
SDWX9733	58600	227400
SDWX9735	58800	227200
SDWX9710	58700	227300
SDWX9714	58800	227200
SDWX9715	58600	227400
SDWX9718	58700	227300
SDWX9721	58700	227300
SDWX9724	58600	227400
SDWX9725	58600	227400
SDWX9726	58700	227300
SDWX9727	58700	227300
SDWX9700	58700	227300
SDWX9702	58000	228000
SDWX9703	58700	227300
SDWX9704	58600	227400
SDWX9706	58600	227400
SDWX9707	58700	227300
SDWX9708	58600	227400
SDWX9709	58500	227500
SDWX9711	58600	227400
SDWX9716	58700	227300
SDWX9717	58700	227300
SDWX9719	58700	227300
SDWX9720	58800	227200

All of such railcars are more fully described in that certain Master Lease Agreement, dated as of September 9, 1992 (which agreement has been assigned to Lessor by General Electric Capital Corporation, solely as it relates to the referenced Equipment Schedule), and Equipment Schedule Number ~~FT-1~~ FT-1 thereto and incorporating the terms thereof, dated as of March 31, 1997 (together with all of the addenda, annexes, schedules and other attachments thereto, collectively, the "Lease"), between Lessor and Lessee.

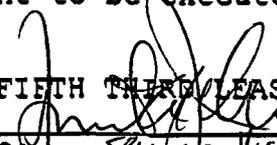
2. The Lease shall be effective as of the date hereof and shall be subject to the Basic Term (as such capitalized term is defined in the Lease), and any extension of such term to the extent provided for in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

THE FIFTH THIRD LEASING COMPANY

By: 

Title: senior vice president

SOUTHDOWN, INC.

By: _____

Title: _____

[EXECUTION PAGE]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

THE FIFTH THIRD LEASING COMPANY

By: _____

Title: _____

SOUTHDOWN, INC.

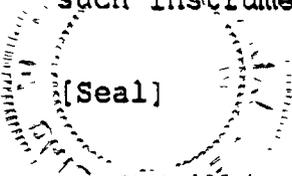
By: *Kraig Carlton*

Title: Assistant Treasurer

[EXECUTION PAGE]

STATE OF OHIO)
COUNTY OF Hamilton) ss.

On this the 25 day of March, 1997 before me appeared David A Jackson the person who signed this instrument, who acknowledged that (s)he is the Senior Vice President of THE FIFTH THIRD LEASING COMPANY and that being duly authorized (s)he signed such instrument as a free act on behalf of said corporation.



Chen Costello
Notary Public

My Commission expires:
Notary Public, State of Ohio
My Commission Expires Oct. 21, 2001

STATE OF TEXAS)
COUNTY OF _____) ss.

On this the _____ day of March, 1997 before me appeared _____ the person who signed this instrument, who acknowledged that (s)he is the _____ of SOUTHDOWN, INC. and that being duly authorized (s)he signed such instrument as a free act on behalf of said corporation.

[Seal]

Notary Public

My commission expires:

[NOTARY PAGE]

STATE OF OHIO }
 }
COUNTY OF _____ } ss.

On this the _____ day of March, 1997 before me appeared _____,
the person who signed this instrument, who acknowledged that (s)he is the
_____ of THE FIFTH THIRD LEASING COMPANY and that being duly
authorized (s)he signed such instrument as a free act on behalf of said corporation.

[Seal]

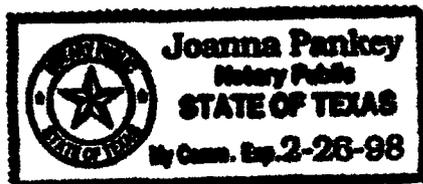
Notary Public

My commission expires:

STATE OF TEXAS }
 }
COUNTY OF Harris } ss.

On this the 25th day of March, 1997 before me appeared L. Craig Carleton,
the person who signed this instrument, who acknowledged that (s)he is the
Assistant Treasurer of SOUTHDOWN, INC. and that being duly authorized (s)he signed
such instrument as a free act on behalf of said corporation

[Seal]



Joanna Pankey
Notary Public

My commission expires:

2-26-98