UPDATED DISCLOSURE STATEMENT SEPTEMBER 30, 2016

Part A. General Company Information

Item 1.
NAME: X RAIL ENTERPRISES INC.
Stock Symbol (XREE)

Item 2.
ADDRESS: 9480 South Eastern Ave., Suite 205
Las Vegas, NV 89123
Attn: Michael Barron, President

WEBSITE: www.xrailenterprises.com
EMAIL: mbarron@vegasxtrain.com

Item 3.
Jurisdiction and date of the incorporation:
Articles of Incorporation Filed in Utah August, 1974 under the name of State Cycle
Original Incorporation Utah, August, 1974
X Rail Enterprises, Inc. moved to Nevada in 2016

Part B. Security Information

Item 4. The title and class of securities outstanding
Trading Symbol: XREE

The company has 500,000,000 common shares authorized at $0.00001 par value, 197,803,303 issued and outstanding as of June 30, 2016 of which 1,784 is free trading.

The company just completed a stock reverse of 1,000 to 1 effective 11/19/2015.

The company has two classes of Preferred Stock, a series A Preferred Stock par value of $0.00001 with 98,796 issued and outstanding and a series A-2 par value of $0.00001 with 2 shares issued and outstanding. Series A has 50,000,000 shares authorized and a series B Preferred Stock 1 million shares authorized with no shares issued and outstanding.

Part C. Business Information

Item VII.
Name and Address of Transfer Agent:

Justeene Blankenship, President
Action Stock Transfer, Inc.
2469 E. Fort Union Blvd, Suite 214
Salt Lake City, UT 84121
Phone: 801-274-1088
Fax: 801-274-1099
E-mail: justblank2000@yahoo.com
Registered with the SEC

Item: VIII.
Nature of the business:

X Rail Enterprises Inc. is a C Corporation.
The business started in August 1974.
The Fiscal Year is December 31.
There has never been a filing in bankruptcy, receivership.
The issuer is not now nor has ever been a shell company.
The name has been changed to X Rail Enterprises Inc. in November 2015.
There is no pending or threatened legal action.

Item 5. Issuance History - 2 years

March 1/2013	Stock issued for Loan	24,000,000
March 5, 2013	Stock issued for Debt	400,000,000
June 7/2013	Stock issued for Debt	240,000,000
October 2015	Cancellation of shares	(750,000)
October 2015	Stock issued for Management	4,000,000,000
October 2015	Stock issued for Debt	900,000
December 2015	Stock issued for Assets 2 Preferred A-2	2
March 2016	Stock issued for purchase of Stock	18,144,719
March 2016	Stock issued for purchase of stock	145,756,682
March 2016	Stock issued for cash and note	2,250,000
March 2016	Management stock	2,500,000
March 2016	Management stock	10,000,000
March 2016	Director Stock	644,000
March 2016	Production Management stock	740,000
April 2016	Stock issued for purchase of stock	9,988,848
August 2016	Stock issued for cash	3,500,000
August 2016	Stock issued for convertible debt	200,000

XREE Security Details

Share Structure

Market Value	$435,167,266	a/o September 30, 2016
Authorized Shares	500,000,000	a/o September 30, 2016
Outstanding Shares	197,803,303	a/o September 30, 2016
-Restricted	Not Available	
-Unrestricted	Not Available	
Held at DTC	Not Available	
Float	201,784	a/o Sept 30, 2016
Par Value	Not Available	

Transfer Agent:
Action Stock Transfer Corporation

Shareholders:
Shareholders of Record 465 a/o Sept 30, 2016

Item 6. Financial Statements: see Statements for Sept 30, 2016

Item 7. Business Description:

The Company

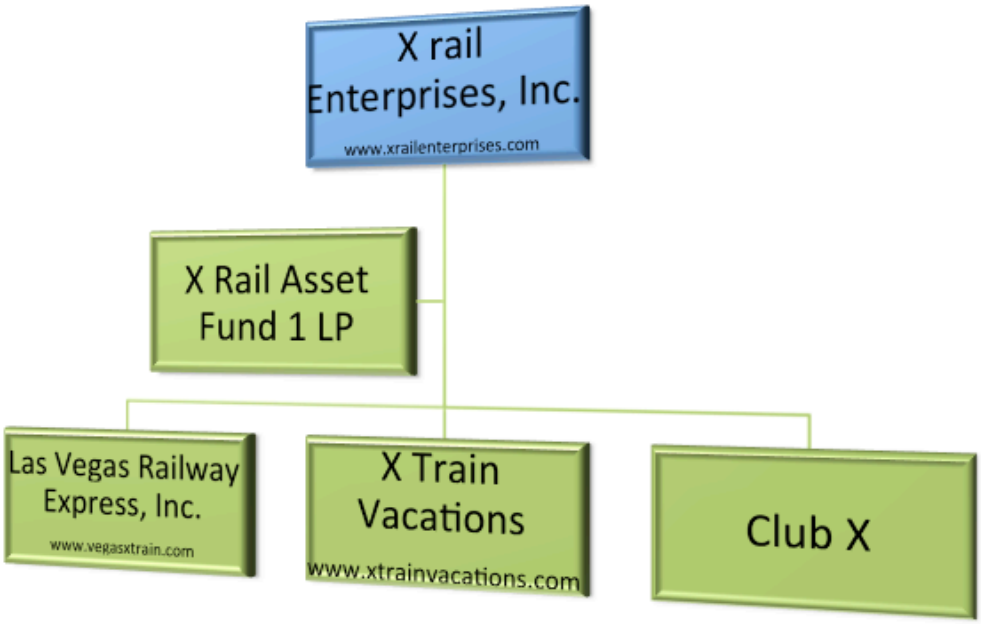
Our company, X Rail Enterprises, Inc., has acquired an interest and signed License and Service Agreement with Las Vegas Railway Express, Inc. in order to establish a new and innovative charter passenger train service between Las Vegas and the Los Angeles metropolitan area using existing railroad tracks and equipment. The proposed service, called the "X-Train," will introduce a "Las Vegas" style experience on the train, while traversing the route in approximately 5 ½ hours. Once established on the LA to Vegas corridor, the Company plans to export a branded charter train to other resort casino destinations served by rail.

Our trains indicative of the X-Train brand of passenger travel, will feature first class service using large comfortable seats and extraordinary service levels in its First Class compartment; and economical seating in Coach class. In both classes the passenger experience can be enhanced materially through ancillary service options that is expected to generate additional revenue for the company.

X Rail Enterprises, Inc. under license, dba X Train Vacations, a licensed IATA travel agency, is also planning to be licensed by the Nevada Gaming Control Board as a licensed casino and club host. This entitles us to receive a commission from the casinos and clubs which we direct our riders to. Our Club X Host program is a membership club for gaming enthusiasts.

Our casino host program is called Club X which is a membership program exclusively for riders of the X Train. Riders are offered a membership, which allows discount at hotels,

restaurants, night clubs, outings such as golf, tours and rides. Club X members fill out a profile of their preferences for their Vegas experience and our Club X VIP hosts help to make the client's experience a memorable one. We treat our clients like "whales" even though they are not, but we ensure they feel special. This creates a loyalty to our service. The company is an entertainment based business with a loyal clientele and not simply a transportation vehicle.



Over the last 18 months, we have been engaged in activities designed to secure the necessary rights, equipment and facilities required to commence commercial service in 2016. These include: securing a charter agreement from Amtrak to operate our 8 excursion runs per year, securing operating rights to run our trains over tracks owned by private railroads, obtaining the capability to operate train equipment safely and in conformity with applicable government regulations, purchasing or leasing appropriate locomotive and passenger cars designed to move passengers over the route in comfort and securing leases on terminal facilities and passenger depots in Los Angeles and in Las Vegas.

The first train set of 12 passenger railcars has been acquired and will begin to be renovated following this Offering.

Operating Companies.

Las Vegas Railway Express, Inc., a Delaware corporation, is a company whose plan is to re-establish a conventional rail passenger train service between Las Vegas and Los Angeles using existing freight railroad lines. The development concept is to provide a Las Vegas style experience on the train, which would traverse the planned route in approximately 5:00 hours. The Company is in discussions with both the Union Pacific

Railroad and the BNSF railroad seeking to secure rail trackage rights agreements. The Company has executed a project feasibility agreement with Union Pacific Railroad. The capacity planning and feasibility analysis by both railroads has been completed. A series of passenger railcars has been negotiated to be acquired under an agreement with Transportation Management Services. This would provide the company with up to twenty-four bi-level passenger cars with a total capacity of 2,304 passengers. The Company has executed a Memorandum of Understanding (or MOU) with the Plaza Hotel as a potential Las Vegas station site and has a similar agreement with the City of Fullerton for use of that station for the Southern California terminus of the service. The company has executed an MOU with AMTRAK for haulage of the train set outlining duties and responsibilities of each party.

X Train Vacations is your one stop shop for all Las Vegas rooms, activities, tours, show tickets and packages. Take in the amazing views of one of the Seven Natural Wonders of the World, the astounding, Grand Canyon by motor coach, plane, helicopter or jeep. Looking for discounted eXclusive offers? We got you covered! Call one of our friendly Ticketing Specialists at 1-855-730-2040 and hear about our great deals.
Las Vegas shows, hotel rooms, tours and attractions are all available right here on XTrainVacations.com. This is the only site you need to plan your Vegas vacation getaway. We also have the best selection of train excursions available. Everyone wants to enjoy the best Las Vegas has to offer, so why not do it like a VIP? We've got the best Las Vegas deals and specials, too. All you have to do is explore the best of Las Vegas right here on one wonderful website.
Find deals and save on Las Vegas show tickets such as Cirque Du Soleil and Blue Man Group. We have comedy shows, magic shows, headliners and tribute shows too. But we don't stop there. We make it easy to tour the Valley of Fire from a Pink Jeep or relax in a roomy motor coach. Take in the breathtaking sights from a helicopter tour of the Grand Canyon or Zipline your way across Bootleg canyon.
All the fun Vegas has to offer is paired with amazing train vacations on XTrainVacations.com.
Whether you call it Vegas or Sin City, we love helping you discover all the fun shows, tours and activities Las Vegas offers. Thank you for discovering XTRainVacations.com

The Club X Membership is a members – only lifestyle program that allows its members an opportunity to attend eXclusive private events, enjoy top billed shows, shop with pre-selected brands for an exclusive shopping experience and more. With the Club X membership members get a day to day savings plan that applies to everyday life, wherever they may be and are not restricted to certain areas.

Club X Members have the benefit of riding the X Train from Los Angeles to Las Vegas in style at a discounted rate that cannot be offered anywhere else. The X Train allows the member to sit back, quench their thirst and educate their pallet with the allinclusive experience of incredible food prepared by My World on a Plate.

Benefits Include:

- ✓ Guaranteed seating
- ✓ All inclusive dinning and beverages
- ✓ Chef prepared meals on board
- ✓ Wi-Fi
- ✓ Recharging outlets for electronic devices
- ✓ Concierge services
- ✓ Frequent travel discounts
- ✓ VIP Host at your disposal
- ✓ Accumulate points for frequent travel

You receive a boarding pass on your first visit on the X train LEVEL 1, and you earn points by frequent trips. Food, beverage and merchandise purchases will receive discounts based on your level. You further accumulate point based on your level of gaming and entertainment activity while at the resort casino.
The more you use your card will depend on your level. The highest level will have special perks on the train. Your card acts as a credit card during each of your trips with a one tab close out prior to debarking. Your card can be used at Hotel and Casinos for a variety of amenities and discounts.

X Rail Asset Fund I is a limited partnership developed and funded for the construction and refurbishment of passenger rail cars to be deployed on passenger excursion rail routes. The partnership currently owns 12 bi level commuter type rail cars which it plans to build out during 2017. The cars are valued at $750,000. In addition, the partnership has secured a $7 million equity line of credit from Ascendiant Capital, which it plans to use to acquire rail cars and fund construction development of the existing inventory or cars. X Rail Enterprises, Inc. is the General Partner for the Limited Partnership.

EXECUTIVE OFFICERS and DIRECTORS:

Name	**Position**	**Age**
Gil Lamphere	Investor	63
Michael A Barron	Chief Executive Officer/ Director	65
Wayne Bailey	Chief Financial Officer	67
Joseph Cosio-Barron	President/Executive Vice President,	68
John McPherson	COO - Rail	66
Prof. Harry Teng	Director	62
Lou Schillinger	Director	67
Don Adams	Director	74
Directors	At present, the Company has 3 independent directors.	

Gil H. Lamphere – Investor, 63

Mr. Lamphere serves on the Board of Directors of CSX Corporation ($25bn, 23,000 mile railroad) and has served on the board of Canadian National Railway ($25bn, 15,000 mile transcontinental railroad), Chaired the Board of the Illinois Central Railroad ($2.5bn, 1,000 mile Class 1 railroad between Chicago and New Orleans) and served on the board of Florida East Coast Railway ($2.8bn railroad, 350 miles down East Coast of Florida). He was also instrumental in the investment and oversight of Mid-South Rail. Mid-South, Illinois Central and Canadian National became successively the most efficient railroads with the lowest operating ratios in North America. He is the Managing Director of Lamphere Capital Management, a private investment firm which he founded in 1998. Mr. Lamphere is also a general partner of Health Care 250, a healthcare investment fund, and Chairman and director of FlatWorld Capital, a publicly traded private equity company. He has served as a director of nine other public companies, including Carlyle Industries, Inc., Cleveland-Cliffs, Inc., R.P. Scherer Corporation, Global Natural Resources Corporation and Recognition International, Inc. Earlier in his career, Mr. Lamphere was Vice President of Mergers and Acquisitions at Morgan Stanley.

Michael A. Barron – Chief Executive Officer/ Director, 65

Mr. Barron has been a developer of new business enterprises for nearly 30 years. Mr. Barron began his career in 1971 where he was the Senior Planner for the City of Monterey and was the HUD liaison for the City's downtown redevelopment project. He master planned the city's redevelopment of famous Cannery Row, Fisherman's Wharf, and was Secretary of the Architectural Review Committee. Mr. Barron was the founder of Citidata, the first electronic provider of computerized real estate multiple listing service (MLS) information in the nation from 1975 to 1979. Citidata became the nation's largest provider of electronic real estate information and was sold to Moore Industries in 1979. In June 1979, TRW hired Mr. Barron to develop its real estate information services division (TRW/REIS) that acquired 11 companies in the field and eventually became the world's largest repository of real estate property information - Experian. Concurrently, Mr.Barron joined Vescor, Inc. of Fullerton California and became its President shortly thereafter. Vescor was a real estate syndication company, which owned 1,736 apartment units in six states. In 1984, he founded Microventure, a software developer of real estate applications for the newly developed IBM PC. Microventure received its Value Added Reseller status as one of the first 10 software applications officially branded for the IBM PC. The product line called "SOLD", was deployed to all Coldwell Banker, Realty World, and Red Carpet offices as well as several thousand independent Realtor offices. He took Microventure public in 1986. In November 1988, he founded and served as President, until 1992, of Finet Holdings Corporation (NASDAQ:FNCM), a publicly traded mortgage broker and banking business specializing in e-mortgage financing on site in real estate offices and remote loan origination via the Internet (www.finet.com). The company was publicly traded and maintained a market capitalization of $500 million. From March 1995-1998, Mr. Barron pioneered the first nationwide commercially deployed video conference mortgage financing platform for Intel Corporation which as a

licensed mortgage banker and broker in 20 states funded over $1 billion in closed loans. He later went on to serve as CEO for Shearson Home Loans, a $1.3 billion mortgage bank with 237 offices, licensed in 33 states with 1,450 employees. He founded Liberty Capital, a $100 million asset management company based in Las Vegas, Nevada. Mr. Barron holds a BA degree in Political Science and City & Regional Planning jointly from Cal Poly San Luis Obispo. He is the recipient of numerous awards including the National Association of Realtors 1995 Product of the Year Award and the 1974 American Institute of Planners Annual Award for historic building preservation. He is an avid railroad enthusiast.

Wayne Bailey - Chief Financial Officer, 67

Mr. Bailey is the CFO of X Rail Enterprises, Inc., a passenger rail development and operating company based in Las Vegas, Nevada. Mr. Bailey is responsible for all financial reporting documents and financial compliance for X Rail Enterprises, Inc., a publicly traded company (OTC:PINK:XREE) Prior to joining X Rail Enterprises, Inc., Mr. Bailey was active in the OTC markets for small cap and micro cap public companies. He secured financing, managed public disclosures, mergers and acquisitions and compliance for several small cap public companies. Mr. Bailey served as CFO for Shearson Home Loans, a $1.3 billion mortgage bank with 237 offices licensed in 33 states. Prior to his tenure at Shearson, Mr. Bailey was the operating partner for a privately held conglomerate of companies based in Salt Lake City, Utah. There he oversaw the operations of a steel manufacturing company, a plating company, a bottled water company and a prefab construction company. Mr. Bailey is a decorated veteran of the US Army having served with the 101st Airborne in Vietnam.

Joseph A. Cosio-Barron – President/Executive Vice President, 68

Prior to joining the Company from 2002-2007 Mr. Cosio-Barron served as Executive Vice President for Shearson Home Loans, a Delaware Corporation and co-founded with Mr. Barron Liberty Capital Inc., a Delaware Corporation which was a $100 million asset management company based in Las Vegas, Nevada. From 1996-2002 Mr. Cosio-Barron served as the Managing Partner and President of CBS Consultants, Inc., a California Corporation which was a financial firm offering highly specialized services in development and lending for hotels, resorts, and casinos. From 1991-1996 he served as the Executive Vice President of Finet Holdings Corporation, a Delaware Corporation. As Executive Vice President, he was entirely responsible for the supervision and coordination of the management of the loan sales of the staff for all the branch offices. From 1980-1990 he served as President of Terra West Construction, a company, which he founded which in addition to building single-family subdivisions, strip, centers, duplex and four-plex units also developed syndications and formed limited partnerships for large-scale developments throughout California. From 1973-1980, he served as Senior Vice-President of Multi-Financial Corporation, a California Corporation which was a real estate investment firm that both owned and managed commercial, retail, and residential income properties in Northern California.

John D. McPherson – Chief Operating Officer (acting), 66

Mr. McPherson joined the Board of Directors of CSX Corporation ($25bn, 23,000 mile railroad) July 2008. He served as President and COO of Florida East Coast Railway($2.8bn railroad, 350 miles down East Coast of Florida) , a wholly-owned subsidiary of Florida East Coast Industries, Inc., from 1999 until his retirement in 2007. From 1993-1998, Mr. McPherson served as Senior Vice President Operations and from 1998-1999, he served as President and CEO of the Illinois Central Railroad ($2.5bn, 1,000 mile Class 1 railroad between Chicago and New Orleans). Illinois Central became the most efficient railroad with the lowest operating ratio in North America. Prior to joining the Illinois Central Railroad, Mr. McPherson served in various capacities at Santa Fe Railroad for 25 years. As a result of his extensive career in the rail industry, Mr. McPherson serves as an expert in railroad operations. From 1997-2007, Mr. McPherson served as a member of the board of directors of TTX Company, a railcar provider and freight car management services joint venture of North American railroads.

Dr. Harry Teng PhD, 62

Dr. Teng, an Associate Professor in Transportation Engineering at the University of Nevada, Las Vegas (UNLV), has approximately 30 years of research and education experience in transportation engineering and management. He graduated from China's Beijing Jiaotong University with his B.S. and M.S. degrees in railroad engineering and management. He has a second M.S. degree from West Virginia University on railroad operations, and a Ph.D. in civil engineering from Purdue University. He has taught at Beijing Jiaotong University, Polytechnic University of New York, The University of Virginia (UVa), and UNLV. He was the Associate Director for the Center of Transportation Studies at UVa.

Dr. Teng leads the railroad and high-speed rail program at UNLV. Currently, he is operating the Transit UTC at UNLV for which he has been involved in research with federal and local agencies and organized distinguished seminars. He has initiated the railroad, high-speed rail, and transit program at UNLV for which he has developed a curriculum and certificate program on railroad. He is the advisor for the AREMA student chapter at UNLV. In addition, he has been active in railroad professional activities.

Dr. Teng also is interested in Intelligent Transportation Systems, infrastructure maintenance, air quality analysis, freight transportation, safety, and demand forecasting. So far, he has published approximately 40 peer-reviewed technical papers.

Lou Schillinger – 67

Louis ("Lou") M. Schillinger, CIC LIC - Director, X Rail Enterprises, Inc. Mr. Schillinger has been a Director of X Rail Enterprises, Inc. since 2015 and is the Founder, President & CEO of United Shortline Insurance Services Inc. (USI). United Shortline has

been serving the rail industry with innovative and railroad responsive insurance products for the past 26 years.
...
Mr. Schillinger has devoted his entire thirty+ professional career to the insurance industry. In 1985, shortly after the deregulation of the U.S. railroad industry, Mr. Schillinger's agency began to produce unique Railroad Industry Liability and Property coverage's to the growing Shortline and Regional Railroad Industry throughout North America. He was responsible for developing the policy language, current rating structure, underwriting guide, claims manual, and has reviewed and underwritten both alone and with various consulting underwriters, virtually every shortline and regional railroad in America during the last 25 years. United Shortline Insurance Services, Inc. is the largest Managing General Agency providing insurance to over 30% of the Railroad Industry and is credited with establishing and maintaining the only fully admitted Railroad Liability Program in the country since 1994. In 2001, USI and Marsh, Inc. combined to develop a certified safety program to the ASLRRA and became the first "endorsed" liability insurance product in the ASLRRA's history. Mr. Schillinger has been awarded the exclusive marketing contract for Class I railroads Railroad Protective Program from Hudson Insurance Company in 2007. Mr. Schillinger has conducted Railroad Liability seminars for agents, legislators, industry groups, and client railroads throughout the country. In addition Mr. Schillinger has had the privilege of presenting a Small Business Curriculum for a portion of the University of Pennsylvania's 1999, 2000, 2002, and 2005 MBA Programs. Mr. Schillinger is a graduate of Michigan State University where he earned a BA in Financial Administration and has taken numerous hours of continuing education.

Don Adams – 70

Mr. Adams has spent the last 35 years as Founder and Chief Executive Officer of Allstate Ticketing in Las Vegas. Allstate ticketing is the oldest and largest broker of sightseeing tours in Nevada, with over 20 (and growing) locations including the Flamingo, Harrah's, Hoover Dam, Las Vegas Convention and Visitors Authority and McCarran International airport. Mr. Adams and Allstate were pioneers in using the web-based platforms for the industry and in 2005 sold Allstate to Travelocity, Inc. Prior to founding Allstate, Mr. Adams served in executive roles for many Las Vegas gaming companies. He has been a resident of Las Vegas since 1958.

Professional Team

Company:	Retained as:	Website:
Cowen & Co.	Investment Bankers	www.cowen.com
CSD Architects	Architectural Design	www.csdarchitects.com
Short Line Insurance Co.	Rail Insurance	www.shortlineinsurance.com
R & O Construction	General Contractors	www.rando.com
Walker Engineering	Civil Engineers	www.walker-eng.com
Rail Enterprises	Rail Car Construction	

Political Support Delegation

BGR Group Washington, DC	DC based lobbyists Haley Barbour Jonathan Mantz
Bob Miller	Former Governor – State
Prof. Harry Teng, PhD.	UNLV Professor – Director Rail Engineering Program Commissioner – Nevada High Speed Rail Authority Board Member – LVRE

The Company's common stock is currently quoted on the OTC:PINK under the symbol "XREE". The company website is www.xrailenterprises.com, www.vegasxtrain.com, and www.xtrainvacations.com. The contents of this website are not incorporated into this Memorandum. The Company has retained the law firm of Sichenzia Ross Friedman Ference LLP (www.srff.com).

E. Disclosure of Conflicts of Interest. There are no conflicts of interest

Item XIV. Beneficial Owners.

Principal Stockholder's Name	**Number of Shares Owned**	**Percentage**
Gilbert Lamphere 220 East 42nd St, Floor 29 New York, NY 10017	81,787,214	42.15%

Michael Barron 9480 S. Eastern Ave. #205 Las Vegas, NV 89123	40,541,021	20.89%
Cowen Investments LLC Peter Cohen, Chairman and CEO 599 Lexington Ave New York, NY 10022	18,144,719	9.35%
Wayne Bailey 9480 S. Eastern Ave. #205 Las Vegas, NV 89123	13,564,829	6.99%
Joseph Cosio-Barron 9480 S. Eastern Ave. #205 Las Vegas, NV 89123	13,037,548	6.72%

Item XV. The name address, telephone number, and email address of each of the following outside providers.

1. Investment Banker: Cowen & Co.
2. Promoters: None
4. Accountant or Auditor: None
5. Public Relations Consultant: Success City Online
6. Investor Relations Consultant: BGR Group

Item XVI. Managements Discussion and Analysis or Plan of Operation

See 6 above

Item XVIII. Material Contracts.

Item XIX. Articles of Incorporation and Bylaws Posted

Item XX. Purchase of Equity Securities by the Issuer and Affiliated Purchasers.
There has been no purchase of Equity Securities by the Issuer or Affiliates

Item IX: Issuer's Certifications:

I, Wayne Bailey, certify that:

1. I have reviewed this quarterly disclosure statement of X Rail Enterprises, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statements 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial informant included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer and of, and for, the periods presented in this disclosure statement.

Date: November 22, 2016
/s/Wayne Bailey
Wayne Bailey, CFO