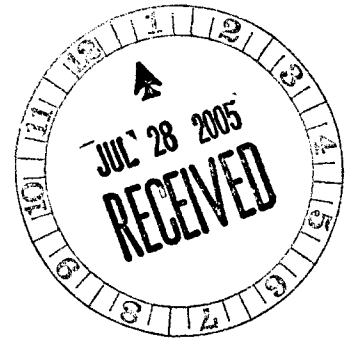


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BEFORE THE
SURFACE TRANSPORTATION BOARD



STB DOCKET NO. AB-441 (Sub-No. 4X)
SAN PEDRO RAILROAD OPERATING
COMPANY, LLC-ABANDONMENT EXEMPTION-
IN COCHISE COUNTY, AZ

ENTERED
Office of Proceedings

JUL 28 2005

Part of
Public Record

PETITION FOR EXEMPTION
UNDER 49 U.S.C. 10502
FROM 49 U.S.C. 10903

REPLY OF
SAN PEDRO RAILROAD OPERATING COMPANY, LLC
TO MOTION FOR LEAVE
TO FILE REPLY AND COMMENTS OUT OF TIME

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Railroad Operating
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Dated: July 28, 2005

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INTRODUCTION

On July 26, 2005, an organization merely identified as Sonora-Arizona International, LLC (hereafter "Sonora") sought leave to file a reply and comments out of time in the above-captioned abandonment. Relying on the flimsy excuse that it had just retained counsel on July 22, 2005, Sonora asks the Board to extend its long announced deadline for protests and comments until August 2, 2005. The Board should summarily reject Sonora's Motion.

ARGUMENT

As the sole basis for extending the Board's deadline for filing protests and comments, Sonora merely states that it had retained the undersigned counsel on July 22, 2005, and that counsel in reviewing the Board's docket had discovered that the

"Reply Deadline" had passed. Relying on the Board's decision in The Kansas City Southern Railway Company-Adverse Discontinuance Application-A Line of Arkansas and Missouri Railroad Company, STD Docket No. AB-103 (Sub-No. 14) (served March 26, 1999), Sonora argues that the Board has accepted late-filed pleadings where a party furnishes an adequate explanation for its tardiness. Such is not the case here.

In Kansas City, the Board accepted a series of filings one day after the filing deadline. In the case of the State DOT's filing, the Board relied on a letter from Federal Express explaining that the delay was due to inclement weather. The decision does not indicate the reasons for the other one-day filing delays other than to say that adequate explanations had been given.

Here Sonora states that its principal member, who it fails to identify, is "an owner of property and has made investments and commitments to develop property on or near to the line" and "that those investments and commitments have relied on the continued presence of rail service." Such being the case, any competent and knowledgeable real estate owner and developer would know that this rail line has been the subject of at least three previous abandonment requests and several line sales. Moreover, Sonora's principal member knew or should have known about the abandonment due to the filing and publication of a

"System Diagram Map Narrative" which generated substantial publicity when it was filed back in late March 2005.¹

Accordingly, had Sonora's principal member been doing his or her job, he or she could have retained counsel in time to comply with the Board's deadline.

Moreover, Sonora's pleading really doesn't indicate the nature of its interest in this matter other than a vague desire to preserve the line for development. Inasmuch as Sonora is neither a rail customer, a political subdivision, or a party offering financial assistance to acquire the line, its Motion and any subsequent comments should be rejected for lack of standing.

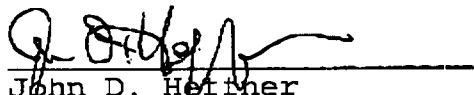
SPROC has reason to believe that the party behind this mysterious entity is a local real estate developer by the name of Charles Sotelo. The Board is well aware of Mr. Sotelo and his interest in the line as well as his lack of credibility and financial resources. See, Charles M. Sotelo-Petition for Declaratory Order-Line Relocation in Cochise County, AZ, STB Finance Docket No. 34191 (October 24, 2002). Mr. Sotelo has engaged SPROC's principal in discussions for purchase of the line but has yet to demonstrate any ability to pay for that purchase.

¹ A copy of SPROC's newspaper publication of that notice is attached to this filing.

SPROC is concerned that acceptance of Sonora's late-filed protest will delay the Board's ability to decide this abandonment on or before September 23, 2005, and will force SPROC to continue providing a money-losing rail service for which there is little public demand. That delay will substantially harm SPROC's ability to preserve service between Benson and Curtis, not subject to abandonment.

For all of the above reasons, SPROC urges the Board to deny Sonora's Motion and reject any pleadings it submits as late. Should the Board grant Sonora's Motion, SPROC requests 7 days in which to respond.

Respectfully submitted,



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Company, LLC

Dated: July 28, 2005

PUBLIC NOTICE

**NOTICE OF SAN PEDRO
RAILROAD OPERATING
COMPANY, LLC
RAIL-LINE CATEGORY 1
DESIGNATION
STB Docket No. AB-441
Sub-No. 430**

In STB Docket No. AB-441 (Sub-No. 430), San Pedro Railroad Operating Company, LLC (SPROC), has filed with the Surface Transportation Board (STB) a narrative description of the following rail line which SPROC intends will be the subject of an abandonment, or discontinuance, application, or discontinuance petition for exemption to be filed within a three-year period following the date upon which the subject narrative is filed with the STB:

Line Description

1. **Category:** The rail lines that are the subject of this notice are to be designated as Category 1 because they are planned to be the subject of an abandonment, or discontinuance application, or petition for exemption to be filed with the STB within three years of the date of the filing of this notice and narrative with the STB; 49 CFR (1182.1182, generally) and as CTR 1182 Subpart B (specifically).
2. **Mileposts and General Description of the Line:**
- (1) The subject line include

the line of railroad designated as the Babson Branch, which extends between milepost 1084.0 at Babson Junction, AZ, and milepost 1080.4 at Babson, AZ, a distance of 3.6 miles.

(2) The remaining five segments are collectively designated as the Douglas Branch and include the line of railroad extending between milepost 1087.8 near Paul Spur, AZ, and milepost 1100.5 near Douglas, AZ, a distance of 12.7 miles; the line of railroad extending between milepost 1066.8 near Charleston, AZ, and milepost 1087.2 near Paul Spur, AZ, a distance of 20.4 miles; and the line of railroad extending between milepost 1060.15 near Cortes, AZ, and milepost 1065.8 near Charleston, AZ, a distance of 5.6 miles.

3. **Segments in which the line is located:** All segments are located in the state of Arizona.
4. **Counties in which the line is located:** All segments are located in Cochise County, AZ.
5. **Agency of terminal stations located in the line:** The only station through which business is received or forwarded is the company's office at Benson, AZ.

SPROC will, at reasonable cost, furnish upon request of any interested person copies

of the above-described narrative.

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(202) 283-4180
Counsel for San Pedro
Railroad Operating Company, LLC

There are no mileage discrepancies. SPROC is using the milepost designations utilized in connection with its application of the subject rail properties to STB FD No. 84430 San Pedro Railroad Company, Colorado, LLC Acquisition and Construction-SWKR. Operations (decision served November 21, 2003) and the previous petition for abandonment of a portion of the subject rail properties, STB Docket AB-441 Sub-No. 3X, 2003R. Chemical Co. Abandonment - Extension in Cochise County, AZ (decisions served Dec. 17, 2003 and Nov. 4, 2003).

2 See footnote 1. The milepost at Cortes is alternatively identified as milepost 7.0. The milepost at Charleston is alternatively identified as milepost 15.0.

PUBLISHED March 29, 2005

STATE OF ARIZONA)
COUNTY OF COCHISE)

KIMBERLY L. HYCKS

being first

duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the SIERRA VISTA HERALD and the BISBEE DAILY REVIEW newspapers printed and published six days a week in the County of Cochise, State of Arizona, and of general circulation in the cities of Sierra Vista and Bisbee, County of Cochise, State of Arizona and elsewhere, and the hereto attached

NOTICE OF SAN PEDRO
RAILROAD OPERATING
COMPANY, LLC RAIL
LINE CATEGORY 1

STB DOCKET NO. AB-441
was printed and published correctly in the regular and entire issue of said SIERRA VISTA HERALD and BISBEE DAILY REVIEW for

1 issues, that the first was
made on the 29th day of MARCH 20 05
and the last publication thereof was made on the 29th day of

MARCH 20 05 that said publication
was made on each of the following dates, to wit:

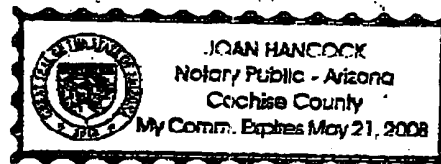
03/29/05

Request of

Sierra Vista Herald
Bisbee Daily Review

By

Subscribed sworn to before me this 29th day of MARCH
20 05



Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires:

5/21/08

CERTIFICATE OF SERVICE

I, John D. Heffner, certify that I served a copy of the Reply of San Pedro Rail Operating Company, LLC, to the "Motion for Leave to File Reply and Comments Out of Time" of Sonora-Arizona International, LLC, on all parties to this proceeding by fax transmission and first call U.S. Mail this 28th day of July 2005.


John D. Heffner