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Mr. Pat Williams General Chairman BLET 101 N. Beverly St. Crowley, TX 76028

February 25, 2011

Mr. Williams:

This letter is to confirm our understanding that BNSF is allowed to convert the current roadswitcher at Gallup (RSWE0111) to a yard engine. It is understood that the yard engine, despite the elimination of the current road job, will be allowed to serve industries outside switching limits up to and including MP 149.0.

If the above correctly reflects our understanding, please signify by your signature below.

This Letter of Understanding will become effective on March 31 7011 and may be cancelled by a 10 day written notice one party upon the other.

Sincerely,

Melissa Beasley

J. Williams – General Chairman BLET