

M. D. PHILLIPS
DIRECTOR, LABOR RELATIONS

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



February 16, 2002

L/R File: 220-04

Mr. J. O. McArthur
General Chairman BRS
P.O. Box 5100
Fallon, NV 89407

Dear Sir:

This is in reference to our discussions concerning the Carrier's use of contractors to perform horizontal boring at MP 0.97, 5th Street crossing on the Burnham Yard Lead, in Denver, Colorado. The work in question will require an approximate 120 foot bore at a location where there are located multiple underground utilities. The foreman of the gang who would otherwise be assigned the work has requested that the work not be assigned to the gang due to the responsibility associated with the many utilities present, which include Quest, AT&T, local power, waste water, sewage, Denver water and a traffic control link.

In light of these circumstances, it is agreed that contractors will be utilized for the boring on this project. Carrier signal forces will perform the remainder of the work associated with the crossing. This understanding is made to address the unique situation presented in this instance and is without prejudice to the position of either party with respect to the use of contractors to perform earth boring work.

If the foregoing correctly sets forth our understanding, please sign in the space provided below.

Yours truly,

A handwritten signature in cursive script, appearing to read "Michael D. Phillips".

Michael D. Phillips
Director Labor Relations

AGREED:

A handwritten signature in cursive script, appearing to read "J. O. McArthur".
Date: 2-21-02
General Chairman BRS

APPROVED:

A handwritten signature in cursive script, appearing to read "George E. Jones".
Date: 2-21-02
Vice President BRS