

PACIFIC UNIFIED RAILROAD CORPORATION

November 9, 2007

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NOV 16 2007

**SURFACE
TRANSPORTATION BOARD**



VIA EXPRESS MAIL

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, S W
Washington, DC 20423-0001

220705

RE: Docket No. 39051, Pacific Unified Railroad Corporation
- Trackage Rights Exemption - Kaiser Eagle Mountain
Railroad

Dear Secretary Williams,

Enclosed for filing in the above-referenced proceeding are an original and 10 copies of the Verified Notice of Exemption of Pacific Unified Railroad Corp., pursuant to 49 C.F.R. § 1150.43. Also enclosed is our check in the amount of \$1,000 to cover the filing fee for this proceeding.

Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it in the enclosed express mail envelope.

Very truly yours,

Gerald Lee

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Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 35091



Pacific Unified Railroad Corporation
-Trackage Rights Exemption-
Kaiser Eagle Mountain Railroad

VERIFIED NOTICE OF EXEMPTION

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Pacific Unified Railroad Corporation
By its Representative

Gerald Lee
3200 West End Avenue
Suite 500
Nashville, TN 37203-1330
615-469-0634

Dated: November 9, 2007

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

STB Finance Docket No.35901

PACIFIC UNIFIED RAILROAD CORPORATION
-- TRACKAGE RIGHTS EXEMPTION --
KAISER EAGLE MOUNTAIN RAILROAD

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR 1180.2(d) (7)

Pursuant to 49 CFR 1180.2(d) (7), the Pacific Unified Railroad Corporation ("PURC") submits this Verified Notice of Exemption for trackage rights and provides the following information:

49 CFR 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 who questions regarding the transaction can be addressed.

Summary

PURC seeks Board authority to acquire nonexclusive trackage rights over the Kaiser Eagle Mountain Railroad ("KEM") between MP 52.0 in the Eagle Mountain, CA, and MP 0.00 at the connection with the Union Pacific Railway Company at Ferrum Junction, (in Salton Sea State Recreation Park) a distance of approximately 52 miles.

These rights provide PURC direct access to handle rail traffic, between: (a) the site of Kaiser Mines, located in Eagle Mountain, CA. at MP 52.0, and the Ferrum Junction located MP 0.00 in the Salton Sea State Recreation Park that interchange with Union Pacific Railway Company.

Applicants' names, addresses, and telephone numbers:

Pacific Unified Railroad Corporation
3200 West End Avenue, Suite 500
Nashville, TN 37203
615-469-0634

Kaiser Eagle Mountain Railroad
One Court Street
P.O. Box 37
Desert Center, CA 92239

Applicant's representative to receive correspondence:

For Pacific Unified Railroad Corporation
Gerald Lee
3200 West End Avenue, Suite 500
Nashville, TN 37203
615-469-0634

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

PURC proposes to consummate the proposed transaction on or about December 14, 2007, within thirty days after the filing of this notice.

49 CFR 1180.6(a) (1) (iii): The purpose sought to be accomplished by the proposed transaction.

The purpose of the proposed transaction is to enable PURC to provide competitive rail service to KEM at the aforementioned locations. These trackage rights would enable PURC to reach multiple Class I railroads via Kaiser Eagle Mountain Railroad (in addition to having direct service from KEM), which, in turn, would give PURC access to multiple markets for its outbound traffic and more source options for its inbound traffic.

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

PURC operates in the State of California. KEM and its affiliates operate rail lines in the State of California.

49 CFR 1180.6(a) (6): Map (Exhibit A).

A map satisfying this provision is attached hereto as Exhibit A.

49 CFR 1180.6(a) (7) (ii): Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at §1180.2(d) (7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later.

PURC will furnish a copy of the trackage rights agreement, before or shortly after its consummation.

Labor Protection.

As mandated by law, PURC will provide labor protection as set forth in Norfolk and Western Ry. Co. - Trackage Rights - BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry., Inc. - Lease and Operate, 360 I.C.C.

653 (1980).

Environmental and historic reporting requirements.

The proposed transaction is exempt from environmental review under 49 CFR 1105.6 (c) (4), which provides that environmental documentation need not be prepared for trackage rights transactions or transactions that 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 49 CFR 1105.8 (b) (3) because it will not substantially change the level of maintenance of railroad property.

Respectfully submitted

Pacific Unified Railroad
Corporation

By its Representative

A handwritten signature in black ink, appearing to read "Gerald Lee", is written over the printed name.

Gerald Lee
3200 West End Avenue
Suite 500
Nashville, TN 37203
615-469-0634

Dated: December 9, 2007

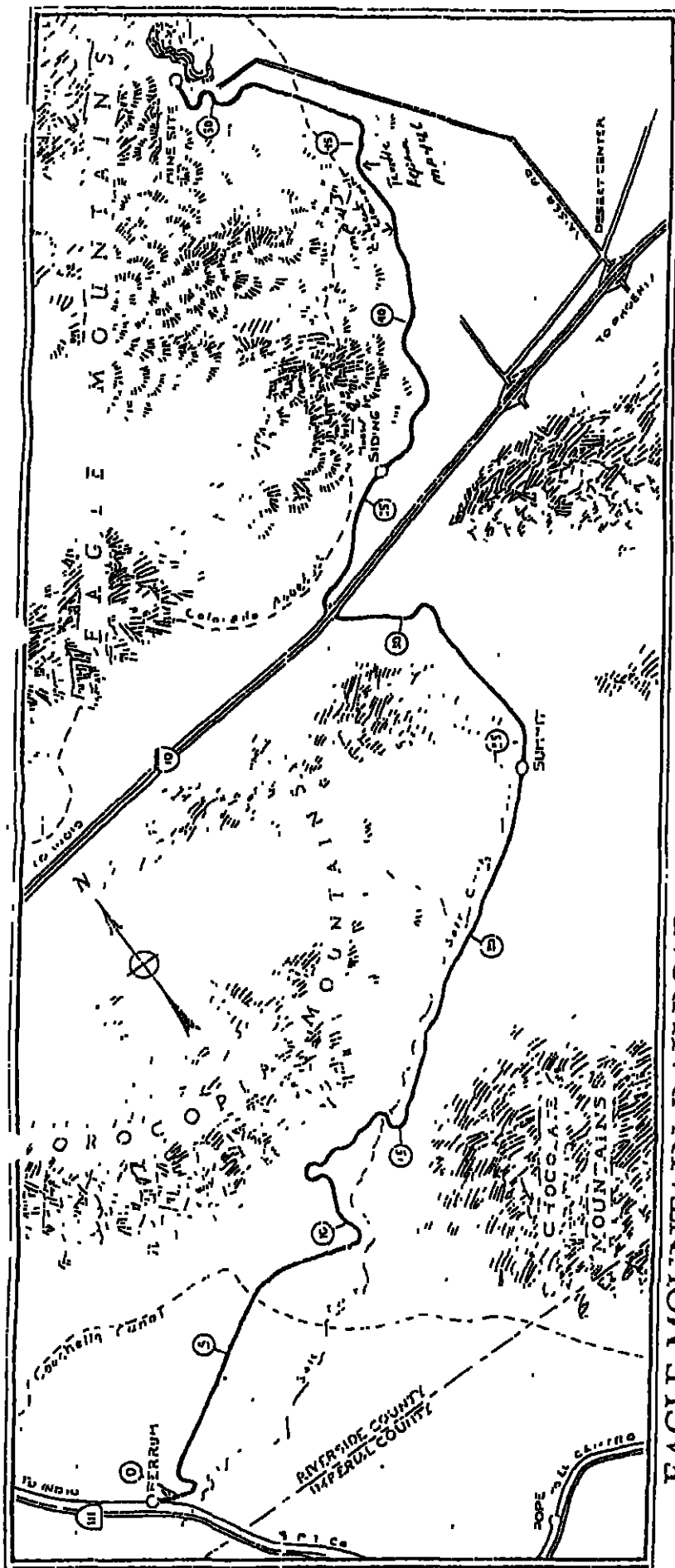
**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB Finance Docket No. 35091

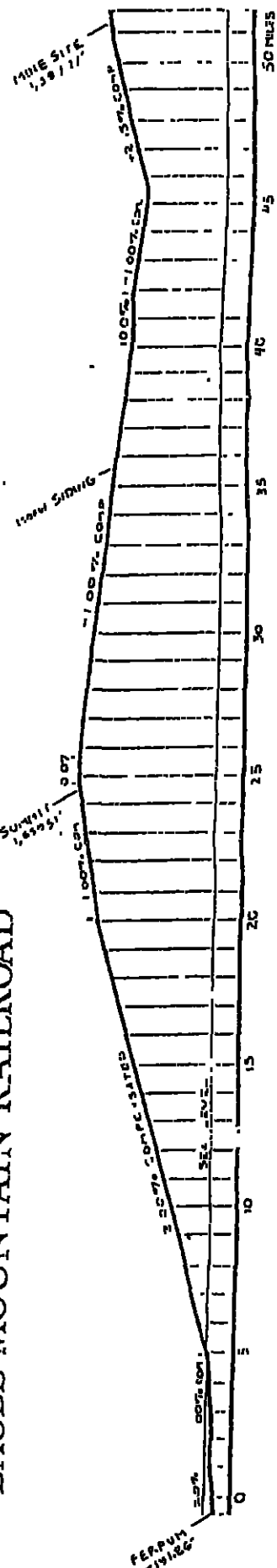
**Pacific Unified Railroad Corporation
-Trackage Rights Exemption-
Kaiser Eagle Mountain Railroad**

EXHIBIT A

MAP OF SUBJECT LINE



EAGLE MOUNTAIN RAILROAD



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB Finance Docket No. 35091

**Pacific Unified Railroad Corporation
-Trackage Rights Exemption-
Kaiser Eagle Mountain Railroad**

EXHIBIT B

CAPTION SUMMARY

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423**

**PACIFIC UNIFIED RAILROAD CORPORATION
-- TRACKAGE RIGHTS EXEMPTION --
KAISER EAGLE MOUNTAIN RAILROAD**

**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR 1180, 2(d) (7)**

STB Finance Docket No. 35901

Kaiser Eagle Mountain Railroad ("KEM") will agreed to grant Pacific Unified Railroad Corporation ("PURC") nonexclusive overhead trackage rights over its Eagle Mountain Railroad MP 52.0 in Eagle Mountain, CA, and MP 0.00 at the connection with Union Pacific Railway Company at Ferrum Junction, a distance of approximately 52 miles. These trackage rights would enable PURC to reach multiple Class I railroads via Kaiser Eagle Mountain Railroad (in addition to having direct service from KEM), which, in turn, would give PURC access to multiple markets for its outbound traffic and more source options for its inbound traffic.

These trackage rights will be effective on or before December 14, 2007.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in Norfolk and Western Ry. Co.-Trackage Rights-BN, 354 I.C.C. 605 (1978), as modified in Mendocino Coast Ry., Inc.-Lease and Operate, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d) (7). If the notice contains false or misleading information, the exemption is void ab initio. 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.

Original and 10 copies of all pleadings, referring to STB Finance Docket No. 35901, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Gerald Lee, Pacific Unified Railroad Corporation, 3200 West End Avenue, Suite 500, Nashville, TN 37203, and Terry L. Cook, General Counsel,

Kaiser Ventures LLC, 3633 E. Inland Empire Blvd, Suite
480, Ontario, CA 91764.

Dated:

By the Board

Vernon A. Williams, Secretary

(Seal)

VERIFICATION

STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

Aaron K. Echols, being duly sworn according to law, hereby
deposes and states that 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 his knowledge, information and belief.

Aaron K. Echols

Subscribed and sworn to before me, a Notary Public, in and
for the City of Los Angeles in the State of California,
this 15th day of 2007.

Mario Sanchez de la Vega

Notary Public

My Commission Expires:

Jan 22, 2009.

