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KARL MORELL

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December 1, 2008

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423-0001

Re: Finance Docket No. 35187, Grand Elk Railroad, LLC – Lease and
Operation Exemption – Norfolk Southern Railway Company

Dear Acting Secretary Quinlan:

On November 25, 2008, Grand Elk Railroad, LLC ("GER"), certified to the Board that on November 20, 2008, GER had posted the attached Notice at the workplace of the employees on the rail lines that are the subject of this transaction and that on November 25, 2008, GER served a copy of the Notice on the national offices of all labor unions with employees on the affected line. Since that time, it has come to the attention of GER that there are two additional labor unions that were not served with a copy of the Notice and that the Notice was not posted at one workplace. Although no employee of those two labor unions will be affected by this transaction, GER today served a copy of the Notice on those two additional labor unions and had posted the Notice at the additional workplace.

Accordingly, GER hereby certifies that on November 20, 2008 and December 1, 2008, GER had posted the attached Notice at the workplace of the employees on the rail lines that are the subject of this transaction and that on November 25, 2008 and December 1, 2008, GER served a copy of the Notice on the national offices of all labor unions with employees on the affected rail lines.

In light of this revised certification, the Notice of Exemption in this proceeding will become effective on January 31, 2009.

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If you have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Karl Morell". The signature is fluid and cursive, with the first name "Karl" being more prominent and the last name "Morell" following in a similar style.

Karl Morell

Enclosure

NOTICE

Grand Elk Railroad, L.L.C. ("GER"), a Delaware Limited Liability Company, will be leasing and operating the freight portion of the rail lines located between: (1) Milepost KH 1.4 at Elkhart, IN and Milepost KH 27.4 at Three Rivers, MI; (2) Milepost FB 27.3 at Three Rivers and Milepost FB 102.3 at Grand Rapids; (3) Milepost KZ 94.25 and Milepost KZ 95.0 (Kalamazoo Industrial Track); (4) Milepost OW 66.6 and Milepost OW 70.24 (Plainwell Industrial Track); (5) Milepost XH 88.10 and Milepost XH 92.40 (Hastings Running Track); (6) Milepost CQ 42.8 and Milepost CQ 43.9 (CK&S Industrial Track); (7) Milepost KY 0.0 and Milepost KY 3.2 (B O Secondary); (8) Milepost UP 0.0 and Milepost UP 6.7 (Upjohn Secondary); (9) Milepost QY 421.2 and Milepost QY 421.3 (Quincy Secondary); (10) Milepost VW 106.0 and Milepost VW 106.9 (Comstock Industrial Track); (11) Milepost AZ 69.6 and Milepost AZ 70.4 (Airline Extension); and (12) Milepost IJ 44.3 and Milepost IJ 44.7 (CK&S Industrial Track), along with 0.43 mile of trackage rights over the Michigan Main Line between MP 143.03 and 142.60 at Botsford Yard and the yard tracks in Botsford Yard located between Milepost MH 141.8 and Milepost MH 142.7.

GER operations on the leased lines are expected to commence on March 1, 2009.

As a result of operating the freight portion of the rail lines, GER expects to have approximately 58 employment opportunities, including 7 managerial positions, in the following locations: Grand Rapids and Kalamazoo. The non-managerial positions require the following minimum skills and/or qualifications:

Conductor:

Approximately 15 positions as follows: Grand Rapids (4) and Kalamazoo (11). These positions require the following minimum skills and/or qualifications:

- At least 1 year experience as a Conductor/Brakeman.
- Must have Qualifications on the General Code of Operating Rules (GCOR) and have passed a written test in the past 18 months.
- Must have an understanding of air brake and mechanical systems of a train and locomotives, and pass a written test to verify competency.

Engineer:

Approximately 12 positions as follows: Grand Rapids (2) and Kalamazoo (10). These positions require the following minimum skills and/or qualifications:

- At least 1 year experience as a Locomotive Engineer.
- Must possess a valid Engineer's certificate issued by a program in compliance with 49 CFR Part 240.
- Must be able to meet all hearing and vision requirements of 49 CFR Part 240.
- Must have Qualifications on the General Code of Operating Rules (GCOR) and have passed a written test in the past 18 months.
- Must have an understanding of air brake and mechanical systems of a train and locomotives, and pass a written test to verify competency.

Clerks:

Approximately 2 positions located in Kalamazoo, MI. These positions require the following minimum skills and/or qualifications:

- Involved in day to day record keeping, billing, filing, and typing and general office duties.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.
- This position will be accountable to all managers within the operation and is responsible for office coordination of activities.
- Other duties as assigned.

Locomotive Electrical:

Approximately 1 position located in Grand Rapids, MI. This position requires the following minimum skills and/or qualifications:

- Makes repairs and performs scheduled maintenance to both inbound and outbound locomotives.
- Must have knowledge of and comply with FRA standards.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.
- Prefer background in technical training in Electrical maintenance/repair.
- Demonstrated knowledge and ability in using required hand and power tools.

Locomotive Mechanical:

Approximately 2 positions located in Grand Rapids, MI (1) and Kalamazoo, MI (1). These positions require the following minimum skills and/or qualifications:

- Makes repairs and performs scheduled maintenance to both inbound and outbound locomotives.
- Must have knowledge of and comply with FRA standards.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.
- Prefer background in technical training in Diesel maintenance/repair.
- Demonstrated knowledge and ability in using required hand and power tools.

Track Inspector:

1 position located in Kalamazoo, MI. This position requires the following minimum skills and/or qualifications:

- Inspect railroad tracks, switches, crossings, bridges, roadbed and other parts of the railroad for any defects that would affect the safe operation of train traffic. The individual must be familiar with the Federal Railroad Administration Track Safety Standards part 213 and be able to Supervise activities of workers engaged in the installation and repair of railroad track on specified territory according to 49 CFR 213.7.
- Implement remedial action on defects pending repair.
- Inspect completed work to verify conformance to government regulations.

- Prepare inspection reports for management and government compliance.
- Must possess 3 years supervisory experience in Railroad Track Maintenance.

MoW Foreman:

Approximately 2 positions as follows: Grand Rapids (1) and Kalamazoo (1). These positions require the following minimum skills and/or qualifications:

- Supervises activities of workers engaged in the installation and repair of railroad track on specified territory according to 49 CFR 213.7.
- Installs and repairs railroad track on specified territory of railroad, is able to read, understand and apply, FRA track standards, track charts, track engineering standards book, GCOR, Safety rules, curve data, and be able to plan, project and apply the work force in an effective and efficient manner, provide track inspections,
- Supervise all track and switch repair/ rebuilding and new construction while maintaining a safe work environment.
- Follows guidelines for proper maintenance of track equipment and complies with applicable Roadway Worker Protection rules.
- Must possess 3 years supervisory experience in Railroad Track Maintenance.

MoW laborer:

Approximately 6 positions as follows: Grand Rapids (2) and Kalamazoo (4). These positions require the following minimum skills and/or qualifications:

- Perform tasks associated with track work including but not limited to, pulling and driving spikes, replacing ties, surfacing track, changing rail, bars, and other track apparatus.
- Must be willing to learn and apply FRA rules and regulations and be able to perform maintenance in a timely manner.
- Must be willing to learn to operate in a safe and efficient manner, all equipment and tools associated with track maintenance.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.

Welder:

Approximately 1 position as follows: Kalamazoo (1). This position requires the following minimum skills and/or qualifications:

- Welds metal parts together using both gas welding or brazing and any combination of arc welding processes.
- Performs related tasks such as thermal cutting and grinding.
- Repairs broken or cracked parts, fills holes, and increases size of metal parts.
- Must possess a high school education or GED, and a minimum of 3 years job-related experience; or equivalent combination of education and experience.

Welder Helper:

Approximately 1 position as follows: Kalamazoo (1). This position requires the following minimum skills and/or qualifications:

- Welds metal parts together using both gas welding or brazing and any combination of arc welding processes.
- Performs related tasks such as thermal cutting and grinding.
- Repairs broken or cracked parts, fills holes, and increases size of metal parts.
- Must possess a high school education or GED, and a minimum of 6 months job-related experience; or equivalent combination of education and experience.

Signal Supervisor:

1 position located in Kalamazoo, MI. This position requires the following minimum skills and/or qualifications:

- Directs signal work leaders and foreman to complete construction projects and required maintenance including FRA required test and inspections.
- Inspects signal equipment to determine sequence of repair.
- Directs and assists workers in installing or repairing signal equipment, such as wayside signals, defect detectors and crossing protections. Inspects completed work for conformance to company specifications.
- Must possess a high school education or GED, and a minimum of 5 years job-related experience; or equivalent combination of education and experience.

Signal Maintainer:

Approximately 4 positions as follows: Grand Rapids (1) and Kalamazoo (3). These positions require the following minimum skills and/or qualifications:

- Responsible for installing, testing, troubleshooting, repairing and maintaining various railroad signals and grade crossing warning device equipment.
- Loading and unloading supplies, digging holes and trenches for cable, painting signal equipment, and climbing and working on poles and signal masts. Could also handle cable and wire and make electrical connections.
- Safely and effectively operate non-power tools, high precision measuring tools, power tools and low precision measuring tools.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.

Carmen Foreman:

Approximately 1 position as follows: Kalamazoo (1). This position requires the following minimum skills and/or qualifications:

- Responsible for supervision of rail car inspection and maintenance in accordance with FRA standards.
- Familiar with AAR office manual, ability to identify AAR/FRA defects when present on railcars.
- Must possess a high school education or GED, and a minimum of 5 years job-related experience; or equivalent combination of education and experience.
- Comply with all FRA and Watco safety standards.
- Other duties as assigned.

Carmen:

Approximately 2 positions as follows: Kalamazoo (2). These positions require the following minimum skills and/or qualifications:

- Maintain, replace and/or repair air brake pipes, valves, gaskets, air hoses and other equipment as required.
- Inspects outlet gates on hopper cars and air dumps for defects and ensures they are properly secured.
- Operates electrical and gas welding equipment to join a variety of metals and alloys; operates acetylene torches for cutting and/or shaping metal parts such as aluminum, cast iron, steel, bronze, etc. Operates specialized off-highway motor vehicles including forklift trucks, mobile cranes, track mobiles, and ship tractors.
- Familiar with AAR office manual, ability to identify AAR/FRA defects when present on railcars.
- Must possess a high school education or GED, and a minimum of 12 months job-related experience; or equivalent combination of education and experience.

The 7 managerial positions are as follows:

General Manager:

1 Position located in Kalamazoo, MI.

Train Masters:

Approximately 3 positions as follows: Grand Rapids (1) and Kalamazoo (2).

Marketing Manager:

1 positions located in Kalamazoo, MI.

Chief Mechanical Officer:

1 position located in Grand Rapids, MI.

Roadmaster:

1 position located in Kalamazoo, MI.

The most qualified candidates will be selected from the available pool of applicants without regard to race, creed, color, religion, national origin, sex, age, marital status, disability or veteran status. The selection criteria will be job-related skills and attributes as outlined above. Successful candidates must have a stable work record and exhibit safe work practices. The ability to work in a team environment with a focus on customer service is critical. Applicants must be able to read and comprehend regulations and instructions in English, as well as possess good oral communication skills. Successful applicants will be required to pass a pre-employment drug and alcohol screen and complete a medical questionnaire. Every employee is an at-will employee. All employees are expected to know and abide by the standard code of Employee Conduct.

Anyone interested in these positions can contact the following:

Chris Spear
620-687-4411
cspear@watcocompanies.com

315 W 3rd
Pittsburg, KS 66762

Grand Elk Railroad
Kalamazoo, MI