

UPDATED DISCLOSURE STATEMENT MARCH 31, 2017

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, CEO

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, 216,596,192 issued and outstanding as of March 31, 2017 of which 534,663 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

Date	Issuances of Common Stock	Shares	Price per share
3/1/2013	Stock Issued for Debt	24	
3/5/2013	Stock Issued for Debt	400	
6/7/2013	Stock Issued for Debt	240	
9/28/2015	Stock Issued for Compensation	4,000,000	
11/5/2015	Stock Issued for Debt	900	
1/11/2016	Stock Issued for Compensation	12,500,000	
2/11/2016	Stock Issued for Purchase of Stock	141,665,071	
2/11/2016	Stock Issued for Compensation	4,091,611	
3/31/2016	Stock Issued for Compensation	200,000	
3/31/2016	Stock Issued for Purchase of Stock	18,890,939	
3/31/2016	Stock Issued for Cash	2,250,000	\$ 0.05
4/1/2016	Stock Issued for Purchase of Stock	444,000	
4/27/2016	Stock Issued for Services	1,024,000	
4/27/2016	Stock Issued for Purchase of Stock	8,964,848	
7/18/2016	Stock Issued for Purchase of Stock	71,270	
8/29/2016	Stock Issued for Conversion of Debt	200,000	
9/14/2016	Stock Issued for Cash	2,000,000	\$ 0.05
9/19/2016	Stock Issued for Cash	1,500,000	\$ 0.05
11/10/2016	Stock Issued for Cash	5,000,000	\$ 0.05
11/21/2016	Stock Issued for Cash	5,000,000	\$ 0.05
1/10/2017	Stock Issued for Services	60,000	\$ 1.00
1/10/2017	Stock Issued for Cash	200,000	\$ 0.05
3/3/2017	Stock Issued for Conversion of Debt	1,200,000	\$ 0.05
3/3/2017	Stock Issued for Exercise of Warrant	1,200,000	\$ 0.15
3/17/2017	Stock Issued for Conversion of Debt	400,000	\$ 0.05
3/20/2017	Stock Issued for Conversion of Interest	127,889	\$ 0.05
3/20/2017	Stock Issued for Purchase of Assets	550,000	\$ 1.00
3/23/2017	Stock Issued for Cash	250,000	\$ 0.05
3/24/2017	Stock Issued for Cash	1,800,000	\$ 0.05
3/28/2017	Stock Issued for Cash	900,000	\$ 0.05
3/29/2017	Stock Issued for Cash	800,000	\$ 0.05
3/30/2017	Stock Issued for Cash	400,000	\$ 0.05
3/31/2017	Stock Issued for Cash	400,000	\$ 0.05
3/31/2015	Stock Issued for Services	505,000	\$ 0.05
	Total	216,596,192	

XREE Security Details

Share Structure

Market Value	\$789,981,146	a/o March 31, 2017
Authorized Shares	500,000,000	a/o March 31, 2017
Outstanding Shares	216,596,192	a/o March 31, 2017
-Restricted	Not Available	
-Unrestricted	Not Available	
Held at DTC	Not Available	
Float	534,663	a/o March 31, 2017

Par Value

Not Available

Transfer Agent:

Action Stock Transfer Corporation

Shareholders:

Shareholders of Record 474 a/o March 31, 2017

Item 6. Financial Statements: see Statements for March 31, 2017

Item 7. Business Description:

Overview

X Rail Entertainment, Inc. is in the specialty passenger train business and has three operating divisions, The X Train, which is an excursion railroad between metropolitan areas and resort/casino destinations, X Wine Railroads, a rail excursion from metropolitan areas to wine regions, and Club X Train, a riders membership club for X Train customers.

X Train

The X Train is an excursion passenger rail service between Los Angeles and Las Vegas. Service is expected to begin in late 2017. XREE plans to have its casino guests ride the exclusive train service and it manages the host activity of its guests throughout their stay in the resort/casino. Future X Train runs are anticipated in the coming years. The company owns a licensed IATAN travel agency, X Train Vacations which books excursion rail travel for passengers. The X Train is expected to be operated as an Amtrak train and will be listed on the Amtrak national timetable. X Train provides a complete bundled package of services including ticket, rooms and transfers to & from the station and weekend events such as access to nightclubs, golf outings and restaurants. It is scheduled as a Friday through Sunday service with passengers in Los Angeles boarding the train at Union Station and arriving at a new station to be built in Las Vegas and owned and operated by the X Train. Only the X Train will be able to use our station in Las Vegas. A typical X Train will consist of 10 passenger including food service and will carry on average, 500 passengers per trip. This number can be increased by adding more cars to the route.

Our LA to Vegas business plan emanates from a regional transportation feasibility study published in 2007, which suggested that a well-run rail service between Los Angeles and Las Vegas could garner up to 30% of the approximately 12 million passengers who regularly drive between these two metropolitan areas. See: www.rtcsonthernnevada.com. We believe that with our current business plan, we would be able to break-even, on an operating basis, with approximately 2,000 riders per year.

Over the last 18 months, we have negotiated and have secured the necessary rights, equipment and facilities required to commence commercial service in 2017 for the LA to Vegas route. These items include: securing a regularly scheduled train agreement from Amtrak to operate our excursion service on a weekly basis beginning with one round trip train per week and increasing to six round trips per week over the next several years as demand dictates. We have secured 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. Our first run is scheduled to run December 2017.

X Wine Railroad

The Company currently operates its X Wine Railroad service from LA Union Station to Santa Barbara California on a scheduled basis to individual riders (retail) as well as charters for corporate outings and special events (corporate). The Company provides a unique wine tasting experience to riders who take the train aboard special period classic railcars and an excursion to the Los Olivos wine area of Southern California. Over 250 private wineries reside in the area and the X Wine Railroad provides private access to these vineyards on an exclusive basis. Trips are a day trip only departing Union Station at 8:00 am and returning at 6:00 pm. Ticket prices are \$350 per person, all inclusive. www.winerailroad.com. The service is currently in operation and has been running on Saturdays, once a month. The Company plans to expand the frequency of its service due to high demand and selling out its limited seating. It is an all-inclusive day trip including a gourmet breakfast, wine tasting in the wineries, wine and cheese lunch at the wineries, and a gourmet dinner on the train's return trip. The Company plans to open similar services in Sonoma County and in Santa Clara Valley.

Club X Train

Club X Train is your one stop shop for all Las Vegas rooms, activities, tours, show tickets and packages. Las Vegas shows, hotel rooms, tours, nightclubs and attractions are all available as a member of ClubXTrain.com. This is the only site riders need to plan their Vegas vacation getaway. Club X Train has the best Las Vegas deals and specials, too.

When a customer purchases a train ticket on either the X Train or any of the X Wine Railroad excursions, you are automatically enrolled into our Club X membership club. Members receive an accumulation of points from each excursion they ride and are afforded discounts on products and services we provide. The more you ride, the more you make. Plus Club X train is the customer's ticket within Vegas as we have access to nightclubs, hosted bottle service, pool parties, gentlemen's clubs and the Club X Train Crawl: a high end to visiting three nightclubs in one night. Customers outline their desired plan for the evening and Club X Train takes care of arranging all the details. We expect membership to mount each time our trains run thus building our Club X Train membership rapidly. We would expect to be one of the largest membership clubs in the US within a few years.
www.clubxtrain.com

The Company maintains offices at 9480 S Eastern Ave, Suite 205, Las Vegas, Nevada 89123.

EXECUTIVE OFFICERS and DIRECTORS:

Name	Position	Age
Michael A Barron	Chief Executive Officer/ Director	66
Wayne Bailey	Chief Financial Officer	68
Joseph Cosio-Barron	President	68
Prof. Harry Teng	Director	62
Lou Schillinger	Director	67
Don Adams	Director	75
Directors	At present, the Company has 3 independent directors.	

Michael A. Barron – Chief Executive Officer/ Director, 66

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, 68

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.

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.

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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 ASLRRRA and became the first "endorsed" liability insurance product in the ASLRRRA'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 – 75

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.

Directors and Officers (1)	Amount of Beneficial Ownership (2)	Percent of Class (3)
Michael Barron (4) (7)	40,816,021	19.27%
Wayne Bailey (5)	13,564,829	6.40%
Joseph Cosio-Barron	13,037,548	6.16%
Huliang Teng	107,407	*
Don Adams	174,068	*
Louis Schillinger	460,665	*
All directors and officers as a group	68,160,538	31.35%
5% of greater beneficial owners:		
Gilbert H. Lamphere (6)	81,787,214	38.62%
Wanda Witoslawski (7)	19,117,832	9.03%

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: Pritchett, Siler & Hardy, PC
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: May 17, 2017

/s/Wayne Bailey

Wayne Bailey, CFO