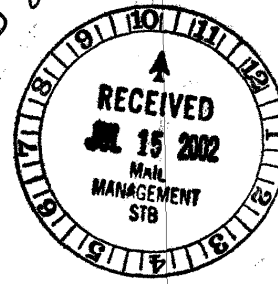




DID 0101991001

205844



July 12, 2002

Honorable Vernon A. Williams
Secretary
SURFACE TRANSPORTATION BOARD
1925 K Street, N.W., Suite 700
Washington, D.C. 20423

ENTERED
Office of Proceedings
JUL 15 2002
Part of
Public Record

Re: Finance Docket No. 34228, S&L Railroad, LLC -- Acquisition and Operation Exemption
-- Progress Rail Services Corporation d/b/a Sidney & Lowe Railroad

Dear Secretary Williams:

Enclosed for filing are the original and ten copies of a Verified Notice of Exemption under 49 CFR § 1150.31, three diskettes with the file S&L Notice of Exemption-STB.doc, a check for \$1,300 payable to the Surface Transportation Board, and an extra copy of this letter. Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them to me.

If you have any questions, please contact me.

Sincerely,

J. Duane Cantrell

Enclosures

FILED
JUL 15 2002
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
JUL 15 2002
SURFACE
TRANSPORTATION BOARD

C:\my documents\word\Williams-S&L-STB.JDC.071202.doc

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34228

S&L RAILROAD, LLC -- ACQUISITION AND OPERATION EXEMPTION -- PROGRESS
RAIL SERVICES CORPORATION D/B/A SIDNEY & LOWE RAILROAD

VERIFIED NOTICE OF EXEMPTION
pursuant to 49 C.F.R. § 1150.31

ENTERED
Office of Proceedings

JUL 15 2002

Part of
Public Record

J. Duane Cantrell, Esq.
Progress Rail Services Corporation
1600 Progress Drive
Albertville, Alabama 35950
(256) 840-2749

William M. Ellard, Esq.
Cushing, Morris, Armbruster & Montgomery, LLP
229 Peachtree Street, N.E., Suite 2110
Atlanta, Georgia 30303
(404) 521-2323

Dated July 12, 2002

Attorneys for Progress Rail Services Corporation
d/b/a Sidney & Lowe Railroad

FILED

JUL 15 2002

SURFACE
TRANSPORTATION BOARD

FEE RECEIVED

JUL 15 2002

SURFACE
TRANSPORTATION BOARD



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34228



S&L RAILROAD, LLC -- ACQUISITION AND OPERATION EXEMPTION -- PROGRESS
RAIL SERVICES CORPORATION D/B/A SIDNEY & LOWE RAILROAD

VERIFIED NOTICE OF EXEMPTION
pursuant to 49 C.F.R. § 1150.31

S&L Railroad, LLC ("S&L"), a noncarrier and wholly-owned subsidiary of Progress Rail Services Corporation doing business as Sidney & Lowe Railroad ("PRSC"), files this Notice of Exemption pursuant to 49 C.F.R. § 1150.31 et seq. to acquire and operate the railroad line of PRSC; specifically, the approximately 11 route miles of mainline track and connecting spur track owned by PRSC known as the Sidney & Lowe Railroad Line, between Huntsman, Nebraska (where it connects with rail line of Burlington Northern Railroad Company), and Brownson, Nebraska (where it connects with rail line of Union Pacific Railroad Company).

In accordance with 49 C.F.R. § 1150.33, S&L submits the following information:

- (a) Full name and address of applicant:

S&L Railroad, LLC
3224 Road 107
Sidney, Nebraska 69162

FILED

ENTERED
Office of Proceedings

JUL 15 2002

Part of
Public Record

- (b) Applicant's representatives:

JUL 15 2002

J. Duane Cantrell
Progress Rail Services Corporation
1600 Progress Drive
Albertville, Alabama 35950
(256) 840-2749

SURFACE
TRANSPORTATION BOARD

FEE RECEIVED

William M. Ellard
Cushing, Morris, Armbruster & Montgomery, LLP
229 Peachtree Street, N.E., Suite 2110
Atlanta, Georgia 30303
(404) 521-2323

JUL 15 2002
SURFACE
TRANSPORTATION BOARD

- (c) An agreement has been reached between S&L and PRSC.
(d) The operator of the property will be S&L.

(e) Summary of proposed transaction:

(1) The name and address of the railroad transferring the property is:

Progress Rail Services Corporation d/b/a Sidney & Lowe Railroad
3224 Road 107
Sidney, Nebraska 69162

(2) The parties intend to consummate the transaction on or soon after the date this notice becomes effective. This notice will be effective seven days after it is filed.

(3) The mileposts of the subject property, including any branch lines that S&L is acquiring from PRSC, are: milepost 0 at Huntsman, Nebraska; milepost 10 at Brownson, Nebraska.

(4) S&L is acquiring about 11 route miles.

(f) A map indicating the area served, including origins, termini, stations, cities, counties, and states, is attached as Exhibit A.

(g) A certificate that S&L's projected revenues do not exceed those that would qualify it as a Class III carrier is attached as Exhibit B.

(h) A caption summary, as required by 49 C.F.R. § 1150.34, is attached as Exhibit C.

(i) No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. See 49 C.F.R. §1105.6(b)(4) and (c)(2)(i).

(j) An historic report is not required because S&L will operate the rail lines, will require further STB approval as required to discontinue and abandon any service, and there are no plans to dispose of or alter properties subject to STB jurisdiction that are 50 years old or older. See 49 C.F.R. § 1105.8(b)(1). This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,



J. Duane Cantrell
Progress Rail Services Corporation
1600 Progress Drive
Albertville, Alabama 35950

William M. Ellard
Cushing, Morris, Armbruster & Montgomery, LLP
229 Peachtree Street, N.E., Suite 2110
Atlanta, Georgia 30303
(404) 521-2323

Attorneys for S&L Railroad, LLC

Dated: July 12, 2002

EXHIBIT A

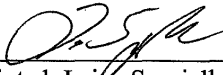
Map

Oversize Map

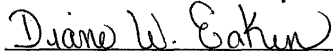
EXHIBIT B

Certification

I, Laine Spruiell, an authorized agent of S&L Railroad, LLC ("S&L"), being duly sworn, hereby certify that S&L's projected annual revenues from the rail operations do not exceed those that would make it a Class III carrier under 49 C.F.R. §1201.1-1. S&L's projected annual revenue does not exceed \$5 million.

Signed: 
Name printed: Laine Spruiell

Sworn to and subscribed before me
this 12th day of July, 2002.



Notary Public

My commission expires: June 30, 2005

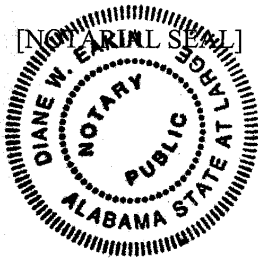


EXHIBIT C

Caption Summary

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34228

S&L RAILROAD, LLC -- ACQUISITION AND OPERATION EXEMPTION -- PROGRESS
RAIL SERVICES CORPORATION D/B/A SIDNEY & LOWE RAILROAD

S&L Railroad, LLC ("S&L"), a noncarrier and wholly-owned subsidiary of Progress Rail Services Corporation doing business as Sidney & Lowe Railroad ("PRSC"), has filed a notice of exemption pursuant to 49 C.F.R. § 1150.31 et seq. to acquire and operate the railroad line of PRSC; specifically, the approximately 11 route miles of mainline track and connecting spur track owned by PRSC known as the Sidney & Lowe Railroad Line, between Huntsman, Nebraska (where it connects with rail line of Burlington Northern Railroad Company), and Brownson, Nebraska (where it connects with rail line of Union Pacific Railroad Company).

Comments must be filed with the Board and served on J. Duane Cantrell, Progress Rail Services Corporation, 1600 Progress Drive, Albertville, Alabama 35950, telephone no. (256) 840-2749.

The notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Dated: _____, 2002

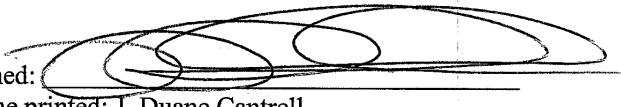
By the Board

Vernon A. Williams,

Secretary

VERIFICATION

I, J. Duane Cantrell, being duly sworn, state that I am duly authorized to make this verification on behalf of S&L Railroad, LLC, that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information and belief.

Signed: 

Name printed: J. Duane Cantrell

Sworn to and subscribed before me
this 12th day of July, 2002.

Diane W. Eakin

Notary Public

My commission expires: June 30, 2005

