

**RIGGS, ABNEY, NEAL, TURPEN, ORBISON & LEWIS**

A PROFESSIONAL CORPORATION  
ATTORNEYS AND COUNSELORS AT LAW  
FRISCO BUILDING  
502 WEST SIXTH STREET  
TULSA, OKLAHOMA 74119-1010  
(918) 587-3161  
Fax (918) 587-9708

JEANETTE AGRAFIO-JOLEVY  
GREGORY W ALBERTY  
REBECCA V AMENT  
JACK R ANDERSON  
THOMAS M ASKEW  
RYAN J ASSINK  
LISA K BICKLE  
DONALD M BINHAM  
WILLIAM A BOWLES  
RICHARD B BOYLE, IV  
KELLY L BRATCHER  
PETER W BROLUCK  
STACIE BRYZA  
SCOTT W BYRD  
JILL L CHASE  
DERRICK D CORNEJO  
STEPHEN L CORTES  
MATTHEW P CROUCH  
ROBERT P DEAN  
GLENN S DORRIS  
JANET S DUMONT  
IRA L EDWARDS, JR  
GEORGE M EMERSON  
STEPHANIE A FLING  
RICHARD A GANN  
BART T GARBUTT  
RICHARD T GARREN  
D SHARON GENTRY

STEPHEN E HALE  
MELVIN C HALL  
SHARON E HAMM  
ZACHERY R HARGIS  
CHRISTOPHER S HEROUX  
JERRI L HILL  
HOLLY M HILLERMAN  
ERIK S HOUGHTON  
ROBERT E HOWARD  
WM GREGORY JAMES  
STEVEN JANISZEWSKI  
KJEMONN L JONES  
SARAH G KIENY  
SCOTT P KIRTLEY  
KRISTOPHER E KOEPEL  
TERRY D KORDELSKI, II  
G DIANE LEE  
JOSEPH P LENNART  
TYLER D LEONARD  
C S LEWIS, III  
MARY JEAN LITTLE  
LORI T LOVOI-NEVES  
JOHN D LUTON  
BRENDAN J MAGEE  
JANET G MALLOW  
JOHN ROSS MALOY  
MATT D MATHESON  
GLOYD L MCCOY

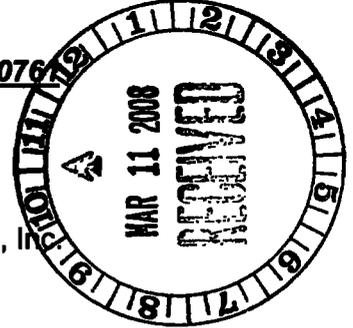
RAYMOND A MELTON  
J PATRICK MENSCHING, JR  
RICHARD A MILDREN  
J LYON MOREHEAD  
JANICE LOGAN MORROW  
ROBERT A NANCE  
GARY L NEAL  
MARK L NEALMS  
MARGARET A NUNNERY  
JAMES C ORBISON  
JAMES R POLAN  
RICHARD P POORMON  
VICTORIA L RACKLEY  
FRED RAHAL, JR  
LISA R RIGGS  
M DAVID RIGGS  
STEPHEN B RILEY  
RANDALL A RINQUEST  
MARY J ROUNDS  
WILLIAM C SEARCY  
KRISTEN E SHILLINGTON  
ROBERT P SKEITH  
KENNETH M SMITH  
SCOTT D SMITH  
BETTY J SOMMARS  
KIMBERLY V SPARKS  
BEVERLY A STEWART

STEPHANIE L THEBAN  
DAVID H THOMAS  
ELLEN M THOMAS  
HARLEY W THOMAS  
REX W THOMPSON  
CHERYL A TOMAN  
SONJIA M TREI  
MICHAEL C TURPEN  
LINDA VAN ARKEL-GREUBEL  
KAREN CARMEN WALSH  
SHARON K WEAVER  
JOSEPH R WELLS  
BRIAN S WILKERSON  
DOUGLAS A WILSON  
LUCAS A WIRTH  
JERRY L WITT  
COURTNEY M WOLIN  
MICHAEL P WOMACK  
GARY W WOOD  
ROBERT V WREN  
TRACY S ZAHL  
  
Of Counsel  
Benjamin P Abney  
E Bryan Hanson  
Peter J Regan

February 25, 2008

Vernon Williams, Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, DC 20423-0001

Via FedEx #79927791076



Re: Bank of Oklahoma, N.A. Loan to Railroad Materials Salvage, Inc.  
and BG & CM Railroad, Inc.

Dear Secretary Williams:

Enclosed please find the original and one certified copy of the document described below to be recorded pursuant to 49 U.S.C. § 11301.

This document is a Memorandum of Guaranty and Collateral Agreement, a primary document, dated as of November 30, 2007. Please record this document under the next available recordation number.

The names and addresses of the parties to the documents are as follows:

**Secured Party:**

Bank of Oklahoma, N.A.  
P.O. Box 2300  
Tulsa, OK 74192

**Debtor:**

BG & CM Railroad, Inc.  
P.O. Box 612  
Richmond, MO 64085

RECORDATION NO. 27403 FILED

MAR 11 '08 -4 5 5 PM

**SURFACE TRANSPORTATION BOARD**

A description of the collateral covered by the Memorandum of Guaranty and Collateral Agreement is identified on the Schedule attached thereto, and includes collateral now owned and hereafter acquired.

The fee of \$35.00 is enclosed.

Please return the file stamped recorded original via the enclosed pre-addressed FedEx envelope to:

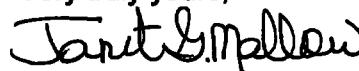
February 25, 2008

Page 2

Riggs, Abney, Neal, Turpen, Orbison & Lewis  
502 West Sixth Street  
Tulsa, OK 74119-1010  
Attn: Janet G. Mallow

A short summary of the document to appear in the index follows: Memorandum of Guaranty and Collateral Agreement between Bank of Oklahoma, N.A., P.O. Box 2300, Tulsa, Oklahoma 74192, and BG & CM Railroad, Inc., P.O. Box 612, Richmond, MO 64085, covering the equipment described in the Schedule attached thereto, whether now owned or hereafter acquired.

Very truly yours,



Janet G. Mallow  
FOR THE FIRM

Enclosures

MAR 11 '08 -4 5 5 PM

**MEMORANDUM OF GUARANTY AND COLLATERAL AGREEMENT**

**SURFACE TRANSPORTATION BOARD**

This Memorandum of Guaranty and Collateral Agreement, dated as of November 30, 2007, is by BG & CM RAILROAD, INC. ("Debtor") and Bank of Oklahoma, N.A. ("Lender") pursuant to the Revolving Credit and Term Loan Agreement ("Credit Agreement"), dated as of November 30, 2007, among Railroad Materials Salvage, Inc. and BG & CM Railroad, Inc. (separately and collectively, "Borrower") and Lender.

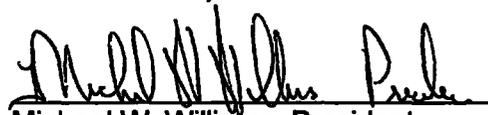
1. Lender has made a loan to Borrower pursuant to the terms of the Credit Agreement for the purpose of financing the operating needs of Borrower and its affiliates (including Debtor). Such loan is secured by Debtor's assets pursuant to the Guaranty and Collateral Agreement, dated as of November 30, 2007 ("Guaranty and Collateral Agreement").

2. Pursuant to the Guaranty and Collateral Agreement, Debtor grants to Lender a lien on and security interest in all of Debtor's right, title and interest in and to the Rolling Stock (as defined in the Guaranty and Collateral Agreement) identified on the Schedule attached hereto, whether now owned or hereafter acquired, pursuant to Section 3 of the Guaranty and Collateral Agreement.

In witness whereof, each of the parties hereto have caused this Memorandum of Guaranty and Collateral Agreement to be executed by it's duly authorized officer as of the date first written above.

"Debtor"

**BG & CM RAILROAD, INC.**

By   
Michael W. Williams, President

"Lender"

**BANK OF OKLAHOMA, N.A.**

By   
W. Mack Renner, Vice President

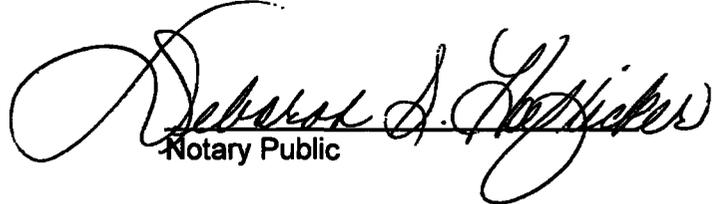
**COPY**

STATE OF Mo. )  
COUNTY OF Ray ) ss.

On this 11th day of Feb., 2008, before me personally appeared Michael W. Williams, to me personally known, who being by me duly sworn, says that he is the President of BG & CM Railroad, Inc., that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission Expires:

3-25-08  
[SEAL]

  
Notary Public

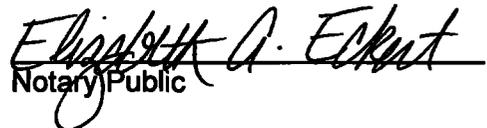
DEBORAH S. HOEFlickER  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Ray County  
My Commission Expires: March 25, 2008

STATE OF OKLAHOMA )  
COUNTY OF TULSA ) ss.

On this 22nd day of FEBRUARY, 2008, before me personally appeared W. Mack Renner, to me personally known, who being by me duly sworn, says that he is the Vice President of Bank of Oklahoma, N.A., that said instrument was signed on behalf of Bank of Oklahoma, N.A., and he acknowledged that the execution of the foregoing instrument was the free act and deed of Bank of Oklahoma, N.A.

My Commission Expires:

3-15-09  
[SEAL]

  
Notary Public

### Schedule "A"

Included in the property covered by the aforesaid Guaranty and Collateral Agreement are locomotives, cabooses, flat cars, bulkhead flat cars, boxcars, gondolas, coal cars, open top hopper cars, covered hopper cars, woodrack cars, specialty cars (office, club and power), yard cars, system cars and other rail cars intended for use related to interstate commerce, or interests therein, owned by BG & CM Railroad, Inc. at the date of said Guaranty and Collateral Agreement or thereafter acquired by it or its successors as owners of the lines of railway covered by the Guaranty and Collateral Agreement.