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October 30, 2007

220595



Honorable Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

RE Finance Docket No. 35102, *Patriot Rail, LLC, Patriot Rail Holdings LLC,
and Patriot Rail Corp. - Control Exemption- Utah Central Railway
Company*

Dear Secretary Williams

Enclosed for filing are the original and 10 copies of a Verified Notice of Exemption under 49 C.F.R. 1180.2(d)(2), a check covering the \$1,100.00 filing fee, 20 additional maps, along with file Notice of Exemption doc on a CD

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them with our messenger. Thank you for your assistance.

If you have any questions, please call or email me

Sincerely yours

Louis E. Gitomer
Attorney for Patriot Rail, LLC, Patriot Rail
Holdings LLC, and Patriot Rail Corp.

Enclosures

FEE RECEIVED

OCT 30 2007

**SURFACE
TRANSPORTATION BOARD**

FILED

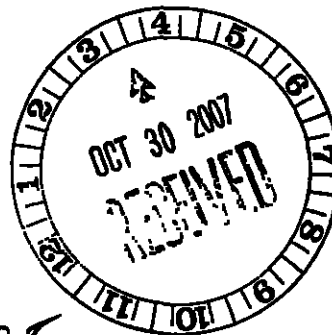
OCT 30 2007

**SURFACE
TRANSPORTATION BOARD**

ENTERED
Office of Proceedings

OCT 30 2007

Part of
Public Record



BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No 35102

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PATRIOT RAIL, LLC, PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP
—CONTROL EXEMPTION—
UTAH CENTRAL RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION

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Attorney for PATRIOT RAIL, LLC,
PATRIOT RAIL HOLDINGS LLC
and PATRIOT RAIL CORP

Dated October 30, 2007

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SURFACE
TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Finance Docket No 35102

**PATRIOT RAIL, LLC, PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP
—CONTROL EXEMPTION—
UTAH CENTRAL RAILWAY COMPANY**

VERIFIED NOTICE OF EXEMPTION

Patriot Rail, LLC (“PRL”) and its subsidiaries Patriot Rail Holdings LLC (“PRH”) and Patriot Rail Corp (“Patriot”), pursuant to 49 C F R. §§ 1180.2(d)(2) and 1180.4(g), file this Verified Notice of Exemption from the prior approval requirements of 49 U S C §§ 11323-11325 to permit PRL, PRH, and Patriot to acquire control of the stock of and thereby control Utah Central Railway Company (“Utah”), a Class III railroad

a 1180.6(a)(1)(i). A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed

Patriot Rail, LLC and Patriot Rail Holdings LLC, One Boca Place, 2255 Glades Road, Suite 342W, Boca Raton, FL 33431, (561) 443-5300, through Patriot Rail Corp, of the same address, have agreed to acquire 100% of the outstanding stock of Utah Central Railway Company, P O. Box 10402, Ogden, Utah 8440, (801) 732-8906, a class III rail carrier.

PRL is a non-carrier limited liability company that owns 51% of the equity interests in Patriot Rail Holdings LLC, which owns 100% of the stock of Patriot. Patriot is a non-carrier holding company that owns 100% of the stock of the Tennessee Southern Railroad Company (“TSRR”), a class III rail carrier, which was acquired in November 2006. Patriot also owns

100% of the stock of Patriot Rarus Acquisition Corp., which acquired 100% of the outstanding stock of Rarus Railway Company ("Rarus"), a class III rail carrier, in April 2007¹

Patriot will acquire 100% of the outstanding stock of Utah pursuant to the Stock Purchase Agreement filed under seal in Exhibit B. Through their control of Patriot, PRL and PRH will acquire indirect control of Utah. PRL, PRH, and Patriot as non-carriers that control two rail carriers (TSRR and Rarus) and are seeking to acquire the control of a third rail carrier (Utah) require advance Surface Transportation Board (the "Board") authorization for the transaction pursuant to 49 U.S.C. §11323(a)(5).

Utah leases and operates a line of railroad, with appurtenances, from the Union Pacific Railroad Company (UP) within the Ogden, UT area. The trackage encompasses the former Denver, Rio Grande & Western Railroad mainline trackage from Transfer Yard, milepost 781.00 to milepost 778.00, including the passing and stub tracks, the Evona Industrial Lead; the Relico Spur, the Sugar Works Spur, the Dyce Bypass Track up to the point of switch to the Shasta Lead Track; and Tracks 713 and 714, serving Dyce Chemical.² Utah also acquired approximately 15 miles of trackage in Ogden from Boyer BDO, L.C. and the City of Ogden, UT and operates over that track, which extends between Ogden and Clearfield.³ See the Map in Exhibit A.

TSRR operates a 118-mile railroad line between Columbia and Pulaski, IN and between Columbia, TN and Florence, AL. See the Map in Exhibit A. Rarus operates a 25.7-mile railroad line between Butte, MT and Anaconda, MT. See the Map in Exhibit A. Utah, TSRR, and Rarus do not connect. The acquisition of control of Utah by PRL, PRH, and Patriot is not part of a

¹ *Patriot Rail, LLC and Patriot Rail Corp.—Control Exemption—Rarus Railway Company*, STB Finance Docket No. 35013 (STB served April 11, 2007).

² *Utah Central Railway Company—Lease and Operation Exemption—Union Pacific Railroad Company*, STB Finance Docket No. 34051 (STB served August 22, 2001).

³ *Utah Central Railway Company—Acquisition and Operation Exemption—Boyer BDO, L.C. and City of Ogden, UT*, STB Finance Docket No. 34457 (STB served February 6, 2004).

series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family. The control of Utah by PRL, PRH, and Patriot does not involve a Class I carrier. As a result of the transaction, there will not be substantial lessening of competition, creation of a monopoly, or restraint of trade in freight surface transportation in any region of the United States. As described, the transaction meets the criteria for a notice of exemption under 49 C.F.R. §1180.2(d)(2).

Counsel to whom questions concerning the transaction can be addressed is: Louis E. Gitomer, Esq., Law Offices of Louis E. Gitomer, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (202) 466-6532.

b 1180.6(a)(1)(ii). The proposed time schedule for consummation of the proposed transaction

Patriot intends to acquire the stock of Utah on or after November 30, 2007, and thereby PRL, PRH, and Patriot will acquire control of Utah on or after November 30, 2007

c. 1180.6(a)(1)(iii). The purpose sought to be accomplished by the proposed transaction, c g , operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants

The management of PRL, PRH, and Patriot has successfully managed short line railroads for more than a decade PRL, PRH, and Patriot intend to use their management's experience and expertise in operating short line railroads and its purchasing power to affect operating efficiencies for Utah, to improve Utah's service to shippers, and to strengthen the financial viability of Utah

d 1180.6(a)(5). A list of the State(s) in which any part of the property of each applicant carrier is situated

TSRR operates in the States of Tennessee and Alabama. Rarus operates in the State of Montana Utah operates in the State of Utah

c 1180.6(a)(6) Map (Exhibit A). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board

See Exhibit A.

f 1180.6(a)(7)(ii). Agreement (Exhibit B) Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction.

Under the Stock Purchase Agreement, Patriot will acquire the stock of Utah The Stock Purchase Agreement is being filed under seal as Confidential Exhibit B pursuant to a concurrently filed Motion for Protective Order

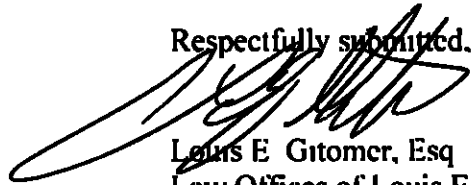
g Labor Protection.

Utah, TSRR and Rarus are all class III railroads. As such, under 49 U.S.C. § 11326(c), labor protection does not apply to this transaction.

h. Environmental and Historical documentation.

This transaction qualifies for classification under 49 C.F.R. §1105.6(c)(2) and thus neither an Environmental Report nor a Historic Report is required to be filed.

Respectfully submitted,

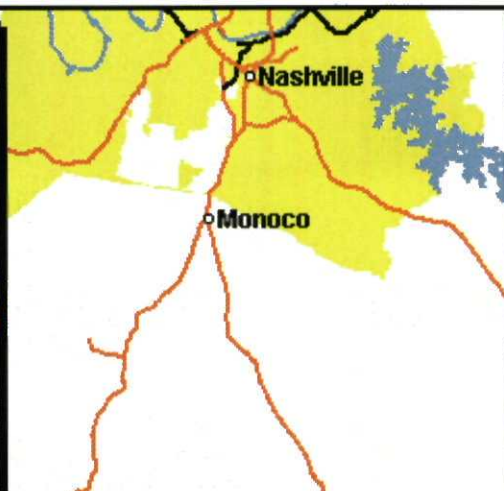
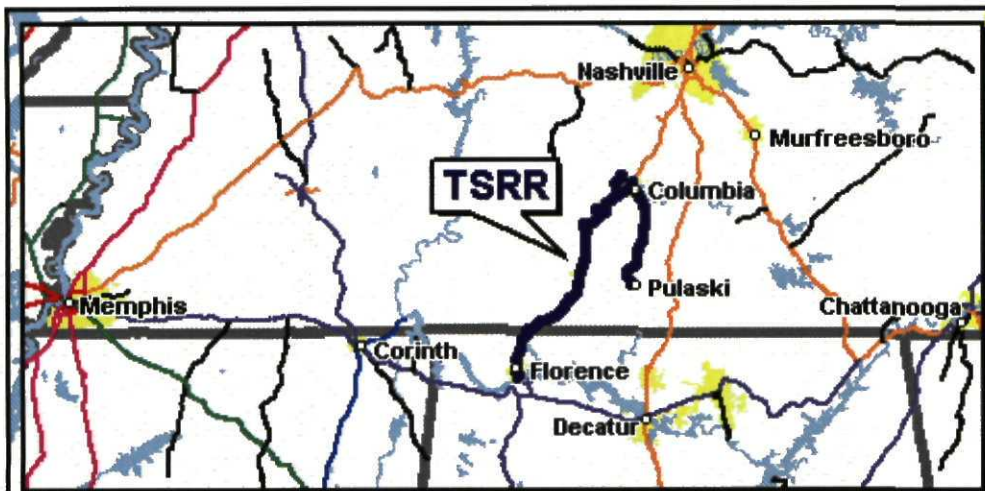


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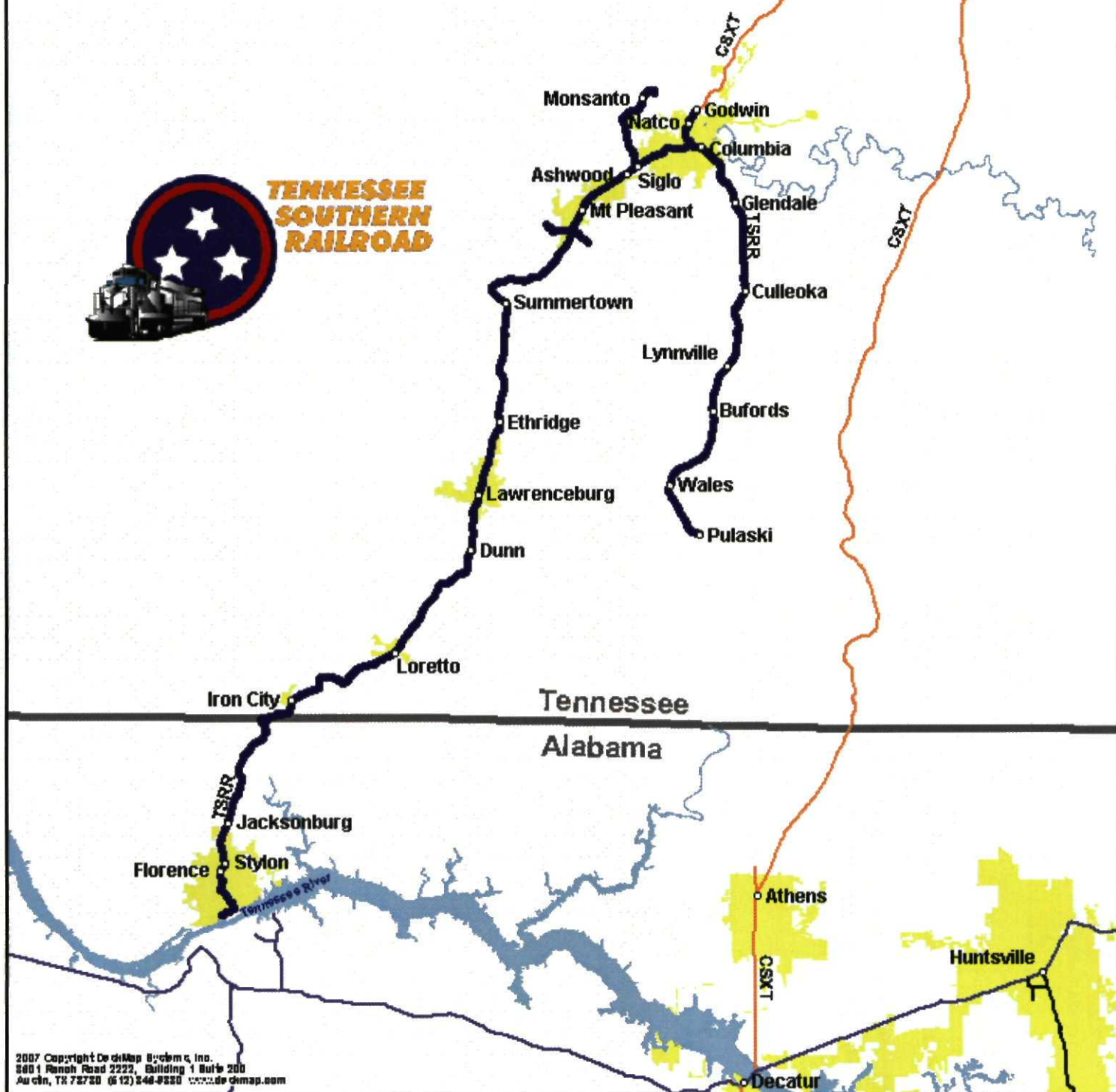
Attorney for PATRIOT RAIL, LLC,
PATRIOT RAIL HOLDINGS LLC,
and PATRIOT RAIL CORP

Dated: October 30, 2007

EXHIBIT A—MAPS

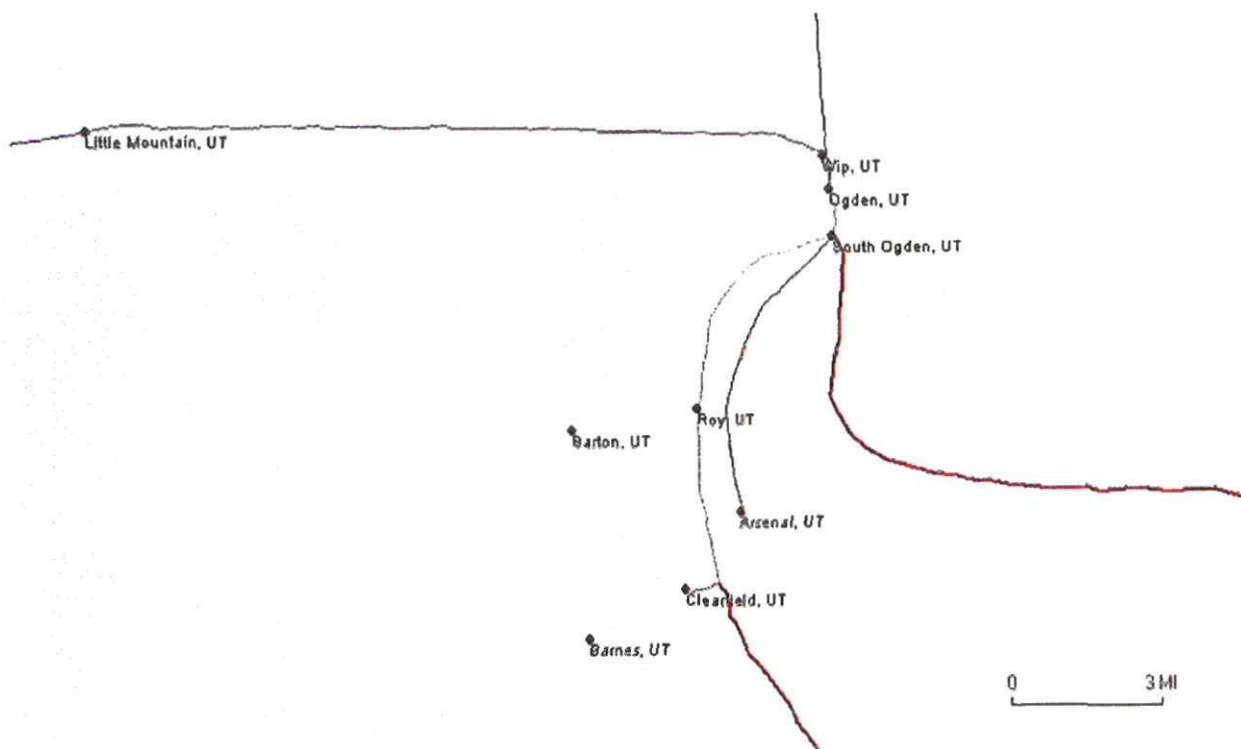


**TENNESSEE
SOUTHERN
RAILROAD**



UTAH

Utah Central rail line noted in green:

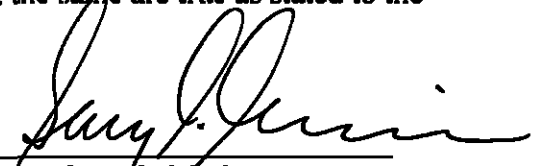


**EXHIBIT B-AGREEMENT
(CONFIDENTIAL – FILED UNDER SEAL)**

VERIFICATION

State of Florida)
) ss
County of Palm Beach)

Gary O. Marino, being duly sworn, deposes and says that he is President and Chief Executive Officer of Patriot Rail Corp., a Delaware corporation, and that he has read the foregoing, knows the contents thereof, and that the same are true as stated to the best of his knowledge, information and belief.



Gary O. Marino

Subscribed and sworn to before me this 29th day of October 2007



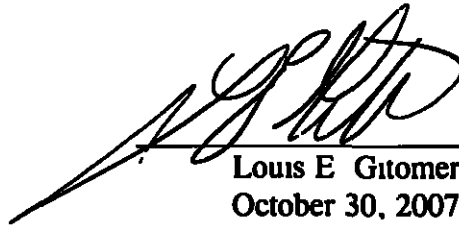
Notary Public

My Commission expires Nov. 29, 2011



CERTIFICATE OF SERVICE

I hereby certify that I have caused the Verified Notice of Exemption in Finance Docket 35102, *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp –Control Exemption–Utah Central Railway Company* to be served by first class mail, postage pre-paid on the Secretary of the United States Department of Transportation, the Attorney General of the United States, the Federal Trade Commission and on the Governor, Public Service Commission, and Department of Transportation of the State of Utah.



Louis E Gitomer
October 30, 2007