

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

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Corporate Affiliate Offeror

(Original Offeror Hayduk International, LLC)

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OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

1. Pursuant to 49 C.F.R. §1152.27(c)(1)(i) and (ii), MATTHEW J. HAYDUK¹ (“Hayduk”); in his individual capacity, herewith files his Offer of Financial Assistance to Purchase (“OFA”) the line subject to this proceeding. The Filing Fee has been paid online at [www.pay.gov].

PORTION OF THE LINE OFFEROR SEEKS TO ACQUIRE

2. Hayduk respectfully seeks to purchase ALL of the line segment Colorado Pacific Rio Grande Railroad LLC (“**CXRG**”) seeks to abandon pursuant to its Abandonment Exemption, together with ALL rights and interests associated with the line segment.

3. More specifically described as: That portion of the line between MP 272.5 (near Monte Vista, CO) and MP 299.3 (near Derrick CO), which is the end of the portion of the Creede Branch that CXRG owns.

LINE HISTORY

4. The line segment at issue in this proceeding is known as the Creede Branch and was built by the Denver & Rio Grande Railroad (“**D&RG**”).

¹ Verified Motion to Substitute Corporate Affiliate was served by Michael J. Hayduk November 15, 2025.

5. The D&RG Creede Branch originated at the Alamosa Subdivision, MP 251.7, in Alamosa, Colorado and terminated a mile or so north of the municipality of Creede, at North Creede, Colorado MP 321.8. (See Exhibit (“Ex”) A – Timetable 125 p. 2)

6. D&RG constructed the original Creede Branch in three foot gauge from Alamosa reaching South Fork in 1881. By 1883 the line had extended westward as far as Wagon Wheel Gap with the intention of reaching the Creede mining district.

7. David Moffat, former D&RG President, who owned the Holy Moses Mine, personally built the ten miles from Wagon Wheel Gap to Creede. Operations on the new line were contracted out to the D&RG, and the extension was subsequently sold to the D&RG in 1892.

8. The Denver & Rio Grande Western Railroad Company (“**D&RGW**”) became the corporate successor after the re-organization of the old D&RG on July 31, 1921².

9. The first Creede Branch abandonment occurred in 1969, when the D&RGW abandoned the 0.84 mile segment at the very end of the line, at North Creede from MP 320.88 to MP 321.72. See I.C.C. F.D. 25728, Served September 16, 1969.

10. The Southern Pacific (“**SP**”) and the D&RGW merged in 1988 when Rio Grande Industries purchased SP. However, the D&RGW operated as a separate division until 1992, when it was consolidated under the SP operating banner.

11. Ultimately, Union Pacific acquired SP (including the D&RGW) in a larger merger that officially granted control on September 11, 1996.

12. In STB Docket No. AB 33 (Sub. No. 132X), *Union Pacific Railroad Company – Abandonment Exemption – In Rio Grande and Mineral Counties, CO – In the Matter of an Offer of Financial Assistance*, STB Served May 11, 1999, the Denver & Rio Grande Railway Historical

² Athearn, Robert G. (1962). *Rebel of the Rockies: The Denver and Rio Grande Western Railroad*. Yale University Press. pp. 241–243

Foundation, Inc. (“**DRGHF**”) acquired that portion of the Creede Branch that lies between MP 299.3 and MP 320.9.

13. MP 299.3 is the beginning point of the portion of the Creede Branch that the DRGHF currently owns. DRGHF is a Colorado not-for profit corporation and Class III carrier doing business as the Denver & Rio Grande Railway, L.L.C.

14. In a decision served by the Surface Transportation Board (“STB”) on May 23, 2008, the STB granted the City of Creede’s Adverse Abandonment Application, granting authority to abandon that portion of the Line that lies within the City Limits of Creede, Colorado between MP 319.9 and MP 320.9. See *Denver & Rio Grande Railway Historical Foundation – Adverse Abandonment – In Mineral County, CO, STB Docket No. AB-1014*.

15. In FD 34350, *San Luis & Rio Grande Railroad Company – Acquisition and Operating Exemption – Union Pacific Railroad Company*, Served July 18, 2003, the San Luis & Rio Grande Railroad Company (“**SLRG**”), acquired the line of railroad that originated in Walsenburg, CO, at MP 180 and included that portion of the Creed Branch that terminated in Derrick, CO, at MP 299.3.

16. The SLRG filed for involuntary Chapter 11 bankruptcy in October 2019. A federal court in Colorado approved the petition for relief on November 7, 2019.

17. CXRG acquired from the SLRG’s bankruptcy Trustee all lines of railroad owned by SLRG including the Creede Branch. See *Colorado Pacific Rio Grande Railroad, LLC – Acquisition and Operation Exemption Containing Interchange Commitment – San Luis & Rio Grande Railroad, Inc.*, Served January 5, 2022.

18. On July 1, 2025, CXRG filed its Abandonment Exemption, Docketed AB - 1344, wherein it sought to abandon the portion of the Creede Branch that lies between MP 272.5 and MP 299.3.

PRELIMINARY ISSUES

False and/or Misleading Information

19. Offeror seeks to address certain issues and potential areas of concern prior to the substance of the OFA.

20. On p. 4 of CXRG'S NOE, in CXRG's "Qualification for Class Exemption" section of its NOE, CXRG made the following (Hayduk argues potentially false and/or misleading) statement:

"CXRG certifies that no local traffic has moved over the Line for at least two years and **that no overhead traffic could be or was previously handled [on] the Line, which terminates at Milepost 299.3.**" (Bold added)

21. Hayduk is concerned that unless proactively addressed, at some time in the future a third party may seek to interfere with or undo the transfer of the Line under the OFA process. See *Buffalo Crushed v. STB*, et al, No. 98-1505 (D.C. Cir. 1999)

Stranded Segment

22. The Creede Line History documents the existence of additional line past MP 299.3; in fact, an entire additional common carrier (DRGHF) exists at the end point for the CXRG's Abandonment Exemption filing.

23. It is illegal to create a Stranded Segment. *Central Oregon & Pacific RR – Abandonment and Discontinuance of Service – In Coos, Douglas, and Lane Counties OR*, Docket AB-515, Sub. No. 2, slip op. at 12, Served October 31, 2008 ("Coos Cty").

24. Were unconditional abandonment authority to be granted, the grant of that abandonment authority would create an illegal 'Stranded Segment.'

25. Specifically, the DRGHF portion of the Creede Branch line between MP 299.3, in Derrick CO, and MP 319.9, at the south side of the Creede City Limits, would no longer be connected to the National Rail System, and thus would become an illegal ‘stranded segment.’

Overhead Traffic

26. Hayduk further argues that CXRG’s statement “no overhead traffic could be or was previously handled [on] the Line,” is also potentially false and/or misleading.

27. There is a General Electric B30-7 locomotive stored on the Creede Branch at or near MP 300, on the DRGHF’s portion of the Creede Branch. That locomotive was interchanged inbound via the line segment that CXRG seeks to abandon. Thus, “overhead traffic ... was previously handled [on] the line” albeit before CXRG acquired the line.

28. More importantly, the locomotive was sold to a Corporation that desires the locomotive be moved to the new owner’s business location, which is in California. Thus, not only “could” overhead traffic be tendered to CXRG at MP 299.3, to be transported to Walsenburg, and thence to the new owner’s interstate location, it is highly likely that the locomotive will in fact be tendered to CXRG in the very near future, thus creating “overhead traffic” on the Line Segment CXRG seeks to abandon.

Conclusion

29. This raises the issue of whether CXRG’s Abandonment Exemption should be declared to be void ab initio, since the NOE (A) fails to apprise the STB of the stranded segment issue by failing to note with specificity that the end point for CXRG’s abandonment, at MP 299.3, is also the beginning point for the DRGRHF’s line of railroad; and (B) incorrectly states that there is no possibility of overhead traffic being tendered to CXRG on the Line Segment that CXRG seeks to abandon.

ANALYSIS OF PRELIMINARY ISSUES

Applicable Law

30. 49 CFR 1152.50 states in relevant part:

“(b) An abandonment or discontinuance of service or trackage rights is exempt if the carrier certifies that no local traffic has moved over the line for at least 2 years and **any overhead traffic on the line can be rerouted over other lines ...** .”

“(d)(3). ... **If the notice of exemption contains false or misleading information, the use of the exemption is void *ab initio* and the Board shall summarily reject the exemption notice.**” (Bold added)

31. “This rule contains no exception for *de minimis* errors in the notice of exemption.”

BNSF Railway Company – Abandonment Exemption – In Oklahoma County, OK, STB Docket No. AB-1040X,. Slip op. at 6, Served June 5, 2008.

32. At first viewing, it appears that the STB has no choice but to “reject a notice of exemption before it takes effect or revoke it after it takes effect to protect the integrity of the Board’s processes and as necessary to carry out the rail transportation policy of 49 U.S.C. §10101.” *Jackson Cnty., Mo. – Acquis & Operation Exemption – Union Pac. R.R.*, FD 35982, slip op. at 7, STB served July 31, 2019.

33. Over the years, the STB has qualified the literal language in 49 C.F.R. §1152.50 (d)(3) and has made a few exceptions.

Information Must Be Material

34. “The Board has stated that notices of exemption may be false or misleading by assertion or omission, and that, to be found void *ab initio*, the false or misleading information must be material.” *Eastside Community Rail LLC – Acquisition and Operation Exemption – GNP RLY INC*, FD 35692, slip op. at 4, Served December 22, 2020.

35. “The ICC has interpreted the regulation to require that such information concern a

‘material’ part of the transaction. *Mendocino Coast Ry. Inc.*, 1988 WL 224486, at *3 (I.C.C. July 14, 1988). A statement is material if, for example, the transaction would not have otherwise qualified for an exemption. *Sagamore Nat’l Corp.*, 1994 WL 487580, at *2 (I.C.C. Sept. 9, 1994).” *Berkshire Scenic Ry. Museum, Inc. v. ICC*, 52 F. 3d 378, 381 (1st Cir. 1995).

36. In this proceeding, the failure to tell the STB that a stranded segment would be created if the Line Segment at issue were to be abandoned, is misleading by omission. The statement that “no overhead traffic could be or was previously handled [on] the Line, which terminates at Milepost 299.3,” is a potentially misleading ‘assertion.’ Both of which are possible grounds to reject or revoke an exemption.

37. At first reading, it appears that CXRG’s Exemption meets the criteria and could be declared void *ab initio*.

Misleading Information Must be Inserted Knowingly

38. In the *Eastside* proceeding, ¶34 above, the STB found that Eastside had “flouted the regulatory process in general and, in particular, undermined the notice-of-exemption process,” since Eastside’s principal, Engle, had contrived to exclude its easement from its bankruptcy proceeding, then further contrived to retain and ultimately sell the easement.

39. In *U.S. Rail Corp. – Lease and Operation Exemption*, FD 35042, slip op. at 3, served October 8, 2008, the STB found that U.S. Rail knew, at the time it filed its exemption, that the City had instituted a condemnation proceeding against the property at issue and U.S. Rail failed to disclose this material information.

40. There is no evidence or accusation that CXRG’s counsel, by artful pleading, knowingly or intentionally failed to apprise the STB that abandonment of the Line Segment at issue would create a stranded segment or misrepresent overhead traffic.

Exceptions

41. There is a “strong federal policy in favor of retaining rail property in the national rail network, where possible.” See 49 U.S.C. §§ 10904, 10907 and 16 U.S.C. §1247(d).” *Jie Ao and Xin Zhou*, FD 35539, slip op. at 7, Served June 6, 2012.

42. In *Coos Cty*, the carrier desired to abandon 94 miles of line. There were three stub-end line segments, owned by two different common carriers, attached to the Line, which would become stranded, were the line to be abandoned.

43. Three days before the *Coos Cty* carrier, Central Oregon & Pacific Railroad (“**CORP**”), filed its application to abandon the 94-mile line, the Port of Coos Bay filed a 49 U.S.C. §10907 Feeder Line application to acquire the 94-mile line, plus an additional line. See *Oregon International Port of Coos Bay – Feeder Line Application – Coos Bay Line of the Central Oregon & Pacific RR, Inc.*, STB FD No. 35160, served October 31, 2008. On the day the STB issued its decision in the abandonment proceeding, granting abandonment (subject to the conditions noted below), it also issued its decision in the Feeder Line proceeding, granting the Feeder Line Application.

44. The STB, in granting conditional abandonment authority, in spite of the stranded segments that would be created were abandonment of the 94-mile line to be consummated, made the following statements:

A. “Here, CORP’s proposed abandonment would result in two and possibly three stranded segments. The Coquille Branch and the LPN Branch are both stub-ended and they rely solely on the [94-mile] Line to connect to the national rail system. While CORP seeks authority to discontinue service over the LPN and Coquille branches, that action would **not** relieve LPN (owner of the LPN Branch) and Union Pacific (owner of the Coquille Branch) of their respective underlying common carrier obligations.” Op. 12. Bold added.

B. “As a result, we will condition abandonment authority on LPN and Union Pacific filing for and obtaining abandonment authority for their respective segments. Slip Op. 13.

C. “Our decision in the feeder line proceeding *requires* CORP to transfer the [94-mile] Line to the Port (assuming that the Port accepts the terms we have set and the purchase price we will establish in a subsequent decision), whereas the findings we make here merely *permit* CORP to abandon the Line, subject to the conditions we have imposed.” Slip Op. 14. (*Italics* in original.)

D. “[W]hen possible, we will give primary effect to a **grant of authority that permits continued rail service.**” Slip op. at 14. (Bold added)

E. “CORP may **not** exercise the abandonment authority granted here if the Port consummates the feeder line sale pursuant to 49 U.S.C. 10907” Slip Op. 17. (Bold added)

F. On March 31, 2009, in *Coos Cty*, ¶¶13, 43-44, the STB served a decision, stating:

“On March 13, 2009, CORP provided notice to the Board that the parties had consummated the feeder line sale on that date. Accordingly, pursuant to the October 31, 2008 decision in STB Docket No. AB 515 (Sub-No. 2), CORP’s application for abandonment authority filed July 14, 2008, **will be dismissed.**” Slip Op. 2. (Bold added)

OPTIONS AVAILABLE TO RESOLVE PRELIMINARY ISSUES

45. CXRG’s Abandonment Exemption could be disposed of in three ways:

A. **Granted**, subject to:

- a. The [*Coos Cty.*] condition that CXRG’s abandonment authority shall **NOT** be consummated unless, and until, the DRGHF seeks, obtains, and consummates abandonment authority for its line; and,
- b. The [*Coos Cty.*] condition that CXRG shall **not** exercise the abandonment authority granted if Hayduk consummates, pursuant to 49 U.S.C. §10904, the OFA purchase of the Line Segment at issue.

B. **Converted** (via a motion to amend) into a **Line Sale** exemption, wherein CXRG and Hayduk agree to convey the Line Segment at issue to Hayduk, for the same consideration that the Line Segment at issue could be obtained via the OFA process;

C. **Revoked** by the STB, due to false and/or misleading information in the Abandonment Exemption.

PREFERRED OPTION

46. 49 C.F.R. §1152.27(f)(2) [*Agreement on financial assistance*] states:

“If the carrier and a person offering to purchase a line **enter into a purchase agreement** which will result in **continued rail service**, the Board **will** approve the transaction **and**

dismiss the application for abandonment or discontinuance, or the petition for exemption or **notice of exemption**. Board approval is **not** required under 49 U.S.C. 10901, or 11323 for the parties to **consummate the transaction or for the purchaser to institute service and operate** as a railroad subject to 49 U.S.C. 10501(a).”

47. In *Coos Cty.*, the STB:

A. Made the statement: “[W]hen possible, we will give primary effect to a **grant of authority that permits continued rail service**.” (Similar to the OFA provision above.)

B. Conditioned the Abandonment Exemption:

- a. Prohibiting abandonment, if the stranded segments were also not abandoned;
- b. Prohibited abandonment and ordered the carrier to convey the line to the Feeder Line Applicant.

48. Hayduk’s preferred option is to complete the sale via the OFA process which is the most simple way to achieve the desired results.

CXRG’S MINIMUM PURCHASE PRICE

49. In a September 2, 2025 email from Tom Wilcox, counsel for CXRG, to Michael Hayduk, managing member of Hayduk International LLC, see Ex B, Mr. Wilcox made the following statement:

“As to the minimum purchase price under 1152.27(a)(1)(ii), CXRG states it is \$850,000.”

CALCULATION OF OFA VALUE

50. Under 49 U.S.C. §10907(b)(1), Congress has authorized the Board to order the sale of a rail line at the line’s constitutional minimum value, which is presumed to be “not less than the net liquidation value [NLV] of such line or the going concern value of such line, **whichever is greater**,” 49 U.S.C. §10907(b)(2).³ (Bold added)

51. 49 U.S.C. §10904 (f)(1)(B) [set terms and conditions] states:

“(B) for purchase sales, the Board shall determine the price and other terms of sale, except that in no case shall the Board set a price which is below the **fair market value** of the line

³ See *R.R. Ventures, Inc. v. STB*, 299 F.3d 523, 556 (6th Cir. 2002) (equating the constitutional minimum value standard under the feeder line provisions of 49 U.S.C. 10907 with the constitutional minimum value standard under the offer of financial assistance provisions of 49 U.S.C. 10904).

(including, unless otherwise mutually agreed, all facilities on the line or portion necessary to provide effective transportation services);” (Bold added)

GOING CONCERN VALUE OF LINE

52. CXRG made the following representations in its NOE:

A. “CXRG certifies that no local traffic has moved over the Line for at least two years and that no overhead traffic could be or was previously handled [on] the Line” NOE at 4.

B. “The Line has not been in service since 2007 due to the absence of any shippers along the Line, and there is no possibility of rail freight service being requested or resumed in the indefinite future.” NOE Environmental Report at p. 2.

C. “However, CXRG believes there is no reason to leave the tracks in place given the lack of need for rail service.” NOE Environmental Report at p. 2.

53. Based on CXRG’s representations the Line Segment at issue has no ‘going concern’ value.

NET LIQUIDATION VALUE

54. In a September 12, 2025 letter⁴ from Mr. Wilcox to Michael Hayduk, Mr. Wilcox made the following statements:

- A. “There are 10 miles 85 lb. Rail making up the track.”
- B. “There are approximately 16 miles of 90 lb. Rail making up the rest of the track.”
- C. “There are approximately 110,000 ties in various conditions. The track is out of service in large part because of poor tie conditions.”
- D. “In regard to 1152.27(a)(3), there is no formal calculation of the Net Liquidation Value to provide to you. Rather CXRG has, to date, obtained a preliminary estimate for the value of just the track (meaning what a scrapper would pay for it), which has been preliminarily estimated to be \$476,083.”

Scrap Value of Rail

55. Hayduk received a quote from a scrap rail buyer located in Salt Lake City, Utah⁵. The scrap buyer in Salt Lake City offered to pay \$145.00 per long ton (2,240 lbs) for Unprepared Heavy

⁴ See Ex C

⁵ Hayduk was unable to find a scrap metal buyer any closer than Salt Lake, who was willing to buy scrap rail. Western Metals Recycling, 4201 W 700 S, Salt Lake City, UT 84104 was the closest company.

Melting Steel (HMS) [Rail is not a “type of scrap”, U/HMS encompasses scrap that is the dimensions of rail in unprepared form], F.O.B. Salt Lake City scrap yard. See Ex D.

56. Scrap value of rail calculations:

10 miles 85 lb rail: $17,600 \text{ yards} \times 85 \text{ lbs / yd} \times 2 \text{ pcs rail / yd} = 2,992,000 \text{ lbs} = 1,335.7 \text{ L tn}$

16.55 miles 90 lb rail: $19,128 \text{ yds} \times 90 \text{ lbs / yd} \times 2 \text{ pcs rail / yd} = 5,243,040 \text{ lbs} = 2,340.6 \text{ L tn}$

TOTAL LONG TONS: 3,676.3 L tn

Price / long ton: \$ 145.00 / L tn

Scrap Value of Rail, F.O.B. Salt Lake: \$ 533,063.50

Cost to Remove Rail and Ties

57. CXRG made the following statements:

“... the tracks will be removed ...” P. 4, ¶ 5 (Air), Environmental / Historic Report.

“... poor tie condition.” See Ex. C page 2.

58. Hayduk was unable to find any contractor willing to quote rail and tie removal for this project however, CXRG estimated the removal costs at \$75,000⁶.

Cost to Transport Rail to Scrap Buyer

59. Cost, one way, one Flatbed truck, with 45,000 lb. Load, FROM Del Norte, Colorado to Salt Lake, Utah, See Ex E: \$1,735.43 per truck load of rail.

60. 3,673.3 long tons (¶ 56 above) at 2,240 lbs / long ton = 822,819 lbs.

61. 822,819 lbs divided by 45,000 lbs per truck load = 183 truck loads.

62. 183 truck loads at \$ 1,735.43/ truck load = \$317,583.69.

Cost to Transport & Dispose of Railroad Ties

63. Railroad ties cannot be disposed of in a Colorado Solid Waste Disposal Facility.⁷

⁶ Hayduk did not assign value for removal in NLV calculations due to a lack of a direct quote from a contractor

⁷ E-mail from Kim Burns, Manager San Luis Valley Regional Solid Waste Authority. See Ex F

64. TiEnergy LLC⁸ accepts railroad ties at its Chicago facility.

65. Ties can be transported to TiEnergy via RR gondola. A large gondola will hold 600 ties.

66. Cost to move one gondola from Monte Vista, Colorado to Chicago = \$12,651; plus an additional \$440 fuel surcharge, for a total of \$13,091.⁹

67. 110,000 RR ties (CXRG stated there were 110,000 ties See Ex C p2) at 600 ties per gondola car = 183 gondola cars. At \$13,091 per gondola car = \$ 2,395,653.

68. TiEnergy charges \$3.20¹⁰ per RR tie. 110,000 ties at \$3.20 = \$ 352,000

Environmental Remediation and Compliance Costs

69. The Draft Environmental report states, at p. 4:

“CXRG requested comments from the U.S. Army Corps of Engineers (USACE), Southern Colorado Branch for help in identifying whether permits under Section 404 of the Clean Water Act (CWA) would be required for the proposed abandonment. To date, USACE has not replied. Because no instream work is contemplated; **no** bridge, viaduct, embankment, or **tree removal is contemplated**; the scope of salvage is limited; no subgrade salvage activities are proposed; no dredging or use of fill in the removal of the track material is contemplated; and no salvage debris will be discarded along the right-of-way or placed or left in streams or wetlands or along the banks of such waterways, OEA believes that abandonment-related salvage activities would not require a permit under section 404 of the CWA, and that no waterways, wetlands, or 100-year flood plains would be affected. OEA is providing USACE, Southern Colorado Branch a copy of this Draft EA for its review.” (Bold added)

70. The EPA issues national Pollutant Discharge Elimination System (“NPDES”) permits on tribal lands and federal facilities in Colorado. The EPA has delegated authority to issue **OTHER NPDES** permits to the Colorado Dept. of Public Health & Environment.¹¹

⁸ <https://www.tienergy-usa.com/>

⁹ Union Pacific Rule 11 quote. See Ex G

¹⁰ E-mail from Greg Kutschke, Vice President - TiEnergy LLC See Ex. H

¹¹ See <https://www.epa.gov/npdes-permits/about-region-8s-npdes-permit-program> See Ex I

71. Consequently, the USACE is NOT the agency that would determine whether a NPDES permit would be required. The Colorado Dept. of Health and Environment is the proper agency that determines whether a NPDES permit would be required and conducts enforcement thereof.

72. *Central Oregon & Pacific RR – Abandonment and Discontinuance of Service – in Coos, Douglas, and Lane Counties, OR*, AB 515 (Sub No. 2), slip op. at 16-17, Served Oct. 31, 2008, held:

“(4) to ensure appropriate consideration of the National Pollution Discharge Elimination System (NPDES) and Clean Water Act (CWA) requirements, consult with the Oregon Department of Environmental Quality (DEQ) prior to commencement of any salvage activities and comply with the reasonable NPDES requirements. CORP shall report the results of these consultations in writing to SEA prior to the onset of salvage operations; (5) consult with DEQ prior to commencement of any salvage activities to discuss DEQ’s concerns regarding **proper disposal of waste and demolition material**. CORP shall report the results of these consultations in writing to SEA prior to the onset of salvage operations; (6) based on the comments and concerns of the Oregon Department of State Lands (DSL): (i) **revegetate disturbed area with native species** and (ii) consult with DSL’s Wetlands and Waterways conservation Division prior to commencement of any salvage activities, in order to discuss DSL’s concerns regarding the abandonment **(erosion and sedimentation control plan; bridge and culvert maintenance**; and the safety and condition of land and structures on any **state-owned land**). CORP shall report the results of these consultations in writing to SEA prior to onset of salvage operations; ... (9) prior to commencement of salvage activities, contact the DSL, the Port of Siuslaw, the City of North Bend, the City of Coos Bay, the **Lane County Board of Commissioners**, and the DEQ in order to discuss their concerns regarding the bridges and culverts on the Line, as well as their concerns regarding salvage activities **(erosion control plan; plan for waste and demolition material disposal, specifically the removal of tracks in the vicinity of water crossings**; and habitat and estuary protection). The railroad shall report the results of these consultations in writing to SEA prior to the commencement of salvage operations; and (10) during any salvage activities utilize alternative to herbicides and pesticides or consult with the Oregon Department of Agriculture’s Pesticide Division at (503) 986-4635 prior to using herbicides and pesticides.” (Bold Added)

73. Michael Hayduk consulted Ms. Christine Forney, Unit 1 Manager, Permits Section, Water Quality Control Division, Colorado Dept. of Public Health and Environment who stated via email:

“Construction¹² sites that disturb one acre or greater, or are part of a larger common plan of development or sale disturbing one acre or greater, are covered under Colorado’s stormwater permitting requirements.” Ex J.

74. Clearing the heavy vegetation in order to access the rail and ties for removal, is likely to involve substantial “tree removal.”

75. Removing 110,000 ties will “disturb” substantially more than “one acre.” (26.5 miles by 10 feet = 32 acres.)

76. Consequently, in order to be in environmental compliance a Colorado professional will be required to develop an acceptable Stormwater Management Plan for submission of a permit application and a permit will need to be obtained.

77. At a very minimum, onsite appropriate weekly monitoring will be required including installing and removing ‘silt fence’ in vicinity of both bridges. The cost of installing a silt fence is \$3.09 per linear foot.

78. In reviewing the scope of a rail and tie removal plan, the environmental bidder indicated that hydroseeding would be the preferred method of completing required post project remediation.

79. TOTAL Environmental Compliance and Remediation Cost: \$313,559.29¹³

Value of Real Property

80. The right of way is an easement.

81. In some areas, the easement is no longer even recorded or recognized by the State of Colorado. See Ex L.

82. Easements have no liquidated value, since the land under an easement reverts back to

¹² Construction activity is defined as follows: “**Ground surface disturbing** and associated activities (land disturbance), which include, **but are not limited to, clearing, grading, excavation ...** .” (Bold added) CDPS General Permit COR 400000 Stormwater Discharges Associated with Construction Activity. Authorization to Discharge Under the Colorado Discharge Permit System (CDPS). P. 18.

¹³ See Ex K – Horizon Environmental Services, Inc. Quote 25-453

the adjacent land owners.¹⁴

83. The deed from the Bankruptcy Trustee to CXRG lists 18 lots, which were conveyed in fee simple. These 18 lots are consolidated into 9 ‘Parcels.’ The Rio Grande County Assessor has ascribed a total Fair Market Value of \$459,000 for these 9 Parcels. See Ex M.

Calculation of Net Let Liquidation Value

84. Summary of Calculations:

SALVAGE VALUE OF RAIL: 533,063.50		SALVAGE VALUE OF TIES – zero-	
Cost to Remove Rail	no value assigned	Cost to Ship Ties	(2,395,653.00)
Cost Ship Rail	(317,583.69)	Cost to Dispose of Ties	(352,000.00)
1/2 Cost of Environmental	(156,779.65)	½ Cost of Environmental	(156,779.65)
NLV of Rail	– zero –	NLV of Ties	- zero –

Fair Market Value of Real Property Owned in fee simple: \$459,000

NET LIQUIDATION VALUE (Sum of Rail, Ties and Real Property): \$459,000

ADDITIONAL VALUATION ISSUE – REMOVAL OF GRADE CROSSING

85. On July 1, 2025, CXRG filed its abandonment exemption. At that time there was a two-track grade crossing, protected by a working grade-crossing guard with ‘arms,’ at the Oak Street grade-crossing in Del Norte, Colorado.

86. In *Railroad Ventures Inc. v. Surface Transp. Bd.*, 299 F. 3d 523, 552 (6th Cir. 2002), the Court held that while a rail carrier has the right to determine what portion(s) of its line(s) it chooses to abandon, an OFA offeror has the right to determine what portions(s) of what a rail carrier seeks authority to abandon, the OFA offeror proposes to acquire.

87. Hayduk, in its Notice of Intent to buy the Line Segment at issue via the OFA procedures, indicated that Hayduk offered to buy ALL of the Line Segment at Issue, including

¹⁴ See Railroad Ventures, Inc. – Abandonment Exemption – Between Youngstown, OH and Darlington, PA, In Mahoning and Columbiana Counties, OH, and Beaver County, PA, AB-556 (Sub-No. 2X) (STB served March 3, 2000) (The Board stated in FN 9 that “[w]e assign no value to rail easements in determining the net liquidation value of a line in OFA proceedings.”)

everything that is associated with the Line Segment, which would include the Oak Street grade crossing, with working grade-crossing protection equipment, as it existed on July 1, 2025, the date CXRG filed its Abandonment Exemption. See Ex N, Google Street View November, 2022.

88. Sometime prior to July 1, 2025, a CXRG employee indicated to a Colorado Department of Transportation (“CDOT”) employee, that CXRG had no objection to CDOT’s request to remove the Oak Street grade crossing, when CDOT began repaving Oak Street, sometime in the future.

89. Sometime after July 1, the 2-track grade crossing was removed. The grade-crossing protection device, the rail and cross ties, were stacked on the right of way and then the road was paved over where the grade crossing had been. See EX O - Google Street View August, 2025.

90. Early September, 2025, Matthew Hayduk became aware that the grade crossing had been removed. CXRG indicated that they were aware that the grade crossing had been removed.

91. The estimated cost to re-install the Oak Street grade crossing, is \$712,340. See Ex P.

92. In *Kansas City Southern Railway Company – Abandonment Exemption – Line in Warren County, MS*, AB 103 (Sub. No. 21X), Served February 22, 2008, (“**Glass Road Bridge**”) after an OFA had been filed, a railroad bridge that carried the line over a county road, was removed by local government officials, without the knowledge or consent of the rail carrier (Kansas City Southern). The STB held that the rail carrier was liable for the removal of the bridge. In a subsequent decision, Served May 20, 2008, the STB held:

“Riffin’s request proceeds from the assumption that the purchase price for the Remainder and the damage caused by the bridge removal are integrally related. As we have pointed out, however, they are not. The purchase price is based on **NLV, i.e., the real estate value plus net salvage value.** *See Railroad Ventures*, 299 F. 3d at 557. The parties assigned a value of zero to the bridge, meaning that they assumed that the amount for which they could sell the bridge components would be no greater than the costs of removing them. Whether or not it would in fact cost more to restore service now that Warren County has removed portions of the bridge **has no bearing** on whether the salvage value of the

remaining portions of the bridge has changed. Thus, the **payment of the purchase price** at closing **is independent of the payment of compensation** by KCSR.” (Bold added).

The Bridge Analysis. As we have noted, our February 22 Decision assigned no value to the Glass Road Bridge, because it had **no net salvage value**. But that does not necessarily mean that damaging this asset would cause no harm to Riffin. While the bridge itself may have had no salvage value, its partial removal could in theory affect Riffin’s **cost of restoring service to the Remainder**. If, for example, the bridge could have carried freight traffic – perhaps with some rehabilitation – before its partial dismantling, the damage caused by its dismantling may have increased the cost of restoring service to the Remainder. On the other hand, if the bridge had been in such a dilapidated and dangerous condition that it would have needed to be completely replaced before service could be restored, then its partial removal could have actually reduced the cost of restoring service to the Remainder (by allowing Riffin to avoid the cost of the removal). Thus, we asked KCSR and Riffin to establish the extent, if any, to which the partial removal of the bridge increased the cost of returning the Remainder to active service.” Slip op. at 5-6. (Bold added)

LIABILITY FOR THE COST TO RE-INSTALL THE GRADE CROSSING

93. Per Glass Road Bridge, CXRG is liable for the full cost to re-install the Oak Street grade crossing as the crossing is necessary to restore rail service. Who would be liable depending on which ‘Option’ occurs, is presented in the following table:

<u>Option Chosen</u>	<u>Party liable for cost to re-install grade crossing</u>
OFA Granted – Hayduk buys line	Hayduk (portion of cost subtracted from NLV)
NOE converted to Line sale; Hayduk buys line:	Hayduk (by agreement; cost deducted from NLV)
NOE revoked :	CXRG

94. In the Glass Road Bridge proceeding, the STB held that the cost to restore the bridge to the condition it was in at the time the Abandonment Exemption was filed, is the amount to be deducted from the NLV, NOT the cost to build a new bridge.

95. CDOT would **not** permit the re-installation of a grade crossing similar to what was removed. Such a grade crossing would NOT comply with present-day standards but could possibly reuse the crossing signal system.

96. IF Hayduk were to acquire the Line Segment via the OFA process, the NLV would be

reduced by an amount significantly less [cost to re-install crossing similar to old crossing] than the quoted price to install a new, compliant crossing. HOWEVER, once Hayduk acquired the Line Segment, Hayduk would be liable for the FULL COST of installing a present-day-compliant grade crossing.

97. Consequently, that is a substantial difference in CXRG's liability, depending on which Option is selected.

98. Hayduk is aware of this difference in liability. Hayduk is willing to assume the full liability for re-installing a new grade crossing, as part of returning the line to service providing a portion of that cost is deducted from the NLV of the Line Segment.

DEMONSTRATE CONTINUED NEED FOR RAIL SERVICE ON THE LINE

99. Michael Hayduk reached out to Mr. Don Shank of DRGHF via email about establishing interchange but the email box was full. Hayduk also sent the same correspondence via First Class mail¹⁵ with no response.

100. It is illegal to create a stranded segment. The objection of the connecting railroad is not required.

101. There is no other way to preserve this line of railroad for common carrier purposes due to sales that San Luis & Rio Grande Railroad Company made to adjacent landowners of portions of the easement.

102. Parts of the line are now on a conditional contractual easement who's terms state that upon the STB entering "a final and non-appealable order" authorizing abandonment of the tracks, the easement rights shall be extinguished and the rights of CXRG in the property shall vest in the

¹⁵ See Ex Q Letter to Mr. Don Shank, DRGHF September 15, 2025

respective grantee, with CXRG being granted a period of time to remove the track and any other rail assets.¹⁶

103. Absent a transfer of ownership via this OFA before the Board, and assumption of operating authority, no continuous common carrier right of way will continue to exist.

104. CXRG makes clear the gravity of the easement situation in their NOE by stating “CXRG does not have a position on whether these easements “would affect the transfer of title or use of the railroad right-of-way for other than rail purposes.” *See* §1152.22(e)(4).”

105. The Rio Grande County commissioners have provided a letter¹⁷ supporting continued freight rail service on October 1, 2025 and have indicated that “upon learning of an actual offer to purchase the line, we intend to pass a resolution supporting the purchase...”

106. Freight operating rights would not interfere with any planned transit services and there are no current transit services.

107. Hayduk asserts that after brush is cleared and the Line is inspected limited service can start immediately to Del Norte. All rail is in place on the line with the exception of the Oak Street grade crossing in Del Norte, Colorado.

108. An inspection of the bridges will determine any weight restrictions below 286,000 lbs.

OFFERERS IDENTITY

109. Matthew J. Hayduk is the corporate affiliate of Hayduk International, LLC and is an individual who is a Citizen of the United States and does not own or control any other railroads.

THE OFFERER IS FINANCIALLY RESPONSIBLE

110. On August 29, 2025, Michael J. Hayduk provided the STB, under seal, financial documents. Those financial documents demonstrate that the guarantor of the Offeror has

¹⁶ See NOE Filed July 1, 2025 p.5

¹⁷ See Ex R

sufficient monetary assets “to fulfill proposed contractual obligations,” to wit: the full purchase price for the Line Segment Offeror seeks to acquire; and the “ability to obtain insurance.”

OFFER

111. Offeror offers \$459,000 for ALL of the line segment CXRG seeks to abandon pursuant to its Abandonment Exemption, filed in STB Docket No. AB 1344 X, together with ALL rights and interests associated with the line segment.

ESCROW

112. TOTAL ESCROW: \$ 71,678.20¹⁸ NOTE: Michael Hayduk and CXRG through counsel¹⁹ agreed to utilize CXRG’s Counsel’s Trust Account, which is at a reputable financial institution.

ARGUMENT

113. Hayduk is a financially responsible entity, that desires to acquire the Line Segment at Issue, to use the Line Segment for continued freight rail service. Hayduk’s financial statements support Hayduk’s assertion that Hayduk has the financial ability to acquire the Line Segment, and to begin rehabilitating the Line Segment.

114. Hayduk’s acquisition of the Line Segment is supported by the ‘local community,’ namely the Rio Grande County Commissioners and no parties have objected to the sale. See Ex R.

115. Shippers and potential shippers have demonstrated a need and desire for rail service on the line. See Ex T.

116. Transferring the Line Segment to Hayduk will relieve CXRG of the substantial

¹⁸ 10% of the NLV calculated for the Notice of Intent

¹⁹ See Ex S (Confidential)

liability associated with re-installing the Oak Street grade crossing or abandoning the Line Segment at Issue.

117. ALL rail freight traffic generated by Hayduk, will have to traverse over CXRG's rail line to Walsenburg, Colorado. CXRG will earn substantial additional revenue due to that additional rail traffic. While CXRG's cost to provide that additional freight rail service, will be nominal, since CXRG already operates freight trains to Walsenburg. That additional revenue, over time, will be substantially more than the difference between what CXRG desired to obtain by selling the Line Segment, and what Hayduk paid for the Line Segment. (Very similar to the reduction in lease payments for every car delivered to a carrier that leases a line segment to an operator.)

CONCLUSION

118. In the *Glass Road Bridge* proceeding, AB 103, (Sub. No. 21X), slip op. at 4-5, Served May 20, 2008, the STB made the following statements:

“Congress's purpose for enacting section 10904 is clear: rail service **should be preserved when there is an offeror willing to provide that service.** And it is well-settled that administrative agencies have inherent authority to protect the integrity of the regulatory processes that they are charged with administering. Fn 5. To ensure that the goal of section 10904 is not undermined, the Board holds that the abandoning railroad is responsible for ensuring that a rail line that is the subject of an OFA remains in substantially the same condition it was in when the railroad filed for abandonment authority. See Railroad Ventures, 299 F. 3d [523] at 554. Not only does that policy ensure that the offeror knows what it is acquiring, but it also promotes rail service by ensuring that assets to be used in providing rail service – whether assigned a net salvage value or not – will remain available once the transaction is completed.” (Bold added)

“Because we have authorized the OFA offeror in this case to acquire the Remainder in order to preserve rail service, it is **appropriate to require KCSR to compensate Riffin** once he has acquired the Remainder.” Slip op. at 11. (Bold added)

“As we have noted, part of KCSR's evidence as to compensation is predicated on KCSR supplying some of the materials in kind, which would need to be transported from Texas before bridge restoration could proceed. Accordingly, KCSR **will be required** to transport the used bridge material from Texas and tender it to Riffin in Vicksburg and **to remit \$19,277 within 60 days after Riffin has paid the \$128,295 purchase price** for the Remainder, for which the deadline is May 22, 2008. To ensure that KCSR provides usable

materials to Riffin, the railroad **will be required** to have an independent bridge engineer **attest to the Board** that the materials KCSR delivers to Riffin are free from material defects.” Slip op. at 11. (Bold added)

RELIEF REQUESTED

119. Based on STB’s precedent, Hayduk prays that the STB make the following findings:

- A. **Find** that Hayduk has met the criteria to submit an OFA;
- B. **Find** that removal of the Oak Street grade crossing, “could in theory affect [Hayduk’s] cost of restoring service to the [Line Segment at issue];”
- C. **Find** that rail service on the Line Segment at issue “**should be preserved;**”
- D. **Find** that Hayduk “is an offeror willing to provide [rail] service;”
- E. **Find** that CXRG is “responsible for ensuring that a rail line that is the subject of an OFA remains in substantially the same condition it was in when the railroad filed for abandonment authority;”
- F. **Find** that the Oak Street grade crossing is an “asset to be used in providing rail service – whether assigned a net salvage value or not – ;”
- G. **Find** that the Oak Street grade crossing needs to “remain available once the transaction is completed;”
- H. **Find** that “[w]hile the [grade crossing] itself may have had no salvage value, its [complete] removal could in theory affect [Hayduk’s] cost of restoring service to the [Line Segment at issue];”
- I. **Find** that “the [complete] removal of the [grade crossing] increased the cost of returning the [Line Segment at issue] to active service;”
- J. **Find** that “it is **appropriate to require [CXRG] to compensate** [Hayduk] once [Hayduk] has acquired the [Line Segment at issue];”

120. Hayduk, prays that the STB enter the following order:

A. **Grant** CXRG authority to abandon the Line Segment, subject to the following condition that CXRG shall not exercise the abandonment authority until AFTER DRGHF has consummated abandonment of its line;

B. **Grant** Hayduk authority to acquire the Line Segment via the OFA process;

C. **Grant** Hayduk authority to acquire the Line Segment at issue for its Net Liquidation Value, subject to the condition that CXRG tender to Hayduk compensation for the removal of the Oak Street grade crossing;

D. **Order** CXRG “to compensate [Hayduk,] once [Hayduk] has acquired the [Line Segment at issue],” for the removal of the Oak Street grade crossing;

E. **Dismiss** CXRG’s Abandonment Exemption, following notice to the STB that CXRG and Hayduk have consummated the conveyance of the Line Segment to Hayduk;

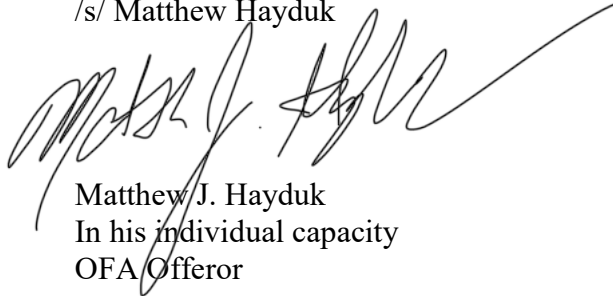
F. And for such other relief as would be appropriate.

VERIFICATION

I, Matthew J. Hayduk, declare and verify under penalty of perjury that this Offer of Financial Assistance is true and correct to the best of my personal knowledge, information and belief.

Respectfully submitted,

/s/ Matthew Hayduk

A handwritten signature in black ink, appearing to read 'Matthew J. Hayduk', is written over the typed name and title.

Matthew J. Hayduk
In his individual capacity
OFA Offeror

Dated: November 17, 2025

CERTIFICATE OF SERVICE

I hereby certify that on November 17, 2025, I served the foregoing document, Offer of Financial Assistance on Parties of Record:

VIA EMAIL ONLY:

Mr. Thomas W. Wilcox, Esq.
tom@twilcoxlaw.com

Mr. Michael J. Hayduk
MasterSergeantHayduk@gmail.com

A handwritten signature in black ink, appearing to read 'M. J. Hayduk', with a long, sweeping horizontal line extending to the right.

(MATTHEW J. HAYDUK

INDEX OF EXHIBITS

- Ex A – The Denver and Rio Grande Western Railway, Alamosa Division, Timetable 125
- Ex B – E-Mail from Mr. Wilcox dated September 2, 2025 (Confidential)
- Ex C – Letter from Mr. Wilcox dated September 12, 2025 (Confidential)
- Ex D – U/HMS Scrap Quote - Western Metals Recycling
- Ex E – Shipping Quote Scrap Rail
- Ex F – E-mail from Kim Burns, Manager San Luis Valley Regional Solid Waste Authority
- Ex G – Shipping Quote Ties - Union Pacific Rule 11 quote
- Ex H – E-mail from Greg Kutschke, Vice President - TiEnergy LLC
- Ex I – <https://www.epa.gov/npdes-permits/about-region-8s-npdes-permit-program>
- Ex J – Email from Ms. Christine Forney, Unit 1 Manager, Permits Section, Water Quality Control Division, Colorado Dept. of Public Health and Environment
- Ex K – Horizon Environmental Services, Inc. Quote 25-453
- Ex L – E-Mail from State Land Board representative Mr. David Rodenberg
- Ex M – Summary of CXRG Parcels Held in Fee Simple
- Ex N – Google Street View, Del Norte, Colorado November, 2022
- Ex O – Google Street View, Del Norte, Colorado August, 2025
- Ex P – Mountain States Contracting, Budget Costs Del Norte, Colorado
- Ex Q – Letters to Mr. Don Shank, DRGHF September 15, 2025 (Confidential)
- Ex R – Rio Grande County Commissioners Letter October 1, 2025
- Ex S – Escrow Account Arrangement E-Mail (Confidential)
- Ex T – Shipper Information (Confidential)

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT A

The Denver and Rio Grande Western Railway
Alamosa Division
Timetable 125



J. F. Selby
Trainmaster
Alamosa

J. R. Murray
Trainmaster—Roadmaster
Gunnison

T. J. Cummins
Ass't. to Superintendent and
Road Foreman of Equipment
Alamosa

J. B. Norwood, Jr.
Chief Dispatcher
Alamosa

OTTO C. PERRY
#3 FOX STREET
DENVER 9, COLO.

**The
Denver and Rio Grande Western Railroad
Company**

ALAMOSA DIVISION

**TIME-TABLE
No. 125**

Takes Effect Wednesday, June 1, 1949

**at 12:01 A. M.
Mountain Time**

**Superseding Time-Table No. 124
and Supplements Thereto**

**NOTE IMPORTANT CHANGES IN
TIME-TABLE RULES**

**For the exclusive guidance of Employees; not for
the information of the Public**

**The Management reserves the right to vary
from it at pleasure**

A. E. PERLMAN
General Manager

L. F. WILSON
Assistant General Manager

L. H. HALE
Superintendent
Transportation

E. B. HERDMAN
Superintendent

WESTWARD		MAIN LINE		EASTWARD		
FIRST CLASS	Mile Posts	Sub-Division 10		Miles from Alamosa	Capacity of Siding	FIRST CLASS
115		STATIONS				116
Passenger		TIME-TABLE No. 125				Passenger
Leave Daily		JUNE 1, 1949				Arrive Daily
1 45 AM	190.3	X	LA VETA KSBWFTDN	61.4	Yard	12 10 AM
f 2 01	194.9		4.6 FRANCISCO P	56.8	19	f 12 01 AM
f 2 07	196.6		1.7 OCCIDENTAL P	55.1	65	f 11 56
f 2 27	201.9		5.3 CODO PW	49.8	39	f 11 37
s 2 45	207.2	Ya	5.3 FIR YN	44.5	89	s 11 19
f 3 07	214.6		7.4 SIERRA PWY	37.1	70	f 10 52
f 3 12	216.9		2.3 RUSSELL P	34.8	25	f 10 46
f 3 23	221.3		4.4 MORTIMER P	30.4	64	f 10 35
s 3 40	227.7	Ft	6.4 FORT GARLAND WD	24.0	81	s 10 23
s 3 55	232.4	Nk	4.7 BLANCA D	19.3	73	s 10 13
f 4 12	239.8		7.4 BALDY	11.9	21	f 10 00
f 4 32	248.2		8.4 HAYS	3.5	43	f 9 47
4 35	249.6		1.4 EAST YARD P	2.1	127	9 45
4 39	251.0		1.4 ALAMOSA JCT. J	0.7		9 42
4 45 AM	251.7	AS	0.7 ALAMOSA KSBWFTDN		Yard	9 40 PM
Arrive Daily			(61.4)			Leave Daily
3.00			Schedule Time			2.30
20.5			Average Speed per Hour			24.5

WESTWARD		CREEDE BRANCH		EASTWARD	
	Mile Posts	Sub-Division 10-A		Miles from North Creede	Capacity of Siding
		STATIONS			
		TIME-TABLE No. 125			
		JUNE 1, 1949			
	251.7	AS	ALAMOSA PSKOJBWFTYDN 10.8	70.1	Yard
	262.5		PARMA 3.6	59.3	20
	266.1		ZINZER 2.9	55.7	81
	269.0	MV	MONTE VISTA YWD 3.9	52.8	130
	272.9		TORRES 9.9	48.9	47
	282.8	De	DEL NORTE YD 6.1	39.0	50
	288.9		HANNA 3.0	32.9	23
	291.9		GRANGER 6.3	29.9	18
	298.2		SOUTH FORK W 0.9	23.6	27
	299.1		DERRICK Y 3.7	22.7	Wye
	302.8		MASONIC PARK 9.3	19.0	
	312.1		WAGON WHEEL GAP 6.0	9.7	18
	318.1		WASSON Y 2.6	3.7	28
	320.7	Ji	CREEDE WD 1.1	1.1	27
	321.8		NORTH CREEDE		
			(70.1)		

WESTWARD		MAIN LINE		EASTWARD			
FIRST CLASS	Mile Posts	Sub-Division 11		Miles from Chama	Capacity of Siding	FIRST CLASS	
215		STATIONS				216	
Passenger		TIME-TABLE No. 125				Passenger	
Leave Daily		JUNE 1, 1949				Arrive Daily	
7 00 AM	251.7	AS	ALAMOSA 5.3 HENRY 2.6 ESTRELLA 6.6 LA JARA 3.5 BOUNTIFUL 3.6 ROMEO 7.0 ANTONITO 10.5 LAVA 8.6 BIG HORN 6.7 SUBLETTE 4.4 TOLTEC 7.9 OSIER 6.4 LOS PINOS 5.8 CUMBRES 1.6 COXO 3.3 CRESCO 4.5 LOBATO 4.1 CHAMA	PB SO JK TW FY DN	92.4	Yard	8 30 PM
f 7 10	257.0			87.1	128G 14NG	f 8 19	
f 7 15	259.6			84.5	44SG 58NG	f 8 14	
s 7 30	266.2	JR		77.9	148SG 191NG	s 7 59	
f 7 37	269.7			74.4	22SG 29NG	f 7 49	
s 7 45	273.3	OM		70.8	38SG 54NG	s 7 42	
s 8 05	280.3	NA		63.8	Yard	s 7 25	
f 8 31	290.8			53.3	25	f 6 55	
f 8 52	299.4			44.7	28	f 6 35	
f 9 09	306.1			38.0	25	f 6 15	
f 9 22	310.5			33.6	75	f 6 01	
f 9 45	318.4	BC		25.7	43	f 5 35	
f 10 03	324.8			19.3	46	f 5 18	
s 10 20	330.6	BR		13.5	105	s 5 02	
f 10 26	332.2			11.9	18	f 4 53	
f 10 39	335.5			8.6	43	f 4 39	
f 10 56	340.0			4.1	28	f 4 19	
11 10 AM	344.1	CH	SPOK BW FT DN		Yard	4 05 PM	
Arrive Daily			(92.4)			Leave Daily	
4.10 22.1			Schedule Time Average Speed per Hour			4.25 20.9	

Telephones also located in booths at M. P. 311.3, M. P. 315.2, M. P. 323.0, M. P. 328.0 and M. P. 333.0

TABLE OF SPEEDS

MILES PER HOUR	ONE MILE IN	
	Minutes	Seconds
5	12	0
8	7	30
10	6	0
12	5	0
15	4	0
18	3	20
20	3	0
25	2	24
30	2	0
35	1	43
40	1	30
45	1	20

CONFIDENTIAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT B

E-Mail from Mr. Wilcox dated September 2, 2025

Provides Details and Information about the Line

NOT FOR PUBLIC DISTRIBUTION

CONFIDENTIAL

CONFIDENTIAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT C

Letter from Mr. Wilcox dated September 12, 2025

Provides Detailed Track Information

NOT FOR PUBLIC DISTRIBUTION

CONFIDENTIAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT D

U/HMS Scrap Quote - Western Metals Recycling



Michael Hayduk <mastersergeanthayduk@gmail.com>

U/HMS Updated Quote

3 messages

Michael Hayduk <mastersergeanthayduk@gmail.com>
To: "Disera, Teresa (WMR)" <teresa.disera@wmrecycling.com>

Thu, Nov 13, 2025 at 3:18 PM

Hello Teresa,

I know the market is moving, but need to get a fresh price for today on U/HMS scrap please.

Michael

Disera, Teresa (WMR) <teresa.disera@wmrecycling.com>
To: Michael Hayduk <mastersergeanthayduk@gmail.com>

Thu, Nov 13, 2025 at 4:32 PM

Hi Michael,

\$145/NT for November.

Thank you,

Teresa DiSera

Commercial Buyer

Western Metals Recycling

4201 W 700 S, Salt Lake City, UT 84104

Cell: 801-592-6821

teresa.disera@wmrecycling.com



From: Michael Hayduk <mastersergeanthayduk@gmail.com>
Sent: Thursday, November 13, 2025 1:18 PM
To: Disera, Teresa (WMR) <teresa.disera@wmrecycling.com>
Subject: [EXT] U/HMS Updated Quote

This message came from outside of Nucor.

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT E

Shipping Quote Scrap Rail

Carrier Selection


Quote

Select a pickup date to move your shipment

Freightquote by C.H. Robinson



Flatbed

Estimated transit is **2 business days** after pickup

Pickup

Monday, Nov 17 Requested Pickup

Estimated delivery

Nov 18 - Nov 19

\$1,802.55 

Select

(https://www.freightquote.com/book/#/sign-up)

Pickup

Tuesday, Nov 25 Best Alternative

Estimated delivery

Nov 26 - Nov 27

\$1,735.43 

Select

(https://www.freightquote.com/book/#/sign-up)

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT F

E-mail from Kim Burns
Manager
San Luis Valley Regional Solid Waste Authority



Michael Hayduk <mastersergeanthayduk@gmail.com>

Disposal of Railroad Ties

SLVRSWA Manager <manager@slvlandfill.com>
To: Michael Hayduk <mastersergeanthayduk@gmail.com>

Tue, Sep 30, 2025 at 5:50 PM

Michael,

The landfill does not accept railroad ties.

[Quoted text hidden]

--

Kim Burns, Manager
SLV Regional Solid Waste Authority

SLV Regional



Solid Waste Authority

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT G

Shipping Quote Ties
Union Pacific Rule 11 quote



Information

[x](#)

Current User: Unknown
[Logout »](#)

For this commodity UP will only provide rule 11 pricing.
Reference the Route and Mileage Inquiry to find the proper gateway.

Price Inquiry

Price Document Inquiry

Price And Fuel Disclaimers

- Returned Prices And Fuel Surcharge rates are as of Sep 30, 2025
- Select a price from the results below to view the applicable conditions and restrictions. Shippers are responsible for meeting all coordinating conditions and restrictions.
- Terms & Conditions
- Fuel Surcharge Programs
- Price Inquiry Disclaimers

Result # 1

[Refine Search](#)[Request a Price Quote](#)[See Your Emission Savings](#)

Commodity (STCC): 4029192 - Railroad Ties, Wood, Whole Or Processed, Scrap

Origin: Monte Vista,CO

Destination: Hampshire,IL

Equipment Type: Gondola

Shipment Qty: 1

Origin Carrier: UP

Destination Carrier: All

Equipment Ownership: Rail

Ship Date: 10/30/2025

Avg. Transit Time: Not available for this lane.

90%. Transit Time: Not available for this lane.

UP Rule 11 Options

Commodity (STCC): 4029192 - Railroad Ties, Wood, Whole Or Processed, Scrap

Origin: Monte Vista,CO

Destination: Chicago, IL

Equipment Type: Gondola

Shipment Qty: 1

Origin Carrier: UP

Destination Carrier: UP

Equipment Ownership: Rail

Ship Date: 10/30/2025

Avg. Transit Time: Not available for this lane.

90%. Transit Time: Not available for this lane.

Rail Only Prices

Route	Price(excluding surcharges)	Fuel Surcharge (Per Car)	Equipment Type	Price Application Weight Parameters	Shipment Quantity	Price Document
Gondola						
UP	\$12,651 per car	\$440	Gondola	None	None	UPRR 11 (1017-BU)
UP	\$13,919 per car	\$440	Gondola	None	None	UPRR 11 (1017-BU)
UP	\$15,813 per car	\$440	Gondola	None	None	UPRR 11 (1017-BU)

UP Rule 11 pricing is for UP service to interchange. Please contact the remaining rail carriers in the route for their Rule 11 price.

Interline Options

Warning

x

If there are rates available based on your search and you want them to be accepted - you will need to log on with a user id and perform the search again. Log On

Route: UP -CHGO -CPRS **Commodity:** 4029192 **Equipment:** Gondola

Please login if you want the ability to accept available rates. Log On

Interline Pricing Options							
	Route	Price(excluding surcharges)	Fuel Surcharge (Per Car)	Equipment Type	Price Application Weight Parameters	Shipment Quantity	Price Document
Gondola							
☐	UP -CHGO -CPRS			Gondola	None	None	
☐	UP -CHGO -CPRS			Gondola	None	None	
☐	UP -CHGO -CPRS			Gondola	None	None	

Cancel

Get Price(s)

Back

Reset

Start Shipping with Union Pacific

BEFORE THE
SURFACE TRANSPORTATION BOARD

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COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT H

E-mail from Greg Kutschke
Vice President
TiEnergy LLC



Michael Hayduk <mastersergeanthayduk@gmail.com>

Railroad tie Disposal

1 message

Greg Kutschke <greg@mwcompanies.com>

Wed, Oct 1, 2025 at 11:05 AM

To: Michael Hayduk <mastersergeanthayduk@gmail.com>

Cc: Veronica Berglund <veronica@mwcompanies.com>, Jamie <jamie@mwcompanies.com>

Matt,

Hayduk International delivers the expired ties via railcars to our location at the Belt Railway of Chicago (**BRC**) Clearing Station – FSAC-27.

You will be responsible for loading all your cars according to our specifications (see attached document), transportation charges and switching charges.

When your car arrives at TiEnergy – BRC location we will unload your cars, process, grind, transport and dispose of the expired ties at an EPA Approved facility and Hayduk International will be **invoiced \$3.20 per tie**.

I have also attached a credit application to be filled out completely and returned to all that are copied if you decide to choose TiEnergy for your railroad tie disposal project.

Please call me if you have any questions.

Thank you,

Greg

Greg Kutschke

Vice President - TiEnergy LLC- Midwest Companies LLC

PO Box 729 Hampshire, IL 60140

O - 847/ 426-6354 C - 630/417-0417

mwcompanies.com

tienergy-usa.com



BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT I

<https://www.epa.gov/npdes-permits/about-region-8s-npdes-permit-program>



About Region 8's NPDES Permit Program

On this page:

- Who issues permits in Region 8?
 - Applying for a permit in Region 8
 - Pretreatment in Region 8
 - Whole Effluent Toxicity (WET) reporting
-

Who issues NPDES permits in Region 8?

EPA Region 8 serves Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming. The NPDES permitting authorities for states and tribes within Region 8 are listed below.

Colorado

EPA issues NPDES permits on tribal lands and federal facilities in Colorado. EPA has delegated authority to issue other NPDES permits to the Colorado Dept. of Public Health & Environment.

- Find EPA-issued permits in Colorado <<https://epa.gov/npdes-permits/colorado-npdes-permits>>
- For state-issued permits, visit the Colorado Dept. of Public Health & Environment Water Quality Permits Program [🔗](https://www.colorado.gov/pacific/cdphe/news/water-quality-permits) <<https://www.colorado.gov/pacific/cdphe/news/water-quality-permits>>

Montana

EPA issues NPDES permits on tribal lands in Montana. EPA has delegated authority to issue other NPDES permits to the Montana Dept. of Environmental Quality.

- Find EPA-issued permits in Montana <<https://epa.gov/npdes-permits/montana-npdes-permits>>
- For state-issued permits, visit the Montana Pollutant Discharge Elimination System Permits Program [🔗](https://deq.mt.gov/water/assistance) <<https://deq.mt.gov/water/assistance>>

North Dakota

EPA issues NPDES permits on tribal lands in North Dakota. EPA has delegated authority to issue other NPDES permits to the North Dakota Dept. of Environmental Quality.

- Find EPA-issued permits in North Dakota <<https://epa.gov/npdes-permits/north-dakota-npdes-permits>>
- For state-issued permits, visit the North Dakota Pollutant Discharge Elimination System Permits Program [🔗](https://deq.nd.gov/wq/2_ndpdes_permits/) <https://deq.nd.gov/wq/2_ndpdes_permits/>

South Dakota

EPA issues NPDES permits on tribal lands in South Dakota. EPA has delegated authority to issue other NPDES permits to the South Dakota Dept. of Agriculture and Natural Resources.

- Find EPA-issued permits in South Dakota <<https://epa.gov/npdes-permits/south-dakota-npdes-permits>>
- For state-issued permits, visit the South Dakota Pollutant Discharge Elimination System Permitting Program [🔗](https://danr.sd.gov/officeofwater/surfacewaterquality/swdpermitting/swdpermitting.aspx) <<https://danr.sd.gov/officeofwater/surfacewaterquality/swdpermitting/swdpermitting.aspx>>

Utah

EPA issues NPDES permits on tribal lands in Utah. EPA has delegated authority to issue other NPDES permits to the Utah Dept. of Environmental Quality.

- Find EPA-issued permits in Utah <<https://epa.gov/npdes-permits/utah-npdes-permits>>

- For state-issued permits, visit the Utah Pollutant Discharge Elimination System Permits Program [🔗](https://deq.utah.gov/water-quality/updes-permitting-program) <<https://deq.utah.gov/water-quality/updes-permitting-program>>

Wyoming

EPA issues NPDES permits on tribal lands in Wyoming. EPA has delegated authority to issue other NPDES permits to the Wyoming Dept. of Environmental Quality.

- Find EPA-issued permits in Wyoming <<https://epa.gov/npdes-permits/wyoming-npdes-permits>>
- For state-issued permits, visit the Wyoming Pollutant Discharge Elimination System Program [🔗](http://deq.wyoming.gov/wqd/wypdes/) <<http://deq.wyoming.gov/wqd/wypdes/>>

Tribal lands

EPA issues all NPDES permits on tribal lands in Region 8. See links above for EPA-issued permits within each state.

Applying for an NPDES permit in Region 8

To apply for an NPDES permit on tribal lands in Region 8 or for a federal facility in Colorado, follow the applicable links below. Eligibility criteria for a general permit are included in the general permit documentation.

- Region 8 NPDES Lagoon General Permit <<https://epa.gov/npdes-permits/region-8-npdes-lagoon-general-permit>>
- Region 8 NPDES Drinking Water General Permit <<https://epa.gov/npdes-permits/region-8-npdes-drinking-water-general-permit>>
- For Municipal Separate Stormwater System (MS4) permit coverage, please contact the Region 8 stormwater coordinator. <<https://epa.gov/npdes-permits/forms/contact-us-about-npdes-permits-around-nation#tab-r8>>
- Individual NPDES permit application forms <<https://epa.gov/npdes/npdes-applications-and-forms-epa-applications>>

To apply for coverage under EPA's national construction or industrial stormwater permits, follow the applicable link below.

- 2022 Construction general permit (stormwater discharges from construction activities) <<https://epa.gov/npdes/2022-construction-general-permit-cgp>>
 - 2021 Multi-Sector General Permit (stormwater discharges from industrial activities) <<https://epa.gov/npdes/stormwater-discharges-industrial-activities-epas-2021-msgp>>
-

Pretreatment in Region 8

EPA Region 8 also provides oversight to delegated pretreatment programs in North Dakota, South Dakota, and Utah, and directly implements the pretreatment programs in Colorado, Montana, and Wyoming. Useful Region 8 pretreatment example documents are below:

-  EPA Region 8 - Non-Approved Programs-Example Ordinance (pdf)
<https://www.epa.gov/sites/default/files/2020-02/documents/epa_region_8_-_non-approved_programs-example_ordinance.pdf> (784.38 KB)
 -  EPA Region 8 Example Local Limits Spreadsheet (xls)
<https://www.epa.gov/system/files/documents/2022-05/region_8_local_limits_spreadsheet%20%281%29.xls> (512 KB, May 20, 2022)
 -  US EPA Region 8 Guidance on Defining and Processing Approved Programs (pdf)
<https://www.epa.gov/sites/default/files/2020-02/documents/region_8_guidance_on_defining_and_processing_approved_program_2011.pdf> (69.98 KB, 2011)
-

Whole Effluent Toxicity (WET) Laboratory Reporting

The Region 8 NPDES WET Laboratory Reporting tool is a Microsoft Excel based form for use by WET laboratories to report bench data. This tool contains multiple tabs, macros (must enable content when opening for full functionality), drop-downs, and fillable

fields to enable laboratory personnel to more easily complete WET reporting needs for NPDES permittees. The tool is protected to enable the fields to properly function; however, there is no password set if laboratories would like to use it as a template and further customize it for their needs.

-  WET Laboratory Reporting Forms (xlsm) <<https://www.epa.gov/sites/default/files/2016-01/wet-laboratory-reporting-forms.xlsm>> (668.03 KB, July 2020) Free Viewers <<https://epa.gov/home/free-viewers-and-readers-read-and-print-epa-information>>

Contact us about NPDES permits around the nation <<https://epa.gov/npdes-permits/forms/contact-us-about-npdes-permits-around-nation>> to ask a question, provide feedback, or report a problem.

Last updated on January 8, 2025

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT J

Email from Ms. Christine Forney
Unit 1 Manager, Permits Section
Water Quality Control Division
Colorado Dept. of Public Health and Environment



Michael Hayduk <mastersergeanthayduk@gmail.com>

General Industrial Permit

Forney - CDPHE, Christine <christine.forney@state.co.us>
To: Michael Hayduk <mastersergeanthayduk@gmail.com>
Cc: Matthew Hayduk <matthew.hayduk@gmail.com>

Wed, Oct 1, 2025 at 2:06 PM

Hi Michael,

Construction sites that disturb one acre or greater, or are part of a larger common plan of development or sale disturbing one acre or greater, are covered under Colorado's stormwater permitting requirements. Generally, coverage under the COR400000 general permit is required. More information, including a link to the application portal, is available here: <https://oitco.hylandcloud.com/pop/docpop/docpop.aspx>

Note that the construction stormwater permit does not cover activities such as discharges from groundwater dewatering, which may require separate coverage. More information on dewatering permits is available here: <https://cdphe.colorado.gov/ceos-dewatering-general-permit-program>

Please feel free to reach out with additional questions.

Cheers,

Christine Forney

[Quoted text hidden]

--

Christine Forney

Unit 1 Manager

Permits Section



COLORADO

Water Quality Control Division

Department of Public Health & Environment

Office Phone: 303.692.2054

4300 Cherry Creek Drive South, Denver, CO 80246

Christine.Forney@state.co.us | www.colorado.gov/cdphe/wqcd

24-hr Environmental Release/Incident Report Line: **1.877.518.5608**

Note: My previous name was Christine Wehner, please use the above name and contact info for future communications. Thank you!

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT K

Horizon Environmental Services, Inc.

Quote 25-453



P.O. Box 9057, Durango, CO 81302
91 S. Skylane Dr., Durango, CO 81303
Phone: (970) 259-4346
Fax: (970) 259-4996

QUOTE 25-453

Colorado Commercial Pesticide Applicators License # 11604
New Mexico Commercial Pesticide Applicators License # 53520
Utah Commercial Pesticide Applicators License # 13786
Arizona Commercial Pesticide Applicators License #60209
Nevada Commercial Pesticide Applicators License #6876

Certified DBE in Colorado (#5823), New Mexico (#10-07-365), Arizona, and Utah

CDOT Level 1 ESB

SBA Certified Veteran Owned Small Business

HES Quote #:	25-453	Estimated Start Date:	TBD
Sage JOB #:	6434	Bid Date:	10/8/2025
Date:	10/8/2025	Project Name:	Rail & Ties Removal
Client/Owner Name:	Michael Hayduk	Project Number:	N/A
Site Address:	South Fork, CO	Revisions Received:	N/A
Terms:	Net 30	Estimator:	Lars Ribbens

Quantity	Unit	Line No.	Description	Unit Price	Amount
1	EA		Create SWMP & File for CDPHE Stormwater Permit	\$2,322.00	\$2,322.00
14	EA		Stormwater Inspections (Weekly for Project Duration)	\$630.00	\$8,820.00
1,000	LF		Silt Fence	\$3.09	\$3,090.00
500	LF		Rubber Wattles	\$13.79	\$6,895.00
64.5	AC		Hydroseeding/Hydromulching	\$4,258.33	\$274,662.29
1	EA		Mobilization (Erosion Control Installs)	\$2,320.00	\$2,320.00
1	EA		Mobilization (Reclamation)	\$15,450.00	\$15,450.00
				Total	\$313,559.29

Exclusions/Stipulations/Notes

1. All quantities are HES estimates. Actual installed quantities may vary and will be billed per unit price.

- | | |
|---|---|
| ✓ Quote is valid for 30 days from date above | ✓ Water is available on site |
| ✓ Access must be readily available | ✓ Watering excluded |
| ✓ Site is accessible to heavy equipment | ✓ Ripping due to soil compaction is not included and will be billed at an additional cost |
| ✓ Each mobilization will be billed at the unit cost | ✓ Taxes will be charged as applicable |
| ✓ Bonding, if required 3.5% | ✓ HES reserves the right to change prices if quantities are lowered |
| ✓ Traffic control will be provided by Contractor | ✓ Maintenance/Removal of any kind is excluded |
| ✓ Standby time will be billed per hourly rate | |
| ✓ HES requires a minimum of 2 weeks notification to start work. | |

If project specific specifications are not provided, HES will use manufacturers recommended specifications for material and installation.

This is a quotation on the goods named, subject to the conditions noted below:

HES, Inc. agrees to complete the Project in a good and workmanlike manner in accordance with the terms and conditions of this Quote, and subject to compliance by Customer with its obligations under this Agreement. HES, Inc. will complete the Project in timely manner, but weather conditions may delay the project. Customer agrees to pay the Deposit if requested by HES, Inc. upon execution of this Agreement and the balance of the Total Contract Price based on the terms of this Quotation. In the event payment is not made when due, reasonable collection fees, lien fees, and attorney fees with or without suit, together with a 1.5% per month FINANCE CHARGE which is an ANNUAL PERCENTAGE RATE of 18%, will be assessed until paid in full. To accept this quotation, sign and return.

Signature: _____ Name: _____ Date: _____

By signing, I attest that I am duly authorized by _____ (company if applicable) to enter into this contract.

Acceptance of Quotation creates a legally binding contract and constitutes an agreement and notice to proceed on purchase of materials and the scope of work.

THANK YOU FOR THE OPPORTUNITY TO EARN YOUR BUSINESS!

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT L

E-Mail from State Land Board representative Mr. David Rodenberg

RR ROW Information

Rodenberg - DNR, David <david.rodenberg@state.co.us>
To: Michael Hayduk <mastersergeanthayduk@gmail.com>

Tue, Oct 21, 2025 at 5:16 PM

Hi Michael. The State Land Board does not have an active right of way for a railroad on sections 27 and 28, however, when I turn on a layer that I found that shows railroads in Colorado, I do see a railroad that is depicted on that layer that is on those two sections (**Figure 1**). I pulled up our surface plat books it shows an old railroad right of way (#108) that seems to follow that portion in the corner of section 28, but not the other portion in section 27 (**Figure 2**). However, there are notes at the bottom of that surface plat book page that says the right of way was cancelled. I don't see any other document or record that shows that the State Land Board gave approval for the railroad to be built on state trust land.

May I ask why you are inquiring about this railroad?

Figure 1: Railroad on sections 27 and 28 based on a railroad layer

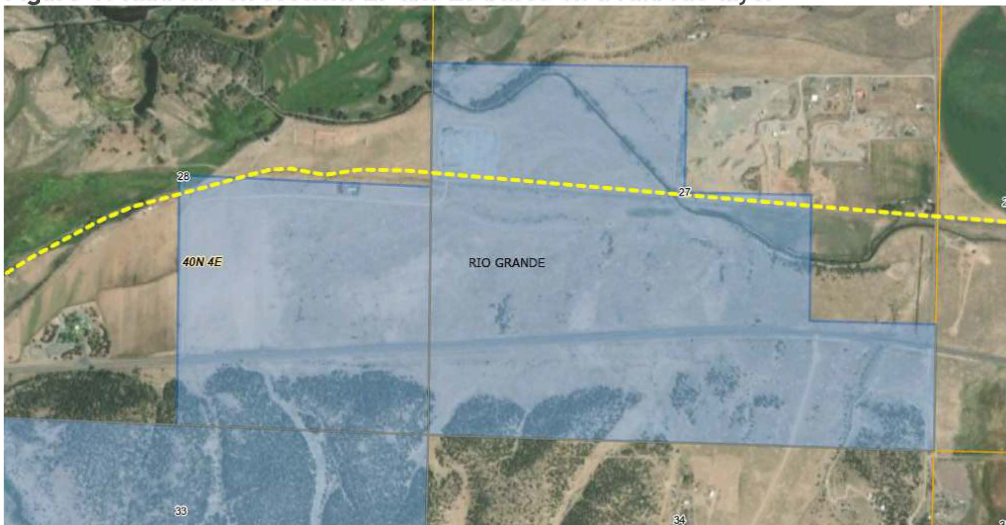


Figure 2: State Land Board surface plat books

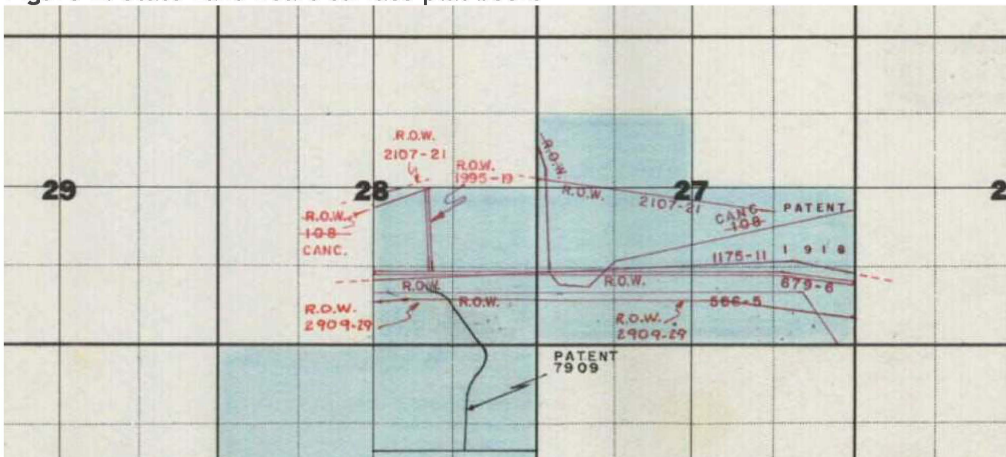


Figure 3: State Land Board surface plat books - notes at bottom of the page

2 9 8 1	31		32		33	PATENT
3						
39.32						7 9 0 9
4						
39.72						

RIGHTS OF WAY

108	Denver & Rio Grande Railway Co.	506-5	Mtn States Tel.
	Cancelled 8-6-34		line) no acreage
339-3	Del Norte Irrigation District	679-6	Rio Grande County
	(ditch) 1.79 acres		27.02 acres
		684-6	Rio Grande County

[Quoted text hidden]

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[Quoted text hidden]

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT M

Summary of CXRG Parcels Held in Fee Simple

EXHIBIT M
REAL PROPERTY OWNED IN FEE

County: Rio Grande County, Colorado
City: Del Norte, Colorado
Records: Real Property Assessment Records, Rio Grande County, Colorado.
Internet: “Enter Eagleweb Rio Grande County Colorado” [GIS for Rio Grande Cty]¹

<u>Parcel Number²</u>	<u>Fair Market Value</u>	<u>Location</u>	<u>Title Owner³</u>	<u>Block /Lot #s In Parcel⁴</u>
18002	27,000	W side Rt. 112	CX	B 33 L 7,8
25004	54,000	W side Spruce	CX	B 64 L 7,8
25003	54,000	W side Spruce	CX	B 64 L 5,6
26004	54,000	W side Pine	CX	B 87 L 7,8
26003	54,000	W side Pine	CX	B 87 L 5,6
27004	54,000	W side Pine	CX	B 94 L 7,8
27003	54,000	W side Pine	CX	B 94 L 5,6
28004	54,000	W side Pine	CX	B 116 L 7,8
28003	<u>54,000</u>	W side Del Norte	CX	B 116 L 5,6
	\$459,000			

TOTAL FMV ALL PARCELS \$459,000

¹To access: Google “Enter Eagleweb Rio Grande county Colorado” ✓ “Portico – Rio Grande County” ✓ “upper right hand corner icon “↔” Zoom In to ‘town’ in center of image (will be Del Norte) Zoom further In to NE corner of Del Norte, where RR tracks enter Del Norte ✓ parcel outlined in red below triangular parcel immediately below RR tracks. That should be Parcel 15304 19002. Box will appear with assessment information. Continue to ✓ on parcels outlined in red, adjacent to RR tracks, on both north and south side of RR tracks. Parcels with no structures on them, generally between 1st and 2nd streets, will be the parcels in the Table of Parcels below.

² Parcel Numbers have ten digits. The first five digits are: 15304. The Parcel Numbers listed below, are the last five digits. 15304xxxxx

³ CX = Colorado Pacific Rio Grande RR LLC

⁴ Source of all Parcel titles: Quit Claim Deed SLRG to CXRG, Feb. 21, 2023, Deed # 202300449259 B = Block # L = Lot #

BEFORE THE
SURFACE TRANSPORTATION BOARD

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COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT N

Google Street View
Del Norte, Colorado
November, 2022

Del Norte, Colorado

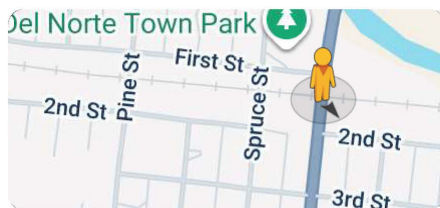
 Google Street View

Nov 2022 [See latest date](#)



Google Maps

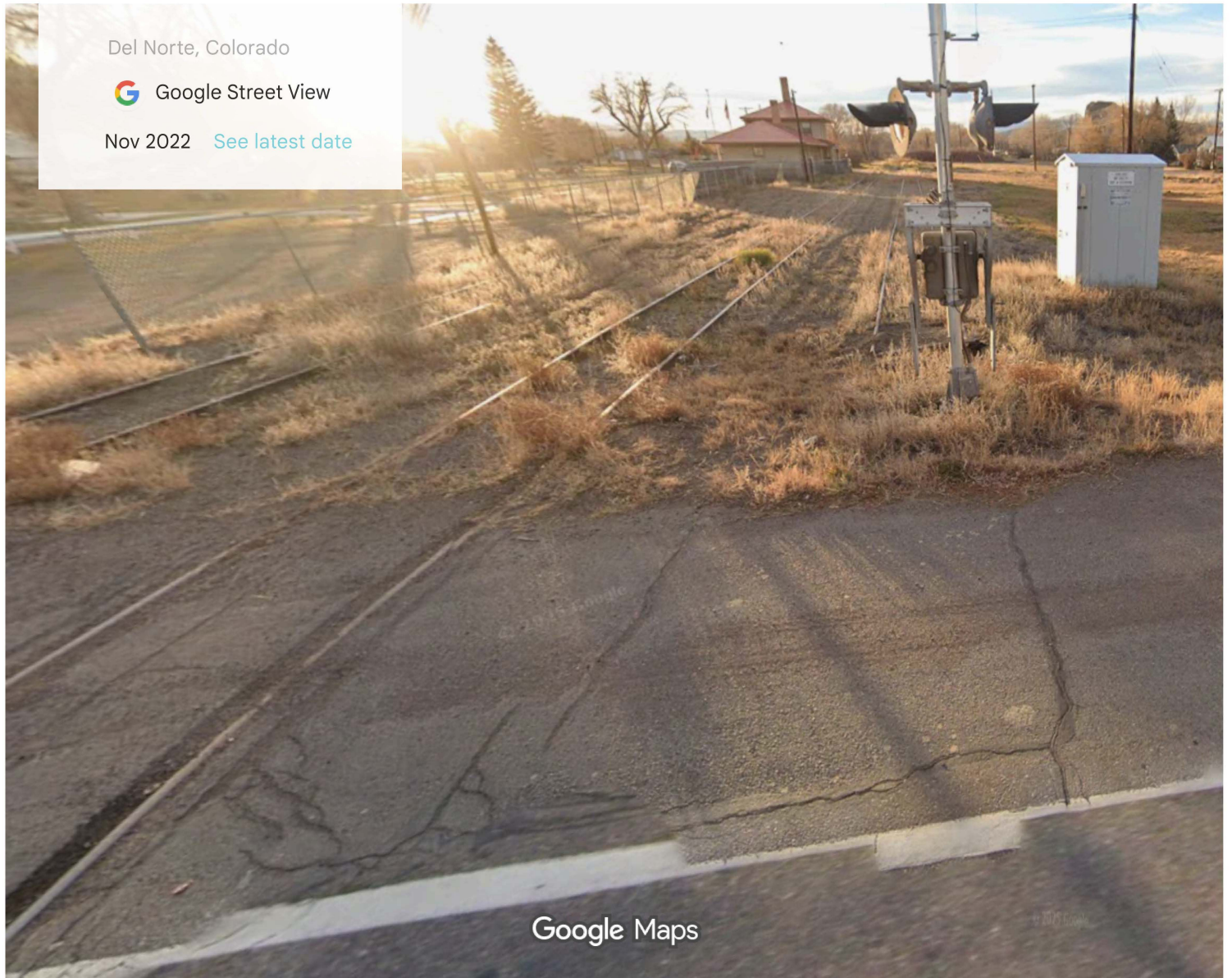
Image capture: Nov 2022 © 2025 Google



Del Norte, Colorado

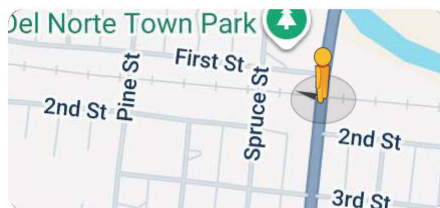
 Google Street View

Nov 2022 [See latest date](#)



Google Maps

Image capture: Nov 2022 © 2025 Google



BEFORE THE
SURFACE TRANSPORTATION BOARD

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COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT O

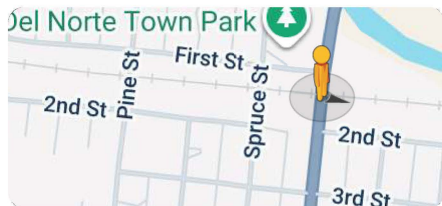
Google Street View

Del Norte, Colorado

August, 2025



Image capture: Aug 2025 © 2025 Google



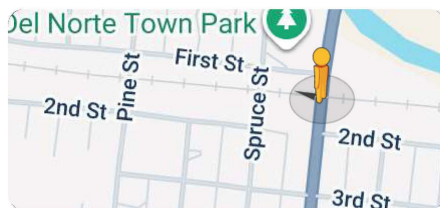
Del Norte, Colorado

 Google Street View

Aug 2025 [See latest date](#)



Image capture: Aug 2025 © 2025 Google



BEFORE THE
SURFACE TRANSPORTATION BOARD

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OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT P

Mountain States Contracting

Budget Costs

Del Norte, Colorado



www.msccr.com

**BUDGET COSTS
HIGHWAY 112 CROSSING
HAYDUK INTERNATIONAL, LLC/DEL NORTE, CO**

October 1, 2025

HIGHWAY 112 X-ING (2-TRACKS):

	Quantity	Units	Unit Cost		Total Cost
Engineering	1	LS	\$ 18,500.00	\$	18,500.00
Traffic Control & Permits	1	LS	\$ 20,000.00	\$	20,000.00
Mobilization	1	LS	\$ 21,500.00	\$	21,500.00
Road Demo and Grade Preparation	1	LS	\$ 32,500.00	\$	32,500.00
Track Construction (2 x 140')	280	TF	\$ 684.00	\$	191,520.00
Concrete Crossing Panels (2 x 56')	112	TF	\$ 610.00	\$	68,320.00
Repave Roadway	1	LS	\$ 35,000.00	\$	35,000.00
Install Signals; Gates & Lights	1	LS	\$ 325,000.00	\$	325,000.00
Total Budget Cost...				\$	712,340.00

The above listed costs do not include the following items (or performed by others):

Drainage design or construction.

Utility design, relocation or protection.

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BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT Q

Letters to Mr. Don Shank, DRGHF

September 15, 2025

Contains Information on Proposed Intercharge

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BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT R

Rio Grande County Commissioners Letter

October 1, 2025

Del Norte, Colorado



Rio Grande County
Commissioners Chambers
925 6th Street, Room 207,
Del Norte, CO 81132

October 1, 2025

Re: Letter of Support for Continued Rail Freight Operations in Rio Grande County

To Whom it may Concern,

We are writing to express our support for the continued rail freight operations in our county. The Colorado Pacific Rio Grande Railroad LLC has filed an Abandonment Exemption with the US Surface Transportation Board (docket No. AB-1344) for a segment of their railway in Rio Grande County, Colorado. The proposed abandonment covers nearly 27 miles of the CXRG Alamosa Subdivision located between milepost 272.75 – 299.30, all in Rio Grande County.

We understand at least one US rail operator is interested in purchasing this section of railway, and we are encouraged by this recent development. Our position has remained steadfast since the last sale of this rail line. We support the use of this line as an active freight rail and do not want to see the line abandoned. We believe the portion of rail line proposed for abandonment has economic potential and we would seek a commitment from any new owner to maintain an operating rail link for a minimum of ten (10) years with no storage of rail cars on any portion of the line at any time. We also oppose removal of the rail for salvage, or a rails-to-trails conversion.

Upon learning of an actual offer to purchase the line, we intend to pass a resolution supporting the purchase, including the caveats and commitments described above.

Sincerely,


Tyler Ratzlaff
County Commissioner, Chair


Gene Glover
County Commissioner, Vice


Scott Deacon
County Commissioner

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BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT S

Escrow Account Arrangement E-Mail

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BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB – 1344 X

COLORADO PACIFIC RIO GRANDE RAILROAD LLC –
ABANDONMENT EXEMPTION – IN RIO GRANDE COUNTY, COLORADO

OFFER OF FINANCIAL ASSISTANCE
(PURCHASE)

EXHIBIT T

Shipper Information
Verified Statements from Shippers
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