

D.D # 21040422003001 210663

ORIGINAL

LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LA SALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. MCFARLAND

April 21, 2004

By UPS overnight mail

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

FILED

APR 22 2004

**SURFACE
TRANSPORTATION BOARD**



Re: Finance Docket No. 34496, *Progressive Rail, Incorporated -- Lease and Operation Exemption -- Rail Lines of Soo Line Railroad Company, in Dakota County, MN*

Dear Mr. Williams:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49 C.F.R. § 1150.41, for filing with the Board in the above referenced matter.

Also enclosed is Landscape Junction Incorporated's ck #9600 in the amount of \$1,400 for the filing fee.

Kindly acknowledge receipt by date stamping the enclosed duplicate copy of this letter and return in the self-addressed stamped envelope.

Very truly yours,

Thomas F. McFarland

Thomas F. McFarland
Attorney for Applicant

Office of Proceedings
ENTERED
APR 22 2004
Part of
Public Record

FEE RECEIVED
APR 22 2004
SURFACE
TRANSPORTATION BOARD

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BEFORE THE
SURFACE TRANSPORTATION BOARD

PROGRESSIVE RAIL, INCORPORATED)
-- LEASE AND OPERATION) FINANCE DOCKET
EXEMPTION -- RAIL LINES OF SOO) NO. 34496
LINE RAILROAD COMPANY, IN)
DAKOTA COUNTY, MN)



VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41

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TRANSPORTATION BOARD

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PROGRESSIVE RAIL, INCORPORATED
Airlake Industrial Park
21778 Highview Avenue
Lakeville, MN 55044

Applicant

FILED

APR 22 2004

SURFACE
TRANSPORTATION BOARD

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: April 22, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

PROGRESSIVE RAIL, INCORPORATED)
-- LEASE AND OPERATION) FINANCE DOCKET
EXEMPTION -- RAIL LINES OF SOO) NO. 34496
LINE RAILROAD COMPANY, IN)
DAKOTA COUNTY, MN)



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

Pursuant to the class exemption at 49 C.F.R. § 1150.41, PROGRESSIVE RAIL INCORPORATED (PGR), a Class III rail carrier, hereby provides verified notice of its exemption from 49 U.S.C. § 10902 for its acquisition by lease from Soo Line Railroad Company (Soo Line) and operation of:

- (1) the Lakeville Line between MN&S Milepost 35.25 at the I-35 bridge at or near Lakeville and Milepost UP 309.69 at or near Northfield, including the Northfield Yard between UP Milepost 313.15 (north yard point of switch) and UP Milepost 312.13 (south yard point of switch), and a segment of the Cannon Falls Line between Milepost 0.0 (equivalent UP Milepost 313.67) and Milepost 0.1, a total distance of 21.74 route miles in Dakota County, MN;
- (2) the Eagandale Line between UP Milepost 332.05 at or near Rosemount and Milepost 160.7 at or near Eagan, including the Rosemount siding, team track, house track and wye track between UP Milepost 333.15 and UP Milepost 333.80, a total distance of 11.7 route miles in Dakota County, MN.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.43

(a) The full name and address of the Class III rail carrier applicant;

Applicant is Progressive Rail, Incorporated, Airlake Industrial Park, 21778 Highview Avenue, Lakeville, MN 55044.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative is Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

PGR and Soo Line have reached agreement on a lease for PGR's operation of the rail lines.

(d) The operator of the property;

PGR will operate the rail lines.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property to the Class III rail carrier applicant;

The railroad leasing the rail lines to PGR is Soo Line Railroad Company, 500 Marquette Avenue South, Suite 800, Minneapolis, MN 55402.

(2) The proposed time schedule for consummation of the transaction;

The lease and operation will be consummated on or about May 3, 2004.

(3) The mileposts of the subject property, including any branch lines;

The mileposts of the rail lines are as follows:

- (i) the Lakeville Line between MN&S Milepost 35.25 at the I-35 bridge at or near Lakeville and Milepost UP 309.69 at or near Northfield, including the Northfield Yard between UP Milepost 313.15 (north yard point of switch) and UP Milepost 312.13 (south yard point of switch), and a segment of the Cannon Falls Line between Milepost 0.0 (equivalent UP Milepost 313.67) and Milepost 0.1, a total distance of 21.74 route miles in Dakota County, MN;
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(4) The total route miles being acquired;

There are a total of approximately 33.44 miles of rail line proposed to be leased and operated.

(f) A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states; and

Maps of the Lakeville rail line & Eagandale rail line are attached to this notice as Appendix 1-A and 1-B, respectively.

(g) A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under Sec. 1150.45.

The required certificate is attached as Appendix 2.

CAPTION SUMMARY

The caption summary required by 49 C.F.R. § 1150.44 is attached as Appendix 3.

VERIFICATION

A verification of the facts in this notice is attached as Appendix 4.

ENVIRONMENTAL AND HISTORIC COMPLIANCE

Pursuant to 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(1), no environmental or historic report is required in conjunction with this notice.

EMPLOYEE PROTECTION

Pursuant to 49 U.S.C. § 10902(d), employee protective conditions are not to be imposed in conjunction with this notice.

WHEREFORE, within 30 days of the filing of this notice, the Board should publish a notice in the Federal Register of the filing of this notice.

Respectfully submitted,

PROGRESSIVE RAIL, INCORPORATED
Airlake Industrial Park
21778 Highview Avenue
Lakeville, MN 55044

Applicant

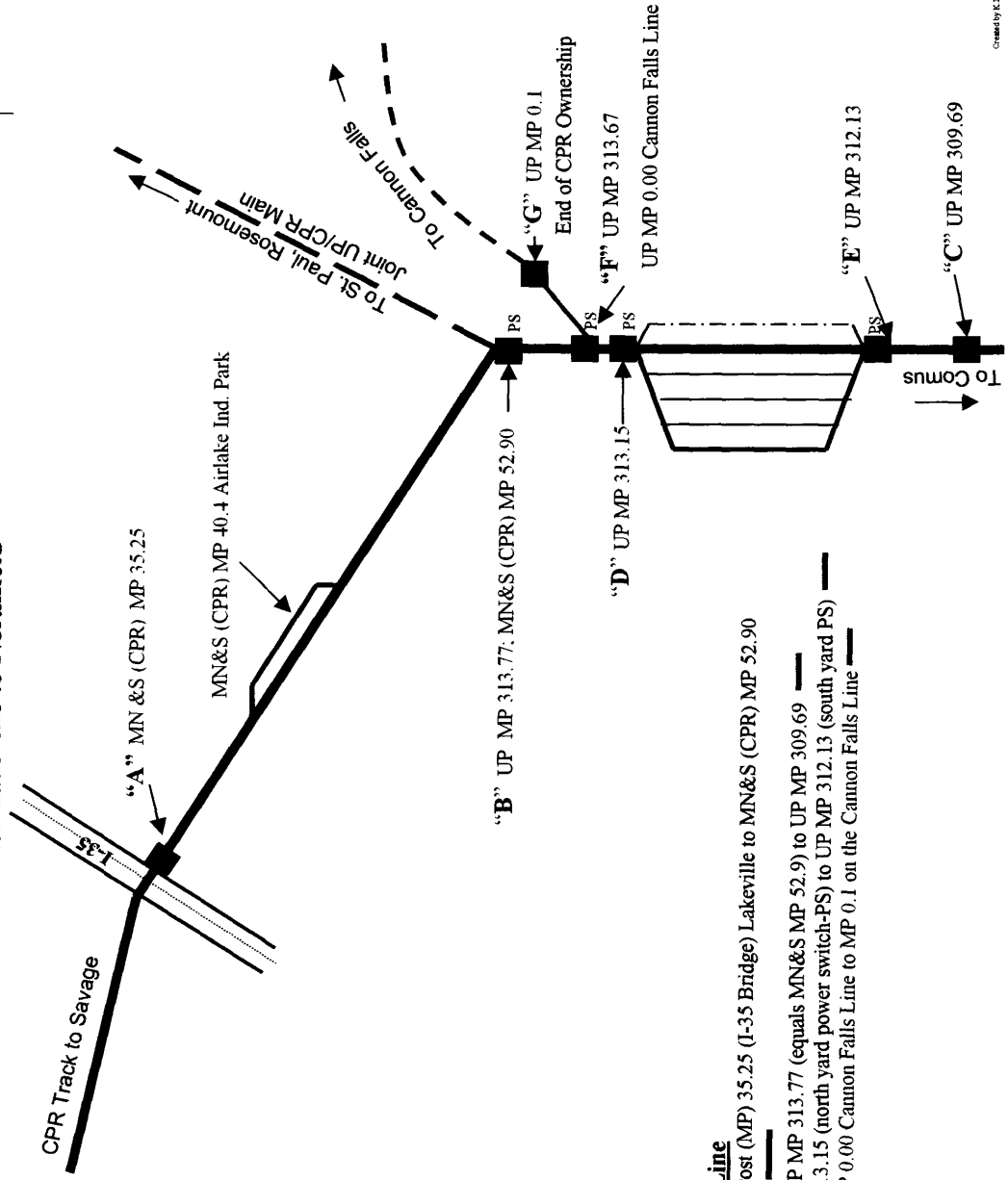
Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: April 22, 2004

Appendix 1-A
 Canadian Pacific Railway
 Land Marketing – US
 PGR Lease Lakeville to Northfield



Description of Lakeville Line

- A-B From MN&S (CPR) Mile Post (MP) 35.25 (1-35 Bridge) Lakeville to MN&S (CPR) MP 52.90 (UP MP 313.77) at Northfield
- B-C Main line track between UP MP 313.77 (equals MN&S MP 52.9) to UP MP 309.69
- D-E Northfield Yard UP MP 313.15 (north yard power switch-PS) to UP MP 312.13 (south yard PS)
- F-G From UP MP 313.67 = MP 0.00 Cannon Falls Line to MP 0.1 on the Cannon Falls Line

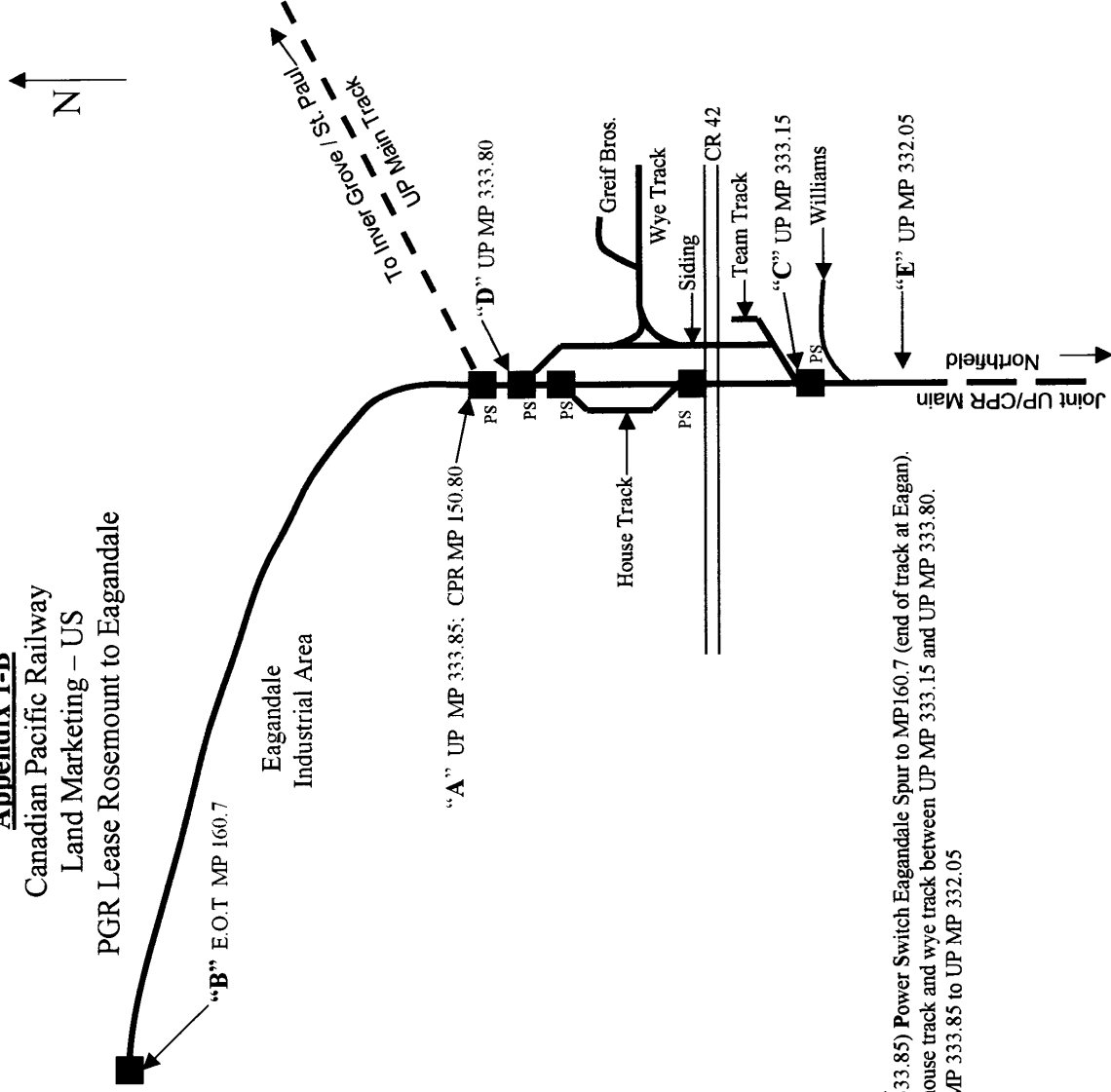
04/20/2004
 Map not to scale

Appendix 1-B

Canadian Pacific Railway

Land Marketing – US

PGR Lease Rosemount to Eagandale



Description of Eagandale Line

- A-B From CPR MP 150.80 (UP MP 333.85) Power Switch Eagandale Spur to MP 160.7 (end of track at Eagan).
- C-D Rosemount siding, team track, house track and wye track between UP MP 333.15 and UP MP 333.80.
- A-E Main line track south from UP MP 333.85 to UP MP 332.05

Map not to scale

04/20/2004

Created by K.O'Hall

Appendix 2

CERTIFICATION UNDER 49 C.F.R. § 1150.43(g)

Progressive Rail, Incorporated hereby certifies under 49 C.F.R. § 1150.43(g), that the projected revenues from the operation proposed in this matter do not exceed those that would qualify it as a Class III rail carrier, and that such revenues will not exceed \$5 million annually.



Thomas F. McFarland

Thomas F. McFarland
*Authorized Representative of
Progressive Rail, Incorporated*

SUBSCRIBED and SWORN to
before me this 16th day of
April, 2004

Kathleen Lenihan

Notary Public

Appendix 3

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. 34496,

***PROGRESSIVE RAIL, INCORPORATED --
LEASE AND OPERATION EXEMPTION --
RAIL LINES OF SOO LINE RAILROAD COMPANY
IN DAKOTA COUNTY, MN***

Progressive Rail, Incorporated (PGR), a Class III rail carrier, has filed a Notice of Exemption to acquire from Soo Line Railroad Company (Soo Line), by lease, and operate (1) the Lakeville Line between MN&S Milepost 35.25 at the I-35 bridge at or near Lakeville and Milepost UP 309.69 at or near Northfield, including the Northfield Yard between UP Milepost 313.15 (north yard point of switch) and UP Milepost 312.13 (south yard point of switch), and a segment of the Cannon Falls Line between Milepost 0.0 (equivalent UP Milepost 313.67) and Milepost 0.1, a total distance of 21.74 route miles in Dakota County, MN; and (2) the Eagandale Line between UP Milepost 332.05 at or near Rosemount and Milepost 160.7 at or near Eagan, including the Rosemount siding, team track, house track and wye track between UP Milepost 333.15 and UP Milepost 333.80, a total distance of 11.7 route miles in Dakota County, MN. Comments must be filed with the Board and be served on PGR's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

The Notice is filed under 49 C.F.R. § 1150.41. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

By the Board

(SEAL)

Vernon A. Williams, Secretary

VERIFICATION

STATE OF ILLINOIS)
)
COUNTY OF COOK)

Thomas F. McFarland, being duly sworn, states that he is attorney for Progressive Rail, Incorporated (PGR); that he is familiar with the factual allegations made in the foregoing Notice of Exemption in behalf of PGR; and that such allegations are true as stated.

Thomas F. McFarland

Thomas F. McFarland



SUBSCRIBED and SWORN to
before me this 16th day of
April, 2004.

Kathleen Lenihan

Notary Public

DID # 21040432003001 210663

ORIGINAL

LAW OFFICE
THOMAS F. McFARLAND, P.C.
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THOMAS F. McFARLAND

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Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

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**SURFACE
TRANSPORTATION BOARD**



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Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49 C.F.R. § 1150.41, for filing with the Board in the above referenced matter.

Also enclosed is Landscape Junction Incorporated's ck #9600 in the amount of \$1,400 for the filing fee.

Kindly acknowledge receipt by date stamping the enclosed duplicate copy of this letter and return in the self-addressed stamped envelope.

Very truly yours,

Thomas F. McFarland

Thomas F. McFarland
Attorney for Applicant

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BEFORE THE
SURFACE TRANSPORTATION BOARD

PROGRESSIVE RAIL, INCORPORATED)
-- LEASE AND OPERATION) FINANCE DOCKET
EXEMPTION -- RAIL LINES OF SOO) NO. 34496
LINE RAILROAD COMPANY, IN)
DAKOTA COUNTY, MN)



VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41

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PROGRESSIVE RAIL, INCORPORATED
Airlake Industrial Park
21778 Highview Avenue
Lakeville, MN 55044

Applicant

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SURFACE
TRANSPORTATION BOARD

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: April 22, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

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-- LEASE AND OPERATION) FINANCE DOCKET
EXEMPTION -- RAIL LINES OF SOO) NO. 34496
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INFORMATION REQUIRED BY 49 C.F.R. § 1150.43

(a) The full name and address of the Class III rail carrier applicant;

Applicant is Progressive Rail, Incorporated, Airlake Industrial Park, 21778 Highview Avenue, Lakeville, MN 55044.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative is Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

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PGR will operate the rail lines.

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Maps of the Lakeville rail line & Eagandale rail line are attached to this notice as Appendix 1-A and 1-B, respectively.

(g) A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under Sec. 1150.45.

The required certificate is attached as Appendix 2.

CAPTION SUMMARY

The caption summary required by 49 C.F.R. § 1150.44 is attached as Appendix 3.

VERIFICATION

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ENVIRONMENTAL AND HISTORIC COMPLIANCE

Pursuant to 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(1), no environmental or historic report is required in conjunction with this notice.

EMPLOYEE PROTECTION

Pursuant to 49 U.S.C. § 10902(d), employee protective conditions are not to be imposed in conjunction with this notice.

WHEREFORE, within 30 days of the filing of this notice, the Board should publish a notice in the Federal Register of the filing of this notice.

Respectfully submitted,

PROGRESSIVE RAIL, INCORPORATED
Airlake Industrial Park
21778 Highview Avenue
Lakeville, MN 55044

Applicant

Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
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(312) 236-0204

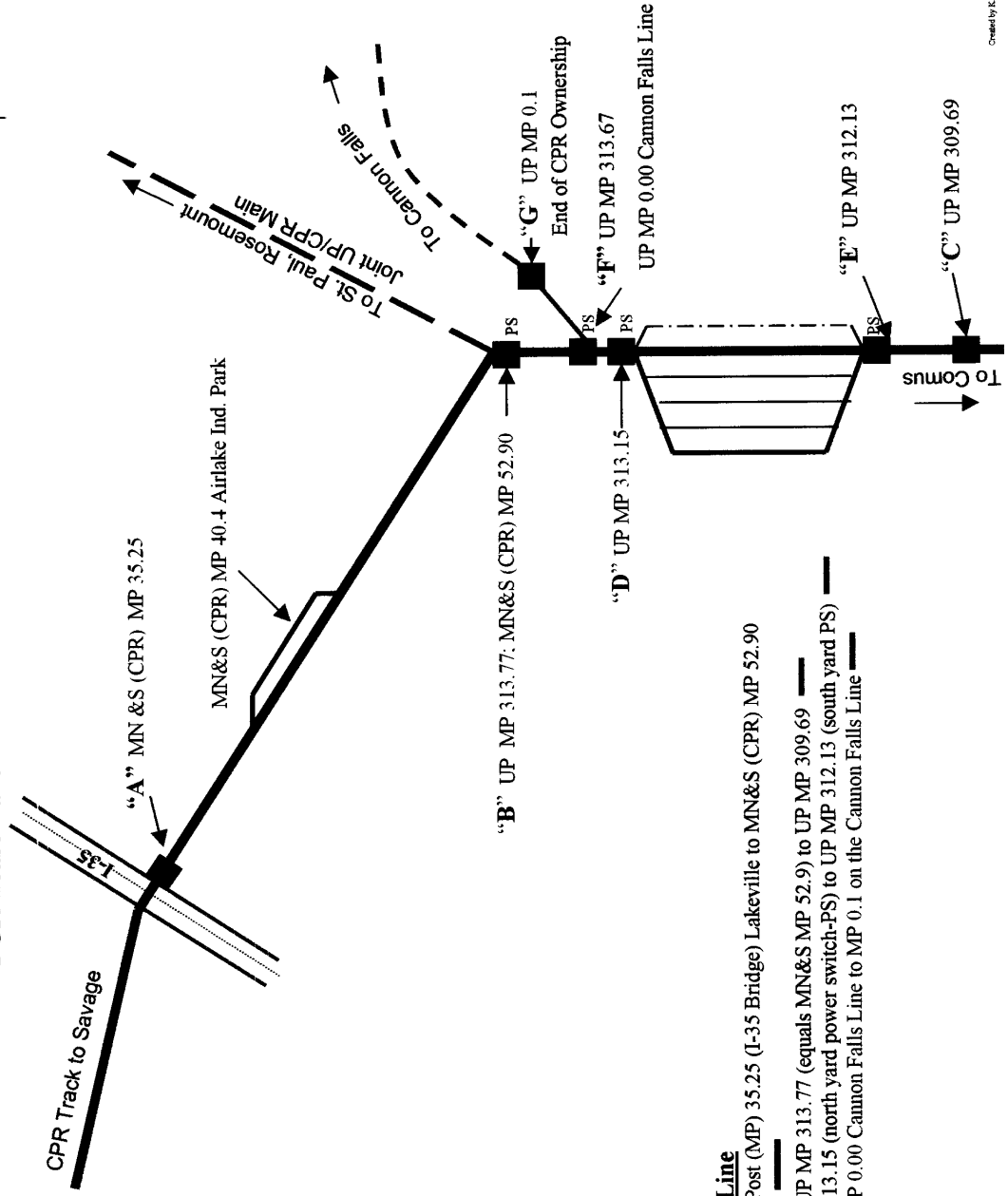
Attorney for Applicant

DATE FILED: April 22, 2004

Appendix 1-A

Canadian Pacific Railway
Land Marketing – US

PGR Lease Lakeville to Northfield



Description of Lakeville Line

A-B From MN&S (CPR) Mile Post (MP) 35.25 (I-35 Bridge) Lakeville to MN&S (CPR) MP 52.90 (UP MP 313.77) at Northfield

B-C Main line track between UP MP 313.77 (equals MN&S MP 52.9) to UP MP 309.69

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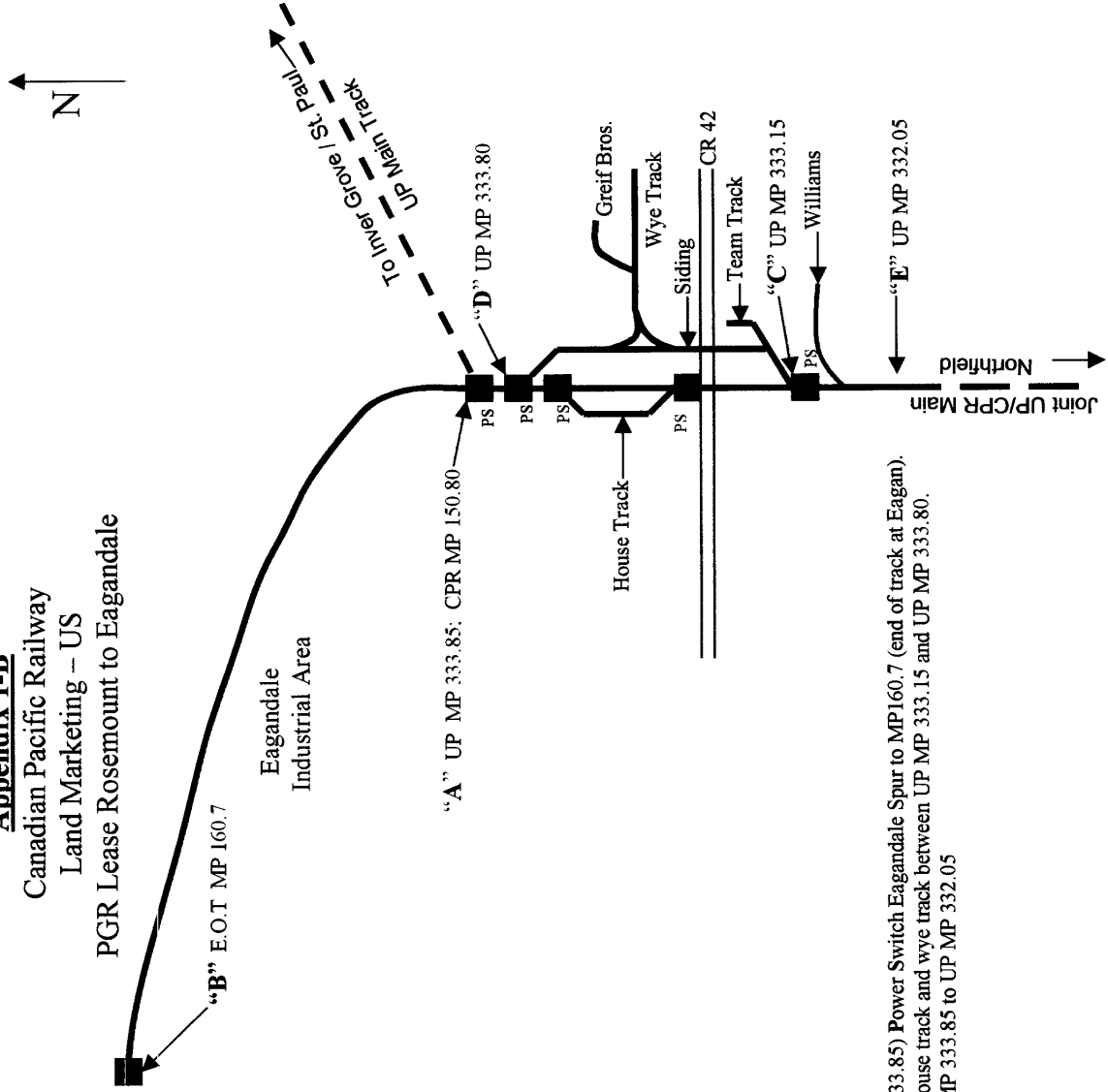
04/20/2004

Map not to scale

Created by R.D. Ball

Appendix 1-B Canadian Pacific Railway Land Marketing – US

PGR Lease Rosemount to Eagandale



Description of Eagandale Line

- A-B From CPR MP150.80 (UP MP 333.85) Power Switch Eagandale Spur to MP160.7 (end of track at Eagan).
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- A-E Main line track south from UP MP 333.85 to UP MP 332.05

Map not to scale

04/20/2004

Created by K.D. Sali

CERTIFICATION UNDER 49 C.F.R. § 1150.43(g)

Progressive Rail, Incorporated hereby certifies under 49 C.F.R. § 1150.43(g), that the projected revenues from the operation proposed in this matter do not exceed those that would qualify it as a Class III rail carrier, and that such revenues will not exceed \$5 million annually.



Thomas F. McFarland

Thomas F. McFarland
*Authorized Representative of
Progressive Rail, Incorporated*

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before me this 16th day of
April, 2004

Kathleen Lenihan
Notary Public

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By the Board

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Vernon A. Williams, Secretary

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

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Thomas F. McFarland



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Kathleen Lenihan

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