



First Union Rail Corporation  
 One O'Hare Center  
 6250 River Road, Suite 5000  
 Rosemont, IL 60018-4214  
 Tel 847 318-7575  
 Fax 847 318-7588  
<http://www.firstunion.com/rail>

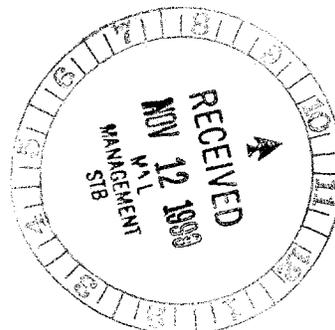
RECORDATION NO. 22542 FILED

NOV 22 '99

10-30AM

VIA UPS NEXT DAY AIR

November 10, 1999



Mr. Vernon E. Williams  
 Surface Transportation Board  
 1925 K Street, N.W., Room 704  
 Washington, DC 20423-0001  
 Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated September 20, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
 One O'Hare Center  
 6250 River Road, Suite 5000  
 Rosemont, IL 60018

Lessee: Texas, Oklahoma & Eastern Railroad  
 Company  
 P.O. Box 209  
 Longview, WA 98632

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase  
 Manager of Documentation

Enclosures

(TOE002)

EXHIBIT A  
to  
RIDER NO. 2

NOV 22 '99

10-30AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 20th day of September 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Texas, Oklahoma & Eastern Railroad Company ("Lessee"), an Oklahoma corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of January 1, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of September 1, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K.A. Dombrowski  
Name: K.A. DOMBROWSKI

By: Richard F. Seymour  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

Title: DIRECTOR OF DOCUMENTATION Executed on this 20th day of Sept, 1999.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 20th day of September, 1999.

Susan Grokulsky  
Notary Public

My Commission Expires:  
8-14-2000  
(Notary Public)



**LESSEE:**

TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY

By: [Signature]  
Name: [Signature]  
Title: VP/GM

**ATTEST:**

By: Ben Bramlett  
Name: Ben Bramlett  
Title: Dir. Finance

Executed on this 2 day of September, 1999.

[CORPORATE SEAL]

STATE OF Arkansas  
COUNTY OF Sevier

I, Gloria Jean Caldwell, a Notary Public of the County and State aforesaid, certify that J. D. Ventreska personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 2nd day of September, 1999.

Gloria Jean Caldwell, Notary Public  
Sevier County, Arkansas  
My Commission Expires 9-14-2007

Gloria Jean Caldwell  
Notary Public

Commission Expires:  
09-14-2007  
(Notary Public)

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

73' Centerbeam Flatcars, with risers, loading to 286,000 pounds

NOKL 733200	NOKL 733213
NOKL 733201	NOKL 733214
NOKL 733202	NOKL 733215
NOKL 733203	NOKL 733216
NOKL 733204	NOKL 733217
NOKL 733205	NOKL 733218
NOKL 733206	NOKL 733219
NOKL 733207	NOKL 733220
NOKL 733208	NOKL 733221
NOKL 733209	NOKL 733222
NOKL 733210	NOKL 733223
NOKL 733211	NOKL 733224
NOKL 733212	