

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB-853 (Sub-No. 3X)]

**Kansas & Oklahoma Railroad, Inc.—
Abandonment Exemption—in Rice
County, KS**

Kansas & Oklahoma Railroad, Inc. (KO), has filed a notice of exemption under 49 CFR 1152 Subpart F—*Exempt Abandonments* to abandon its 6-mile line of railroad between milepost 85.0, at Chase, and milepost 91.0 at Silica, in Rice County, KS. The line traverses United States Postal Service Zip Codes 67524 and 67573.¹

KO has certified that: (1) No local traffic has moved over the line for at least 2 years; (2) any overhead traffic can be rerouted over other lines; (3) no formal complaint filed by a user of rail service on the line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the line either is pending with the Surface Transportation Board (Board) or with any U.S. District Court or has been decided in favor of complainant within the 2-year period; and (4) the requirements at 49 CFR 1105.7 (environmental reports), 49 CFR 1105.8 (historic reports), 49 CFR 1105.11 (transmittal letter), 49 CFR 1105.12 (newspaper publication), and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to this exemption, any employee adversely affected by the abandonment shall be protected under *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed. Provided no formal expression of intent to file an offer of financial assistance (OFA) has been received, this exemption will be effective on June 9, 2006, unless stayed pending reconsideration. Petitions to

¹ Atlantic & Pacific Transportation Company (APR) was granted an exemption to lease and operate an approximately 4-mile portion of the line that extends from approximately milepost 87.0 (at or near Chase, KS), to approximately milepost 91.0 (at or near Silica, KS), in *Atlantic & Pacific Railroad and Transportation Company—Lease and Operation Exemption—Kansas & Oklahoma Railroad*, STB Notice Docket No. 34451 (STB served July 20, 2004).

APR filed a petition for exemption to discontinue service over the 4-mile portion of the line. Notice of the filing was served on March 22, 2006, and published in the *Federal Register* on March 23, 2006 (71 FR 147709). KO may not consummate abandonment until APR receives authority or an exemption to discontinue its service over that portion of the line.

stay that do not involve environmental issues,² formal expressions of intent to file an OFA under 49 CFR 1152.27(c)(2),³ and trail use/rail banking requests under 49 CFR 1152.29 must be filed by May 22, 2006. Petitions to reopen or requests for public use conditions under 49 CFR 1152.28 must be filed by May 30, 2006, with: Surface Transportation Board, 1925 K Street, NW., Washington, DC 20423-0001.

A copy of any petition filed with the Board should be sent to applicant's representative: Karl Morell, 1455 F St., NW., Suite 225, Washington, DC 20005.

If the verified notice contains false or misleading information, the exemption is void *ab initio*.

K&O has filed an environmental report which addresses the effects, if any, of the abandonment on the environment and historic resources. SEA will issue an environmental assessment (EA) by May 15, 2006. Interested persons may obtain a copy of the EA by writing to SEA (Room 500, Surface Transportation Board, Washington, DC 20423-0001) or by calling SEA, at (202) 565-1539. [Assistance for the hearing impaired is available through the Federal Information Relay Service (FIRS) at 1-800-877-8339.] Comments on environmental and historic preservation matters must be filed within 15 days after the EA becomes available to the public.

Environmental, historic preservation, public use, or trail use/rail banking conditions will be imposed, where appropriate, in a subsequent decision.

Pursuant to the provisions of 49 CFR 1152.29(e)(2), KO shall file a notice of consummation with the Board to signify that it has exercised the authority granted abandoned its 6-mile line. Pursuant to the same provisions, KO shall file a notice of consummation with the Board to signify that it has exercised the authority granted to it to fully consummate the abandonment of the line after APR receives authority or an exemption to discontinue service over portion of the line between mileposts

² The Board will grant a stay if an informed decision on environmental issues (whether raised by a party or by the Board's Section of Environmental Analysis (SEA) in its independent investigation) cannot be made before the exemption's effective date. See *Exemption of Out-of-Service Rail Lines*, 5 I.C.C.2d 377 (1989). Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption's effective date.

³ Each offer of financial assistance must be accompanied by the filing fee which as of April 19, 2006, is set at \$1,300. See *Regulations Governing Fees for Services Performed in Connection with Licensing and Related Services—2006 Update*, STB Ex Parte No. 542 (Sub-No. 13) (STB served Mar. 20, 2006). See 49 CFR 1002.2(f)(25).

87.0 and 91.0. If consummation has not been effected by KO's filing of a notice of consummation by May 10, 2007, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire.⁴

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: May 3, 2006.

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

Vernon A. Williams,

Secretary.

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BILLING CODE 4915-01-P

DEPARTMENT OF THE TREASURY

Fiscal Service

**Surety Companies Acceptable on
Federal Bonds: The Gray Casualty &
Surety Company**

AGENCY: Financial Management Service, Fiscal Service, Department of the Treasury.

ACTION: Notice.

SUMMARY: This is Supplement No. 15 to the Treasury Department Circular 570, 2005 Revision, published July 1, 2005, at 70 FR 38502.

FOR FURTHER INFORMATION CONTACT: Surety Bond Branch at (202) 874-6850.

SUPPLEMENTARY INFORMATION: A Certificate of Authority as an acceptable surety on Federal bonds is hereby issued under 31 U.S.C. 9305 to the following company:

The Gray Casualty & Surety Company (NAIC # 10671). *Business Address:* P.O. Box 6202, Metairie, Louisiana 70009-6202. *Phone:* (504) 888-7790. *Underwriting Limitation b/:* \$1,204,000. *Surety Licenses c:/* AL, AR, GA, LA, MS, NM, OK, SC, TX. *Incorporated in:* Louisiana. Federal bond-approving officers should annotate their reference copies of the Treasury Circular 570 ("Circular"), 2005 Revision, at 70 FR 38520, to reflect this addition.

Certificates of Authority expire on June 30th each year, unless revoked prior to that date. The Certificates are subject to subsequent annual renewal as long as the companies remain qualified (see 31 CFR part 223). A list of qualified companies is published annually as of July 1 in the Circular, which outlines details as to the underwriting limitations, areas in which companies

⁴ KO shall serve a copy of this notice on APR within 5 days after its publication, and certify to the Board that it has done so.