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October 16, 2002

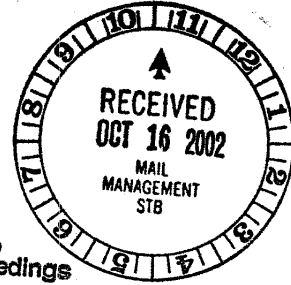
BY HAND

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings

OCT 16 2002

Part of
Public Record



Re: Finance Docket No. 34178, Dakota, Minnesota & Eastern Railroad Corporation and Cedar American Rail Holdings, Inc. – Control – Iowa, Chicago & Eastern Railroad Corporation

Dear Secretary Williams:

We are counsel for Union Pacific Railroad Company (“UP”) in the above-captioned matter. This letter responds to the Applicants’ Motion to Amend Protective Order (DME-5), which seeks to modify the Protective Order previously issued in this proceeding to provide for a “Highly Confidential” designation.

UP does not object to Applicants’ proposed modifications to the Protective Order.¹ However, UP does not know what information Applicants intend to designate as “Highly Confidential,” and thus it reserves the right to challenge any inappropriate designations. UP also expects that, if Applicants designate as “Highly Confidential” documents or information previously provided to UP (but no longer in UP’s possession), Applicants will agree to allow UP personnel access to the materials as if they had been designated “Confidential” as to UP.

¹ UP disagrees with Applicants’ characterization of UP’s discovery as “unnecessary and unwarranted in a minor transaction such as this one.” DME-5, p. 2. Applicants chose to seek terminal trackage rights over UP, and UP has a right to conduct discovery relating to that request. Moreover, Applicants have not contacted counsel for UP to discuss any concerns about UP’s discovery requests.

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Thank you for your attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael L. Rosenthal".

Michael L. Rosenthal

*Attorney for Union Pacific
Railroad Company*

cc: William C. Sippel, Esq. (by facsimile)
David L. Knudson, Esq. (by facsimile)
All other parties of record (by first-class mail)