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SERVICE DATE – MARCH 15, 2007

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 35002]

Savage Bingham & Garfield Railroad Company—Acquisition and Operation

Exemption—Union Pacific Railroad Company

Savage Bingham & Garfield Railroad Company (SBGR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire from Union Pacific Railroad Company (UP) and to operate freight easements upon, over, and across: (a) UP's lines of railroad between milepost 4.66 at Welby and milepost 17.10 at Magna (Garfield Branch), and between milepost 0.00 at Kearns and milepost 2.01 at Bacchus (Bacchus Branch); (b) the UP line of railroad between milepost 0.18 at Midvale and milepost 6.60 at Bagley Spur (Bingham Industrial Lead); and (c) various UP wye, yard and team tracks in the vicinity of Midvale (Midvale Trackage), a total of 20.87 miles, all in Salt Lake County, UT.

SBGR states that it will enter into a freight operating agreement and related agreements with UP governing SBGR's operations over the Bacchus Branch, the Garfield Branch and the Midvale Trackage. In addition, as a result of a separate transaction between the Utah Transit Authority (UTA) and UP, UP will: (a) convey the right-of-way of the Bingham Industrial Lead to UTA; (b) reserve an operating easement over the Bingham Industrial Lead; and (c) convey such operating easement to SBGR. SBGR will

enter into an administration and coordination agreement with UTA governing the provision of rail services by SBGR over the Bingham Industrial Lead during specified time separated periods when the planned UTA passenger light rail services are not in operation. UP and SBGR will interchange traffic at UP's Roper, UT rail yard.

SBGR certifies that its projected annual revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier and will not exceed \$5 million.

The earliest this transaction may be consummated is the March 29, 2007 effective date of the exemption (30 days after the exemption was filed).

If the verified 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. Petitions for stay must be filed no later than March 22, 2007 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35002, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert P. vom Eigen, 3000 K Street, N.W., Washington, DC 20007.

Board decisions and notices are available on our website at
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Decided: March 7, 2007.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary