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SERVICE DATE – SEPTEMBER 27, 2024

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36811]

Oklahoma & Kansas Railroad, LLC—Change of Operator Exemption—Oklahoma
Department of Transportation and Blackwell Industrial Authority

Oklahoma & Kansas Railroad, LLC (OKRL), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to lease and operate approximately 37.26 miles of rail line owned by Oklahoma Department of Transportation (OKDOT) and Blackwell Industrial Authority (BIA) extending from milepost 0.09 at Wellington, Kan., to milepost 35.35 at Blackwell, Okla., and from milepost 127.0 at Blackwell to milepost 125.0 also at Blackwell (the Line). OKRL states that OKDOT owns the portions of the Line extending from milepost 18.32 at Hunnewell, Kan., to milepost 35.35, and from milepost 127.0 to milepost 126.45. OKRL further states that BIA owns the portions of the Line extending from milepost 0.09 to milepost 18.32 and from milepost 126.45 to milepost 125.0. The verified notice states that under the proposed transaction OKRL will replace Blackwell Northern Gateway Railroad Company (BNGR), the current common carrier service provider on the Line. See State of Okla.—Alt. Rail Serv.—Line of Blackwell N. Gateway R.R., FD 36762 (STB served July 26, 2024).

According to the verified notice, the transaction involves OKRL's proposed lease of, and commencement of common carrier service over, the Line. OKRL further

states that once the proposed lease transaction is effectuated, OKRL will assume a common carrier status over the Line in place of BNGR.¹

This transaction is related to a concurrently filed verified notice of exemption in Chicago Rock Island & Pacific Railroad—Continuance in Control Exemption—Oklahoma & Kansas Railroad, Docket No. FD 36812, in which Chicago Rock Island & Pacific Railroad LLC seeks to continue in control of OKRL upon OKRL's becoming a Class III rail carrier.

OKRL certifies that the agreement governing the transaction does not include any provision that may limit future interchange with a third-party connecting carrier. OKRL also certifies that its projected annual revenues as a result of this transaction will not result in its becoming a Class II or Class I rail carrier and that its projected annual revenue will not exceed \$5 million.

Under 49 CFR 1150.32(b), a change in operator requires that notice be given to shippers. OKRL certifies that it has provided a copy of its verified notice of exemption to all customers on the Line in accordance with the Board's change of operator rules.

The transaction may be consummated on or after October 13, 2024, the effective date of the exemption (30 days after the verified notice was filed).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay

¹ The verified notice states that OKRL understands that BNGR does not object to the proposed change in operator.

the effectiveness of the exemption. Petitions for stay must be filed no later than October 4, 2024 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36811, must be filed with the Surface Transportation Board either via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on OKRL's representative, Robert A. Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to OKRL, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic preservation reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: September 24, 2024.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.