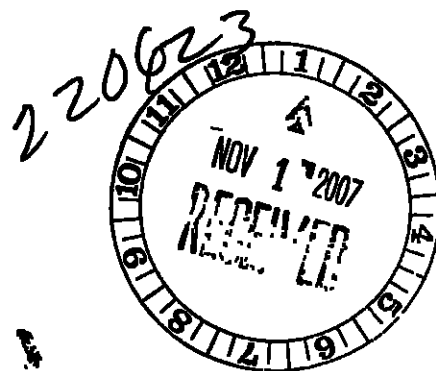


**WEINER
BRODSKY
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Office of Proceedings

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Part of
Public Record



November 1, 2007

VIA HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, S W
Washington, DC 20423-001

FEE RECEIVED
NOV 1 - 2007
SURFACE
TRANSPORTATION BOARD

RE. Columbia Basin Railroad Company, Inc -- Acquisition and Operation Exemption -
- BNSF Railway Company and BNSF Acquisition, Inc.

Dear Secretary Williams.

Enclosed for filing in the above-referenced proceeding are an original and 10 copies of the Verified Notice of Exemption of Columbia Basin Railroad Company, Inc. pursuant to 49 C.F.R. § 1150.41. Also enclosed in a check in the amount of \$1,600 to cover the cost of the filing.

Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it to our messenger

Very truly yours,

Rose-Michele Nardi

Enclosures

220623

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Public Record

**COLUMBIA BASIN RAILROAD COMPANY, INC.
-ACQUISITION AND OPERATION EXEMPTION-
BNSF RAILWAY COMPANY AND BNSF ACQUISITION, INC.**



**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.41**

STB FINANCE DOCKET NO. 35066

Applicant's name and current mailing address

Columbia Basin Railroad Company, Inc
111 South 33rd Street, Suite 200
Yakima, Washington 98901

Applicant's representative to receive correspondence

Rose-Michele Nardi, Esq
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW, Fifth Floor
Washington, D.C. 20036-1609
(202) 628-2000

FILE RECEIVED

NOV 1 - 2007

**SURFACE
TRANSPORTATION BOARD**

FILED
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SURFACE
TRANSPORTATION BOARD

Information concerning the agreement

Columbia Basin Railroad Company, Inc ("CBRW"), a class III rail carrier, anticipates entering into a purchase agreement ("Purchase Agreement") with BNSF Railway Company and BNSF Acquisition, Inc (together, the "Sellers") Pursuant to the Purchase Agreement, CBRW will acquire Sellers' interest in certain lines located in Washington State CBRW previously received regulatory authority to lease and operate over substantially the same rail property that is the subject of this Verified Notice of Exemption See STB Finance Docket No. 33140, *Columbia Basin Railroad Company, Inc - Exemption to Lease and Operate - Burlington Northern Railroad Co and BNSF Acquisition, Inc*, Dec 6, 1996 ("Lease Decision")

Operator of the property.

CBRW will conduct rail freight operations over the subject lines after the consummation of the Purchase Agreement

Brief summary of the proposed transaction

Sellers are headquartered at 2650 Lou Menk Drive, Fort Worth, TX 76131-2830 Pursuant to the Purchase Agreement, CBRW will acquire Sellers' interest in the following rail lines, which total approximately 74 route miles (1) from approximately

milepost 186.9 (at or near Connell, WA) to approximately milepost 145.7 at or near Wheeler, WA); (2) from approximately milepost 0 0 (at or near Bassett Junction, WA) to approximately milepost 12.5 (at or near Schrag, WA), (3) from approximately milepost 20.0 (at or near Moses Lake, WA) to approximately milepost 5 6 (at or near Sieler, WA), and (4) from approximately milepost 5.6 (at or near Sieler, WA) to approximately milepost 0 0 at or near Wheeler, WA

In addition, CBRW intends to acquire trackage rights for local and overhead rail service over approximately 13 route miles from approximately milepost 1987 (at or near Othello, WA) to the end of the track at approximately milepost 1974 (at or near Warden, WA) CBRW received authority to operate, via trackage rights, over substantially the same track in connection with its 1996 lease from Sellers *See Lease Decision*

Map

A map of the subject line and a map of the subject area are attached hereto as Exhibit A

Consummation of Purchase Agreement/Labor Notice Requirements

On November 1, 2007, contemporaneously with this Verified Notice of Exemption, CBRW is filing with the Surface Transportation Board (the "Board") a Petition for Waiver from the labor notice requirements at 49 C F R § 1150.42(e). CBRW will consummate the Purchase Agreement on or after December 1, 2007, but shall in no event consummate the Purchase Agreement before the STB either (i) grants CBRW's Petition for Waiver, or (ii) CBRW satisfies the applicable labor notice requirements

Environmental Issues

Environmental documentation normally need not be prepared for an acquisition that does not cause diversions from rail to motor carriage greater than (A) 1,000 rail carloads a year, or (B) an average of 50 rail carloads per mile per year for any part of the affected line (49 C.F.R. § 1105.7(e)(4)), on the one hand, and that does not result in (1) an increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, (2) an increase in rail yard activity of at least 100 percent (measured by carload activity), or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment (49 C.F.R. § 1105.7(e)(5)), on the other hand *See* 49 C F R § 1105.6(c)(2)

The subject transaction will not cause changes in carrier operations that exceed the above-listed thresholds. Therefore, no environmental documentation is required for this Verified Notice of Exemption.

Transactions involving a sale, lease or transfer of a rail line for the purpose of continued rail operations are exempt from the historic report requirements of 49 C F R § 1105.8(a) if abandonment of such operations requires further approval by the Board and there are no

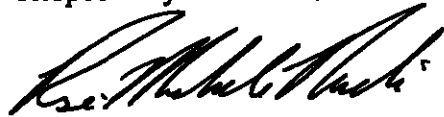
plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. *See* 49 C.F.R. § 1105 8(b)(1)

CBRW intends to provide common carrier freight service over the subject lines, and the abandonment of CBRW's operations over the subject lines would require prior approval or an exemption. CBRW does not have any plans to dispose of or alter properties subject to Board jurisdiction that are 50 or more years old. Therefore, a historic report is not required for this filing

Certificate of projected revenue:

In accordance with 49 C.F.R. § 1150 43(g), a certificate concerning CBRW's projected revenue is attached as Exhibit B

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rose-Michele Nardi", written in a cursive style.

Rose-Michele Nardi
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW, Fifth Floor
Washington, DC 20036-1609

Attorneys for

Columbia Basin Railroad Company, Inc

Dated November 1, 2007

VERIFICATION

I, Nicholas B Temple, President of Columbia Basin Railroad Company, Inc .
certify under penalty of perjury that the foregoing notice of exemption is true and correct
to the best of my knowledge, information and belief Further, I certify that I am qualified
and authorized to file this Verified Notice of Exemption



Nicholas B Temple, President
Columbia Basin Railroad Company, Inc

Dated November 1, 2007

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.41**

STB Finance Docket No. 35066

**COLUMBIA BASIN RAILROAD COMPANY, INC.
—ACQUISITION AND OPERATION EXEMPTION—
BNSF RAILWAY COMPANY AND BNSF ACQUISITION, INC.**

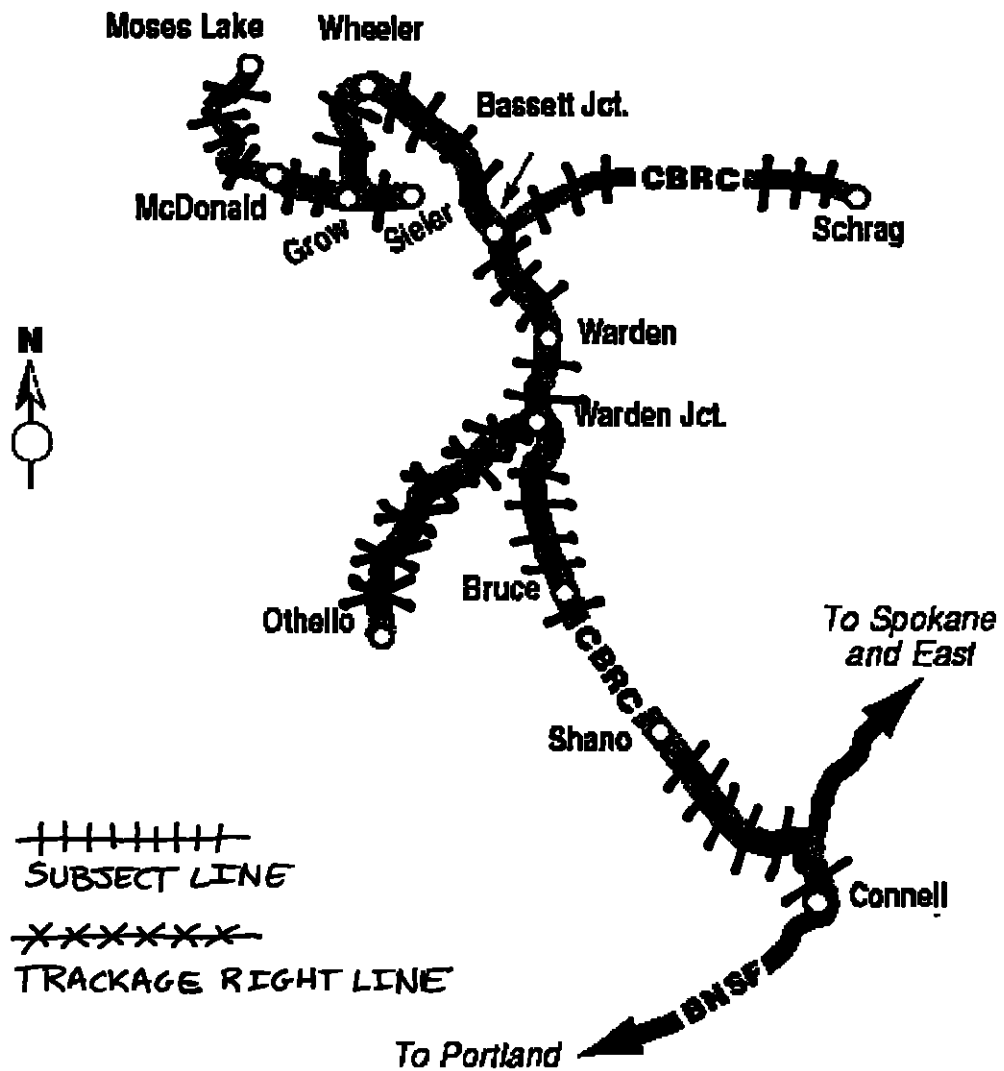
EXHIBIT A

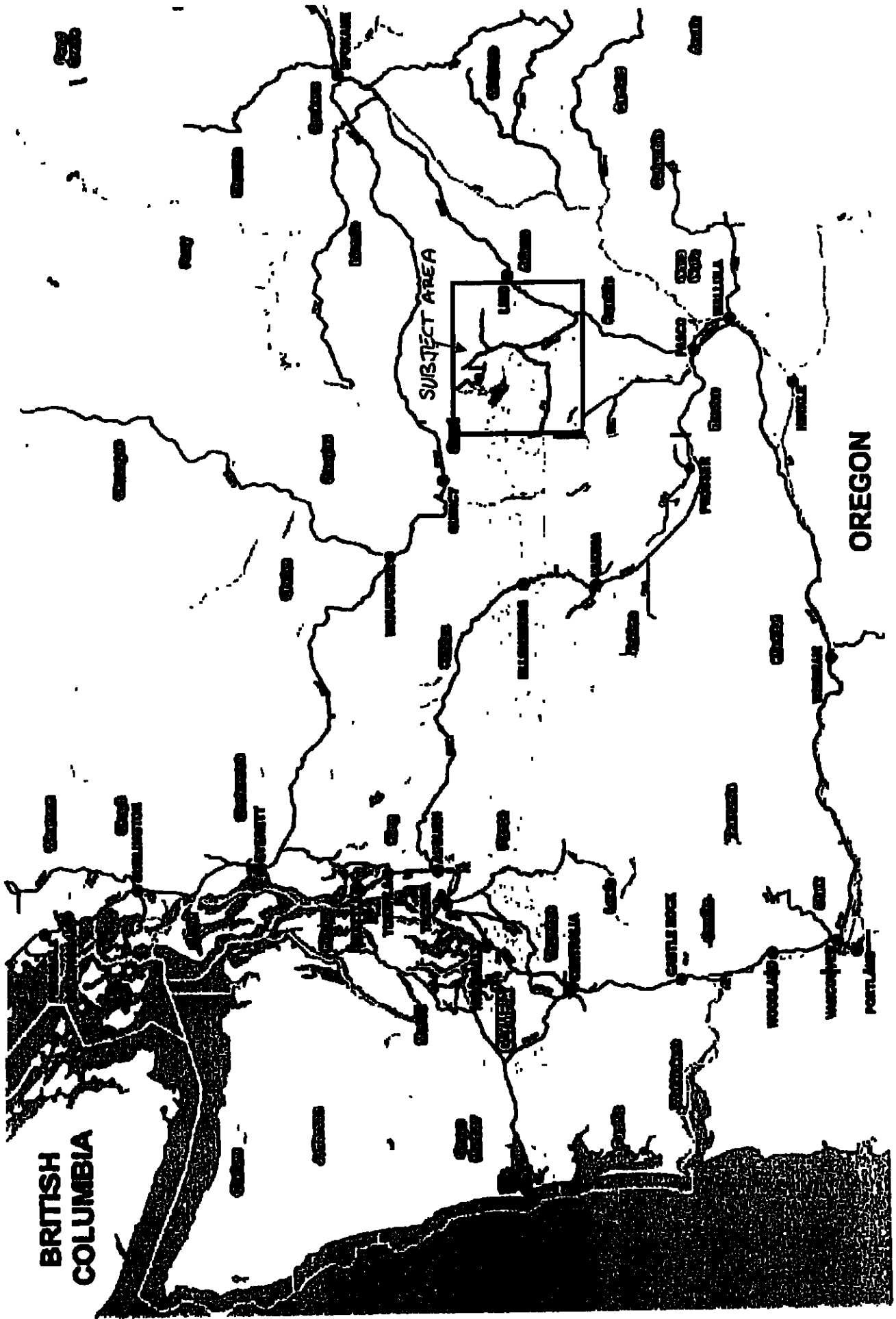
MAPS

COLUMBIA BASIN RAILROAD

111 S. 33rd. ST, Suite 200 — YAKIMA, WA 98901

1-800-333-8582





**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.41**

STB Finance Docket No. 35066

**COLUMBIA BASIN RAILROAD COMPANY, INC.
—ACQUISITION AND OPERATION EXEMPTION—
BNSF RAILWAY COMPANY AND BNSF ACQUISITION, INC.**

EXHIBIT B

CERTIFICATE OF REVENUE

CERTIFICATE OF REVENUE

In accordance with 49 C F R § 1150.43(g), I do hereby certify that the revenue projected for as a result of this transaction will not result in the creation of a class II or class I rail carrier


Nicholas B. Temple, President
Columbia Basin Railroad Company, Inc

Dated November 1, 2007

SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 35066

**COLUMBIA BASIN RAILROAD COMPANY, INC.
—ACQUISITION AND OPERATION EXEMPTION—
BNSF RAILWAY COMPANY AND BNSF ACQUISITION, INC.**

Columbia Basin Railroad Company, Inc. (“CBRW”), a class III rail carrier, has filed a notice of exemption, pursuant to 49 C F R § 1150.41, to acquire from BNSF Railway Company and BNSF Acquisition, Inc. (together, “Sellers”), and to operate¹, the following rail lines which total approximately 74 route miles: (1) from approximately milepost 186.9 (at or near Connell, WA) to approximately milepost 145.7 at or near Wheeler, WA), (2) from approximately milepost 0.0 (at or near Bassett Junction, WA) to approximately milepost 12.5 (at or near Schrag, WA), (3) from approximately milepost 20.0 (at or near Moses Lake, WA) to approximately milepost 5.6 (at or near Sieler, WA), and (4) from approximately milepost 5.6 (at or near Sieler, WA) to approximately milepost 0.0 (at or near Wheeler, WA).

In addition, CBRW intends to acquire trackage rights for local and overhead rail service over approximately 13 route miles from approximately milepost 198.7 (at or near Othello, WA) to the end of the track at approximately milepost 197.4 (at or near Warden, WA). CBRW received authority to operate, via trackage rights, over substantially the same track in connection with its 1996 lease from Sellers. See Lease Decision.

Comments must be filed with the Surface Transportation Board, Office of the Secretary, 395 E Street, S.W., Washington, D.C. 20423-0001 and served on Rose-Michele Nardi, Esq.,

¹ CBRW previously received regulatory authority to lease and operate over substantially the same rail property that is the subject of this Verified Notice of Exemption. See STB Finance Docket No. 33140, *Columbia Basin Railroad*.

Weiner Brodsky Sidman Kider PC, 1300 19th Street, N W , Fifth Floor, Washington, D.C.

20036-1609, (202) 628-2000

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.

Decided

By the Board,

Company, Inc. – Exemption to Lease and Operate – Burlington Northern Railroad Co. and BNSF Acquisition, Inc.
Dec 6, 1996 (“Lease Decision”)