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APR 25 2006
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216353

April 24, 2006

FILED

APR 24 2006

BY HAND DELIVERY

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

**SURFACE
TRANSPORTATION BOARD**

Re: STB Finance Docket No. 34873, South Kansas & Oklahoma
Railroad, Inc. -- Trackage Rights Exemption -- BNSF Railway
Company

Dear Secretary Williams:

Attached for filing with the Board please find the original and ten copies of the Verified Notice of Exemption pursuant to the provisions of 49 C.F.R. § 1180.2(d)(7) covering the trackage rights agreement between South Kansas & Oklahoma Railroad, Inc. and BNSF Railway Company. Enclosed is a check in the amount of \$1000 to cover the filing fee.

Also attached is a 3.5-inch diskette containing the Notice of Exemption.

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

Respectfully submitted,

Karl Morell

Enclosure

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34873

216355

SOUTH KANSAS & OKLAHOMA RAILROAD, INC.
-- TRACKAGE RIGHTS EXEMPTION --
BNSF RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1180.2(d)(7)

FEE RECEIVED

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**SURFACE
TRANSPORTATION BOARD**

Karl Morell
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorney for:
SOUTH KANSAS & OKLAHOMA
RAILROAD, INC.

Dated: April 24, 2006

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34873

SOUTH KANSAS & OKLAHOMA RAILROAD, INC.
-- TRACKAGE RIGHTS EXEMPTION --
BNSF RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1180.2(d)(7)

South Kansas & Oklahoma Railroad Company, Inc. ("SKO"), submits this Notice of Exemption pursuant to the class exemption at 49 C.F.R. § 1180.2(d)(7), for trackage rights over a segment of rail line owned by the BNSF Railway Company ("BNSF"). The parties are currently negotiating an agreement for overhead trackage rights which are not sought as a responsive application in a rail consolidation proceeding. A copy of the agreement will be filed with the Board within 10 days of its execution.

Pursuant to the Board's regulations at 49 C.F.R. § 1180.4(g), SKO submits the following information:

Section 1180.6 Supporting Information

(a)(1)(i) Description of Proposed Transaction

The agreement between SKO and BNSF will grant SKO restricted overhead trackage rights between BNSF milepost 249.7, near W.N. Junction, Kansas, and BNSF milepost 206.0, in Wichita, Kansas, a distance of approximately 43.7 miles. The use of the trackage rights line by

SKO will be limited to certain overhead movements. In addition, SKO will be granted local trackage rights at milepost 15.55 on the BNSF line for the limited purpose of serving the customer at that location.

Name and address of tenant railroad:

South Kansas & Oklahoma Railroad, Inc.
315 W. 3rd Street
Pittsburg, Kansas 66762

Questions regarding this transaction are to be addressed to SKO's counsel:

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

(a)(1)(ii) Consummation Date

The Trackage Rights will be consummated on the effective date of this Notice of Exemption.

(a)(1)(iii) Purpose Sought to be Accomplished

The Trackage Rights Agreement will enable SKO to handle overhead traffic between Winfield, KS and Wichita, KS and to serve the customer located at milepost 15.5 on the BNSF line.

(a)(5) List of States in which the Party's Property is Situated

SKO operates in the States of Kansas, Missouri and Oklahoma. The involved trackage rights are located in the State of Kansas.

(a)(6) Map

A map illustrating the trackage rights is attached as Exhibit A.

(a)(7)(ii) Agreement

A copy of the Trackage Rights Agreement will be filed within 10 days of the date of its execution.

Labor Protection

SKO is agreeable to the labor protection conditions generally imposed in trackage rights proceedings as found in Norfolk and Western Ry. Co. – Trackage Rights – BN, 354 I.C.C. 605 (1878), as modified by Mendocino Coast Ry., Inc. – Lease and Operate, 360 I.C.C. 653 (1980).

Environmental and Historic Matters

Environmental and historical impacts associated with trackage rights transactions generally are considered to be insignificant. Therefore, an environmental and historical report and documentation normally need not be submitted for this type of transaction, pursuant to 49 C.F.R. § 1105.6(c)(4) and .8(b)(3).

Respectfully submitted,



Karl Morell
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorney for:
SOUTH KANSAS & OKLAHOMA
RAILROAD, INC.

Dated: April 24, 2006

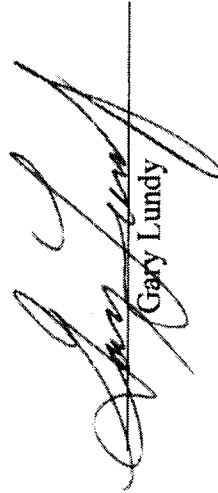
VERIFICATION

STATE OF KANSAS)

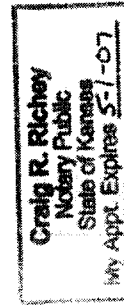
COUNTY OF CRAWFORD)

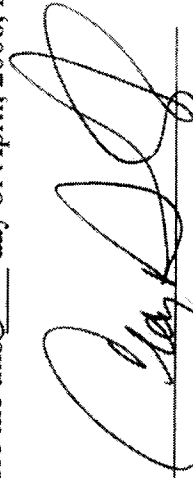
ss.

I, Gary Lundy, being duly sworn depose and state that I am Executive Vice President of South Kansas & Oklahoma Railroad, Inc., 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.


Gary Lundy

SUBSCRIBED AND SWORN TO before me this 24th day of April, 2006, in the County of Crawford, State of Kansas.





SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 34873

SOUTH KANSAS & OKLAHOMA RAILROAD, INC.
-- TRACKAGE RIGHTS EXEMPTION --
BNSF RAILWAY COMPANY

BNSF Railway Company ("BNSF") has agreed to grant restricted overhead trackage rights to South Kansas & Oklahoma Railroad, Inc. ("SKO"), over the trackage of BNSF located between BNSF milepost 249.7, at W.N. Junction, Kansas and BNSF milepost 206.0, at Wichita, KS, a distance of approximately 43.7 miles. In addition, SKO will be granted local trackage rights at milepost 15.55 on the BNSF line for the limited purpose of serving the customer at that location.

The trackage rights will be consummated on or after May 1, 2006.

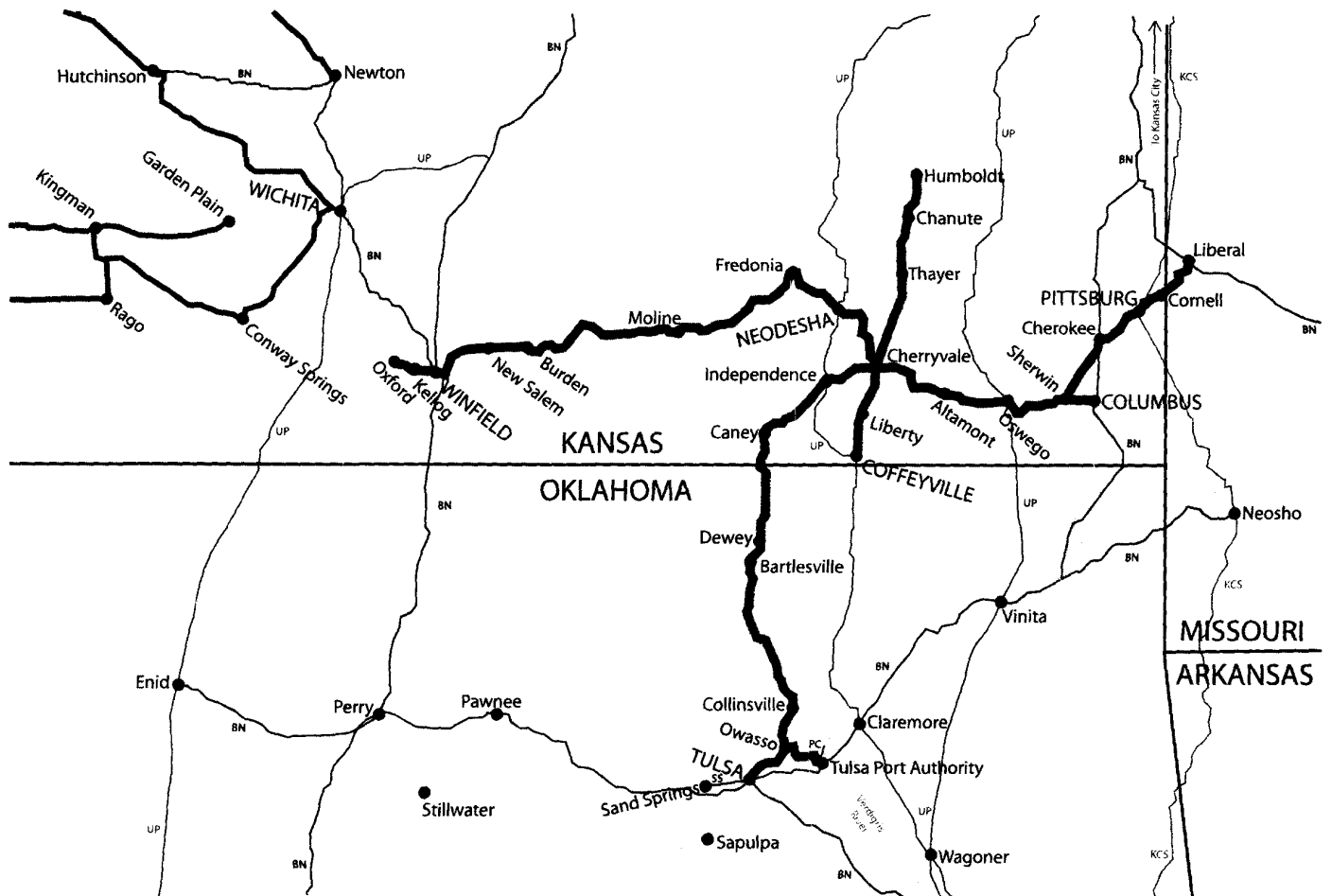
This notice is filed under 49 C.F.R. § 1180.2(d)(7). Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not stay the transaction.

Dated:

By the Board,

Vernon A. Williams
Secretary

EXHIBIT A



LEGEND:

South Kansas & Oklahoma RR (SKOL)
 Kansas & Oklahoma RR (KOR)
 Stillwater Central RR (SLWC)
 Stillwater Central Trackage Rights
 Sand Springs RR (SS)
 Tulsa's Port of Catoosa (PC)



Interchanges

UP - Coffeyville, Winfield, Tulsa, Neodesha
 BNSF - Winfield, Tulsa, Columbus
 KCS - Pittsburg
 KO - Wichita
 SS - Tulsa