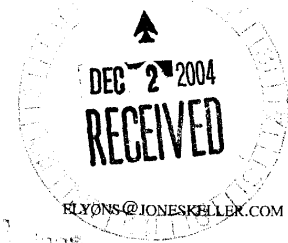


EDWARD T. LYONS, JR.
ATTORNEY AT LAW



November 29, 2004



VIA E-Filing

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

DEC 1 2004

U.S. DEPT. OF
TRANSPORTATION

212686

**RE: Lake Superior & Ishpeming Railroad Company Abandonment in Marquette
County, Michigan; STB Docket No. AB-68 (Sub-No. 4X)**

Dear Mr. Williams:

The Lake Superior & Ishpeming Railroad Company (LS&I) has received a Request for issuance of a Public Use Condition and a Notice of Interim Trail Use pursuant to 49 U.S.C. § 10905 and 49 C.F.R. § 1152.28 and 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29, respectively, regarding that portion of the LS&I's right-of-way known as the Republic Subdivision from M.P. 85.6 at Humboldt Junction to M.P. 94.5 at Republic Mine, a distance of 8.9 miles in Marquette County, Michigan. The LS&I is willing to negotiate with the Michigan Department of Natural Resources concerning the acquisition of the subject property for public use or trail use and supports the Michigan Department of Natural Resources' request to negotiate for a period of 180 days. The Michigan Department of Natural Resources requests an order to bar removal or destruction of structures such as bridges, trestles, culverts, and tunnels. The LS&I has no intention of removing or destroying such structures, but would request that the railroad be allowed to dispose of the track, ties and other rail related structures since they are valuable commodities. A Trail Use Condition that allows LS&I to engage in such salvage activities would allow the removal and re-use of the materials in an expedient manner and will not interfere with any potential corridor re-use.

A copy of the Michigan Department of Natural Resources' request is attached hereto as Exhibit "A" and hereby made a part hereof.

Very truly yours,

Edward T. Lyons, Jr.
Attorney for Lake Superior & Ishpeming
Railroad Company

Enclosure

cc: Peter Ray
Ken Simmons, Esq.
Bob Clark



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

REBECCA A. HUMPHRIES
DIRECTOR

FILING FEE WAIVED

November 4, 2004

ENTERED
Office of Proceedings

NOV 17 2004

Part of
Public Record

212 578



Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Dear Mr. Williams:

SUBJECT: Lake Superior & Ishpeming Railroad Company Abandonment in Marquette
County, Michigan, STB Docket No. AB-68 (Sub-No. 4X)

This request is filed on behalf of the Michigan Department of Natural Resources (DNR), which is a government agency interested in recreation and natural resources, hereinafter referred to as "proponent."

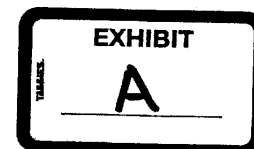
Proponent requests issuance of a Public Use Condition as well as an Interim Trail Use Condition rather than an outright abandonment authorization between milepost 85.6 at Humboldt Junction and milepost 94.5 at Republic Mine.

A. Request For Public Use Condition

Proponent asks the STB to find that this property is suitable for other public use, specifically trail use, and to place the following conditions on the abandonment:

1. An order prohibiting the carrier from disposing of the corridor, other than the tracks, ties and signal equipment, except for public use on reasonable terms. Justification for this condition is: The corridor would make an excellent recreational trail and provides an extension of a rail corridor already developed for trail use by proponent. The time period sought is 180 days from the effective date of the abandonment authorization. Proponent needs this much time to conduct appraisal and title review and begin negotiations with the carrier.
2. An order barring removal or destruction of potential trail-related structures such as bridges, trestles, culverts and tunnels. The justification for this condition is that these structures have considerable value for recreational trail purposes. The time period requested is 180 days from the effective date of the abandonment authorization for the same reason as indicated above.

NATURAL RESOURCES COMMISSION
Keith J. Charters-Chair • Mary Brown • Bob Garner • Gerald Hall • John Madigan • Frank Wheatlake
STEVENS T. MASON BUILDING • P.O. BOX 30028 • LANSING, MICHIGAN 48909-7528
www.michigan.gov/dnr • (517) 373-2329



Mr. Vernon A. Williams
Page 2
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B. Request For Interim Trail Use

The railroad right-of-way in this proceeding is suitable for railbanking. In addition to the public use conditions sought above, proponent also makes the following request:

STATEMENT OF WILLINGNESS TO ASSUME FINANCIAL RESPONSIBILITY

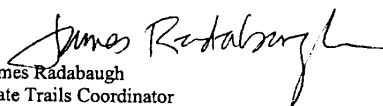
In order to establish interim trail use and railbanking under section 8(d) of the National Trails System Act, 16 U.S.C. §1247(d), and 49 CFR §1152.29, the proponent is willing to assume full responsibility for management of, for any legal liability arising out of the transfer or use of, and for the payment of any and all taxes that may be levied or assessed against the right-of-way owned by and operated by Lake Superior & Ishpeming Railroad Company.

The property, known as the Republic Subdivision, extends from railroad milepost 85.6 at Humboldt Junction to railroad milepost 94.5 at Republic Mine, a distance of 8.9 miles in Marquette County, Michigan. The right-of-way is part of a line of railroad proposed for abandonment in STB Docket No. AB-68 (Sub-No. 4X).

A map depicting the right-of-way is attached. Proponent acknowledges that use of the right-of-way is subject to the user's continuing to meet its responsibilities described above and subject to possible future reconstruction and reactivation of the right-of-way for rail service.

By my signature below, I certify service upon Lake Superior & Ishpeming Railroad Company, c/o Edward T. Lyons, Jr., Jones & Keller, P.C., World Trade Center, 1625 Broadway, 16th Floor, Denver, CO 80202, by U.S. Mail, postage pre-paid, first class, this 3rd day of November, 2004.

Respectfully submitted,


James Radabaugh
State Trails Coordinator
Recreation and Trails Section
Forest, Mineral and Fire Management
517-373-1276

On behalf of the Michigan Department
of Natural Resources

JR: kk
Attachment

cc: Mr. Edward T. Lyons, Jones & Keller, P.C.
Mr. Peter Ray, LS&I Railroad Company
Mr. Bernard Hubbard, MDNR
Mr. David Freed, MDNR

