

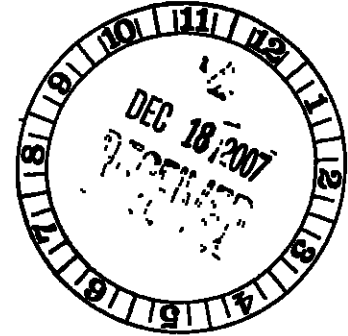
December 17, 2007

VIA FEDERAL EXPRESS
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

ENTERED
Office of Proceedings

DEC 18 2007

Part of
Public Record



193384

Re STB Docket No AB1007X, Colorado Springs & Eastern Railroad Company, a Colorado corporation

Abandonment - Notice of Exemption, El Paso County, Colorado Springs, Colorado

To Whom It May Concern

Please find the enclosed original and an additional 10 copies of the Notice of Exemption, pursuant to 49 CFR § 1152.50, for the above referenced proceeding. Also enclosed is a check in the amount of \$3,200.00 to cover the filing fee.

Please acknowledge receipt on the enclosed copy of this letter and return it to me in the enclosed, self-addressed, stamped envelope.

Sincerely,

Moye White LLP

Monica Kadmas, Esq.

FEE RECEIVED

DEC 18 2007

**SURFACE
TRANSPORTATION BOARD**

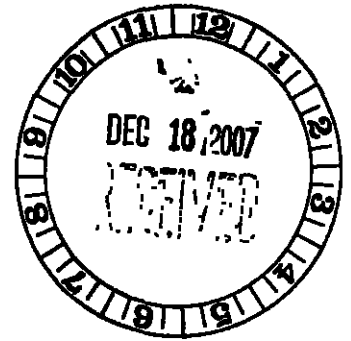
Enclosures

FILED

DEC 18 2007

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD



ENTERED
Office of Proceedings
DEC 18 2007

Part of
Public Record

DOCKET NO AB1007X

COLORADO SPRINGS & EASTERN RAILROAD COMPANY

A COLORADO CORPORATION

ABANDONMENT

FILED

DEC 18 2007

SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

FEE RECEIVED

DEC 18 2007

SURFACE
TRANSPORTATION BOARD

COMES NOW Colorado Springs & Eastern Railroad Company, a Colorado corporation, ("CS&E") and files this Notice of Exemption from regulation pursuant to the provisions of 49 U.S.C. § 10502 and of the Board's regulations at 49 CFR § 1152.50 for abandonment of its line of railroad lying between MP 602.70 and MP 599.40 in Colorado Springs, El Paso County, Colorado. CS&E states as follows:

Traffic Certification - §§ 1152.50 (b) (d) (1) and (d)(2)

As the attached certificate of President E. J. Lawrence confirms, no local traffic has moved over the line for at least two years and any other overhead traffic on the line can be rerouted over other lines, and no formal complaint filed by a user of rail service on the line regarding cessation of service over this line either is pending with the Board or a U.S. District Court or has been decided in favor of a complainant within the two-year period.

Notice of Exemption - § 1152.50 (d)(1)

At least ten (10) days prior to filing the Notice of Exemption with the Board, CS&E notified, in writing, the following agencies: The Public Service Commission in the State of Colorado, The Department of Defense, The National Park Service, Recreation Resources Assistance Division, and The U.S. Department of Agriculture.

Consummation Date - § 1152 50 (d)(2)

The effective date of the abandonment between MP 602 70 and MP 599 40 in Colorado Springs, El Paso County, Colorado, will be January 21, 2008

General Corporate Information - §§ 1152 22(a)(1-2) and (7)

The party filing this notice is Colorado Springs & Eastern Railroad Company, a common carrier by railroad subject to the Surface Transportation Board's jurisdiction under the Interstate Commerce Commission Termination Act (Interstate Transportation Act) (49 U S C Subtitle IV, Chapter 105), whose representative to whom correspondence may be sent is

Monica Kadrmas, Esq
Moye White LLP
1400 16th Street, 6th Floor
Denver, CO 80202

Description of the Line and the Relief Sought - §§ 1152 22(a) (3-4) and (7)

The relief sought is an exemption from the prior approval requirements of 49 U S C § 10903 in order for CS&E to abandon the subject line. The line that will be subject to abandonment under the exemption consists of 3.3 miles between MP 602 70 and MP 599 40, in Colorado Springs, El Paso County, Colorado. A map showing the line to be abandoned is attached to this notice as Exhibit A. The line traverses United States Postal Service ZIP Codes 80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911 in El Paso County, Colorado.

No service over the line has occurred in over twenty years. Service over the line is not possible because the line consists of two isolated segments that are not connected to operating rail lines at either end.

Suitability of the Line for Other Public Purposes - § 1152 22 (e)(4)

CS&E has leased, and is in the process of selling, the property on which the line is located to the City of Colorado Springs for a public recreation hike/bike trail.

CS&E is not aware of any restriction on the title to the right-of-way that would affect the transfer of title or the use of property for other than rail purposes.

Labor Protection - § 1152 50 (d)(2)

Since the line to be abandoned has been out of service for well over two years and CS&E has had no employees for well over two years, no employees will be adversely affected by exercise of abandonment authority for this line. However, as a condition to exercise of the authority permitted in this matter, CS&E will accept the imposition of standard labor protective conditions as set forth in *Oregon Short Line R Co - Abandonment - Goshen, 360 I C C 91 (1979)*

Environmental and Historic Reports, Certifications - §§ 1105 7 and § 1105 8

Attached is an environmental and historical report prepared and served in accordance with the Surface Transportation Board's regulation. CS&E certifies that the notice and transmittal requirements of §§ 1105 7, 1105 8 and 1105 11 have been met.

Service and Newspaper Notice Requirements Certification - §§ 1152 50 (d)(1-2)

As the attached certification indicates, CS&E certifies that it has complied with the service and notice requirements of § 1152 50 (d)(1) (certain government agencies) and § 1105 12 (newspaper notice).

For the foregoing reasons, CS&E believes the proposed rail line abandonment is exempt from the prior approval requirements of 49 U S C § 10903 pursuant to the Board's regulations at 49 CFR § 1152 50, and requests that the Board serve the appropriate notice of exemption.

Respectfully submitted,

**COLORADO SPRINGS & EASTERN
RAILROAD COMPANY, a Colorado
corporation**

By E J Lawrence, President
E J Lawrence, President

Monica Kadrmas, Esq
Moye White LLP
1400 16th Street, 6th Floor
Denver CO 80202
Attorney for Colorado Springs & Eastern Railroad Company
Dated: December 13, 2007

VERIFICATION

ORIGINAL

State of Colorado)
County of El Paso) ss

E. J. Lawrence, being duly sworn, deposes and says that she is President of Colorado Springs & Eastern Railroad Company, a Colorado corporation, that she is authorized to sign, verify, and file with the Surface Transportation Board the foregoing Notice of Exemption in AB1007X on behalf of Colorado Springs & Eastern Railroad Company, that she has carefully examined all of the statements contained in said Notice of Exemption, that she has knowledge of the matters set forth therein, and that all such statements made and matters set forth are true and correct to the best of her knowledge, information, and belief

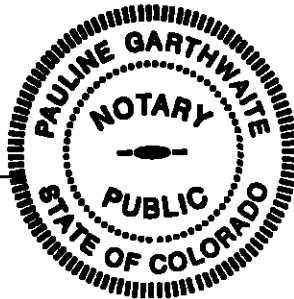
**COLORADO SPRINGS & EASTERN
RAILROAD COMPANY,
a Colorado corporation**

E. J. Lawrence, President
E. J. Lawrence, President

Subscribed and sworn before me this
13 day of December, 2007

Paulie Garthwaite
Notary Public

My commission expires 10/20/09



[SEAL]

ORIGINAL

CERTIFICATION

State of Colorado)
County of El Paso) ss

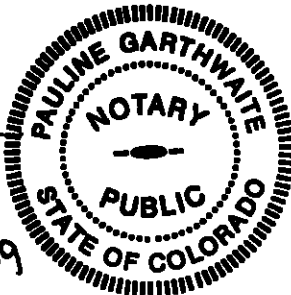
E J Lawrence makes oath and says that she is President of Colorado Springs & Eastern Railroad Company, a Colorado corporation, that the line between mileposts 602 70 and 599 40 in Colorado Springs, El Paso County, Colorado, which is to be abandoned (notice of exemption), is subject to her supervision and direction, that no local traffic has moved over the line for at least two (2) years, that no overhead traffic has moved over the line for at least two (2) years and that overhead traffic, if there were any, could be re-routed over other lines, and that no formal complaint filed by a user of rail service on the line or a state or local government entity acting on behalf of such user regarding cessation of service over the line either is pending before the Surface Transportation Board or any U S District Court or has been decided in favor of the complainant within the two (2) year period

**COLORADO SPRINGS & EASTERN
RAILROAD COMPANY,
a Colorado corporation**

E J Lawrence, President
E J Lawrence, President

Subscribed and sworn before me this
13 day of December, 2007

Pauline Garthwaite
Notary Public



My commission expires 10/20/09

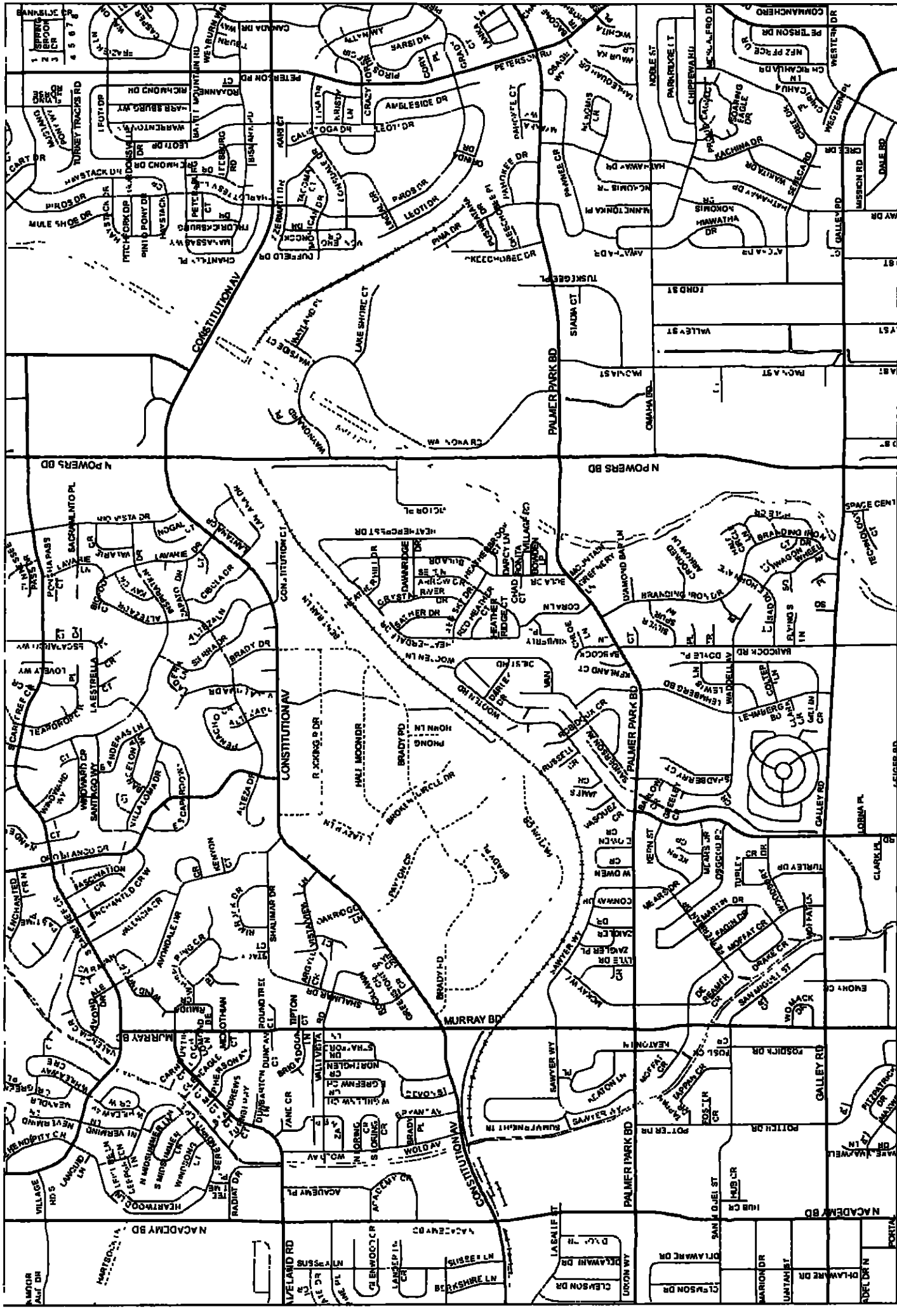
CERTIFICATION

I hereby certify that (1) pursuant to § 1105 11, that an Environmental Report was submitted to the agencies identified in § 1105 7(b) (see Appendix B), (2) pursuant to § 1105 12, that a notice of intent to abandon rail service was published in the Colorado Springs Gazette, Colorado Springs, Colorado on December 5, 2007 (see Exhibit C), and (3) that the notice required by § 1152 (d)(1) was given (see Exhibit D)


Monica Kadrmas, Esq

Dated December 17, 2007

Exhibit A



FORMER ROCK ISLAND R.R. CORRIDOR REMAINING TRACK

SCALE
1" equals 1,800'

MAP VERSION 02-20-2007

State Plane Coordinates
Colorado Central Zone

NAD83 - US Survey Feet
Vertical Datum - NGVD29

CITY OF COLORADO SPRINGS
Parks, Recreation & Cultural Services

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Exhibit B

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Exemption was served upon Colorado Public Utilities Commission, Regional Director, National Park Service, the United States Department of Defense (MTMCTEA), National Park Service, Recreation Resources Assistance Division, National Park Service, Land Resources Division, and the United States Department of Agriculture, Chief of the Forest Service on November 26, 2007, by first class mail, postage prepaid


Monica Kadrmas, Esq

Exhibit C

LEGAL NOTICE

NOTICE OF INTENT TO ABANDON RAIL SERVICE

Colorado Springs & Eastern Railroad Company ("CS&E") gives notice that on or about December 1, 2007, it intends to file with the Surface Transportation Board ("STB"), Washington DC 20423, a notice of exemption under 49 C.F.R. § 1152 Subpart E – Exempt Abandonments permitting the abandonment of a 3.3 mile line of railroad between railroad milepost 602.70, which traverses through United States Postal Service ZIP Codes (80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911) and milepost 599.40 which traverses through United States Postal Service ZIP Codes (80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911) in El Paso County, Colorado. The proceeding will be docketed as No AB1007X.

The Board's Section of Environmental Analysis ("SEA") will generally prepare an Environmental Assessment ("EA"), which will normally be available 25 days after the filing of the notice of exemption. Comments on environmental and energy matters should be filed no later than 15 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding the environmental matters by writing to the Section of Environmental Analysis, Surface Transportation Board, Washington DC 20423 or by calling that office at 202-565-1545.

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, Washington, DC 20423 [See 49 CFR §§ 1104.1(a) and 1104.3(a)] and one copy must be served on applicants' representative [See 49 CFR § 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at 202-565-1592. Copies of any comments or requests for conditions should be served on the applicant's representative. Monica Kadamas, Esq., Moye White LLP, 1400 16th Street, 6th Floor, Denver, CO 80202.

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF EL PASO

ss.

Lori A. Conary, being first duly sworn, deposes and says that she is the Legal Sales Representative of FREEDOM COLORADO INFORMATION, INC., a corporation, the publishers of a daily public newspaper, which is printed and published daily in whole at the city of Colorado Springs in the County of El Paso, and the State of Colorado, and which is called The Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper 1 time to-wit, on December 5, 2007

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice, that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado

Lori A. Conary
Lori A. Conary
Legal Sales Representative

Subscribed and sworn to me this 5th day of December, 2007, at said City of Colorado Springs, El Paso County, Colorado My commission expires August 14, 2008

Mary M. Dumont
Mary Dumont
Notary Public

The Gazette



LEGAL NOTICE

NOTICE OF INTENT TO ABANDON RAIL SERVICE
Colorado Springs & Eastern Railroad Company ("CS&E") gives notice that on or about December 1, 2007, it intends to file with the Surface Transportation Board ("STB"), Washington, DC 20423, a notice of exemption under 49 CFR § 1152 Subpart F Exempt Abandonments permitting the abandonment of a 3.3-mile line of railroad between railroad milepost 602.70, which traverses through United States Postal Service ZIP Codes 80901, 80903, 80904, 80905, 80906, 80907, 80908, 80910, and 80911, and milepost 599.40 which traverses through United States Postal Service ZIP Codes 80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911, in El Paso County, Colorado. The proceeding will be docketed as No. AB1007X. The Board's Section of Environmental Analysis ("SEA") will generally prepare an Environmental Assessment ("EA"), which will normally be available 25 days after the filing of the notice of exemption. Comments on environmental and energy matters should be filed no later than 15 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding the environmental matters by writing to the Section of Environmental Analysis, Surface Transportation Board, Washington DC 20423 or by calling that office at 202 565-1545.

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail-banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, Washington, DC 20423. (See 49 CFR §§ 1104.1(a) and 1104.3 (a)) and one copy must be served on applicant's representative [See 49 CFR § 1104.12 (a)]. Questions regarding offers of financial assistance, public use, or trails use may be directed to the Board's Office of Congressional and Public Services at 202 565-1552. Copies of any comments or requests for conditions should be served on the applicant's representative. Monica Kadmas, Esq., Moye White LLP, 1400 16th Street, 6th Floor, Denver, CO 80202.

Published in the Gazette December 5, 2007

Exhibit D

November 19, 2007

CO PUC
1580 Logan Street, OL2
Denver, CO 80203

Regional Director
National Park Service
U S Custom House
200 Chestnut Street, Fifth Floor
Philadelphia, PA 19106

MTMCTEA
Attn Railroads for National Defense
720 Thimble Shoals Boulevard, Suite 130
Newport News, VA 23606-2574

National Park Service
Recreation Resources Assistance Program
1849 C Street, NW (2310)
Washington DC 20240-0001

U S Department of Agriculture
Chief of the Forest Service
1400 Independence Avenue, SW
Washington DC 20250-0003

National Park Service
Land Resource Division
1849 C Street, NW #MS3540
Washington DC 20240

Re STB Docket No AB1007X, Colorado Springs & Eastern Railroad Company –
Abandonment – Notice of Exemption in El Paso County, Colorado

Ladies and Gentlemen

Pursuant to 49 CFR § 1152.50(d)(1), Colorado Springs & Eastern Railroad Company (“CS&E”) hereby gives notice that on or about December 27th, 2007, it will file with the Surface Transportation Board a notice of exemption from regulation in accordance with the exemption regulations set forth at 49 CFR § 1152, Subpart F. That notice of exemption will permit CS&E’s abandonment of a 3.3 mile line of railroad lying between MP 602.70 and MP 599.40, in Colorado Springs, El Paso County, Colorado (see attached map). The line incorporates the following United States Postal Service Zip Codes: 80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911.

Monica Kadmas
direct 303.292.7937 monica.kadmas@moyewhite.com

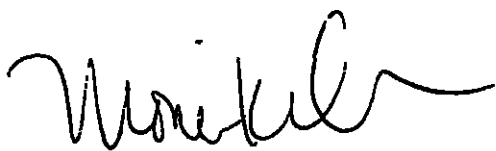
November 19, 2007

Page 2

No revenue traffic has originated or terminated or moved overhead on the line to be abandoned for more than two (2) years. Service over the line is not possible because the line consists of two isolated segments that are not connected to operating rail lines at either end. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

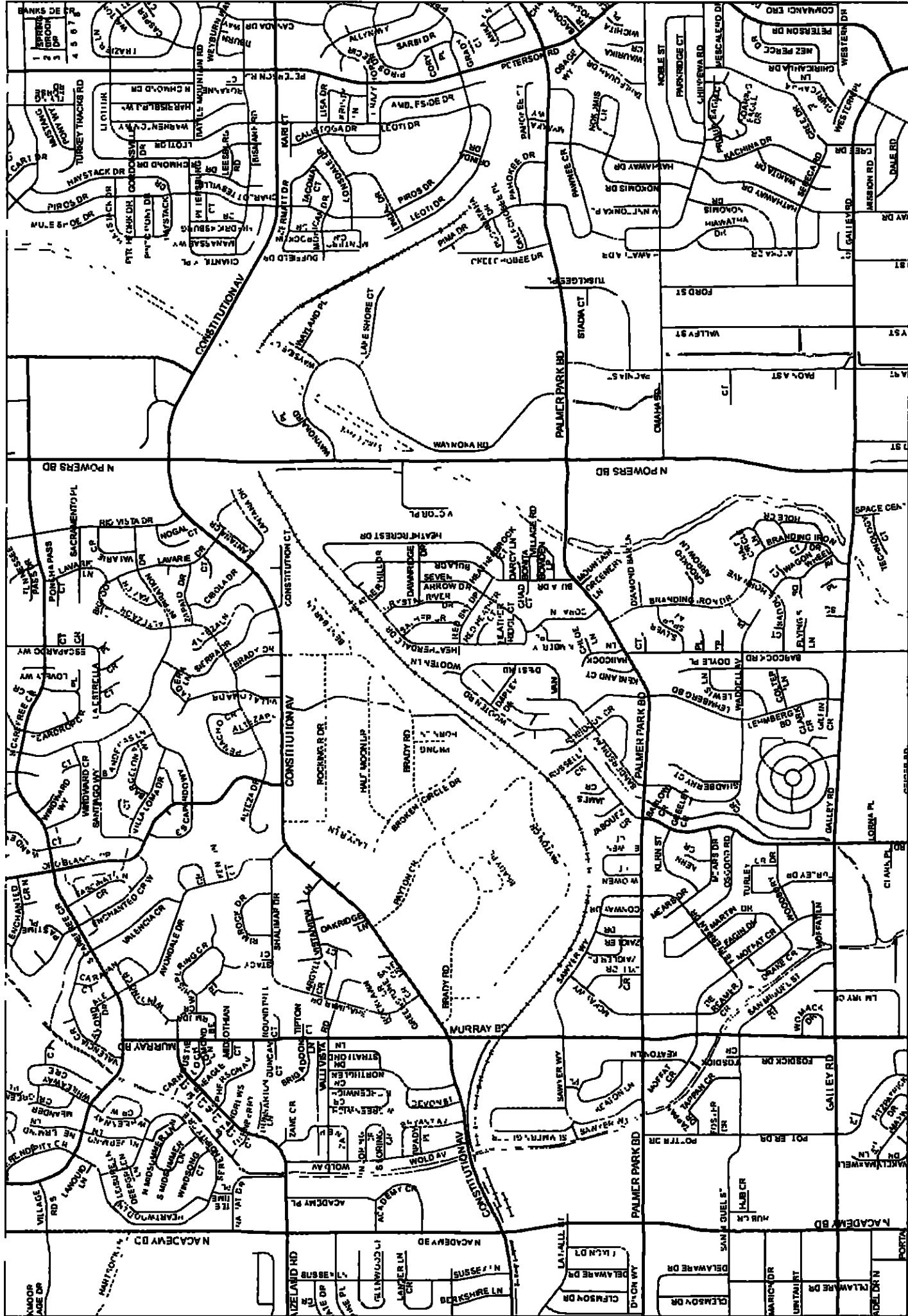
Sincerely,

MOYE WHITE LLP

A handwritten signature in black ink, appearing to read 'Monica Kadrmas', with a stylized, flowing script.

Monica Kadrmas

Mck



CITY OF COLORADO SPRINGS
 Parks, Recreation & Cultural Services

FORMER ROCK ISLAND R.R. CORRIDOR REMAINING TRACK

SCALE
 1" equals 1,800'

MAP VERSION 02-20-2007

State Plane Coordinates
 Colorado Central Zone

NAD83 - US Survey Feet
 Vertical Datum - NGVD29

CITY OF COLORADO SPRINGS
 Parks, Recreation & Cultural Services

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Environmental Report And Historic Report

**Environmental Report
Certificate of Service**

Pursuant to the requirements of 49 CFR § 1105.8(c), the undersigned hereby certifies that a copy of the Environmental Report in Docket No. AB1007X was mailed via first class mail on November 19, 2007 to the following parties:

Colorado Public Utilities Commission
1580 Logan Street
Office Level 2
Denver, CO 80203

U S Army Corps of Engineers
Albuquerque District
200 South Santa Fe Avenue, Suite 301
Pueblo, CO 81003

Colorado Department of Public Health and
Environment
4300 Cherry Creek Drive South
Denver, CO 80246

U S Army Corps of Engineers
Civil Works Office
U S Army Engineer, Albuquerque District
4101 Jefferson Plaza, NE
Albuquerque, NM 87109-3435

Natural Resources Conservation Service
USDA
655 Parfet Street, Room E-200C
Lakewood, CO 80215-8000

City of Colorado Springs
Wynetta Massey, Deputy City Attorney-
Municipal
30 South Nevada Avenue, Suite 501
Colorado Springs, CO 80903

U S Environmental Protection Agency
Region 8
999 18th Street, Suite 200
Denver, CO 80202-2466

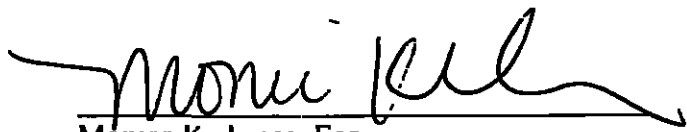
Colorado Department of Transportation
4201 East Arkansas Avenue
Denver, CO 80222

U S Fish and Wildlife Service
Mountain-Prairie Region
P O Box 25486
Denver Federal Center
Denver, CO 80225

Colorado Springs Department of
Transportation (El Paso County)
John McCarty, Director
3275 Akers Drive
Colorado Springs, CO 80922

U S National Park Service
Intermountain Region
12795 Alameda Parkway
Denver, CO 80225

El Paso County Planning Department
Mike Hrebencar, Planning Division Manager
2880 International Circle
Colorado Springs, CO 80910


Monica Kadrmas, Esq.
December 17, 2007

**ENVIRONMENTAL REPORT ON
PROPOSED RAIL LINE ABANDONMENT
NOTICE OF EXEMPTION**

**(BETWEEN MP 602.70 and MP 599.40) IN COLORADO SPRINGS, EL PASO COUNTY,
COLORADO
STB DOCKET NO. AB1007X**

November 19, 2007
Submitted to STB December 17, 2007

**COLORADO SPRINGS & EASTERN RAILROAD COMPANY
c/o Moye White LLP
Attn: Monica Kadrmas, Esq
1400 16th Street, 6th Floor
Denver, CO 80202**

**ENVIRONMENTAL REPORT ON
PROPOSED RAIL LINE ABANDONMENT
NOTICE OF EXEMPTION**

Abandonment of: 3.3 miles of track between MP 602.70 and MP 599.40 in Colorado Springs, El Paso County, Colorado.

49 CFR 1105.7 (e)(1) Proposed Action and Alternatives.

Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operation or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

RESPONSE: Colorado Springs & Eastern Railroad Company ("CS&E") proposes to abandon 3.3 miles of rail line between MP 602.70 and MP 599.40 in Colorado Springs, El Paso County, Colorado. The line proposed for abandonment has been dormant for many years. Service over the line is not possible because the line consists of two isolated segments that are not connected to operating rail lines at either end.

The only alternative would be not to abandon the line and allow it to remain dormant and unused. This alternative is not satisfactory.

A map delineating the line proposed for abandonment is attached as **Appendix A**. CS&E's letter to federal, state and local government agencies is attached as **Appendix B**. Responses to the letter or other comments received to date, as a result of consultations, can be found in **Appendix C**. [Additional responses will be forwarded as they are received.]

49 CFR 1105.7 (e)(2) Transportation system.

Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

RESPONSE: Effects of the proposed action on regional or local transportation systems and patterns are not applicable. There is no rail freight or passenger traffic on the line segment proposed for abandonment. The rail line has not been in service, used or able to connect to any other line for many years. Consequently, no rail traffic will be diverted to highway or any other mode of transportation as a result of the abandonment.

49 CFR 1105.7 (e)(3) Land Use.

(i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.

See Response attached in Appendix C

(ii) Based on consultation with the U S Soil Conservation Service, state the effect of the proposed action on any prime agricultural land

See Response attached in Appendix C

(iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 49 CFR § 1105.9

RESPONSE Not applicable, as the property is not located in a coastal zone

(iv) If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. § 10906 and explain why

RESPONSE: The line is not suitable for public use because it contains two isolated strips of track, neither of which is connected at either end

49 CFR 1105.7 (c)(4) Energy.

(i) Describe the effect of the proposed action on transportation of energy resources

RESPONSE: Development and transportation of energy resources will not be affected by the abandonment as no freight or passenger traffic has moved over the line for many years

(ii) Describe the effect of the proposed action on recyclable commodities

RESPONSE: Movement or recovery of recyclable commodities will not be affected by the abandonment as no freight or passenger traffic has moved over the line for many years

(iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why

RESPONSE: The proposed action will not result in an increase or decrease in overall energy efficiency

(iv) If the proposed action will cause diversions from rail to motor carriage of more 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, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given

RESPONSE: No traffic will be diverted from rail to motor carriage as a result of the proposed action

49 CFR 1105.7 (c)(5) Air.

*(i) If the proposed action will result in either
(A) 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, or
(B) An increase in rail yard activity of at least 100 percent (measured by carload activity), or
(C) 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, quantify the anticipated effect on air emissions*

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

*(ii) If the proposed action affects a class I or nonattainment area under the Clean Air Act, and will result in either
(A) An increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line
(B) An increase in rail yard activity of at least 20 percent (measured by carload activity), or
(c) An average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan*

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

(iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify the materials and quantity, the frequency of service, safety practices (including any speed restrictions), the applicant's safety record (to the extent available) on derailments, accidents and spills, contingency plans to deal with accidental spills, and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

49 CFR 1105.7 (c)(6) Noise.

If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause

*(i) An incremental increase in noise levels of three decibels Ldn or more, or
(ii) An increase to a noise level of 65 decibels Ldn or greater If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed*

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

49 CFR 1105.7 (c)(7) Safety.

(i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings)

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

(ii) If hazardous materials are expected to be transported, identify the materials and quantity, the frequency of service, whether chemicals are being transported that, if mixed, could react to form more hazardous compounds, safety practices (including any speed restrictions), the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills, the contingency plans to deal with accidental spills, and the likelihood of an accidental release of hazardous materials

RESPONSE Not applicable Since the railway has not been in service for many years, the above thresholds will not be affected

(iii) If there are any known hazardous waste sites or sites where there have been known hazardous material spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved

RESPONSE CS&E has no knowledge of hazardous waste sites or sites where there have been known hazardous material spills on the right-of-way or in adjacent areas

49 CFR 1105.7 (e)(8) Biological Resources.

(i) Based on consultation with the U S Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects

See Response attached in Appendix C

(ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects

RESPONSE Based on a site investigation, the line segment proposed for abandonment does not pass through state parks or forests, national parks or forests, or wildlife sanctuaries No adverse effects on wildlife sanctuaries, National parks or forests, or State parks or forests are anticipated

49 CFR 1105.7 (e)(9) Water.

(i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards Describe any inconsistencies

See Response attached in Appendix C

In addition to any agency comments, there are no plans to remove or alter the contour of the roadbed underlying any part of the rail line to be abandoned. Since there are no plans to undertake in-stream work, or dredge and/or fill any materials in connection with the proposed abandonment, water quality impacts are not expected in connection with the proposed action.

(ii) Based on consultation with the U.S. Army Corps of Engineer, state whether permits under section 404 of the Clean Water Act (33 U.S.C. 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

See Response attached in Appendix C

(iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. § 1342) are required for the proposed action.

RESPONSE: There are no intentions to remove or alter the roadbed underlying the line to be abandoned, to undertake in-stream work or dredge or to use any fill materials. There should be no significant effects to water quality. Thus, CS&E does not believe that a permit under § 402 of the Clean Water Act will be required.

49 CFR 1105.7 (e)(10) Proposed Mitigation.

Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

RESPONSE: Abandonment of the involved rail line is not expected to produce adverse environmental impacts. CS&E will undertake all reasonable mitigation associated with any salvage activity to assure the abandonment does not produce adverse environmental impacts.

49 CFR 1105.7 (e)(11) Additional Information for Rail Constructions.

RESPONSE: Not Applicable. CS&E has no intention to submit a rail construction proposal at any point in the future related to this specific segment of track.

National Geodetic Survey Marker response. See Response attached in Appendix C

RECIPIENT LIST

Proposed Rail Line Abandonment – Notice of Exemption of the segment of rail line between MP 602.70 and MP 599.40 in Colorado Springs, El Paso County, Colorado, a distance of 3.3 miles.

Colorado Public Utilities Commission
1580 Logan Street
Office Level 2
Denver, CO 80203

U S Army Corps of Engineers
Colorado Service Office
P O Box 25105
Denver, CO 80225

Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver, CO 80246

U S Army Corps of Engineers
Civil Works Office
U S Army Engineer, Albuquerque District
4101 Jefferson Plaza, NE
Albuquerque, NM 87109-3435

Natural Resources Conservation Service
USDA
655 Parfet Street, Room E-200C
Lakewood, CO 80215-8000

City of Colorado Springs
Wynetta Massey, Deputy City Attorney-
Municipal
30 South Nevada Avenue, Suite 501
Colorado Springs, CO 80903

U S Environmental Protection Agency
Region 8
999 18th Street, Suite 200
Denver, CO 80202-2466

Colorado Department of Transportation
4201 East Arkansas Avenue
Denver, CO 80222

U S Fish and Wildlife Service
Mountain-Prairie Region
P O Box 25486
Denver Federal Center
Denver, CO 80225

Colorado Springs Department of
Transportation (El Paso County)
John McCarty, Director
3275 Akers Drive
Colorado Springs, CO 80922

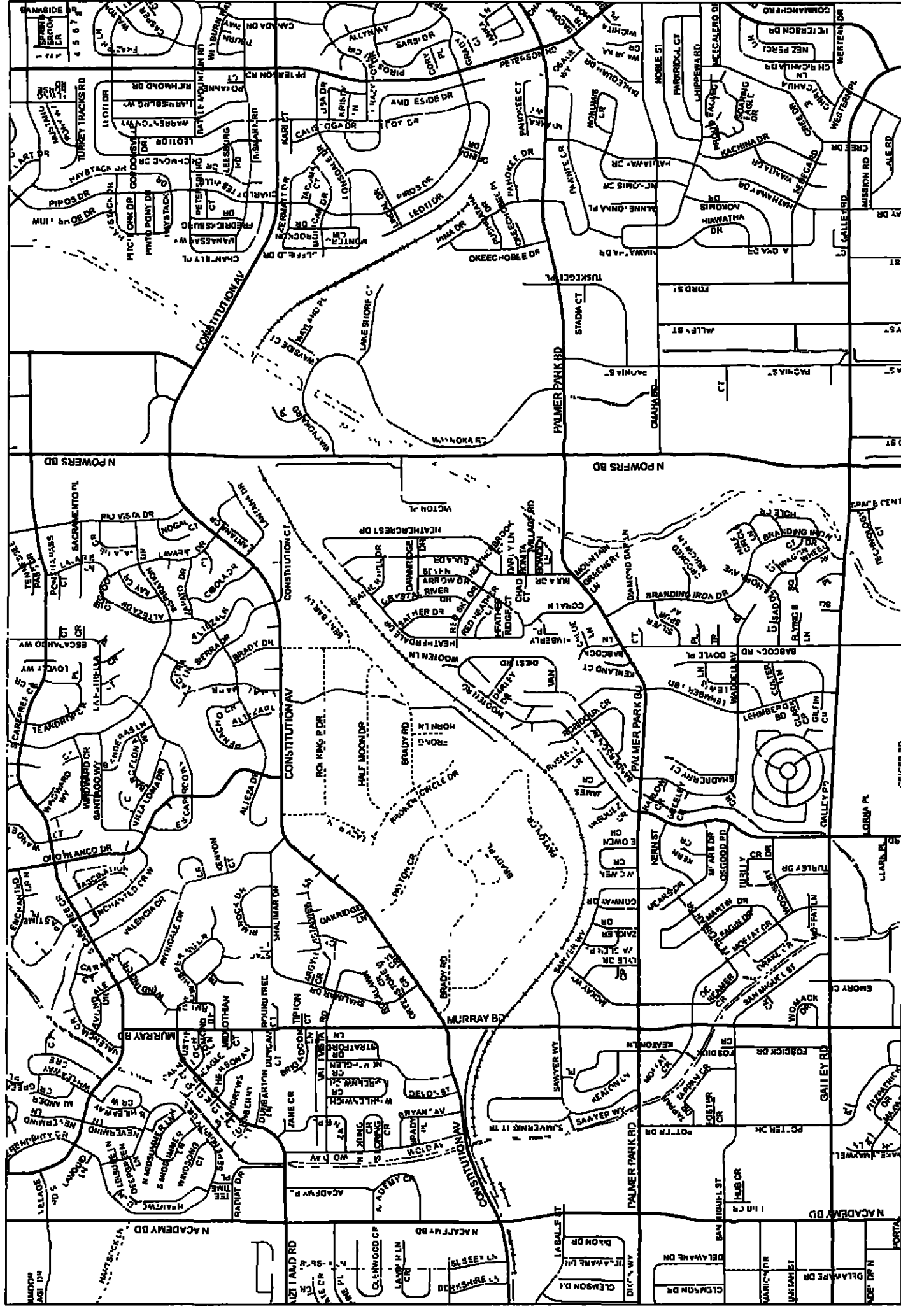
U S National Park Service
Intermountain Region
12795 Alameda Parkway
Denver, CO 80225

El Paso County Planning Department
Mike Hrebenar, Planning Division Manager
2880 International Circle
Colorado Springs, CO 80910

Georgianna Contiguglia
State Historic Preservation Officer
Colorado History Museum
1300 Broadway
Denver, CO 80203

Appendix A

SITE MAP



FORMER ROCK ISLAND R.R. CORRIDOR REMAINING TRACK

MAP VERSION 02-20-2007

State Plane Coordinates
Colorado Central Zone

NAD83 - US Survey Feet
Vertical Datum - NGVD29

SCALE

1" equals 1,800'

0 900 1800 Feet

CITY OF COLORADO SPRINGS
Parks, Recreation & Cultural Services

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HISTORIC REPORT ON PROPOSED RAIL LINE ABANDONMENT

**COLORADO SPRINGS & EASTERN RAILROAD COMPANY
(BETWEEN MP 602.70 AND MP 599.40)
IN COLORADO SPRINGS, EL PASO COUNTY, COLORADO
STB DOCKET NO. AB1007X**

November 19, 2007

Sent to STB December 17, 2007

Colorado Springs & Eastern Railroad Company
c/o Monica Kadrmas, Esq.
Moye White LLP
1400 16th Street, 6th Floor
Denver, CO 80202

HISTORIC REPORT

PROPOSED RAIL LINE DISCONTINUANCE AND ABANDONMENT

Proposed Action and Alternatives

Colorado Springs & Eastern Railroad Company ("CS&E") proposes to abandon approximately 3.3 miles of rail line between railroad mile post 602.70 and railroad mile post 599.40 in Colorado Springs, El Paso County, Colorado.

The line proposed for abandonment (the "Property") has not been subject to any rail traffic, and has served no customers, for many years. In fact, any such service would have been impossible because the Property consists of two isolated segments that are not connected to operating rail lines on either end. The Property is located in a neighborhood in east Colorado Springs which is primarily residential and partially commercial/industrial. The City of Colorado Springs is purchasing the Property, in segments over a series of years, from CS&E for use as a public recreational trail.

Colorado & Eastern Railroad Company, CS&E's affiliate and predecessor-in-interest, acquired the Property in 1983 from the Bankruptcy Trustee for the Chicago, Rock Island and Pacific Railroad Company during its liquidating bankruptcy case originally filed in 1975. CS&E itself is now in the process of liquidating all of its assets and going out of business. It has no satisfactory alternative to abandonment and sale of this land.

Additional Information

(1) **Maps** – Maps identifying the Property are attached and have been furnished to the appropriate historic offices. There are no railroad structures owned by CS&E along the Property.

(2) **Written Description of Right of Way** – The Property averages roughly 80 feet wide (40 feet on either side of the center line) but ranges from approximately 30 feet to approximately 250 feet. At its east end, the Property is bounded on one side by a residential subdivision and by an industrial park on the other side. In its mid-section the Property is bounded by residential subdivisions on both sides. At its west end, the Property passes through a mixed use residential area and a commercial area.

(3) **Photographs** – Because there are no structures on the Property, no photographs of structures have been included.

(4) **Date of Construction of Structures** – No structures exist on the Property.

(5) **History of Operations and Changes Contemplated** – The Property originally was part of the line of the Chicago, Rock Island and Pacific Railroad Company (the “Rock Island”) providing rail service from Kansas to Colorado Springs a century ago. In 1975 the Rock Island filed for bankruptcy. On June 2, 1980 the United States District Court for the Northern District of Illinois, which conducted the bankruptcy case, acting on the report and recommendation of the Interstate Commerce Commission, entered an order authorizing the Bankruptcy Trustee to abandon most of the Rock Island’s lines, subject only to sales of certain segments to third parties. One of those segments was in the area around Colorado Springs, Colorado. CS&E’s affiliate and predecessor-in-interest, Colorado & Eastern Railroad Company, acquired the subject Property from the Bankruptcy Trustee under the auspices of that order. Other portions of the line around Colorado Springs were acquired by other purchasers, none of which provide rail service today.

The land adjacent to the rail bed on the Property had been used for years by Colorado Springs citizens as an informal hiking/biking trail. The City of Colorado Springs (“the “City”) ultimately determined to acquire the Property for use as a “linear park” for public recreational

uses Pursuant to a series of agreements with CS&E, the City has installed a concrete hike/bike trail adjacent to the rail bed on the portion of the Property west of Powers Boulevard

Thus, the change contemplated in operation is to take it from totally dormant non-use to beneficial use as a trail owned and operated by the City of Colorado Springs for public recreational purposes There is no feasible alternative to abandonment because it has not served the needs of rail customers for many years

(6) **Documents in CS&E's Possession That Might Be Useful for Documenting a Structure That is Found to be Historic** – Since there are no structures on the property, CS&E has no documents that might be useful for documenting a structure that is found to be historic

(7) **Opinion Regarding Criteria for Listing in The National Register of Historic Places** – CS&E believes that, because there are no structures on the line to be abandoned, there is nothing to meet the criteria for listing in The National Register of Historic Places CS&E does not believe there is any likelihood of archaeological resources or any other previously unknown historic properties in the project area

(8) **Subsurface Ground Conditions That Might Affect Archaeological Recovery** – CS&E is not aware of any subsurface ground disturbance or environmental conditions that would affect archaeological recovery Abandonment of the line and salvage of material from its surface will not affect any potential archaeological resources The subsurface of the right of way was initially disturbed in the construction of the railroad line by grading and filling Abandonment and salvage of the line will not result in activities below the surface or below the level of initial disturbance

(9) **Follow-Up Information** – Additional information may be provided as appropriate

Appendix B

AGENCY LETTERS

November 19, 2007

CO PUC
1580 Logan Street, OL2
Denver, CO 80203

Regional Director
National Park Service
U S Custom House
200 Chestnut Street, Fifth Floor
Philadelphia, PA 19106

MTMCTEA
Attn: Railroads for National Defense
720 Thimble Shoals Boulevard, Suite 130
Newport News, VA 23606-2574

National Park Service
Recreation Resources Assistance Program
1849 C Street, NW (2310)
Washington DC 20240-0001

U S Department of Agriculture
Chief of the Forest Service
1400 Independence Avenue, SW
Washington DC 20250-0003

National Park Service
Land Resource Division
1849 C Street, NW #MS3540
Washington DC 20240

Re STB Docket No. AB1007X, Colorado Springs & Eastern Railroad Company –
Abandonment – Notice of Exemption in El Paso County, Colorado

Ladies and Gentlemen

Pursuant to 49 CFR § 1152.50(d)(1), Colorado Springs & Eastern Railroad Company (“CS&E”) hereby gives notice that on or about December 27th, 2007, it will file with the Surface Transportation Board a notice of exemption from regulation in accordance with the exemption regulations set forth at 49 CFR § 1152, Subpart F. That notice of exemption will permit CS&E’s abandonment of a 3.3 mile line of railroad lying between MP 602.70 and MP 599.40, in Colorado Springs, El Paso County, Colorado (see attached map). The line incorporates the following United States Postal Service Zip Codes: 80901, 80903, 80904, 80905, 80906, 80907, 80908, 80909, 80910, and 80911.

Monica Kadmas
direct 303.292.7937 monica.kadmas@moyewhite.com

MoyeWhite

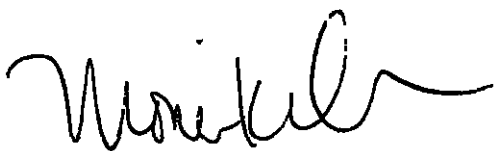
November 19, 2007

Page 2

No revenue traffic has originated or terminated or moved overhead on the line to be abandoned for more than two (2) years. Service over the line is not possible because the line consists of two isolated segments that are not connected to operating rail lines at either end. Based on information in our possession, the line does not contain any federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Sincerely,

MOYE WHITE LLP

A handwritten signature in black ink, appearing to read 'Monica Kadmas', with a stylized, flowing script.

Monica Kadmas

Mck

November 19, 2007

TO THE ATTACHED RECIPIENT LIST

Re Docket No AB1007X, Colorado Springs & Eastern Railroad Company
Abandonment – Notice of Exemption - in El Paso County, Colorado

Dear Sir/Madam

Colorado Springs & Eastern Railroad Company ("CS&E") plans to request authority from the Surface Transportation Board ("STB") to abandon the segment of rail line between MP 602.70 and MP 599 40, a distance of 3.3 miles, located in El Paso County, Colorado

Enclosed is an Environmental Report and a Historical Report which describe the proposed abandonment and other pertinent information. A map of the proposed track abandonment can be found in Appendix A of this report.

CS&E does not anticipate adverse environmental impacts, however, if you identify any adverse environmental effects please describe the actions that would assist in alleviating them. Please provide us with a written response indicating any concerns or lack thereof, which will be included in an Environmental and Historical Report and sent to the STB. Appendix B of this report lists the various agencies receiving this package.

This report is also being provided so that you may submit information that will form the basis for the STB's independent environmental analysis. If you believe any of the information is incorrect or pertinent information is missing, or if you have any questions about the Board's Environmental Review Process, please contact the Section of Environmental Analysis ("SEA") by telephone at (202) 565-1552 or by mail to

Surface Transportation Board
Washington DC 20423-001

Please refer to the above Docket Number when contacting the STB. Applicable statutes and regulations impose stringent deadlines for processing this action. For this reason, your written comments (with a copy to us) would be appreciated within (3) three weeks.

Monica Kadmas
direct 303 292 7937 monica.kadmas@moyewhite.com

Moye\White

November 19, 2007

Page 2

Your comments will be considered by the STB in evaluating the environmental impacts of the contemplated action. In order for us to consider your input prior to filing with the STB, CS&E must receive your comments within three weeks. Please provide information to Monica Kadrmas, Esq., by email at Monica.Kadrmas@moyewhite.com or by mail to

Monica Kadrmas, Esq
Moye White LLP
1400 16th Street
Sixth Floor
Denver, CO 80202

Sincerely,

Moye White LLP

A handwritten signature in black ink, appearing to read "Monika Kadrmas", with a stylized flourish at the end.

Monica Kadrmas

mck

Appendix C

AGENCY RESPONSES

Moye\Write

November 19, 2007

Page 2

Your comments will be considered by the STB in evaluating the environmental impacts of the contemplated action. In order for us to consider your input prior to filing with the STB, CS&E must receive your comments within three weeks. Please provide information to Monica Kadrmas, Esq., by email at Monica.Kadimas@moyewhite.com or by mail to

Monica Kadrmas, Esq.
Moye White LLP
1400 16th Street
Sixth Floor
Denver, CO 80202

Sincerely,

Moye White LLP



Monica Kadrmas

mck



The National Park Service reviewed this project and determined that no parks will be affected; therefore, we have no comments.

Signed: Christine J. Lee Date: 4/21/07

Monica Kadrmas

From: Langer, Greg - Colorado Springs, CO [greg.langer@co.usda.gov]
Sent: Tuesday, November 27, 2007 10:54 AM
To: Monica Kadrmas
Subject: Docket No AB1007X

Dear Monica

Based on my evaluation of the proposed actions by the Colorado Springs & Eastern Railroad Company, my responses are as follows

In regards to 49 CFR 1105.7 (e)(3) Land Use
Section (1)

This line runs through commercial/residential areas of eastern Colorado Springs and will not affect agricultural land

Section (11)

No Prime agricultural land exists in the area

A word of caution to CS&E and the City of Colorado Springs. If the railbed is knocked down it could cause an erosion problem in areas where concentrated flows have been, historically, either held back or allowed to flow through at slower rates. I would recommend leaving the bed as is and only remove the rails and ties.

If you have any questions for me, please email or call at 719-473-7104 ext 106

Thank you

Greg Langer
District Conservationist
NRCS - Colorado Springs

 OFFICE of ARCHAEOLOGY and HISTORIC PRESERVATION

28 November 2007

Monica Kadrmas, Esq
Moye White LLP
1400 16th Street
Sixth Floor
Denver, CO 80202

RE: Docket No. AB1007X, Colorado Springs & Eastern Railroad Company,
Track Abandonment, MP 602 70 and MP 599 40, Colorado Springs, El Paso County

Dear Ms Kadrmas

Thank you for your recent correspondence dated 19 November 2007, concerning the proposed abandonment of 3.3 miles of track in Colorado Springs. Our office has reviewed the submitted materials. Our office has no information on this branch line. The segment may be eligible for the National Register of Historic Places. Please complete the attached Management Data Form and Linear Component Resource Form and return them to our office (with photographs of the line) at your earliest convenience. This will allow us to conclude our review of this project.

Please note that the historic significance of the line applies not only to buildings along the route but to the track itself, as well as any associated railroad-related items such as signs and track control features. If these items are present, they should be noted on the Management Data Form.

If you have any questions, please contact Joseph Saldibar, Architectural Services Coordinator, at (303) 866-3741.

Sincerely,

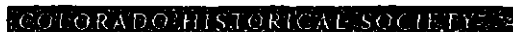
for 
Georgianna Contiguglia
State Historic Preservation Officer, and
President, Colorado Historical Society

Attached: Management Data Form and Linear Component Resource Form

OFFICE OF ARCHAEOLOGY AND HISTORIC PRESERVATION

303-866-3392 * Fax 303-866-2711 * E-mail: oahp@chshs.state.co.us * Internet: www.coloradohistory-oahp.org

- 1 -

 COLORADO HISTORICAL SOCIETY

1300 BROADWAY DENVER, COLORADO 80203 TEL 303/866-3395 FAX 303/866-2711 www.coloradohistory-oahp.org