

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

THOMAS F. MCFARLAND



215070

October 28, 2005

By UPS overnight mail
(Monday delivery)

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

RECEIVED
OCT 31 2005
TRANSPORTATION BOARD

Re: Finance Docket No. 34777, *Blackwell Northern Gateway Railroad Company --
Change In Operators Exemption -- Oklahoma Department of Transportation and
Blackwell Industrial Authority*

Dear Mr. Williams:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49
C.F.R. § 1150.31, for filing with the Board in the above referenced matter.

Also enclosed is a check for \$1,500 for the filing fee.

ENTERED
Office of Proceedings

OCT 31 2005

Part of
Public Record

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Blackwell Northern
Gateway Railroad Company

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FILED
OCT 31 2005
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



BLACKWELL NORTHERN GATEWAY)
RAILROAD COMPANY -- CHANGE IN) FINANCE DOCKET
OPERATORS EXEMPTION --) NO. 34777
OKLAHOMA DEPARTMENT OF)
TRANSPORTATION AND BLACKWELL)
INDUSTRIAL AUTHORITY)

215070

VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31

FEE RECEIVED

OCT 31 2005

TRANSPORTATION BOARD

FILED
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SURFACE
TRANSPORTATION BOARD

BLACKWELL NORTHERN GATEWAY
RAILROAD COMPANY
548 Anita Street
Des Plaines, IL 60018

Applicant

ENTERED
Office of Proceedings

OCT 31 2005

Part of
Public Record

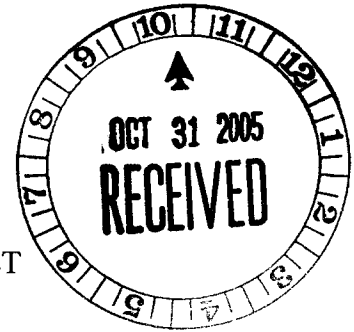
THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1194
(312) 236-0204

Attorney for Applicant

DATE FILED: October 31, 2005

BEFORE THE
SURFACE TRANSPORTATION BOARD

BLACKWELL NORTHERN GATEWAY)
RAILROAD COMPANY -- CHANGE IN) FINANCE DOCKET
OPERATORS EXEMPTION --) NO. 34777
OKLAHOMA DEPARTMENT OF)
TRANSPORTATION AND BLACKWELL)
INDUSTRIAL AUTHORITY)



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31**

Pursuant to the class exemption codified at 49 C.F.R. § 1150.31(a)(3), BLACKWELL NORTHERN GATEWAY RAILROAD COMPANY (BNGR), a noncarrier, hereby files this verified notice of exemption from the prior approval requirements of 49 U.S.C. § 10901 for its operation, as successor of the prior operator, Blackwell & Northern Railway Company (BNRC), of the following lines of railroad owned by the State of Oklahoma by and through the Oklahoma Department of Transportation and Blackwell Industrial Authority:

- (1) between milepost 34.3 at Blackwell, OK and milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS;
- (2) between milepost 35 + 1848 feet, west of Blackwell, OK, and milepost 34.3 at Blackwell, OK; and
- (3) between milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS and milepost 0 + 466.3 feet, at Wellington, KS.

The prior operator, BNRC, is no longer able to operate the involved rail lines. As a result, the owners of the rail line have selected BNGR as replacement operator of the lines. Upon

consummation of the change in operators covered by this Notice, BNRC's authority to operate the lines will terminate. *See Cleveland Commercial R. Co., LLC -- Change in Operators Exempt. -- Wheeling & Lake Erie Ry. Co.*, 2004 STB LEXIS 492 at *1, n.1 (Finance Docket No. 34521, decision served Aug. 6, 2004). BNGR is authorized by BNRC to state that BNRC does not object to the proposed change in operators. Consistent with customary practice, shippers on the rail lines are being notified of the proposed change in operator. *See, e.g., Delaware-Lackawanna R. Co. -- Change in Operators Exempt. -- Lackawanna County RR Auth.*, 2002 STB LEXIS 70 at *2, n.2 (Finance Docket No. 34162, decision served Jan. 29, 2002).

INFORMATION REQUIRED BY 49 C.F.R. § 1150.33

(a) *The full name and address of the applicant;*

Applicant is Blackwell Northern Gateway Railroad Company, 548 Anita Street, Des Plaines, IL 60018.

(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 60604-1194, (312) 236-0204.

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

An agreement has been reached by the owners of the rail lines that BNGR should succeed BNRC as operator of the rail lines.

(d) *The operator of the property;*

BNGR will be the operator of the property.

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

(1) *The name and address of the entities contracting for operation of the subject property;*

(A) Oklahoma Department of Transportation
200 N.E. 21st Street
Oklahoma City, OK 73105

(B) Blackwell Industrial Authority
P.O. Box 230
Blackwell, OK 71631

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

The transaction is to be consummated no earlier than seven days after the filing of this notice at the Board, i.e., not before November 7, 2005.

(3) *The mile-posts of the subject property, including any branch lines, and*

The rail lines extend: (1) between milepost 34.3 at Blackwell, OK and milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS; (2) between milepost 35 + 1848 feet west of Blackwell, OK and milepost 34.3 at Blackwell, OK and (3) between milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS and milepost 0 + 466.3 feet at Wellington, KS.

(4) *The total route miles being acquired;*

A total of 35.26 route miles is proposed to be operated.

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

The required map is attached to this notice as Appendix 1.

(g) *A certificate that applicant's projected revenues do not exceed those that would qualify it as a Class III carrier, and that such revenues would not exceed \$5 million per year.*

The required certificate is attached to this notice as Appendix 2.

CAPTION SUMMARY

The caption summary required by 49 C.F.R. § 1150.34 is attached to this notice as Appendix 3. A general verification is attached to this notice as Appendix 4.

**ENVIRONMENTAL AND HISTORIC
REPORTING NOT REQUIRED**

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

NO LABOR PROTECTION CONDITIONS

Pursuant to 49 U.S.C. § 10901(c), no labor protection conditions are to be imposed in this matter.

CONCLUSION AND REQUESTED RELIEF

WHEREFORE, the Board should publish a notice of the filing of this exemption in the Federal Register within 30 days of such filing in accordance with 49 C.F.R. § 1150.32(b).

Respectfully submitted,

BLACKWELL NORTHERN GATEWAY
RAILROAD COMPANY
548 Anita Street
Des Plaines, IL 60018

Applicant

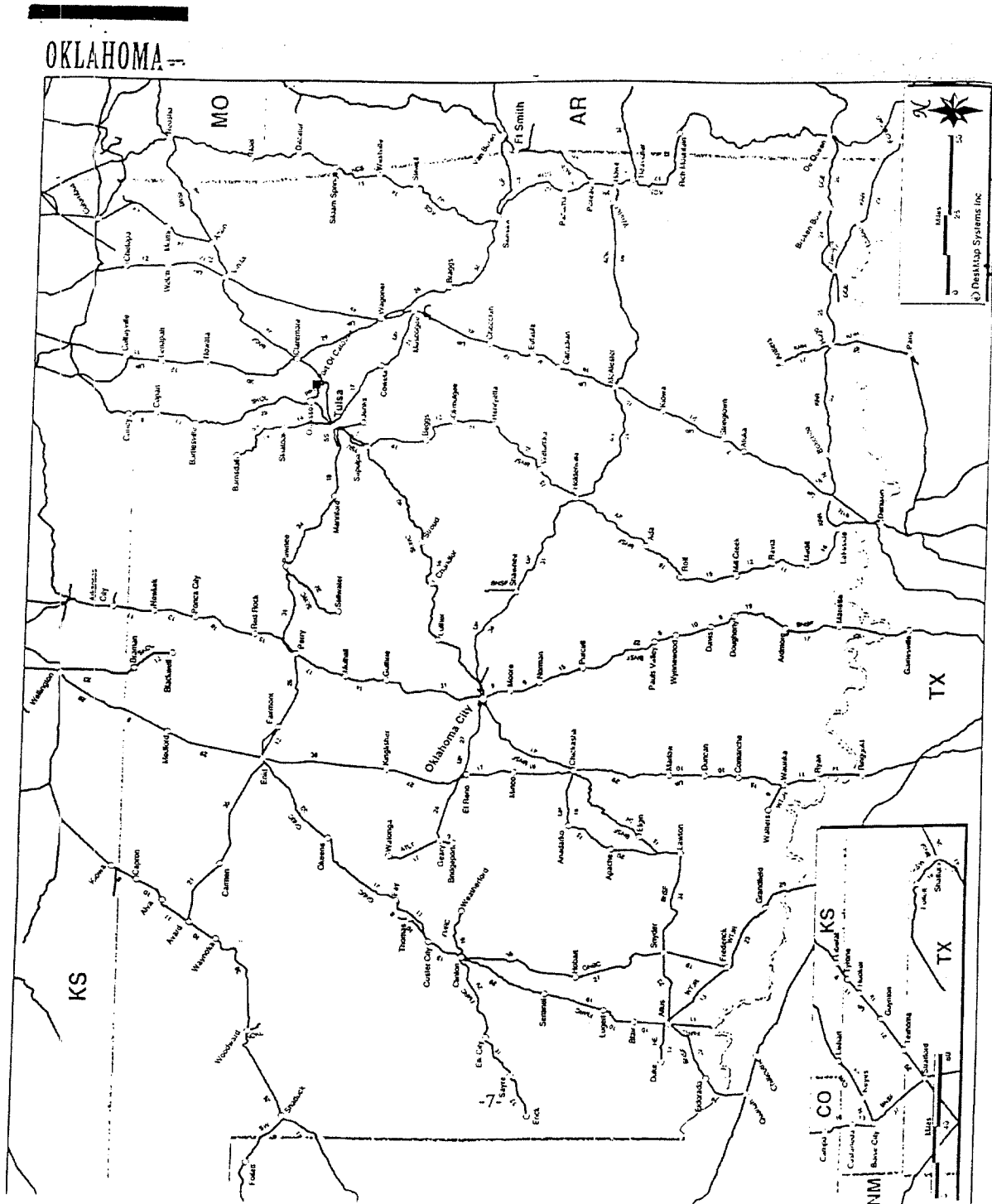
Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1194
(312) 236-0204

Attorney for Applicant

DATE FILED: October 31, 2005

Appendix 1



Appendix 2

CERTIFICATION UNDER 49 C.F.R. § 1150.33(g)

Blackwell Northern Gateway Railroad Company hereby certifies under 49 C.F.R. § 1150.33(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
Blackwell Northern Gateway Company*



SUBSCRIBED and SWORN to
before me this 28th day of
October, 2005.

Kathleen Lenihan

Notary Public

Appendix 3

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. 34777,

***BLACKWELL NORTHERN GATEWAY RAILROAD COMPANY
-- CHANGE IN OPERATORS EXEMPTION --
OKLAHOMA DEPARTMENT OF TRANSPORTATION
AND BLACKWELL INDUSTRIAL AUTHORITY***

Blackwell Northern Gateway Railroad Company (BNGR), a noncarrier, has filed a Notice of Exemption for its operation, as successor of the prior operator, Blackwell & Northern Railway Company (BNRC), of rail lines owned by the State of Oklahoma by and through the Oklahoma Department of Transportation and Blackwell Industrial Authority as follows: (1) between milepost 34.3 at Blackwell, OK and milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS; (2) between milepost 35 + 1848 feet west of Blackwell, OK and milepost 34.3 at Blackwell, OK; and (3) between milepost 18 + 1712.9 feet at the Oklahoma/Kansas state line near Hun Newell, KS and milepost 0 + 466.3 feet, at Wellington, KS, a distance of 35.26 miles. Comments must be filed with the Board and be served on BNGR's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1194, (312) 236-0204.

The Notice is filed under 49 C.F.R. § 1150.31. 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

Appendix 4

VERIFICATION

STATE OF ILLINOIS)
)
COUNTY OF COOK)

Thomas F. McFarland, being duly sworn, states that he is attorney for Blackwell Northern Gateway Railroad Company; that he is familiar with the factual allegations made in the foregoing Notice of Exemption in behalf of that company; and that such allegations are true as stated.

Thomas F. McFarland

Thomas F. McFarland



SUBSCRIBED and SWORN to
before me this 28th day of
October, 2005.

Kathleen Lenihan

Notary Public