



## SURFACE TRANSPORTATION BOARD

[Docket No. FD 36927]

Denton & North Texas Railroad LLC—Construction and Operation Exemption—Line of Railroad in Denton County, Tex.

Denton & North Texas Railroad LLC (DNT), a noncarrier subsidiary of Patriot Rail Company LLC (Patriot Rail),<sup>1</sup> has filed a verified notice of exemption under 49 CFR 1150.36 to construct and operate approximately 4,200 feet of track inside an existing Canadian Pacific Railway Company d/b/a Canadian Pacific Kansas City (CPKC) right-of-way near Krum, Tex., between CPKC milepost 109 and milepost 110 (DNT Line). The DNT Line would connect CPKC's mainline to DNT-operated track within an approximately 120-acre planned industrial park. According to the verified notice, DNT will operate the DNT Line as a common carrier.

According to the verified notice, CPKC and Patriot Rail announced the industrial park as a way to serve the cement, aggregate, and lumber markets in the Southwest and create a more sustainable supply chain. DNT states that the new DNT line would be double-tracked, built within an existing CPKC right-of-way, and would offer access to a planned industrial park owned by DNT. DNT further states that it has already signed a lease with one industrial park tenant desiring rail service, and that it will start soliciting bidders for the construction process by early July 2026.

According to the verified notice, construction of the DNT Line would not start earlier than 90 days after the filing of this notice of exemption.

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<sup>1</sup> According to the verified notice, Patriot Rail controls Class III carriers in 21 states and will file a notice of exemption to continue in control of DNT upon its becoming a Class III rail carrier. See 49 CFR 1180.2(d)(2).

DNT has certified that it will comply with the Board's environmental rules at 49 CFR 1105 and with the pre-filing notice requirements at 49 CFR 1150.36(c)(1). However, DNT argues that the DNT Line is a small project within an existing rail right-of-way that will have no significant environmental effects, and, for that reason, DNT asks the Board to waive its environmental rules or adopt an existing categorical exclusion from the Federal Railroad Administration (FRA). See 42 U.S.C. 4336(c). DNT argues that such a waiver is appropriate here because, DNT asserts, the proposed DNT Line would qualify for a categorical exclusion under both an existing FRA rule, see 23 CFR 771.116(c)(12), and the Board's recently proposed revisions to its environmental rules. See Permitting Reform—Env't. Rev. Process, EP 779, slip op. at 9 (STB served Mar. 25, 2026). The Board will address DNT's request in a subsequent decision.

This exemption will be effective on August 5, 2026, unless stayed. Petitions to stay that do not involve environmental issues must be filed by June 5, 2026. Petitions for reconsideration must be filed by June 16, 2026.

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 effectiveness of the exemption.

All pleadings, referring to Docket No. FD 36927, must be filed with the Surface Transportation Board via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on DNT's representatives, Jay C. Johnson & Megan L. Algya, Venable LLP, 600 Massachusetts Ave., N.W., Washington, DC 20001.

Board decisions and notices are available at [www.stb.gov](http://www.stb.gov).

Decided: May 20, 2026.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Regena Smith-Bernard,

Clearance Clerk.

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