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BY HAND AND FAX
565-9002

November 21, 2005

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

ENTERED
Office of Proceedings

NOV 21 2005

Part of
Public Record

RE: STB Docket No. AR-1081X, San Pedro
Railroad Operating Company, LLC-Abandonment
Exemption-In Cochise County, AZ,

Dear Mr. Williams:

I am writing on behalf of San Pedro Railroad Operating Company (SPROC), in connection with the above-captioned proceeding. On Friday afternoon, November 18, 2005, counsel for Chemical Lime, Randy Brewer, called me to say that he would be filing a request for an extension to the November 25, 2005, deadline for filing comments. He sought my client's consent to that request. I understood Mr. Brewer to say that Chemical Lime's counsel needed an extension because of his inability to reach his client to confer about strategy. Chemical Lime's request should be denied.

With minor exceptions, the Rules of Practice allow the Board, in its discretion, to grant extensions upon request and for good cause. 49 CFR 1104.7(b). However, the Rules also state that a "request for an extension must be filed not less than 10 days before the due date." [emphasis supplied]. Chemical Lime has not complied with the Rules. Chemical Lime has been aware of this abandonment for almost eight months and has had ample time in which to formulate a strategy. As the record shows, SPROC first informed Chemical Lime about its plans to abandon the Line on March 22, 2005. Shortly after SPROC filed its first petition for exemption for abandonment on June 6, 2005, SPROC and

Chemical Lime discussed the abandonment filing and Chemical Lime's options for rail service preservation in a conference call on June 14. Chemical Lime filed a timely and substantial protest to the first petition on July 14 as well as one or more responses to additional SPROC filings. SPROC and Chemical Lime have had numerous conversations since then about rail service preservation and resolving the matter in dispute. SPROC and Chemical Lime have traded settlement offers and counteroffers but are still far apart. The Board should see and reject this extension request as one of Chemical Lime's negotiating tactics.

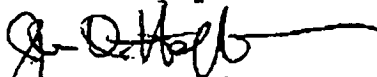
The Board should also see the parties for what they are. Chemical Lime is a subsidiary of a large multinational corporation, Lloist, which bills itself as the world's leading producer of lime and dolomite. SPROC is a small class III short line railroad with limited assets and operations. SPROC has represented to the Board that it needs expedited consideration for this abandonment petition because it cannot afford to continue a deficit operation with losses projected at \$277,736 for the Forecast Year. Each day that SPROC is prevented from abandoning this line and salvaging its investment in the rail and track materials it sinks deeper and deeper into a financial hole.

Denying Chemical Lime's request will not deprive it of the opportunity to preserve rail service. SPROC has repeatedly told Chemical Lime of its willingness and desire to reach agreement for the construction and operation of a transload facility. SPROC is willing to continue settlement discussions after the November 25, protest deadline. And if Chemical Lime is really serious about rail service preservation, it could avail itself of the offer of financial assistance provisions to acquire or subsidize operations over the line.

Accordingly, the Board should deny any extension request.

Please date stamp and return one copy of this letter.

Sincerely yours,



John D. Helfner

cc: David Konschnik, Esq. (by fax)
David Parkinson
All parties

[object]

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CLC history

Chemical Lime Company (CLC) was founded in 1966 with the purchase of our first quarry near Clifton, Texas. By 1968, the quarry was opened and producing crushed limestone. In 1971, our first lime kiln was in operation. Two rotary kilns and one Macz shaft kiln plus a hydrator are now operating at the Clifton facility.

Growth in the Dallas/Fort Worth (DFW) Metroplex created a great demand in the early 1970s for lime in soil-stabilization projects. The construction of DFW International Airport also began during this time and solidified the company's place in the regional Texas lime industry.

In 1981, the Lhoist Group, Brussels, Belgium, and Europe's leading lime producer, made an initial investment in Chemical Lime Company. In 1989, Lhoist purchased the majority interest in CLC and in 1998 acquired full ownership. Thus providing CLC a significant opportunity for expansion and growth.



Lhoist - lime and dolime producer



Company

Customers

Services

Lhoist is the world's leading producer of lime and dolime.
By remaining close to our customers and understanding
their needs, we aim to offer them products and services
of the highest quality.

