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The Burlington Northern and Santa Fe Railway Company

Leased Lines and Wholly-Owned Subsidiaries

2500 Lou Menk Drive
Fort Worth, Texas 76131

ACAA - R1



Class I Railroad Annual Report

To The Surface Transportation Board
For the Year Ending December 31, 2003

BNSF



Notice

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. Once copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the following meanings:
 - (a) Board means *Surface Transportation Board*.
 - (b) Respondent means *the person or corporation in whose behalf the report is made*.
 - (c) Year means *the year ended December 31 for which the report is being made*.
 - (d) Close of the Year means *the close of business on December 31 for the year in which the report is being made*. If the report is made for a shorter period than one year, it means *the close of the period covered by the report*.
 - (e) beginning of the Year means *the beginning on January 1 of the year for which the report is being made*. If the report is made for a shorter period than one year, it means *the beginning of that period*.
 - (f) Preceding Year means *the year ended December 31 of the year preceding the year for which the report is made*.
 - (g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended*.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.

For Index, See Back of Form

ANNUAL REPORT

OF

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

TO THE

SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2003

Name, official title, telephone number, and office address of officer in charge of correspondence with the Board regarding this report.

(Name) Dennis R. Johnson (Title) Vice President and Controller

(Telephone number) (817) 352-4805
(Area code) (Telephone number)

(Office address) 2500 Lou Menk Dr - 2nd Floor, Fort Worth, Texas 76131
(Street and number, City, State, and ZIP code)

A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
2. Show below the pages excluded and indicate the schedule number and title in the space provided below.
3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
		NONE

B IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under Inquiry 4 on this page have taken place during the year covered by this report, they should be explained in full detail.

1 Give the exact name of the respondent in full. Use the words, "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2 If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization, if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3 State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1 Exact Name of common carrier making this report.

The Burlington Northern and Santa Fe Railway Company

2 Date of incorporation

January 13, 1961

3 Under laws of what Government, State or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership and of appointment of receivers or trustees.

Organized under the provisions of the General Corporation Law of the State of Delaware

4 If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars.

STOCKHOLDERS' REPORTS

5 The respondent is required to send the Office of Economic and Environmental Analysis, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box

() Two copies are attached to this report

() Two copies will be submitted on _____ (date)

(X) No annual report to stockholders is prepared.

Two copies of the Burlington Northern Santa Fe Corporation Annual Report to Shareholders are attached.

Two copies of The Burlington Northern and Santa Fe Railway Company SEC Form 10-K are attached.

C VOTING POWERS AND ELECTIONS

- 1 State the par value of each share of stock Common \$1.00 per share, first preferred, \$ N/A per share, second preferred, \$ N/A per share, debenture stock, \$ N/A per share
- 2 State whether or not each share of stock has the right to one vote, if not, give full particulars in a footnote ☒ Yes ☐ No
- 3 Are voting rights proportional to holdings? ☒ Yes ☐ No If not, state in a footnote the relation between holdings and corresponding voting rights
- 4 Are voting rights attached to any securities other than stock? ☐ Yes ☒ No If yes, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, indicating whether voting rights are actual or contingent and, if contingent, showing the contingency
- 5 Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? ☐ Yes ☒ No If yes, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges
- 6 Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing
Stock books not closed and not required to be closed.
- 7 State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing, if not, state as of the close of the year 1,000 votes, as of December 31, 2003.
- 8 State the total number of stockholders of record, as of the date shown in answer to Inquiry 7 One (1) stockholder
- 9 Give the names of 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his or her address, the number of votes he or she would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any) If any such holder held in trust, give (in a footnote) the particulars of the trust In the case of voting trust agreements, give as supplemental information and the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year

Line No	Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder Was Entitled (c)	Number of Votes, Classified With Respect to Securities on Which Based			Line No
				Common (d)	Stock		
					Preferred		
					Second (e)	First (f)	
1	Burlington Northern Santa Fe Corporation	2500 Lou Menk Drive	1,000	1,000			1
2		Fort Worth, TX 76131					2
3							3
4							4
5							5
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24							24
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27							27
28							28
29							29
30							30

C VOTING POWERS AND ELECTIONS - Continued

10 State the total number of votes cast at the latest general meeting for the election of directors of the respondent "Not Applicable"

Refer to note shown under inquiry 9

11 Give the date of such meeting. "Not Applicable" - Refer to note shown under inquiry 9

12 Give the place of such meeting "Not Applicable" - Refer to note shown under inquiry 9

NOTES AND REMARKS

Consolidated Subsidiaries

BNSF Railway Company
 Dodge City & Cimarron Valley Railroad
 Rio Grande, El Paso and Santa Fe Railroad
 Santa Fe Terminal Services, Inc
 Los Angeles Junction Railroad
 Oklahoma City Junction Railway Company
 Star Lake Railroad Company
 Santa Fe Receivables Corp
 Limited Partnership Manage, Inc
 The Zia Company
 Sunset Communications Company
 Santa Fe Pacific Pipeline Holdings, Inc
 BNSF Manitoba, Inc
 BNSF de Mexico SA de CV
 Pine Canyon Land Company
 Santa Fe Pacific Insurance Company
 Santa Fe Pacific Railroad Company
 BNSF British Columbia, Ltd
 BNSF Properties
 BN Manitoba, Ltd
 Western Fruit Express Company
 BN Dock Corporation
 BNRR Holdings
 Winona Bridge Railway Company
 Burlington Northern International Services, Inc
 Burlington Northern Leasing Corp, Inc
 INB Corporation
 Midwest Northwest Property Inc
 BNSF BC, Inc
 BNSF Equipment Acquisition Co LLC
 Bayrail, LLC

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(Dollars in Thousands)

Line No	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at begin- ing of year (c)	Line No
Current Assets						
1		701	Cash	17,952	27,999	1
2		702	Temporary cash investments			2
3		703	Special deposits			3
			Accounts receivable			
4		704	- Loan and notes			4
5		705	- Interline and other balances	30,697	35,327	5
6		706	- Customers	145,858	178,869	6
7		707	- Other	21,170	10,606	7
8		709, 708	- Accrued accounts receivables	14,868	75,041	8
9		708 5	- Receivables from affiliated companies		-	9
10		709 5	- Less Allowance for uncollectible accounts	(84,763)	(81,823)	10
11		710, 711, 714	Working funds prepayments deferred income tax debits	293,316	312,072	11
12		712	Materials and supplies	265,612	225,860	12
13		713	Other current assets	132,301	62,564	13
14			TOTAL CURRENT ASSETS	837,011	846,515	14
Other Assets						
15		715, 716, 717	Special funds	2,409	2,525	15
16		721, 721 5	Investments and advances affiliated companies (Schs 310 and 310A)	1,718,230	1,438,920	16
17		722, 723	Other investments and advances	4,091	19,989	17
18		724	Allowances for net unrealized loss on noncurrent marketable equity securities - Cr			18
19		737, 738	Property used in other than carrier operation (Less depreciation) \$ 2,641	65,637	66,272	19
20		739, 741	Other assets	50,886	23,263	20
21		743	Other deferred debits	599,458	553,401	21
22		744	Accumulated deferred income tax debits			22
23			TOTAL OTHER ASSETS	2,440,711	2,104,370	23
Road and Equipment						
24		731, 732	Road (Sch 330) L-30 Col h & b	24,897,083	23,689,169	24
25		731, 732	Equipment (Sch 330) L-39 Col h & b	5,524,002	5,237,293	25
26		731, 732	Unallocated items	462,450	393,537	26
27		733, 735	Accumulated depreciation and amortization (Schs 335, 342, 351)	(6,039,151)	(5,417,842)	27
28			Net Road and Equipment	24,844,384	23,902,157	28
29	*		TOTAL ASSETS	28,122,106	26,853,042	29

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at begin- ing of year (c)	Line No
Current Liabilities						
30		751	Loans and notes payable			30
31		752	Accounts payable interline and other balances	55,003	117,231	31
32		753	Audited accounts and wages	144,597	160,107	32
33		754	Other accounts payable	138,973	100,401	33
34		755, 756	Interest and dividends payable	38,436	41,844	34
35		757	Payables to affiliated companies	4,311	7,289	35
36		759	Accrued accounts payable	1,261,252	1,205,980	36
37		760, 761, 761 5				37
		762	Taxes accrued	275,094	258,505	
38		763	Other current liabilities	111,363	64,771	38
39		764	Equipment obligations and other long-term debt due within one year	244,641	173,377	39
40			TOTAL CURRENT LIABILITIES	2,273,670	2,129,505	40
Non-Current Liabilities						
41		765, 767	Funded debt unmatured	747,265	851,695	41
42		766	Equipment obligations	486,897	557,170	42
43		766 5	Capitalized lease obligations	534,253	711,800	43
44		768	Debt in default			44
45		769	Accounts payable affiliated companies			45
46		770 1, 770 2	Unamortized debt premium	(33,893)	(37,556)	46
47		781	Interest in default			47
48		783	Deferred revenues - transfers from govt authorities	270,907	226,276	48
49		786	Accumulated deferred income tax credits	7,435,012	6,965,753	49
50		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	1,786,361	1,861,279	50
51			TOTAL NON-CURRENT LIABILITIES	11,226,802	11,136,417	51
Shareholders' Equity						
52		791, 792	Total capital stock	1	1	52
53			Common stock	1	1	53
54			Preferred stock			54
55			Discount on capital stock			55
56		794, 795	Additional capital	6,151,534	6,077,848	56
57		797	Retained earnings Appropriated			57
58		798	Unappropriated	8,470,099	7,509,271	58
59		798 1	Net unrealized loss on noncurrent marketable equity securities			59
60		798 5	Less treasury stock			60
61			Net stockholders equity	14,621,634	13,587,120	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	28,122,106	26,853,042	62

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES
(Dollars in Thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads, (2) particulars concerning obligations for stock purchase options granted to officers and employees, and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1 Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking funds, pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts \$ None

2 Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ None

3 (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year

See Note 2 on page 9 - 12

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund

See Note 2 on page 9 - 12

(c) Is any part of the pension plan funded? Specify Yes ☒ No

If funding is by insurance, give name of insuring company None

If funding is by trust agreement, list trustee(s) Northern Trust Company

Date of trust agreement or latest amendment June 21, 1996

If respondent is affiliated in any way with the trustee(s), explain affiliation Not Affiliated

See Note 1 on page 9

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

See Note 2 on page 9 - 12

(e) Is any part of the pension plan fund invested in stock or other securities of the respondent or its affiliates? Specify Yes ☒ No

If yes, give number of the shares for each class of stock or other security

Are voting rights attached to any securities held by the pension plan? Specify Yes ☒ No

If yes, who determines how stock is voted?

4 State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U S C 610)
 Yes ☒ No

5 (a) The amount of employer's contribution to employee stock ownership plans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6 In reference to Docket 37465, specify the total amount of business entertainment expenditures charged to the non-operating expense account \$ None

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

7 Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with instruction 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent

Disclose the nature and amount of contingency that is material

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes, and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

See Note 3 on page 13 - 15E

(a) Changes in valuation accounts

8 Marketable equity securities

None

		Cost	Market	Dr (Cr) to Income	Dr (Cr) to Stockholder's Equity
(Current Yr.)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A
(Previous Yr.)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A

(b) At 12/31/03, gross unrealized gains and losses pertaining to marketable equity securities were as follows

	Gains	Losses
Current	\$0	\$0
Noncurrent	\$0	\$0

(c) A net unrealized gain (loss) of \$ 0 on the sale of marketable equity securities was included in net income for 2003

The cost of securities was based on the N/A (method) cost of all the shares of each security held at time of sale

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below. None

NOTE 12 / 31 / 03 Balance sheet date of reported year unless specified as previous year

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 1

Changes to Company Organization and Reporting Presentation

The Burlington Northern and Santa Fe Railway Company and its majority-owned subsidiaries, (collectively, BNSF Railway or Company) is a wholly-owned subsidiary of Burlington Northern Santa Fe Corporation (BNSF). BNSF Railway operates one of the largest railroad networks in North America with approximately 32,500 route miles covering 28 states and two Canadian provinces. Through one operating transportation services segment, BNSF Railway transports a wide range of products and commodities including the transportation of Consumer Products, Industrial Products, Coal and Agricultural Products, derived from manufacturing, agricultural and natural resource industries, which constituted 39 percent, 23 percent, 22 percent and 16 percent, respectively, of total freight revenues for the year ended December 31, 2003.

BNSF Railway was formerly known as the Burlington Northern Railroad Company (BNRR). On December 31, 1996, The Atchison, Topeka and Santa Fe Railway Company (ATSF) merged with and into BNRR and the name of the surviving entity, BNRR, was changed to The Burlington Northern and Santa Fe Railway Company. Additionally, on January 2, 1998, BNSF Railway's parent, Santa Fe Pacific Corporation (SFP), merged with and into BNSF Railway.

Note 2

Retirement and Contribution Plans

BNSF sponsors a funded, noncontributory qualified BNSF Retirement Plan, which covers substantially all non-union employees and an unfunded, nonqualified BNSF Supplemental Retirement Plan, which covers certain officers and other employees. The benefits under these plans are based on years of credited service and the highest five-year average compensation levels. BNSF Railway's funding policy is to contribute annually not less than the regulatory minimum and not more than the maximum amount deductible for income tax purposes with respect to the funded plan.

Certain salaried employees of BNSF Railway that have met certain age and years of service requirements are eligible for medical benefits and life insurance coverage during retirement. The retiree medical plan is contributory and provides benefits to retirees, their covered dependents and beneficiaries. Retiree contributions are adjusted annually. The plan also contains fixed deductibles, coinsurance and out-of-pocket limitations. The basic life insurance plan is noncontributory and covers retirees only. Optional life insurance coverage is available for some retirees; however, the retiree is responsible for the full cost. BNSF Railway's policy is to fund benefits payable under the medical and life insurance plans as they come due. Employees beginning salaried employment with BNSF Railway subsequent to September 22, 1995, are not eligible for medical benefits during retirement.

BNSF Railway's accumulated post retirement benefit obligation (APBO) and net cost recognized for other post employment benefits (OPEB) do not reflect the effects of the recent Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Act). The provisions of the Act provide for a federal subsidy for plans that provide prescription drug benefits and meet certain qualifications. Specific authoritative guidance on the accounting for the federal subsidy is pending and when that guidance is issued, it could require BNSF to change information related to its actuarially determined APBO and net cost for OPEB.

Components of the net (benefit) cost for these plans were as follows (in millions):

Year Ended December 31,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Service cost	\$ 17	\$ 15	\$ 4	\$ 6
Interest cost	100	100	22	21
Expected return on plan assets	(123)	(127)	-	-
Curtailments/settlements	-	-	-	-
Special termination benefits	-	2	-	-
Actuarial loss	3	1	8	3
Net amortization and deferred amounts	-	2	(2)	-
Net (benefit) cost	\$ (3)	\$ (7)	\$ 32	\$ 30

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

The following table shows the change in benefit obligation based on a September 30 measurement date (in millions):

Change in Benefit Obligation	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Benefit obligation at beginning of period	\$ 1,611	\$ 1,507	\$ 363	314
Service cost	17	15	4	6
Interest cost	100	100	22	21
Plan participants' contributions	-	-	6	5
Amendments	-	2	(9)	(12)
Actuarial loss	75	117	7	54
Curtailments/settlements	-	(13)	-	-
Special termination benefits	-	2	-	-
Benefits paid	(125)	(119)	(27)	(25)
Benefit obligation at end of period	\$ 1,678	\$ 1,611	\$ 366	\$ 363

The accumulated benefit obligation for all defined pension plans was \$1,559 million and \$1,503 million at September 30, 2003 and 2002, respectively. Both the BNSF Retirement Plan and the BNSF Supplemental Retirement Plan had an accumulated benefit obligation in excess of plan assets at September 30, 2003 and 2002.

The following table shows the change in plan assets of the plans based on a September 30 measurement date (in millions):

Change in Plan Assets	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Fair value of plan assets at beginning of period	\$ 1,151	\$ 1,345	\$ -	\$ -
Actual return on plan assets	193	(67)	-	-
Settlements	-	(13)	-	-
Employer contribution	5	5	21	20
Plan participants' contributions	-	-	6	5
Benefits paid	(125)	(119)	(27)	(25)
Fair value of plan assets at end of period	\$ 1,224	\$ 1,151	\$ -	\$ -

The following table shows the reconciliation of the funded status of the plans with amounts recorded in the Consolidated Balance Sheets (in millions):

December 31,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Fair Value of plan assets as of September 30	\$ 1,224	\$ 1,151	\$ -	\$ -
Benefit obligation as of September 30	1,678	1,611	366	363
Funded status (plan assets less benefit obligations)	\$ (454)	\$ (460)	\$ (366)	\$ (363)
Amounts not recognized:				
Unrecognized net loss	480	479	111	111
Unrecognized prior service cost	(2)	(3)	(20)	(12)
Net amount recognized as of December 31	\$ 24	\$ 16	\$ (275)	\$ (264)

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

The following table shows the amounts recognized in the Consolidated Balance Sheets (in millions):

December 31,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Prepaid benefit cost	\$ -	\$ -	\$ -	\$ -
Accrued benefit cost	(335)	(352)	(275)	(264)
Intangible Assets	-	-	-	-
Accumulated other comprehensive income	359	368	-	-
Net amount recognized	\$ 24	\$ 16	\$ (275)	\$ (264)

December 31,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
(Decrease) increase in minimum liability in other comprehensive income	\$ (9)	\$ 356	\$ -	\$ -

The expected long-term rate of return is the return to be earned, net of plan expenses, over the period that benefits are paid. It reflects the rate of return on present investments and on expected contributions. In determining the expected long-term rate of return, BNSF Railway considered: 1) forward looking capital market forecasts, 2) historical returns for individual asset classes and 3) the impact of active portfolio management.

The assumptions used in accounting for the BNSF plans were as follows:

Assumptions used to determine net (benefit) cost for fiscal year ended December 31,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Discount rate	6.5%	7.0%	6.5%	7.0%
Expected long-term rate of return on plan assets	8.5%	8.5%	-	-
Rate of compensation increase	3.9%	4.0%	3.9%	4.0%

Assumptions used to determine benefit obligations at September 30,	Pension Benefits		Health and Welfare Benefits	
	2003	2002	2003	2002
Discount rate	6.0%	6.5%	6.0%	6.5%
Rate of compensation increase	3.9%	3.9%	3.9%	3.9%

The following table shows the expected health care rate increase and the future rate and time at which it is expected to remain constant.

December 31,	2003	2002
Assumed health care cost trend rate	11%	11%
Rate to which health care cost trend rate is expected to decline and remain	5%	5%
Year that the rate reaches the ultimate trend rate	2010	2009

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects

	One Percentage -Point Increase	One Percentage -Point Decrease
Effect on total service and interest cost	\$ 3	\$ (2)
Effect on post retirement benefit obligation	\$ 36	\$ (30)

The qualified BNSF Retirement Plan asset allocation at September 30, 2003, and 2002 and the target allocation for 2004 by asset category are as follows:

Plan Asset Allocation	Target	Percentage of Pension Plan	
	Allocation	Assets at September 30,	
	2004	2003	2002
Equity Securities	45-75%	57%	51%
Debt Securities	25-45	33	39
Real Estate	0-10	10	10
Other	0-5	-	-
Total	100%	100%	100%

The general investment objective of the BNSF Retirement Plan is to grow the Plan assets in relation to the Plan liabilities while prudently managing the risk of a decrease in the Plan's assets relative to those liabilities. To meet this objective the Employee Benefits Committee has adopted the above asset allocation ranges. The target for each asset class is the mid-point of the range. Ranges allow flexibility to accommodate market changes in the asset class when those changes occur on a temporary basis because of the cost in transitioning assets.

The Company expects to contribute approximately \$20 million to its defined benefit pension plans and approximately \$20 million to its OPEB plans in 2004.

Defined Contribution Plans

BNSF sponsors 401(k) plans which cover substantially all employees. BNSF Railway matches 50 percent of the first six percent of non-union employees' contributions and matches 25 percent on the first four percent of a limited number of union employees' contributions, which are subject to certain percentage limits of the employees' earnings, at each pay period. Depending on BNSF's performance, non-union employees can receive an additional matching contribution of up to 30 percent of the first six percent at the end of the year. Employer contributions for all non-union employees are subject to a five-year length of service vesting schedule. BNSF Railway's 401(k) matching expense was \$16 million, \$15 million and \$14 million in 2003, 2002 and 2001, respectively.

Other

Under collective bargaining agreements, BNSF Railway participates in multi-employer benefit plans which provide certain post-retirement health care and life insurance benefits for eligible union employees. Insurance premiums paid attributable to retirees, which are generally expensed as incurred, were \$31 million, \$20 million and \$18 million, in 2003, 2002 and 2001, respectively.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Note 3

Contingent assets and liabilities

Guarantees

Debt guaranteed by the Company is as of December 31, 2003 is as follows:

	Guarantees					Remaining Term (in years)
	BNSF Railway Ownership Percentage	Principal Amount Guaranteed	Maximum Future Payments	Maximum Recourse Amount (a)		
Counterparty						
Kinder Morgan Energy Partners LP	0.5%	\$ 190	\$ 190	\$ -		Termination of Ownership
Kansas City Terminal Intermodal Transportation Corporation	0.0%	\$ 68	\$ 111	\$ 111		15
The Unified Government of Wyandotte County/Kansas City, Kansas	0.0%	\$ 14	\$ 23	\$ -		19
Westside Intermodal Transportation Corporation	0.0%	\$ 45	\$ 76	\$ -		19
San Jacinto Partnership	49.0%	\$ 50	\$ 51	\$ -		Less than 1
All other	0.0%	\$ 11	\$ 15	\$ 6		Various

(a) – Reflects the maximum amount the Company could recover from a third party other than the counterparty.

Kinder Morgan Energy Partners LP

Santa Fe Pacific Pipelines, Inc (SFPP), an indirect, wholly-owned subsidiary of BNSF Railway, has a guarantee in connection with its remaining special limited partnership interest in SFPP, L.P. All obligations with respect to the guarantee will cease upon termination of ownership rights which would occur upon a put notice issued by BNSF Railway or the exercise of the call rights by the general partners of SFPP, L.P.

Kansas City Terminal Intermodal Transportation Corporation

BNSF Railway and another major railroad jointly and severally guarantee \$68 million of debt of Kansas City Terminal Intermodal Transportation Corporation, the proceeds of which were used to finance construction of a double track grade separation bridge in Kansas City, Missouri, which is operated and used by Kansas City Terminal Railway Company (KCTRC). BNSF Railway has a 25 percent ownership in KCTRC and accounts for its interest using the equity method of accounting.

The Unified Government of Wyandotte County/Kansas City, Kansas and Westside Intermodal Transportation Corporation

Proceeds of guaranteed debt are being used to finance construction of a bridge that will connect BNSF Railway's Argentine Yard in Kansas City, Kansas, with the KCTRC mainline tracks in Kansas City, Missouri. The bridge will be operated by KCTRC.

San Jacinto Partnership

BNSF Railway and BNSF have agreed to guarantee approximately \$85 million of debt. BNSF has guaranteed \$50 million of debt outstanding as of December 31, 2003. The proceeds from the debt are to be used to construct and operate a 13-mile railroad which will service several chemical and plastics manufacturing facilities in the Houston, Texas area. In addition, the San Jacinto Partnership used \$22 million of the proceeds to repay all of the interim construction advances previously made by BNSF Railway.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS****All other**

BNSF Railway guarantees \$11 million of other debt and leases. BNSF Railway holds a performance bond and has the option to sub-lease property to recover up to \$6 million of the \$11 million of guarantees. These guarantees expire between 2005 and 2014.

Other than the performance bond discussed above, there is no collateral held by a third party which BNSF Railway could obtain and liquidate to recover any amounts paid under the above guarantees.

Other than amounts recorded for capitalized obligations, none of the guarantees above are recorded in the Consolidated Financial Statements of the Company. BNSF Railway does not expect performance under these guarantees to have a material effect on the Company in the foreseeable future.

Indemnities

In the ordinary course of business, BNSF Railway enters into agreements with third parties that include indemnification clauses. In general, these clauses are customary for the types of agreements in which they are included. At times, these clauses may involve indemnification for the acts of the Company, its employees and/or agents, indemnification for another party's acts, indemnification for future events, indemnification based upon a certain standard of performance, indemnification for liabilities arising out of the Company's use of leased equipment or other property, or other types of indemnification. Due to the uncertainty of whether the events which would trigger the indemnification obligations will ever occur and, if they did, the extent of the liability which would thereby result, the exposure for future indemnification payments cannot be estimated with any amount of certainty. However, the Company does not believe, based on information available, that these indemnity agreements will have a material adverse effect on the Company's results of operation, financial position or liquidity.

Hedging activities

The Company uses derivatives to hedge against increases in diesel fuel prices and interest rates as well as to convert a portion of its fixed-rate long-term debt to floating-rate debt. The Company formally documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and strategy for the use of the hedging instrument. This documentation includes linking the derivatives that are designated as fair value or cash flow hedges to specific assets or liabilities on the balance sheet, commitments or forecasted transactions. The Company assesses at the time a derivative contract is entered into, and at least quarterly, whether the derivative item is effective in offsetting the changes in fair value or cash flows. Any change in fair value resulting from ineffectiveness as defined by SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended, is recognized in current period earnings. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is recorded in Accumulated Other Comprehensive Income (AOCI) as a separate component of stockholder's equity and reclassified into earnings in the period during which the hedge transaction affects earnings.

BNSF Railway monitors its hedging positions and credit ratings of its counterparties and does not anticipate losses due to counterparty nonperformance.

Fuel

Fuel costs represented 14, 11 and 13 percent of total operating expenses during 2003, 2002 and 2001, respectively. Due to the significance of diesel fuel expenses to the operations of BNSF Railway and the historical volatility of fuel prices, the Company maintains a program to hedge against fluctuations in the price of its diesel fuel purchases. The fuel-hedging program includes the use of derivatives that are accounted for as cash flow hedges. The intent of the program is to protect the Company's operating margins and overall profitability from adverse fuel price changes by entering into fuel-hedge instruments based on management's evaluation of current and expected diesel fuel price trends. However, to the extent the Company hedges portions of its fuel purchases, it may not realize the impact of decreases in fuel prices. Conversely, to the extent the Company does not hedge portions of its fuel purchases, it may be adversely affected by increases in fuel prices. Based on fuel consumption during 2003 and excluding

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

the impact of the hedging program, each one-cent increase in the price of fuel would result in approximately \$12 million of additional fuel expense on an annual basis.

Total Fuel Hedging Program

As of December 31, 2003, BNSF Railway's total fuel hedging program covered approximately 67 percent, 46 percent and 14 percent of estimated fuel purchases for 2004, 2005 and 2006, respectively. Hedge positions are closely monitored to ensure that they will not exceed actual fuel requirements in any period.

The amounts recorded in the Consolidated Statements of Income for fuel hedge transactions were as follows (in millions):

Year Ended December 31,	2003	2002
Hedge benefit	\$ 65	\$ 50
Ineffective portion of unexpired hedges	3	-
Tax effect	26	19
Hedge benefit, net of tax	\$ 42	\$ 31

The amounts recorded in the Consolidated Balance Sheets for fuel hedge transactions were as follows (in millions):

December 31,	2003	2002
Fuel hedging asset (liability)	\$ 145	\$ 31
Ineffective portion of unexpired hedges	3	-
Tax effect	55	12
Amount included in AOCI, net of tax	\$ 87	\$ 19
Settled fuel hedging contracts receivable (payable)	\$ 21	\$ 29

Amounts recorded in AOCI represent the fair value less the ineffective portion of unexpired hedges.

BNSF Railway measures the fair value of hedges from data provided by various external counterparties. To value a swap, the Company uses the forward commodity price for the period hedged. The fair values of costless collars are calculated and provided by the corresponding counterparties.

NYMEX #2 Heating Oil Hedges

As of December 31, 2003, BNSF Railway had entered into fuel swap and costless collar agreements utilizing NYMEX #2 heating oil (HO). The hedge prices do not include taxes, transportation costs, certain other fuel handling costs and any differences which may occur between the prices of HO and the purchase price of BNSF Railway's diesel fuel. The sum of all such costs typically ranges between 7 and 17 cents per gallon.

During 2003, the Company entered into fuel swap agreements utilizing HO to hedge the equivalent of 233 million gallons of fuel at an average price of approximately \$0.74 per gallon, and costless collar agreements utilizing HO to hedge the equivalent of approximately 284 million gallons of fuel with an average cap price of \$0.87 per gallon and an average floor price of \$0.76 per gallon. In addition, the Company converted approximately 44 million gallons of West Texas Intermediate crude oil (WTI) collars into HO collars. These HO collars had an average cap price of \$0.74 per gallon and an average floor price of \$0.67 per gallon. The Company also converted approximately 413 million gallons of WTI collars and 50 million gallons of HO collars into HO swaps. These HO swaps had an average price of \$0.70 per gallon. The Company also terminated 25 million gallons of HO collars for a gain of less than \$1 million. As of December 31, 2003, there are no HO collars outstanding. The following table provides fuel hedge data based upon the quarter being hedged for all HO fuel hedges outstanding at December 31, 2003.

2004	Quarter Ending				Annual
	March 31,	June 30,	September 30,	December 31,	
HO Swaps					
Gallons hedged (in millions)	226.80	179.55	151.20	138.60	696.15
Average swap price (per gallon)	\$0.75	\$0.69	\$0.69	\$0.70	\$0.71
Fair value (in millions)	\$33	\$19	\$14	\$13	\$79

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

West Texas Intermediate Crude Oil Hedges

In addition, BNSF Railway had entered into fuel swap and costless collar agreements utilizing WTI. The hedge prices do not include taxes, transportation costs, certain other fuel handling costs, and any differences which may occur between the prices of WTI and the purchase price of BNSF Railway's diesel fuel, including refining costs. The sum of all such costs typically ranges between 12 and 30 cents per gallon.

During 2003, the Company entered into fuel swap agreements utilizing WTI to hedge the equivalent of approximately 265 million gallons of fuel at an average price of approximately \$24.63 per barrel. Also, during 2003, the Company entered into costless collar agreements utilizing WTI to hedge the equivalent of approximately 684 million gallons of fuel with an average cap price of \$27.10 per barrel and an average floor price of \$22.49 per barrel. The following tables provide fuel hedge data based upon the quarter being hedged for all WTI fuel hedges outstanding at December 31, 2003.

2004	Quarter Ended				Annual
	March 31,	June 30,	September 30,	December 31,	
WTI Swaps					
Barrels hedged (in thousands)	525	525	525	675	2,250
Equivalent gallons hedged (in millions)	22.05	22.05	22.05	28.35	94.50
Average swap price (per barrel)	\$20.68	\$20.64	\$20.61	\$21.34	\$20.85
Fair value (in millions)	\$6	\$5	\$5	\$5	\$21
WTI Collars					
Barrels hedged (in thousands)	-	300	300	375	975
Equivalent gallons hedged (in millions)	-	12.60	12.60	15.75	40.95
Average cap price (per barrel)	\$-	\$29.40	\$28.60	\$27.76	\$28.52
Average floor price (per barrel)	\$-	\$25.00	\$24.20	\$23.30	\$24.10
Fair value (in millions)	\$-	\$1	\$-	\$1	\$2
2005	Quarter Ended				Annual
	March 31,	June 30,	September 30,	December 31,	
WTI Swaps					
Barrels hedged (in thousands)	600	675	1,125	1,350	3,750
Equivalent gallons hedged (in millions)	25.20	28.35	47.25	56.70	157.50
Average swap price (per barrel)	\$24.26	\$24.67	\$24.55	\$24.54	\$24.52
Fair value (in millions)	\$2	\$2	\$3	\$3	\$10
WTI Collars					
Barrels hedged (in thousands)	3,600	3,000	2,025	1,275	9,900
Equivalent gallons hedged (in millions)	151.20	126.00	85.05	53.55	415.80
Average cap price (per barrel)	\$26.45	\$25.98	\$25.79	\$25.61	\$26.06
Average floor price (per barrel)	\$21.82	\$21.39	\$21.19	\$21.05	\$21.46
Fair value (in millions)	\$10	\$8	\$5	\$4	\$27
2006	Quarter Ended				Annual
	March 31,	June 30,	September 30,	December 31,	
WTI Swaps					
Barrels hedged (in thousands)	1,350	675	375	-	2,400
Equivalent gallons hedged (in millions)	56.70	28.35	15.75	-	100.80
Average cap price (per barrel)	\$24.43	\$25.16	\$25.69	\$-	\$24.83
Fair value (in millions)	\$ 3	\$ 1	\$-	\$-	\$ 4
WTI Collars					
Barrels hedged (in thousands)	825	750	300	-	1,875
Equivalent gallons hedged (in millions)	34.65	31.50	12.60	-	78.75
Average cap price (per barrel)	\$27.45	\$27.66	\$28.44	\$-	\$27.69
Average floor price (per barrel)	\$22.85	\$23.05	\$23.70	\$-	\$23.06
Fair value (in millions)	\$1	\$ 1	\$ -	\$-	\$ 2

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

NYMEX #2 Heating Oil Refining Spread Hedge

In addition, during 2003 the Company entered into fuel swap agreements utilizing the HO refining spread (HO-WTI) to hedge the equivalent of approximately 95 million gallons of fuel with an average swap price of \$4.16 per barrel. HO-WTI is the difference in price between HO and WTI; therefore a HO-WTI swap in combination with a WTI swap is equivalent to a HO swap. The following tables provide fuel hedge data based upon the quarter being hedged for all HO-WTI fuel hedges outstanding at December 31, 2003.

2004	Quarter Ending				Annual
	March 31,	June 30,	September 30,	December 31,	
HO-WTI Swaps					
Barrels hedged (in thousands)	525	525	525	675	2,250
Equivalent gallons hedged (in millions)	22.05	22.05	22.05	28.35	94.50
Average swap price (per barrel)	\$4.55	\$3.17	\$3.81	\$4.90	\$4.16
Fair value (in millions)	\$-	\$-	\$-	\$-	\$-

Summarized Comparative Prior Year Information

The following table provides summarized comparative information for hedge transactions as of December 31, 2002.

	December 31, 2002		
	2003	2004	2005
WTI Swaps			
Barrels hedged (in thousands)	2,400	2,100	-
Equivalent gallons hedged (in millions)	100.80	88.20	-
Weighted average swap price	\$20.55	\$20.63	\$-
Fair value (in millions)	\$11	\$6	\$-
WTI Collars			
Barrels hedged (in thousands)	11,100	3,600	3,000
Equivalent gallons hedged (in millions)	466.20	151.20	126.00
Weighted average cap price	\$27.70	\$24.96	\$24.88
Weighted average floor price	\$23.35	\$20.48	\$20.38
Fair value (in millions)	\$13	\$1	\$-

Interest Rate

From time to time, BNSF Railway enters into various interest rate hedging transactions for purposes of managing exposure to fluctuations in interest rates and establishing rates in anticipation of future debt issuances as well as to convert a portion of its fixed-rate long-term debt to floating-rate debt. The Company uses an interest rate swap as part of its interest rate risk management strategy.

Total Interest Rate Hedging Program

The swap transaction outstanding with an interest rate component is reflected in the table below.

	December 31, 2003							
	Maturity Date							
	2004	2005	2006	2007	2008	There- after	Total	Fair Value
Fair value hedge								
Fixed to variable swap								
(in millions)	\$ 100	--	--	--	--	--	\$ 100	\$ 3
Average fixed rate	8.63 %	--	--	--	--	--	8.63 %	--
Average floating rate	5.44 %	--	--	--	--	--	5.44 %	--

BNSF Railway's measurement of the fair value of the interest rate swap is based on estimates of the mid-market values for the transaction provided by the counterparties to this agreement.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Continued

NOTES TO FINANCIAL STATEMENTS

Summarized Comparative Prior Year Information

	December 31, 2002							
	Maturity Date							
	2003	2004	2005	2006	2007	There- after	Total	Fair Value
Fair value hedge								
Fixed to variable swap								
(in millions)	--	\$ 100	--	--	--	--	\$ 100	\$ 5
Average fixed rate	--	8.63 %	--	--	--	--	8.63 %	--
Average floating rate	--	5.98 %	--	--	--	--	5.98 %	--

As of December 31, 2002, BNSF Railway had entered into one swap on a notional amount of \$100 million in which it pays a floating rate, which fluctuates quarterly, based on LIBOR. The floating rate to be paid by BNSF Railway as of December 31, 2003, was 5.44 percent and the fixed rate BNSF Railway is to receive is 8.63 percent. This swap will expire in 2004.

The amounts recorded in the Consolidated Statements of Income for the interest rate fair value hedge transaction was as follows (in millions):

Year Ended December 31,	2003	2002
Hedge benefit	\$ 3	\$ 2
Tax effect	1	1
Hedge benefit, net of tax	\$ 2	\$ 1

The amounts recorded in other assets on the Consolidated Balance Sheets for the interest rate fair value hedge transaction, which represents the fair value of the unexpired hedge, was as follows (in millions):

December 31,	2003	2002
Short-term interest rate hedging asset	\$ 3	\$ 1
Long-term interest rate hedging asset	\$ -	\$ 4

Lease Commitments

BNSF Railway has substantial lease commitments for locomotives, freight cars, trailers and containers, office buildings and other property, and many of these leases provide the option to purchase the leased item at fair market value at the end of the lease. However, some provide fixed price purchase options. Future minimum lease payments (which reflect leases having non-cancelable lease terms in excess of one year) as of December 31, 2003, are summarized as follows (in millions):

DECEMBER 31,	CAPITAL	OPERATING
	LEASES	LEASES
2004	\$ 110	\$ 437
2005	109	442
2006	108	409
2007	96	366
2008	90	366
Thereafter	234	3,326
Total	747	\$ 5,346
Less amount representing interest	135	
Present value of minimum lease payments	\$ 612	

Lease rental expense for all operating leases was \$462 million, \$448 million and \$443 million for the years ended December 31, 2003, 2002 and 2001, respectively. Contingent rentals and sublease rentals were not significant.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS****Other Commitments**

In the normal course of business, the Company enters into long-term contractual requirements for future goods and services needed for the operations of the business. Such commitments are not in excess of expected requirements and are not reasonably likely to result in performance penalties or payments that would have a material adverse effect on the Company's liquidity.

Casualty and Environmental

Personal injury claims, including work-related injuries to employees, are a significant expense for the railroad industry. Employees of BNSF Railway are compensated for work-related injuries according to the provisions of the Federal Employers' Liability Act (FELA). FELA's system of requiring the finding of fault, coupled with unscheduled awards and reliance on the jury system, contributed to significant increases in expense in past years. BNSF Railway has implemented a number of safety programs to reduce the number of personal injuries as well as the associated claims and personal injury expense.

The Company formed a consolidated wholly-owned subsidiary, Burlington Northern Santa Fe Insurance Company, Ltd. (BNSF IC), in the second quarter of 2002. BNSF IC provides insurance coverage for certain punitive damage risks incurred after April 1, 1998, FELA claims, railroad protective and force account insurance claims incurred after January 1, 2002, and certain other claims which are subject to reinsurance. During the years ended December 31, 2003 and 2002, BNSF Railway had paid and expensed premiums of \$140 million and \$133 million, respectively to BNSF IC for such coverage. At December 31, 2003 and 2002 there was no unamortized premium remaining on the Consolidated Balance Sheets.

The Company recognized personal injury expenses of approximately \$69 million, \$94 million and \$195 million in 2003, 2002 and 2001, respectively, for claims not insured by BNSF IC. BNSF Railway made payments for personal injuries of approximately \$165 million, \$179 million and \$173 million in 2003, 2002 and 2001, respectively. At December 31, 2003 and 2002, the Company had recorded liabilities of \$277 million and \$373 million, respectively, related to personal injury claims. Of these amounts, \$121 million and \$166 million, respectively, are included in current liabilities. BNSF Railway's liabilities for personal injury claims are undiscounted.

The Company's operations, as well as those of its competitors, are subject to extensive federal, state and local environmental regulation. BNSF Railway's operating procedures include practices to protect the environment from the risks inherent in railroad operations, which frequently involve transporting chemicals and other hazardous materials. Additionally, many of BNSF Railway's land holdings are and have been used for industrial or transportation-related purposes or leased to commercial or industrial companies whose activities may have resulted in discharges onto the property. As a result, BNSF Railway is subject to environmental cleanup and enforcement actions. In particular, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as the Superfund law, as well as similar state laws generally impose joint and several liability for cleanup and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. BNSF Railway has been notified that it is a potentially responsible party (PRP) for study and cleanup costs at approximately 20 Superfund sites for which investigation and remediation payments are or will be made or are yet to be determined (the Superfund sites) and, in many instances, is one of several PRPs. In addition, BNSF Railway may be considered a PRP under certain other laws. Accordingly, under CERCLA and other federal and state statutes, BNSF Railway may be held jointly and severally liable for all environmental costs associated with a particular site. If there are other PRPs, BNSF Railway generally participates in the cleanup of these sites through cost-sharing agreements with terms that vary from site to site. Costs are typically allocated based on relative volumetric contribution of material, the amount of time the site was owned or operated, and/or the portion of the total site owned or operated by each PRP.

Environmental costs include initial site surveys and environmental studies of potentially contaminated sites as well as costs for remediation and restoration of sites determined to be contaminated. Liabilities for environmental cleanup costs are initially recorded when BNSF Railway's liability for environmental cleanup is both probable and a reasonable estimate of associated costs can be made. Adjustments to initial estimates are recorded as necessary based upon additional information developed in subsequent periods. BNSF Railway conducts an ongoing environmental contingency analysis, which considers a combination of factors including independent consulting reports, site visits, legal reviews, analysis of the likelihood of participation in and the ability of other PRPs to pay for cleanup, and historical trend analyses.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-Continued**NOTES TO FINANCIAL STATEMENTS**

BNSF Railway is involved in a number of administrative and judicial proceedings and other mandatory cleanup efforts at approximately 430 sites, including the Superfund sites, at which it is participating in the study or cleanup, or both, of alleged environmental contamination. The Company recognized environmental expenses of approximately \$59 million, \$43 million and \$51 million during 2003, 2002 and 2001, respectively. BNSF Railway paid approximately \$56 million, \$49 million and \$72 million during 2003, 2002 and 2001, respectively, for mandatory and unasserted cleanup efforts, including amounts expended under federal and state voluntary cleanup programs. BNSF Railway has recorded liabilities for remediation and restoration of all known sites of \$199 million at December 31, 2003, compared with \$196 million at December 31, 2002. Of these amounts, \$50 million and \$51 million, respectively, are included in current liabilities. BNSF Railway's environmental liabilities are not discounted. BNSF Railway anticipates that the majority of the accrued costs at December 31, 2003, will be paid over the next five years and no individual site is considered to be material.

Liabilities recorded for environmental costs represent BNSF Railway's best estimates for remediation and restoration of these sites and include both asserted and unasserted claims. Unasserted claims are not considered to be a material component of the liability. Although recorded liabilities include BNSF Railway's best estimates of all costs, without reduction for anticipated recoveries from third parties, BNSF Railway's total cleanup costs at these sites cannot be predicted with certainty due to various factors such as the extent of corrective actions that may be required, evolving environmental laws and regulations, advances in environmental technology, the extent of other parties' participation in cleanup efforts, developments in ongoing environmental analyses related to sites determined to be contaminated, and developments in environmental surveys and studies of potentially contaminated sites. As a result, future charges to income for environmental liabilities could have a significant effect on results of operations in a particular quarter or fiscal year as individual site studies and remediation and restoration efforts proceed or as new sites arise. However, management believes it is unlikely any identified matters, either individually or in the aggregate, will have a material adverse effect on BNSF Railway's results of operations, financial position or liquidity.

Other Claims and Litigation

BNSF Railway and its subsidiaries are parties to a number of legal actions and claims, various governmental proceedings and private civil suits arising in the ordinary course of business, including those related to environmental matters, Federal Employers' Liability Act claims by BNSF Railway employees, other personal injury claims, and disputes and complaints involving certain transportation rates and charges (including complaints seeking refunds of prior charges paid for coal transportation and the prescription of future rates for such movements). Some of the legal proceedings include claims for punitive as well as compensatory damages, and a few proceedings purport to be class actions. While the final outcome of these matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded along with applicable insurance, it is the opinion of BNSF Railway's management that none of these items, will have a material adverse effect on the results of operations, financial position or liquidity of BNSF Railway. However, an unexpected adverse resolution of one or more of these items could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

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210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year.

Cross-Checks

Schedule 210

Schedule 210

Line 15, col b

= Line 62, col b

Lines 47,48,49 col b

= Line 63, col b

Line 50, col b

= Line 64, col b

2 Report total operating expenses from Sched 410. Any differences between this schedule and Sched 410 must be explained on page 18

3 List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25

Line 14, col b

Schedule 410

= Line 620, col h

Line 14, col d

= Line 620, col f

Line 14, col e

= Line 620, col g

4 All contra entries should be shown in parenthesis

Line No	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	9,279,270	8,866,158	9,279,270		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	28,511	27,734	28,511		4
5		(105) Water transfers					5
6		(106) Demurrage	37,561	33,994	37,561		6
7		(110) Incidental	29,557	29,433	29,557		7
8		(121) Joint facility - credit	4,992	5,601	4,992		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	9,379,891	8,962,920	9,379,891		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	9,379,891	8,962,920	9,379,891		13
14	*	(531) Railway operating expenses	7,744,662	7,337,877	7,744,662		14
15	*	Net revenue from railway operations	1,635,229	1,625,043	1,635,229		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	400	400			19
20		(514) Interest income	31,313	27,608			20
21		(516) Income from sinking and other funds		22			21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	17,770	52,451			24
25		Income from affiliated companies 519					
26		a Dividends (equity method)					25
27		b Equity in undistributed earnings (losses)					26
27		TOTAL OTHER INCOME (lines 16-26)	49,483	80,481			27
28		TOTAL INCOME (lines 15, 27)	1,684,712	1,705,524			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations					29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	20,195	21,222			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	20,195	21,222			36
37		Income available for fixed charges	1,664,517	1,684,302			37

210. RESULTS OF OPERATIONS - Continued

(Dollars in Thousands)

Line No	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No
FIXED CHARGES					
		(546) Interest on funded debt			
38		(a) Fixed interest not in default	139,846	148,344	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	306	689	40
41		(548) Amortization of discount on funded debt	3,881	4,154	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	144,033	153,187	42
43		Income after fixed charges (line 37 minus line 42)	1,520,484	1,531,115	43
OTHER DEDUCTIONS					
		(546) Interest on funded debt			
44		(c) Contingent interest			44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc taxes)	1,520,484	1,531,115	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income			
47	*	(a) Federal income taxes	96,843	114,672	47
48	*	(b) State income taxes	17,864	14,785	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	444,958	440,817	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	559,665	570,274	51
52		Income from continuing operations (line 46 minus line 51)	960,819	960,841	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 through 54)	960,819	960,841	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes - Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	960,819	960,841	61
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
62	*	Net revenues from railway operations	1,635,229	1,625,043	62
63	*	(556) Income taxes on ordinary income (-)	114,707	129,457	63
64	*	(557) Provision for deferred income taxes (-)	444,958	440,817	64
65		Income from lease of road and equipment (-)	12,922	12,965	65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)	1,062,642	1,041,804	67

NOTES AND REMARKS FOR SCHEDULE 210 AND 220

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220. RETAINED EARNINGS

(Dollars in Thousands)

- 1 Show below the items of retained earnings accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies,
- 2 All contra entries should be shown in parentheses
- 3 Show in lines 22 and 23 the amount of assigned Federal income tax consequences for accounts 606 and 616
- 4 Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting
- 5 Line 3 (line 7 if a debit balance), column (c), should agree with line 26, column (b), in Schedule 210 The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b) in Schedule 210
- 6 Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c)

Line No	Cross Check	Item	Retained Earnings - Unappropriated (b)	Equity in Undistributed Earnings (Losses) of Affiliated Companies (c)	Line No
		(a)			
1		Balances at beginning of year	7,316,521	192,750	1
2		(601 5) Prior period adjustments to beginning retained earnings			2
3		CREDITS			
3		(602) Credit balance transferred from income	949,831	10,988	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings	9		5
6		TOTAL CREDITS	949,840	10,988	6
7		DEBITS			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends Common stock			11
12		Preferred stock (1)			12
13		TOTAL DEBITS			13
14		Net increase (decrease) during year (Line 6 minus line 13)	949,840	10,988	14
15		Balances at close of year (lines 1, 2, and 14)	8,266,361	203,738	15
16		Balances from line 15 (c)	203,738	N/A	16
17		(798) Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	8,470,099		17
18		(797) Total appropriated retained earnings		N/A	18
19		Credits during year \$ 0			19
20		Debits during year \$ 0			20
21		Balance at close of year \$ 0			21
22		Amount of assigned Federal income tax consequences			22
23		Account 606 \$ 0			23
		Account 616 \$ 0			

- 1 If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year

230. CAPITAL STOCK

PART I. CAPITAL STOCK

(Dollars in Thousands)

- 1 Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect
- 2 Present in column (b) the par or stated value of each issue. If none, so state
- 3 Disclose in columns (c), (d), (e), and (f) the required information concerning the number of shares authorized, issued, in treasury, and outstanding for the various issues
- 4 For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be normally outstanding

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares			Book Value at End of Year			Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)	
1	Common BNSF	1,000.00	1,000	1,000	NONE	1,000	1	NONE	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10		1,000.00	1,000	1,000	NONE	1,000	1	NONE	10

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

(Dollars in Thousands)

- 1 The purpose of this part is to disclose capital stock changes during the year
- 2 Column (a) presents the items to be disclosed
- 3 Columns (b), (d), and (f) require disclosure of the number of shares of preferred, common, and treasury stock applicable to the items in column (a)
- 4 Columns (c), (e), and (g) require the disclosure of the book value of preferred, common, and treasury stock
- 5 Disclose in column (h) the additional paid-in capital realized from changes in capital stock during the year
- 6 Unusual circumstances arising from changes in capital stock shall be fully explained in footnotes to this schedule

Line No.	Item (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		No of Shares (b)	\$ Amount (c)	No of Shares (d)	\$ Amount (e)	No. of Shares (f)	\$ Amount (g)		
11	Balance at beginning of year	NONE	NONE	1,000	1	NONE	NONE	6,077,848	11
12	Capital stock sold								12
13	Capital stock reacquired								13
14	Capital stock cancelled								14
15	Other - OCI Fuel							67,800	15
16	Minimum Pension Liability Adj. (1)							5,886	16
17	Balance at close of year	NONE	NONE	1,000	1	NONE	NONE	6,151,534	17

(1) Based on actuarial figures, the supplemental pension liability was decreased

240. STATEMENT OF CASH FLOWS (Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers and cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenues and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If the direct method is used, complete lines 1 through 41. If the indirect method is used, complete lines 10 through 41. Cash, for the purpose of this schedule, shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and finance activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and noncash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity, acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller, obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash, only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
1		Cash received from operating revenues			1
2		Dividends received from affiliates			2
3		Interest received			3
4		Other income			4
5		Cash paid for operating expenses			5
6		Interest paid (net of amounts capitalized)			6
7		Income taxes paid			7
8		Other - net			8
9		NET CASH PROVIDED BY OPERATING ACTIVITIES (lines 1 through 8)			9

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
10		Income from continuing operations	960,819	960,841	10

ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	(17,746)	(50,462)	11
12		Depreciation and amortization expenses	929,171	929,843	12
13		Net increase (decrease) in provision for Deferred Income Taxes	420,481	440,816	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	10,988	12,477	14
15		Decrease (increase) in accounts receivable	16,513	88,980	15
16		Decrease (increase) in material and supplies and other current assets	(19,888)	(48,446)	16
17		Increase (decrease) in current liabilities other than debt	167,077	68,704	17
18		Increase (decrease) in other - net	(134,964)	(164,959)	18
19		Net cash provided from continuing operations (lines 10 through 18)	2,332,451	2,237,794	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items			20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	2,332,451	2,237,794	21

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
22		Proceeds from sale of property	17,747	62,167	22
23		Capital expenditures	(1,697,591)	(1,358,238)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances			25
26		Purchase price of long-term investment and advances			26
27		Net decrease (increase) in sinking and other special funds			27
28		Other - net	(85,950)	(222,648)	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(1,765,794)	(1,518,719)	29

(Continued on next page)

240. STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No
30		Proceeds from issuance of long-term debt	15,100		30
31		Principal payments of long-term debt	(330,862)	(289,884)	31
32		Proceeds from issuance of capital stock			32
33		Purchase price of acquiring treasury stock			33
34		Cash dividends paid			34
35		Other - net	(260,942)	(479,101)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(576,704)	(768,985)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	(10,047)	(49,910)	37
38		Cash and cash equivalents at beginning of the year	27,999	77,909	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	17,952	27,999	39
		Footnotes to Schedule Cash paid during the year for			
40		Interest (net of amount capitalized) *	150,680	174,239	40
41		Income taxes (net) *	119,728	178,006	41

* Only applies if indirect method is adopted

NOTES AND REMARKS

245. WORKING CAPITAL
(Dollars in Thousands)

1 This schedule should include only data pertaining to railway transportation services

2 Carry out calculations of lines 9, 10, 20, and 21 to the nearest whole number

Line No	Item (a)	Source	Amount (b)	Line No
CURRENT OPERATING ASSETS				
1	Interline and other balances (705)	Sched 200, line 5, col b	30,697	1
2	Customers (706)	Sched 200, line 6, col b	145,858	2
3	Other (707)	Note A	16,936	3
4	TOTAL CURRENT OPERATING ASSETS	Lines 1 + 2 + 3	193,491	4
OPERATING REVENUE				
5	Railway operating revenue	Sched 210, line 13, col b	9,379,891	5
6	Rent income	Note B	208,356	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	9,588,247	7
8	Average daily operating revenues	Line 7 ÷ 360 days	26,634	8
9	Days of operating revenue in current operating assets	Line 4 ÷ line 8	7	9
10	Revenue delay days plus buffer	Line 9 + 15 days	22	10
CURRENT OPERATING LIABILITIES				
11	Interline and other balances (752)	Sched 200, line 31, col b	55,003	11
12	Audited accounts and wages payable (753)	Note A	144,597	12
13	Accounts payable - other (754)	Note A	138,973	13
14	Other taxes accrued (761 5)	Note A	167,459	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 through 14	506,032	15
OPERATING EXPENSES				
16	Railway operating expenses	Sched 210, line 14, col b	7,744,662	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317, col h	929,177	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	7,023,841	18
19	Average daily expenditures	Line 18 ÷ 360 days	19,511	19
20	Days of operating expenses in current operating liabilities	Line 15 - line 19	26	20
21	Days of working capital required	Line 10 - line 20 (Note C)		21
22	Cash working capital required	Line 21 x line 19		22
23	Cash and temporary cash balance	Sched 200, line 1 + line 2, col b	17,952	23
24	Cash working capital allowed	Lesser of line 22 or line 23		24
MATERIALS AND SUPPLIES				
25	Total materials and supplies (712)	Note A	265,612	25
26	Scrap and obsolete material included in account 712	Note A		26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	265,612	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	265,612	28

NOTES

(A) Use common carrier portion only Common carrier refers to railway transportation service

(B) Rent income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316 Rent income is added to railway operating revenues to produce total revenues Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense

(C) If result is negative, use zero

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

1 Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at close of year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments and Advances, Affiliated Companies", in the Uniform System of Accounts for Railroad Companies.

2 List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order.

- (A) Stocks
 - (1) Carriers-active
 - (2) Carriers-inactive
 - (3) Noncarriers-active
 - (4) Noncarriers-inactive
- (B) Bonds (including US government bonds)
- (C) Other secured obligations
- (D) Unsecured notes
- (E) Investment advances

3 The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4 The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5 By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6 Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7 By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs. If it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8 Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.

9 Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10 Do not include the value of securities issued or assumed by respondent.

11 For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES
Dollars in Thousands

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent from accounts 715 (sinking funds), 716 (capital funds), 721 (investments and advances affiliated companies), and 717 (other funds).
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b) and (c)
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidence of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially _____ to _____". Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No
1	721	A-1	VII	Alameda Belt Line Common	50.00	1
2			VII	Belt Railway Company of Chicago, The Common	16.67	2
3			VII	Central California Traction Company Common	33.33	3
4			VII	Central California Traction Company Preferred	33.33	4
5			VII	Houston Belt & Terminal Railway Company Common	50.00	5
6			VII	Iowa Transfer Railway Company Common	25.00	6
7			VII	Kansas City Terminal Railway Company Common	25.00	7
8			VII	Longview Switching Company Common	50.00	8
9			VII	MT Properties Inc. Common	43.30	9
10			VII	Oakland Terminal Railway Common	50.00	10
11			VII	Paducah & Illinois Railroad Company Common	33.34	11
12			VII	Portland Terminal Railroad Company Common	40.00	12
13			VII	San Jacinto Rail Limited General	49.00	13
14			VII	St. Joseph Terminal Railroad Company Common	50.00	14
15			VII	Sunset Railway Company Common	50.00	15
16			VII	Terminal Railroad Association of St. Louis Common	14.29	16
17			VII	Texas City Terminal Railway Company Common	33.13	17
18			VII	TTX Company Common	17.24	18
19			VII	Wichita Union Terminal Railway Company Common	66.67	19
20				Total Class A-1		20
21						21
22	721	A-3	VII	RailMarketplace.com Inc. Preferred	14.98	22
23				Total Class A-3		23
24						24
25	721	D-1	VII	St Joseph Terminal Railroad Company 6% Demand Note		25
26				TTX Company		26
27				Total Class D-1		27
28						28
29	721	D-3	X	Burlington Northern Santa Fe Corporation - BNSF Railway's parent company		29
30				Kinder Morgan Energy Partners L P		30
31				Total Class D-3		31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40
41						41
42						42
43						43
44						44
45						45
46						46
47						47
48						48
49						49
50						50
51						51

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)
(Dollars in Thousands)

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also include investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis)

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	914			914				1
2	520			520				2
3	1,548			1,548				3
4	264			264				4
5	9			9				5
6	16			16				6
7	163			163				7
8	2			2				8
9	355			355				9
10	113			113				10
11	3			3				11
12	1,368			1,368				12
13								13
14	150			150				14
15	54			54				15
16								16
17	1,405			1,405				17
18	15,667			15,667				18
19	46			46				19
20	22,597			22,597				20
21								21
22	1,000			1,000				22
23	1,000			1,000				23
24								24
25	175			175				25
26	294			294				26
27	469			469				27
28								28
29	1,189,388	265,547		1,454,935				29
30	4,500			4,500				30
31	1,193,888	265,547		1,459,435				31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40
41								41
42								42
43								43
44								44
45								45
46								46
47								47
48								48
49								49
50								50
51								51

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)
(Dollars in Thousands)

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	E-1	VII	Alameda Belt Line		1
2			VII	Central California Traction Company		2
3			VII	Houston Belt & Terminal Railway Company		3
4			VII	Kansas City Terminal Railway Company		4
5			VII	Longview Switching Company		5
6			VII	MT Properties Inc		6
7			VII	Paducah & Illinois Railroad Company		7
8			VII	Port Terminal Railroad Association		8
9			VII	St. Joseph Terminal Railroad Company		9
10			VII	Sunset Railway Company		10
11			VII	Terminal Railroad Association of St. Louis		11
12			VII	Texas City Terminal Railway Company		12
13			VII	Wichita Terminal Association		13
14			VII	Wichita Union Terminal Railway Company		14
15				Total Class E-1		15
16						16
17	721	E-3	VII	RailMarketplace.com Inc.		17
18						18
19				Equity Earning (Loss) - Schedule 310A		19
20						20
21				Grand Total Account 721		21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Concluded)

(Dollars in Thousands)

Line No	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1	(500)			(500)				1
2	1,494			1,494				2
3	14,495	2,945		17,440				3
4	8,982			8,982				4
5	63			63				5
6	(369)			(369)				6
7	575			575				7
8	1,100			1,100				8
9	191			191				9
10	845			845				10
11	170		170					11
12	30			30				12
13	4			4				13
14	844			844				14
15	27,924	2,945	170	30,699				15
16								16
17	292			292				17
18								18
19	192,750	10,988		203,738				19
20								20
21	1,438,920	279,480	170	1,718,230				21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

(h). Return of funds to owners for advance payment to the Terminal Railroad Association of St. Louis

310 NOTES AND REMARKS

	<u>% Ownership</u>
(1) ALAMEDA BELT LINE	
The Burlington Northern and Santa Fe Railway Company	50 00
Union Pacific Railroad Company	50 00
	<u>100 00</u>
(2) BELT RAILWAY COMPANY OF CHICAGO, THE	
CSX Transportation, Inc	25 00
Norfolk Southern Company	25 00
The Burlington Northern and Santa Fe Railway Company	16 67
Grand Trunk Western Railroad and Illinois Central Railroad Company	16 67
Soo Line Railroad Company	8 33
Union Pacific Railroad Company	8 33
	<u>100 00</u>
5,198 shares are held by U S. Bank, N A , Trustee, as collateral under the BNI Consolidated Mortgage	
(3) CENTRAL CALIFORNIA TRACTION COMPANY	
Union Pacific Railroad Company	66 67
The Burlington Northern and Santa Fe Railway Company	33 33
	<u>100 00</u>
(4) HOUSTON BELT & TERMINAL RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	50.00
Union Pacific Railroad Company	50.00
	<u>100 00</u>
121 shares are held by U S. Bank, N.A , Trustee, as collateral under the BNI Consolidated Mortgage	
(5) IOWA TRANSFER RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	25 00
Union Pacific Railroad Company	25 00
Heartland Rail	25 00
Norfolk and Western Railway Company	25 00
	<u>100.00</u>
161 shares are held by U S. Bank, N A , Trustee, as collateral under the BNI Consolidated Mortgage	
(6) KANSAS CITY TERMINAL RAILWAY COMPANY	
Union Pacific Railroad Company	41 67
The Burlington Northern and Santa Fe Railway Company	25.00
Kansas City Southern Railway Company	16 67
Iowa & Missouri Railway Company	8 33
Norfolk Southern Railway Company	8 33
	<u>100 00</u>
5,485 shares are held by UMB of Kansas City, Missouri, Trustee, under Stock Trust Agreement dated June 12, 1909, and 5 shares are held by U S. Bank, N A , Trustee, as collateral under the BNI Consolidated Mortgage	
(7) LONGVIEW SWITCHING COMPANY	
The Burlington Northern and Santa Fe Railway Company	50 00
Union Pacific Railroad Company	50.00
	<u>100 00</u>

310 NOTES AND REMARKS

	<u>% Ownership</u>
(8) MT PROPERTIES INC	
The Burlington Northern and Santa Fe Railway Company	43.30
Union Pacific Railroad Company	42.09
Soo Line Railroad Company	14.61
	<u>100.00</u>
30,498 shares are subject to the liens of the BNI Consolidated Mortgage and the NP General Lien Mortgage and held as collateral by U S Bank, N A , Trustee, of the BNI Consolidated Mortgage and Citibank, N A , Trustee under the NP General Lien Mortgage	
(9) OAKLAND TERMINAL RAILWAY	
The Burlington Northern and Santa Fe Railway Company	50.00
Union Pacific Railroad Company	50.00
	<u>100.00</u>
(10) PADUCAH & ILLINOIS RAILROAD COMPANY	
The Burlington Northern and Santa Fe Railway Company	33.34
Paducah & Louisville Railroad Company	33.33
Canadian National Railroad Company	33.33
	<u>100.00</u>
33 1/3 shares are held by U S Bank, N A , Trustee, as collateral under the BNI Consolidated Mortgage	
(11) PORTLAND TERMINAL RAILROAD COMPANY	
Union Pacific Railroad Company	60.00
The Burlington Northern and Santa Fe Railway Company	40.00
	<u>100.00</u>
(12) SAN JACINTO RAIL LIMITED	
The Burlington Northern and Santa Fe Railway Company	48.00
Bayport LLC (wholly-owned by The Burlington Northern and Santa Fe Railway Company)	1.00
Bay Junction Inc	17.00
Basell Impact Holding Company	17.00
Equistar Bayport, LLC	8.50
Lyondell Bayport, LLC	8.50
	<u>100.00</u>
(13) ST JOSEPH TERMINAL RAILROAD COMPANY	
The Burlington Northern and Santa Fe Railway Company	50.00
Union Pacific Railroad Company	50.00
	<u>100.00</u>
(14) SUNSET RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	50.00
Union Pacific Railroad Company	50.00
	<u>100.00</u>
(15) TERMINAL RAILROAD ASSOCIATION OF ST LOUIS	
Missouri Pacific Railroad Company	28.57
CSX Transportation, Inc	14.28
Illinois Central Railroad Company	14.29
The Burlington Northern and Santa Fe Railway Company	14.29
St Louis Southwestern Railway Company	14.29
Norfolk Southern Railway Company	14.28
	<u>100.00</u>
2,058 shares are held by U S Bank, N A , Trustee, as collateral under the BNI Consolidated Mortgage	
(16) TEXAS CITY TERMINAL RAILWAY COMPANY	
Union Pacific Railroad Company	66.87
The Burlington Northern and Santa Fe Railway Company	33.13
	<u>100.00</u>

310 NOTES AND REMARKS

	<u>% Ownership</u>
(17) TTX COMPANY	
Union Pacific Railroad Company	36.68
CSX Transportation, Inc	19.59
Norfolk Southern Railway Company	19.59
The Burlington Northern and Santa Fe Railway Company	17.24
Canadian National Railway Company	1.57
Canadian Pacific Limited	1.57
Illinois Central Railroad Company	1.57
Florida East Coast Railway Company	0.93
Boston and Main Corporation	0.63
Kansas City Southern Railway Company	0.63
	<u>100.00</u>
(18) WICHITA UNION TERMINAL RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	66.67
Union Pacific Railroad Company	33.33
	<u>100.00</u>
(19) RAILMARKETPLACE COM, INC	
The Burlington Northern and Santa Fe Railway Company	14.98
Canadian National Railway Company	14.98
Canadian Pacific Railway Company	14.98
CSX Transportation, Inc	14.98
Norfolk Southern Railway Company	14.98
Union Pacific Railroad Company	14.98
GE Information Services, Inc	10.12
	<u>100.00</u>

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310A. INVESTMENTS IN COMMON STOCK OF AFFILIATED COMPANIES (Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

- 1 Report below the details of all investments in common stock included in Account 721, Investments and Advances Affiliated Companies
- 2 Enter in column (c) the amount necessary to retroactively adjust those investments (See instruction 5-2, Uniform System of Accounts)
- 3 Enter in column (d) the share of undistributed earnings (i.e., dividends) or losses
- 4 Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition
- 5 For definitions of carrier and noncarrier, see general instructions

Line No	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No
1	Carriers (List specifics for each company)							1
2	Alameda Belt Line	(1,214)		(279)			(1,493)	2
3	Central California Traction Company	(2,804)		(118)			(2,722)	3
4	Houston Belt & Terminal Railway Company	2,079		(2,510)			(431)	4
5	Iowa Transfer Railway Company	24					24	5
6	Kansas City Terminal Railway Company	(1,029)		(194)			(1,223)	6
7	Longview Switching Company	(94)		31			(63)	7
8	MT Properties Inc	562		63			625	8
9	Oakland Terminal Railway	(294)		(74)			(368)	9
10	Paducah & Illinois Railroad Company	21					21	10
11	Portland Terminal Railroad Company	(810)					(810)	11
12	San Jacinto Railway Limited	(207)		(135)			(342)	12
13	St. Joseph Terminal Railroad Company	(204)		(1)			(205)	13
14	Sunset Railway Company	84		10			94	14
15	Texas City Terminal Railway Company	7,911		136			8,047	15
16	TTX Company	189,166		14,059			203,225	16
17	Wichita Union Terminal Railway Company	(841)					(641)	17
18	TOTAL CARRIERS	192,750		10,988			203,738	18
19								19
20								20
21	Noncarriers. (List specifics for each company)							21
22								22
23								23
24	TOTAL NONCARRIERS							24
25								25
26	TOTAL INVESTMENTS IN COMMON STOCK	192,750		10,988			203,738	26

Note Column (d) reflects equity in undistributed earnings (losses) during the year net of \$3,150 dividends received

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT

(Dollars in Thousands)

Line No	Cross No	Account (a)	Balance at Beginning of year (b)	Expenditures during the year for original road & equipment & road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc (d)	Line No
1		(2) Land for transportation purposes	1,502,170			1
2		(3) Grading	1,843,394			2
3		(4) Other right-of-way expenditures	30,186			3
4		(5) Tunnels and subways	88,475			4
5		(6) Bridges, trestles and culverts	1,713,301			5
6		(7) Elevated structures				6
7		(8) Ties	3,478,931			7
8		(9) Rail and other track material	7,005,886			8
9		(11) Ballast	2,547,909			9
10		(13) Fences, snowsheds and signs	53,661			10
11		(16) Station and office buildings	604,928			11
12		(17) Roadway buildings	38,212			12
13		(18) Water stations	6,777			13
14		(19) Fuel stations	199,506			14
15		(20) Shops and enginehouses	482,288			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks	12,022			17
18		(24) Coal and ore wharves	12,276			18
19		(25) TOFC/COFC terminals	666,511			19
20		(26) Communications systems	750,164			20
21		(27) Signals and interlockers	1,795,627			21
22		(29) Power plants	2,884			22
23		(31) Power transmission systems	23,858			23
24		(35) Miscellaneous structures	45,748			24
25		(37) Roadway machines	272,554			25
26		(39) Public improvements - construction	357,981			26
27		(44) Shop machinery	150,432			27
28		(45) Power plant machinery	3,508			28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	23,689,169			30
31		(52) Locomotives	3,084,731			31
32		(53) Freight train cars	1,473,202			32
33		(54) Passenger train cars				33
34		(55) Highway revenue equipment	13,477			34
35		(56) Floating equipment				35
36		(57) Work equipment	128,423			36
37		(58) Miscellaneous equipment	248,108			37
38		(59) Computer systems & word processing equipment	289,352			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	5,237,293			39
40		(76) Interest during construction	69,493			40
41		(80) Other elements of investment	8,055			41
42		(90) Construction work in progress	315,989			42
43		GRAND TOTAL	29,319,999			43

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

- 1 Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property" and Account No. 732, "Improvements on Leased Property" classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods, if not, a full explanation should be made in a footnote.
- 2 In column (c), show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged" in the Uniform System of Accounts for Railroad Companies for such items.
- 3 In column (d), show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
- 4 Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
- 5 All credits representing property sold, abandoned, or otherwise retired should be shown in column (f).
- 6 Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included. Also, the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
- 7 If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state the cost, location, area, and other details which will identify the property in a footnote.
- 8 Report on line 29, amounts not included in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.
- 9 If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving location and cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
- 10 If an amount of less than \$5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state the amount used in a footnote.

NOTES AND REMARKS

- 1 2003 beginning balance includes:
A reallocation of the purchase accounting balances between property, plant and equipment (PPE) and accumulated depreciation (AD) and a reclassification between three PPE accounts for prior year capital expenditures that were incorrectly categorized within those accounts.

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - (Continued)

(Dollars in Thousands)

Line No	Cross No	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No
1		18,174	1,969	16,205	1,518,375	1
2		65,182	10,860	54,322	1,897,716	2
3		7,565	103	7,462	37,648	3
4		7,529	133	7,396	95,871	4
5		79,483	11,857	67,626	1,780,927	5
6						6
7		227,275	8,841	218,434	3,697,365	7
8		467,703	56,041	411,662	7,417,528	8
9		204,704	(2,413)	207,117	2,755,026	9
10		5,781	2,157	3,624	57,285	10
11		12,711	8,638	4,073	609,001	11
12		410	108	302	38,514	12
13		98	214	(116)	6,661	13
14		14,651	572	14,079	213,585	14
15		30,544	921	29,623	511,911	15
16						16
17		1,015		1,015	13,037	17
18					12,276	18
19		23,753	(558)	24,311	690,822	19
20		35,537	38,828	(3,291)	746,873	20
21		110,201	22,036	88,165	1,883,792	21
22		41	13	28	2,912	22
23		2,793	68	2,725	26,583	23
24		1,887	2,598	(711)	45,037	24
25		26,960	4,509	22,451	295,005	25
26		27,120	1,596	25,524	383,505	26
27		7,342	1,064	6,278	156,710	27
28			390	(390)	3,118	28
29						29
30		1,378,459	170,545	1,207,914	24,897,083	30
31		358,910	69,492	289,418	3,374,149	31
32		33,171	61,569	(28,398)	1,444,804	32
33						33
34			26	(26)	13,451	34
35						35
36		12,149	539	11,610	140,033	36
37		304	12,159	(11,855)	236,253	37
38		42,818	16,858	25,960	315,312	38
39		447,352	160,643	286,709	5,524,002	39
40		8,844	6,660	2,184	71,677	40
41			354	(354)	7,701	41
42		67,083		67,083	383,072	42
43		1,901,738	338,202	1,563,536	30,883,535	43

332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

(Dollars in Thousands)

1 Show in columns (b) and (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f), the depreciation charges for the month of December. In columns (d) and (g) show the composite rates used in computing depreciation charges for December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December, and dividing that total by the total depreciation base for the same month. The depreciation base should not include cost of equipment used, but not owned, when the rents are included in rent for equipment and account nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment, accounts nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.

2 All leased property may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3 Show in columns (e), (f), and (g) data applicable to lessor property, when the rent therefor is included in accounts nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4 If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the affected account(s).

5 Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation Base		Annual composite rate %	Depreciation Base		Annual composite rate %	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	1,843,394	1,854,793	1 19%				1
2	(4) Other right-of-way expenditures	30,186	34,627	2 06%				2
3	(5) Tunnels and subways	88,475	95,728	1 09%				3
4	(6) Bridges, trestles and culverts	1,713,301	1,773,762	1 35%				4
5	(7) Elevated structures							5
6	(8) Ties	3,478,931	3,622,861	4 75%	TOTAL ROAD AND			6
7	(9) Rail and other track material	7,005,866	7,176,745	3 78%				7
8	(11) Ballast	2,547,909	2,636,904	4 02%	EQUIPMENT LEASED FROM			8
9	(13) Fences, snowsheds and signs	53,661	42,974	1 57%				9
10	(16) Station and office buildings	604,928	591,016	2 92%	OTHERS IS LESS THAN 5%			10
11	(17) Roadway buildings	38,212	37,645	3 67%				11
12	(18) Water stations	6,777	6,661	1 77%	OF TOTAL OWNED			12
13	(19) Fuel stations	199,506	207,771	3 40%				13
14	(20) Shops and enginehouses	482,288	491,756	2 11%				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks	12,022	4,637	2 00%				16
17	(24) Coal and ore wharves	12,276	12,276	1 67%				17
18	(25) TOFC/COFC terminals	666,511	689,534	2 90%				18
19	(26) Communications systems	750,164	673,563	4 86%				19
20	(27) Signals and interlockers	1,795,627	1,752,300	3 33%				20
21	(29) Power plants	2,884	2,893	3 59%				21
22	(31) Power transmission systems	23,858	26,277	2 73%				22
23	(35) Miscellaneous structures	45,748	44,794	2 81%				23
24	(37) Roadway machines	272,554	280,883	6 27%				24
25	(39) Public improvements - construction	357,981	357,890	2 00%				25
26	(44) Shop machinery	150,432	156,661	4 46%				26
27	(45) Power plant machinery	3,508	3,118	3.67%				27
28	All other road accounts							28
29	Amortization (other than def. projects)							29
30	TOTAL ROAD	22,186,999	22,578,069	3 23%				30
	EQUIPMENT							
31	(52) Locomotives	3,084,731	3,445,500	3 71%				31
32	(53) Freight train cars	1,473,202	1,445,639	3 41%				32
33	(54) Passenger train cars							33
34	(55) Highway revenue equipment	13,477	13,471	8 88%				34
35	(56) Floating equipment							35
36	(57) Work equipment	128,423	140,517	2 46%				36
37	(58) Miscellaneous equipment	248,108	236,534	9 75%				37
38	(59) Computer systems & WP equipment	289,352	312,875	11 14%				38
39	TOTAL EQUIPMENT	5,237,293	5,594,536	4 28%				39
40	GRAND TOTAL	27,424,292	28,172,605	NA			NA	40

Note: Annual composite rate excludes impact of reserve adjustments resulting from the last depreciation reserve study.

335. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1 Disclose the required information regarding credits and debits to Account No. 735, "Accumulated Depreciation - Road and Equipment Property" during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and "Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" accounts and "Other Rents - Debit - Equipment" accounts. (See Schedule 351 for accumulated depreciation to road and equipment owned and leased to others.)

2 If any data are included in columns (d) or (f), explain the entries in detail.

3 A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4 If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given.

5 Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Notes and Remarks

2003 beginning balance includes a reallocation of the purchase accounting balances between property, plant and equipment (PPE) and accumulated depreciation (AD).

Line No	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading	228,223	20,844		7,965		241,102	1
2		(4) Other right-of-way expenditures	3,757	674		41		4,390	2
3		(5) Tunnels and subways	26,632	916		62		27,486	3
4		(6) Bndges, trestles and culverts	173,685	23,225		11,449		185,461	4
5		(7) Elevated structures							5
6		(8) Ties	803,564	173,488		8,636		968,416	6
7		(9) Rail and other track matenal	720,537	261,883		15,398		967,022	7
8		(11) Ballast	775,416	107,699				883,115	8
9		(13) Fences, snowsheds and signs	10,575	614		2,026		9,163	9
10		(16) Station and office buildings	133,657	6,802	4,488	2,503		142,444	10
11		(17) Roadway buildings	11,889	1,485				13,374	11
12		(18) Water stations	3,826	69		14		3,881	12
13		(19) Fuel stations	37,385	6,689		497		43,577	13
14		(20) Shops and enginehouses	117,903	2,806	3,168	334		123,543	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks	1,142	365				1,507	16
17		(24) Coal and ore wharves	(1,163)	169				(994)	17
18		(25) TOFC/COFC terminals	145,568	17,178		143		162,603	18
19		(26) Communications systems	114,883	9,470	11,616	45,333		90,636	19
20		(27) Signals and interlockers	112,596	59,162		13,536		158,222	20
21		(29) Power plants	1,610	80		27		1,663	21
22		(31) Power transmission systems	5,516	617		50		6,083	22
23		(35) Miscellaneous structures	15,023	1,276		2,537		13,762	23
24		(37) Roadway machines	96,049	6,139	5,280			107,468	24
25		(39) Public improvements - const	44,086	6,834		1,777		49,143	25
26		(44) Shop machinery	49,455	2,997	1,848	83		54,217	26
27		(45) Power plant machinery	(1,089)	154		491		(1,426)	27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD	3,630,725	711,635	26,400	112,902		4,255,858	30
EQUIPMENT									
31		(52) Locomotives	1,047,905	100,768	1,374	98,154		1,051,893	31
32		(53) Freight train cars	573,828	38,745		58,900		553,673	32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment	9,408	2,010		359		11,059	34
35		(56) Floating equipment							35
36		(57) Work equipment	49,134	4,474		957		52,651	36
37		(58) Miscellaneous equipment	41,990	18,826		14,991		45,825	37
38		(59) Computer systems & WP equip	63,886	24,939		21,575		67,250	38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT	1,786,151	189,762	1,374	194,936		1,782,351	40
41		GRAND TOTAL	5,416,876	901,397	27,774	307,838		6,038,209	41

NOTE: Credits in Column (d) represent transfers from depreciation expense to inventory and capital accounts to recognize allocated overhead costs.

339. ACCRUED LIABILITY - LEASED PROPERTY

(Dollars in Thousands)

1 Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property," during the year concerning road and equipment leased from others

2 In column (c), enter amounts charged to operating expenses In column (e), enter debits to accounts arising from retirements In column (f), enter amounts paid to lessor

3 Any inconsistencies between credits to account, charges to operating expenses, and payment to lessors should be fully explained

4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used

5 If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account No 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof

Line No	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations		N/A BASED ON 5% RULE					13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const.							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD							30
		EQUIPMENT							
31		(52) Locomotives							31
32		(53) Freight train cars							32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems & WP equip							38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT							40
41			None					None	41

* To be reported with equipment expenses rather than W&S expenses.

340. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
(Dollars in Thousands)

1 Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of authorized rates. If any charges in rates were effective during the year, give full particulars in a footnote.

2 All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading			%	1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations	N/A BASED ON 5% RULE			12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public Improvements - Construction				25
26	(44) Shop machinery *				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD				30
	EQUIPMENT				
31	(52) Locomotives				31
32	(53) Freight-train cars				32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment				36
37	(58) Miscellaneous equipment				37
38	(59) Computer systems and word processing equip				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT				40
41	GRAND TOTAL	71,069	71,087		41

*To be reported with equipment expenses rather than W&S expenses

342. ACCUMULATED DEPRECIATION - IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

1 Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation - Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent

2 If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

3 Any inconsistency between credits to the reserve as shown in column (c) and charges to operating expenses should be fully explained on page 39.

4 Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.

5 Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways	TOTAL IMPROVEMENTS TO ROAD LEASED FROM OTHERS IS LESS THAN 5%						
4		(6) Bridges, trestles and culverts	OF TOTAL ROAD OWNED						
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars	TOTAL IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS IS LESS THAN						
32		(54) Passenger train cars	5% OF TOTAL EQUIPMENT OWNED						
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL	5,059	3,952		5,790		3,221	39

* To be reported with equipment expenses rather than W&S expenses.

NOTES AND REMARKS FOR SCHEDULE 342

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350. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1 This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00

2 Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not included in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Board's Office of Economic and Environmental Analysis, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3 In column (d) show the composite rates used to compute depreciation for December, and on lines 29 and 38 of this column show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used to compute depreciation for December and dividing the total also computed by the depreciation base.

4 If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the effected account(s).

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No
		Beginning of year (b)	Close of year (c)		
	ROAD				
1	(3) Grading	ALL DEPRECIATION EXPENSE FOR OWNED ROAD AND			1
2	(4) Other right-of-way expenditures	EQUIPMENT LEASED TO OTHERS IS RECORDED IN BNSF'S			2
3	(5) Tunnels and subways	OPERATING EXPENSE AND TOTAL ROAD AND EQUIPMENT			3
4	(6) Bridges, trestles and culverts	LEASED TO OTHERS IS LESS THAN 5% OF TOTAL OWNED			4
5	(7) Elevated structures	ROAD AND EQUIPMENT			5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snowsheds and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communications systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements - const				25
26	(44) Shop machinery *				26
27	(45) Power plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight train cars				31
32	(54) Passenger train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment				36
37	(59) Computer systems & WP equip				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL	313,816	315,153		39

* To be reported with equipment expenses rather than W&S expenses

351. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1 This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00

2 Disclose credits and debits to Account 735, "Accumulated Depreciation - Road and Equipment Property," during the year relating to road and equipment leased to others, the depreciation charges for which are not included in operating expenses of the respondent (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent)

3 If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

4 Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed

Line No	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures		TOTAL ROAD LEASED TO OTHERS IS LESS THAN 5%					2
3		(5) Tunnels and subways		OF TOTAL ROAD OWNED					3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements - const							25
26		(44) Shop machinery *							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight train cars		TOTAL EQUIPMENT LEASED TO OTHERS IS LESS THAN 5%					31
32		(54) Passenger train cars		OF TOTAL EQUIPMENT OWNED					32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems & WP equip							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL							39

* To be reported with equipment expenses rather than W&S expenses

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)

(Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by respondent and used in respondent's transportation service. Such property includes (a) investment reported in Accounts 731, "Road and Equipment Property" and 732, "Improvements on Leased Property" of respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from respondent's 731 or 732 property, and (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment or other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by respondent.

2. In column (a), classify each company in this schedule as "R" for respondent, "L" for lessor railroad, "P" for inactive or proprietary company or "O" for other leased properties.

3. In columns (a) to (e), inclusive, first show the data requested for respondent (R), next show data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of respondent. Show a total for each class of company in columns (d) and (e). Then show, as deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable to Accounts 731 and 732 on the books of companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to deductions made by the owners in their reports. If separate value is not available, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of respondent in securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6% or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where reserves therefor are recorded.

Line No	Class (See Ins 2) (a)	Name of company (b)	Miles of road used (See Ins 4) (whole number) (c)	Investments in property (See Ins 5) (d)	Depreciation & amortization of defense projects (See Ins 6) (e)	Line No
1	R	The Burlington Northern and Santa Fe Railway Company	24,296	30,883,535	6,039,151	1
2						2
3		Add Leased from Others				3
4	O	SP- Klamath Falls, OR - Switch Track & Track		**		4
5	O	STLSW - Rio to Hampton, TX - 2nd Track		**		5
6	O	U S Government - Shelton to Bangor & Bremerton, WA - Track	49	**		6
7	O	City of Pueblo, CO - Way Switching Tracks at Devine, CO		**		7
8	O	Conrail - Turnouts and Yard Tracks at Chicago		**		8
9		Total Leased from Others	49			9
10						10
11		Deduct Leased to Others				11
12	O	Montana Rail Link	621	210,099	173,778	12
13	O	MKT - Rosedale, KS - Driveway		2		13
14	O	DMIR - Hibbing, MN Turnout (4th Ave West)		5		14
15	O	Brandon Corp - S Omaha, NE - Yard		33		15
16	O	Timber Rock Railroad - Kirbyville to Tenaha, TX	100	31,022	13,946	16
17	O	South Kansas and Oklahoma Railroad - Cherokee to Pittsburg, KS		10		17
18	O	Portland & Western Railroad - Quinaby to Bethel, OR	77	16,626	10,045	18
19	O	Burlington Junction - Quincy to Marblehead, IL	5	341	307	19
20	O	Rail Amenca - Mobile to Saraland, AL	22	194	121	20
21	O	Rail Amenca - Columbus to Whitbury, MS	5	828	425	21
22		Total Leased to Others	830	259,160	198,647	22
23						23
24		Deduct Operated by Others				24
25	O	Granbelt Corporation	189	15,254	9,049	25
26	O	Red River Valley & Western	650	40,739	30,370	26
27		Total Operated by Others	839	55,993	39,419	27
28		Net Deductions	(1,620)	(315,153)	(238,066)	28
29		TOTAL	22,676	30,568,382	5,801,085	29

* Depreciation not available to respondent

** Investment not available to respondent

352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)
(Dollars in Thousands)

1 In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties

2 The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule

3 Report on line 29 amounts representing capitalization of rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where the cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property on noncarriers or property of other carriers

4 Report on line 30 amounts not included in the accounts shown, or on line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board

Line No	Cross Check	Account (a)	Respondent (b)	Lessor Railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)*	Line No
1		(2) Land for transportation purposes	1,518,375			(2,671)	1
2		(3) Grading	1,897,716			(33,161)	2
3		(4) Other right-of-way expenditures	37,648			(49)	3
4		(5) Tunnels and subways	95,871			(4,414)	4
5		(6) Bridges, trestles and culverts	1,780,927			(16,172)	5
6		(7) Elevated structures					6
7		(8) Ties	3,697,365			(66,253)	7
8		(9) Rail and other track material	7,417,528			(124,178)	8
9		(11) Ballast	2,755,026			(36,179)	9
10		(13) Fences, snowsheds and signs	57,285			(734)	10
11		(16) Station and office buildings	609,001			(3,508)	11
12		(17) Roadway buildings	38,514			(1,182)	12
13		(18) Water stations	6,661			(17)	13
14		(19) Fuel stations	213,585			(835)	14
15		(20) Shops and enginehouses	511,911			(1,618)	15
16		(22) Storage warehouses					16
17		(23) Wharves and docks	13,037				17
18		(24) Coal and ore wharves	12,276				18
19		(25) TOFC/COFC terminals	690,822			(192)	19
20		(26) Communications systems	746,873			(7,213)	20
21		(27) Signals and interlockers	1,883,792			(12,778)	21
22		(29) Power plants	2,912			(2)	22
23		(31) Power transmission systems	26,583			(312)	23
24		(35) Miscellaneous structures	45,037			(290)	24
25		(37) Roadway machines	295,005				25
26		(39) Public improvements - construction	383,505			(3,102)	26
27		(44) Shop machinery	156,710			(122)	27
28		(45) Power plant machinery	3,118				28
29		Leased property (capitalized rentals)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	24,897,083			(314,982)	31
32		(52) Locomotives	3,374,149				32
33		(53) Freight train cars	1,444,804				33
34		(54) Passenger train cars					34
35		(55) Highway revenue equipment	13,451				35
36		(56) Floating equipment					36
37		(57) Work equipment	140,033				37
38		(58) Miscellaneous equipment	236,253				38
39		(59) Computer systems & WP equipment	315,312			(171)	39
40		TOTAL EQUIPMENT	5,524,002			(171)	40
41		(76) Interest during construction	71,677				41
42		(80) Other elements of investment	7,701				42
43		(90) Construction work in progress	383,072				43
44		GRAND TOTAL	30,883,535			(315,153)	44

* Includes property leased to and operated by others

410. RAILWAY OPERATING EXPENSES (Dollars in Thousands)										
State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Board's rules governing the separation of such expenses between freight and passenger services										
Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
		WAYS & STRUCTURES ADMINISTRATION								
1		Track	8,923	2,780	(1,413)	2,679	12,969		12,969	1
2		Bridge & building	5,474	1,749	(928)	1,709	8,003		8,003	2
3		Signal	6,785	1,916	(794)	1,687	9,595		9,595	3
4		Communication	2,681	803	(377)	744	3,850		3,850	4
5		Other	14,450	4,209	(1,871)	3,808	20,596		20,596	5
		REPAIRS AND MAINTENANCE								
6		Roadway - running	39,208	1,944	13,444	2,834	57,430		57,430	6
7		Roadway - switching	3,877	193	1,360	280	5,710		5,710	7
8		Tunnels & subways - running	158	64	208	2	432		432	8
9		Tunnels & subways - switching	16		21		37		37	9
10		Bridges & culverts - running	12,872	1,437	3,052	3,144	20,505		20,505	10
11		Bridges & culverts - switching	1,273	142	302	311	2,028		2,028	11
12		Ties - running	10,429	976	2,416	4,096	17,917		17,917	12
13		Ties - switching	1,031	96	239	405	1,771		1,771	13
14		Rail & other track material - running	56,491	8,905	15,876	4,777	85,849		85,849	14
15		Rail & other track material - switching	5,588	881	1,551	473	8,493		8,493	15
16		Ballast - running	7,665	539	974	191	9,369		9,369	16
17		Ballast - switching	758	69	96	19	942		942	17
18		Road property damaged - running	2	9			11		11	18
19		Road property damaged - switching		1			1		1	19
20		Road property damaged - other								20
21		Signals & interlockers - running	44,154	6,718	4,924	1,495	57,291		57,291	21
22		Signals & interlockers - switching	4,375	792	487	113	5,767		5,767	22
23		Communications systems	19,558	5,712		135	25,405		25,405	23
24		Power systems	287	371	513	89	1,260		1,260	24
25		Highway grade crossings - running	3,594	425	(514)	217	3,722		3,722	25
26		Highway grade crossings - switching	355	39	(51)	22	365		365	26
27		Station & office buildings	5,571	918	9,970	3,188	19,647		19,647	27
28		Shop buildings - locomotives	1,096	4,158	4,515	262	10,031		10,031	28
29		Shop buildings - freight cars	349	1,292	1,408	81	3,130	N/A	3,130	29
30		Shop buildings - other equipment	1,051	3,737	4,137	231	9,156		9,156	30

410. RAILWAY OPERATING EXPENSES - (Continued) (Dollars in Thousands)										
Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
		REPAIRS AND MAINTENANCE - (Continued)								
101		Locomotive servicing facilities	984	1,080	2,739	132	4,935		4,935	101
102		Miscellaneous buildings & structures	3,502	1,843	4,297	386	10,028		10,028	102
103		Coal terminals						N/A		103
104		Ore terminals	313	150	1,194	(10)	1,647	N/A	1,647	104
105		Other marine terminals	3,061		720		3,781	N/A	3,781	105
106		TOFC/COFC terminals	(3)	25	23,856	593	24,471	N/A	24,471	106
107		Motor vehicle loading & distribution facilities						N/A		107
108		Facilities for other specialized service operations						N/A		108
109		Roadway machines								109
110		Small tools & supplies		14,558	(93)		14,465		14,465	110
111		Snow removal	4,854	251	2,767	1,245	9,117		9,117	111
112		Fringe benefits - running	N/A	N/A	N/A	90,888	90,888		90,888	112
113		Fringe benefits - switching	N/A	N/A	N/A	11,706	11,706		11,706	113
114		Fringe benefits - other	N/A	N/A	N/A	13,411	13,411		13,411	114
115		Casualties & insurance - running	N/A	N/A	N/A	32,543	32,543		32,543	115
116		Casualties & insurance - switching	N/A	N/A	N/A	2,155	2,155		2,155	116
117		Casualties & insurance - other	N/A	N/A	N/A	8,137	8,137		8,137	117
118	*	Lease rentals - debit - running	N/A	N/A	1,120	N/A	1,120		1,120	118
119	*	Lease rentals - debit - switching	N/A	N/A	111	N/A	111		111	119
120	*	Lease rentals - debit - other	N/A	N/A		N/A				120
121	*	Lease rentals - (credit) - running	N/A	N/A	(12,090)	N/A	(12,090)		(12,090)	121
122	*	Lease rentals - (credit) - switching	N/A	N/A	(791)	N/A	(791)		(791)	122
123	*	Lease rentals - (credit) - other	N/A	N/A		N/A				123
124		Joint facility rent - debit - running	N/A	N/A	6,452	N/A	6,452		6,452	124
125		Joint facility rent - debit - switching	N/A	N/A	674	N/A	674		674	125
126		Joint facility rent - debit - other	N/A	N/A	2,504	N/A	2,504		2,504	126
127		Joint facility rent - (credit) - running	N/A	N/A	(8,541)	N/A	(8,541)		(8,541)	127
128		Joint facility rent - (credit) - switching	N/A	N/A	(892)	N/A	(892)		(892)	128
129		Joint facility rent - (credit) - other	N/A	N/A	(3,314)	N/A	(3,314)		(3,314)	129
130	*	Other rents - debit - running	N/A	N/A	45	N/A	45		45	130
131	*	Other rents - debit - switching	N/A	N/A	5	N/A	5		5	131
132	*	Other rents - debit - other	N/A	N/A	602	N/A	602		602	132
133	*	Other rents - (credit) - running	N/A	N/A		N/A				133

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
134	*	REPAIRS AND MAINTENANCE - (Continued)								134
135	*	Other rents - (credit) - switching	N/A	N/A		N/A				135
136	*	Other rents - (credit) - other	N/A	N/A		N/A				136
137	*	Depreciation - running	N/A	N/A		495,253	495,253		495,253	137
138	*	Depreciation - switching	N/A	N/A		48,985	48,985		48,985	138
139	*	Depreciation - other	N/A	N/A		188,952	188,952		188,952	139
140	*	Joint facility - debit - running	N/A	N/A	60,001	N/A	60,001		60,001	140
141	*	Joint facility - debit - switching	N/A	N/A	6,057	N/A	6,057		6,057	141
142	*	Joint facility - debit - other	N/A	N/A		N/A				142
143	*	Joint facility - (credit) - running	N/A	N/A	(40,194)	N/A	(40,194)		(40,194)	143
144	*	Joint facility - (credit) - switching	N/A	N/A	(3,975)	N/A	(3,975)		(3,975)	144
145	*	Joint facility - (credit) - other	N/A	N/A		N/A				145
146	*	Dismantling retired road property - running	63		6	11	80		80	146
147	*	Dismantling retired road property - switching	6		1		7		7	147
148	*	Dismantling retired road property - other								148
149	*	Other - running	14	100	284	5,966	6,364		6,364	149
150	*	Other - switching	2	10	28	737	777		777	150
151	*	Other - other	1	16	46	982	1,045		1,045	151
		TOTAL WAY AND STRUCTURES	270,868	68,907	102,963	935,065	1,377,802		1,377,802	151
		EQUIPMENT								
		LOCOMOTIVES								
201	*	Administration	8,823	4,574	9,179	3,733	26,309		26,309	201
202	*	Repair & maintenance	120,231	73,571	229,246	24,258	447,306		447,306	202
203	*	Machinery repair	89	961		107	1,157		1,157	203
204	*	Equipment damaged	485	69		1	555		555	204
205	*	Fringe benefits	N/A	N/A	N/A	59,595	59,595		59,595	205
206	*	Other casualties & insurance	N/A	N/A	N/A	30,952	30,952		30,952	206
207	*	Lease rentals - debit	N/A	N/A	195,936	N/A	195,936		195,936	207
208	*	Lease rentals - (credit)	N/A	N/A	(298)	N/A	(298)		(298)	208
209	*	Joint facility rent - debit	N/A	N/A		N/A				209
210	*	Joint facility rent - (credit)	N/A	N/A		N/A				210
211	*	Other rents - debit	N/A	N/A		N/A				211
212	*	Other rents - (credit)	N/A	N/A		N/A				212
213	*	Depreciation	N/A	N/A		104,904	104,904		104,904	213
214	*	Joint facility - debit	N/A	N/A	2,482	N/A	2,482		2,482	214
215	*	Joint facility - (credit)	N/A	N/A		N/A				215
216	*	Repairs billed to others - (credit)	N/A	N/A	(55,712)	N/A	(55,712)		(55,712)	216

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
217		LOCOMOTIVES - (Continued)								217
218		Dismantling retired property		887		218	1,105		1,105	218
219		Other	129,628	80,062	380,833	223,768	814,291		814,291	219
220		TOTAL LOCOMOTIVES								
221		FREIGHT CARS								
222	*	Administration	5,171	2,636	5,297	2,143	15,247	N/A	15,247	220
223	*	Repair & maintenance	82,653	83,476	79,014	29,191	274,334	N/A	274,334	221
224	*	Machinery repair	51	554		60	665	N/A	665	222
225	*	Equipment damaged	161	442	48	30,142	30,793	N/A	30,793	223
226	*	Fringe benefits	N/A	N/A	N/A	40,233	40,233	N/A	40,233	224
227	*	Other casualties & insurance	N/A	N/A	N/A	21,050	21,050	N/A	21,050	225
228	*	Lease rentals - debit	N/A	N/A	190,385	N/A	190,385	N/A	190,385	226
229	*	Lease rentals - (credit)	N/A	N/A	(1,717)	N/A	(1,717)	N/A	(1,717)	227
230	*	Joint facility rent - debit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	228
231	*	Joint facility rent - (credit)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	229
232	*	Other rents - debit	N/A	N/A	426,587	N/A	426,587	N/A	426,587	230
233	*	Other rents - (credit)	N/A	N/A	(146,598)	N/A	(146,598)	N/A	(146,598)	231
234	*	Depreciation	N/A	N/A	N/A	40,344	40,344	N/A	40,344	232
235	*	Joint facility - debit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	233
236	*	Joint facility - (credit)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	234
237	*	Repairs billed to others - (credit)	N/A	N/A	(95,468)	N/A	(95,468)	N/A	(95,468)	235
238	*	Dismantling retired property						N/A		236
239	*	Other	88,036	567		127	694	N/A	694	237
240	*	TOTAL FREIGHT CARS		87,675	457,548	163,290	796,549	N/A	796,549	238
241	*	OTHER EQUIPMENT								
242	*	Administration	1,626	789	1,589	647	4,651		4,651	301
243	*	Repair & maintenance								
244	*	Trucks, trailers, & containers - revenue service	77	(305)	10,287		10,059	N/A	10,059	302
245	*	Floating equipment - revenue service						N/A		303
246	*	Passenger & other revenue equipment	2,702	2,107		(60)	4,749		4,749	304
247	*	Computers and data processing equipment		(13)		119	106		106	305
248	*	Machinery	17	174	844	24	1,059		1,059	306
249	*	Work & other non-revenue equipment								307
250	*	Equipment damaged		3,037	31,808		34,845		34,845	308
251	*	Fringe benefits	N/A	N/A	N/A	3,223	3,223		3,223	309
252	*	Other casualties & insurance	N/A	N/A	N/A	1,178	1,178		1,178	310
253	*	Lease rentals - debit	N/A	N/A	35,390		35,390		35,390	311
254	*	Lease rentals - (credit)	N/A	N/A						312

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
313		OTHER EQUIPMENT (Continued)								313
314		Joint facility rent - debit	N/A	N/A		N/A				314
315		Joint facility rent - (credit)	N/A	N/A		N/A				315
316		Other rents - debit	N/A	N/A	38,359	N/A	38,359		38,359	316
317		Other rents - (credit)	N/A	N/A	(34,115)	N/A	(34,115)		(34,115)	317
318		Depreciation	N/A	N/A	N/A	50,733	50,733		50,733	318
319		Joint facility - debit	N/A	N/A		N/A				319
320		Joint facility - (credit)	N/A	N/A		N/A				320
321		Repairs billed to others - (credit)	N/A	N/A	(5,013)	N/A	(5,013)		(5,013)	321
322		Dismantling retired property		182			(822)		(640)	322
323		Other	4,422	5,971	79,149	55,042	144,584		144,584	323
324		TOTAL OTHER EQUIPMENT	222,086	173,708	917,530	442,100	1,755,424		1,755,424	324
401		TRANSPORTATION								401
402		Administration	77,021	7,680	22,509	15,204	122,414		122,414	402
403		Engine crews	423,163		39,149	4	462,316		462,316	403
404		Train crews	431,846		43,326	289	475,261		475,261	404
405		Dispatching trains	33,009		(273)		32,736		32,736	405
406		Operating signals & interlockers	(12)		4,158	14	4,160		4,160	406
407		Operating drawbridges	2,678		2	33	2,718		2,718	407
408		Highway crossing protection	4	5	6,930	4	6,938		6,938	408
409		Train inspection & lubrication	40,950	589	1	87	41,627		41,627	409
410		Locomotive fuel		1,019,302			1,019,302		1,019,302	410
411		Electric power produced or purchased for motive power								411
412		Servicing locomotives	31,490	3,541	(5,910)	83	29,204		29,204	412
413		Freight lost or damaged - solely related	N/A	N/A	N/A					413
414		Cleaning wrecks	3			(38)	(35)		(35)	414
415		Fringe benefits	N/A	N/A	N/A	367,147	367,147		367,147	415
416		Other casualties & insurance	N/A	N/A	N/A	105,570	105,570		105,570	416
417		Joint facility - debit	N/A	N/A	4,080	N/A	4,080		4,080	417
418		Joint facility - (credit)	N/A	N/A	(6,621)	N/A	(6,621)		(6,621)	418
419		Other	1,935	1,419	110,326	6,975	120,655		120,655	419
420		TOTAL TRAIN OPERATIONS	1,041,887	1,032,536	217,877	495,372	2,787,472		2,787,472	420
421		YARD OPERATIONS								421
422		Administration	2,067	158	464	308	2,997		2,997	422
423		Switch crews	229,176		18,655		247,831		247,831	423

410. RAILWAY OPERATING EXPENSES - (Continued)										
(Dollars in Thousands)										
Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
YARD OPERATIONS (Continued)										
422		Controlling operations	28,502		728		29,230		29,230	422
423		Yard and terminal clerical	884	871	2,660		4,415		4,415	423
424		Operating switches, signals, retarders, & humps		5		554	559		559	424
425		Locomotive fuel		53,647			53,647		53,647	425
426		Electric power electric power produced or purchased for motive power								426
427		Servicing locomotives	7,982	26		4	8,012		8,012	427
428		Freight lost or damaged - solely related	N/A	N/A	N/A					428
429		Clearing wrecks			37,878		37,878		37,878	429
430		Fringe benefits	N/A	N/A	N/A	118,920	118,920		118,920	430
431		Other casualties & insurance	N/A	N/A	N/A	27,002	27,002		27,002	431
432		Joint facility - debit	N/A	N/A	17,995		17,995		17,995	432
433		Joint facility - (credit)	N/A	N/A	(2,057)		(2,057)		(2,057)	433
434		Other	268,611	208	1,413	9	1,630		1,630	434
435		TOTAL YARD OPERATIONS		54,915	77,736	146,797	548,059		548,059	435
TRAIN & YARD OPERATIONS COMMON										
501		Cleaning car interiors	1,721	129	6,666	N/A	8,516		8,516	501
502		Adjusting & transferring loads		(6)	2,643	N/A	2,637	N/A	2,637	502
503		Car loading devices & grain docks				N/A		N/A		503
504		Freight lost or damaged - all other	N/A	N/A	N/A	17,743	17,743		17,743	504
505		Fringe benefits	N/A	N/A	N/A	765	765		765	505
506		TOTAL TRAIN & YARD OPERATIONS COMMON	1,721	123	9,309	18,508	29,661		29,661	506
SPECIALIZED SERVICE OPERATIONS										
507	*	Administration	6,984	163	635	324	8,106	N/A	8,106	507
508	*	Pickup & delivery and manne line haul		2	21,748	90	21,840	N/A	21,840	508
509	*	Loading & unloading and local marine	48	6,436	191,125	7,285	204,894	N/A	204,894	509
510	*	Protective services	1,047	7,889	273	51	9,260	N/A	9,260	510
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A			N/A		511
512	*	Fringe benefits	N/A	N/A	N/A	2,664	2,664	N/A	2,664	512
513	*	Casualties & insurance	N/A	N/A	N/A	755	755	N/A	755	513
514	*	Joint facility - debit	N/A	N/A		N/A		N/A		514
515	*	Joint facility - (credit)	N/A	N/A		N/A		N/A		515
516	*	Other	8,079	4	213,781	11,169	4	N/A	4	516
517	*	TOTAL SPECIALIZED SERVICE OPERATIONS		14,494			247,523	N/A	247,523	517

410. RAILWAY OPERATING EXPENSES - (Continued)
(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
		ADMINISTRATIVE support OPERATIONS								
518		Administration	83,445	8,341	24,431	18,079	134,296		134,296	518
519		Employees performing clerical & accounting functions	9,022	693	4,419	5,436	19,570		19,570	519
520		Communication systems operations	451	245	30,570	762	32,028		32,028	520
521		Loss & damage claims processing								521
522		Fringe benefits		N/A	N/A	27,478	27,478		27,478	522
523		Casualties & insurance		N/A	N/A	9,044	9,044		9,044	523
524		Joint facility - debit		N/A		N/A				524
525		Joint facility - (credit)		N/A		N/A				525
526		Other		234			234		234	526
527		TOTAL ADMINISTRATIVE support OPERATIONS	92,918	9,513	59,420	60,799	222,650		222,650	527
528		TOTAL TRANSPORTATION	1,413,216	1,111,581	577,923	732,645	3,835,365		3,835,365	528
		GENERAL AND ADMINISTRATIVE								
601		Officers - general administration	24,091	4,551	35,271	47,530	111,443		111,443	601
602		Accounting, auditing, & finance	41,667	1,393	4,183	1,611	48,854		48,854	602
603		Management services & data processing	21,415	1,680	83,674	1,959	108,728		108,728	603
604		Marketing	31,505	1,363	6,513	3,176	42,557		42,557	604
605		Sales	31,506	1,366	6,514	3,189	42,575		42,575	605
606		Industrial development	1,162	15	330	380	1,887		1,887	606
607		Personnel & labor relations	23,122	(14)	1,075	182	24,365	N/A	24,365	607
608		Legal & secretarial	14,425	415	48,944	2,155	65,939		65,939	608
609		Public relations & advertising	1,829	1,042	230	632	3,733		3,733	609
610		Research & development								610
611		Fringe benefits	N/A	N/A	N/A	92,695	92,695		92,695	611
612		Casualties & insurance	N/A	N/A	N/A	4,538	4,538		4,538	612
613		Write-down of uncollectible accounts	N/A	N/A	N/A	6,749	6,749		6,749	613
614		Property taxes	N/A	N/A	N/A	151,118	151,118		151,118	614
615		Other taxes except on corporate income or payroll	N/A	N/A	N/A	45,910	45,910		45,910	615
616		Joint facility - debit	N/A	N/A	1,518		1,518		1,518	616
617		Joint facility - (credit)	N/A		(307)		(307)		(307)	617
618		Other	21,497	43	11,093	(8,864)	23,769		23,769	618
619		TOTAL GENERAL AND ADMINISTRATIVE	212,219	11,854	198,038	352,960	776,071		776,071	619
620	*	TOTAL CARRIER OPERATING EXPENSE	2,118,389	1,366,050	1,797,454	2,462,770	7,744,662		7,744,662	620

412. WAY AND STRUCTURES

(Dollars in Thousands)

1. Report freight expenses only
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in Schedule 410, column (f), lines 136, 137, and 138
3. Report in column (c) the lease/rentals for the various property categories of way and structures. The total lease/rentals reported in column (c), line 29, should balance the net amount reported in Schedule 410, column (f), lines 118 through 123, plus lines 130 through 135. If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item. The net adjustment on line 29, shall equal the adjustment reported on line 29 of Schedule 335.
5. Report on line 28, all other lease rentals not apportioned in any category listed on lines 1 through 27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of Schedule 415.

Line No	Cross Check	Property Account	Category (a)	Depreciation (b)	Lease/rentals (net) (c)	Amortization adjustment during year (d)	Line No
1		2	Land for transportation purposes	N/A			1
2		3	Grading	20,844			2
3		4	Other right-of-way expenditures	674			3
4		5	Tunnels and subways	916			4
5		6	Bridges, trestles and culverts	23,225			5
6		7	Elevated structures				6
7		8	Ties	173,488			7
8		9	Rail and other track material	261,883			8
9		11	Ballast	107,699			9
10		13	Fences, snowsheds and signs	614			10
11		16	Station and office buildings	11,290			11
12		17	Roadway buildings	1,485			12
13		18	Water stations	69			13
14		19	Fuel stations	6,689			14
15		20	Shops and enginehouses	5,974			15
16		22	Storage warehouses				16
17		23	Wharves and docks	365			17
18		24	Coal and ore wharves	169			18
19		25	TOFC/COFC terminals	17,178			19
20		26	Communications systems	21,086			20
21		27	Signals and interlockers	59,162			21
22		29	Power plants	80			22
23		31	Power transmission systems	617			23
24		35	Miscellaneous structures	1,276			24
25		37	Roadway machines	11,419			25
26		39	Public improvements, construction	6,834			26
27		45	Power plant machines	154			27
28			Other lease/rentals		(10,998)	N/A	28
29			TOTAL	733,190	(10,998)		29

414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT CARRYING EQUIPMENT

(Dollars in Thousands)

- 1 Report freight expenses only
- 2 Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad owned or leased equipment and privately owned equipment (Reporting for leased equipment covers equipment with the carrier's own railroad markings)
- 3 The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (g), respectively) should balance with Schedule 410, column (f) lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f) lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (f). The balancing of Schedules 410, 414, and 415 "Other Equipment" is outlined in note 6 to Schedule 415
- 4 Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper owned cars
- 5 Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Board in Ex Part No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

NOTE Mechanical designations for each car type are shown in Schedule 710.

Line No	Cross Check	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE			GROSS AMOUNTS PAYABLE			Line No
			Private Line Cars (b)	Mileage (c)	Time (d)	Private Line Cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box - Plain 40 Foot							1
2		Box - Plain 50 Foot and Longer		1	9	8,235	937	2,355	2
3		Box - Equipped		3,422	13,086	161	15,198	37,042	3
4		Gondola - Plain		295	596	582	599	640	4
5		Gondola - Equipped		1,272	5,056	3	4,835	8,781	5
6		Hopper - Covered		8,676	26,036	32,594	8,205	19,525	6
7		Hopper - Open Top - General Service		768	2,762		533	1,654	7
8		Hopper - Open Top - Special Service		102	175	30	141	451	8
9		Refrigerator - Mechanical		1,161	3,388	1,793	365	585	9
10		Refrigerator - Nonmechanical		1,523	4,884	8	1,471	2,657	10
11		Flat - TOFC/COFC		7,745	30,843	131,011	9,506	25,836	11
12		Flat - Multi-Level		1,151	2,175	23,942	1,802	3,708	12
13		Flat - General Service		10	26	45	103	123	13
14		Flat - Other		935	3,575	22,693	4,986	14,841	14
15		Tank - Under 22,000 Gallons			5	9,169	5	11	15
16		Tank - 22,000 Gallons and Over		2	26	12,370		1	16
17		All Other Freight Cars		34	147	124	(63)	1,152	17
18		Auto Racks			26,712	15,056		786	18
19		TOTAL FREIGHT TRAIN CARS		27,087	119,501	257,816	48,623	120,148	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			34,115	35,167		3,192	21
22		Refrigerated Containers							22
23		Other Containers							23
24	*	TOTAL TRAILERS AND CONTAINERS			34,115	35,167		3,192	24
25		GRAND TOTAL (Lines 19 and 24)		27,087	153,616	292,983	48,623	123,340	25

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE TO SCHEDULE 415

- 1 Report freight expenses only
- 2 Report by type of equipment all natural expenses relating to equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services, and general)
- 3 Report in column (b) net repair expense, excluding the cost to repair damaged equipment
Schedule 415, column (b) will balance to Schedule 410, column (f) as follows
 - (a) Locomotives, line 5 plus line 38, compared to the sum of Schedule 410, lines 202, 203, and 216 (excluding wreck repairs) Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204
 - (b) Freight cars, line 24 plus line 39, compared to the sum of Schedule 410, lines 221, 222, and 235 (excluding wreck repairs) Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, the sum of lines 302 through 307, plus line 320 (excluding wreck repairs) Do not report in Schedule 415, equipment damaged from Schedule 410, line 308

Note Lines 216, 235, and 320 of Schedule 410 are credit amounts
The allocation of freight car repair expenses reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201
- 4 Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d) For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342
Depreciation charges reported in columns (c) and (d) will balance to Schedule 410, column (f) as follows
 - (a) Locomotives, lines 5 and 38, compared to Schedule 410, line 213
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, line 232
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, line 317
- 5 Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335
- 6 Lease/rentals reported in column (f) should balance to column (f) of Schedule 410 as follows
 - (a) Locomotives, lines 5 and 38, compared to Schedule 410, lines 207, 208, 211, and 212
 - (b) Freight cars, lines 24 and 39, compared to Schedule 410, lines 226 and 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 415, and are not included in Schedule 415)
 - (c) Sum of lease/rentals for all other equipment, lines 32, 35, 36, 37, 40, and 41, will balance to Schedule 410, lines 311, 312, 315, and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414 Therefore, both Schedules 414 and 415 should be used when balancing lease/rentals other equipment to Schedule 410 Do not report in Schedule 415, the trailer and container rentals reported in Schedule 414
- 7 Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of equipment used but not owned when rents therefore are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00, and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00
Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive
The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h) of Schedule 415
- 8 Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j) The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415

415. SUPPORTING SCHEDULE - EQUIPMENT							
(Dollars in Thousands)							
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotives - Yard	19,580	613			1
2		Diesel Locomotives - Road	372,014	46,957	51,672		2
3		Other Locomotives - Yard		2,847			3
4		Other Locomotives - Road		53			4
5	*	TOTAL LOCOMOTIVES	391,594	50,470	51,672		5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 foot	2	3			6
7		Box - Plain 50 foot and longer	1,460	477			7
8		Box - Equipped	25,715	3,990			8
9		Gondola - Plain	25,853	2,220			9
10		Gondola - Equipped	11,367	3,115			10
11		Hopper - Covered	41,069	9,691			11
12		Hopper - Open Top - General Service	6,986	3,770			12
13		Hopper - Open Top - Special Service	10,272	1,071			13
14		Refrigerator - Mechanical	2,435	623			14
15		Refrigerator - Nonmechanical	2,947	3,784			15
16		Flat - TOFC/COFC	17,968	441			16
17		Flat - Multi-level	197	299			17
18		Flat - General Service	3,664	61			18
19		Flat - Other	12,772	2,602			19
20		All Other Freight Cars	15,864	277			20
21		Cabooses	64	611			21
22		Auto Racks		4,290			22
23		Miscellaneous Accessories	231	1,420			23
24	*	TOTAL FREIGHT TRAIN CARS	178,866	38,745			24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers	33				25
26		Other Trailers	1,871				26
27		Refrigerated Containers					27
28		Other Containers	1,020	1,309			28
29		Bogies					29
30		Chassis	2,100	701			30
31		Other Highway Equipment (Freight)	22				31
32	*	TOTAL HIGHWAY EQUIPMENT	5,046	2,010			32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
36	*	OTHER EQUIPMENT Passenger & Other Revenue Equipment (Freight Portion)	4,749				36
37	*	Computer Systems & Word Processing Equip	106	24,939			37
38	*	Machinery - Locomotives (1)	1,157	2,762			38
39	*	Machinery - Freight Cars (2)	665	1,599			39
40	*	Machinery - Other Equipment (3)	1,059	484			40
41	*	Work and Other Nonrevenue Equipment		20,715	2,585		41
42		TOTAL OTHER EQUIPMENT	7,736	50,499	2,585		42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	583,242	141,724	54,257		43

(1) Data reported on line 38, column (b) is the amount reported in Sched 410, column (f), line 203, reduced by the allocable portion of line 216

(2) Data reported on line 39, column (b) is the amount reported in Sched 410, column (f), line 222, reduced by the allocable portion of line 235

(3) Data reported on line 40, column (b) is the amount reported in Sched 410, column (f), line 306, reduced by the allocable portion of line 320

415. SUPPORTING SCHEDULE - EQUIPMENT - (Continued)

Line No.	Cross Check	Lease & rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1			57,418		18,499		1
2		195,638	2,067,085	1,197,799	788,972	263,991	2
3			32,850		14,689		3
4			18,997		(34,258)		4
5	*	195,638	2,176,350	1,197,799	787,902	263,991	5
6			82		(138)		6
7			15,235		10,499		7
8		13,546	147,494		47,564		8
9		10,048	90,410		17,388		9
10		18,410	127,815		60,430		10
11		54,354	445,957		170,282		11
12		2,993	147,949		49,349		12
13		7,095	55,610		17,685		13
14		1,960	22,978		2,815		14
15		8,554	131,630		41,664		15
16		46,192	14,170		5,807		16
17			13,902		5,518		17
18		6,512	2,744		488		18
19			95,401		45,018		19
20		520	16,605		7,382		20
21			14,272		9,988		21
22		18,484	94,349		57,269		22
23			8,201		4,665		23
24	*	188,668	1,444,804		553,673		24
25							25
26		12,156					26
27							27
28		7,566	7,707		5,659		28
29							29
30		15,380	5,744		5,481		30
31					(81)		31
32	*	35,102	13,451		11,059		32
33							33
34							34
35	*						35
36	*						36
37	*	34	315,312		67,250		37
38	*		89,325		30,903		38
39	*		51,714		17,892		39
40	*		15,671		5,422		40
41	*	254	355,643	20,643	95,476	3,000	41
42		288	827,665	20,643	216,943	3,000	42
43		419,696	4,462,270	1,218,442	1,569,577	266,991	43

(1) Data reported on lines 38, 39, and 40 in columns (g) and (h) are investment recorded in property account 44, allocated to locomotives, freight cars, and other equipment

(2) Depreciation reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (j). This calculation

416. SUPPORTING SCHEDULE - ROAD
(Dollars in Thousands)

Line No	Density Category (a)	Account No (b)	Owned and Used			Improvements to Leased Property			Capitalized Leases			Total		Line No
			Investment Base (c)	Accumulated Depreciation (d)	Depr. Rate % (e)	Investment Base (f)	Accumulated Depreciation (g)	Depr. Rate % (h)	Investment Base (i)	Current Year Amortization (j)	Accumulated Amortization (k)	Investment Base (l)	Accumulated Depreciation & Amortization (m)	
1	I	3	1,304,941	131,444	1.19%	TOTAL IMPROVEMENTS TO						1,304,941	131,444	1
2		8	2,381,277	496,910	5.14%	PROPERTY LEASED FROM						2,381,277	496,910	2
3		9	5,340,850	745,004	4.21%	OTHERS IS LESS THAN 5%			1,042	110	110	5,341,892	745,114	3
4		11	1,779,500	544,784	4.42%	OF TOTAL PROPERTY OWNED						1,779,500	544,784	4
5		SUB TOTAL	10,806,568	1,918,142					1,042	110	110	10,807,610	1,918,252	5
6	II	3	369,667	66,923	1.19%							369,667	66,923	6
7		8	972,350	340,393	4.19%							972,350	340,393	7
8		9	1,400,377	107,893	2.91%							1,400,377	107,893	8
9		11	567,318	245,286	4.02%							567,318	245,286	9
10		SUB TOTAL	3,309,712	760,495								3,309,712	760,495	10
11	III	3												11
12		8												12
13		9												13
14		11												14
15		SUB TOTAL												15
16	IV	3	167,348	36,442	1.19%							167,348	36,442	16
17		8	303,397	118,099	3.66%							303,397	118,099	17
18		9	581,133	105,532	1.80%							581,133	105,532	18
19		11	389,499	86,699	2.54%							389,499	86,699	19
20		SUB TOTAL	1,441,377	346,772								1,441,377	346,772	20
21	V	3	55,760	6,293	1.19%							55,760	6,293	21
22		8	40,341	13,014	3.67%							40,341	13,014	22
23		9	94,126	8,483	1.77%							94,126	8,483	23
24		11	18,709	6,346	2.54%							18,709	6,346	24
25		SUB TOTAL	208,936	34,136								208,936	34,136	25
26		GRAND TOTAL	15,766,593	3,059,545	N/A	10,888	(1,791)		1,042	110	110	15,767,635	3,059,655	26

Notes

- (1) Columns (c) + (f) + (i) = Column (l).
 (2) Columns (d) + (g) + (k) = Column (m).
 (3) The base grand total for owned and used, improvements to leased property, and capitalized leases should equal the sum of Accounts 3, 8, 9, and 11 shown at year end on Schedule 330.
 (4) Columns (c) and (d) include improvements to leased property. Improvements to leased property are not separately included based on the 5% rule.

NOTES AND REMARKS

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417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

(Dollars in Thousands)

- 1 Report freight expenses only
- 2 Report in lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services, and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
- 3 When it is necessary to apportion expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
- 4 Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery, or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See Schedule 755, note R.
- 5 The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
- 6 Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers, or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
- 7 Report on line 4, column (b), the expenses relating to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h) relate to refrigerator cars only.
- 8 Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations, and livestock feeding operations only.

Line No	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load & distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b) - (i) (j)	Line No
1	*	Administration	5,000			208		2,900			8,108	1
2	*	Pick up and delivery, marine line haul	21,747					93	N/A		21,840	2
3	*	Loading and unloading and local marine	193,754			2,227		8,913	N/A		204,894	3
4	*	Protective services - total debits and credits	251						9,009		9,260	4
5	*	Freight lost or damaged - solely related										5
6	*	Fringe benefits	1,240			1,354		70			2,664	6
7	*	Casualty and insurance	351			384		20			755	7
8	*	Joint facility - debit										8
9	*	Joint facility - credit	()	()	()	()	()	()	()	()	()	9
10	*	Other	4								4	10
11	*	TOTAL	222,347			4,171		11,996	9,009		247,523	11

418. SUPPORTING SCHEDULE - CAPITAL LEASES
(Dollars in Thousands)

Instructions

This schedule will show the investment in capitalized leases in road and equipment by primary account

Column

- (a) = primary account number and title for which capital lease amounts are included therein
(b) = the total investment in that primary account
(c) = the investment in capital leases at the end of the year
(d) = the current year amortization
(e) = the accumulated amortization relating to the leased properties

[illegible]

450. ANALYSIS OF TAXES

(Dollars in Thousands)

A. Railway Taxes

Line No	Cross Check	Kind of Tax	Amount	Line No
1		Other than U S Government Taxes	237,467	1
		U S Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	96,843	2
3		Excess Profits		3
4	*	Total - Income Taxes (Lines 2 and 3)	96,843	4
5		Railroad Retirement	445,569	5
6		Hospital Insurance	35,109	6
7		Supplemental Annuities		7
8		Unemployment Insurance	26,218	8
9		All Other United States Taxes		9
10		Total - U S Government Taxes	603,739	10
11		Total - Railway Taxes	841,206	11

B. Adjustments to Federal Income Taxes

- 1 In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other (Specify)," including state and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under "Other (Specify) "
- 2 Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762, and 786 applicable to each particular item in column (a)
- 3 Indicate in column (c) the net changes in Accounts 714, 744, 762, and 786 for the net tax effect of timing differences originating and reversing in the current accounting period
- 4 Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back
- 5 The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year
- 6 Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762, and 786

Line No	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No
1	Deferred debits					1
2	Accrued liabilities not deductible until paid					2
3	Casualty and Environmental Costs	(218,041)	37,097		(180,944)	3
4	Postretirement benefits	(237,680)	(4,311)	3,653	(238,338)	4
5	Employee Merger and Separation Costs	(80,308)	11,750		(68,558)	5
6	Other	(350,838)	(115,443)	41,909	(424,372)	6
7	Subtotal	(886,867)	(70,907)	45,562	(912,212)	7
8	Deferred tax credits					8
9	Depreciation and Amortization	7,147,543	409,789		7,557,332	9
10	Other	403,537	106,076		509,613	10
11	Subtotal	7,551,080	515,865		8,066,945	11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	6,664,213	444,958	45,562	7,154,733	19

450. ANALYSIS OF TAXES

(Dollars in Thousands)

• Footnotes

1	If the flow-through method was elected, indicate the net decrease (or increase) in tax accrual because of investment tax credit	
	If the deferral method for investment tax credit was elected:	
	(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
	(2) Deduct the amount of the current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
	(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
	(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
	(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	N/A
2	Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made	

Notes and Remarks

Adjustment is to reflect income taxes on balance sheet adjustment which, in accordance with generally accepted accounting principles, are not reflected in Railway income tax expense

Minimum pension liability	\$	3,653
SFAS 133 - Fuel hedges		41,909
Total	\$	<u>45,562</u>

460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR

(Dollars in Thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items, 560, Income or Loss From Operations or Discontinued Segments, 562, Gain or Loss on Disposal of Discontinued Segments, 570, Extraordinary Items, 590, Income Taxes on Extraordinary Items, 592, Cumulative Effect of Changes in Accounting Principles, 603, Appropriations Released, 606, Other Credits to Retained Earnings, 616, Other Debits to Retained Earnings, 620, Appropriations for Sinking and Other Funds, and 621, Appropriations for Other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

For Accounts 519, Miscellaneous Income, and 551, Miscellaneous Income Charges, if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in the account and any other items in excess of 10% of net income.

Line No	Account No (a)	Item (b)	Debits (c)	Credits (c)	Line No
1					1
2					2
3	606	Market Equity Securities - Investment in Clarus		9	3
4					4
5					5
6					6
7					7
8					8
9					9
10					10
11					11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

Information pertaining to items in accounts 519 and 551 are omitted due to 10% rule above.

501. GUARANTIES AND SURETYSHIPS

(Dollars in Thousands)

1 If the respondent was under obligation as guarantor or surety for the performance by any other corporation or association of any agreement or obligation, show the particulars of each contract of guarantee or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No
1	Terminal Railroad Association of St Louis				1
2	Burlington Northern and Santa Fe Railway Company	Sinking Fund and interest	7,787	Joint (Note 1)	2
3	CSX Transportation, Inc	on Refunding and Improvement			3
4	Illinois Central Gulf Railroad Co.	Mortgage Bonds Series C			4
5	Norfolk and Southern Railway Company	due 7/01/2019			5
6	Union Pacific Railroad Company				6
7	St. Louis Southwestern Railway Company				7
8					8
9	KCT Intermodal Transportation Corporation				9
10	Burlington Northern Santa Fe Railway Company	6.884% Railway Bridge System Bonds	68,000	Joint	10
11	Union Pacific Railroad Company	Series 1998 Bonds due			11
12		August 1, 2018			12
13					13
14	The Unified Government of Wyandotte County/Kansas City, KS				14
15	Burlington Northern Santa Fe Railway Company	5.684% Railway Bridge System Bonds			15
16		(KCT Argentine Connection Project)	13,925	Sole (Note 2)	16
17		June 15, 2023			17
18	Westside Intermodal Transportation Corporation				18
19	Burlington Northern Santa Fe Railway Company	5.684% Railway Bridge System Bonds	44,860	Sole (Note 3)	19
20		(KCT Argentine Connection Project)			20
21		June 15, 2023			21
22					22
23	Kinder Morgan Energy Partners, L.P.		190,000	Sole (Note 4)	23
24	Burlington Northern Santa Fe Railway Company				24
25					25
26	San Jacinto Partnership		50,000		26
27					27
28	Other debt and lease guarantees related to various		11,000	Sole	28
29	facilities				29
30					30
31	Note 1 Terminal Railroad Association of St. Louis Mortgage Bonds are fully funded by TRRA through a Sinking fund established with a balance in the				31
32	amount of approximately \$13 million as of December 31, 2003. This fund covers future interest and principal payments through the remainder of the bonds				32
33	term				33
34	Note 2 At 12/31/03, using the percentage of completion method, \$9 million of the \$14 million was included in schedule 510 as a capital lease				34
35	Note 3 At 12/31/03, using the percentage of completion method, \$29 million of the \$45 million was included in schedule 510 as a capital lease				35
36	Note 4 Santa Fe Pacific Pipelines, Inc (SFPP), an indirect, wholly-owned subsidiary of BNSF, has a guarantee in connection with its remaining special				36
37	partnership interest in SFPP, L.P. All obligations with respect to the guarantee will cease upon termination of ownership rights which would occur upon a put				37
38	notice issued by BNSF or the exercise of the call rights by the general partners of SFPP, L.P.				38

2 If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No	Finance cocket number, title maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No
1					1
2					2
3		None			3
4					4
5					5
6					6
7					7
8					8
9					9

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING AGREEMENTS

(Dollars in Thousands)

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing agreements. Footnote disclosure is required even if the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings that are outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances included in Account 703, Special Deposits, and in Account 717, Other Funds, should also be separately disclosed below.
5. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15% or more of liquid assets (current cash balances, restricted and unrestricted, plus marketable securities).
6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed, along with stated and possible sanctions, whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

- 1 None
- 2 None
- 3 None
- 4 None
- 5 None
- 6 None

NOTES AND REMARKS

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510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

The principal use of this schedule is to determine the average rate of debt capital

I. Debt Outstanding at End of Year

Line	Account	Title	Source	Balance	Close of Year
1	751	Loans and notes payable			
2	764	Equipment obligations and other long-term debt due within one year			
3	765/767	Funded debt unmatured			
4	766	Equipment obligations			
5	766 5	Capitalized lease obligations			
6	768	Debt in default			
7	769	Accounts payable - affiliated companies			
8	770 1/770 2	Unamortized debt premium			
9		Total debt			
10		Debt directly related to road property			
11		Debt directly related to equipment			
12		Total debt related to road and equipment			
13		Percent directly related to road			
14		Percent directly related to equipment			
15		Debt not directly related to road and equipment			
16		Road property debt (Note 2)			
17		Equipment debt (Note 2)			

II. Interest Accrued During the Year

Line	Account	Title	Source	Balance	Close of Year
18	546-548	Total interest and amortization (fixed charges)			
19	546	Contingent interest on funded debt			
20	517	Release of premium on funded debt			
21		Total interest (Note 3)			
22		Interest directly related to road property debt			
23		Interest directly related to equipment debt			
24		Interest not directly related to road or equipment property debt			
25		Interest on road property debt (Note 5)			
26		Interest on equipment debt (Note 5)			
27		Embedded rate of debt capital - road property			
28		Embedded rate of debt capital - equipment			

Note 1 Directly related means the purpose which the funds were used for when the debt was issued

Note 2 Line 16 plus Line 17 must equal Line 9

Note 3 Line 21 includes interest on debt in Account 769 - Accounts Payable, Affiliated Companies

Note 4 This interest relates to debt reported on Lines 10 and 11, respectively

Note 5 Line 25 plus Line 26 must equal Line 21

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners, or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing, or other types of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies

To be excluded are payments for the following types of services

- (a) Lawful tariff charges for transportation services
- (b) Payments to or from other carriers for interline services and interchange of equipment
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more during the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro Forma" balance sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in this Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished to the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier

3. In column (b) indicate the nature of the relationship or control between the respondent and the company or person identified in column (a) as follows

- (a) If respondent directly controls the affiliate, insert the word "direct"
- (b) If respondent controls through another company, insert the word "indirect"
- (c) If respondent is under common control with affiliate, insert the word "common"
- (d) If respondent is controlled directly or indirectly by the company listed in column (a), insert the word "controlled"

(e) If control is exercised by other means, such as a management contract or other arrangement of whatever kind, insert the word "other" and provide a footnote to describe such arrangements

4. In column (c), fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show the total for the affiliate. When services are both provided and received between respondent and an affiliate they should be listed separately and the amounts shown separately in column (e)

5. In column (d), report the dollar amounts of transactions shown and the effect of any change in the method of establishing the terms from that used in the preceding period

6. In column (e), report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) for paid or (R) for received by the amount in column (e)

512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED (Dollars in Thousands)							Line No.
Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No.
1	Burlington Northern Santa Fe Corporation		Controlled	Services Rendered	25,557	242,535	1
2							2
3	BN Acquisition		Indirect		11	(509)	3
4							4
5	Freightwise		Indirect		17	1,847	5
6							6
7	BNSF IC		Indirect	Services Rendered	1,305	(248,165)	7
8							8
9	BNSF Logistics, LLC		Indirect	Services Rendered	539	539	9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

State particulars of all tracks operated by the respondent at the close of the year, according to the following classifications.

- (1) Line owned by respondent
- (2) Line owned by proprietary companies.
- (3) Line operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with the respondent
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with the respondent
- (5) Line operated under trackage rights

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e., counting one-half mile or over as a whole mile and disregarding any fraction less than one-half mile

In Column (a) insert the figure (and letter, if any) indicating its class in accordance with the above list of classifications

In Column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in Column (d) give its entire length (the distances between terminals of single or first main track), and in the following columns the lengths of second main track, all other main tracks, passing tracks, cross-overs and turn-outs, way switching tracks, and yard switching tracks. These classes of tracks are defined as follows

RUNNING TRACKS - Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points

WAY SWITCHING TRACKS - Station, team, industry, and other switching tracks for which no separate service is maintained

YARD SWITCHING TRACKS - Yard where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives

The returns in Columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc. Tracks belonging to an industry for which no rent is payable should not be included

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line, full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or controlling the respondent. But in the case of any such inclusion, the facts of the relationship to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs. If it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as Class (3), except that the rent reserved is conditional upon earnings or some other fact.

Class (5) includes all tracks operated and maintained by others, but over which the respondent has the right to operate some or all of its trains. In the road of this class, the respondent has no proprietary rights, but only the rights of a licensee. Include in this class, also, on main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Road held by respondent as a joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class and the entry of length should be the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as an agent for another carrier should not be included in this schedule.

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class	Proportion owned or leased by respondent	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
1	1	100%	23,758	4,235	103	3,249	2,602	5,548	39,495	1
2	1J	75%						5	5	2
3	1J	66.7%						16	16	3
4	1J	50%	536	122	57	45	83	244	1,087	4
5	1J	33.3%	2			1	7	36	46	5
6	1J	25%					1	55	56	6
7	1J	20%								7
8										8
9		Total 1J	538	122	57	46	91	356	1,210	9
10										10
11		Total 1 and 1J	24,296	4,357	160	3,295	2,693	5,904	40,705	11
12										12
13	2									13
14	3							34	34	14
15	4		378			5	43	21	447	15
16	5		7,592	324	26	105	143	125	8,315	16
17										17
57		Grand Total	32,266	4,681	186	3,405	2,879	6,084	49,501	57
58	Miles of electrified road or track included in the preceding grand total				NONE					58

700. CANADIAN MILEAGE OPERATED AT THE CLOSE OF YEAR (INCLUDED IN SCHEDULE 700 ABOVE)

Line No.	Class	Proportion owned or leased by respondent	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
1	1	100%	56	10		7	5	18	96	1
2	1J	50%	5						5	2
3		Total 1 and 1J	61	10		7	5	18	101	3
4	2									4
5	5		70	2		5	6		83	5
57	Grand Total Canadian Miles		131	12		12	11	18	184	57

702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	115				114	229	17		1
2		Arizona	595					595			2
3		Arkansas	208				837	1,045			3
4		British Columbia	61				1	62			4
5		California	1,155				977	2,132	43		5
6		Colorado	770				436	1,206	3		6
7		Florida									7
8		Idaho	124					124	33		8
9		Illinois	1,225			2	213	1,440	5		9
10		Iowa	637				38	675			10
11		Kansas	1,289				471	1,760	6		11
12		Kentucky				13		13			12
13		Louisiana	236				111	347			13
14		Manitoba					69	69			14
15		Minnesota	1,641				70	1,711	3		15
16		Mississippi	166				13	179			16
17		Missouri	1,614				149	1,763			17
18		Montana	2,168				17	2,185	621		18
19		Nebraska	1,648				43	1,691			19
20		Nevada					809	809			20
21		New Mexico	1,227				363	1,590	53		21
22		North Dakota	1,976				17	1,993	650		22
23		Oklahoma	1,056				141	1,197	189		23
24		Oregon	235				114	349	127		24
25		South Dakota	543			363	25	931			25
26		Tennessee	17					17			26
27		Texas	2,635				2,010	4,645	100	8	27
28		Utah					436	436			28
29		Washington	1,722				112	1,834			29
30		Wisconsin	267				6	273			30
31		Wyoming	966					966			31
32		Total Mileage (Single Track)	24,296			378	7,592	32,266	1,850	8	32

(1) Includes approximately 249 miles of lines sold to California regulatory authorities and operated under a freight agreement.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data

- 1 Give particulars of each of the various classes of equipment which respondent owned or leased during the year
- 2 In column (c), give the number of units purchased new or built in company shops. In column (d), give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad
- 3 Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i)
- 4 For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit but it is not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals
- 5 A "self-propelled" car is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment
- 6 A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote, giving the number and a brief description. An "electric" unit includes all units which receive electric power from a third rail or overhead contact wire, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel or electric, e.g., gas turbine, steam. Show the type of unit, service, and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-propelled, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."

7 Column (k) should show aggregate capacity for all units reported in column (l), as follows: For locomotive units, report the manufacturer's rated horsepower (the maximum continuous power output from the diesel engines or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars, report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8 Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

9 Cross-checks

Schedule 710	Schedule 710
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Line 5, column (j)	=	Line 11, column (l)
Line 6, column (j)	=	Line 12, column (l)
Line 7, column (j)	=	Line 13, column (l)
Line 8, column (j)	=	Line 14, column (l)
Line 9, column (j)	=	Line 15, column (l)
Line 10, column (j)	=	Line 16, column (l)

When data appear in column (j), lines 1 through 8, column (k) should have data on the same lines

When data appear in columns (k) or (l), lines 36 through 53, and 55 column (m) should have data on the same lines

710. INVENTORY OF EQUIPMENT UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units Installed			Leased to others (i)		Total in service of respondent (col (h) & (i)) (j)	Aggregate capacity of units reported in col (j) (See Ins 7) (k)	Leased to others (l)			
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)						All other units including reclassification and second hand units purchased or leased from others (f)		
1		Locomotive Units											1	
		Diesel-freight units	4,441	181	22		(600)	52	2,202	1,790	3,992	15,751,820 (HP)		
2		Diesel-passenger units											2	
3		Diesel-multiple purpose units	563				524		843	244	1,087	2,366,197	3	
4		Diesel-switching units	180				77		249	8	257	346,100	4	
5	*	TOTAL (lines 1 to 4)	5,184	181	22			52	3,294	2,042	5,336	18,464,117	5	
6	*	Electric locomotives											6	
7	*	Other self-powered units	3				(1)			2	2	2,400	7	
8	*	TOTAL (lines 5, 6, and 7)	5,187	181	22			52	3,294	2,044	5,338	18,466,517	8	
9	*	Auxiliary units	39						39		39	N/A	9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	5,226	181	22			52	3,333	2,044	5,377	18,466,517	10	
DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR BUILT, DISREGARDING YEAR OF REBUILDING														
Line No	Cross Check	Type or design of units (a)	Before Jan 1, 1980 (b)	During Calendar Year					2000 (g)	2001 (h)			2004 (k)	Line No
				Between Jan 1, 1980 and Dec 31, 1984 (c)	Between Jan 1, 1985 and Dec 31, 1989 (d)	Between Jan 1, 1990 and Dec 31, 1994 (e)	Between Jan 1, 1995 and Dec 31, 1999 (f)	2001 (h)		2002 (i)	2003 (j)	TOTAL (l)		
11	*	Diesel	1,529	173	345	858	1,862	80	156	130	203		5,336	11
12	*	Electric												12
13	*	Other self-powered units				2							2	13
14	*	TOTAL (lines 11 to 13)	1,529	173	345	860	1,862	80	156	130	203		5,338	14
15	*	Auxiliary units	23		4	12							39	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1,552	173	349	872	1,862	80	156	130	203		5,377	16

710. INVENTORY OF EQUIPMENT (Continued)
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)		Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (i) (See Ins 7) (k)	
17		Passenger-Train Cars	160							163	163	23,472	17
18		Coaches (PA, PB, PBO)					3						18
19		Combined cars											19
20		(All class C, except CSB)											20
21		Parlor cars (PBC, PC, PL, PO)											21
22		Sleeping cars (PS, PT, PAS, PDS)											22
23		Dining, grill, & tavern cars											23
24		(All class D, PD)										N/A	24
25		Nonpassenger carrying cars											25
26		(All class B, CSB, M, PSA, IA)											26
27		TOTAL (Lines 17 to 22)	160				3			163	163	23,472	27
28		Self-Propelled											28
29		Electric passenger cars											29
30		(EP, ET)											30
31		Electric combined cars (EC)											31
32		Internal combustion rail motorcars (ED, EG)											32
33		Other self-propelled cars											33
34		(Specify types)											34
35		TOTAL (Lines 24 to 27)	160				3			163	163	23,472	35
36		Company Service Cars											36
37		Business cars (PV)	30				4		34		34	N/A	37
38		Board outfit cars (MWX)	83					2	81		81	N/A	38
39		Derrick & snow removal cars											39
40		(MWU, MWV, MWV, MWK)	95						95		95	N/A	40
41		Dump and ballast cars											41
42		(MWB, MWD)	1,415				(41)	73	1,043	258	1,301	N/A	42
43		Other maintenance and service equipment cars	2,608				37	128	2,517		2,517	N/A	43
44		TOTAL (Lines 30 to 34)	4,231					203	3,770	258	4,028	N/A	44

710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data

- 1 Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
- 2 In Column (d) give the number of units purchased or built in company shops In Column (e) give the number of new units leased from others The term "new" means a unit placed in service for the first time on any railroad
- 3 Units leased to others for a period of one year or more are reportable in Column (n) Units temporarily out of respondent's service and rented to others for less than one year are to be included in Column (i) Units rented from others for a period less than one year should not be included in Column (j)

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Time-mileage cars (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1__, B2__)	28						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5__, B6__ B7__, B8__)	531					(507)	37
38		Equipped box cars (All Code A, Except A_5_)	9,661			300	562	444	38
39		Plain gondola cars (All Codes G & J, J__1, J__2, J__3, J__4)	6,441	18		875		43	39
40		Equipped gondola cars (All Code E)	8,360			50	15		40
41		Covered hopper cars (C__1, C__2, C__3, C__4)	37,698				134	(107)	41
42		Open top hopper cars - general service (All Code H)	7,512					3	42
43		Open top hopper cars - special service (J__O), and All Code K)	3,381			133		166	43
44		Refrigerator cars - mechanical (R_5__, R_6__, R_7__, R_8__, R_9__)	1,756						44
45		Refrigerator cars - nonmechanical (R_0__, R_1__, R_2__)	3,846	62			203	30	45
46		Fiat cars - TOFC/COFC (All Code P, Q, & S, Except Q8__)	3,532						46
47		Fiat cars - multilevel (All Code V)	846						47
48		Fiat cars - general service (F10__, F20__, F30__)	166						48
49		Fiat cars - other (F__1__, F__2__, F__3__, F__4__, F__5__, F__6__, F__8__, F40__)	4,276				57	(2)	49
50		Tank cars - under 22,000 gal (T__0, T__1, T__2, T__3, T__4, T__5)	134						50
51		Tank cars - 22,000 gal and over (T__6, T__7, T__8, T__9)	435			82			51
52		All other freight cars (A_5__, F_7__, All Code L & Q8__)		28					52
53		TOTAL (Lines 36 to 52)	88,603	108		1,440	971	70	53
54		Caboose (All Code M-930)	N/A	291					54
55		TOTAL (Lines 53 and 54)	88,603	399		1,440	971	70	55

710. INVENTORY OF EQUIPMENT - Continued

4 Column (m) should show aggregate capacity for all units reported in Columns (k) and (l), as follows For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to customarily carry

5 Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins 4) (m)	Leased to Others (n)	
					Time-mileage cars (k)	All Others (l)			
36		5	23		23		1,287		36
37		16	8		8		572		37
38		946	5,945	4,076	10,021		857,243		38
39		41	2,229	5,107	7,336		762,206		39
40		434	5,807	2,184	7,991		767,193		40
41		1,470	19,250	17,005	36,255		3,610,502		41
42		323	6,746	446	7,192		705,673		42
43		6	1,315	2,359	3,674		365,062		43
44		103	785	868	1,653		128,189		44
45		367	3,371	403	3,774		296,467		45
46		25	149	3,358	3,507		824,579		46
47		19	598	229	827		37,005		47
48		6	160		160		11,570		48
49		144	2,867	1,320	4,187		369,652		49
50		1	133		133		10,521		50
51		11	326	180	506		47,745		51
52		6	22		22		1,530		52
53		3,923	49,734	37,535	87,269		8,796,996		53
54		11	280		N/A	280	N/A		54
55		3,934	50,014	37,535	87,269	280	8,796,996		55

710. INVENTORY OF EQUIPMENT - Continued

710. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Per diem (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
		FLOATING EQUIPMENT							
56		Self-propelled vessels (tugboats, car ferries, etc.)	N/A						56
57		Non-self-propelled vessels (car floats, lighters, etc.)	N/A						57
58		TOTAL (Lines 56 and 57)	N/A						58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z1_, Z67_, Z88_, Z_69_)		8,180		1,700			59
60		Dry van (U2_, Z_, Z6_, I-6)	7,768	2,592		2,500			60
61		Flat bed (U3_, Z3_)							61
62		Open bed (U4_, Z4_)							62
63		Mechanical refrigerator (U5_, Z5_)							63
64		Bulk hopper (U0_, Z0_)							64
65		Insulated (U7_, Z7_)							65
66		Tank (Z0_, U6_) (See note)							66
67		Other trailer and container (Special equipped dry van U9_, Z8_, Z9_)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)	7,768	10,772		4,200			70

NOTES AND REMARKS

Note Line 66 (Tank) must have fitting code "CN" to qualify as a tank, otherwise it is a bulk hopper

710. INVENTORY OF EQUIPMENT - Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins 4) (m)	Leased to Others (n)	
					Per diem (k)	All Others (l)			
56					N/A				56
57					N/A				57
58					N/A				58
59		16	905	8,959		9,864	294,330		59
60		81	759	12,020		12,779	419,146		60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70		97	1,664	20,979		22,643	713,476		70

NOTES AND REMARKS

710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

(Dollars in Thousands)

1 Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).

2 In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2,500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3 In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4 The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5 Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.

6 All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

NEW UNITS

Line No	Class of equipment	Number of units	Total weight (tons)	Total cost	Method of acquisition (see instructions)	Line No
	(a)	(b)	(c)	(d)	(e)	
1	Diesel-freight locomotives D units (C-C) 4400 HP	181	38,010	270,186	P	1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTAL	181	38,010	270,186		19

REBUILT UNITS

20	Freight-Train Cars					20
21	Equipped box cars	562	48,076	9,247		21
22	Equipped gondola cars	15	1,440	325		22
23	Covered hopper cars	134	13,345	1,687		23
24	Refrigerator cars - nonmechanical	203	15,947	5,592		24
25	Flat cars other	57	5,032	703		25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40	TOTAL	971	83,840	17,553	N/A	40
41	GRAND TOTAL (NEW AND REBUILT)	1,152	121,850	287,739	N/A	41

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 726

1 For purposes of these schedules, the track categories are defined as follows

Track category 1

- A - Freight density of 20 million or more gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)
- B - Freight density of less than 20 million gross ton miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers)
- C - Freight density of less than 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers)
- D - Freight density of less than 1 million gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)
- E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate)
- F - Track over which any passenger service is provided (other than potential abandonments) Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F

Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act

2 This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others)

3 If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year

4 Traffic density related to passenger service shall not be included in the determination of the track category of a line segment

720 TRACK AND TRAFFIC CONDITIONS

1 Disclose the requested information pertaining to track and traffic conditions

Line No.	Track Category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	19,661	53.17	57.83	258.8	1
2	B	6,927	10.96	47.17	203.0	2
3	C	2,517	2.93	37.08	175.8	3
4	D	3,386	0.25	25.68	542.9	4
5	E	8,695	n/a	n/a		5
6	TOTAL	41,186	34.76	50.60	1,180.5	6
7	F	10,439	n/a	n/a		7
8	Potential abandonments					8

*To determine average density, total track miles (route miles times number of tracks), rather than route-miles, shall be used

721. TIES LAID IN REPLACEMENT

- 1 Furnish the requested information concerning ties laid in replacement
- 2 In column (j), report the total board feet of switch and bridge ties laid in replacement.
- 3 The term "spot maintenance" in column (k) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement that are considered to be spot maintenance.
- 4 In line 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over the carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No	Track Category (a)	Number of cross-ties laid in replacement										Switch and bridge ties (board feet) (j)	Cross-ties switch and bridge ties % of spot maintenance (k)	Line No
		New Ties						Second-hand Ties						
		Wooden		Concrete (d)	Other (e)	Total (i)	Wooden		Other (h)					
		Treated (b)	Untreated (c)				Treated (f)	Untreated (g)						
1	A	1,476,861		153,172						1,630,033	1,817,309		1	
2	B	323,547		43,366						366,913	620,898		2	
3	C	9,649								9,649	6,084		3	
4	D	3,235								3,235	26,281		4	
5	E	105,221								105,221	794,708		5	
6	TOTAL	1,918,513		186,538						2,115,051	3,265,280		6	
7	F												7	
8	Potential abandonments												8	
9	Average cost per cross-tie	\$ 31.68	and switch-tie (MBM)		\$ 901.73									

722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

Give particulars of ties laid during the year in new construction during the year

In column (a), classify the ties as follows

U - Wooden ties, untreated when applied

T - Wooden ties, treated before application

S - Ties other than wooden (steel, concrete, etc.) Indicate type under remarks in column (h)

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new

In columns (d) and (g), show the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage and seasoning yard in the case of treated ties, also show the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule

Line No	Class of ties (a)	Cross-ties		Switch and Bridge Ties			Remarks (h)	Line No
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of cross-ties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch & bridge ties laid in new tracks during year (g)	
1	T	40,017	38 29	1,532	37,230	895 01	33,321	1
2	S	198,294	40 64	8,059				2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20	TOTAL	238,311		9,591	37,230		33,321	20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid						67 24	21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid						31 06	22

723. RAILS LAID IN REPLACEMENT

- 1 Furnish the requested information concerning rails laid in replacement
- 2 The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement that are considered to be spot maintenance
- 3 In line 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over the carrier's own lines, and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule

Line No.	Track Category (a)	Miles of rail laid in replacement (rail-miles)					Total		Percent of Spot Maintenance (h)	Line No
		New rail		Relay rail		Welded rail (f)	Bolted rail (g)			
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)					
1	A	761.00	3.61	191.13	9.10	952.13	12.72		1	
2	B	161.15	0.77	40.47	1.93	201.62	2.69		2	
3	C	15.73	0.07	3.95	0.19	19.69	0.26		3	
4	D	32.81	0.16	8.24	0.39	41.04	0.55		4	
5	E	57.69	0.27	14.49	0.69	72.18	0.96		5	
6	TOTAL	1,028.38	4.88	256.28	12.30	1,286.66	17.18		6	
7	F								7	
8	Potential Abandonments								8	
9	Average cost of new and relay rail laid in replacement per gross ton		459.06	New			Relay	\$282.54	9	

(1) Track miles of welded rail installed this year - 643.33

(2) Total system track miles of welded rail to date - 31,440.84

724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

1 Give particulars of all rails applied during the year in connection with the construction of new track

In Column (a) classify the kind of rail applied as follows

- (1) New steel rails, Bessemer process
- (2) New steel rails, open-hearth process
- (3) New rails, special alloy (describe more fully in a footnote)
- (4) Relay rails

2 Returns in Columns (c) and (g) should be reported in WHOLE numbers Fractions of less than one-half should be disregarded and fractions of one-half or more should be counted as one

3 The returns in Columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid to foreign lines, and the cost of handling rails in general supply and storage yards The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, as well as train service in connection with the distribution of the rail, should not be included in this schedule

Line No	Class of rail (a)	Rail Applied in Running Tracks, Passing Tracks Crossovers, Etc				Rail Applied in Yard, Station, Team, Industry and Other Switching Tracks				Line No
		Weight of rail		Total cost of rail applied in running track, passing track, crossovers, etc., during year (d)	Average cost per ton (2000 lbs) (e)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching track during year (h)	Average cost per ton (2000 lbs) (i)	
		Pounds per yard of rail (b)	Number of tons (2000 lbs) (c)			Pounds per yard of rail (f)	Number of tons (2000 lbs) (g)			
1	1	136	8,647	3,972	0 46	136	300	154	0 51	1
2	1	141	4,030	2,030	0 50	141	120	60	0 50	2
3										3
4	4	112	1,819	514	0 28	115	59	16	0 27	4
5	4	119	659	175	0 27	119	232	62	0 27	5
6	4	136	598	164	0 27	132	553	157	0 28	6
7	4					136	6,115	1,681	0 27	7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
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25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A	15,753	6,855	0 44	N/A	7,379	2,130	0 29	33
34	Number of miles of new running tracks, passing tracks, cross-overs, etc , in which rails were laid								67 24	34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid								31 06	35
36	Track-miles of welded rail installed on system this year				98 30	Total to date			2,246 74	36

725. WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail," the various weights of rail should be given. Road and track occupied under trackage rights or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No	Weight of rails per yard (pounds) (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all track) (c)	Remarks (d)	Line No
1	52				1
2	56	7			2
3	60				3
4	65				4
5	66	5			5
6	67				6
7	68	25			7
8	70	6			8
9	72	4			9
10	75	83	11		10
11	76	1			11
12	77	25			12
13	80	34			13
14	85	337	5		14
15	90	1,177	7		15
16	100	182			16
17	105	4			17
18	110	286	19		18
19	112	2,515	39		19
20	115	3,335	19		20
21	119	781			21
22	128		1		22
23	129	297			23
24	130	5			24
25	131	1,048	1		25
26	132	7,161			26
27	133	12			27
28	136	10,801			28
29	140	15			29
30	141	310			30
31	155	6			31
32	Unknown	351			32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48	TOTAL	28,813	102		48

Note: This schedule includes all track mileage maintained by BNSF, whether under ownership or trackage rights.

726. SUMMARY OF TRACK REPLACEMENTS

- 1 Furnish the requested information concerning the summary of track replacements
- 2 In columns (d), (e), (g), and (j), give the percentage of replacements to units of property in each track category at year end

Line No	Track Category (a)	Ties				Rail		Ballast	Track Surfacing		Line No
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles) (f)	Percent Replaced (g)		Miles surfaced (i)	Percent surfaced (j)	
		Crossties (b)	Switch and bridge ties (board feet) (c)	Crossties (d)	Switch and bridge ties (board feet) (e)						
1	A	1,630,033	1,817,309	2.60%	N/A	965	2.45%	1,115,657	9,545	48.55%	1
2	B	366,913	620,898	1.66%	N/A	204	1.47%	112,558	2,091	30.19%	2
3	C	9,649	6,084	0.12%	N/A	20	0.40%	68,814	62	2.49%	3
4	D	3,235	26,281	0.03%	N/A	42	0.61%	18,616	21	0.62%	4
5	E	105,221	794,708	0.38%	N/A	73	0.42%	20,127	680	7.82%	5
6	TOTAL	2,115,051	3,265,280	1.61%	N/A	1,304	1.58%	1,335,772	12,399	30.10%	6
7	F				N/A						7
8	Potential abandonments				N/A						8

750. CONSUMPTION OF DIESEL FUEL

(Dollars in Thousands)

Line No	Kind of locomotive service (a)	LOCOMOTIVES		Line No
		Diesel oil (gallons) (b)		
1	Freight	1,152,739,002		1
2	Passenger			2
3	Yard Switching	60,670,474		3
4	TOTAL	1,213,409,476		4
5	COST OF FUEL \$(000)*	\$1,072,949		5
6	Work Train	684,115		6

*Show cost of fuel charged to train and yard service (function 67-LoCo Fuels) The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel should be included in passenger service.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and Through Train data under items 2, 3, 4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar reports. Unit train service is a specialized scheduled shuttle type service in equipment (railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through trains are those trains operated between two or more major concentration or distribution points. Do not include unit train statistics in way or through train statistics. A work train is a train operated solely or preponderantly for the purpose of transporting company freight, work equipment, or company employees. Statistics for work trains should be reported under Item 11, only. Statistics related to company equipment, company employees, and company freight moving in transportation trains are not to be reported in Item 11, but are to be reported in Items 4-17, 6-04, 7-02, 8-04, and 8-05, as instructed in notes I, K, and L.

(A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings

(B) A train-mile is a movement of a train a distance of one mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions shall be considered as one mile. Train Miles-Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-Miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.

(C) A motorcar is a self-propelled unit of equipment designed to carry freight or passengers, and is not considered a locomotive.

(D) A locomotive is a self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of one mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.

(E) All locomotive unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instruction (B) regarding fractions and official time tables for computing locomotive miles.

(F) Train switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in such service. Include miles allowed for train locomotives for performing switching service at terminals and way stations.

(G) Yard switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in yard switching service. Include miles allowed for yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.

(H) Use car designations shown in Schedule 710, under Railroad Owned and Leased Cars, Items 4-01 and 4-11. Report both foreign cars and respondent's own cars while on the line of the respondent railroad. In Items 4-13 and 4-15, report the private-line categories, miles for private-line cars (whether or not under railroad control), and shipper-owned cars. A car-mile is a movement of a unit of car equipment a distance of one mile. Report miles made by flatcars carrying loaded highway trailers or empty highway trailers moving under revenue billings as loaded freight car-miles and miles made by flatcars carrying other empty highway trailers as empty freight car-miles. Exclude miles made by motorcars and report miles made by business cars of other than the reporting carrier as sleeping car-miles in Item 5-03. Report mail, express baggage cars, and combination cars, other than 5-02 combination cars, in Item 5-05.

(I) Exclude from Items 4-01, 4-11, 4-13, and 4-5, car-miles of work equipment, cars carrying company freight, and no-payment cars moving in transportation trains. Include such car-miles in Items 4-17, 4-18, and 4-19. No-payment car-miles are miles made by private-line cars (other than railroad controlled) and shipper-owned cars for which the railroad does not reimburse the owner on a loaded and/or empty mile basis. If the payment for the loaded miles includes the empty miles, the loaded and empty miles should not be considered no-payment car-miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied, miles run by combination passenger and baggage, passenger and mail, passenger and express, miles run by sleeping, parlor, and other cars for which an extra fare is charged, miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars, and miles run by other passenger-train cars where services are combined, such as baggage, express, and mail.

(K) From conductor's or dispatcher's train reports or other appropriate sources, compute weight in tons (2,000 pounds). Item 6-01 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Nonrevenue gross ton-miles in transportation trains include work equipment and cars carrying company freight and their contents. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - (Concluded)

(L) From conductor's train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and nonrevenue freight moved one mile in a transportation train. Include net ton-miles in motorcar trains. Exclude local shipment of freight handled in mixed baggage express cars. Total ton-miles of revenue freight should correspond to the ton-miles reported on Form CBS.

(M) Road service represents elapse time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductor's or dispatcher's train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02, train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles include the miles run by trains engaged in company service such as official inspection, inspection trains for railway commissioners for which no revenue is received, trains running special with fire apparatus to save carrier's property from destruction, trains run for transporting the carrier's employees to and from work when no transportation charge is made, wrecking trains run solely for the purpose of transporting company material, trains run for distributing material and supplies for use in connection with operations, and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way-train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicles (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc., when a tariff provision requires that the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailers/containers for which expenses are reported in Schedule 417, line 2, column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yards (excluding cars which are to be repaired in the train yard without loss of time), cars moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

755. RAILROAD OPERATING STATISTICS

Line No	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No
1		1 Miles of Road Operated (A)	32,228	38	1
		2 Train Miles - Running (B)			
2		2-01 Unit Trains	43,386,955	XXXXXX	2
3		2-02 Way Trains	8,691,567	XXXXXX	3
4		2-03 Through Trains	101,103,283		4
5		2-04 TOTAL TRAIN MILES (Lines 2-4)	153,181,805		5
6		2-05 Motorcars (C)			6
7		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	153,181,805		7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	133,296,196	XXXXXX	8
9		3-02 Way Trains	26,702,792	XXXXXX	9
10		3-03 Through Trains	310,616,012		10
11		3-04 TOTAL (Lines 8-10)	470,615,000		11
12		3-11 Train Switching (F)	4,182,390	XXXXXX	12
13		3-21 Yard Switching (G)	12,495,456		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	487,292,846		14
		4 Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot	3	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	8,024	XXXXXX	16
17		4-012 Box-Equipped	239,169	XXXXXX	17
18		4-013 Gondola-Plain	201,046	XXXXXX	18
19		4-014 Gondola-Equipped	106,822	XXXXXX	19
20		4-015 Hopper-Covered	589,078	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	71,971	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	73,342	XXXXXX	22
23		4-018 Refrigerator-Mechanical	34,071	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	72,233	XXXXXX	24
25		4-020 Flat-TOFC/COFC	215,032	XXXXXX	25
26		4-021 Flat-Multi-Level	33,539	XXXXXX	26
27		4-022 Flat-General Service	593	XXXXXX	27
28		4-023 Flat-All Other	97,947	XXXXXX	28
29		4-024 All Other Car Types-Total	137,882	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	1,880,752	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		4-11 RR Owned and Leased Cars - Empty			
31		4-110 Box-Plain 40-Foot	41	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	7,312	XXXXXX	32
33		4-112 Box-Equipped	183,887	XXXXXX	33
34		4-113 Gondola-Plain	204,256	XXXXXX	34
35		4-114 Gondola-Equipped	98,277	XXXXXX	35
36		4-115 Hopper-Covered	553,957	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	79,464	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	68,160	XXXXXX	38
39		4-118 Refrigerator-Mechanical	20,475	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	45,788	XXXXXX	40
41		4-120 Flat-TOFC/COFC	53,208	XXXXXX	41
42		4-121 Flat-Multi-Level	17,247	XXXXXX	42
43		4-122 Flat-General Service	1,140	XXXXXX	43
44		4-123 Flat-All Other	87,635	XXXXXX	44
45		4-124 All Other Car Types-Total	50,963	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	1,471,810	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)			
47		4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	27,022	XXXXXX	48
49		4-132 Box-Equipped	1,856	XXXXXX	49
50		4-133 Gondola-Plain	6,529	XXXXXX	50
51		4-134 Gondola-Equipped	3,449	XXXXXX	51
52		4-135 Hopper-Covered	313,389	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	15,882	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	11,221	XXXXXX	54
55		4-138 Refrigerator-Mechanical	4,741	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	535	XXXXXX	56
57		4-140 Flat-TOFC/COFC	913,327	XXXXXX	57
58		4-141 Flat-Multi-Level	113,210	XXXXXX	58
59		4-142 Flat-General Service	155	XXXXXX	59
60		4-143 Flat-All Other	82,515	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	139,760	XXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	218,240	XXXXXX	62
63		4-146 All Other Car Types-Total	207,672	XXXXXX	63
64		4-147 TOTAL (Lines 47-63)	2,059,503	XXXXXX	64

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No
		4-15 Private Line Cars - Empty (H)			
65		4-150 Box-Plain 40-Foot		XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	5,795	XXXXXX	66
67		4-152 Box-Equipped	957	XXXXXX	67
68		4-153 Gondola-Plain	4,761	XXXXXX	68
69		4-154 Gondola-Equipped	3,097	XXXXXX	69
70		4-155 Hopper-Covered	137,057	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	10,611	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	10,381	XXXXXX	72
73		4-158 Refrigerator-Mechanical	2,659	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	280	XXXXXX	74
75		4-160 Flat-TOFC/COFC	101,911	XXXXXX	75
76		4-161 Flat-Multi-Level	33,348	XXXXXX	76
77		4-162 Flat-General Service	86	XXXXXX	77
78		4-163 Flat-All Other	40,524	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	61,101	XXXXXX	79
80		4-165 Tank - 22,000 Gallons and Over	106,115	XXXXXX	80
81		4-166 All Other Car Types-Total	37,231	XXXXXX	81
82		4-167 TOTAL (Lines 65-81)	555,914	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	55,464	XXXXXX	83
84		4-18 No Payment Car-Miles (I) <1>	3,491,786	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)			
85		4-191 Unit Trains	4,738,211	XXXXXX	85
86		4-192 Way Trains	216,582	XXXXXX	86
87		4-193 Through Trains	4,560,436	XXXXXX	87
88		4-194 TOTAL (Lines 85-87)	9,515,229	XXXXXX	88
89		4-20 Caboose Miles	149	XXXXXX	89

<1> Total number of loaded miles _____ and empty miles _____ by roadrailer reported above

Note Line 88, total car miles, is equal to the sum of lines 30, 46, 64, 82, 83, and 84. Accordingly, the car miles reported on lines 83 and 84 are to be allocated to lines 85, 86, and 87, and included in the total shown on line 88.

755. RAILROAD OPERATING STATISTICS - (Concluded)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		6 Gross Ton-Miles (thousands) (K)			
98		6-01 Road Locomotives	88,501,299		98
		6-02 Freight Trains, Crs, Cnts, & Caboose			
99		6-020 Unit Trains	400,573,686	XXXXXX	99
100		6-021 Way Trains	17,809,999	XXXXXX	100
101		6-022 Through Trains	492,712,682	XXXXXX	101
102		6-03 Passenger Trains, Crs, & Cnts			102
103		6-04 Non-Revenue	3,316,366	XXXXXX	103
104		6-05 TOTAL (Lines 98 - 103)	1,002,914,032		104
		7 Tons of Freight (thousands)			
105		7-01 Revenue	515,496	XXXXXX	105
106		7-02 Non-Revenue	5,762	XXXXXX	106
107		7-03 TOTAL (Lines 105 and 106)	521,258	XXXXXX	107
		8 Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue - Road Service	506,356,190	XXXXXX	108
109		8-02 Revenue - Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (Lines 108 and 109)	506,356,190	XXXXXX	110
111		8-04 Non-Revenue - Road Service	1,843,899	XXXXXX	111
112		8-05 Non-Revenue - Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (Lines 111 and 112)	1,843,899	XXXXXX	113
114		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	508,200,089	XXXXXX	114
		9 Train Hours (M)			
115		9-01 Road Service	7,824,177	XXXXXX	115
116		9-0 Train Switching	292,020	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	2,082,576	XXXXXX	117
		11 Train-Miles Work Trains (O)			
118		11-01 Locomotives	1,419,819	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12 Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	3,559,053	XXXXXX	120
121		12-02 Way Trains	2,891,555	XXXXXX	121
122		12-03 Through Trains	5,358,085	XXXXXX	122
123		13 TOFC/COFC - No of Revenue Trailers & Containers Loaded and Unloaded (Q)	7,386,163	XXXXXX	123
124		14 Multi-Level Cars - No of Motor Vehicles Loaded & Unloaded (Q)	1,518,425	XXXXXX	124
125		15 TOFC/COFC - No of Revenue Trailers Picked Up & Delivered (R)	282,065	XXXXXX	125
		16 Revenue-Tons Marine Terminal (S)			
126		16-01 Marine Terminals - Coal		XXXXXX	126
127		16-02 Marine Terminals - Ore	10,021,856	XXXXXX	127
128		16-03 Marine Terminals - Other		XXXXXX	128
129		16-04 TOTAL (Lines 126 - 128)	10,021,856	XXXXXX	129
		17 Number of Foreign Per-Diem Cars on Line (T)			
130		17-01 Serviceable	20,704	XXXXXX	130
131		17-02 Unserviceable	218	XXXXXX	131
132		17-03 Surplus	474	XXXXXX	132
133		17-04 TOTAL (Lines 130 - 132)	21,396	XXXXXX	133

VERIFICATION

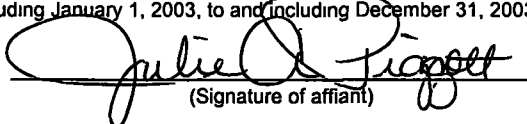
The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

(To be made by the officer having control of the accounting of the respondent)

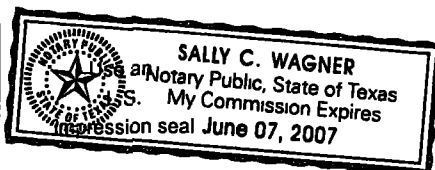
State of Texas
County of Tarrant

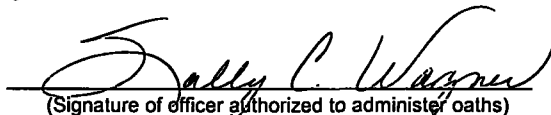
Julie A. Piggott makes oath and states that she is Assistant Vice President and Assistant Controller of Burlington Northern Santa Fe Corporation; that it is her duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept, that she knows that such books have been kept in good faith during the period covered by this report; that she knows that the entries contained in this report relate to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies and other accounting and reporting directives of the Surface Transportation Board; that she believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including January 1, 2003, to and including December 31, 2003.


(Signature of affiant)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this 19th day of March, 2004.

My commission expires June 7, 2007



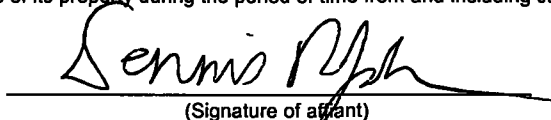

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

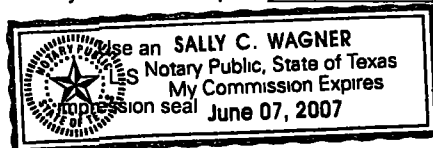
State of Texas
County of Tarrant

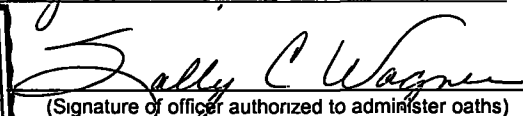
Dennis R. Johnson makes oath and states that he is Vice President, Controller and Chief Accounting Officer of Burlington Northern Santa Fe Corporation, that he has carefully examined the foregoing report, that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including January 1, 2003, to and including December 31, 2003.


(Signature of affiant)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this 19th day of March, 2004.

My commission expires June 7, 2007




(Signature of officer authorized to administer oaths)

[illegible][illegible]

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SPECIAL NOTICE

Docket No. 38559 Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III and all Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark borders on the schedules represents data that are captured by the Board.

It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Office of Information and Regulatory Affairs, Office of Management and Budget.

245. WORKING CAPITAL
(Dollars in Thousands)

1 This schedule should include only data pertaining to railway transportation services

2 Carry out calculations of lines 9, 10, 20, and 21 to the nearest whole number

Line No	Item (a)	Source	Amount (b)	Line No
CURRENT OPERATING ASSETS				
1	Interline and other balances (705)	Sched 200, line 5, col b	30,697	1
2	Customers (706)	Sched 200, line 6, col b	145,858	2
3	Other (707)	Note A	16,936	3
4	TOTAL CURRENT OPERATING ASSETS	Lines 1 + 2 + 3	193,491	4
OPERATING REVENUE				
5	Railway operating revenue	Sched 210, line 13, col b	9,379,891	5
6	Rent income	Note B	208,356	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	9,588,247	7
8	Average daily operating revenues	Line 7 ÷ 360 days	26,634	8
9	Days of operating revenue in current operating assets	Line 4 ÷ line 8	7	9
10	Revenue delay days plus buffer	Line 9 + 15 days	22	10
CURRENT OPERATING LIABILITIES				
11	Interline and other balances (752)	Sched 200, line 31, col b	55,003	11
12	Audited accounts and wages payable (753)	Note A	144,597	12
13	Accounts payable - other (754)	Note A	138,973	13
14	Other taxes accrued (761.5)	Note A	167,459	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 through 14	506,032	15
OPERATING EXPENSES				
16	Railway operating expenses	Sched 210, line 14, col b	7,744,662	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317, col h	929,171	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	7,023,847	18
19	Average daily expenditures	Line 18 ÷ 360 days	19,511	19
20	Days of operating expenses in current operating liabilities	Line 15 ÷ line 19	26	20
21	Days of working capital required	Line 10 - line 20 (Note C)		21
22	Cash working capital required	Line 21 x line 19		22
23	Cash and temporary cash balance	Sched 200, line 1 + line 2, col b	17,952	23
24	Cash working capital allowed	Lesser of line 22 or line 23		24
MATERIALS AND SUPPLIES				
25	Total materials and supplies (712)	Note A	265,612	25
26	Scrap and obsolete material included in account 712	Note A		26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	265,612	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	265,612	28

NOTES.

(A) Use common carrier portion only Common carrier refers to railway transportation service

(B) Rent income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316 Rent income is added to railway operating revenues to produce total revenues Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense

(C) If result is negative, use zero

Road Initials BNSF Year 2003

250. CONSOLIDATED INFORMATION FOR REVENUE ADEQUACY DETERMINATION

(Dollars in Thousands)

Line No.	Item (a)	Beginning of year (b)	End of year (c)	Line No.
	Adjusted Net Railway Operating Income For Reporting Entity			
1	Combined/Consolidated Net Railway Operating Income for Reporting Entity	N/A	\$1,065,944	1
2	Add: Interest Income from Working Capital Allowance-Cash Portion		0	2
3	Income Taxes Associated with Non-Rail Income and Deductions		1,317	3
4	Gain or (loss) from transfer/reclassification to nonrail-status (net of income taxes)		11,214	4
5	Adjusted Net Railway Operating Income (Lines 1, 2, 3 & 4)		\$1,078,475	5
	Adjusted Investment in Railroad Property for Reporting Entity			
6	Combined Investment in Railroad Property Used in Transportation Service	\$23,588,341	\$24,767,297	6
7	Less: Interest During Construction	69,493	71,677	7
8	Other Elements of Investment (if debit balance)	8,055	7,701	8
9	Add: Net Rail Assets of Rail-Related Affiliates	52,621	51,562	9
10	Working Capital Allowance	225,860	265,612	10
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	\$23,789,274	\$25,005,093	11
12	Less: Accumulated Deferred Income Tax Credits	6,682,617	7,173,137	12
13	Net Investment Base (Line 11-12)	\$17,106,657	\$17,831,956	13

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidation, along with the nature of the business for each company

Name of Affiliate	Nature of Business
The Burlington Northern and Santa Fe Railway Company	Transportation
Bayrail, LLC	Financial
BNSF Manitoba Inc	Financial
BNSF Manitoba Limited	Transportation
Burlington Northern Dock Corporation	Taconite dock facility
BN Leasing Corporation	Leasing of railroad related property and equipment
Burlington Northern Railroad Holdings	Owns railroad land
BNSF Acquisition, Inc. (1)	Transportation
INB Corp	Financial
Los Angeles Junction Railway Company	Transportation
Oklahoma City Junction Railway Company	Transportation
Pine Canyon Land Company	Environmental
Santa Fe Pacific Insurance Co.	Insurance
Santa Fe Pacific Pipeline Holdings, Inc	Severance/Benefits
Santa Fe Receivables Corporation	Financial
Santa Fe Terminal Services, Inc.	Transportation
Star Lake Railroad Company	Transportation
Western Fruit Express Company	Railroad refrigerated cars
BNSF British Columbia, Inc	Leasing of railroad related property and equipment
Zia Company, The	Financial
Sunset Communications Company	Communications
Midwest, Northwest Property Inc	Financial
Santa Fe Pacific Railroad Company	Transportation
Leased Lines	
Dodge City and Cimarron Valley Railway Company	Transportation
Rio Grande, El Paso & Santa Fe Railroad Company	Transportation
(1) The Washington Central Railroad Company, Inc. was acquired by BNSF Acquisition, Inc. (a subsidiary of Burlington Northern Santa Fe Corporation) on December 4, 1996	

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05/05/04

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SCHEDULE 250 - PART B
(in thousands)
Determination of Nonrail Taxes

This table is designated to facilitate the calculation of taxes that are not rail-related. The amount to be reported on Schedule 250, Line 3

PART I - DETERMINE TAXES ON NONRAILROAD INCOME FOR ALL COMBINED/CONSOLIDATED RAILROADS
(EXCLUDES ALL RAIL-RELATED AFFILIATES)

(1)	Determine Combined/Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do not include rail-related affiliates that are not railroads in this part. This represents the total combined/consolidated amounts for all items listed below for railroads in the reporting entity.	
	Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46, adjusted to include all railroads in the reporting entity.	1,499,105
	- Equity in undistributed earnings, which represents the total of Schedule 210, Line 26, for all railroads in the reporting entity.	0
	- Dividends in affiliated companies. If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend.	0
	= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.	1,499,105
(2)	Determine Combined/Consolidated Adjusted Pre-Tax NROI for all railroads in the reporting entity.	
	Combined/Consolidated After-Tax NROI for the entire entity, which equals the amount shown on Schedule 250, Line 1.	1,065,944
	+ Current provision for taxes, which represents the consolidated amounts of Schedule 210, Line 51, for all railroads in the reporting entity. (This figure includes both Account 556, Incomes Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.	553,129
	+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the new investment base and should equal the amount shown in Schedule 250, Line 2, for all railroads in the reporting entity.	0
	+ Release of premiums of funded debt, which represents the consolidated total of release of premium on funded debt as shown on Schedule 210, Line 22, for all railroads in the reporting entity.	0
	- Total fixed charges, which represents the equivalent of the consolidated total of fixed charges as shown on Schedule 210, Line 42 for all railroads in the reporting entity.	125,258
	- Railroad-related income from affiliates (other than railroads) which was included in consolidated NROI (Schedule 250, Line 1).	12,922
	= Combined/Consolidated Pre-Tax Adjusted NROI for all railroads. This represents "B" in item (3) below.	1,480,893
(3)	Calculate the railroad-related tax ratio "(B/A)".	98.79%
(4)	Compute the NONRAILROAD-related complement (1 - Railroad-related Income ratio) which equals the Nonrailroad-related tax ratio.	1.21%
(5)	Compute the nonrailroad portion of the total provisions for taxes. This equals	

The Nonrailroad-related tax ratio (Item (4) above) times the total current taxes accrued on ordinary income (Account 556) which represents the consolidated amounts of Schedule 210, Lines 47, 48, and 49 for all railroads in the reporting entity.

PART II - DETERMINE NONRAILROAD-RELATED TAXES FOR RAIL-RELATED AFFILIATES (EXCLUDES ALL AFFILIATED RAILROADS)

(6)	This is calculated by dividing the nonrailroad-related income for combined rail-related affiliates by the total pre-tax net income for all combined rail-related affiliates and multiplying this result by the total taxes (current provision plus deferred). This equals the taxes on nonrailroad income for all affiliated companies.	0
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PART III - DETERMINE TOTAL NONRAILROAD-RELATED TAXES

(7)	This is determined as follows:	
	Total income taxes on nonrailroad-related income for all railroads in the reporting entity (Item (5) above).	1,317
	- Total Nonrailroad-related taxes for all rail-related affiliates (Item (6) above).	0
	= Equals total nonrailroad-related taxes. (This amount should be transferred to Schedule 250, Part A, Line 3).	1,317