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ASSOCIATE



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June 3, 2005

**VIA CERTIFIED RETURN RECEIPT
& FACSIMILE (610.793.4396)**

Troy Brady
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423

Re: Lake Superior & Ishpeming Railroad Company – Abandonment Exemption –
in Marquette County, MI
STB Docket No. AB-68 (Sub.-No. 4X)

Dear Mr. Brady:

The Surface Transportation Board's (the "STB") decision granting a petition for exemption from the prior approval requirements of 49 U.S.C. § 10903 for Lake Superior and Ishpeming Railroad Company (the "LS&I") to abandon a segment of a line of railroad known as the Republic Subdivision, extending from Humboldt Junction (Milepost 85.6) south approximately 8.9 miles to the end of track at Republic Mine (Milepost 94.5), in Marquette County, MI, required the LS&I to conduct a number of consultations prior to the consummation of salvage operations. Consultations with the National Geodetic Survey, Michigan Department of Natural Resources, U.S. Environmental Protection Agency, Region 5, and the Michigan Department of Environmental Quality, Water Division, were completed some time ago. After completing the consultations with the three Indian Tribes in the area of the abandoned line, the United States Fish & Wildlife Service and the Republic Township Planning Commission, we believe that the consultation requirements in the STB's decision effective February 18, 2005 have been satisfactorily completed. Therefore, the LS&I intends to begin salvage operations on June 1, 2005.

A. Consultation with the Affected Indian Tribes

In response to Mr. Cecil Pavlat's concern for possible inadvertent discovery of any objects or remains covered by 43 C.F.R. Part 10 unearthed during the salvage operations, we have satisfactorily conducted consultations with the Bay Mills Indian Community, Keweenaw Bay Indian Community and Sault Ste. Marie Tribe of Chippewa Indians (collectively the "Tribes"). Pursuant to these consultations, the LS&I has provided the Tribes with the following

Salvage Operation Plan in the event of an inadvertent discovery of objects or remains covered by 43 C.F.R. Part 10:

1. Provide immediate telephone notification of the inadvertent discovery, with written confirmation, to the responsible Federal agency official with the Surface Transportation Board, the responsible state officials and law enforcement agencies and the responsible Tribal officials for the Bay Mills Indian Community, Keweenaw Bay Indian Community and Sault Ste. Marie Tribe of Chippewa Indians; and
2. Stop the activity in the area of the inadvertent discovery and make a reasonable effort to protect the human remains, funerary objects, sacred objects, or objects of cultural patrimony discovered inadvertently.

B. Consultation with the United States Fish & Wildlife Service

In response to the requirement to consult with the United States Fish & Wildlife Service (the "USFW"), we consulted with Christie Deloria Sheffield of the Marquette Field Office. We were advised by Ms. Deloria Sheffield that if we had a reasonable basis to conclude that the salvage operations would not directly or indirectly affect (neither negatively nor beneficially) individuals of the Gray Wolf (*Canis lupus*) or the Canada Lynx (*Lynx Canadensis*) species or designated/proposed critical habitat of such species then we could issue a No Effect Determination on behalf of the LS&I. She further stated that this determination should be placed in our files and that no additional confirmation or consultation with the USFW would be necessary. On behalf of the LS&I, we have made a No Effect Determination with respect to the salvage operations' affect on the Gray Wolf or Canada Lynx or associated habitats and have, therefore, completed satisfactorily all necessary consultations with the USFW.

C. Consultation with the Republic Township Planning Commission

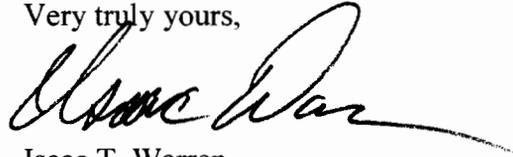
The LS&I has consulted with Victoria Radcliffe, Chairperson, Republic Township Planning Commission (the "Commission"). The Commission has no further comments or concerns with regard to the abandonment or the salvage operations and all necessary consultations are complete with the Commission.

Due to these satisfactorily completed consultations, we believe the LS&I has completed all the necessary prerequisites to begin salvage operations. Therefore, the LS&I intends to begin salvage operations on June 1, 2005.

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If you have any questions, please contact Edward T. Lyons, Jr. or myself at the above address, Tel. (303) 573-1600, or Peter Ray, President of LS&I's at P.O. Box. 2000, Ishpeming, MI, 49849, Tel. (906) 475-3588.

Very truly yours,

A handwritten signature in black ink, appearing to read "Isaac T. Warren". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Isaac T. Warren

cc: Peter Ray, President
Kenneth D. Simmons, Esq.
Cecil Pavlat, Sault Ste. Marie Tribe of Chippewa Indians