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December 31, 2007

Ms. Barbara Sadler  
Recordations Unit  
Surface Transportation Board  
395 E Street, SW  
Washington, D.C. 20423

RECORDATION NO. 27330 FLUID

DEC 31 '07 -11 08 AM

SURFACE TRANSPORTATION BOARD

Dear Barbara:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated 12/20/07 involving the following parties and railroad equipment:

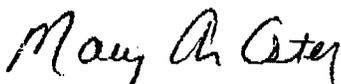
Secured Party: Wells Fargo Equipment Finance, Inc.  
Investors Building, Suite 700  
733 Marquette Avenue So.  
Minneapolis, MN 55402

Debtor: Northern Plains Railroad, Inc.  
100 Railroad Avenue  
Fordville, ND 28231

Equipment: 10, Covered Hoppers  
NPR 1005-1014  
Previously: NRLX 503, 505, 506, 510, 512,  
514, 515, 517, 518, 519.

Please record this agreement as a primary document. The filing fee of \$35 is enclosed.  
Summary: Memorandum of Security Agreement dated 12/20/07 between Wells Fargo Equipment Finance, Inc. as Secured Party and Northern Plains Railroad, Inc. as Debtor including 10 Covered Hoppers described above.

Sincerely,



Mary Ann Oster  
Research Consultant



Wells Fargo Equipment Finance  
Investors Building, Suite 700  
733 Marquette Ave So  
Minneapolis, MN 55402

### Memorandum of Security Agreement

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 20th day of December, 2007, by and between Northern Plains Railroad, Inc., an North Dakota corporation ("Debtor"), and Wells Fargo Equipment Finance, Inc., a Minnesota Corporation ("Secured Party").

A. The Debtor is or may become indebted to the Secured Party pursuant to certain agreements executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated December 20th, 2007 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Ten (10) 1967 5,250 cu ft Covered Hopper Railcars described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

(e) all rent, damages and other moneys from time to time payable to or receivable by the Debtor in respect of the Railcars; and

(f) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

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

Northern Plains Railroad, Inc.  
By: [Signature]  
Title: [Signature]

Wells Fargo Equipment Finance, Inc.  
By: [Signature]  
Title: VP

RECORDATION NO. 27330

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SURFACE TRANSPORTATION BOARD

STATE OF Minnesota  
COUNTY OF Carlton

On this 21<sup>st</sup> day of December, 2007, before me, a Notary Public of the City and State aforesaid, personally appeared Gregg Haug, to me personally known, who being by me duly sworn, says that he is the President of Northern Plains Railroad an S- corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Kim Marie Kubat  
Notary Public

My commission expires:

STATE OF Minnesota  
COUNTY OF Hennepin



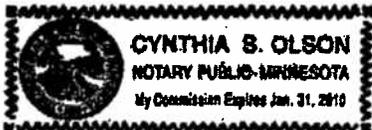
On this 28 day of December, 2007, before me a Notary Public of the City and State aforesaid, personally appeared Barbara Buller, to me personally known who being by me duly sworn, says that (he/she) is a Vice President of Wells Fargo Equipment Inc. that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

(Seal)

Cynthia S. Olson  
Notary Public

My commission expires: 1/31/10





Wells Fargo Equipment Finance, Inc.  
Investors Building, Suite 700  
733 Marquette Ave.  
Minneapolis, MN 55402

### Schedule A to Memorandum of Security Agreement

Contract Number 218533-701 dated as of December 20, 2007

Debtor: Northern Plains Railroad, Inc.

Equipment originally located at: 100 Railroad Ave., Fordville, ND 28231

Equipment Description: Ten (10) 1967 5,250 cu ft Covered Hopper Railcars with the following markings together with all attachments and accessories as further described on The Agreement for the Purchase of Equipment dated December 20, 2007:

Description - Old Markings	Description - New Markings
NRLX 503, NRLX 505, NRLX 506, NRLX 510, NRLX 512, NRLX 514, NRLX 515, NRLX 517, NRLX 518, NRLX 519	NPR 1005, NPR 1006, NPR 1007, NPR 1008, NPR1009, NPR 1010, NPR 1011, NPR 1012, NPR 1013, NPR 1014

Dated: December 20, 2007

Debtor: Northern Plains Railroad, Inc.

By:

Title:

