

MEMORANDUM OF LEASE AND INDENTURE SUPPLEMENT NO. 35
(UPRR 2005-J)

12-52 PM

SURFACE TRANSPORTATION BOARD

Memorandum of Lease and Indenture Supplement No. 3, made and entered into on December 21, 2005, by and between Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, but solely as Owner Trustee, as Lessor ("*Lessor*"), Union Pacific Railroad Company, a Delaware corporation, as Lessee ("*Lessee*") and Wells Fargo Bank Northwest, National Association, a national banking association, as Indenture Trustee (the "*Indenture Trustee*").

WITNESSETH:

1. Lessor and Lessee have previously entered into that certain Lease Agreement (UPRR 2005-J), dated as of June 1, 2005 (the "*Lease Agreement*"). Lessor and Indenture Trustee have previously entered into that certain Indenture and Security Agreement (UPRR 2005-J), dated as of June 1, 2005 (the "*Indenture*"), by which Lessor has granted a security interest to Indenture Trustee in order to secure Lessor's performance of certain obligations as described in the Indenture.

2. Memoranda of said Lease Agreement and said Indenture were recorded with the Surface Transportation Board pursuant to Section 11301 of Title 49 of the United States Code.

3. The undersigned have entered into that certain Lease and Indenture Supplement No. 3 (UPRR 2005-J), dated December 21, 2005, whereby the terms and provisions of the above-described Lease Agreement are made applicable to certain railroad equipment bearing reporting marks as listed on Exhibit A attached hereto and whereby Lessor has granted, pursuant to the above-described Indenture, a security interest therein to the railroad equipment leased to Lessee under the Lease Agreement.