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June 1, 2020

VIA E-FILE

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

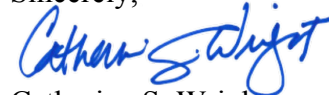
Re: **Docket No. AB-1296X**
R. J. Corman Railroad Property, LLC – Abandonment Exemption –
in Scott, Campbell, and Anderson Counties, Tennessee

Dear Ms. Brown:

As part of the offer of financial assistance process as required by 49 C.F.R. 1152.27(a), R. J. Corman Railroad Property, LLC submitted the attached letter as of June 1, 2020 to Arkansas-Oklahoma Railroad Co. ("AOK"). Any updated valuation information that is provided to AOK will be simultaneously provided to the Board.

Please feel free to contact the undersigned, if there are any questions.

Sincerely,



Catherine S. Wright
Attorney for R. J. Corman
Railroad Property, LLC

cc: Parties of Record

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June 1, 2020

Sent Via Email

Daniel A. LaKemper
General Counsel
Arkansas-Oklahoma Railroad Co.
P.O. Box 185
Morton, IL 61550

**Re: Docket No. AB-1296X
R. J. Corman Railroad Property, LLC – Abandonment Exemption –
in Scott, Campbell, and Anderson Counties, Tennessee**

Dear Mr. LaKemper:

This letter responds to your May 27, 2020 email and is in further response to the requirements of 49 C.F.R. § 1152.27(a)(3) and the Board's Order dated May 26, 2020 in the above referenced matter. In accordance with 49 C.F.R. § 1152.27(a)(3), R. J. Corman Railroad Property, LLC ("R. J. Corman") is providing you with information in its possession or readily attainable. R. J. Corman reserves its right to supplement the information as necessary.

Subject to National Coal, LLC's waiver of its right of first refusal,¹ R. J. Corman is willing to sell the Oneida Line, extending from milepost 0.95 at or near Oneida, Tennessee to the end of the line at milepost 42.0 at or near Devonia, Tennessee, a distance of approximately 41.05 miles in Scott, Campbell, and Anderson Counties, Tennessee, including all of its interest in the real estate and tracks, switches, ties, bridges, and any other track materials necessary for rail operations (but not including any cars, locomotives, or other rolling stock) for a minimum purchase price of \$4,233,507.00.

¹ NC Coal, LLC has represented in filings with the STB that it is willing to waive its right of first refusal to allow a sale to Arkansas Oklahoma Railroad, Co. to proceed.

Mr. Daniel A. LaKemper
June 1, 2020

Information regarding the physical condition of the Oneida Line has been communicated to you previously along with copies of the ValMaps which provide you with details of the lines. R. J. Corman is also willing to accompany your representatives on a site inspection.

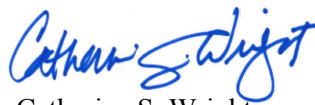
Net liquidation value and supporting data is as follows:

- 1) 2010 Real Estate Appraisal is being produced with this letter. The real estate is held both in fee simple and easements.
- 2) R. J. Corman has received confidential offers to purchase the rail and track materials, which include cost of removal. Based on these offers and estimates provided by R. J. Corman's in-house operating and engineering departments, and considering costs associated with removal (not including bridges) and adding the value of the real estate, R. J. Corman has determined a net liquidation value of approximately \$4,233,507.00. Based on information available to R. J. Corman, the quality of the materials to be harvested is 60% relay, 20% reroll and 20% scrap. Additional detailed information is attached.

Additional information is provided as follows:

- 1) An attached excel spreadsheet contains information regarding long-term leases. These are leases that have been entered since R. J. Corman purchased the Oneida Line. None were assigned to R. J. Corman when it purchased the Oneida Line from NC Railroad.
- 2) A copy of the NS – Track Lease at Interchange (NC Railroad)
- 3) Real Estate Deeds.

Sincerely,



Catherine S. Wright

cc: Ms. Cynthia T. Brown (w/o enclosures)
Parties of Record (w/o enclosures)