

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
(Amendment No. 26)
Tender Offer Statement Pursuant to Section 14(d) (1)
of the Securities Exchange Act of 1934

Conrail Inc.
(Name of Subject Company)

Norfolk Southern Corporation
Atlantic Acquisition Corporation
(Bidders)

Common Stock, par value \$1.00 per share
(Including the associated Common Stock Purchase Rights)
(Title of Class of Securities)

208368 10 0
(CUSIP Number of Class of Securities)

Series A ESOP Convertible Junior
Preferred Stock, without par value
(Including the associated Common Stock Purchase Rights)
(Title of Class of Securities)

Not Available
(CUSIP Number of Class of Securities)

James C. Bishop, Jr.
Executive Vice President-Law
Norfolk Southern Corporation
Three Commercial Place
Norfolk, Virginia 23510-2191
Telephone: (757) 629-2750
(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications on Behalf of Bidder)

with a copy to:
Randall H. Doud, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
919 Third Avenue
New York, New York 10022
Telephone: (212) 735-3000

This Amendment No. 26 amends the Tender Offer Statement on Schedule 14D-1 filed on October 24, 1996, as amended (the "Schedule 14D-1"), by Norfolk Southern Corporation, a Virginia corporation ("Parent"), and its wholly owned subsidiary, Atlantic Acquisition Corporation, a Pennsylvania corporation ("Purchaser"), relating to Purchaser's offer to purchase all outstanding shares of (i) Common Stock, par value \$1.00 per share (the "Common Shares"), and (ii) Series A ESOP Convertible Junior Preferred Stock, without par value (the "ESOP Preferred Shares" and, together with the Common Shares, the "Shares"), of Conrail Inc. (the "Company"), including, in each case, the associated Common Stock Purchase Rights, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 24, 1996 (the "Offer to Purchase"), as amended and supplemented by the Supplement thereto, dated November 8, 1996 (the "Supplement"), and in the revised Letter of Transmittal (which, together with any amendments or supplements thereto, constitute the "Offer"). Unless otherwise defined herein, all capitalized terms used herein shall have the respective meanings given such terms in the Offer to Purchase, the Supplement or the Schedule 14D-1.

Item 11. Material to be Filed as Exhibits.

Item 11 is hereby amended and supplemented by the following:

(a) (70) Press Release issued by Parent on December 19, 1996.

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: December 19, 1996

NORFOLK SOUTHERN CORPORATION

By: /s/ JAMES C. BISHOP, JR.
Name: James C. Bishop, Jr.
Title: Executive Vice President-Law

ATLANTIC ACQUISITION CORPORATION

By: /s/ JAMES C. BISHOP, JR.
Name: James C. Bishop, Jr.
Title: Vice President and General Counsel

EXHIBIT INDEX

Exhibit
Number

Description

(a) (70) Press Release issued by Parent on December 19, 1996.

FOR IMMEDIATE RELEASE
December 19, 1996

Media Contact: Robert Fort
(757) 629-2714

NORFOLK SOUTHERN STUDYING 11TH-HOUR CSX OFFER

NORFOLK, VA -- Norfolk Southern Corporation (NYSE: NSC) today issued the following statement:

"Norfolk Southern is studying CSX's most recent proposal to acquire Conrail Inc. However, CSX's latest offer appears to be an 11th-hour attempt to avoid defeat at the shareholders' meeting that had been scheduled for December 23.

"There should be no doubt that Norfolk Southern remains as determined as ever to acquire Conrail and will use any and all appropriate financial means to accomplish that objective."

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World Wide Web Site - <http://www.nscorp.com>