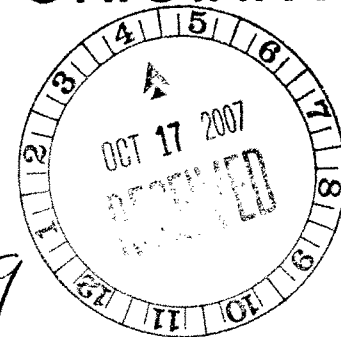


LAW OFFICE
JOHN D. HEFFNER, PLLC
1750 K STREET, N.W.
SUITE 350
WASHINGTON, D.C. 20006
PH: (202) 296-3333
FAX: (202) 296-3939

ORIGINAL



220459

BY HAND

October 17, 2007

Honorable Vernon A. Williams
Surface Transportation Board
395 E Street, SW - Suite 1149
Washington, D.C. 20423-0001

FEE RECEIVED
OCT 17 2007
SURFACE
TRANSPORTATION BOARD

RE: STB Docket No. 35090, JP Rail, Inc. --Lease and
Operation Exemption - NAT Industries, Inc.

Dear Mr. Williams:

On behalf of JP Rail, Inc., I am enclosing for filing in the above-captioned proceeding an original and ten copies of its notice of exemption for the lease and operation of rail line. In an effort to provide the Board with a complete understanding of this transaction, applicant has provided all or much of the information that the class I railroad industry believes short line applicants should provide as per their comment in their petition for rulemaking Docket No. EP-673.

You will also find a diskette containing the docket and a check in the amount of \$1600.00

Please date stamp and return one copy for my records.

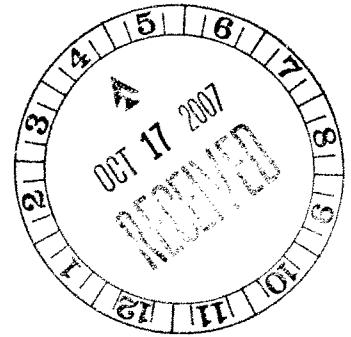
Sincerely yours,

John D. Heffner

FILED
OCT 17 2007
SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings
OCT 18 2007
Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD



STB FINANCE DOCKET NO. 35090

JP RAIL, INC.
-- LEASE AND OPERATION EXEMPTION --
NAT INDUSTRIES, INC.

FILED
OCT 17 2007
SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 and 49 CFR 1150.41

NOTICE OF LEASE AND OPERATION OF RAIL LINE

ENTERED
Office of Proceedings

OCT 18 2007

Part of
Public Record

FEE RECEIVED
OCT 17 2007
SURFACE
TRANSPORTATION BOARD

Submitted By:

John D. Heffner
John D. Heffner PLLC
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3334

James H. M. Savage
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3335

Counsel for Petitioner

Dated: October 17, 2007

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35090

JP RAIL, INC.
-- LEASE AND OPERATION EXEMPTION --
NAT INDUSTRIES, INC.

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 and 49 CFR 1150.41

NOTICE OF LEASE AND OPERATION OF RAIL LINE

INFORMATION REQUIRED BY 49 CFR 1150.43

Name and Address of Applicant

49 CFR 1150.43(a)

JP Rail, Inc.
2930 Richmond St.
Philadelphia, PA 19134

Applicant's Representative

49 CFR 1150.43(b)

John D. Heffner
John D. Heffner, PLLC
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3334

James H. M. Savage,
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3335

Statement of Agreement(s)

49 CFR 1150.43(c)

JP Rail, Inc. ("JP") expects to execute an agreement shortly with NAT Industries, Inc. ("NAT") for the lease and operation of rail property known as Donora Line connecting to the Norfolk Southern Railway Company's ("NSRC") track at Milepost ML40 in Carroll Township, PA. The subject rail property totals approximately one (1) mile in length.

Operator of the Property

49 CFR 1150.43(d)

In all cases anticipated by this Notice, and as described in the transaction summary provided below, JP will hold itself out to provide common carrier rail freight service over the subject rail property.

Brief Summary of Transaction

49 CFR 1150.43(e)

This exemption involves the lease and operation by JP, an existing class III short line railroad. JP will provide common carrier rail service along a 75-year-old stretch of track that was formerly operated as a private industry track by NAT Industries, Inc. The trackage is currently in service. JP plans to commence operations on or after November 17, 2007, at least thirty days after the filing of this notice. The

lease and operation of rail property known as Donora Line connecting to the NSRC trackage at Milepost ML40 in Carroll Township, PA. The subject rail property totals approximately one (1) mile in length.

Shippers will benefit insofar as JP will market its service to local customers who have had limited access to Class I rail service due to their small size and lack of a proximal suitable loading/unloading facility. Moreover, JP's lower cost structure will enable it to provide service at lower rates than a class I railroad can provide.

Acquisition and operation of this track is consistent with Board precedent allowing a new or existing railroad common carrier to acquire and/or operate as common carrier trackage that was formerly a private track. Rock River Railroad, Inc. - Acquisition and Operation Exemption - Rail Lines of Renew Energy, LLC, STB Finance Docket No. 35016 (decisions served April 20, 2007 and May 10, 2007).

Map of Area to be Served

49 CFR 1150.43(f)

A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states, is attached as Exhibit A.

Certificate of Carrier Classification

JP certifies that, with this acquisition, its projected annual revenues will be less than \$5,000,000 annually, and therefore will not result in the creation of a Class II or Class I rail carrier. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached as Exhibit B to this notice.

Statement of Agency Authority

The subject property (1) has been operated as an exempt private industry track not subject to the agency's licensing authority; (2) is not currently owned or leased by a rail carrier subject to the agency's jurisdiction, and (3) has not been abandoned pursuant to 49 U.S.C. 10502 and 10903.

Customers to be Served

The customers to be served are those originating traffic from JP Rail's Pleasantville, New Jersey facility including Salem Logistics, LLC, a subsidiary company of JP Rail, Inc.

Description of Service

JP, a Pennsylvania corporation, is a federally chartered railroad with approximately 60 miles of track in Atlantic and Camden Counties in Southern New Jersey and the operator of the Salem County rail system. By this notice, JP requests that a rail in Carroll Township Pennsylvania, currently owned by NAT Industries, Inc., as a private, industrial track and served by NSRC be granted an operation exemption notice to operate said line as common carrier status.

The subject rail has been operated privately for at least 75 years and is currently serviced as indicated above. Currently JP Rail is beginning to send shipments to this location via NSRC.

The freight to be handled at this site is freight originating at JP Rail's Pleasantville New Jersey facility and is to be unloaded and then trucked to Westmoreland Waste's landfill (approximately 3 miles) from Carroll Township, PA. This operation is to be temporary until a permanent rail unloading facility can be constructed onto Westmoreland Waste's site and their Pennsylvania landfill permit amended to allow for rail traffic.

The material transported from JP Rail's Pleasantville New Jersey facility is construction and demolition materials which will be unloaded by JP

Rail. The materials will not be handled except to unload rail cars and directly load waiting trucks for transport into the Westmoreland Waste facility. At no time will materials be placed on the ground, this is a rail to truck direct movement.

Statement Regarding Railroad Police

Authority is not being sought to establish a railroad police force.

Disclosure of Intent to Transport Waste

JP intends to serve or provide facilities for the transportation of construction and demolition material.

Labor Protection

49 U.S.C. 10902

Labor protective conditions do not apply and will not be imposed.

Caption Summary

49 CFR 1150.44

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data

49 CFR 1105

Pursuant to 49 CFR 1105.6(c) (2), the proposed transaction is exempt from environmental review under 49 CFR 1105.6(c) (2) (i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e) (4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b) (1). Under this section, a sale, lease or transfer of a rail line is exempt if rail operations will continue; further Board approval is required for the parties to abandon service; and there are no plans to dispose of or alter the properties subject to Board jurisdiction that are 50 years older older.

Respectfully submitted,

John D. Heffner
John D. Heffner, PLLC
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3334

James H. M. Savage
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3335

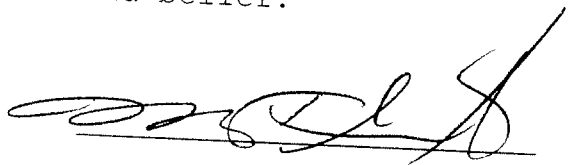
Counsel for Petitioner

Dated: October 17, 2007

VERIFICATION

STATE OF New Jersey)
County) SS
CITY OF Gloucester)

David M. DeClement, being duly sworn according to law,
hereby deposes and states that (s)he is authorized to make the
Verification, has read the foregoing document, and knows the
facts asserted therein are true and accurate as stated, to the
best of (her)his knowledge, information and belief.



Subscribed and sworn to before me, a Notary Public, in and for
the City of Pitman, in the State of New Jersey, this 15th
day of October, County of Gloucester

Charlene M. Ellenberg
Notary Public

My Commission expires:

CHARLENE M. ELLENBERG
A Notary Public of New Jersey
My Commission Expires March 31, 2008

EXHIBIT A

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G

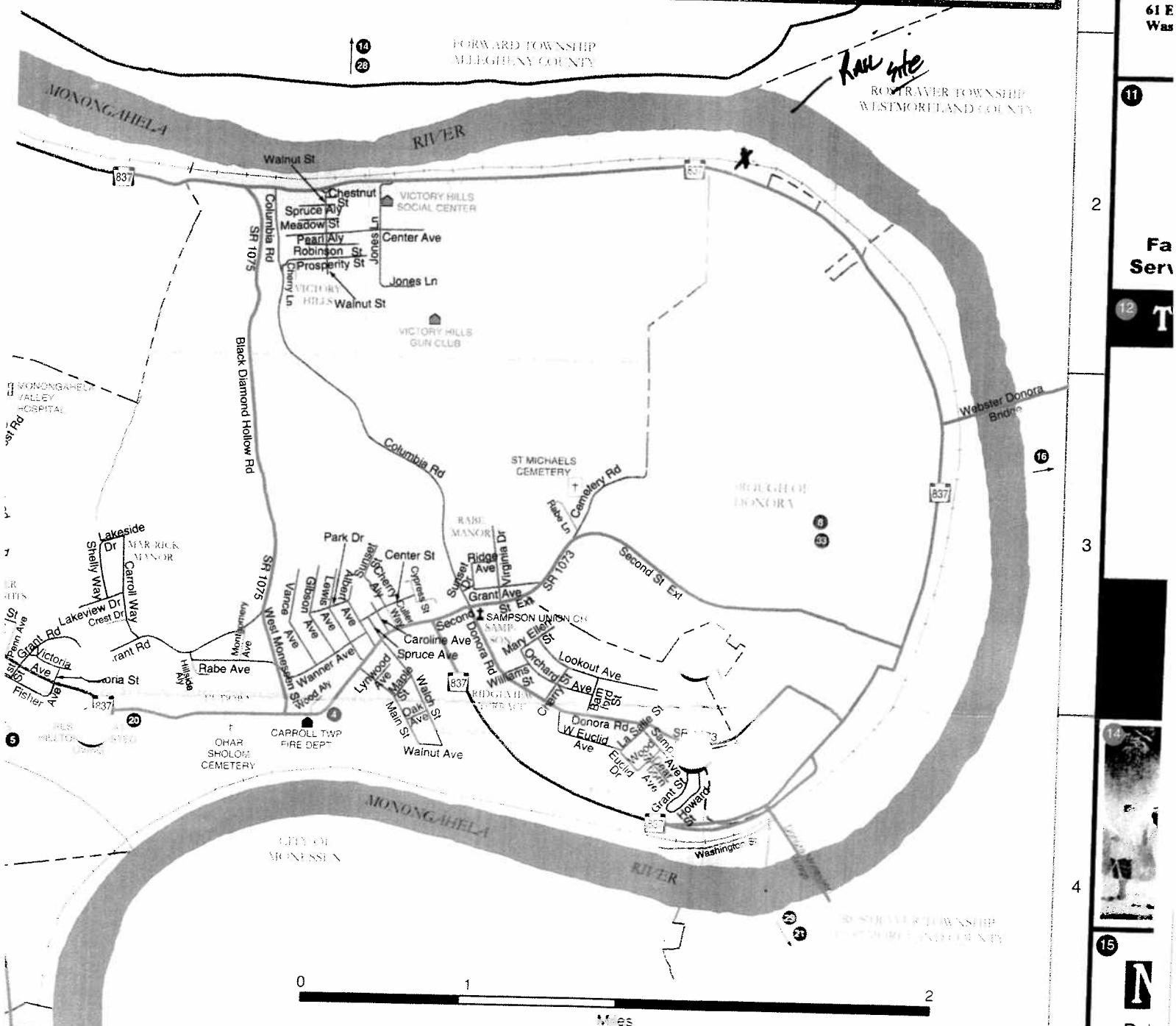
CARROLL TOWNSHIP

WASHINGTON COUNTY

136 Baird Street

Monongahela, PA 15063

Telephone: (724) 483-7330



D3	LaSalle St	F4	Park Dr	E3	SR 8025	C3, C4, D3, D4
B2	Lawrence St	C3	Pearl Aly	E2, F2	SR 8025	F4, G4
A1, A2	Lewis & Clark Dr	C2	Penn Ave	E3	Sunset Ave	D4
F3	Lewis Ave	E2, E3	Prospect St			

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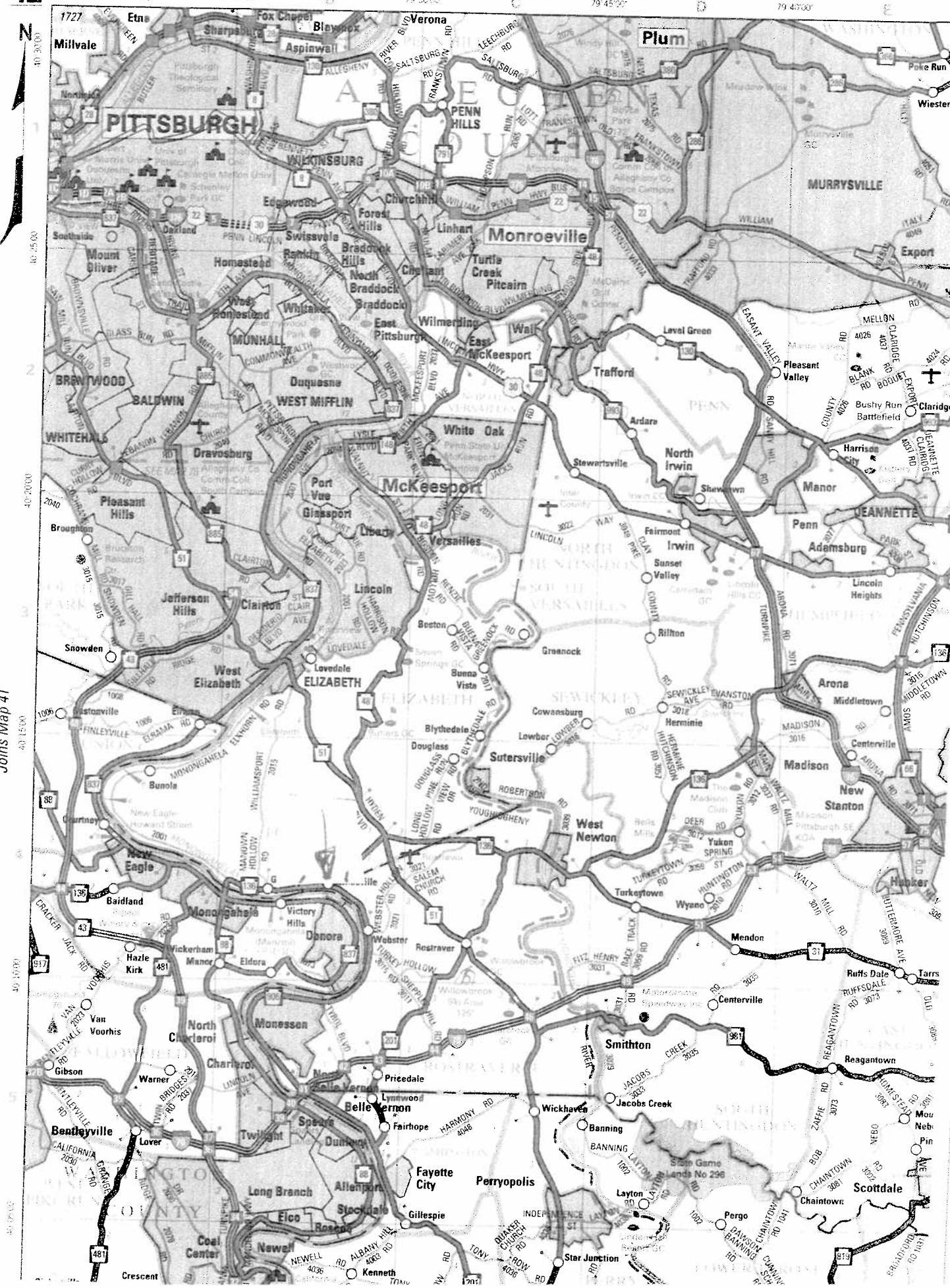
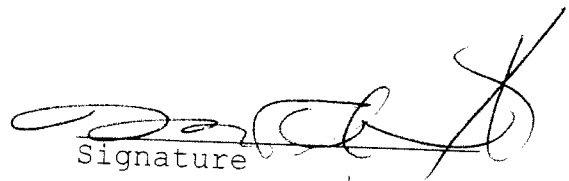


EXHIBIT B

CERTIFICATION

I, David M DeClement, an officer of the
J.P. Rail ("dba Sather Rail of N.J.") hereby certify under
penalty of perjury that the projected annual railroad operating
revenues of \$1,000,000, in the aggregate, will not exceed
\$5,000,000, and that J.P. Rail will be a Class III rail
carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I
certify that I am qualified and authorized to make this
certification on behalf of J.P. Rail.


Signature

v.p. operations

EXHIBIT C

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 35090

JP RAIL, INC.
-- ACQUISITION AND OPERATION EXEMPTION --
NAT INDUSTRIES, INC.

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINE

JP Rail, Inc. ("JP"), an existing class III short line railroad common carrier, has filed a Verified Notice of Exemption under 49 CFR 1150.41 to lease and operate a line of railroad known as the Donora Line currently owned by NAT Industries, Inc. ("NAT"). The subject rail property consists of approximately 1 mile of railroad connecting to the Norfolk Southern Railway Company's ("NSRC") track at Milepost ML40 in Donora, PA.

JP plans to consummate this transaction on or after November 17, 2007, at least thirty days after the filing of this exemption.

Comments must be filed with the Board and served on:

John D. Heffner
John D. Heffner, PLLC
1750 K Street, N.W. - Suite 350
Washington, D.C. 20006
Telephone: (202) 296-3334

James H. M. Savage
1750 K Street, N.W.
Suite 350
Washington, D.C. 20006
(202) 296-3335

This notice is filed under 49 C.F.R. 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

(seal)

Vernon A. Williams
Secretary