

RECORDATION NO. 25624 FILED

JUN 10 '05 12:32 PM

SURFACE TRANSPORTATION BOARD

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URBAN A. LESTER

June 10, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of March 1, 2005, 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: Compass Rail V Corporation
750 Battery Street
Suite 430
San Francisco, California 94111

Lessee: Colorado & Wyoming Railway Company
2100 S. Freeway
Pueblo, Colorado 81002

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A description of the railroad equipment covered by the enclosed document is:

17 flatcars within the series CW 1020 - CW 2060 (formerly within the series RAIX 102 – RAIX 206) as more particularly set forth in the equipment schedule attached to the document.

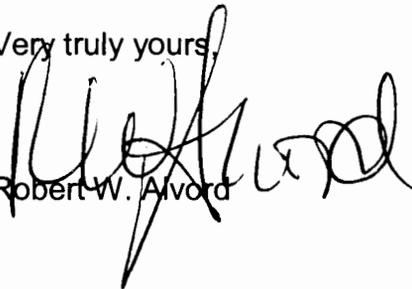
A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF LEASE

As of March 1, 2005

THIS MEMORANDUM OF LEASE is intended to evidence the Railcar Lease Agreement dated as of March 1, 2005 (the "Lease") by and between Compass Rail V Corporation, with offices at 750 Battery Street, Suite 430, San Francisco, CA 94111 ("Lessor") and Colorado & Wyoming Railway Company, with offices at 2100 S. Freeway, Pueblo, CO 81002 ("Lessee"). This Memorandum of Lease is entered into for the purpose of satisfying the requirements of recordation with the United States Department of Transportation Surface Transportation Board ("STB") under 49 U.S.C. Section 11301 and with the Registrar General of Canada under applicable law.

Pursuant to the Lease, the Lessor has leased to the Lessee the Railcars specified on Schedule 1 attached hereto.

IN WITNESS WHEREOF, Lessor has caused this Memorandum to be executed all as of the date first above written, and the undersigned hereby declares pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below his signature.

LESSOR:

Compass Rail V Corporation

By: Ben J. Assaf

Title: E.V.P.

Dated: 6-9-05

State of California)
County of San Francisco)

On this 9 day of June, 2005, before me personally appeared Ben J. Assaf, to me personally known, who being by me duly sworn says that such person is Executive Vice President of Compass Rail V Corporation, that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jovina Harvard
Notary Public
My commission expires 4/9/09

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SCHEDULE 1: RAILCARS

Seventeen (17) Cars (listed below) from that certain group of 100 ton, 85' flatcars built by Berwick Forge Manufacturing in 1977 categorized as AAR Car Type Code L008 (the "Cars").

	<u>Former Marks</u>	<u>New Mark Designation</u>	<u>New Mark Number</u>
1	RAIX 102	CW	1020
2	RAIX 104	CW	1040
3	RAIX 136	CW	1360
4	RAIX 158	CW	1580
5	RAIX 161	CW	1610
6	RAIX 165	CW	1650
7	RAIX 170	CW	1700
8	RAIX 172	CW	1720
9	RAIX 176	CW	1760
10	RAIX 179	CW	1790
11	RAIX 180	CW	1800
12	RAIX 182	CW	1820
13	RAIX 183	CW	1830
14	RAIX 190	CW	1900
15	RAIX 193	CW	1930
16	RAIX 200	CW	2000
17	RAIX 206	CW	2060