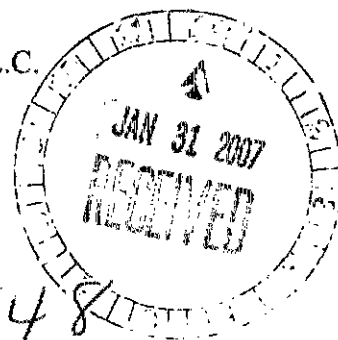


Tri City Railroad Company, L.L.C.  
2579 Stevens Drive  
Richland, WA 99352

January 25, 2007



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

Re: Notice for Small Line Acquisition

Dear Mr. Williams,

FO 34994

Kindly accept this letter as filing for Notice of Exemption for small line acquisition of that certain line of railroad known as the Olympia Industrial Lead from Milepost 0.00 at East Olympia, WA - including wye and house tracks at East Olympia, WA - to Milepost 7.29 at Olympia, WA from the Union Pacific Railroad.

Pursuant to filing requirements outlined in 1150.43, the following is the information required from the Tri City Railroad Company, L.L.C.:

- (a) The full name and address of the Class III rail carrier applicant

Tri City Railroad Company, L.L.C.  
2579 Stevens Drive  
Richland, WA 99352

- (b) The name, address, and telephone number of the representative of the applicant who should receive correspondence

Mr. Randolph Peterson  
President/CEO  
Tri City Railroad Company, L.L.C.  
2579 Stevens Drive  
Richland, WA 99352  
509-371-8313

ENTERED  
Office of Proceedings  
JAN 31 2007  
Part of  
Public Record

- (c) A statement of an agreement has been reached or details about when an agreement will be reached

Lease agreement by and between Union Pacific Railroad Company and Tri City Railroad Company, L.L.C. is being executed with initial draft

Filing for Small Line Acquisition  
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dated 22 October 2006. Whereas, Lessee (Tri City Railroad Company, L.L.C.) desires to lease from Lessor (Union Pacific Railroad Company), that certain line of railroad known as the Olympia Industrial Lead from Milepost 0.00 at East Olympia, WA, including Lessor's owned wye and house tracks at East Olympia, WA to Milepost 7.29 at Olympia, WA (hereinafter referred to as the "Leased Premises"). Said lease will commence as soon as possible.

(d) The operator of the property

Tri City Railroad Company, L.L.C., a Surface Transportation Board regulated common carrier, will lease and operate the rail line following consummation of the transaction.

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

- (1) The name and address of the railroad transferring the subject property to the Class III rail carrier applicant:

Union Pacific Railroad Company  
1400 Douglass Street  
Omaha, NE 68179

- (2) The proposed time schedule for consummation of the transaction:

Consummation of this transaction will take place on  
March 1, 2007

- (3) The mileposts of the subject property, including any branch lines

MP 0.0 – MP 7.29 including wye and house tracks at East Olympia, WA

- (4) The total route miles being acquired

Total miles = 7.29

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

See attachment

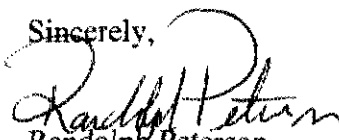
Filing for Small Line Acquisition  
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- (g) A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier

We certify that the projected revenues as a result of this transaction will not result in the creation of a Class II or Class I carrier under 1150.45

Thank you for your time and consideration. Please feel free to contact me should you require additional information or documentation.

Sincerely,



Randolph Peterson  
President/C.E.O.

Attachment

DATED NOVEMBER 30, 2006

