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June 25, 2003

BY HAND

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

208182



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:

This letter is to inform the Board that Union Pacific Railroad Company (“UP”) and Dakota, Minnesota & Eastern Railroad Corporation (“DM&E”) have settled their dispute as to DM&E’s rights to use UP’s trackage in Owatonna, Minnesota, in connection with the above-captioned matter. Under the settlement, DM&E will have the unrestricted right to use UP’s trackage at Owatonna for handling or interchange of traffic to or from Iowa, Chicago & Eastern Railroad Corporation.

Accordingly, UP withdraws its Petition for an Emergency Order (UP-5). UP understands that DM&E will withdraw its Petition for Reconsideration and Reopening (DME-13). UP has no objection to the withdrawal of DM&E’s Petition.

I have enclosed an original and ten copies of this letter for the Board’s files. Please date-stamp the enclosed extra copy of this letter and return it to our messenger.

Thank you for your assistance.

Sincerely,

Michael L. Rosenthal
Attorney for Union Pacific
Railroad Company

cc: William C. Sippel (via facsimile)
All Parties of Record