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July 14, 2008

Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423



RE: Finance Docket No. 35166, *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp.-Continuance-in-Control Exemption* Sierra & Central Pacific Railroad Company, Inc

Dear Acting Secretary Quinlan:

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, and a CD with the file Notice of Exemption

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: Sierra & Central Pacific Railroad
Company, Inc.

ENTERED
Office of Proceedings

JUL 16 2008

Part of
Public Record

Enclosures

FEE RECEIVED

JUL 16 2008

**SURFACE
TRANSPORTATION BOARD**

FILED

JUL 16 2008

**SURFACE
TRANSPORTATION BOARD**

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 35166

PATRIOT RAIL, LLC, PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP.
-CONTINUANCE-IN-CONTROL EXEMPTION-
SIERRA & CENTRAL PACIFIC RAILROAD COMPANY, INC.

VERIFIED NOTICE OF EXEMPTION

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(561) 443-5300

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(202) 466-6532
Lou_Gitomer@verizon.net

Attorneys for SIERRA & CENTRAL
PACIFIC RAILROAD COMPANY, INC.

Dated: July 14, 2008

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Finance Docket No. 35166

PATRIOT RAIL, LLC, PATRIOT RAIL HOLDINGS LLC, AND PATRIOT RAIL CORP.
—CONTINUANCE-IN-CONTROL EXEMPTION—
SIERRA & CENTRAL PACIFIC RAILROAD COMPANY, INC.

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 with the Surface Transportation Board (the “Board”) from the prior approval requirements of 49 U.S.C. §§ 11323-11325. This Verified Notice of Exemption is being filed to permit PRL, PRH, and Patriot to continue-in-control of the Sierra & Central Pacific Railroad Company, Inc. (“SCPRR”) once it becomes a rail carrier upon authorization to acquire and operate about 80.30 miles of track from the Sierra Northern Railway (“SNR”) and Sierra Railroad Company (“SRC”) between: (1) Oakdale, CA, milepost 0.0, and Sonora, CA, milepost 49.0; (2) the Woodland Branch, between milepost 1.75 and milepost 16.5, with the right of access through the Union Pacific Railroad Company’s (“UP”) Westgate Yard; (3) the industrial switching operation over about 4.50 miles at the Riverbank Arsenal over property leased from the U. S. Government through its agent NI Industries, Inc.; and (4) operation at the Port of Sacramento over track that is leased from the Port of Sacramento, with the right of access

through the UP's Westgate Yard¹ (the "Lines"). All of the lines are currently operated by SNR. The Woodland Branch, the Port of Sacramento operation, and the Riverbank Arsenal operation are being acquired from SNR and the Oakdale-Sonora line is being acquired from SRC.

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., control SCPRR. SCPRR. One Boca Place, 2255 Glades Road, Suite 342W, Boca Raton, FL 33431, (561) 443-5300, is a non-carrier that has filed a concurrent notice of exemption under 49 C.F.R. § 1150.31, *et seq.*, to acquire and operate about 80.30 miles of track between: (1) Oakdale, CA, milepost 0.0, and Sonora, CA, milepost 49.0, (2) the Woodland Branch, between milepost 1.75 and milepost 16.5, with the right of access through the UP's Westgate Yard; (3) the switching operation over about 4.50 miles at the Riverbank Arsenal over property leased from the U S. Government through its agent NI Industries, Inc.; and (4) operation at the Port of Sacramento over track that is leased from the Port of Sacramento, with the right of access through the UP's Westgate Yard. All of the lines are currently operated by SNR. The Woodland Branch, the Port of Sacramento operation, and the Riverbank Arsenal operation are being acquired from SNR and the Oakdale-Sonora line is being acquired from SRC. Finance Docket No. 35165, *Sierra & Central Pacific Railroad Company, Inc –Acquisition and Operation Exemption–Sierra Northern Railway and Sierra Railroad Company*.

¹ The 80.30 miles that SCPRR is acquiring include spur, side, and yard trackage in addition to the main lines being acquired.

Upon acquiring the Lines, SCPRR will become a rail carrier. Therefore, PRL, PRH, and Patriot have filed this notice of exemption to continue-in-control of SCPRR once it becomes a rail carrier.

This is a transaction where SCPRR will not connect with any of subsidiary railroads of PRI., PRH, and Patriot. where the continuance in control of SCPRR is not intended to connect with any railroads in the corporate family of PRL, PRH, and Patriot, and where a class I carrier is not involved. It meets the requirements of 49 C.F.R. § 1180.2(d)(2)(2).

All of the railroads controlled by PRL, PRH, and Patriot are Class III railroads. The Line to be acquired by SCPRR is described above. The properties of SCPRR and the subsidiaries of PRI., PRH, and Patriot do not connect. SCPRR is located in California. The Tennessee Southern Railroad Company ("TSRR") is a class III rail carrier whose lines are located in Tennessee and Alabama. Rarus Railway Company ("Rarus") is a class III rail carrier whose lines are located in Montana. The Utah Central Railway Company ("UCRY") is a class III rail carrier whose lines are located in Utah. The Sacramento Valley Railroad, Inc. (the "SAVR") is a class III rail carrier that operates over lines located within McClellan Business Park, in McClellan, Sacramento County, CA. The Louisiana and North West Railroad Company LLC (the "LNW") is a class III carrier that owns, leases, and operates lines located in Arkansas and Louisiana.

SAVR and SCPRR operate railroad lines in California, however, the lines do not connect. SAVR's operations are limited to the McClellan Business Park. SAVR accesses the national rail system through interchange with the UP and BNSF. SAVR connects with UP tracks. SCPRR's lines do not enter the McClellan Business Park. Therefore, the lines of the railroads controlled by PRL, PRH, and Patriot do not connect with the lines being acquired by SCPRR.

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 TSRR, 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 in April 2007. Patriot owns 100% of the outstanding stock of UCRY, which was acquired in January 2008. Patriot owns 100% of the outstanding stock of SAVR, which was acquired in April 2008. Patriot owns 100% of the membership interest in LNW, which was acquired in July 2008.

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.

SCPRR intends to commence operations over the Line on or about August 15, 2008. PRL, PRH, and Patriot own the stock of SCPRR and will continue-in-control of SCPRR upon SCPRR commencing operations over the Line.

c. 1180.6(a)(1)(iii). The purpose sought to be accomplished by the proposed transaction, e.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 SCPRR, to improve service to shippers on the Line, and to create a financially viable railroad in SCPRR.

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. UCRY operates in the State of Utah. SAVR operates in the State of California. LNW operates in the states of Arkansas and Louisiana. SCPRR will operate in the State of California.

e. **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.

SCPRR, as a non-carrier, is controlled by PRL, PRH, and Patriot. There is no agreement between SCPRR and PRL, PRH, and Patriot.

g. **Labor Protection.**

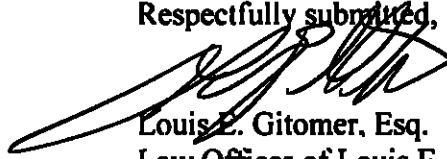
UCRY, TSRR, Rarus, SAVR, and LNW are all class III railroads. SCPRR will become a class III railroad. As such, under 49 U.S.C. § 11326(c), labor protection does not apply to this transaction.

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.

Robert I. Schellig, Jr.
Vice President – Law
Patriot Rail Corporation
One Boca Place, 2255 Glades Road
Suite 342W
Boca Raton, FL 33431
(561) 443-5300

Respectfully submitted,



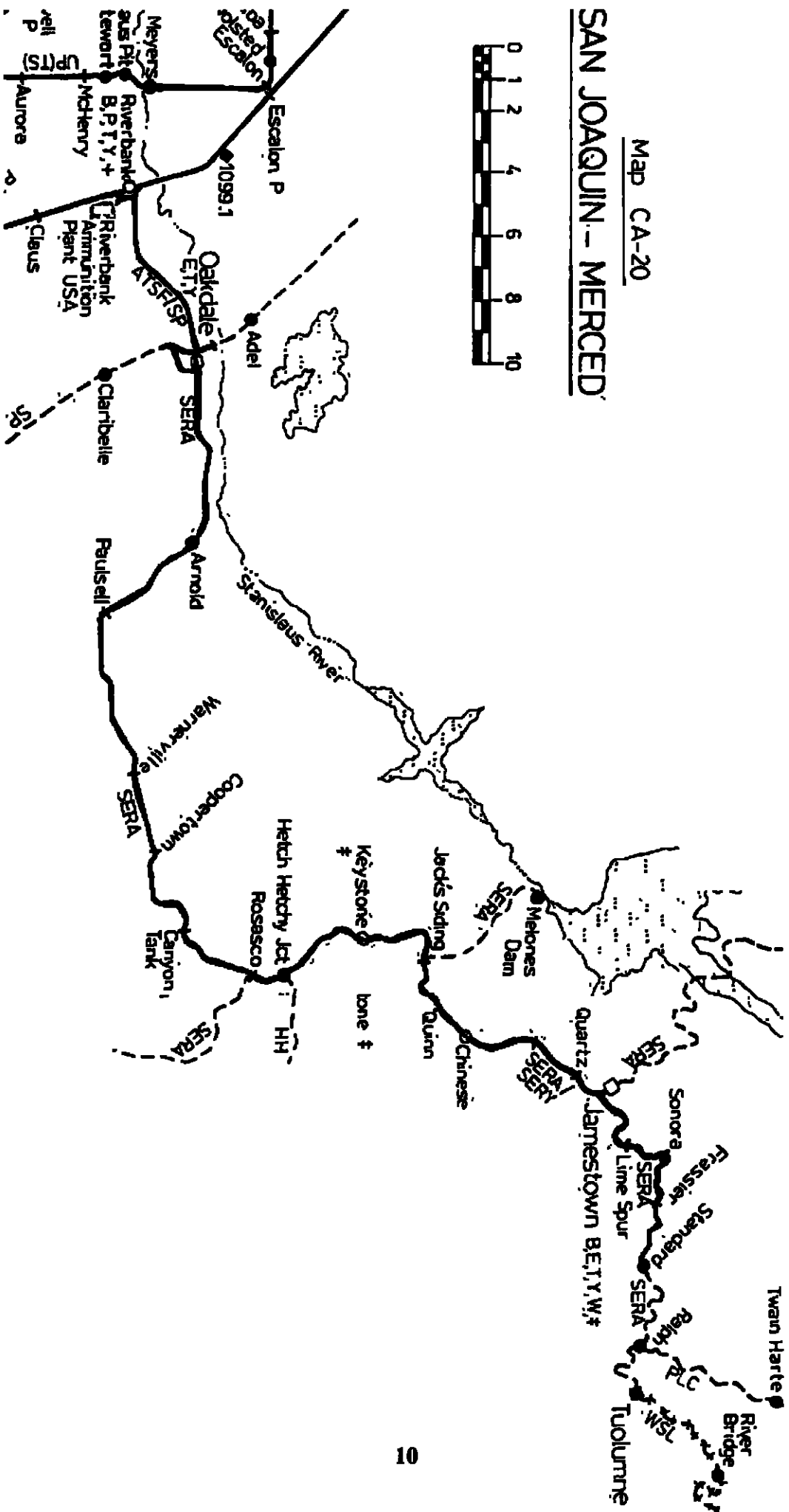
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Suite 301
Towson, MD 21204
(202) 466-6532
Lou_Gitomer@verizon.net

Attorneys for SIERRA & CENTRAL
PACIFIC RAILROAD COMPANY, INC.

Dated: July 14, 2008

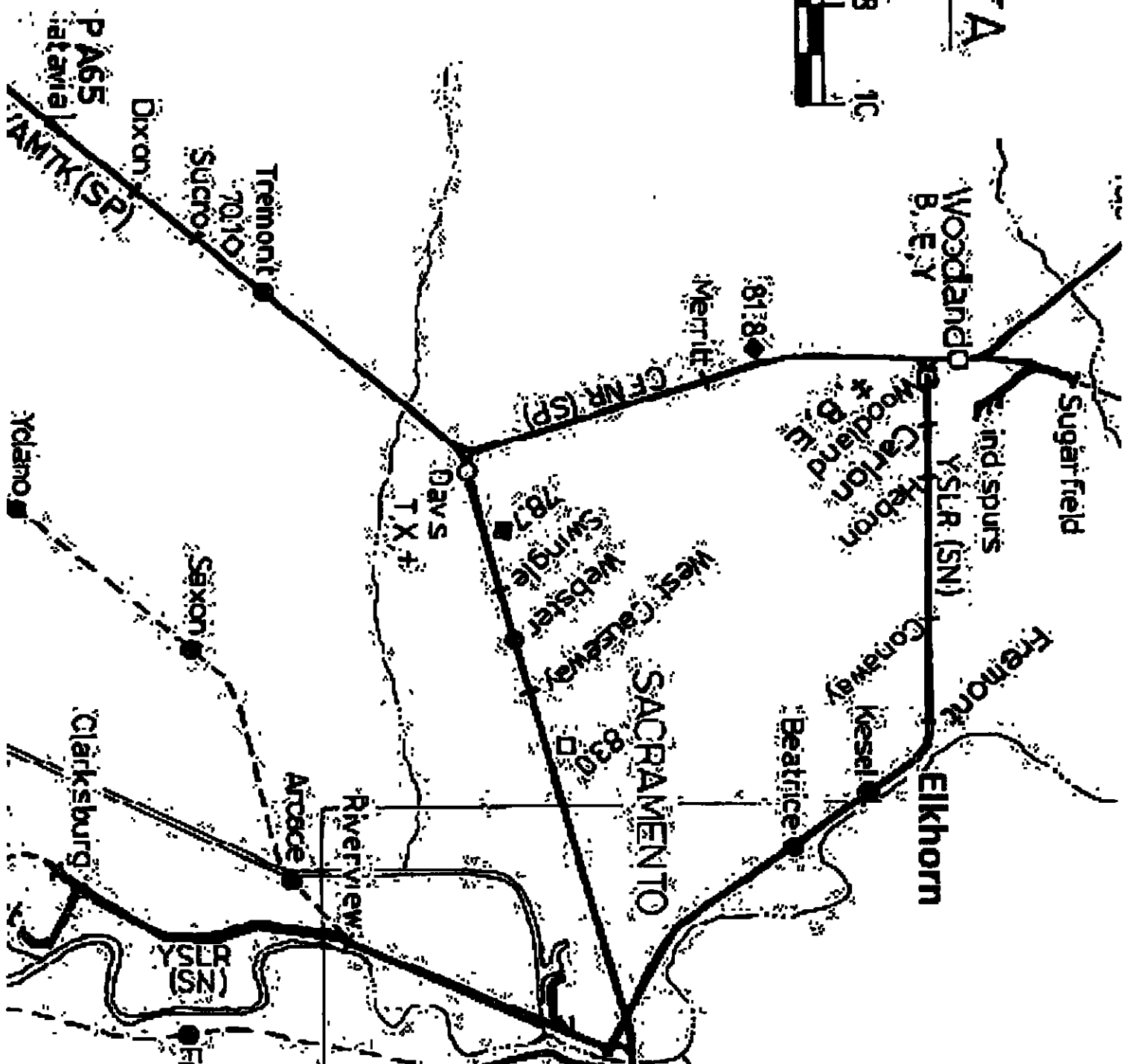
EXHIBIT A-MAPS

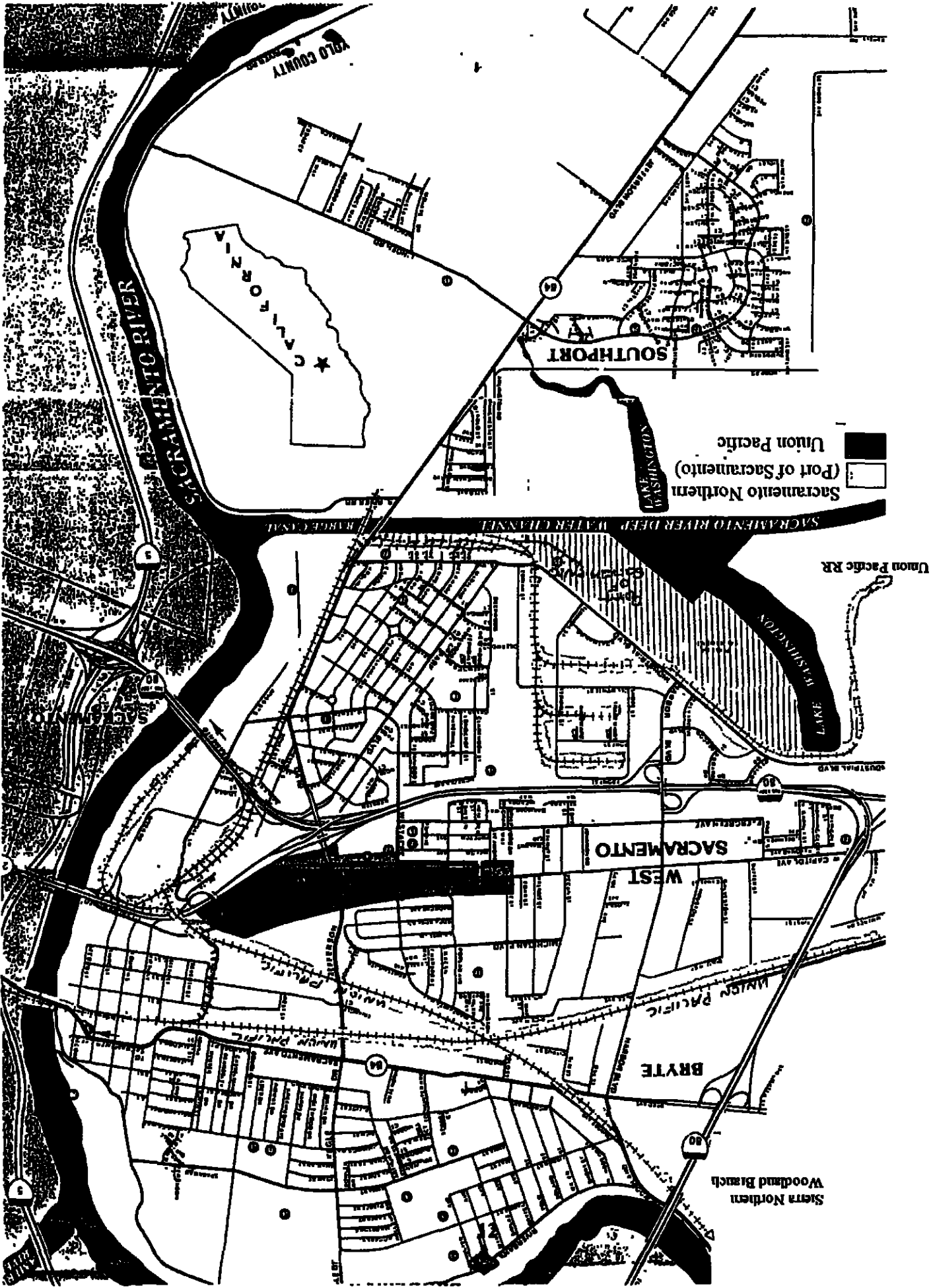
Map CA-20



Map CA-11

NORTH DELTA





Sacramento Northern
(Port of Sacramento)
Union Pacific

Union Pacific RR

Sierra Northern
Woodland Branch

BRYTE

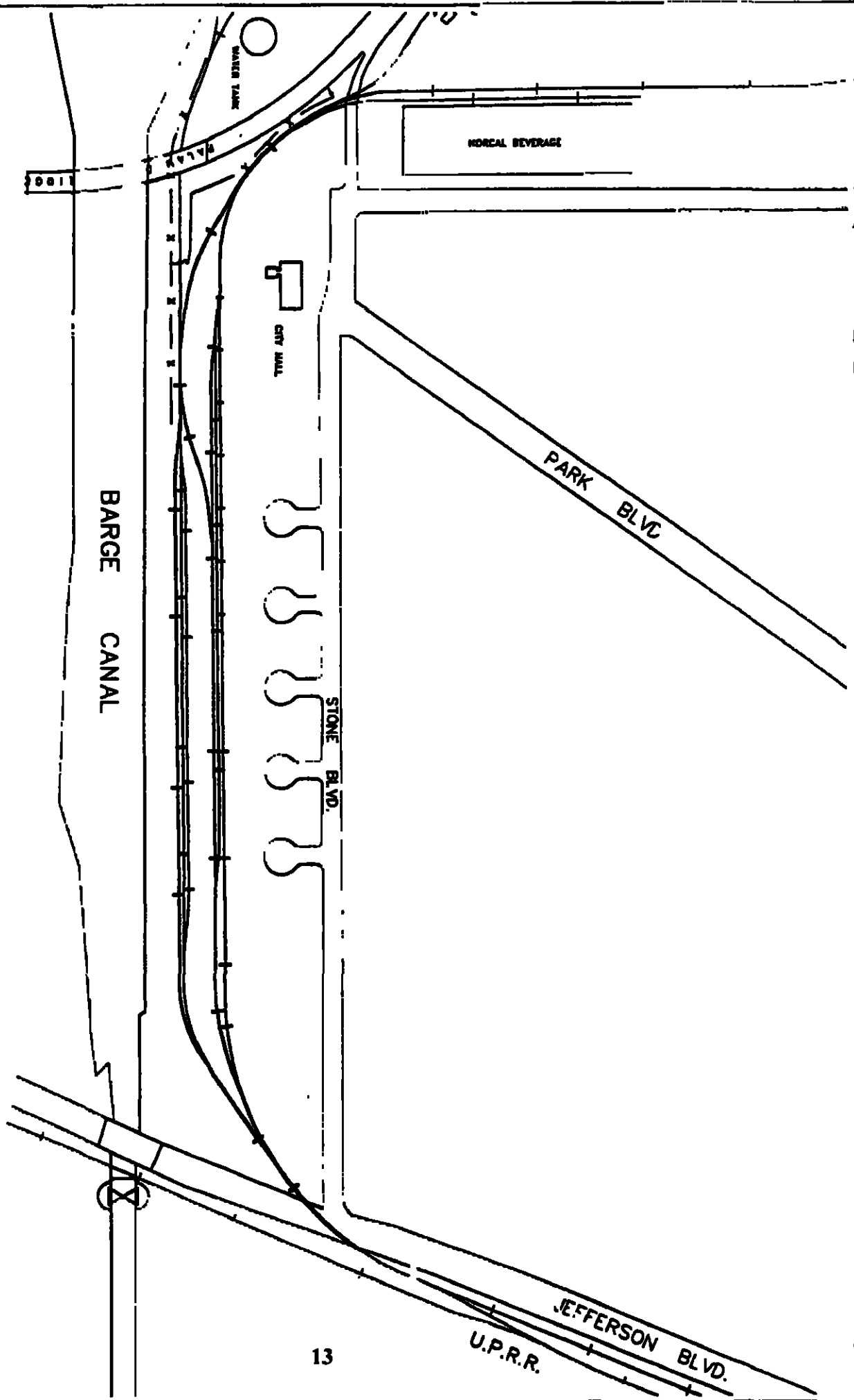
WEST
SACRAMENTO

SOUTHPORT

SACRAMENTO RIVER

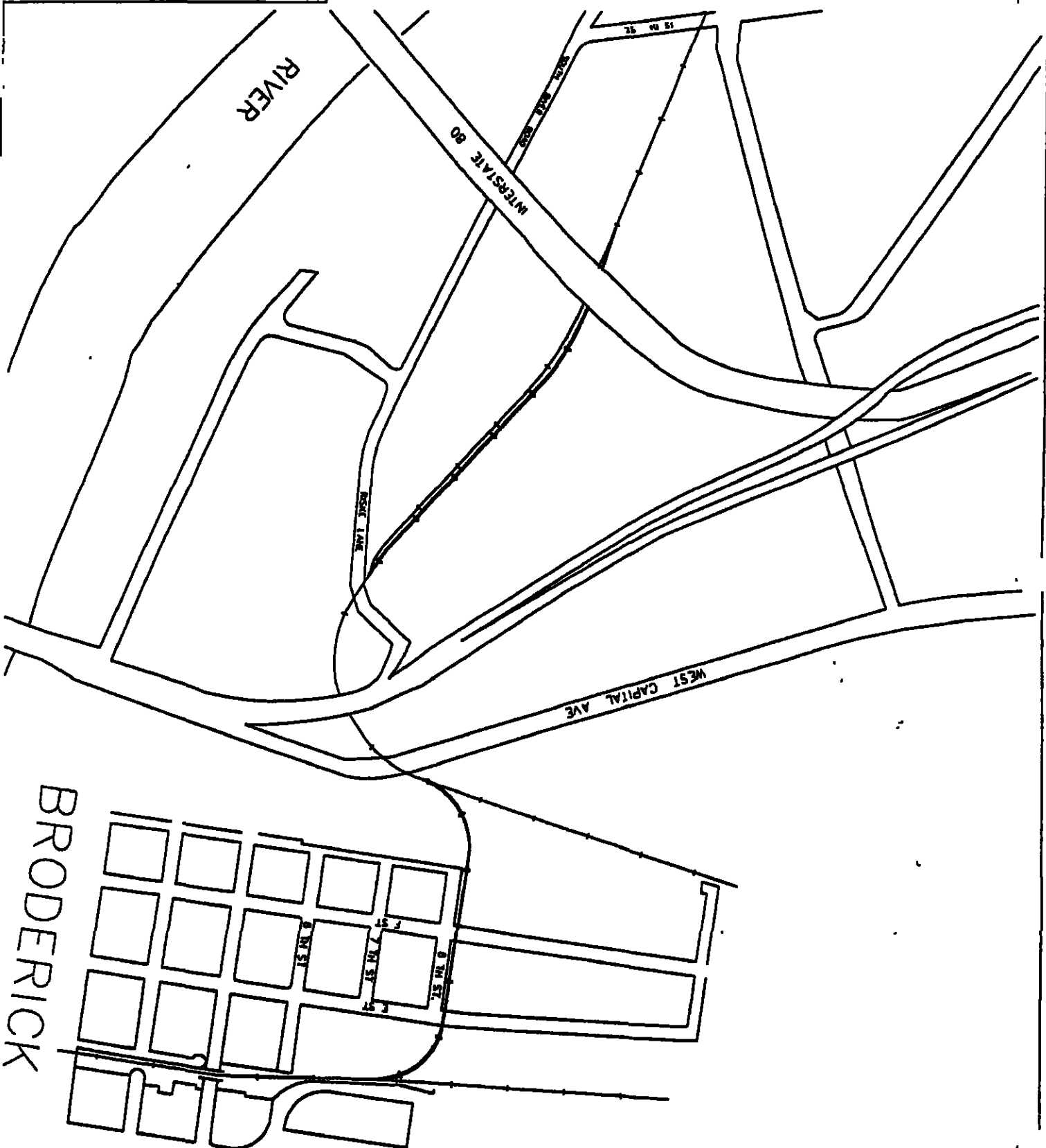
CALIFORNIA

SACRAMENTO COUNTY



PORT OF SACRAMENTO			
SACRAMENTO - TUG BOAT SERVICE			
DATE	SCALE	SHEET NO.	
1951	1" = 1/2 MI.	13	
DRAWN BY			
CHECKED BY			
APPROVED BY			
TITLE			

DATE	SCALE	SHEET	OF	FILE NO.
		1	2	
PORT OF SACRAMENTO				
EXHIBIT "A"				
SACRAMENTO - YARD PORT DISTRICT				



To Tehama

California
Northern RR

Sacramento Area Railroads

To Yuba City/
Oroville

Sacramento River (Gully)

To Roseville

UP

UP

Placerville Branch
11 miles
in service

To Folsom

Davis

UP

Sierra Northern Railway
Woodland
Branch

Woodland

West
Sacramento

Major Sacramento Yards
UP and Sierra Northern
Port of Sacramento

Sacramento

Duke Tower

South
Sacramento Yard

Polk

P&G

CCT

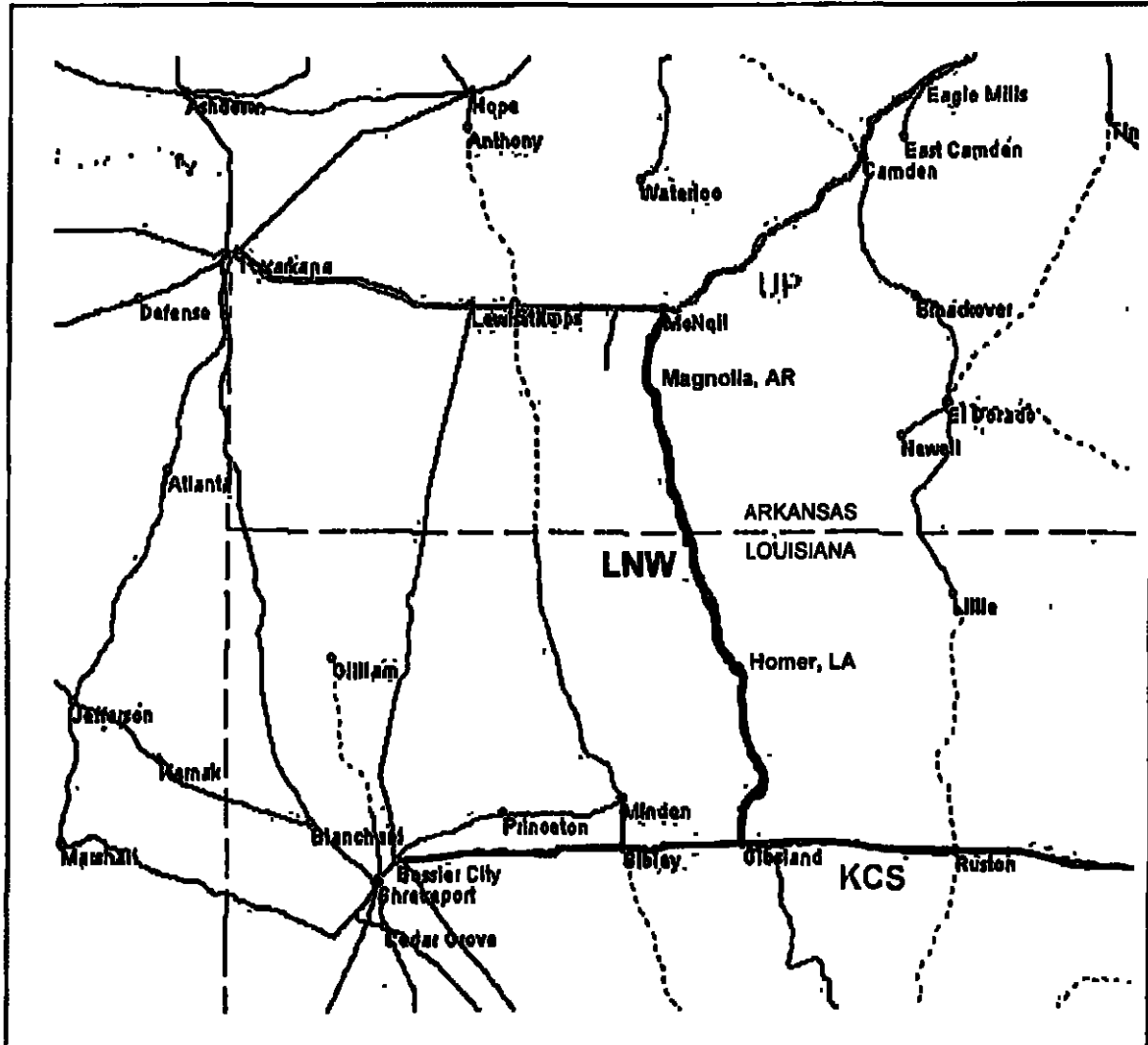
To Stockton

To Lodi/
Stockton

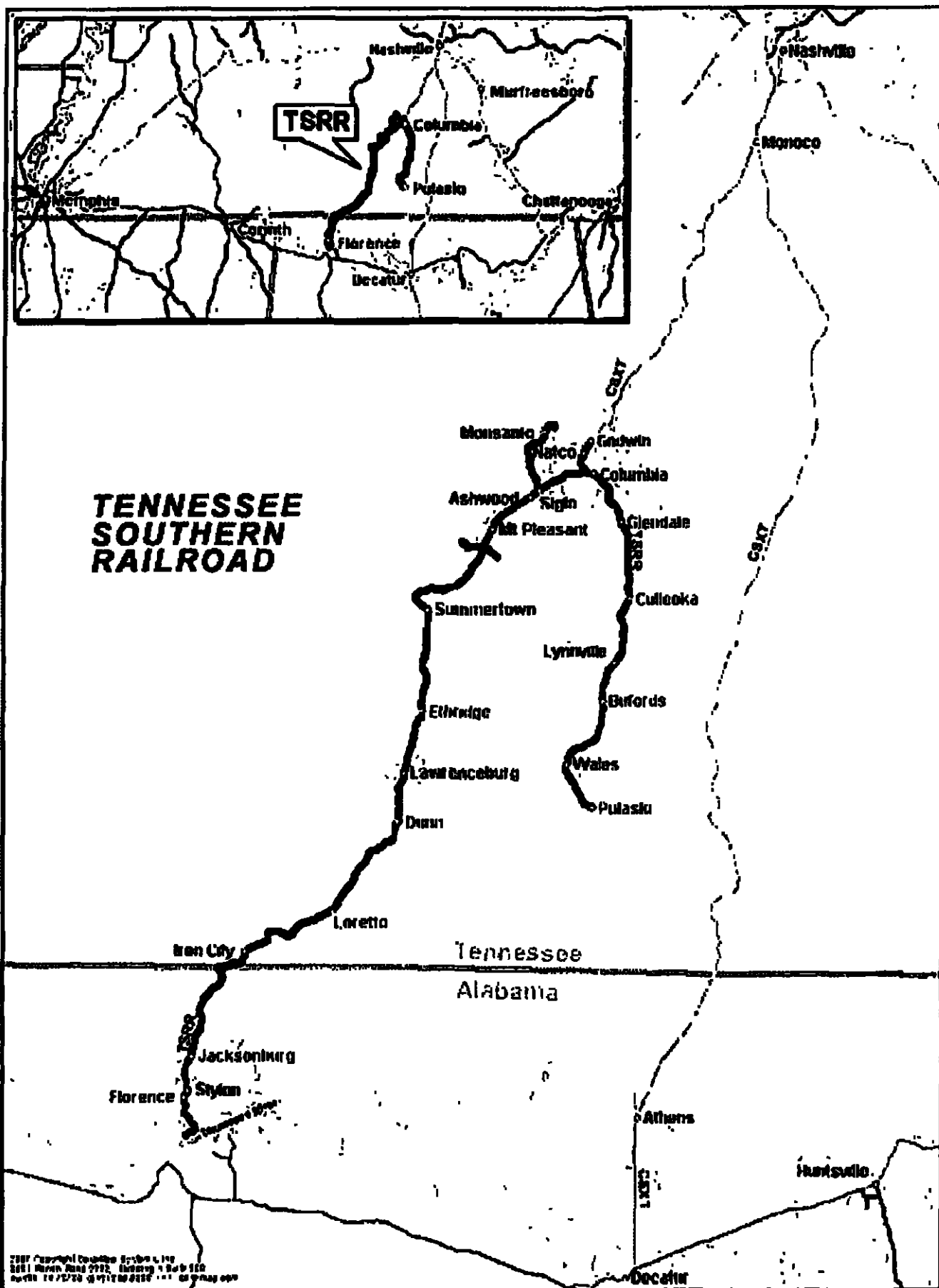
To Oakland

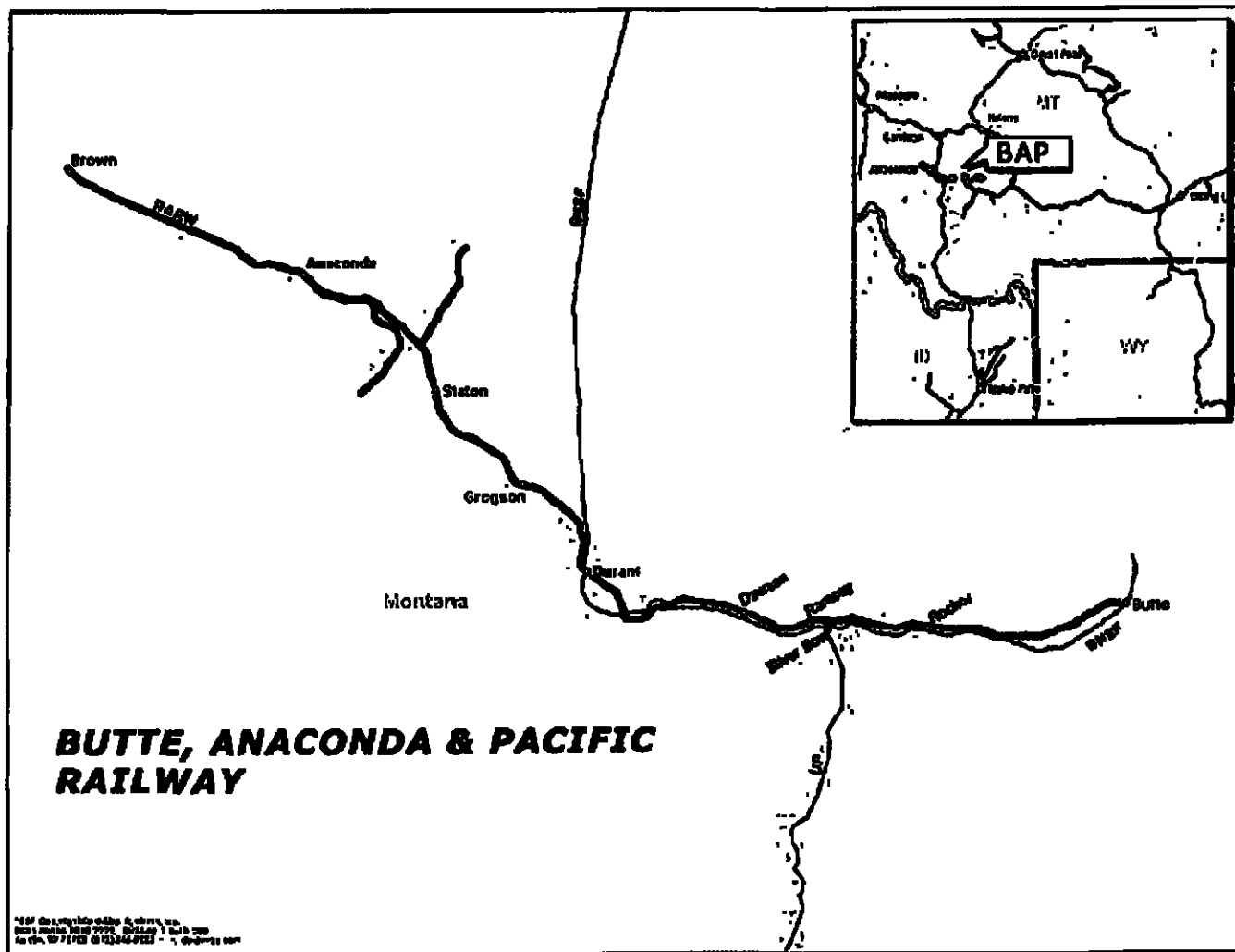


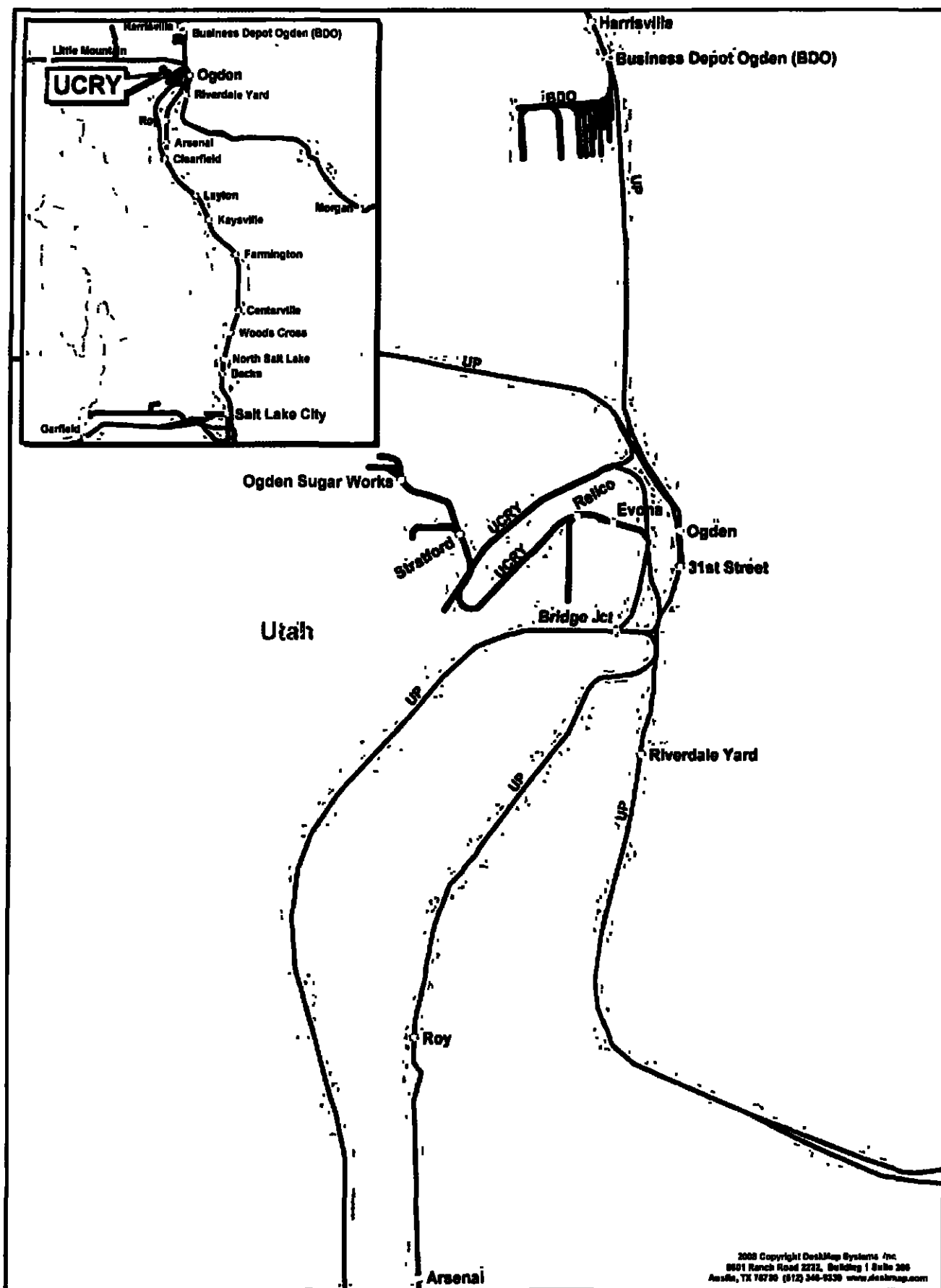
Louisiana and North West Railroad (LNW) Map

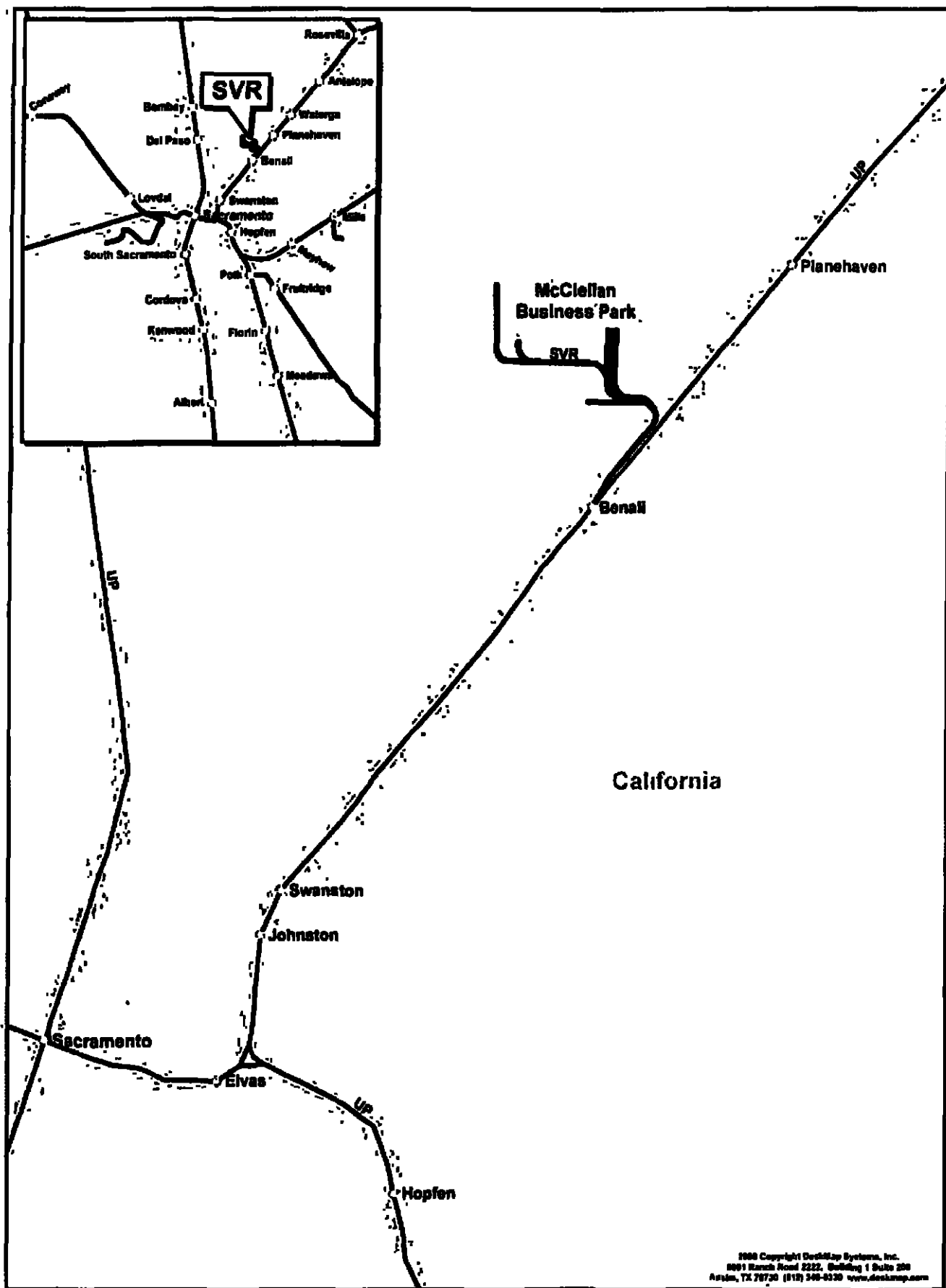


The Louisiana and North West Railroad (LNU) operates 63 miles of owned and leased rail line from Gibsland, Louisiana, to McNeil, Arkansas. The railroad leases 6.8 miles (from Magnolia to McNeil, Arkansas) from the Union Pacific Railroad (UP). LNU interchanges traffic with the UP at McNeil and with Kansas City Southern (KCS) at Gibsland, LA.







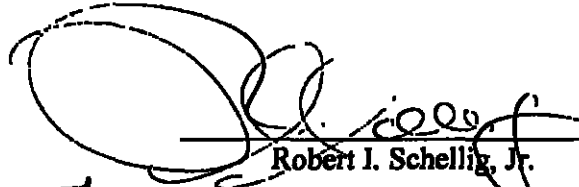


**EXHIBIT B-AGREEMENT
NONE**

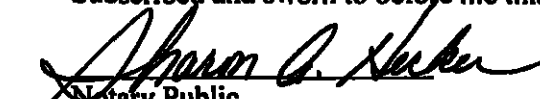
VERIFICATION

State of Florida)
) ss
County of Palm Beach)

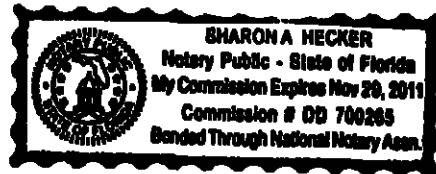
Robert I. Schellig, Jr., being duly sworn, deposes and says that he is Vice-President, Law of Patriot Rail Corp., a Delaware corporation, and that he has read the foregoing, knows the contents thereof, and that the same are true as stated to the best of his knowledge, information and belief.


Robert I. Schellig, Jr.

Subscribed and sworn to before me this 11th day of July 2008.


Notary Public

My Commission expires: 11/29/2011



CERTIFICATE OF SERVICE

I hereby certify that I have caused the Verified Notice of Exemption in Finance Docket 35166, *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp –Continuance-in-Control Exemption–Sierra & Central Pacific Railroad Company, Inc.*, 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 California.



Louis E. Gitomer
July 14, 2008