

ARKANSAS-OKLAHOMA RAILROAD CO.

LAW DEPARTMENT
P.O. BOX 185
MORTON, ILLINOIS 61550

300508

March 24, 2020

ENTERED
Office of Proceedings
March 24, 2020
Part of
Public Record

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E. Street, S.W.
Washington, D.C. 20024

RE: STB Docket No. AB-1296X

Dear Ms. Brown:

Per the request of your office, I am herewith re-filing the public version of AOK's Notice of Intent to File an OFA in the above-referenced proceeding, revised to indicate the "highly confidential" nature of the financial information in the attachment. Simultaneously, I am filing a Motion for Protective Order to cover said attachment.

I appreciate your consideration. Please contact me if you have any other questions.

Thank you,

Daniel A. LaKemper

Attachment.

cc: Catherine S. Wright, Irvin Rigsby (cwright@irvinrigsby.com)

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-1296X
R. J. CORMAN RAILROAD PROPERTY, LLC –ABANDONMENT
EXEMPTION – IN SCOTT, CAMPBELL, AND ANDERSON
COUNTIES, TENNESSEE

NOTICE OF INTENT TO FILE OFFER OF FINANCIAL ASSISTANCE

ARKANSAS-OKLAHOMA RAILROAD, CO.
116 W. Main St.
Wilburton, OK 74578

Offeror

DANIEL A. LaKEMPER
General Counsel
Arkansas-Oklahoma Railroad, Co.
P.O. Box 185
Morton, IL 61550
(918) 465-0299
lakemper@mtco.com

Attorney for Offeror

Date: March 19, 2020

BEFORE THE
SURFACE TRANSPORTATION BOARD

DOCKET NO. AB-1296X
R. J. CORMAN RAILROAD PROPERTY, LLC –ABANDONMENT
EXEMPTION – IN SCOTT, CAMPBELL, AND ANDERSON
COUNTIES, TENNESSEE

NOTICE OF INTENT TO FILE OFFER OF FINANCIAL ASSISTANCE

Pursuant to 49 CFR §1152.27(c)(1) (i) and (ii), ARKANSAS-
OKLAHOMA RAILROAD, CO. (“AOK”) hereby provides Notice of its
intent to file an Offer of Financial Assistance (“OFA”) to purchase the rail
line proposed for abandonment, and demonstrates its preliminary financial
responsibility to fund such a purchase.

IDENTITY AND INTEREST OF AOK

AOK is a class III common carrier, which has been operating in
Oklahoma for approximately 24 years. David Donoley of Wilburton, OK is
the majority shareholder of AOK. AOK is interested in expanding into new
markets, and has a legitimate interest in the rail line.

PRELIMINARY FINANCIAL RESPONSIBILITY AMOUNT

It is provided in 49 CFR §1152.27 (c) (1) (1) (ii) that an offeror submitting an expression of intent to file an OFA must demonstrate that it is financially responsible, under the definition set forth in 49 CFR §1152.27(c) (1)(iv)(B), for the calculated preliminary financial responsibility amount (“PFRA”). An offeror is financially responsible if the offeror “has or within a reasonable time will have the financial resources to fulfill its proposed contractual obligations.”

PFRA is calculated as follows:

- (1) \$80 per ton (national average as of March 19, 2020 according to iscrapapp.com) times 132 tons per mile times 41.05 miles =
\$433,488
- (2) \$4,000 per mile time 41.05 miles times 2 = \$328,400
- (3) TOTAL \$761,888

AOK’S ABILITY TO PAY THE PFRA

Attached to this pleading is a copy of AOK’s 2018 Income Tax Summary, which demonstrates AOK’s financial resources, which is designated “HIGHLY CONFIDENTIAL”.

CONCLUSION AND REQUESTED RELIEF

WHEREFORE, AOK respectfully requests that it be found to be financially responsible on a preliminary basis to purchase the rail line.

Respectfully submitted,
ARKANSAS-OKLAHOMA RAILROAD CO.

/s/ Daniel A. LaKemper
By: DANIEL A. LaKEMPER
P.O. Box 185
Morton, Illinois 61550
lakemper@mtco.com

Dated: March 19, 2020

CERTIFICATE OF SERVICE

I hereby certify that on March 24, 2020, I served the foregoing document, Notice of Intent to File an Offer of Financial Assistance and Demonstration of Preliminary Financial Responsibility on Catherine S. Wright at cwright@irvinrigsby.com, attorney for R. J. Corman Railroad Property, LLC.

/s/ Daniel A. LaKemper

DANIEL A. LaKEMPER