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Chairman Roger Nober
Office of Chairman
Surface Transportation Board
1925 K Street, NW, Suite 820
Washington, D.C. 20423-0001

RE: Docket Nos. 38302S and 38376S
Investigation and Suspension Docket No. 9205

OFFICE OF CHAIRMAN
NOBER

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SURFACE TRANSPORTATION
BOARD

Dear Chairman Nober:

In a letter dated January 30, 2004, we proposed to update our report by the end of March 2004 on the status of the settlement negotiations between Union Pacific and the government parties. We have previously reported that, subject to final approvals, Union Pacific and the government parties had reached agreement to settle the above-captioned cases and dismiss Union Pacific as a defendant. We are pleased to report that this review process has now been successfully concluded. Accordingly, the parties plan shortly to submit the Settlement Agreement to the Surface Transportation Board via a joint motion with explanatory supporting memoranda from the parties, and a proposed order.

Sincerely,

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cc: Nancy Wilson, AAR



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