

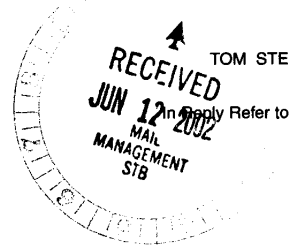


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STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION
1263 S. Stewart Street
Carson City, Nevada 89712

KENNY C. GUINN
Governor

June 3, 2002



TOM STEPHENS, P.E., Director

Mr. Vernon A. Williams
Surface Transportation Board
Case Control Unit
1925 K Street, NW
Washington, DC 20423

RE: BHP Nevada Railroad Company-Discontinuance of Service Exemption
in Elko and White Pine Counties, Nevada, STB Docket No. AB-598X

Dear Mr. Williams:

The Nevada Department of Transportation may have a vested interest in the action for discontinuance on this 146-mile long rail line in eastern Nevada. We are requesting a time extension to allow for a determination by the Federal Railroad Administration reporting on possible net salvage values and contingent interest repayment responsibility for LRFA grant number NV-94.

Additionally, should the discontinuance of service lead to abandonment, we are notifying you that this grant may need to be resolved. The Nevada Attorney General and elected representatives from the Ely area, along with this department, met to discuss financial options for continued use of the rail line. Also, there is currently an ongoing feasibility study and grant in the area that includes future uses for the rail line.

Should you have any questions or require additional information, please contact me at (775) 888-7240.

ENTERED
Office of the Secretary

JUN 13 2002

Part of
Public Record

Sincerely,

Kent L. Cooper
Assistant Director-Planning

KLC:JM:plm

cc: Bob Miller, Mayor of Ely
Joann McGowan, Federal Railroad Administration
Los Angeles Department of Water & Power
Edward Greenberg, Galland, Kharasch, Greenberg, Fellman and Swirsky P.C.
Brian Hutchins, Chief Deputy Attorney General
Anita Boucher, NDOT Safety Engineering
Jim Mallery, NDOT Rail Planner