

SCHAEFER BARBARA W
 Form 4
 October 15, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SCHAEFER BARBARA W

2. Issuer Name and Ticker or Trading Symbol
 UNION PACIFIC CORP [UNP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1400 DOUGLAS STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 10/14/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP HR & SEC UPC & RR

OMAHA, NE 68179
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	10/14/2010		M		29,844	A	\$ 48.49
Common Stock	10/14/2010		F		16,668	D	\$ 86.82
Common Stock	10/14/2010		F		5,719	D	\$ 86.82
Common Stock	10/14/2010		M		11,569	A	\$ 47.28
Common Stock	10/14/2010		F		6,300	D	\$ 86.82

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Common Stock	10/14/2010	F	2,287	D	\$ 86.82	123,300	D	
Common Stock						0	I	by Managed Account

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy) <u>(1)</u>	\$ 47.28	10/14/2010		M	11,569	02/05/2010 ⁽¹⁾ 02/05/2019	Common Stock	
Non-Qualified Stock Option (right to buy) <u>(1)</u>	\$ 48.49	10/14/2010		M	29,844	01/30/2008 ⁽¹⁾ 01/30/2017	Common Stock	

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

SCHAEFER BARBARA W
1400 DOUGLAS STREET
OMAHA, NE 68179

SVP HR & SEC UPC & RR

Signatures

By: Trevor L. Kingston, Attorney-in-Fact For: Barbara W. Schaefer

10/15/2010

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This option became exercisable in three equal installments starting one year from the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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