

BNSFWENDELL BELL
General Director
Labor RelationsThe Burlington Northern
and Santa Fe Railway CompanyP.O. Box 961030
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June 16, 2004

REGISTERED MAIL – RETURN RECEIPT REQUESTEDMr. Pat Williams, GC
Bhd. of Locomotive EngineersMr. M. E. Young, GC
United Transportation Union

Gentlemen:

This is Notice, served under Section 4 of the Norfolk & Western Conditions, of an extension of our trackage rights operation from Roseville, California to Sparks, Nevada.

As you know, we presently use the Stockton extra list to handle trains, in both directions, between Stockton and Roseville. UP crews, under a haulage arrangement, handle the trains between Roseville and Sparks. Due to the UP's present difficulties, we are going to crew these trains between Stockton and Sparks.

We don't see this as a perpetual operation, but rather one for the medium term while UP is still in a recovery stage. We do have arrangements in place for the Stockton – Roseville operation, and I would contemplate simply extending those same arrangements to cover a Stockton – Sparks operation.

I will be calling you next week to discuss this operation and to modify the existing arrangements or reach a new agreement to cover this operation.

Sincerely,

A handwritten signature in black ink, appearing to read "Wendell".

Cc: Mr. Steve Weatherby-

Please post "on bulletin boards convenient to the interested employees of the railroad," advising when and where accomplished.

BNSF

WENDELL BELL
General Director
Labor Relations



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June 29, 2004

Mr. W. E. Young, GC
United Transportation Union

Dear Mr. Young:

This letter will confirm our discussions about using Stockton conductors to run to Sparks, Nevada.

We have agreed on the following:

1. Presently, a pool at Stockton, supplemented by the Stockton extra board is used to handle trains to and from Roseville, California.
2. Due to the UP's current problems, BNSF has agreed to handle the Denver - Stockton trains between Stockton and Sparks.
3. The Stockton-Roseville pool, supplemented by the Stockton extra board will be used to protect this service.

Please indicate your acceptance of these understandings by signing this letter.

Sincerely,

Accepted:

General Chairman - UTU