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BALL JANIK LLP

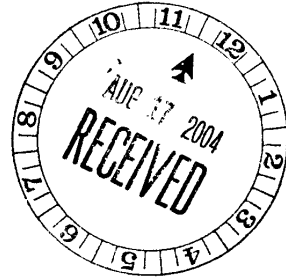
A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

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TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

August 17, 2004



BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

Re: Finance Docket No. 34537, Alliance Terminal Railroad, LLC –
Lease Exemption – Quality Terminal Services, LLC

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. 1150.31 and a check covering the \$1,400.00 filing fee. Also enclosed is a 3.5-inch diskette containing the Notice and Summary.

Please time and date stamp the extra copy of the Notice of Exemption and return it with our messenger.

If you have any questions, please contact me.

Sincerely,

Karl Morell

FILED
AUG 17 2004
SURFACE
TRANSPORTATION BOARD

Enclosures

FEE RECEIVED
AUG 17 2004
SURFACE
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ENTERED
Office of Proceedings

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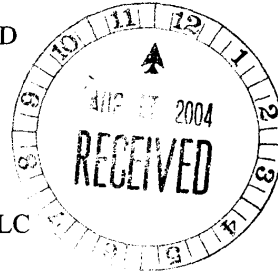
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BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34537

ALLIANCE TERMINAL RAILROAD, LLC
--LEASE EXEMPTION--
QUALITY TERMINAL SERVICES, LLC

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorney for:
ALLIANCE TERMINAL
RAILROAD, LLC

Dated: August 17, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34537



ALLIANCE TERMINAL RAILROAD, LLC
--LEASE EXEMPTION--
QUALITY TERMINAL SERVICES, LLC

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.

Alliance Terminal Railroad, LLC ("ATR"), a non-carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart D--Exempt Transactions, to permit ATR to sublease and operate approximately 12.9 miles of rail lines from Quality Terminal Services, LLC ("QTS") located in Haslet, Texas that are owned by The Burlington Northern and Santa Fe Railway Company ("BNSF"). As part of this transaction, ATR will also acquire incidental trackage rights over 11 miles of BNSF.

In support of this Notice of Exemption, ATR submits the following information as required by 49 C.F.R. § 1150.33:

- (a) Full name and address of applicant:

Alliance Terminal Railroad, LLC
50 South Steele Street
Suite 250
Denver, CO 80209

(b) Applicant's Representative:

Karl Morell
Of Counsel
BALL JANI LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

(c) Statement of Agreement:

ATR will shortly enter into agreements with QTS for the sublease of the BNSF-owned lines and with BNSF for the acquisition of the incidental trackage rights.

(d) The operator of the property:

ATR will be the operator of the subleased lines and will utilize the trackage rights line on a nonexclusive basis.

(e) Summary of proposed transaction:

- (1) The name and address of the company subleasing the subject property and granting the incidental trackage rights are, respectively:

Quality Terminal Services, LLC
304 N. Highway 377
Roanoke, Texas 76262

The Burlington Northern and Santa Fe Railway Company
2600 Lou Menk Drive
Fort Worth, Texas 76131

- (2) The involved transaction is expected to be consummated on or shortly after August 24, 2004.

- (3) There are no milepost designations associated with the rail lines ATR is subleasing. The 12.9 miles of rail lines that ATR will sublease are

located adjacent to the BNSF mainline between Mileposts 362.2 and 365.0 in Haslet, Texas.

As part of this transaction, ATR will also acquire incidental overhead trackage rights over the BNSF mainline located between Milepost 359, at Haslet, Texas and Milepost 370, at Saginaw, Texas.

(4) The length of the rail lines being subleased is approximately 12.9 miles and the length of the lines over which ATR is acquiring incidental trackage rights is 11 miles.

(f) Maps of the rail lines being subleased and the rail line over which ATR is acquiring incidental overhead trackage rights are attached as Exhibit 1.

(g) ATR hereby certifies that ATR's projected revenues as a result of this transaction will not result in ATR becoming a Class II or Class I rail carrier. ATR further certifies that the projected annual revenue of ATR will not exceed \$5 million. Accordingly, the requirements of 49 C.F.R. § 1150.32(e) do not apply to this transaction.

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

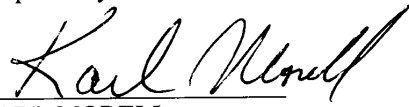
ENVIRONMENTAL AND HISTORIC IMPACTS

ATR is subleasing the lines from QTS for continued rail operations. Further Board approval is required for ATR to discontinue any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

ATR's sublease and operation of the rail lines will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. ATR's sublease and operation of the rail lines will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Karl Morell", written over a horizontal line.

KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

Attorney for:
ALLIANCE TERMINAL RAILROAD, LLC.

Dated: August 17, 2004

VERIFICATION

STATE OF COLORADO

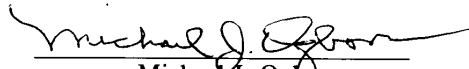
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ss.

CITY AND COUNTY OF DENVER

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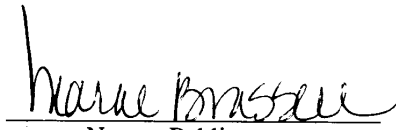
I, Michael J. Ogborn, being duly sworn depose and state that I am Manager of Alliance Terminal Railroad, LLC, that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

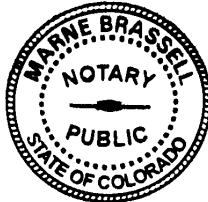

Michael J. Ogborn

SUBSCRIBED AND SWORN TO before me this 13 day of August, 2004, in the City and County of Denver, State of Colorado.

My Commission Expires:

6/7/08


Notary Public



My Commission Expires June 7, 2008

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34537

ALLIANCE TERMINAL RAILROAD, INC.

--LEASE EXEMPTION--

QUALITY TERMINAL SERVICES, LLC

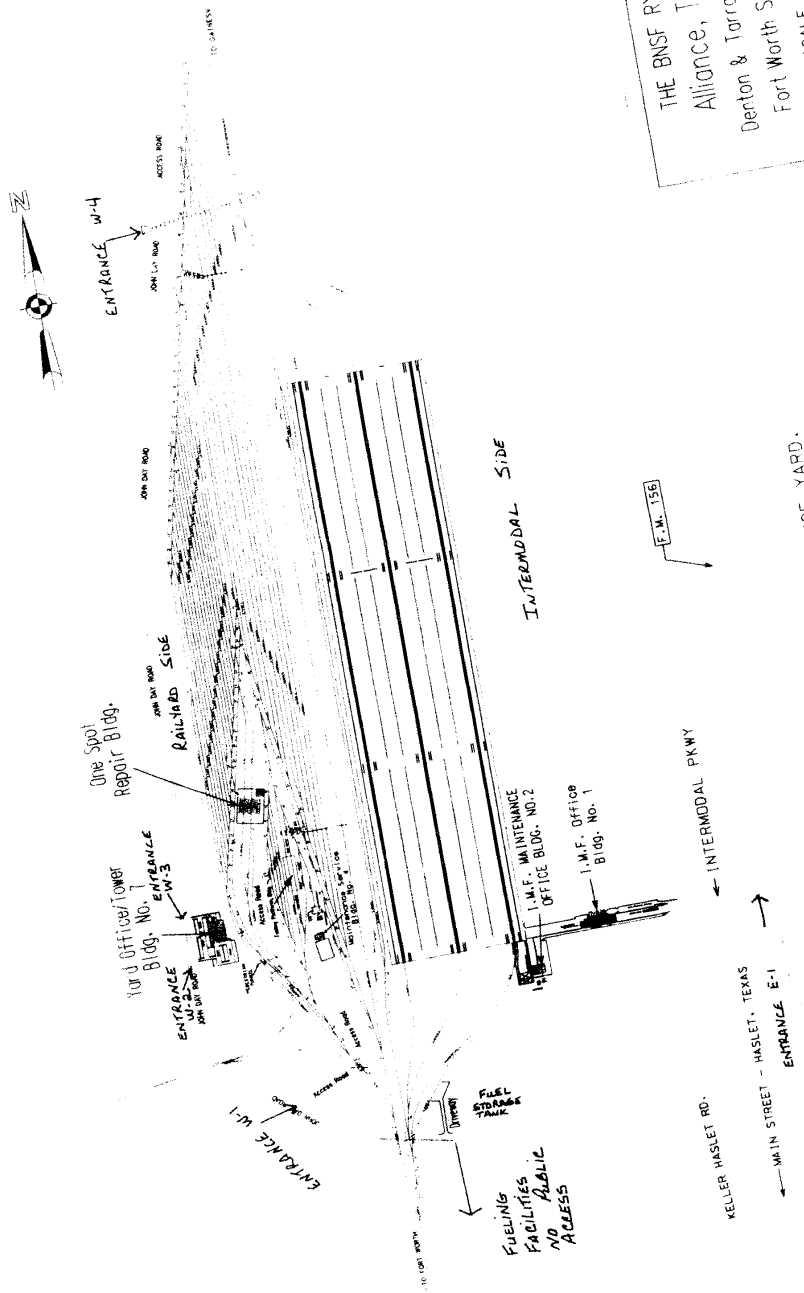
Alliance Terminal Railroad, LLC ("ATR"), a non-carrier, has filed a notice of exemption to sublease from Quality Terminal Services, LLC and operate approximately 12.9 miles of rail lines owned by The Burlington Northern and Santa Fe Railway Company ("BNSF"). The rail lines being subleased are located adjacent to the BNSF mainline between Mileposts 362.2 and 365.0, in Haslet, Texas. In conjunction with the sublease of the rail lines, ATR will acquire incidental, overhead trackage rights over BNSF's rail line located between Milepost 359.0, at Haslet, Texas, and Milepost 370, at Saginaw, Texas.

This transaction is related to STB Docket No. 34538, Patrick D. Broe and OmniTRAX, Inc. – Continuance In Control Exemption – Alliance Terminal Railroad, LLC, wherein Mr. Broe and OmniTRAX, Inc., have concurrently filed a verified notice to continue in control of ATR upon ATR becoming a Class III rail carrier.

Comments must be filed with the Board and served on Karl Morell, Of Counsel, BALL JANI LLP, Suite 225, 1455 F Street, N.W., Washington, DC 20005, (202) 638-3307.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

EXHIBIT 1



THE BNSF RY. CO.
 Alliance, Texas
 Denton & Tarrant County
 Fort Worth Subdivision
 11/25/96
 NOT TO SCALE

SKETCH SHOWING ACCESS ROADS TO BNSF ALLIANCE YARD.

BNSF FIELD ENGINEERING - FORT WORTH, TEXAS

