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November 24, 2004

VIA FACSIMILE

F. Lawrence Oaks
State Historic Preservation Officer
Texas Historical Commission
P.O. Box 12276
Austin, TX 78711

received
11/30/04

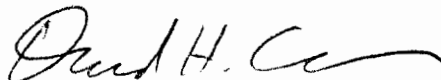
**Re: Southwest Gulf Railroad Company, Medina County, TX
Project Review Under Section 106 of the National Historic Preservation Act of 1966**

Dear Mr. Oaks:

I am writing on behalf of Southwest Gulf Railroad ("SGR"). As I am sure you know, the Surface Transportation Board on November 5, 2004 issued a Draft Environmental Impact Statement with respect to the SGR project. Consistent with the requirements of Section 106 of the National Historic Preservation Act, the DEIS includes substantial information on cultural and historic resources in the area of the SGR line, as well as a so-called "Technical Memorandum" prepared in September 2004 by the Board's contractor. The DEIS also sets forth (with only modest edits added by the Board's environmental staff) a copy of the Draft Programmatic Agreement ("PA") that your office and SGR had discussed and negotiated several months ago. Compliance with the terms of the PA is recommended in the DEIS as the mitigation measure appropriate to address the impacts of the SGR line on cultural/historic resources in the area of the line. (See proposed mitigation measure no. 45).

The reason for my call to you earlier this week was to state that in the event that you or your staff wish to discuss any matters addressed in the DEIS with SGR, or any other issue related to the SGR project, we would be more than pleased to arrange a teleconference or meeting. We look forward to the opportunity to consult should you deem that desirable.

Sincerely,



David H. Coburn
Attorney for Southwest Gulf Railroad

Mr. F. Lawrence Oaks
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cc: Mr. Bill Martin
Ms. Rini Ghosh
Mr. Don Klima
Dr. Darrell Brownlow