

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832

JEREMY M. BERMAN
(312) 252-1510
jberman@fletcher-sippel.com

RECORDATION NO. 27700 FILED

OCT 24 '08

2-30 PM

SURFACE TRANSPORTATION BOARD



October 23, 2008

Via Overnight (Next Business Day) Delivery

Ms. Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001
Attn: Office of Recordations

Dear Secretary Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are an original and two (2) copies of a Memorandum of Lease, dated as of October 22, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents.

A description of the railroad equipment covered by the enclosed document follows: One (1) EMD SW 1000 locomotive and two (2) EMD SD9 locomotives with reporting marks BNSF 3647, MNRR 650 and MNRR 651.

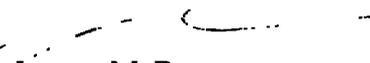
The names and addresses of the parties to the enclosed documents are:

| | |
|---------|---|
| Lessor: | Titan Rail, Inc. 1 East Merchants Drive Oswego, Illinois 60453 |
| Lessee: | Modoc Northern Railroad Company 481 Modoc Ave. Tulelake, California 96134 |

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Respectfully submitted,


Jeremy M. Berman
Attorney for Titan Rail, Inc.

Enclosures

