

ORIGINAL

JOHN D. HEFFNER, PLLC

1920 N ST., N.W.

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WASHINGTON, D.C. 20036

(202) 263-4180

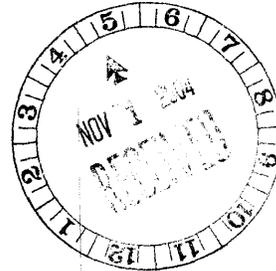
FAX (202) 296-3939

j.heffner@verizon.net

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Public Record



November 1, 2004

2/24/6

BY HAND

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street
Washington, D.C. 20423-0001

RE: FD No. 34512, Nebraska, Kansas & Colorado
RailNet, Inc. - Acquisition and Operation Exemption
- The Burlington Northern And Santa Fe Railway Company

Dear Mr. Williams:

On behalf of Nebraska, Kansas & Colorado RailNet, Inc., I am filing an original and ten copies of a verified notice of exemption under 49 CFR 1150.41 for its acquisition and operation of two lines of railroad owned by The Burlington Northern And Santa Re Railway Company.

I am also enclosing two checks payable to the Board totaling \$1,500 to cover the applicable filing fee and a computer disk formatted in Word Perfect 8.0 containing these filings.

Please date stamp and return one copy of this filing.

Sincerely yours,

FILED

NOV 1 - 2004

John D. Heffner

**SURFACE
TRANSPORTATION BOARD**

cc: Mr. William Glavin

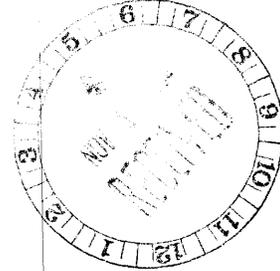
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BEFORE THE
SURFACE TRANSPORTATION BOARD



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Public Record

STB FINANCE DOCKET NO. 34512

NEBRASKA, KANSAS & COLORADO RAILNET, INC.
-- ACQUISITION AND OPERATION EXEMPTION --
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 and 49 CFR 1150.41

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINES

Submitted By:

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SURFACE
TRANSPORTATION BOARD

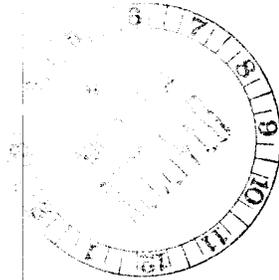
John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

Dated: November 1, 2004

FILE RECEIVED
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SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



STB FINANCE DOCKET NO. 34512

NEBRASKA, KANSAS & COLORADO RAILNET, INC.
-- LEASE, PURCHASE AND OPERATION EXEMPTION --
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 and 49 CFR 1150.41

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINES

INFORMATION REQUIRED BY 49 CFR 1150.43

Name and Address of Applicant **49 CFR 1150.43(a)**
Nebraska, Kansas & Colorado RailNet, Inc.
2350 Airport Freeway
Suite 300
Bedford, TX 76022

Applicant's Representative **49 CFR 1150.43(b)**
John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Statement of Agreement(s) **49 CFR 1150.43(c)**

Nebraska, Kansas & Colorado RailNet, Inc. ("Nebraska") has
executed an agreement with The Burlington Northern And Santa Fe

Railway Company ("BNSF"),¹ for Nebraska to acquire, by lease and purchase, respectively, and operate two lines of railroad.

First, Nebraska will lease and operate a BNSF line known as the Imperial Subdivision which runs between MP 0.89 near Culbertson, NE, and MP 49.1 near Imperial, NE. Second, Nebraska will purchase and operate a BNSF line which is part of BNSF's Wymore Subdivision and runs between MP 216.95 near Franklin, NE, and MP 257.36 near Oxford Jct., NE. In addition, BNSF will grant Nebraska incidental trackage rights for the purpose of interchange with BNSF over BNSF's line between MP 236.0 near Oxford, NE, and MP 257.36 near Oxford Jct., NE, between MP 257.36 near Oxford Jct., NE, and MP 288.0 near McCook, NE, and between MP 0.89 near Culbertson and MP 286.0 near McCook, NE. The subject rail lines to be leased and purchased operated total 88.6 miles in length and serve Harlan, Franklin, Hitchcock, Hayes, and Chase Counties, NE.

Nebraska plans to commence operations on or after November 12, 2004.

Operator of the Property

49 CFR 1150.43(d)

In all cases anticipated by this Notice, and as described in the transaction summary provided below, Nebraska will hold itself out to provide common carrier rail freight service over the

¹ The address for BNSF is 2500 Lou Menk Drive, Fort Worth, TX 76131.

1150.42(e) and certified to the Board that it had done so on the same date. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached as Exhibit B to this notice.

Labor Protection

Under 49 U.S.C. 10902 the imposition of labor protective conditions are not authorized for a class III acquisition and thus none should be imposed on this transaction.

Caption Summary

49 CFR 1150.44

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data 49 CFR 1105

Pursuant to 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105(c)(2)(i), because the actions proposed herein 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 1105.8(b)(1). Under this section, a sale, lease or transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter

the properties subject to Board jurisdiction.

Respectfully submitted,



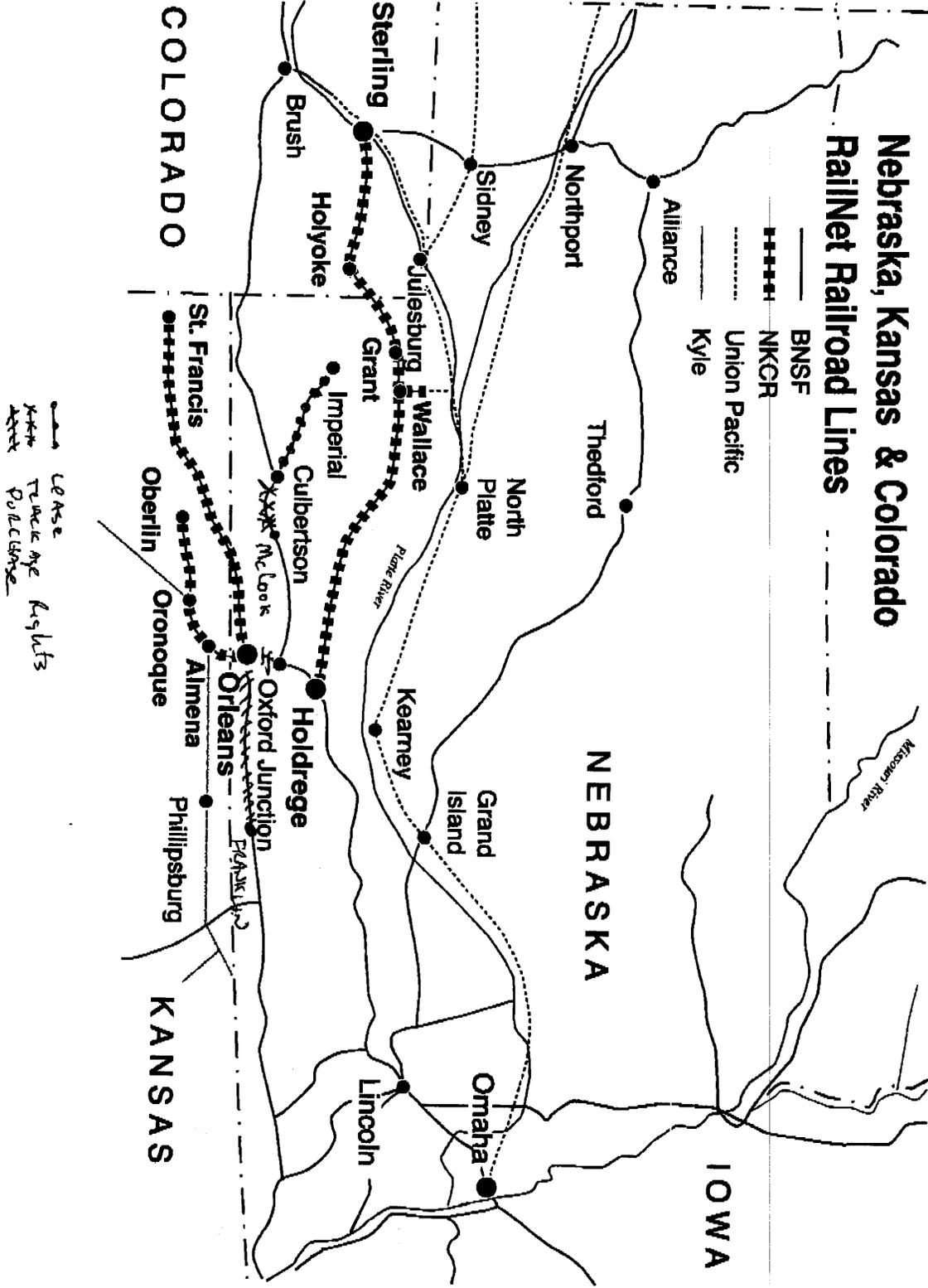
John D. Heffner
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Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

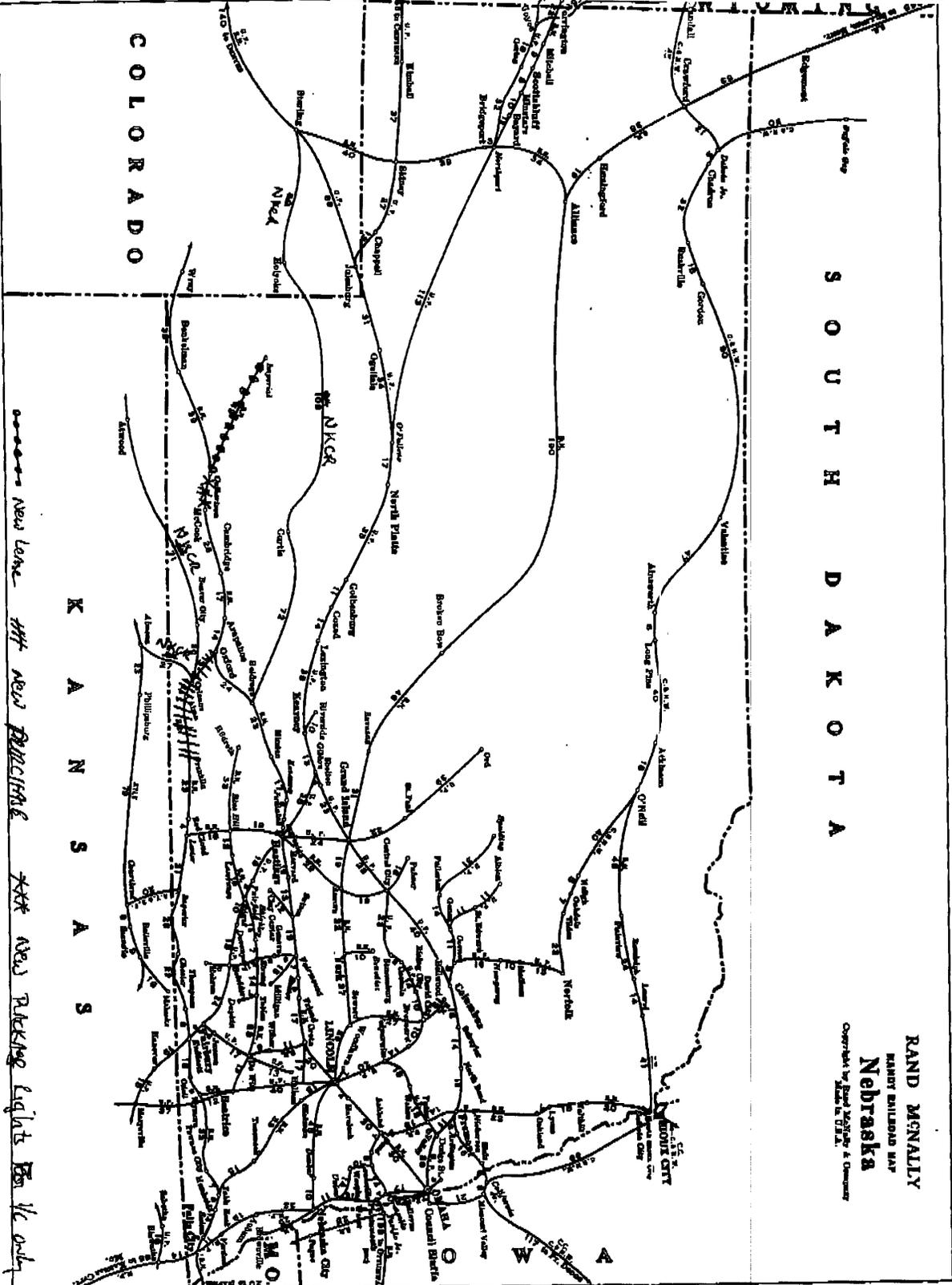
Dated: November 1, 2004

EXHIBIT A

Nebraska, Kansas & Colorado RailNet Railroad Lines



LEASE
 TRACKAGE RIGHTS
 POLICE LINE



S O U T H D A K O T A

C O L O R A D O

K A N S A S

RAND McNALLY
RANDY BILLOREDAWAY
Nebraska
 Copyright by Rand McNally & Company

EXHIBIT B

EXHIBIT B

CERTIFICATION

I, William E. Cleaves, an officer of (" Nebraska, Kansas & Colorado Railway, Inc
 hereby certify under penalty of perjury that the projected annual revenues of
Nebraska, Kansas & Colorado Railway, Inc, in the aggregate, will not result in the creation of a class II or
 class I rail carrier as to require processing under 49 CFR 1150.45. Further, I certify that I am
 qualified and authorized to make this certification on behalf of Nebraska, Kansas & Colorado
 Railway, Inc


 Signature

00000000

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EXHIBIT C

EXHIBIT C

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34512

NEBRASKA, KANSAS & COLORADO RAILNET, INC.
-- LEASE, PURCHASE AND OPERATION EXEMPTION --
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10902 and 49 CFR 1150.41

NOTICE OF ACQUISITION AND OPERATION OF RAIL LINES

Nebraska, Kansas & Colorado RailNet, Inc. ("Nebraska"), an existing class III short line railroad, has filed a Verified Notice of Exemption under 49 CFR 1150.41 to lease, purchase, and operate the following railroad properties of The Burlington Northern And Santa Fe Railway Company ("BNSF"):

- (1) To lease and operate BNSF's Imperial Subdivision between MP 0.89 near Culbertson, NE, and MP 49.1 near Imperial, NE; and
- (2) To purchase and operate a portion of BNSF's Wymore Subdivision located between MP 216.95 near Franklin, NE, and MP 257.36 near Oxford Jct., NE.

In addition, BNSF will grant Nebraska incidental trackage rights for the purpose of interchange with BNSF over BNSF's line between MP 236.0 near Oxford, NE, and MP 257.36 near Oxford Jct., NE, between MP 257.36 near Oxford Jct., and MP 288.0 near McCook,

NE, and between MP 0.89 near Culbertson, NE, and MP 286.0 near McCook, NE. The subject rail lines to be leased, purchased, and operated total 88.6 miles in length and serve Harlan, Franklin, Hitchcock, Hayes, and Chase Counties, NE.

Nebraska intends to consummate this transaction on or after November 12, 2004.

This notice is filed under 49 C.F.R. 1150.41. 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 automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34512 must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition, a copy of each pleading must be served on:

For Nebraska, Kansas & Colorado RailNet, Inc.
John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C., 20036
Telephone: (202) 263-4180

For The Burlington Northern and
Santa Fe Railway Company:
Sarah Bailiff, Esq.
Law Department
The Burlington Northern and
Santa Fe Railway Company
25000 Lou Menk Drive,
Fort Worth, TX 76131
(817) 352-2354

(seal)

Vernon A. Williams
Secretary

VERIFICATION

STATE OF Texas)
) SS
CITY OF Bedford)

William E. Grawin, being duly sworn according to law,
hereby deposes and states that (s)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 (her)his knowledge, information and belief.

[Signature]

Subscribed and sworn to before me, a Notary Public, in and for
the City of Bedford in the State of Texas, this 27th
day of October 2004

Michelle L. McElwee
Notary Public

My Commission expires:

9/24/07

