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April 18, 2007

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

RECORDATION NO. 26930 FILED

APR 18 '07 -2 4 1 PM

Dear Secretary Williams:

SURFACE TRANSPORTATION BOARD

I have enclosed for e-filing the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease and Lease Amendment, a primary document, dated as of March 21, 2007. We request that this document be given the next available recordation number.

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

Lessor:

GATX Rail Locomotive Group, L.L.C.
Four Embarcadero Center, Suite 2200
San Francisco, CA 94111

Lessee:

Progressive Rail, Inc.
21778 Highview Avenue
Lakeville, MN 55044

A description of the equipment covered by the Memorandum of Lease and Lease Amendment consists of one SD38-2 locomotive numbered LLPX 2806.

Honorable Vernon A. Williams

April 18, 2007

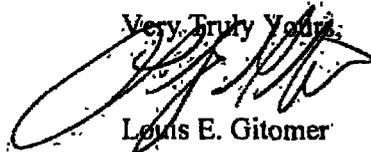
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A fee of \$34.00 is enclosed. Please return one copy to:

Louis E. Gitomer
600 Baltimore Avenue, Suite 301
Towson, MD 21204

A short summary of the document to appear in the index follows: a Memorandum of Lease and Lease Amendment between GATX Rail Locomotive Group, L.L.C., Four Embarcadero Center, Suite 2200, San Francisco, CA 94111, and Progressive Rail, Inc., 21778 Highview Avenue, Lakeville, MN 55044, covering one SD38-2 locomotive numbered LLPX 2806.

Very Truly Yours,



Louis E. Gitomer

Enclosure

APR 18 '07 -2 4 1 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AND LEASE AMENDMENT

dated as of March 21, 2007

between

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,

as Lessor,

PROGRESSIVE RAIL, INC.

as Lessee,

MEMORANDUM OF LEASE AND LEASE AMENDMENT

THIS MEMORANDUM OF LEASE AND LEASE AMENDMENT is made and entered into as of March 21, 2007, between GATX RAIL LOCOMOTIVE GROUP, L.L.C., formerly known as Locomotive Leasing Partners, L.L.C. ("Lessor"), Four Embarcadero Center, Suite 2200, San Francisco, CA 94111, and PROGRESSIVE RAIL, INC. ("Lessee"), 21778 High View Ave., Lakeville, MN 55044, with reference to the following:

1. Pursuant to a certain Locomotive Lease Agreement dated as of June 28, 2004, between Lessor and Lessee (the "Lease Agreement") Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, the locomotive described on Exhibit A attached hereto (the "Unit").
2. The Lease Agreement was amended pursuant to Amendment No. 2 to Locomotive Lease Agreement dated as of March 20, 2007 between Lessor and Lessee to modify certain rights of Lessor thereunder relating to the return of the Unit at the expiration of the Lease.
3. Lessee hereby confirms that Lessor has a first priority security interest in the Unit.
4. This Memorandum of Lease and Lease Amendment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,
as Lessor

By: Eileen Raphael
Name: Eileen RAPHAEL
Title: VP

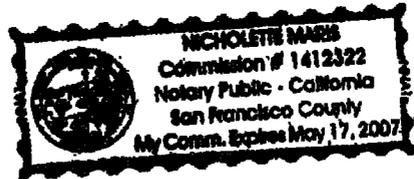
PROGRESSIVE RAIL, INC.
as Lessee

By: Lon Van Diermt
Name: Lon Van Diermt
Title: VPO

State of California)
)
County of San Francisco)

On March 30, 2007 before me, Nicholette Maris, Notary Public, personally appeared Eileen Raphael, personally known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.



Nicholette Maris
Notary Public

STATE OF MN)
) ss.
COUNTY OF DALLAS)

On this 2nd day of APRIL, 2007, before me, Tim Wiens the undersigned Notary Public, personally appeared LON VAN GOMERT personally known to me to be the person who executed the within instrument as VICE PRESIDENT DRS on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.



A handwritten signature in black ink, appearing to read "Tim Wiens", written over a horizontal line.

Notary Public

My commission expires:

01-31-10

EXHIBIT A
MEMORANDUM OF LEASE AND LEASE AMENDMENT

DESCRIPTION OF UNIT AND REPORTING MARK

One SD38-2 locomotive with road number PGR 42, formerly LLPX 2806