

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1
Tender Offer Statement Pursuant to Section 14(d)(1) of
the Securities Exchange Act of 1934
(Amendment No. 3)
and
SCHEDULE 13D
under the Securities Exchange Act of 1934
(Amendment No. 3)

Southern Pacific Rail Corporation
(Name of Subject Company)

Union Pacific Corporation
UP Acquisition Corporation
Union Pacific Railroad Company
(Bidders)

Common Stock, Par Value \$.001 Per Share
(Title of class of securities)

843584 10 3
(CUSIP number of class of securities)

Richard J. Ressler, Esq.
Assistant General Counsel
Union Pacific Corporation
Martin Tower, Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018
(610) 861-3200

(Name, address and telephone number of person authorized to receive
notices and communications on behalf of bidders)

with a copy to:

Paul T. Schnell, Esq.
Skadden, Arps, Slate, Meagher & Flom
919 Third Avenue
New York, New York 10022
Telephone: (212)735-3000

This Amendment No. 3 amends and supplements the Tender Offer Statement on Schedule 14D-1 relating to the tender offer by UP Acquisition Corporation ("Purchaser"), a Delaware corporation and a wholly owned subsidiary of Union Pacific Railroad Company, a Utah corporation ("UPRR"), and an indirect wholly owned subsidiary of Union Pacific Corporation, a Utah corporation ("Parent"), to purchase up to 39,034,471 shares of Common Stock, par value \$.001 per share (the "Shares"), of Southern Pacific Rail Corporation, a Delaware corporation (the "Company").

Unless otherwise indicated herein, each capitalized term used and not defined herein shall have the meaning assigned to such term in the Schedule 14D-1 or in the Offer to Purchase referred to therein.

- ITEM 3. PAST CONTACTS, TRANSACTIONS OR NEGOTIATIONS WITH THE SUBJECT COMPANY.
- ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.
- ITEM 7. CONTRACTS, ARRANGEMENTS, UNDERSTANDING OR RELATIONSHIPS WITH RESPECT TO THE SUBJECT COMPANY'S SECURITIES.

The information set forth in Items 3, 5 and 7 of the Schedule 14D-1 is hereby amended and supplemented by the following information:

On July 21, 1995, at a special telephonic meeting of Parent's Board of Directors, Parent's management and financial and legal advisors reviewed with the Board the status of discussions with the Company and various strategic, financial and legal considerations concerning

a possible transaction with the Company. No decision was reached by the Board, but it was the consensus of directors that management and Parent's advisors should continue discussions with the Company concerning a possible transaction.

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 17, 1995 UNION PACIFIC CORPORATION

By: /s/ Carl W. von Bernuth
Name: Carl W. von Bernuth
Title: Senior Vice President
and General Counsel

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 17, 1995 UP ACQUISITION CORPORATION

By: /s/ Carl W. von Bernuth
Name: Carl W. von Bernuth
Title: Vice President and
Assistant Secretary

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 17, 1995 UNION PACIFIC RAILROAD COMPANY

By: /s/ Carl W. von Bernuth
Name: Carl W. von Bernuth
Title: Senior Vice President
and General Counsel