

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-11535



BURLINGTON NORTHERN SANTA FE, LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

27-1754839
(I.R.S. Employer
Identification No.)

2650 Lou Menk Drive
Fort Worth, Texas
(Address of principal executive offices)

76131-2830
(Zip Code)

(800) 795-2673
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Registrant meets the conditions set forth in General Instruction H (1) (a) and (b) of Form 10-Q and is therefore filing this Form 10-Q with the reduced disclosure format permitted by General Instruction H (2).

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**PART I
FINANCIAL INFORMATION**

Item 1. Financial Statements.

**BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME**

(In millions)
(Unaudited)

	Successor		Successor		Predecessor
	Three Months Ended September 30, 2011	Three Months Ended September 30, 2010	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Revenues	\$ 4,961	\$ 4,391	\$ 14,284	\$ 10,558	\$ 1,791
Operating expenses:					
Compensation and benefits	1,069	1,019	3,216	2,522	442
Fuel	1,089	748	3,124	1,840	329
Purchased services	571	542	1,667	1,307	279
Depreciation and amortization	454	435	1,350	1,096	192
Equipment rents	192	195	575	484	97
Materials and other	206	191	659	423	1
Total operating expenses	3,581	3,130	10,591	7,672	1,340
Operating income	1,380	1,261	3,693	2,886	451
Interest expense	142	132	416	305	72
Other expense, net	2	2	6	4	2
Income before income taxes	1,236	1,127	3,271	2,577	377
Income tax expense	470	421	1,208	986	153
Net income	\$ 766	\$ 706	\$ 2,063	\$ 1,591	\$ 224

See accompanying Notes to Consolidated Financial Statements.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	Successor	
	September 30, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,059	\$ 2,087
Accounts receivable, net	1,111	928
Materials and supplies	712	652
Current portion of deferred income taxes	263	317
Other current assets	157	193
Total current assets	4,302	4,177
Property and equipment, net of accumulated depreciation of \$897 and \$660, respectively	47,319	45,486
Goodwill	14,803	14,803
Intangible assets, net	1,496	1,732
Other assets	1,963	2,449
Total assets	\$ 69,883	\$ 68,647
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and other current liabilities	\$ 3,071	\$ 2,768
Long-term debt due within one year	559	699
Total current liabilities	3,630	3,467
Deferred income taxes	15,317	14,307
Long-term debt	12,213	11,281
Intangible liabilities, net	1,569	1,790
Casualty and environmental liabilities	915	938
Pension and retiree health and welfare liability	478	490
Other liabilities	975	867
Total liabilities	35,097	33,140
Commitments and contingencies (see Notes 2, 6 and 7)		
Equity:		
Member's equity (see Note 1)	34,793	35,480
Accumulated other comprehensive (loss) income	(7)	27
Total equity	34,786	35,507
Total liabilities and equity	\$ 69,883	\$ 68,647

See accompanying Notes to Consolidated Financial Statements.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
OPERATING ACTIVITIES			
Net income	\$ 2,063	\$ 1,591	\$ 224
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,350	1,096	192
Deferred income taxes	1,098	394	127
Long-term casualty and environmental liabilities, net	(13)	(67)	(2)
Contribution to defined benefit pension plan	—	(400)	—
Other, net	(183)	(119)	(78)
Changes in current assets and liabilities:			
Accounts receivable, net	(181)	(197)	(21)
Materials and supplies	(60)	45	3
Other current assets	(92)	46	(123)
Accounts payable and other current liabilities	334	565	(258)
Net cash provided by operating activities	4,316	2,954	64
INVESTING ACTIVITIES			
Capital expenditures excluding equipment	(1,852)	(1,301)	(137)
Acquisition of equipment	(476)	(385)	(67)
Partnership investment	—	(443)	—
Other, net	(194)	(255)	68
Net cash used for investing activities	(2,522)	(2,384)	(136)
FINANCING ACTIVITIES			
Proceeds from issuance of long-term debt	1,500	1,500	—
Payments on long-term debt	(557)	(148)	(30)
Cash distributions/dividends paid	(2,750)	(750)	(226)
Proceeds from stock options exercised	—	—	21
Excess tax benefits from equity compensation plans	—	—	9
Other, net	(15)	(18)	—
Net cash (used for) provided by financing activities	(1,822)	584	(226)
(Decrease) increase in cash and cash equivalents	(28)	1,154	(298)
Cash and cash equivalents:			
Beginning of period	2,087	971	1,269
End of period	\$ 2,059	\$ 2,125	\$ 971
SUPPLEMENTAL CASH FLOW INFORMATION			
Interest paid, net of amounts capitalized	\$ 514	\$ 387	\$ 97
Income taxes paid, net of refunds	\$ (237)	\$ 562	\$ —
Non-cash asset financing	\$ 1	\$ 29	\$ 8

See accompanying Notes to Consolidated Financial Statements.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In millions)
(Unaudited)

Successor	Member's Equity ^a	Accumulated Other Comprehensive Income (Loss)	Total Equity
Balance at December 31, 2010	\$ 35,480	\$ 27	\$ 35,507
Cash distributions to Parent	(2,750)	—	(2,750)
Comprehensive income:			
Net income	2,063	—	2,063
Change in fuel hedge mark-to-market, net of tax benefit of \$21	—	(34)	(34)
Total comprehensive income			2,029
Balance at September 30, 2011	\$ 34,793	\$ (7)	\$ 34,786

a See Note 1.

See accompanying Notes to Consolidated Financial Statements.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. Accounting Policies and Interim Results

The Consolidated Financial Statements should be read in conjunction with Burlington Northern Santa Fe, LLC's Annual Report on Form 10-K for the year ended December 31, 2010, including the financial statements and notes thereto. Burlington Northern Santa Fe, LLC (BNSF) is a holding company that conducts no operating activities and owns no significant assets other than through its interests in its subsidiaries. The Consolidated Financial Statements include the accounts of BNSF and its majority-owned subsidiaries, all of which are separate legal entities (collectively, the Company). BNSF's principal operating subsidiary is BNSF Railway Company (BNSF Railway). All intercompany accounts and transactions have been eliminated.

Burlington Northern Santa Fe Corporation was incorporated in the State of Delaware on December 16, 1994. On February 12, 2010, Berkshire Hathaway Inc., a Delaware corporation (Berkshire), acquired 100% of the outstanding shares of Burlington Northern Santa Fe Corporation common stock that it did not already own. The acquisition was completed through the merger (the Merger) of Burlington Northern Santa Fe Corporation with and into R Acquisition Company, LLC, a Delaware limited liability company and an indirect wholly-owned subsidiary of Berkshire (Merger Sub), with Merger Sub continuing as the surviving entity. In connection with the Merger, Merger Sub changed its name to "Burlington Northern Santa Fe, LLC" and remains an indirect, wholly-owned subsidiary of Berkshire.

Berkshire's cost of acquiring BNSF has been pushed-down to establish a new accounting basis for BNSF. Accordingly, the accompanying interim consolidated financial statements are presented for two periods, Predecessor and Successor, which relate to the accounting periods preceding and succeeding the completion of the Merger. The Predecessor and Successor periods have been separated by a vertical line on the face of the consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different historical-cost bases of accounting. Earnings per share data has not been presented because BNSF has not issued stock or membership interests to the public.

The presentation of BNSF's Consolidated Balance Sheet was revised to combine additional paid-in capital and retained earnings into one line titled member's equity to reflect the post-merger ownership structure. The revised financial statement presentation did not affect previously reported results of operations, cash flows or financial position.

The results of operations for any interim period are not necessarily indicative of the results of operations to be expected for the entire year. In the opinion of management, the unaudited financial statements reflect all adjustments (consisting of only normal recurring adjustments, except as disclosed) necessary for a fair statement of BNSF's consolidated financial position as of September 30, 2011 (Successor), and the results of operations for the three months ended September 30, 2011 and 2010 (Successor), the nine months ended September 30, 2011 (Successor), and the periods February 13 – September 30, 2010 (Successor) and January 1 – February 12, 2010 (Predecessor).

Subsequent Events

Related Party Transaction

In October 2011, BNSF declared a distribution of \$750 million to its parent company, which will be paid in November 2011.

A/R Securitization Facility Termination

In October 2011, the Company terminated BNSF Railway's A/R securitization program, comprised of two \$100 million facilities which were set to expire in November 2011. No additional costs were incurred with the early termination of the facility. The Company believes that the termination of the facility will not have a material effect on the Company's ability to manage its liquidity.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)****2. Fuel**

Fuel costs represented 29 percent, 24 percent and 25 percent of total operating expenses during the nine months ended September 30, 2011 (Successor), and the periods February 13 – September 30, 2010 (Successor) and January 1 – February 12, 2010 (Predecessor), respectively. Due to the significance of diesel fuel expenses to the operations of BNSF and the historical volatility of fuel prices, the Company has entered into derivative instruments to partially mitigate the risk of fluctuations in the price of its diesel fuel purchases. The Company enters into fuel-derivative instruments based on management's evaluation of current and expected diesel fuel price trends with the intent of protecting operating margins and overall profitability from adverse fuel price changes. The Company does not use derivative financial instruments for trading or speculative purposes. However, to the extent the Company hedges portions of its fuel purchases, it may not realize the impact of decreases in fuel prices. Conversely, to the extent the Company does not hedge portions of its fuel purchases, it may be adversely affected by increases in fuel prices.

As of September 30, 2011, BNSF's total fuel-derivative positions for the remainder of 2011 and 2012, of which the majority are designated as cash flow hedges, covered approximately 19 percent and 3 percent, respectively, of the average annual locomotive fuel consumption over the past three years. Derivative positions are closely monitored to ensure that they will not exceed actual fuel requirements in any period. As of September 30, 2011, and December 31, 2010, BNSF had entered into fuel-derivative agreements covering approximately 100 million gallons and 284 million gallons, respectively.

Derivative Activities

The Company formally documents the relationship between the hedging instrument and the hedged item, as well as the risk management objective and strategy for the use of the hedging instrument. This documentation includes linking the derivatives that are designated as cash flow hedges to specific assets or liabilities on the balance sheet, commitments or forecasted transactions. The Company assesses at the time a derivative contract is entered into, and at least quarterly thereafter, whether the derivative item is effective in offsetting the changes in fair value or cash flows. Any change in fair value resulting from ineffectiveness, as defined by authoritative accounting guidance related to derivatives and hedging, is recognized in current period earnings. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is recorded in accumulated other comprehensive loss (AOCL) as a separate component of equity and reclassified into earnings in the period during which the hedge transaction affects earnings. Cash flows related to fuel derivatives are classified as operating activities in the Consolidated Statements of Cash Flows.

Upon application of acquisition method accounting due to the Merger, the Company was required to re-designate its outstanding derivatives as hedges under authoritative accounting guidance. Certain costless collar derivatives did not qualify for re-designation as they were in net written positions as of the Merger date. As a result, hedge accounting was discontinued on these instruments. The Company will continue to hold these financial instruments to hedge against increases in diesel fuel prices, recognizing any gains and losses from changes in fair value in current period earnings.

No additional derivative contracts have been entered into subsequent to the Merger.

BNSF monitors its derivative instrument positions and credit ratings of its counterparties and does not anticipate any losses due to counterparty nonperformance. All counterparties were financial institutions with credit ratings of A2/A or higher as of September 30, 2011. The maximum amount of loss the Company could incur from credit risk based on the gross fair value of derivative instruments in asset positions as of September 30, 2011, and December 31, 2010, was \$22 million and \$87 million, respectively. Other than as disclosed below, the Company's derivative agreements do not include provisions requiring collateral. Certain of the Company's derivative instruments are covered by master netting arrangements whereby, in the event of a default, the non-defaulting party has the right to setoff any amounts payable against any obligation of the defaulting party under the same counterparty agreement. As such, the Company's net asset exposure to counterparty credit risk was \$21 million and \$86 million as of September 30, 2011, and December 31, 2010, respectively.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)**

Certain of the Company's fuel-derivative instruments are covered by an agreement which includes a provision such that the Company either receives or posts cash collateral if the fair value of the instruments exceeds a certain net asset or net liability threshold, respectively. The threshold is based on a sliding scale, utilizing either the counterparty's credit rating, if the instruments are in a net asset position, or BNSF's credit rating, if the instruments are in a net liability position. If the applicable credit rating should fall below Ba3 (Moody's) or BB- (S&P), the threshold would be eliminated and collateral would be required for the entire fair value amount. All cash collateral paid is held on deposit by the payee and earns interest to the benefit of the payor based on the London Interbank Offered Rate (LIBOR). The aggregate fair value of all open fuel-derivative instruments under these provisions was in a net liability position on September 30, 2011 and December 31, 2010, of \$2 million and \$4 million, respectively. The fair value positions at both September 30, 2011, and December 31, 2010 were below the collateral threshold; therefore, there was no posted collateral outstanding at either date.

The amounts recorded in the Consolidated Balance Sheets for derivative transactions were as follows, presented net of any master netting arrangements (in millions):

	Successor	
	September 30, 2011	December 31, 2010
Short-term derivative asset	\$ 21	\$ 69
Long-term derivative asset	—	17
Short-term derivative liability	(6)	(4)
Total derivatives	\$ 15	\$ 82

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

The tables below contain summaries of all derivative positions reported in the Consolidated Financial Statements, presented gross of any master netting arrangements (in millions):

Fair Value of Derivative Instruments				
Asset Derivatives				
	Successor			Balance Sheet Location
	September 30, 2011	December 31, 2010		
Asset derivatives designated as hedging instruments under ASC 815-20				
Fuel contracts	\$ 21	\$ 60		Other current assets
Fuel contracts	—	17		Other assets
Total asset derivatives designated as hedging instruments under ASC 815-20	\$ 21	\$ 77		
Asset derivatives not designated as hedging instruments under ASC 815-20				
Fuel contracts	\$ —	\$ 10		Other current assets
Fuel contracts	1	—		Accounts payable and other current liabilities
Total asset derivatives not designated as hedging instruments under ASC 815-20	\$ 1	\$ 10		
Total asset derivatives	\$ 22	\$ 87		
Liability Derivatives				
	Successor			Balance Sheet Location
	September 30, 2011	December 31, 2010		
Liability derivatives designated as hedging instruments under ASC 815-20				
Fuel contracts	\$ 1	\$ 1		Other current assets
Fuel contracts	6	4		Accounts payable and other current liabilities
Total liability derivatives designated as hedging instruments under ASC 815-20	\$ 7	\$ 5		
Total liability derivatives	\$ 7	\$ 5		

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

**The Effects of Derivative Instruments Gains and Losses
for the Three Month Periods Ended September 30, 2011 and 2010**

Derivatives in ASC 815-20 Cash Flow Hedging Relationships

	Amount of Gain or (Loss) Recognized in Other Comprehensive Income (OCI) on Derivatives (Effective Portion)	
	Successor	
	2011	2010
Fuel Contracts	\$ (35)	\$ 26
Total derivatives	\$ (35)	\$ 26

	Location of Gain or (Loss) Recognized from AOCL into Income	Amount of Gain or (Loss) Recognized from AOCL into Income (Effective Portion)	
		Successor	
		2011	2010
Fuel Contracts	Fuel expense	\$ 18	\$ —
Total derivatives		\$ 18	\$ —

	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)^a	
		Successor	
		2011	2010
Fuel Contracts	Fuel expense	\$ (5)	\$ 11
Total derivatives		\$ (5)	\$ 11

a No portion of the gain or (loss) was excluded from the assessment of hedge effectiveness for the periods then ended.

Derivatives Not Designated as Hedging Instruments under ASC 815-20

	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Recognized in Income on Derivatives	
		Successor	
		2011	2010
Fuel Contracts	Fuel expense	\$ (4)	\$ 5
Total derivatives		\$ (4)	\$ 5

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

**The Effects of Derivative Instruments Gains and Losses
for the Nine Months Ended September 30, 2011 (Successor) and for the Periods
February 13 – September 30, 2010 (Successor) and January 1 – February 12, 2010 (Predecessor)**

Derivatives in ASC 815-20 Cash Flow Hedging Relationships

	Amount of Gain or (Loss) Recognized in OCI on Derivatives (Effective Portion)		
	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Fuel Contracts	\$ 20	\$ 36	\$ (79)
Total derivatives	\$ 20	\$ 36	\$ (79)

	Location of Gain or (Loss) Recognized from AOCL into Income	Amount of Gain or (Loss) Recognized from AOCL into Income (Effective Portion)		
		Successor		Predecessor
		Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Fuel Contracts	Fuel expense	\$ 75	\$ 14	\$ (6)
Total derivatives		\$ 75	\$ 14	\$ (6)

	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing) ^a		
		Successor		Predecessor
		Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Fuel Contracts	Fuel expense	\$ (14)	\$ 12	\$ (7)
Total derivatives		\$ (14)	\$ 12	\$ (7)

a No portion of the gain or (loss) was excluded from the assessment of hedge effectiveness for the periods then ended.

Derivatives Not Designated as Hedging Instruments under ASC 815-20

	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Recognized in Income on Derivatives		
		Successor		Predecessor
		Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Fuel Contracts	Fuel expense	\$ (1)	\$ 6	\$ —
Total derivatives		\$ (1)	\$ 6	\$ —

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

As of September 30, 2011, the Company estimates that within the next twelve months approximately \$12 million in pre-tax hedge instrument gains will be reclassified from accumulated other comprehensive loss into earnings.

The Company utilizes a market approach using the forward commodity price for the periods hedged to value its fuel-derivative swaps and costless collars. As such, the fair values of these instruments are classified as Level 2 valuations under authoritative accounting guidance related to fair value measurements.

Additional disclosure related to derivative instruments is included in Note 10 to the Consolidated Financial Statements.

3. Accounts Receivable, Net

Accounts receivable, net consists of freight and other receivables, including receivables transferred to the accounts receivable securitization program master trust (discussed below), reduced by an allowance for bill adjustments and uncollectible accounts, based upon expected collectibility. At September 30, 2011, and December 31, 2010, \$24 million and \$27 million, respectively, of such allowances had been recorded.

At September 30, 2011, and December 31, 2010, \$24 million and \$22 million, respectively, of accounts receivable were greater than 90 days old.

Accounts Receivable Securitization Program

BNSF Railway may transfer a portion of its accounts receivable to a wholly-owned subsidiary, Santa Fe Receivables Corporation (SFRC). SFRC transfers an undivided interest in such receivables, with limited exceptions, to a master trust and causes the trust to issue an undivided interest in the receivables to investors (the A/R securitization program). The undivided interests in the master trust purchased by investors may be in the form of certificates or purchased interests. BNSF Railway retains the collection responsibility with respect to the accounts receivable transferred. The investors in the master trust have no recourse to BNSF Railway's other assets except for customary warranty and indemnity claims. Creditors of BNSF Railway have no recourse to the assets of the master trust or SFRC until after the creditors have been paid and SFRC and the master trust have been terminated.

BNSF Railway's total capacity to sell undivided interests to investors under the A/R securitization program was \$200 million at September 30, 2011, which was comprised of two \$100 million facilities which were entered into in November 2010 and set to terminate in November 2011 (see Note 1). Each of the financial institutions providing credit for the facilities is rated Aa3/A+ or higher. The amount of undivided interests in the accounts receivable sold by BNSF Railway to investors fluctuates based on borrowing needs. Additionally, if the combined dilution and delinquency percentages exceed an established threshold, there would be an impact on the amount of undivided interest that BNSF Railway could sell. At September 30, 2011, the effective capacity under the A/R securitization program was \$200 million.

The A/R securitization program master trust is considered a variable interest entity (VIE) as it does not retain sufficient equity to finance its activities without the support of BNSF Railway. BNSF Railway has a variable interest in the master trust as it absorbs any losses related to the receivables transferred in the event of default. BNSF Railway is the primary beneficiary of the VIE as it (1) directs the amount of undivided interest in receivables sold to investors by the master trust, and thus holds the power to direct the activities of the master trust that most significantly impact performance and (2) has the obligation to absorb the losses in the event of defaulted receivables, which could potentially be significant to the master trust. As the primary beneficiary of the master trust, BNSF Railway fully consolidates the master trust.

As of September 30, 2011 and December 31, 2010, there were no outstanding undivided interests held by investors under the A/R securitization program; thus, no asset or related liability was recorded in the Company's Consolidated Balance Sheets. Additionally, during the nine months ended September 30, 2011 (Successor), and the periods February 13 – September 30, 2010 (Successor) and January 1 – February 12, 2010 (Predecessor), there were no cash flow activities related to the A/R securitization program.

BNSF Railway does not provide financial support to the master trust that it was not previously contractually obligated to provide.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

4. Other Intangible Assets and Liabilities

Amortized intangible assets and liabilities were as follows (in millions):

	Successor			
	As of September 30, 2011		As of December 31, 2010	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets	\$ 2,013	\$ 517	\$ 2,013	\$ 281
Amortized intangible liabilities	\$ 2,056	\$ 487	\$ 2,056	\$ 266

Amortized intangible assets primarily consisted of internally developed software and franchise & customer assets. Amortized intangible liabilities primarily consisted of customer and shortline contracts which were in an unfavorable position at the date of Merger.

Amortized intangible assets and liabilities are amortized based on the estimated pattern in which the economic benefits are expected to be consumed or on a straight-line basis over their estimated economic lives.

Amortization of intangible assets and liabilities was as follows (in millions):

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Amortization of intangible assets	\$ 236	\$ 204	\$ —
Amortization of intangible liabilities	\$ 221	\$ 191	\$ —

Amortization of intangible assets and liabilities for the next five years is expected to approximate the following (in millions):

	Amortization of intangible assets	Amortization of intangible liabilities
Remainder of 2011	\$ 76	\$ 72
2012	\$ 306	\$ 282
2013	\$ 306	\$ 252
2014	\$ 306	\$ 179
2015	\$ 54	\$ 115

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)****5. Other Assets**

In July 2010, the Company entered into a low-income housing partnership (the Partnership) as the limited partner, holding a 99.9% interest in the Partnership. The Partnership is a VIE, with the purpose of developing and operating low-income housing rental properties. Recovery of the Company's investment is accomplished through the utilization of low-income housing tax credits and the tax benefits of Partnership losses. The general partner, who holds a 0.1% interest in the Partnership, is an unrelated third party and is responsible for controlling and managing the business and financial operation of the Partnership. As the Company does not have the power to direct the activities that most significantly impact the Partnership's economic performance, the Company is not the primary beneficiary and therefore, does not consolidate the Partnership. As of September 30, 2011, the assets of the unconsolidated Partnership totaled approximately \$569 million. The Company does not provide financial support to the Partnership that it was not previously contractually obligated to provide.

The Company has accounted for its investment in the Partnership using the effective yield method. The risk of loss of the Company's investment in the Partnership is considered low as an affiliate of the general partner has provided certain guarantees of tax credits and minimum annual returns. The Company's maximum exposure to loss related to the Partnership is the unamortized investment balance. The following table provides information as of September 30, 2011 (in millions):

Unamortized investment balance classified as Other Assets	Remaining commitments classified as Other Liabilities	Maximum exposure to loss
\$ 516	\$ 148	\$ 516

Of the remaining commitments, \$130 million is due at the end of 2012 and \$18 million is due at the end of 2013.

6. Debt**Revolving Credit Facility and Commercial Paper**

In September 2011, the Company terminated its \$1.2 billion long-term revolving bank credit facility, which was set to expire in September 2012. There were no outstanding borrowings under the revolving credit facility prior to termination. In addition, no additional costs were incurred with the early termination of the credit facility. The Company believes that the termination of the facility will not have a material effect on the Company's ability to manage its liquidity.

As the revolving bank credit facility supported the issuance of commercial paper, the termination of the credit facility effectively ended the Company's access to the commercial paper market. There was no commercial paper outstanding prior to the termination or as of December 31, 2010.

Notes and Debentures

In August 2011, BNSF issued \$450 million of 3.45 percent debentures due September 15, 2021 and \$300 million of 4.95 percent debentures due September 15, 2041. The net proceeds from the sale of the debentures will be used for general corporate purposes, which may include but are not limited to working capital, capital expenditures, and repayment of outstanding indebtedness.

In May 2011, BNSF issued \$250 million of 4.10 percent debentures due June 1, 2021 and \$500 million of 5.40 percent debentures due June 1, 2041. The net proceeds from the sale of the debentures will be used for general corporate purposes, which may include but are not limited to working capital, capital expenditures and repayment of outstanding indebtedness.

In March 2011, the Board of Managers (the Board) of the Company authorized an additional \$1.5 billion of debt securities that may be issued pursuant to the debt shelf registration statement filed with the Securities and Exchange Commission (SEC). At September 30, 2011, \$750 million remained authorized by the Board to be issued through the SEC debt shelf registration process.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

Fair Value of Debt Instruments

At September 30, 2011, and December 31, 2010, the fair value of BNSF's debt, excluding capital leases and unamortized gains on interest rate swaps, was \$12,792 million and \$10,761 million, respectively, while the book value, which also excludes capital leases and the associated unamortized fair value adjustment under acquisition method accounting related to capital leases and unamortized gains on interest rate swaps, was \$11,419 million and \$10,446 million, respectively. The fair value of BNSF's debt is primarily based on quoted market prices for the same or similar issues, or on the current rates that would be offered to BNSF for debt of the same remaining maturities. The fair value of the Company's cash equivalents approximates their carrying value due to the short-term maturities of these instruments.

Guarantees

As of September 30, 2011, BNSF Railway has not been called upon to perform under the guarantees specifically disclosed in this footnote and does not anticipate a significant performance risk in the foreseeable future.

Debt and other obligations of non-consolidated entities guaranteed by the Company as of September 30, 2011, were as follows (dollars in millions):

	Guarantees					
	BNSF Ownership Percentage	Principal Amount Guaranteed	Maximum Future Payments	Maximum Recourse Amount^a	Remaining Term (in years)	Capitalized Obligations
Kinder Morgan Energy Partners, L.P.	0.5%	\$ 190	\$ 190	\$ —	Termination of Ownership	\$ 2 ^b
Chevron Phillips Chemical Company, LP	0.0%	N/A ^d	N/A ^d	N/A ^d	6	\$ 10 ^c
All other	0.0%	\$ 1	\$ 1	\$ —	Various	\$ —

a Reflects the maximum amount the Company could recover from a third party other than the counterparty.

b Reflects capitalized obligations that are recorded on the Company's Consolidated Balance Sheet.

c Reflects the asset and corresponding liability for the fair value of these guarantees required by authoritative accounting guidance related to guarantees.

d There is no cap to the liability that can be sought from BNSF for BNSF's negligence or the negligence of the indemnified party. However, BNSF could receive reimbursement from certain insurance policies if the liability exceeds a certain amount.

Kinder Morgan Energy Partners, L.P.

Santa Fe Pacific Pipelines, Inc., an indirect, wholly-owned subsidiary of BNSF Railway, has a guarantee in connection with its remaining special limited partnership interest in Santa Fe Pacific Pipeline Partners, L.P. (SFPP), a subsidiary of Kinder Morgan Energy Partners, L.P., to be paid only upon default by the partnership. All obligations with respect to the guarantee will cease upon termination of ownership rights, which would occur upon a put notice issued by BNSF or the exercise of the call rights by the general partners of SFPP.

Chevron Phillips Chemical Company, LP

In the third quarter of 2007, BNSF Railway entered into an indemnity agreement with Chevron Phillips Chemical Company, LP (Chevron Phillips), granting certain rights of indemnity from BNSF Railway, in order to facilitate access to a new storage facility. Under certain circumstances, payment under this obligation may be required in the event Chevron Phillips were to incur certain liabilities or other incremental costs resulting from trackage access.

All Other

As of September 30, 2011, BNSF guaranteed \$1 million of other leases. These guarantees expire between 2011 and 2013.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)*****Indemnities***

In the ordinary course of business, BNSF enters into agreements with third parties that include indemnification clauses. The Company believes that these clauses are generally customary for the types of agreements in which they are included. At times, these clauses may involve indemnification for the acts of the Company, its employees and agents, indemnification for another party's acts, indemnification for future events, indemnification based upon a certain standard of performance, indemnification for liabilities arising out of the Company's use of leased equipment or other property, or other types of indemnification. Despite the uncertainty whether events which would trigger the indemnification obligations would ever occur, the Company does not believe that these indemnity agreements will have a material adverse effect on the Company's results of operations, financial position or liquidity. Additionally, the Company believes that, due to lack of historical payment experience, the fair value of indemnities cannot be estimated with any amount of certainty. However, the fair value of any such amount would be immaterial to the Consolidated Financial Statements. Agreements that contain unique circumstances, particularly agreements that contain guarantees that indemnify for another party's acts, are disclosed separately, if appropriate. Unless separately disclosed above, no fair value liability related to indemnities has been recorded in the Consolidated Financial Statements.

Variable Interest Entities - Leases

BNSF Railway has entered into various equipment lease transactions in which the structure of the lease contains VIEs. These VIEs were created solely for the lease transactions and have no other activities, assets or liabilities outside of the lease transactions. In some of the arrangements, BNSF Railway has the option to purchase some or all of the equipment at a fixed-price, thereby creating variable interests for BNSF Railway in the VIEs. The future minimum lease payments associated with the VIE leases were approximately \$5 billion as of September 30, 2011.

In the event the leased equipment is destroyed, BNSF Railway is obligated to either replace the equipment or pay a fixed loss amount. The inclusion of the fixed loss amount is a standard clause within equipment lease arrangements. Historically, BNSF Railway has not incurred significant losses related to this clause. As such, it is not anticipated that the maximum exposure to loss would materially differ from the future minimum lease payments.

BNSF Railway does not provide financial support to the VIEs that it was not previously contractually obligated to provide.

BNSF Railway maintains and operates the equipment based on contractual obligations within the lease arrangements, which set specific guidelines consistent within the industry. As such, BNSF has no control over activities that could materially impact the fair value of the leased equipment. BNSF Railway does not hold the power to direct the activities of the VIEs and therefore does not control the ongoing activities that have a significant impact on the economic performance of the VIEs. Additionally, BNSF Railway does not have the obligation to absorb losses of the VIEs or the right to receive benefits of the VIEs that could potentially be significant to the VIEs. Depending on market conditions, the fixed-price purchase options could potentially provide benefit to the Company; however, any benefits potentially received from a fixed-price purchase option are expected to be minimal. Based on these factors, BNSF Railway is not the primary beneficiary of the VIEs. As BNSF Railway is not the primary beneficiary and the VIE leases are classified as operating leases, there are no assets or liabilities related to the VIEs recorded in the Company's Consolidated Balance Sheet.

7. Commitments and Contingencies**Personal Injury**

Personal injury claims, including asbestos claims and employee work-related injuries and third-party injuries (collectively, other personal injury), are a significant expense for the railroad industry. Personal injury claims by BNSF Railway employees are subject to the provisions of the Federal Employers' Liability Act (FELA) rather than state workers' compensation laws. FELA's system of requiring the finding of fault, coupled with unscheduled awards and reliance on the jury system, contributed to increased expenses in past years. Other proceedings include claims by non-employees for punitive as well as compensatory damages. A few proceedings purport to be class actions. The variability present in settling these claims, including non-employee personal injury and matters in which punitive damages are alleged, could result in increased expenses in future years. BNSF has implemented a number of safety programs designed to reduce the number of personal injuries as well as the associated claims and personal injury expense.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)**

Other than the fair value adjustments recorded in the application of acquisition method accounting related to the Merger, as discussed in Note 1 to the Consolidated Financial Statements, BNSF records an undiscounted liability for personal injury claims when the expected loss is both probable and reasonably estimable. The liability and ultimate expense projections are estimated using standard actuarial methodologies. Liabilities recorded for unasserted personal injury claims are based on information currently available. Due to the inherent uncertainty involved in projecting future events such as the number of claims filed each year, developments in judicial and legislative standards and the average costs to settle projected claims, actual costs may differ from amounts recorded. Expense accruals and any required adjustments are classified as materials and other in the Consolidated Statements of Income.

Asbestos

The Company is party to a number of personal injury claims by employees and non-employees who may have been exposed to asbestos. The heaviest exposure for BNSF employees was due to work conducted in and around the use of steam locomotive engines that were phased out between the years of 1950 and 1967. However, other types of exposures, including exposure from locomotive component parts and building materials, continued after 1967 until they were substantially eliminated at BNSF by 1985.

BNSF assesses its unasserted asbestos liability exposure on an annual basis during the third quarter. BNSF determines its asbestos liability by estimating its exposed population, the number of claims likely to be filed, the number of claims that will likely require payment and the estimated cost per claim. Estimated filing and dismissal rates and average cost per claim are determined utilizing recent claim data and trends.

During the third quarters of 2011 and 2010, the Company analyzed recent filing and payment trends to ensure the assumptions used by BNSF to estimate its future asbestos liabilities were reasonable. In the third quarters of 2011 and 2010, management determined that the liability remained appropriate and no change was recorded. The Company plans to update its study again in the third quarter of 2012.

Throughout the year, BNSF monitors actual experience against the number of forecasted claims and expected claim payments and will record adjustments to the Company's estimates as necessary.

Based on BNSF's estimate of the potentially exposed employees and related mortality assumptions, it is anticipated that unasserted asbestos claims will continue to be filed through the year 2050. The Company recorded an amount for the full estimated filing period through 2050 because it had a relatively finite exposed population (former and current employees hired prior to 1985), which it was able to identify and reasonably estimate and about which it had obtained reliable demographic data (including age, hire date and occupation) derived from industry or BNSF specific data that was the basis for the study. BNSF projects that approximately 60, 80 and 95 percent of the future unasserted asbestos claims will be filed within the next 10, 15 and 25 years, respectively.

Other Personal Injury

BNSF estimates its other personal injury liability claims and expense quarterly based on the covered population, activity levels and trends in frequency and the costs of covered injuries. Estimates include unasserted claims except for certain repetitive stress and other occupational trauma claims that allegedly result from prolonged repeated events or exposure. Such claims are estimated on an as-reported basis because the Company cannot estimate the range of reasonably possible loss due to other non-work related contributing causes of such injuries and the fact that continued exposure is required for the potential injury to manifest itself as a claim. BNSF has not experienced any significant adverse trends related to these types of claims in recent years.

BNSF monitors quarterly actual experience against the number of forecasted claims to be received, the forecasted number of claims closing with payment and expected claim payments. Adjustments to the Company's estimates are recorded quarterly as necessary or more frequently as new events or revised estimates develop.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

The following tables summarize the activity in the Company's accrued obligations for asbestos and other personal injury matters (in millions):

	Successor	
	Three Months Ended September 30,	
	2011	2010
Beginning balance	\$ 561	\$ 626
Accruals	19	4
Payments	(23)	(23)
Ending balance	\$ 557	\$ 607

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
	Beginning balance	\$ 575	\$ 664
Accruals	62	18	10
Payments	(80)	(75)	(9)
Ending balance	\$ 557	\$ 607	\$ 633

At September 30, 2011, \$130 million was included in current liabilities. In addition, defense and processing costs, which are recorded on an as-reported basis, were not included in the recorded liability. The Company is primarily self-insured for personal injury claims.

Because of the uncertainty surrounding the ultimate outcome of personal injury claims, it is reasonably possible that future costs to settle personal injury claims may range from approximately \$500 million to \$645 million. However, BNSF believes that the \$557 million recorded is the best estimate of the Company's future obligation for the settlement of personal injury claims.

The amounts recorded by BNSF for personal injury liabilities were based upon currently known facts. Future events, such as the number of new claims to be filed each year, the average cost of disposing of claims, as well as the numerous uncertainties surrounding personal injury litigation in the United States, could cause the actual costs to be higher or lower than projected.

Although the final outcome of personal injury matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded, it is the opinion of BNSF that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

BNSF Insurance Company

The Company has a consolidated, wholly-owned subsidiary, Burlington Northern Santa Fe Insurance Company, Ltd. (BNSF IC) that provides insurance coverage for certain risks, FELA claims, railroad protective and force account insurance claims and certain excess general liability and property coverage, and certain other claims which are subject to reinsurance. BNSF IC has entered into annual reinsurance treaty agreements with several other companies. The treaty agreements insure workers compensation, general liability, auto liability and FELA risk. In accordance with the agreements, BNSF IC cedes a portion of its FELA exposure through the treaty and assumes a proportionate share of the entire risk. Each year BNSF IC reviews the objectives and performance of the treaty to determine its continued participation in the treaty. The treaty agreements provide for certain protections against the risk of treaty participants' non-performance. On an on-going basis, BNSF and/or the treaty manager reviews the credit-worthiness of each of the participants. BNSF does not believe its exposure to treaty participants' non-performance is material at this time. BNSF IC typically invests in commercial paper, time deposits and money market accounts. At September 30, 2011, there was \$485 million related to these third-party investments, which were classified as cash and cash equivalents on the Company's Consolidated Balance Sheet, as compared with \$490 million at December 31, 2010.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)****Environmental**

The Company's operations, as well as those of its competitors, are subject to extensive federal, state and local environmental regulation. BNSF's operating procedures include practices to protect the environment from the risks inherent in railroad operations, which frequently involve transporting chemicals and other hazardous materials. Additionally, many of BNSF's land holdings are and have been used for industrial or transportation-related purposes or leased to commercial or industrial companies whose activities may have resulted in discharges onto the property. As a result, BNSF is subject to environmental cleanup and enforcement actions. In particular, the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as the Superfund law, as well as similar state laws, generally impose joint and several liability for cleanup and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. BNSF has been notified that it is a potentially responsible party (PRP) for study and cleanup costs at Superfund sites for which investigation and remediation payments are or will be made or are yet to be determined (the Superfund sites) and, in many instances, is one of several PRPs. In addition, BNSF may be considered a PRP under certain other laws. Accordingly, under CERCLA and other federal and state statutes, BNSF may be held jointly and severally liable for all environmental costs associated with a particular site. If there are other PRPs, BNSF generally participates in the cleanup of these sites through cost-sharing agreements with terms that vary from site to site. Costs are typically allocated based on such factors as relative volumetric contribution of material, the amount of time the site was owned or operated and/or the portion of the total site owned or operated by each PRP.

BNSF is involved in a number of administrative and judicial proceedings and other mandatory cleanup efforts for 269 sites, including 19 Superfund sites, at which it is participating in the study or cleanup, or both, of alleged environmental contamination.

Liabilities for environmental cleanup costs are recorded when BNSF's liability for environmental cleanup is probable and reasonably estimable. Subsequent adjustments to initial estimates are recorded as necessary based upon additional information developed in subsequent periods. Environmental costs include initial site surveys and environmental studies as well as costs for remediation of sites determined to be contaminated.

BNSF estimates the ultimate cost of cleanup efforts at its known environmental sites on an annual basis during the third quarter. Ultimate cost estimates for environmental sites are based on current estimated percentage to closure ratios, possible remediation workplans and estimates of the costs and likelihood of each possible outcome, historical payment patterns, and benchmark patterns developed from data accumulated from industry and public sources, including the Environmental Protection Agency and other governmental agencies. These factors incorporate into the estimates experience gained from cleanup efforts at other similar sites.

Annual studies do not include (i) contaminated sites of which the Company is not aware; (ii) additional amounts for third-party tort claims, which arise out of contaminants allegedly migrating from BNSF property, due to a limited number of sites; or (iii) natural resource damage claims. BNSF continues to estimate third-party tort claims on a site by site basis when the liability for such claims is probable and reasonably estimable. BNSF's recorded liability for third-party tort claims as of September 30, 2011, was \$12 million.

On a quarterly basis, BNSF monitors actual experience against the forecasted remediation and related payments made on existing sites and conducts ongoing environmental contingency analyses, which consider a combination of factors including independent consulting reports, site visits, legal reviews and analysis of the likelihood of participation in, and the ability to pay for, cleanup of other PRPs. Adjustments to the Company's estimates will continue to be recorded as necessary based on developments in subsequent periods. Additionally, environmental accruals, which are classified as materials and other in the Consolidated Statements of Income, include amounts for newly identified sites or contaminants, third-party claims and legal fees incurred for defense of third-party claims and recovery efforts.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

The following tables summarize the activity in the Company's accrued obligations for environmental matters (in millions):

	Successor	
	Three Months Ended September 30,	
	2011	2010
Beginning balance	\$ 565	\$ 493
Accruals	31	37
Payments	(13)	(26)
Ending balance	\$ 583	\$ 504

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
	Beginning balance	\$ 578	\$ 514
Accruals	41	43	6
Payments	(36)	(53)	(9)
Ending balance	\$ 583	\$ 504	\$ 514

At September 30, 2011, \$95 million was included in current liabilities.

During the third quarters of 2011 and 2010, the Company analyzed recent data and trends to ensure the assumptions used by BNSF to estimate its future environmental liability were reasonable. As a result of this study, in the third quarters of 2011 and 2010, management recorded additional expense of \$29 million and \$73 million as of the respective June 30 measurement dates. The Company plans to update its study again in the third quarter of 2012.

In 2008, the Company completed an analysis of its Montana sites to determine its legal exposure related to the potential effect of a Montana Supreme Court decision. The decision, which did not involve BNSF, held that restoration damages (damages equating to clean-up costs which are intended to return property to its original condition) may be awarded under certain circumstances even where such damages may exceed the property's actual value. The legal situation in Montana, the increase in the number of claims against BNSF and others resulting from this decision, and the completion of the analysis caused BNSF to record additional pre-tax environmental expenses of \$175 million, for environmental liabilities primarily related to the effect of the aforementioned Montana Supreme Court decision on certain of BNSF's Montana sites. In the third quarter of 2010, additional test results and negotiations with various parties at certain sites resulted in a reduction in expense of approximately \$40 million.

BNSF's environmental liabilities are not discounted. BNSF anticipates that the majority of the accrued costs at September 30, 2011, will be paid over the next ten years, and no individual site is considered to be material.

Liabilities recorded for environmental costs represent BNSF's best estimate of its probable future obligation for the remediation and settlement of these sites and include both asserted and unasserted claims. Although recorded liabilities include BNSF's best estimate of all probable costs, without reduction for anticipated recoveries from third parties, BNSF's total cleanup costs at these sites cannot be predicted with certainty due to various factors such as the extent of corrective actions that may be required, evolving environmental laws and regulations, advances in environmental technology, the extent of other parties' participation in cleanup efforts, developments in ongoing environmental analyses related to sites determined to be contaminated and developments in environmental surveys and studies of contaminated sites.

Because of the uncertainty surrounding these factors, it is reasonably possible that future costs for environmental liabilities may range from approximately \$445 million to \$815 million. However, BNSF believes that the \$583 million recorded at September 30, 2011, is the best estimate of the Company's future obligation for environmental costs.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

Although the final outcome of these environmental matters cannot be predicted with certainty, it is the opinion of BNSF that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

Other Claims and Litigation

In addition to asbestos, other personal injury and environmental matters discussed above, BNSF and its subsidiaries are also parties to a number of other legal actions and claims, governmental proceedings and private civil suits arising in the ordinary course of business, including those related to disputes and complaints involving certain transportation rates and charges. Some of the legal proceedings include claims for punitive as well as compensatory damages, and a few proceedings purport to be class actions. Although the final outcome of these matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded along with applicable insurance, BNSF currently believes that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, an unexpected adverse resolution of one or more of these items could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

8. Employment Benefit Plans

Components of the net cost for the periods presented below for certain employee benefit plans were as follows (in millions):

Net Cost	Pension Benefits	
	Successor	
	Three Months Ended September 30,	
	2011	2010
Service cost	\$ 8	\$ 8
Interest cost	26	27
Expected return on plan assets	(30)	(34)
Net cost recognized	\$ 4	\$ 1

Net Cost	Pension Benefits		
	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Service cost	\$ 24	\$ 20	\$ 3
Interest cost	77	68	12
Expected return on plan assets	(90)	(74)	(14)
Amortization of net loss	—	—	4
Net cost recognized	\$ 11	\$ 14	\$ 5

Net Cost	Retiree Health and Welfare Benefits	
	Successor	
	Three Months Ended September 30,	
	2011	2010
Service cost	\$ —	\$ —
Interest cost	4	4
Net cost recognized	\$ 4	\$ 4

Net Cost	Retiree Health and Welfare Benefits		
	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Service cost	\$ 1	\$ 1	\$ —
Interest cost	11	9	2
Net cost recognized	\$ 12	\$ 10	\$ 2

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)

9. Related Party Transactions

The companies identified as affiliates of BNSF include Berkshire and its subsidiaries. During the nine months ended September 30, 2011, the Company declared and paid cash distributions of \$2,750 million to its parent company. For the nine months ended September 30, 2011, the Company received a tax refund of \$426 million from Berkshire and made tax payments of \$173 million to Berkshire. Federal income taxes payable to Berkshire were \$206 million and \$0 million at September 30, 2011 and December 31, 2010, respectively.

10. Comprehensive Income

Other comprehensive income refers to revenues, expenses, gains and losses that under generally accepted accounting principles are included in comprehensive income, a component of equity within the Consolidated Balance Sheets, rather than net income on the Consolidated Statements of Income. Under existing accounting standards, other comprehensive income may include, among other things, unrecognized gains and losses and prior service credit related to pension and other postretirement benefit plans and accounting for derivative financial instruments, which qualify for cash flow hedge accounting.

The following tables provide reconciliations of net income reported in the Consolidated Statements of Income to total comprehensive income (in millions):

	Successor	
	Three Months Ended September 30,	
	2011	2010
Net income	\$ 766	\$ 706
Other comprehensive income:		
Change in fuel/interest hedge mark-to-market, net of tax (see Note 2)	(33)	17
Change in accumulated other comprehensive income of equity method investees	—	(1)
Total comprehensive income	\$ 733	\$ 722

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
	Net income	\$ 2,063	\$ 1,591
Other comprehensive income:			
Change in unrecognized prior service credit and actuarial losses, net of tax (see Note 8)	—	—	2
Change in fuel/interest hedge mark-to-market, net of tax (see Note 2)	(34)	14	(45)
Change in accumulated other comprehensive income of equity method investees	—	(1)	2
Total comprehensive income	\$ 2,029	\$ 1,604	\$ 183

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) - (Continued)**

The following table provides the components of accumulated other comprehensive (loss) income (in millions):

	Successor	
	September 30, 2011	December 31, 2010
Unrecognized prior service credit and actuarial losses, net of tax (see Note 8)	\$ (13)	\$ (13)
Fuel hedge mark-to-market, net of tax (see Note 2)	7	41
Accumulated other comprehensive loss of equity method investees	(1)	(1)
Total accumulated other comprehensive (loss) income	\$ (7)	\$ 27

11. Accounting Pronouncements

In June 2011, the FASB issued Accounting Standards Update No. 2011-05 (ASU 2011-05), *Presentation of Comprehensive Income*. This standard eliminates the current option to present other comprehensive income and its components in the statement of changes in equity. It will require companies to report the total of comprehensive income including the components of net income and the components of other comprehensive income in either a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 is effective for the Company for the year beginning on January 1, 2012.

In September 2011, the FASB issued Accounting Standards Update No. 2011-08 (ASU 2011-08), *Intangibles - Goodwill and Other (Topic 350), Testing Goodwill for Impairment*. This standard permits a company to first assess qualitative factors to determine whether it is more likely than not that the fair value is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step process for goodwill impairment testing previously required under Topic 350. ASU 2011-08 is effective for the Company for the year beginning on January 1, 2012, with early adoption permitted.

In September 2011, the FASB issued Accounting Standards Update No. 2011-09 (ASU 2011-09), *Compensation - Retirement Benefits - Multiemployer Plans (Subtopic 715-80), Disclosures about an Employer's Participation in a Multiemployer Plan*. This standard requires an employer that participates in multiemployer pension plans to provide additional quantitative and qualitative disclosures in order to provide users with more detailed information about the employer's involvement in multiemployer pension plans. In addition, this standard also includes changes in the disclosures required for multiemployer plans that provide postretirement benefits other than pensions. ASU 2011-09 is effective for the Company for the fiscal year ending after December 15, 2011. The Company will include the appropriate disclosures related to postretirement benefits in accordance with ASU 2011-09 in its annual report on Form 10-K for the year ending December 31, 2011.

Item 2. Management’s Narrative Analysis of Results of Operations.

Management’s narrative analysis relates to the results of operations of Burlington Northern Santa Fe, LLC and its majority-owned subsidiaries (collectively BNSF, Registrant or Company). The principal operating subsidiary of BNSF is BNSF Railway Company (BNSF Railway) through which BNSF derives substantially all of its revenues. The following narrative analysis should be read in conjunction with the Consolidated Financial Statements and the accompanying notes.

Berkshire’s cost of acquiring BNSF has been pushed-down to establish a new accounting basis for BNSF. Accordingly, the accompanying interim consolidated financial statements are presented for two periods, Predecessor and Successor, which relate to the accounting periods preceding and succeeding the completion of the Merger. The Predecessor and Successor periods have been separated by a vertical line on the face of the consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different historical-cost bases of accounting. The following narrative analysis of results of operations includes a comparative analysis of the nine months ended September 30, 2011 (Successor), with the period of February 13 – September 30, 2010 (Successor), and a brief discussion of the factors that materially affected the Company’s operating results in the Predecessor period of January 1 – February 12, 2010.

Results of Operations

Revenues Summary

The following tables present BNSF’s revenue information by business group:

	Revenues (in millions)			Cars / Units (in thousands)		
	Successor		Predecessor	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Consumer Products	\$ 4,403	\$ 3,159	\$ 515	3,406	2,713	453
Coal	3,658	2,734	442	1,676	1,522	259
Industrial Products	3,014	2,230	352	1,115	908	139
Agricultural Products	2,767	2,115	417	787	651	126
Total Freight Revenues	13,842	10,238	1,726	6,984	5,794	977
Other Revenues	442	320	65			
Total Operating Revenues	\$ 14,284	\$ 10,558	\$ 1,791			

	Average Revenue Per Car / Unit		
	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Consumer Products	\$ 1,293	\$ 1,164	\$ 1,137
Coal	2,183	1,796	1,707
Industrial Products	2,703	2,456	2,532
Agricultural Products	3,516	3,249	3,310
Total Freight Revenues	\$ 1,982	\$ 1,767	\$ 1,767

Fuel Surcharges

Freight revenues include both revenue for transportation services and fuel surcharges. BNSF’s fuel surcharge program is intended to recover its incremental fuel costs when fuel prices exceed a threshold fuel price. Fuel surcharges are calculated differently depending on the type of commodity transported. BNSF has two standard fuel surcharge programs – Percent of Revenue and Mileage-Based. In addition, in certain commodities, fuel surcharge is calculated using a fuel price from a time period that can be up to 60 days earlier. In a period of volatile fuel prices or changing customer business mix, changes in fuel expense and fuel surcharge may differ significantly.

The following table presents fuel surcharge and fuel expense information (in millions):

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 – September 30, 2010	January 1 – February 12, 2010
Total fuel expense ^a	\$ 3,124	\$ 1,840	\$ 329
BNSF fuel surcharges	\$ 1,971	\$ 1,230	\$ 192

a Total fuel expense includes locomotive and non-locomotive fuel as well as gains and losses from fuel derivatives, which do not impact the fuel surcharge program.

Beginning January 1, 2011, BNSF reset the strike price, the Highway Diesel Fuel (HDF) price at which BNSF assesses a fuel surcharge, from \$1.25 per gallon to \$2.50 per gallon for BNSF’s mileage-based and percent-of-revenue fuel surcharge programs covering Agricultural Products, Industrial Products, Coal and Automotive. This change includes an appropriate adjustment of the underlying base shipment rates to reflect the new strike price. BNSF also instituted a program that compensates customers when HDF falls below the strike price for an extended period.

Successor Periods of the Nine Months Ended September 30, 2011 vs the Period of February 13 – September 30, 2010

Revenues

Revenues for the nine months ended September 30, 2011, were \$14,284 million, up 35 percent as compared with the period of February 13 – September 30, 2010. The increase in revenues is directly attributable to comparing operating results for a 273-day period to one consisting of 230 days, which primarily causes the 21-percent increase in unit volumes. The following changes in underlying trends, based on a comparable number of days, also impacted the change in revenues:

- Consumer Products revenues included increased unit volumes for domestic intermodal as a result of tightening truck capacity and highway conversion to rail and international volumes outpacing west coast imports.
- Coal revenues reflected lower unit volumes, partially resulting from the impacts of severe flooding along key coal routes.
- Industrial Products revenues included increased unit volumes primarily due to increased demand in construction products resulting from strong steel and sand shipments, as well as increased demand in Petroleum Products.
- Agricultural Products revenues reflected increased wheat shipments resulting from strong export demand.
- Average revenue per car / unit increased as a result of increased rate per car / unit and higher fuel surcharges, which was driven by increased fuel prices.

Expenses

Operating expenses for the nine months ended September 30, 2011, were \$10,591 million, an increase of \$2,919 million, or 38 percent, as compared with the period of February 13 – September 30, 2010. A significant portion of this increase is due to comparing expenses for a 273-day period to one consisting of 230 days. The following changes in underlying trends, based on a comparable number of days, also impacted the change in expenses:

- Increased unit volumes, wage and health and welfare inflation, training and weather-related costs contributed to the increase in compensation and benefits expenses.
- Higher fuel prices accounted for the majority of the increase in fuel expenses. In addition, higher locomotive fuel consumption resulted from improved volumes and severe weather conditions, which impacted efficiency.
- Purchased services expenses increased due to higher volume-related costs, including purchased transportation for BNSF Logistics, a wholly-owned, third-party logistics company, and due to weather impacts.
- Higher locomotive and freight car material costs, increased crew transportation, travel costs and higher casualty and other costs increased materials and other expenses.
- There were no significant changes in the underlying trends for depreciation and amortization expenses or equipment rents expenses.
- Interest expense included increased interest related to a higher average debt balance.
- The effective tax rate for the nine months ended September 30, 2011, was 36.9 percent, compared with 38.3 percent for the period of February 13 – September 30, 2010. The 2010 tax rate included a charge related to the enactment of the Patient Protection and Affordable Care Act in March 2010, which eliminated the tax deductibility of retiree health care costs to the extent of federal subsidies received by plan sponsors that provide retiree prescription drug benefits equivalent to Medicare Part D coverage. The effective tax rate in 2011 also decreased as a result of state law tax changes, other state tax benefits and low-income housing partnership benefits.

Predecessor Period of January 1 – February 12, 2010

Significant changes in the underlying trends affecting the Company's revenues and expenses during the Predecessor period of January 1 – February 12, 2010, were as follows:

- Purchased services expenses included \$62 million in Merger-related legal and consulting fees. See Note 1 to the Consolidated Financial Statements for more information related to the Merger.
- Sale of a line segment in the State of Washington was completed, resulting in a gain to materials and other expenses of \$74 million.

Capital Commitments

As previously disclosed in the second quarter of 2011, BNSF anticipates that capital commitments for 2011 will be approximately \$3.8 billion or \$300 million higher than the Company's original plan. The increase is due to increased capital projects resulting from severe flooding conditions on its rail network and due to a pull forward of other projects that will utilize economic stimulus incentives, which provide favorable tax treatment.

Forward-Looking Information

To the extent that statements made by the Company relate to the Company's future economic performance or business outlook, projections or expectations of financial or operational results, or refer to matters that are not historical facts, such statements are "forward-looking" statements within the meaning of the federal securities laws.

Forward-looking statements involve a number of risks and uncertainties, and actual performance or results may differ materially. For a discussion of material risks and uncertainties that the Company faces, see the discussion in Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K. Important factors that could cause actual results to differ materially include, but are not limited to, the following:

- **Economic and industry conditions:** material adverse changes in economic or industry conditions, both in the United States and globally; volatility in the capital or credit markets including changes affecting the timely availability of and cost of capital; changes in customer demand, effects of adverse economic conditions affecting shippers or BNSF's supplier base, and effects due to more stringent regulatory policies such as the regulation of carbon dioxide emissions that could reduce the demand for coal or governmental tariffs or subsidies that could affect the demand for grain, changes in fuel prices and other key materials and disruptions in supply chains for these materials; competition and consolidation within the transportation industry; and changes in crew availability, labor and benefits costs and labor difficulties, including stoppages affecting either BNSF's operations or customers' abilities to deliver goods to BNSF for shipment;

- **Legal, legislative and regulatory factors:** developments and changes in laws and regulations, including those affecting train operations or the marketing of services; the ultimate outcome of shipper and rate claims subject to adjudication; or claims, investigations or litigation alleging violations of the antitrust laws; increased economic regulation of the rail industry through legislative action and revised rules and standards applied by the U.S. Surface Transportation Board in various areas including rates and services; developments in environmental investigations or proceedings with respect to rail operations or current or past ownership or control of real property or properties owned by others impacted by BNSF Railway operations; losses resulting from claims and litigation relating to personal injuries, asbestos and other occupational diseases; the release of hazardous materials, environmental contamination and damage to property; regulation, restrictions or caps, or other controls of diesel emissions that could affect operations or increase costs; the availability of adequate insurance to cover the risks associated with operations; and

- **Operating factors:** changes in operating conditions and costs; operational and other difficulties in implementing positive train control technology, including increased compliance or operational costs or penalties; restrictions on development and expansion plans due to environmental concerns; constraints due to the nation's aging infrastructure; disruptions to BNSF's technology network including computer systems and software, as well as natural events such as severe weather, fires, floods and earthquakes or man-made or other disruptions of BNSF Railway's or other railroads' operating systems, structures, or equipment including the effects of acts of terrorism on the Company's system or other railroads' systems or other links in the transportation chain.

The Company cautions against placing undue reliance on forward-looking statements, which reflect its current beliefs and are based on information currently available to it as of the date a forward-looking statement is made. The Company undertakes no obligation to revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs. In the event the Company does update any forward-looking statement, no inference should be made that the Company will make additional updates with respect to that statement, related matters, or any other forward-looking statements.

Item 4. Controls and Procedures.

Based on their evaluation as of the end of the period covered by this quarterly report on Form 10-Q, BNSF's principal executive officer and principal financial officer have concluded that BNSF's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) are effective to ensure that information required to be disclosed by BNSF in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms and that such information is accumulated and communicated to BNSF's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Additionally, as of the end of the period covered by this report, BNSF's principal executive officer and principal financial officer have concluded that there have been no changes in BNSF's internal control over financial reporting that occurred during BNSF's third fiscal quarter that have materially affected, or are reasonably likely to materially affect, BNSF's internal control over financial reporting.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES

PART II OTHER INFORMATION

Item 6. Exhibits.

See Index to Exhibits on page E-1 for a description of the exhibits filed as part of this report.

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES**Exhibit Index**

<u>Exhibit Number and Description</u>	<u>Incorporated by Reference (if applicable)</u>			
	<u>Form</u>	<u>File Date</u>	<u>File No.</u>	<u>Exhibit</u>
3.1 Certificate of Formation dated November 2, 2009.	8-K	2/16/2010	001-11535	3.1
3.2 Amended and Restated Limited Liability Company Operating Agreement of Burlington Northern Santa Fe, LLC, dated as of February 12, 2010.	8-K	2/16/2010	001-11535	3.2
3.3 Written Consent of sole member of Burlington Northern Santa Fe, LLC, dated April 8, 2010, amending and restating certain sections of the Amended and Restated Limited Liability Company Operating Agreement of Burlington Northern Santa Fe, LLC dated as of February 12, 2010.	8-K	4/14/2010	001-11535	3.2
4.1 Ninth Supplemental Indenture, dated as of August 22, 2011, to Indenture dated as of December 1, 1995, between Burlington Northern Santa Fe, LLC and The Bank of New York Mellon Trust Company, N.A., as Trustee.	8-K	8/22/2011	001-11535	4.1
4.2 Certificate of Determination as to the terms of BNSF's 3.45% Debentures due September 15, 2021 and 4.95% Debentures due September 15, 2041.	8-K	8/22/2011	001-11535	4.2
12.1 Computation of Ratio of Earnings to Fixed Charges.*				
31.1 Principal Executive Officer's Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*				
31.2 Principal Financial Officer's Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*				
32.1 Certification Pursuant to 18 U.S.C. § 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).*				

Certain instruments defining the rights of the holders of long-term debt of the Company and of its subsidiaries, involving a total amount of indebtedness not in excess of 10 percent of the total assets of the Company and its subsidiaries on a consolidated basis, have not been filed as exhibits. The Company hereby agrees to furnish a copy of any of these agreements to the SEC upon request.

* Filed herewith

BURLINGTON NORTHERN SANTA FE, LLC and SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(In millions, except ratio amounts)
(Unaudited)

	Successor		Predecessor
	Nine Months Ended September 30, 2011	February 13 - September 30, 2010	January 1 - February 12, 2010
Earnings:			
Income before income taxes	\$ 3,271	\$ 2,577	\$ 377
Add:			
Interest and other fixed charges, excluding capitalized interest	416	305	72
Reasonable approximation of portion of rent under long-term operating leases representative of an interest factor	184	163	35
Distributed income of investees accounted for under the equity method	4	4	—
Amortization of capitalized interest	—	—	1
Less:			
Equity in earnings of investments accounted for under the equity method	13	15	1
Total earnings available for fixed charges	\$ 3,862	\$ 3,034	\$ 484
Fixed charges:			
Interest and fixed charges	\$ 428	\$ 314	\$ 73
Reasonable approximation of portion of rent under long-term operating leases representative of an interest factor	184	163	35
Total fixed charges	\$ 612	\$ 477	\$ 108
Ratio of earnings to fixed charges	6.31x	6.36x	4.48x

**Principal Executive Officer's Certifications
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Matthew K. Rose, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Burlington Northern Santa Fe, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods covered by this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2011

/s/ Matthew K. Rose
Matthew K. Rose
Chairman and
Chief Executive Officer

**Principal Financial Officer's Certifications
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Thomas N. Hund, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Burlington Northern Santa Fe, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods covered by this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2011

/s/ Thomas N. Hund
Thomas N. Hund
Executive Vice President and
Chief Financial Officer

Certification Pursuant to 18 U.S.C. § 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

Burlington Northern Santa Fe, LLC

In connection with the Quarterly Report of Burlington Northern Santa Fe, LLC (the "Company") on Form 10-Q for the period ended September 30, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Matthew K. Rose, Chairman and Chief Executive Officer of the Company, and Thomas N. Hund, Executive Vice President and Chief Financial Officer of the Company, each hereby certifies that, to his knowledge on the date hereof:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2011

/s/ Matthew K. Rose

/s/ Thomas N. Hund

Matthew K. Rose
Chairman and Chief Executive Officer

Thomas N. Hund
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Burlington Northern Santa Fe, LLC and will be retained by Burlington Northern Santa Fe, LLC and furnished to the Securities and Exchange Commission or its staff upon request.