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TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration

Subchapter B—Federal Farm Loan System

PART 10—FEDERAL LAND BANKS GENERALLY

INTEREST RATES ON LOANS MADE THROUGH ASSOCIATIONS

In order to reflect certain changes in interest rates on Federal land bank loans closed through national farm loan associations, § 10.41 of Title 6 of the Code of Federal Regulations, as amended (21 F. R. 10167; 22 F. R. 133, 653, 1318, 1586, 2095, 3863, 6214, 7129, 7833, 8847), is hereby further amended: Effective February 19, 1958, by substituting "5½" for "6" in the line with "Springfield" therein and by substituting "5" for "5½" in the line with "Omaha" therein; and, effective February 24, 1958, by substituting "5" for "5½" in the line with "St. Paul" therein.

(Sec. 6, 47 Stat. 14, as amended; 12 U. S. C. 665. Interprets or applies secs. 12 "Second", 17, 39 Stat. 370, 375, as amended; 12 U. S. C. 771 "Second", 831)

[SEAL] R. B. TOOTELL,
Governor,
Farm Credit Administration.

[F. R. Doc. 58-1583; Filed, Mar. 3, 1958; 8:47 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 727, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF HANDLING

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.834 (Lemon Regulation 727; 23 F. R. 1144) are hereby amended to read as follows:

(ii) District 2: 195,300 cartons.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: February 27, 1958.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 58-1596; Filed, Mar. 3, 1958; 8:50 a. m.]

TITLE 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

Subchapter B—Cooperative Control and Eradication of Animal Diseases

[B. A. I. Order 375, Rev. Amdt. 5]

PART 51—CATTLE DESTROYED BECAUSE OF BRUCELLOSIS (BANG'S DISEASE), TUBERCULOSIS, OR PARATUBERCULOSIS

PAYMENT OF INDEMNITIES

On November 30, 1957, there was published in the FEDERAL REGISTER (22 F. R.

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FEDERAL REGISTER

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

9622), a notice with respect to a proposal to amend §§ 51.8 and 51.9 of the regulations pertaining to the payment of indemnities for cattle destroyed because of brucellosis, tuberculosis, and paratuberculosis (9 CFR, 1956 Supp., Part 51 (22 F. R. 4603)). After due consideration of all relevant material submitted in connection with such notice, and pursuant to the provisions of sections 3 and 11 of the act of May 29, 1884, as amended (21 U. S. C. 114, 114a), section 2 of the act of February 2, 1903, as amended (21 U. S. C. 111), and section 204 (e) of the Agricultural Act of 1954 (68 Stat. 900), said §§ 51.8 and 51.9 are hereby amended to read as follows:

§ 51.8 *Claims for indemnity.* Claims for indemnity for cattle destroyed because of brucellosis, tuberculosis, or paratuberculosis, shall be presented on ADE Form 1–23 on which the owner of the cattle shall certify that the animals covered thereby, are, or are not, subject to any mortgage as defined in this part. If the owner states there is a mortgage, ADE Form 1–25 shall be signed by the owner and by each person holding a mortgage on the animals, consenting to the payment of any indemnity allowed to the person specified thereon. Payment will be made only if the ADE Form 1–23 has been approved by a proper State official and if payment of the claim has been recommended by the appropriate Veterinarian in Charge or an official designated by him. The Veterinarian in Charge or official designated by him shall record on the ADE Form 1–23 the salvage value of the cattle destroyed and the amount of Federal and State indemnity payments that appears to be due to the owner of the cattle, and shall furnish a copy of the Form to the owner. The Veterinarian in Charge or official designated by him shall then forward ADE Form 1–23 to the appropriate official for further action on the claim.

§ 51.9 *Claims not allowed.* * * *

(i) If the premises occupied by the cattle which were destroyed and all infected or exposed materials on such premises have not been properly cleaned and disinfected, with a disinfectant permitted by the division in accordance with recommendations of the proper State and division official, within 15 days from date reactors were removed from premises, except that the appropriate Veterinarian in Charge, for reasons satisfactory to him, may extend the period to 30 days and the Director of Division, for reasons satisfactory to him, may extend it beyond 30 days.

Effective dates. The amendment of § 51.8 shall become effective upon publication in the FEDERAL REGISTER. The amendment of § 51.9 shall become effective on April 15, 1958.

The purposes of the revisions contained in this amendment are (1) to provide under § 51.8 for more flexibility in the regulations under which claims for indemnity may be approved in the field by authorizing the Veterinarian in Charge to designate an appropriate official under his supervision to approve

indemnity claims when necessary, and (2) under § 51.9 (i) to insure the prompt cleaning and disinfecting of premises occupied by cattle destroyed because of tuberculosis or brucellosis by specifying that all such cleaning and disinfecting must be completed within 15 days from date reactors were removed from premises. The Veterinarian in Charge may extend the period to 30 days and the Director of Division may extend it to beyond 30 days, for reasons satisfactory to themselves. It is to the benefit of the public that the amendment to § 51.8 be made effective at the earliest practicable date. Accordingly, pursuant to section 4 of the Administrative Procedure Act (5 U. S. C. 1003), good cause is found for making the amendment to § 51.8 effective less than 30 days after publication in the FEDERAL REGISTER.

(Sec. 3, 23 Stat. 32, as amended, sec. 2, 32 Stat. 792, ch. 730, 45 Stat. 59, sec. 4, 58 Stat. 734; 21 U. S. C. 114, 111, 114a)

Done at Washington, D. C., this 27th day of February, 1958.

[SEAL] M. R. CLARKSON,
Acting Administrator,
Agricultural Research Service.

[F. R. Doc. 58-1597; Filed; Mar. 3, 1958; 8:51 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

Subchapter B—Carriers by Motor Vehicles

[Ex Parte No. MC-40]

PART 195—HOURS OF SERVICE OF DRIVERS

QUALIFICATIONS AND MAXIMUM HOURS OF SERVICE OF EMPLOYEES OF MOTOR CARRIERS AND SAFETY OF OPERATION AND EQUIPMENT

At a General Session of the Interstate Commerce Commission held at its office in Washington, D. C., on the 12th day of February A. D. 1958.

The matter of monthly hours of service report regulations prescribed for carriers of passengers and property by motor vehicle being under consideration in view of recent reclassification of motor carriers of property; and

It appearing that a notice of proposed rule making was issued, dated December 2, 1957 (22 F. R. 10309), for the purpose of modifying the monthly hours of service reporting requirements so as to apply to Class I passenger carriers and to both Class I and Class II property carriers as reclassified, and that no views or arguments were received in response to the said notice;

It is ordered, That § 195.9 of the Motor Carrier Safety Regulations (49 CFR 195.9) be, and it is hereby, amended by substituting the following rule in lieu of paragraph (c) therein now in effect:

§ 195.9 *Monthly reports.* • • •

(c) Every Class I motor carrier of passengers and every Class I and Class II motor carrier of property, as defined by the Commission in prescribing the Uniform System of Accounts (§§ 181.02-1 and 182.01-1 of this subchapter), shall file on Form BMC-62 (§ 7.62 of this chapter) a report for every calendar month in which no driver employed or used by it has been required or permitted to be on duty, or to drive or operate a motor vehicle in excess of the hours prescribed by §§ 195.3 and 195.4.

It is further ordered, That this order shall be effective April 1, 1958, and shall continue in effect until further order of the Commission.

Notice of this order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission, Washington, D. C., and by filing a copy thereof with the Director, Division of the Federal Register.

(49 Stat. 546, as amended; 49 U. S. C. 304)

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F. R. Doc. 58-1582; Filed, Mar. 3, 1958; 8:47 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter I—Office of Defense Mobilization

[ODM Reg. 1A]

ODM REG. 1A—ISSUANCE OF NECESSITY CERTIFICATES UNDER SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954

The following regulations are hereby prescribed by the Office of Defense Mobilization with the approval of the President pursuant to the authority contained in Executive Order No. 10480, dated August 14, 1953, and section 168 of the Internal Revenue Code of 1954.

1. Definitions:
(a) Emergency facility.
(b) Emergency period.
(c) Certifying authority.
(d) Necessity certificate.
(e) New defense item.
(f) Specialized defense item.
(g) New component.
(h) Specialized component.
(i) Regular production.
(j) Services.
2. Criteria for determination of suitability of existing facilities.
3. Criteria for determination of portion of the adjusted basis attributable to defense purposes for computing the amortization deduction.
4. Procedures and responsibilities.
5. Exercise of powers of Certifying Authority.

AUTHORITY: Sections 1 to 5 issued under sec. 168, 68A Stat. 52; 26 U. S. C. 168, E. O. 10480, 18 F. R. 4939, 3 CFR, 1953 Supp.

SECTION 1. *Definitions.* As used throughout this regulation:

(a) "Emergency facility" means any facility, land, building, machinery or equipment, or any part thereof, the construction, reconstruction, erection, installation or acquisition of which was completed after December 31, 1949, and with respect to which a Necessity Certificate has been made.

(b) "Emergency period" means the period beginning January 1, 1950, and ending on the date on which the President proclaims that the utilization of a substantial portion of the emergency facilities with respect to which Necessity Certificates have been made is no longer required in the interest of national defense.

(c) "Certifying Authority" means the Director of the Office of Defense Mobilization.

(d) "Necessity Certificate" means a certificate made by the Certifying Authority pursuant to section 168 (e) (2) of the Internal Revenue Code of 1954, certifying that the construction, reconstruction, erection, installation or acquisition of the facilities referred to in the certificate is to be used.

(1) To produce new or specialized defense items or components of new or specialized defense items (as hereinafter defined) during the emergency period, or

(2) To provide research, developmental, or experimental services during the emergency period for the Department of Defense (or one of the component departments of such Department) or for the Atomic Energy Commission, as a part of the national defense program,

and stating the portion of the adjusted basis thereof which has been determined to be attributable to defense purposes within the meaning of such section 168 (e) (2) for computing the amortization deduction under section 168 (a).

(e) A "new defense item" means a new product or material (excluding services) which was not in regular production prior to January 1, 1957, and which is or it is expected will be produced for sale to the Department of Defense (or one of the component departments of such Department) or to the Atomic Energy Commission to meet current or currently foreseeable requirements and for which it is anticipated there will not be any substantial civilian market.

(f) A "specialized defense item" means a product or material (excluding services) for which it is anticipated that there will not be any substantial civilian market and which is or it is expected will be produced for sale to the Department of Defense (or one of the component departments of such Department) or to the Atomic Energy Commission to meet current or currently foreseeable requirements.

(g) A "new component" means a component which was not in regular production prior to January 1, 1957, and for which it is anticipated there will not be any substantial civilian market.

(h) A "specialized component" means a component for which it is anticipated that there will not be any substantial civilian market.

(i) "Regular production" means that the item or component has been produced in quantities exceeding those for experimental or test purposes, or on other than a pilot line basis.

(j) Except in the context of "research, developmental, or experimental services", the word "services" means provision of transportation, storage, communications, power, water, fuel, sewerage, heat, refrigeration and other similar ancillary activities and materials and excludes production processes, such as fabricating, assembling, testing, retrofit or modification, and irradiation of materials.

SEC. 2. *Criteria for determination of suitability of existing facilities*—(a) *For the production of a new defense item.* Facilities for the production of a new defense item or a new component of a new or specialized defense item may be certified if existing productive facilities are unsuitable because of the newness of the item or the component or if the facilities qualify for certification under subsection (c) of this section.

(b) *For the production of a specialized defense item.* Unless facilities are qualified under (c), below, certifications will not be granted in connection with the production of a specialized defense item or of a specialized component of a defense item.

(c) *When specialized defense features are involved.* Facilities for the production of a new or specialized defense item or a new or specialized component thereof may be certified if existing productive facilities are unsuitable because of the specialized defense features of the item or component thereof, and if the facilities are required and designed for such production, and if the facilities have one or more specialized defense features. A facility has specialized defense features, if above and beyond the usual technical requirements of facilities for the production of the new or specialized defense item or the new or specialized component thereof, its design, construction, location or other comparable features are controlled solely by considerations of national defense.

(d) *Determining the unsuitability of existing facilities.* The unsuitability of existing facilities shall be determined from a consideration of whether the item or component could be produced with existing facilities without regard to whether or not the existing facilities are available for the required production. Where an item or component has not been in regular production prior to January 1, 1957, but it is a variation of an earlier model which was in such production and the variation is such as to require substitutions, modifications or alterations of existing facilities, or to require new facilities, certification may be granted for such substitutions, modifications, alterations or for new facilities. Certification will not be granted where it can be shown only that existing facilities are inadequate or unavailable for the required rate of production.

(e) *For research, developmental, or experimental services for the Department of Defense (or one of the component departments of that Department) or the Atomic Energy Commission.* Facilities for research, developmental, or experimental services may be certified where such services are required to provide research, developmental, or experimental services during the emergency period for the Department of Defense (or one of the component departments of such Department), or for the Atomic Energy Commission, as a part of the national defense program. The certifications for facilities to perform research, developmental or experimental services may not be made for facilities connected with the civil functions of the Department of Defense or in connection with work on peacetime usage of atomic energy that might be undertaken by the Atomic Energy Commission.

(f) *In general.* The following types of facilities will not be considered for certification:

(1) The acquisition of the productive assets of a going concern or second hand facilities unless:

(A) Clear prospect of a substantial increase in the usefulness of such facilities for national defense exists and such increase cannot be obtained by other practical means; or

(B) Substantial loss of usefulness for national defense would probably result in the absence of such acquisition.

(2) The construction, reconstruction, erection, installation, or acquisition of that part of a facility which is or will be used in lieu of existing facilities, except to the extent considered extraordinary and necessitated by reason of the Emergency.

(3) Facilities acquired from the Government.

(4) Facilities constructed or acquired for purposes of leasing to a defense contractor.

(5) Facilities for the provision of "services" unless

(A) Such services are an integral part of the production or research and development facility; and

(B) Constructed for or acquired by the same taxpayer who owns the production or research and development facilities; and

(C) The production or research and development facility is itself eligible under section 2.

(6) Production facilities constructed or acquired for mobilization reserve purposes, as distinguished from facilities designed to meet current or currently foreseeable defense production needs.

(7) The construction of any facility unless located, insofar as practicable, so as to reduce the risk of damage in the event of attack.

SEC. 3. *Criteria for determination of portion of the adjusted basis attributable to defense purposes for computing the amortization deduction.* Determination will be made by the Certifying Authority as to the portion of the adjusted basis upon which the amortization deduction under section 168 (a) shall be computed. In determining the portion to be certified, the Certifying Authority will consider the probable economic usefulness of the facility after five years and the additional incentives to the minimum amount deemed necessary to secure the expansion of industrial capacity in the interest of national defense during the emergency period. For this purpose, consideration will be given to such factors as the character of the business, including the source, amount and nature of the materials required for the expansion and the material or service to be produced; the manufacturing or servicing processes involved; normal depreciation rates; expansion in competitive fields; the extent of risk assumed, including the amount and source of capital employed; the potentiality of recovering capital or retiring debt through tax savings or pricing; the relative expansion needed; the economic consequences of the location of the facility due to security or other emergency factors; increased costs due to expedited construction or emergency conditions; the historical background of the industry; the extent to which the facility is being or will be used in lieu of existing facilities; assistance to small business and the promotion of competitive enterprise; compliance with Government policies, e. g., manpower and dispersion; and other relevant factors. Land will not ordinarily be certified. The percentage certified shall be closely related to the provision of other financial incentives provided by the Government to encourage the construction of facilities, such as direct Government loans, guarantees and contractual arrangements, so that these incentives separately or in combination will secure the needed expansion at minimum cost to the Treasury. Where percentage certification patterns for individual industries are established, adjustments upward or downward may be made for special factors.

SEC. 4. *Procedures and responsibilities*—(a) *Application form.* Formal application shall conform to the standard form prescribed by the Certifying Authority and shall be executed in the manner and by the person prescribed by the form. The standard form of application for a Necessity Certificate may be obtained from the Office of Defense Mobilization, Washington 25, D. C., or from Department of Commerce field offices.

(b) *Classified information.* If the application or its filing would involve the disclosure of information which has a security classification, the applicant shall, prior to the filing of his application, request instruction from the Government agency with which he has classified contract relations.

(c) *Filing of application.* All applications for Necessity Certificates shall be filed with the Office of Defense Mobilization in Washington, D. C., and shall be deemed to be filed when received by that agency.

(d) *Time of filing applications, and cases in which determination of necessity must be made before beginning of construction.* (1) Application for a Necessity Certificate for facilities acquired on or subsequent to August 22, 1957, must be filed before the expiration of six months after the date of such acquisition.

(2) Applications for Necessity Certificates for any building, structure or other real property, or for the installation of facilities which will become an integral and permanent part of any building, structure or other real property the construction, reconstruction, erection or installation of which is begun on or after August 22, 1957, must be filed prior to the beginning of such construction, reconstruction, erection or installation.

(3) For purposes of section 4 (d) (2) hereof and the time limitation provision which appears on the face of Necessity Certificates, the following definitions shall apply:

(A) Construction, reconstruction, erection or installation is deemed to begin with the incorporation in place on the site by the applicant or by any other person pursuant to any contract, understanding or arrangement, directly or indirectly for or with the applicant, of physical materials as an integral and permanent part of any building, structure or other real property (for example, the pouring or placing of footings or other foundations). Acquisition of land; engineering; contracting for construction; preparation of site; building of access roads; excavation; demolition; installation of service utilities required for construction; the fabrication, production or processing of building materials or building equipment; or the acquisition of personal property to be installed in the building, structure or other real property does not constitute beginning of construction, reconstruction, erection or installation.

(B) Acquisition takes place when title passes or a contract to acquire is entered into.

(C) If the total dollar amount of the facilities which have been certified (without consideration of the percentage of certification) does not exceed $1,000,000 the requirements of the time limitation provision in Necessity Certificates will be satisfied with regard to (i) certified facilities to be acquired (e. g., machinery, equipment, etc.) and used in connection with certified buildings or structures if the taxpayer begins the construction of such buildings or structures within the time specified, and (ii) the beginning of construction, in that the beginning of construction of any structure certified will be considered to be the beginning of construction of all structures certified if several separate structures are involved.

(e) *Modification of regulations.* The provisions of this regulation concerning the filing of applications for Necessity Certificates may be changed by the Certifying Authority. Such change shall be made effective not less than 15 days after publication in the FEDERAL REGISTER.

(f) *Referral of application.* Each application, after acknowledgment, will be referred to that agency or officer of the Government according to its respective assigned responsibilities under the Defense Production Act of 1950, as amended, called "delegate agencies", and to the Department of Defense or the Atomic Energy Commission as appropriate.

(g) *Responsibilities of agencies and officers other than Certifying Authority.* Agencies of the Government to which an application is referred shall be responsible for making a report and recommendation for specific action to the Certifying Authority regarding each application. Such report shall include the reasons for the recommendation and shall conform to instructions issued by the Certifying Authority.

(h) *Action by the Certifying Authority.* After consideration of the relevant factors, including but not limited to the reports of the delegate agencies, and the Atomic Energy Commission or Department of Defense, the Certifying Authority will take action upon the application.

(i) *Necessity Certificates.* Upon approval of an application, a Necessity Certificate will be forwarded to the Commissioner of Internal Revenue and will constitute conclusive evidence of certification by the Certifying Authority that the facilities therein described are necessary in the interest of national defense and of the portion of the adjusted basis upon which the amortization deduction under section 168 (a) shall be computed. The Certifying Authority will not certify the accuracy of the cost of any facility nor of any date relative to the construction, reconstruction, erection, installation or acquisition thereof. It will be incumbent upon taxpayers electing to take the amortization deduction to establish to the satisfaction of the Commissioner of Internal Revenue the identities of the facilities, the costs thereof, and the dates relative thereto.

(j) *Further description after certification.* (1) Where the actual description or cost of a certified facility varies or will vary so materially from the description or cost in the application for a Necessity Certificate as to put in question the identity of the facility, the taxpayer may request an amendment of the certificate by filing a statement with the Certifying Authority setting forth the revised description or cost.

(2) It is to be considered that there is not so material a variation as to put in question the identity of the facility and therefore that the varied description or cost is within the scope of the original certification and no amendment is necessary in the following cases:

(A) Where the facility acquired or constructed is the same as that certified even though the actual cost exceeds the cost of the facility as estimated in the certificate.

(B) Where the facility acquired or constructed varies from the facility certified and the actual cost exceeds by not more than 15 percent the cost estimated in the certificate. It is not intended that the certificate is to be considered as a dollar-amount authorization which may be exceeded by not more than 15 percent so as to include any additional facilities. For the purpose of the 15 percent limitation the word "facility" as employed above contemplates consideration separately of each item as listed in Appendix A (of the standard form of application for a Necessity Certificate).

(3) The statement should consist of four copies of an amended Appendix A setting forth all of the emergency facilities certified with their revised descriptions or costs in the same order in which such emergency facilities were listed on the original Appendix A. However, where the original Appendix is lengthy and only a few variations or changes are involved, the four copies of the amended Appendix A may list only the facilities changed. In all instances, the amended descriptions or costs should be identified, by item and page number, with the descriptions or costs contained in the original Appendix A and should be accompanied by a letter explaining all changes with the reason therefor.

(4) If the Certifying Authority is of the opinion that the varied or changed costs or descriptions are within the scope of the original certification, the amended Appendix A will be forwarded by the Certifying Authority to the Commissioner of Internal Revenue for substitution for the original Appendix A attached to the original certificate to have the effect of an amendment thereof. A copy of the amendment will be transmitted to the taxpayer.

(5) Although reasonable substitutions for facilities previously certified may be determined to be within the scope of the original certification, additional facilities, as a general rule, will not be considered to be within the scope of the original certification and will require a separate new application which will be subject to the provisions of section 168 (e) (2) of the Internal Revenue Code of 1954. The Certifying Authority may, however, afford a filing date for such separate application which will correspond to the date on which the application for amendment was filed for the facilities found to be outside the scope of the original certification.

(k) *Cancellation or amendment of Necessity Certificate.* The Certifying Authority may (1) cancel any Necessity Certificate where it has been obtained by fraud or misrepresentation or has been issued through error or inadvertence, or (2) amend any Necessity Certificate for sufficient cause.

(l) *Time extensions.* Applications for time extensions on outstanding Necessity Certificates may be considered only if a request for such extension is filed with the Certifying Authority prior to the termination date of the Certificate. Time extensions on Necessity Certificates which have expired by their terms prior to the filing of a request for such time extension may be considered only if the proposed expansion can satisfy the requirements of section 168 (e) (2) of the Internal Revenue Code of 1954.

SEC. 5. *Exercise of powers of Certifying Authority.* (a) Any actions taken in exercise of the powers and authority conferred by section 168 (e) of the Internal Revenue Code of 1954 and vested in the Director of the Office of Defense Mobilization by Executive Order 10480, dated August 14, 1953, may be taken in the name of the Office of Defense Mobilization by the Director's authorized representative.

(b) The Director may for good and sufficient reason in the interest of national defense make exceptions to the requirements for filing in section 4 (d) (2).

ODM Regulation 1, dated December 3, 1953, as amended, is hereby superseded.

Effective date: February 26, 1958.

GORDON GRAY,
Director of the Office of Defense Mobilization.

Approved:

DWIGHT D. EISENHOWER,
The White House.

[F. R. Doc. 58-1626; Filed, Mar. 3, 1958; 8:53 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

[7 CFR Part 730]

RICE

PROPOSED AMENDMENTS TO 1958 REGULATIONS FOR ESTABLISHMENT OF RICE ACREAGE ALLOTMENTS

The amendments to the 1958 regulations for establishment of rice acreage allotments and normal yields for the 1958 crop of rice (22 F. R. 8477) proposed herein are for the purpose of (1) permitting a change in the cropland on a farm without requiring the farm to be reconstituted when the cropland change is 15 percent or less of the total cropland on the farm and such cropland was acquired for a governmental or other public purpose for nonagricultural use, and (2) precluding the establishment of a base acreage for a person or irrigation company when such person or company shared in a prior crop of rice by virtue of furnishing water only for a share of the crop.

1. Section 730.931 (a) leaves the county committee no choice but to reconstitute the rice acreage allotment and rice history acreages when reconstituting a farm even though the cropland being removed represents a very small percentage of the total cropland on the farm. Therefore, it is herein proposed that § 730.931 (a) be amended by adding a sentence following the second sentence of subparagraph (1) to read as follows: "Notwithstanding the provisions of this subparagraph, the 1958 rice allotment initially established and the rice history acreages for any farm from which 15 percent or less of the cropland was acquired for a governmental or other public purpose for nonagricultural use shall not be reconstituted."

2. Section 730.916 (a) requires the county committee, with the approval of the State committee, to establish a base acreage of rice for each old producer in the county. An old producer is defined as being any person engaged in the production of rice during one or more of the years 1953, 1954, 1955, 1956 or 1957, including any person who was engaged in the production of rice in 1955, 1956 or 1957 on a farm for which no rice acreage allotment was determined for any of such years.

Under the rice acreage allotment regulations for the years prior to 1958, persons or irrigation companies sharing in rice crops during the base period solely by virtue of furnishing water were considered as old producers and entitled to price support on their share of the rice crop, provided the crop was otherwise eligible, but no base acreage or acreage allotment was established for such persons. Through inadvertence, the regulations for 1958 do not preclude the establishment of base acreages and allotments for such producers. Therefore, it is proposed herein to make the 1958 regulations conform to those for prior years in this respect by changing the period at the end of the second sentence of § 730.916 (a) to a comma, and adding the following language: "except for a person or irrigation company furnishing water for a share of the crop."

Prior to the adoption of such amendments, consideration will be given to any data, views or recommendations pertaining thereto which are submitted in writing to the Director, Grain Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than 15 days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered.

Issued this 24th day of February 1958.

[SEAL] R. B. BRIDGFORTH,
Acting Deputy Administrator,
Production Adjustment.

[F. R. Doc. 58-1598; Filed, Mar. 3, 1958; 8:51 a. m.]

CIVIL AERONAUTICS BOARD

[14 CFR Part 60]

AIR TRAFFIC RULES

OPERATION ON AND IN THE VICINITY OF AN AIRPORT; DEFINITIONS

Pursuant to authority delegated by the Civil Aeronautics Board to the Bureau of Safety, notice is hereby given that the Bureau will propose to the Board amendments to Part 60 of the Civil Air Regulations setting forth rules for operation on and in the vicinity of airports.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Civil Aeronautics Board, attention Bureau of Safety, Washington, D. C. In order to insure their consideration by the Board before taking further action on the proposed rules, communications must be received by May 5, 1958. Copies of such communications will be available after May 7, 1958, for examination by interested persons at the Docket Section of the Board, Room 5412, Department of Commerce Building, Washington, D. C.

The proposed revision of § 60.18, "Operation on and in the vicinity of an airport," contained herein has been developed in light of written comments received in response to Civil Air Regulations Draft Release No. 57-11, dated May 23, 1957, and from the discussions which took place at the Air Traffic Rules Conference held in Washington, D. C., June 13-14, 1957, notice of which was given in the draft release.

The comments submitted to the Bureau indicated a widespread interest in the proposed improvements to this particular regulation. The need to establish uniform traffic pattern procedures which would be applicable at all airports was recognized as an effective means to minimize certain existing problems and one which would favorably affect the safety of operations in the vicinity of airports.

Currently effective § 60.18 provides, among other things, that aircraft operating "from" an airport shall be flown so as to conform to the traffic pattern prescribed for that airport. There is no comparable provision with respect to aircraft operating "to" an airport. This particular arrangement has been necessary because there has been no official publication showing the traffic pattern for every airport within the United States. Heretofore, many traffic patterns have been prescribed by airport managers, some of which have been approved by the Administrator. Others have been developed and published by the Administrator. To a large extent, therefore, the itinerant pilot has no means by which he can accurately determine in advance what particular traffic pattern to follow for any airport he may intend to visit.

To minimize these problems and in an effort to enhance the safety of flight operations in the vicinity of airports, it is proposed to amend § 60.18 so as to establish a standard traffic pattern which would apply to all airports. Examination of existing traffic patterns indicates that there is sufficient similarity to permit the establishment of a standard traffic pattern without seriously disrupting current local practices. The need for certain exceptions is recognized, and a provision is included which authorizes the Administrator to prescribe a traffic pattern different from the proposed standard traffic pattern.

It is proposed that the standard traffic pattern be approximately rectangular in configuration, based on the landing runway, and consisting of the upwind, crosswind, downwind, base, and final approach legs. Specific entry and departure procedures are included. Entry into the standard traffic pattern would be made on the upwind leg or at an angle of approximately 45° to any leg except the base or final approach and at altitudes of not less than 600 feet nor more than 1,500 feet. Specific provisions for the operation of helicopters are also included which are designed to facilitate the entry and departure of helicopters in a manner which will best avoid the flow of fixed-wing aircraft.

To provide a uniform size for all airport traffic patterns, the proposed standard traffic pattern would be contained within an "airport traffic pattern area" having specific lateral and vertical dimensions. This area would have a standard configuration which would encompass all traffic patterns and facilitate observance and compliance with applicable rules. Aircraft being operated en route would be required to be flown so as to avoid airport traffic pattern areas.

The proposed rule also revises the requirements for operating at an airport where air traffic control is in operation. The principal change is that an air traffic clearance must be obtained either by

radio or visually (light signals), prior to take-off, landing, or taxiing on an active runway. These requirements are believed essential to assure that air traffic control is exercised to the fullest extent and that contact is maintained and a clearance obtained prior to performing such maneuvers.

Certain proposed rules are also included herein which would revise the current rules regarding high density airports. Several recommendations have been received which strongly advocate the establishment of zones of uniform configuration. Some of the high density zones which have been established and others which are under consideration vary from 3-mile circles to extremely large configurations of airspace. It is believed that a uniform 10-mile circle around every designated high density airport will facilitate charting problems as well as compliance. This proposed amendment establishes a 10-mile circle for every airport designated by the Administrator as a high density airport in which all flight activity below 3,000 feet will be flown in compliance with the speed limit rule. While preserving the concept of the high density zone, the proposed rule focuses attention on the airport itself. This has the desirable effect of reducing the number of special airspace "zones" and "areas" in common usage in aviation today.

The communication requirements for operating in the vicinity of a high density airport have also been revised. It is proposed to require all pilots of appropriately equipped aircraft who intend to land at a high density airport to initiate communication when within approximately 10 miles of such airport and thereafter to maintain a continuous listening watch so that all pilots will remain alert to any essential traffic information which may be broadcast.

In consideration of the foregoing, notice is hereby given that the Bureau proposes to recommend to the Board that Part 60 of the Civil Air Regulations be amended:

1. By amending § 60.18 to read as follows:

§ 60.18 *Operation on and in the vicinity of an airport*—(a) *General.* The airport traffic pattern area referred to in this section shall include that airspace extending upwards from the surface to 2,000 feet within a radius of 3 miles from the geographical center of the airport. At airports upon which a control zone having a radius of 5 or more miles is centered, the airport traffic pattern area shall have a radius of 5 miles.

(1) Unless a landing is intended, en route aircraft shall be flown so as to avoid airport traffic pattern areas.

(2) Aircraft shall be operated within an airport traffic pattern area so as to conform to the standard traffic pattern defined in this part for the airport of intended landing unless otherwise authorized by an airport traffic control tower.

(3) The Administrator may prescribe traffic patterns for an airport which shall supersede the standard traffic pattern.

(b) *Rules for operating within an airport traffic pattern area.* Aircraft shall be operated within an airport traffic pattern area in accordance with the following rules:

(1) *Entry into the standard traffic pattern.* When approaching for landing, all turns shall be made to the left unless the airport displays standard visual markings approved by the Administrator which indicate that all turns are to be made to the right. Entry into the standard traffic pattern shall be made on the upwind leg or at an angle of approximately 45° to any leg except the base or final approach and at an altitude above the airport of not less than 600 feet nor more than 1,500 feet with the following exceptions:

(i) A straight-in approach may be made, provided there are no other airborne aircraft in the airport traffic pattern area.

(ii) Helicopters shall enter the standard traffic pattern at approximate right angles to the upwind or downwind leg and where terrain and obstacles permit at an altitude below that being utilized by fixed-wing aircraft in the pattern. Thereafter an approach to a landing shall be made across the upwind or downwind leg in a manner which will best avoid the flow of fixed-wing aircraft.

NOTE: Good operating practices contemplate that aircraft operating at speeds of less than 100 m. p. h. be operated in the standard traffic pattern at lower altitudes within close proximity to the runway in use and that faster aircraft be operated at higher altitudes in an approximate rectangular pattern at a greater distance from the runway.

(2) *Landings and take-offs.* Aircraft shall be operated so as to land and/or take off on the runway most nearly aligned into the wind, except that a crosswind landing or take-off may be made on a different runway if it can be accomplished without interfering with or endangering other aircraft.

(3) *Leaving the standard traffic pattern.* Departures shall be made either by continuation of the line of take-off for straight-out departures, or by a turn to join the flow of traffic within the standard traffic pattern after which departure shall be made by a turn of approximately 45° away from any leg except the base or final approach and toward the outside of the standard traffic pattern. Helicopters shall depart at approximate right angles to the upwind or downwind legs and in a manner which will best avoid the flow of fixed-wing aircraft.

NOTE: The annoyance and disturbance factors associated with the noise created by aircraft operations are emphasized in the immediate vicinity of airports. Approach, departure, and engine operating techniques within the limits of safe operating practices should be employed to minimize noise nuisance to the people on the ground.

(c) *Additional rules for operating at airports where air traffic control is in operation.* (1) When operating an aircraft having radio equipment permitting reception from or two-way communication with air traffic control, radio contact shall be maintained with such control while operating within an airport traffic pattern area and a clearance shall be obtained prior to take-off, landing, or taxiing on the active runway or runways.

(2) When operating an aircraft not having radio equipment permitting reception from air traffic control, visual contact shall be maintained with such control while operating within an airport traffic pattern area and a clearance shall be obtained prior to take-off, landing, or taxiing on the active runway or runways except that pilots of arriving aircraft may, in the absence of any visual signals, proceed with an approach and landing, provided at least two complete circles of the airport are made to insure that the landing will not interfere with or endanger other air traffic.

NOTE: Clearance to taxi "to" an active runway should not be construed as a clearance to taxi "on" the active runway. Air traffic control may grant continuing permission to the pilot of an aircraft to conduct landings and take-offs within a traffic pattern area of a controlled airport without the individual clearances required.

(3) When light signals are used for the control of air traffic, they shall have the following colors and meanings:

Color and type of signal	On the ground	In flight
Steady green	Cleared for take-off	Cleared to land.
Flashing green	Cleared to taxi	Return for landing.
Steady red	Stop	Give way to other aircraft and continue circling.
Flashing red	Taxi clear of landing area in use	Airport unsafe—do not land.
Flashing white	Return to starting point on airport	
Alternating red and green	General warning signal—exercise extreme caution.	General warning signal—exercise extreme caution.

(d) *Additional rules for operation in the vicinity of a designated high density airport.* When the Administrator finds that the volume of traffic at an airport is such as to adversely affect safety, he shall designate such airport as a high density airport and the following rules shall apply to the operation of all aircraft being operated in the vicinity of such airport:

(1) *Communications requirements*—(i) *Within 10 miles of a high density airport.* When operating an aircraft having radio equipment permitting two-way communication with the appropriate air traffic control facility for the high density airport of intended landing, communication with such facility shall be initiated when the aircraft is within approximately 10 miles of such airport and thereafter a continuous listening watch shall be maintained.

(ii) *Within an airport traffic pattern area of a high density airport.* No person shall take off or land an aircraft at, or enter the airport traffic pattern area of, a high density airport unless two-way radio communication with the airport traffic control tower has been established: *Provided,* That an aircraft not equipped with functioning two-way radio may take off or land or enter the traffic

pattern area if prior authorization from the appropriate airport traffic control tower has been given.

(2) *Speed.* All aircraft operating in VFR weather conditions below 3,000 feet within 10 miles of a high density airport shall be flown at a speed not in excess of 180 m. p. h. or 160 knots indicated air speed unless operational limitations for a particular aircraft require greater air speeds, in which case the aircraft shall not be flown in excess of the minimum speed consistent with the safe operational limitations of the aircraft.

2. By amending § 60.60 by adding the following definition in proper alphabetical order.

§ 60.60 *Definitions.* * * *

Standard traffic pattern. A standard traffic pattern is a pattern of approximately rectangular configuration established for the organized flow of air traffic within an airport traffic pattern area including entry and departure procedures and consisting of the following components:

(1) *Upwind leg.* A flight course paralled to the landing runway in the direction of landing.

(2) *Crosswind leg.* A flight course at right angles to the landing runway off its upwind end.

(3) *Downwind leg.* A flight course parallel to the landing runway in the direction opposite to landing.

(4) *Base leg.* A flight course at right angles to the landing runway off its approach and extending from the downwind leg to the intersection of the runway center-line extended.

(5) *Final approach.* A flight course in the direction of landing along the runway center-line extended from the base leg down to the runway.

These amendments are proposed under the authority of Title VI of the Civil Aeronautics Act of 1938, as amended, and may be changed in the light of comments received in response to this notice of proposed rule making.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interpret or apply secs. 601–610, 52 Stat. 1007–1012, as amended; 49 U. S. C. 551–560)

Dated at Washington, D. C., February 24, 1958.

By the Bureau of Safety.

[SEAL] OSCAR BAKKE,
Director.

[F. R. Doc. 58-1599; Filed, Mar. 3, 1958; 8:51 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[C-012673]

COLORADO

ORDER PROVIDING FOR OPENING OF PUBLIC LANDS

1. Pursuant to Determination DA-367, Colorado, of the Federal Power Commission, and in accordance with Order No. 541, section 2.5, of the Director, Bureau of Land Management, approved April 21, 1954 (19 F. R. 2473–2476), it is ordered as follows:

2. The lands hereinafter described, so far as they are withdrawn and reserved for power purposes, are hereby restored to disposition under the public land laws, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. 818), as amended:

NEW MEXICO PRINCIPAL MERIDIAN, COLORADO

T. 43 N., R. 4 W.,
Sec. 4, lots 21, 23, 24, 26, and 27;
Sec. 9, lots 3, 4, 7, and 8;
Sec. 10, lots 21, 25, 26, and S½NW¼.

Containing 398.54 acres which have not been subdivided into small tracts.

3. The land described above is hereby classified under Small Tract Classification No. 28, Colorado, as suitable for disposition under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, subject to valid and existing rights.

4. Classification of the above described lands by this order segregates them from all appropriations, including locations under the mining laws, except as to applications under the mineral leasing laws.

5. The lands described shall be subject to application by the State of Colorado for a period of 90 days from the date of publication of this order in the FEDERAL REGISTER, for rights-of-way for public highways, or as a source of material for construction and maintenance of such highways, in accordance with and subject to the provisions of section 24 of the Federal Power Act, as amended.

6. Portions of the lands are occupied by the following individuals: Lee Kisner, Leonard Byler, Alva N. Dilley, Jr., Harry D. Mosler, and Vickers Brothers. They have erected valuable improvements on the land and claim an equitable interest therein.

7. The above described lands released from withdrawal by this order shall not become subject to the initiation of any rights or to any disposition under the public land laws until it is so provided by an order to be issued by an authorized officer opening the lands to application or bid under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, with a preference right to veterans of World War II and of the Korean Conflict, and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 497; 43 U. S. C. 279–284), as amended.

LOWELL M. PUCKETT,
State Supervisor.

FEBRUARY 25, 1958.

[F. R. Doc. 58-1571; Filed, Mar. 3, 1958; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Bureau of Commercial Fisheries has filed an application, Serial No. Anchorage 040962, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the mining and mineral leasing laws. The applicant desires the land for constructing a warehouse and an office-residence on this site.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

POPOF ISLAND

Beginning at Corner No. 1, from which Corner No. 2, U. S. Survey 2185 bears S. 67°41' W. 146.31 feet; thence N. 67°41' E. 215.58 feet to Corner No. 2; thence S. 9°52' E. 210.0 feet to Corner No. 3; thence S. 67°41' W. 215.58 feet to Corner No. 4; thence N. 9°52' W. 210 feet to Corner No. 1, the place of beginning.

Containing approximately 1.02 acres more or less.

L. T. MAIN,
Operations Supervisor,
Anchorage.

[F. R. Doc. 58-1570; Filed, Mar. 3, 1958; 8:45 a. m.]

[Utah (V-8)]

UTAH

ORDER PROVIDING FOR OPENING OF PUBLIC LANDS

FEBRUARY 21, 1958.

By virtue of the authority contained in section 4 of the act of May 24, 1928 (45 Stat. 729; 49 U. S. C. 214) and pursuant to the authority delegated to me by Order No. 541, section 3.5, of the Director, Bureau of Land Management, approved April 21, 1954 (19 F. R. 2473), it is ordered as follows:

1. Air Navigation Site Withdrawals No. 62, No. 70, No. 120, and No. 225 are hereby revoked to the extent of the following described lands which are hereby opened to entry and disposal under ap-

propriate public land laws and in accordance with regulations governing the filing of applications:

SALT LAKE MERIDIAN, UTAH

WITHDRAWAL NO. 70, SITE 55

T. 1 S., R. 14 W.,
Sec. 18: SE¼.
totaling 160 acres.

WITHDRAWAL NO. 70, SITE 59

T. 1 S., R. 7 W.,
Sec. 8: NE¼NE¼NE¼NE¼, W½NE¼NE¼NE¼, NW¼NE¼NE¼, S½NE¼NE¼.
totaling 37.5 acres.

WITHDRAWAL NO. 62, SITE 57

T. 1 N., R. 9 W.,
Sec. 7: SE¼SW¼;
Sec. 18: NW¼NE¼, NE¼NW¼.
totaling 120 acres.

WITHDRAWAL NO. 120, SITE 36

T. 40 S., R. 18 W.,
Sec. 6: Lot 4.
T. 40 S., R. 19 W.,
Sec. 1: Lots 1 to 8, inclusive.
totaling 261.86 acres.

WITHDRAWAL NO. 225, SITE 42

T. 31 S., R. 12 W.,
Sec. 19: SW¼ lot 1, W½SE¼ lot 1, NE¼ SE¼ lot 1.
T. 31 S., R. 13 W.,
Sec. 24: SW¼NE¼NE¼, W½SE¼NE¼NE¼, NE¼SE¼NE¼NE¼.
totaling 43.07 acres.

WITHDRAWAL NO. 225, SITE 47

T. 24 S., R. 9 W.,
Sec. 5: SW¼NE¼SW¼.
totaling 10 acres.

WITHDRAWAL NO. 225, SITE 55

T. 12 S., R. 3 W.,
Sec. 29: NW¼NW¼SE¼.
totaling 10 acres.

2. The above tracts are widely scattered throughout the western part of Utah and are either in rough and mountainous areas or on the salt flats. None of the tracts are agricultural in character.

3. No application will be allowed under the homestead, desert land, small tract, or other nonmineral public land laws unless the lands have already been classified as valuable or suitable for such type of application or shall be so classified upon consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

4. Subject to any existing valid rights and the requirements of applicable law, the lands described in paragraph 1 hereof, are hereby opened to filing of applications, selections, and locations in accordance with the following:

a. Applications and selections under the nonmineral public land laws and applications and offers under the mineral leasing laws may be presented to the Manager mentioned below, beginning on the date of this order. Such applications, selections, and offers will be considered as filed on the hour and respective dates shown for the various classes enumerated in the following paragraphs:

(1) Applications by persons having prior existing valid settlement rights, preference rights conferred by existing laws, or equitable claims subject to allowance and confirmation will be adjudicated on the facts presented in support of each claim or right. All applications presented by persons other than those referred to in this paragraph will be subject to the applications and claims mentioned in this paragraph.

(2) All valid applications under the Homestead, Desert Land, and Small Tract laws by qualified veterans of World War II or of the Korean Conflict, and by others entitled to preference rights under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284 as amended), presented prior to 10:00 a. m. on March 29, 1958, will be considered as simultaneously filed at that hour. Rights under such preference right applications filed after that hour and before 10:00 a. m. on June 28, 1958, will be governed by the time of filing.

(3) All valid applications and selections under the nonmineral public land laws, other than those coming under paragraphs (1) and (2) above, and applications and offers under the mineral leasing laws, presented prior to 10:00 a. m. on June 28, 1958, will be considered as simultaneously filed at that hour. Rights under such applications and selections filed after that hour will be governed by the time of filing.

b. The lands will be open to location under the United States mining laws, beginning 10:00 a. m., on June 28, 1958.

5. Persons claiming veteran's preference rights under paragraph a (2) above must enclose with their applications proper evidence of military or naval service, preferably a complete photostatic copy of the certificate of honorable discharge. Persons claiming preference rights based upon valid settlement statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims. Detailed rules and regulations governing applications which may be filed pursuant to this notice can be found in Title 43 of the Code of Federal Regulations.

6. Inquiries concerning the above lands shall be addressed to Manager, Land Office, Bureau of Land Management, P. O. Box 777, Salt Lake City 10, Utah.

VAL B. RICHMAN,
State Supervisor.

[F. R. Doc. 58–1572; Filed, Mar. 3, 1958; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

WASHINGTON

DESIGNATION OF AREA FOR PRODUCTION EMERGENCY LOANS

For the purpose of making production emergency loans pursuant to section 2 (a) of Public Law 38, 81st Congress (12 U. S. C. 1148a–2 (a)), as amended, it has been determined that in the following counties in the State of Washington a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

WASHINGTON

Chelan. Douglas. Okanogan.

Pursuant to the authority set forth above, production emergency loans will not be made in the above-named counties after December 31, 1958, except to applicants who previously received such assistance and who can qualify under established policies and procedures.

Done at Washington, D. C., this 26th day of February 1958.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 58–1581; Filed, Mar. 3, 1958; 8:47 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

WEST COAST LINE, INC., AND COMPANIA NAVIERA CUBAMAR, S. A., ET AL.

NOTICE OF AGREEMENTS FILED FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 46 U. S. C. 814):

(1) Agreement No. 8265, between West Coast Line, Inc., and Compania Naviera Cubamar, S. A., provides that West Coast Line will furnish complete terminal facilities to Cubamar Line at New Orleans, La., at which Cubamar Line will undertake to dock all vessels operated in such line, which load or discharge cargo at New Orleans, at such rates, charges, and fees and rules and regulations established by the Board of Commissioners of the Port of New Orleans, and as set forth in the agreement.

(2) Agreement No. 8275, between West Coast Line, Inc., and the carriers comprising the Levant Line joint service, provides that West Coast Line will furnish complete terminal facilities to Levant Line at New Orleans, La., at which Levant Line will undertake to dock all vessels operated in such line, which will load or discharge cargo at New Orleans, at such rates, charges, and fees and rules and regulations established by the Board of Commissioners of the Port of New Orleans, and as set forth in the agreement.

(3) Agreement No. 8285, between West Coast Line, Inc., and Rederiet Ocean A/S, provides that West Coast Line will furnish complete terminal facilities to Rederiet Ocean at New Orleans, La., at which Rederiet Ocean will undertake to dock all vessels operated in such line, which will load or discharge cargo at New Orleans, at such rates, charges, and fees and rules and regulations established by the Board of Commissioners of the Port of New Orleans, and as set forth in the agreement.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of these agreements and their position as to approval, disapproval, or modifica-

tion, together with request for hearing should such hearing be desired.

Dated: February 26, 1958.

By order of the Federal Maritime Board.

GEO. A. VIEHMANN,
Assistant Secretary.

[F. R. Doc. 58-1594; Filed, Mar. 3, 1958; 8:50 a. m.]

HOUSING AND HOME FINANCE AGENCY

Public Housing Administration

DESCRIPTION OF AGENCY AND PROGRAMS

WASHINGTON REGIONAL OFFICE

Section I, Description of Agency and Programs, is amended as follows:

Paragraph F is amended by deleting from the list of officials designated therein under the Washington Regional Office "1. Archie P. Burgess, Assistant Director for Development" and "2. K. C. Cavanaugh, Assistant Director for Management," and inserting in place thereof "1. K. C. Cavanaugh, Assistant Director for Management" and "2. Archie P. Burgess, Assistant Director for Development."

Date approved: February 24, 1958.

[SEAL] CHARLES E. SLUSSER,
Commissioner.

[F. R. Doc. 58-1574; Filed, Mar. 3, 1958; 8:45 a. m.]

POST OFFICE DEPARTMENT

FOURTH-CLASS MAIL

PROPOSED INCREASED POSTAGE RATES AND OTHER REFORMATIONS

Having found on experience that the rates of postage and other conditions of mailability of fourth-class mail are such as to permanently render the cost of the service greater than the receipts of revenue therefrom, the Postmaster General filed with the Interstate Commerce Commission on April 18, 1957, a request for its consent to the establishment of such increased rates or other reformations as may be necessary to insure the receipt of revenue from fourth-class mail service sufficient to pay the cost thereof, pursuant to the provisions of section 207 of the Act of February 28, 1925, as amended (43 Stat. 1067, 45 Stat. 942, 39 U. S. C. 247), and the general provision relating to the Post Office Department contained in Chapter IV of the Supplemental Appropriation Act of 1951, approved September 27, 1950 (64 Stat. 1050, 31 U. S. C. 695). Notice of the proceeding before the Interstate Commerce Commission in Docket No. 32158, Increased Parcel-Post Rates, 1957, was published on May 29, 1957, in volume 22 of the FEDERAL REGISTER, at page 3778.

Although the rate-making procedures of the Post Office Department with respect to fourth-class mail do not come within the rule making requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003), the Postmaster General desires to afford interested parties an opportunity to present written data, views, or arguments for consideration by the Post Office Department prior to the filing of proposed increased postage rates for fourth-class mail and other reformations, with the Interstate Commerce Commission.

Accordingly, (1) available information (subject to refinement) on which the proposed rate increases and other reformations are based, may be obtained from the Assistant Postmaster General, Bureau of Finance, Post Office Department, Washington 25, D. C., upon request; (2) representatives of the Post Office Department will be available for conference with respect to such reformations on March 19, 1958, at 10 a. m., in Room 5241, Post Office Department, 12th and Pennsylvania Avenue NW., Washington, D. C.; and (3) all data, views, or arguments for consideration by the Post Office Department in determining the extent and character of rate and other reformations to be established with respect to fourth-class mail must be transmitted in writing to the Assistant Postmaster General, Bureau of Finance, Post Office Department, Washington 25, D. C., not later than 30 days after the publication of this notice in the FEDERAL REGISTER.

On the basis of information now available, proposed increased postage rates for fourth-class mail, and other reformations necessary to produce sufficient revenue to cover the cost of carrying such mail, are as follows:

SCHEDULE OF PROPOSED RATES OF POSTAGE ON PARCEL POST SUBJECT TO ZONE RATES

Weight, over 8 ounces and not exceeding—	Zones							
	Local	1 and 2	3	4	5	6	7	8
1 pound	$0.20	$0.25	$0.28	$0.28	$0.30	$0.33	$0.36	$0.39
2 pounds	.22	.30	.32	.35	.40	.46	.52	.58
3 pounds	.23	.34	.37	.42	.50	.58	.67	.76
4 pounds	.25	.38	.42	.49	.59	.70	.82	.94
5 pounds	.27	.42	.47	.56	.69	.82	.97	1.12
6 pounds	.29	.46	.52	.62	.78	.94	1.12	1.29
7 pounds	.31	.50	.57	.69	.87	1.06	1.27	1.46
8 pounds	.33	.54	.62	.76	.96	1.17	1.42	1.63
9 pounds	.35	.58	.67	.83	1.05	1.28	1.57	1.80
10 pounds	.37	.62	.72	.89	1.14	1.39	1.71	1.97
11 pounds	.38	.66	.77	.96	1.23	1.50	1.85	2.14
12 pounds	.40	.70	.82	1.02	1.32	1.61	1.99	2.31
13 pounds	.42	.74	.87	1.09	1.41	1.72	2.13	2.49
14 pounds	.44	.78	.92	1.15	1.50	1.84	2.28	2.67
15 pounds	.46	.82	.97	1.22	1.59	1.96	2.43	2.85
16 pounds	.47	.86	1.02	1.28	1.68	2.08	2.58	3.03
17 pounds	.49	.90	1.07	1.35	1.77	2.20	2.74	3.21
18 pounds	.51	.94	1.12	1.42	1.86	2.32	2.89	3.39
19 pounds	.53	.98	1.17	1.49	1.94	2.44	3.04	3.57
20 pounds	.55	1.02	1.22	1.56	2.03	2.56	3.19	3.73
21 pounds	.56	1.05	1.27	1.62	2.12	2.67	3.34	3.93
22 pounds	.58	1.09	1.32	1.69	2.21	2.79	3.50	4.12
23 pounds	.60	1.13	1.37	1.76	2.30	2.91	3.65	4.30
24 pounds	.62	1.17	1.42	1.83	2.39	3.03	3.80	4.48
25 pounds	.64	1.21	1.47	1.90	2.48	3.15	3.95	4.66
26 pounds	.65	1.25	1.52	1.97	2.58	3.27	4.10	4.84
27 pounds	.67	1.29	1.57	2.04	2.67	3.39	4.26	5.02
28 pounds	.69	1.33	1.63	2.11	2.76	3.51	4.41	5.20
29 pounds	.71	1.37	1.68	2.18	2.85	3.63	4.56	5.38
30 pounds	.73	1.41	1.73	2.25	2.95	3.75	4.71	5.56
31 pounds	.74	1.44	1.78	2.31	3.04	3.87	4.86	5.74
32 pounds	.76	1.48	1.83	2.38	3.13	3.99	5.02	5.92
33 pounds	.78	1.52	1.88	2.45	3.22	4.11	5.17	6.10
34 pounds	.80	1.56	1.93	2.52	3.32	4.23	5.32	6.28
35 pounds	.82	1.59	1.99	2.59	3.41	4.35	5.47	6.46
36 pounds	.83	1.63	2.04	2.66	3.50	4.47	5.62	6.64
37 pounds	.85	1.67	2.09	2.73	3.59	4.59	5.78	6.82
38 pounds	.87	1.71	2.14	2.80	3.69	4.71	5.93	7.00
39 pounds	.89	1.74	2.19	2.87	3.78	4.83	6.08	7.18
40 pounds	.91	1.78	2.24	2.94	3.87	4.95	6.23	7.36
41 pounds	.92	1.82	2.29	3.00	3.96	5.06	6.38	7.53
42 pounds	.94	1.85	2.35	3.07	4.06	5.18	6.54	7.71
43 pounds	.96	1.89	2.40	3.14	4.15	5.30	6.69	7.91
44 pounds	.98	1.93	2.45	3.21	4.24	5.42	6.84	8.09
45 pounds	1.00	1.97	2.50	3.28	4.33	5.54	6.99	8.27
46 pounds	1.01	2.01	2.55	3.35	4.43	5.66	7.14	8.45
47 pounds	1.03	2.05	2.60	3.42	4.52	5.78	7.30	8.63
48 pounds	1.05	2.09	2.66	3.49	4.61	5.90	7.45	8.81
49 pounds	1.07	2.13	2.71	3.56	4.70	6.02	7.60	8.99
50 pounds	1.09	2.17	2.76	3.63	4.80	6.14	7.75	9.17
51 pounds	1.10	2.21	2.81	3.69	4.89	6.26	7.90	9.35
52 pounds	1.12	2.25	2.86	3.76	4.98	6.38	8.06	9.53
53 pounds	1.14	2.29	2.91	3.83	5.07	6.50	8.21	9.71
54 pounds	1.16	2.33	2.96	3.90	5.17	6.62	8.36	9.89
55 pounds	1.18	2.37	3.02	3.97	5.26	6.74	8.51	10.07
56 pounds	1.19	2.41	3.07	4.04	5.35	6.86	8.66	10.25
57 pounds	1.21	2.45	3.12	4.11	5.44	6.98	8.82	10.43
58 pounds	1.23	2.49	3.17	4.18	5.54	7.10	8.97	10.61
59 pounds	1.25	2.53	3.22	4.25	5.63	7.22	9.12	10.79
60 pounds	1.27	2.57	3.27	4.32	5.72	7.34	9.27	10.97
61 pounds	1.28	2.60	3.32	4.38	5.81	7.45	9.42	11.15
62 pounds	1.30	2.64	3.38	4.45	5.91	7.57	9.58	11.34
63 pounds	1.32	2.68	3.43	4.52	6.00	7.69	9.73	11.52
64 pounds	1.34	2.72	3.48	4.59	6.09	7.81	9.88	11.88
65 pounds	1.36	2.76	3.53	4.66	6.18	7.93	10.03	12.06
66 pounds	1.37	2.80	3.58	4.73	6.28	8.05	10.18	12.24
67 pounds	1.39	2.84	3.63	4.80	6.37	8.17	10.34	12.42
68 pounds	1.41	2.88	3.69	4.87	6.46	8.29	10.49	12.60
69 pounds	1.43	2.92	3.74	4.94	6.55	8.41	10.64	12.78
70 pounds	1.45	2.96	3.79	5.01	6.65	8.53	10.79	

EXCEPTIONS

a. In the first or second zone, where the distance by the shortest regular practicable mile route is 300 miles or more, the rate is the same as for the third zone.

b. Parcels weighing less than 10 pounds, and measuring over 84 inches but not exceeding 100 inches in length and girth combined, are chargeable with a minimum rate equal to that for a 10 pound parcel for the zone to which addressed.

SCHEDULE OF PROPOSED RATES ON CATALOGS AND SIMILAR PRINTED ADVERTISING MATTER OF THE FOURTH-CLASS

Weight, over 8 ounces and not exceeding—	Zones							
	Local	1 and 2	3	4	5	6	7	8
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1 pound	13	14	15	16	18	19	20	21
1½ pounds	14	15½	17	18½	21½	23	25	27
2 pounds	14½	17	19	21	24½	27	30	33
2½ pounds	15½	18½	21	23½	28	31	35	39
3 pounds	16	20	23	26	31	35	40	45
3½ pounds	17	21½	25	28½	34½	39	45	51
4 pounds	17½	23	27	31	37½	43	50	57
4½ pounds	18½	24½	28	33½	41	47	55	63
5 pounds	19	26	31	36	44	51	60	69
5½ pounds	20	27½	33	38½	47½	55	65	75
6 pounds	20½	29	35	41	50½	59	70	81
6½ pounds	21½	30½	37	43½	54	63	75	87
7 pounds	22	32	39	46	57	67	80	93
7½ pounds	23	33½	41	48½	60½	71	85	99
8 pounds	23½	35	43	51	63½	75	90	105
8½ pounds	24½	36½	45	53½	67	79	95	111
9 pounds	25	38	47	56	70	83	100	117
9½ pounds	26	39½	49	58½	73½	87	105	123
10 pounds	26½	41	51	61	76½	91	110	129

EXCEPTION: In the first or second zone, where the distance by the shortest regular practicable mail route is 300 miles or more, the rate shall be the same as for the third zone.

NOTE: Present schedules are contained in § 25.1 (a)–(b), Title 39, Code of Federal Regulations.

[SEAL] HERBERT B. WARBURTON,
Acting General Counsel.

[F. R. Doc. 58–1636; Filed, Mar. 3, 1958; 8:52 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G–12030]

MIDSOUTH GAS CO.

NOTICE OF APPLICATION AND DATE OF HEARING

FEBRUARY 26, 1958.

Take notice that on February 18, 1957, MidSouth Gas Company (Applicant), and Arkansas corporation, with its principal place of business in Little Rock, Arkansas, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of certain facilities, subject to the jurisdiction of the Commission, to render a direct interruptible service to the East Arkansas Grain Drying Cooperative near Parkin, Arkansas, as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant states that it has and proposes to continue to sell and deliver natural gas through the facilities operated by it to East Arkansas Grain Drying Cooperative on the basis above indicated at an estimated annual volume of 7,000 to 9,000 Mcf. The gas is purchased by Applicant from Texas Gas Transmission Corporation.

The cost of the facilities used to serve this industrial customer is $1,400, which cost was borne by the eight municipalities which own them.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations, and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 24, 1958, at 9:30 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings, pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 17, 1958. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58–1584; Filed, Mar. 3, 1958; 8:47 a. m.]

[Docket No. G–12250]

CUMBERLAND AND ALLEGHENY GAS CO.

NOTICE OF APPLICATION AND DATE OF HEARING

FEBRUARY 26, 1958.

Take notice that Cumberland and Allegheny Gas Company, a West Virginia corporation and a subsidiary of the Columbia Gas System, Inc., having its principal place of business at 800 Union Trust Building, Pittsburgh, Pennsylvania, filed on March 18, 1957, an application pursuant to section 7 of the Natural Gas Act, for a certificate of public convenience and necessity, authorizing it to construct and operate certain proposed natural gas facilities and for permission and approval to abandon certain other facilities, as hereinafter described, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Applicant proposes to construct and operate approximately 1.03 miles of 12-inch transmission pipeline in the community of La Vale, Allegany County, Maryland, and in connection therewith to abandon approximately 910 feet of 10-inch line and 4,670 feet of 8-inch line which said construction is proposed to replace.

Applicant estimates the natural gas requirements of the Cumberland area as follows:

Years of service	Annual Mcf	Maximum day Mcf
1958	3,554,500	19,815
1959	3,583,500	20,064

Applicant estimates that 17,324 Mcf of natural gas must be transported in Line No. 8002 on a maximum winter day of the 1957–58 winter to supply the Cumberland area requirements and that said line has insufficient capacity to deliver said volumes. Applicant plans to test and upgrade said line to carry a maximum pressure of 225 psia from the state line connection south to the community of La Vale. Because of its location, the section of 1.06 miles of said line within this thickly settled community, is proposed to be replaced by the above described construction as a safety measure. This portion of said line will be utilized by Applicant as part of its distribution system in La Vale.

No customers will be deprived of service as a result of the proposed abandonment.

Applicant estimates that the total cost of constructing the proposed facilities will be $64,000. This will be financed from funds on hand.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on March 26, 1958, at 9:30 a. m., e. s. t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before

March 17, 1958. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1585; Filed, Mar. 3, 1958; 8:48 a. m.]

[Docket No. G-12946]

MANUFACTURERS LIGHT AND HEAT CO.

NOTICE OF APPLICATION

FEBRUARY 26, 1958.

Take notice that on January 31, 1958, The Manufacturers Light and Heat Company (Applicant) filed in Docket No. G-12946 a motion requesting the Commission to amend its order issued on November 18, 1957, in which, among other things, Applicant was authorized to sell to Allegheny Concrete Pipe Associates (Allegheny) a maximum daily volume of 90 Mcf of natural gas.

Applicant's motion to amend herein asks that this maximum daily volume of 90 Mcf of natural gas be increased to 300 Mcf per day, stating that Allegheny's original estimated requirements were based on the conversion of one-third of its concrete plant to the use of natural gas but that Allegheny now desires to convert its entire plant to the use of natural gas, all as more fully set forth in the motion for amendment of order which is on file with the Commission and open to public inspection.

Applicant states that the proposed increased service will require no new facilities.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations of the Commission, and to that end:

Take further notice that protests or petitions to intervene in this matter may be filed with the Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before March 19, 1958.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1586; Filed, Mar. 3, 1958; 8:48 a. m.]

[Docket No. G-14551]

MONSANTO CHEMICAL CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

FEBRUARY 26, 1958.

Monsanto Chemical Company (Monsanto) on January 27, 1958, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of change, undated.
Purchaser: El Paso Natural Gas Company.
Rate schedule designation: Supplement No. 2 to Monsanto's FPC Gas Rate Schedule No. 12.
Effective date: February 27, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed favored-nations rate increase, Monsanto merely cites the favored-nation provisions therefor and submits a copy of a letter from El Paso Natural Gas Company agreeing to pay such increased rate.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 2 to Monsanto's FPC Gas Rate Schedule No. 12 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 2 to Monsanto's FPC Gas Rate Schedule No. 12.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until July 27, 1958, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1587; Filed, Mar. 3, 1958; 8:48 a. m.]

[Docket No. G-14552]

HARPER OIL CO. ET AL.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

FEBRUARY 26, 1958.

Harper Oil Company (Operator), et al. (Harper), on January 27, 1958, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of change, dated January 24, 1958.
Purchaser: El Paso Natural Gas Company.
Rate schedule designation: Supplement No. 1 to Harper's FPC Gas Rate Schedule No. 2.
Effective date: February 27, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed periodic rate increase, Harper merely cites the pertinent pricing provisions of its contract.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 1 to Harper's FPC Gas Rate Schedule No. 2 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 1 to Harper's FPC Gas Rate Schedule No. 2.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until July 27, 1958, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1588; Filed, Mar. 3, 1958; 8:49 a. m.]

[Docket No. G-14553]

UNION PRODUCING CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGES IN RATES

FEBRUARY 26, 1958.

Union Producing Company (Union) on January 27, 1958, tendered for filing pro-

posed changes in its presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filings:

Description: (1) Supplemental Agreement, dated January 14, 1958. (2) Notice of change, dated January 23, 1958. (3) Supplemental Agreement, dated January 14, 1958. (4) Notice of change, dated January 23, 1958.

Purchaser: United Gas Pipe Line Company.

Rate schedule designation: (1) Supplement No. 5 to Union's FPC Gas Rate Schedule No. 95. (2) Supplement No. 6 to Union's FPC Gas Rate Schedule No. 95. (3) Supplement No. 5 to Union's FPC Gas Rate Schedule No. 96. (4) Supplement No. 6 to Union's FPC Gas Rate Schedule No. 96.

Effective date: February 27, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed renegotiated rates increases, Union cites increased costs of exploration and development and states that the increased price in small measure tends to offset such increased costs and provides incentive for further exploration. In addition, Union cites a change in rate to 15.3459 cents per Mcf for gas sold by BBM Drilling Company (Operator) et al. to Texas Illinois Natural Gas Pipe Line Company in Wharton County, Texas Railroad District No. 3, Texas.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that Supplement Nos. 5 and 6 to Union's FPC Gas Rate Schedule No. 95, and Supplement Nos. 5 and 6 to Union's FPC Gas Rate Schedule No. 96, be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in Supplement Nos. 5 and 6 to Union's FPC Gas Rate Schedule No. 95, and Supplement Nos. 5 and 6 to Union's FPC Gas Rate Schedule No. 96.

(B) Pending such hearing and decision thereon, said supplements be and they are each hereby suspended and the use thereof deferred until July 27, 1958, and until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1589; Filed, Mar. 3, 1958; 8:49 a. m.]

[Docket No. G-14554]

SUNRAY MID-CONTINENT OIL CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

FEBRUARY 26, 1958.

Sunray Mid-Continent Oil Company (Sunray) on January 27, 1958, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of change, dated January 22, 1958.

Purchaser: El Paso Natural Gas Company.

Rate schedule designation: Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 64.

Effective date: February 27, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed favored-nations rate increase, Sunray states that the contract was entered into at arm's-length and the attendant provisions insuring that the seller would receive the full market value of the gas are necessary in long-term contracts to induce seller to commit his gas for such long term. Sunray further states that the increased price is just and reasonable, is in line with the market value and field prices of gas in the area, and to deny same would be unjust and unduly discriminatory against applicant.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 64 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 64.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until July 27, 1958, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1590; Filed, Mar. 3, 1958; 8:49 a. m.]

[Docket No. G-14555]

PHILLIPS PETROLEUM CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

FEBRUARY 26, 1958.

Phillips Petroleum Company (Phillips) on January 28, 1958, tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of change, dated January 27, 1958.

Purchaser: Natural Gas Pipe Line Company of America.

Rate schedule designation: Supplement No. 4 to Phillips' FPC Gas Rate Schedule No. 298.

Effective date: February 28, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed periodic rate increase, Phillips cites the contract provisions and states that such price escalation provisions were agreed to in arm's-length bargaining and enable the transmission company to purchase gas at a low price during the period when its cost of service is high. Phillips also states that the proposed price is just and reasonable; that to the best of its knowledge will not trigger any favored-nation increases in the area, and to deny same would be unfair to seller.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 4 to

Phillips' FPC Gas Rate Schedule No. 298 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 4 to Phillips' FPC Gas Rate Schedule No. 298.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until July 28, 1958, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F. R. Doc. 58-1591; Filed, Mar. 3, 1958; 8:49 a. m.]

[Docket No. G-14567]

DAVIDOR AND DAVIDOR ET AL.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATE

FEBRUARY 26, 1958.

Davidor and Davidor (Operator) et al. (Davidor), on January 27, 1958, tendered for filing a proposed change in its presently effective rate schedule for the sale of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of change, dated January 24, 1958.
Purchaser: Cities Service Gas Company.
Rate schedule designation: Supplement No. 2 to Davidor's FPC Gas Rate Schedule No. 4.
Effective date: February 27, 1958 (effective date is the first day after expiration of the required thirty days notice).

In support of the proposed rate increase, Davidor cites the pricing provisions of the contract.

The increased rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that Supplement No. 2 to Davidor's FPC Gas Rate Schedule No. 4 be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR, Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 2 to Davidor's FPC Gas Rate Schedule No. 4.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until July 27, 1958, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of, or until the period of suspension has expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] MICHAEL J. FARRELL, *Acting Secretary.*

[F. R. Doc. 58-1592; Filed, Mar. 3, 1958; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-1135]

ADAMS EXPRESS CO. AND AMERICAN INTERNATIONAL CORP.

NOTICE OF APPLICATION FOR ORDER EXEMPTING ACQUISITION OF SECURITIES OF AN INVESTMENT COMPANY

FEBRUARY 25, 1958.

Notice is hereby given that The Adams Express Company ("Adams") and its majority-owned subsidiary, American International Corporation ("American"), both closed-end, diversified investment companies registered under the Investment Company Act of 1940, have filed an application pursuant to section 6 (c) of the act for an order exempting them from the provisions of section 12 (d) (1) of the act with respect to a proposed acquisition of certain shares of common stock of National Aviation Corporation ("Aviation"), a registered, closed-end, non-diversified investment company.

The investment policy of Aviation is stated to be the concentration of investments in common stock and in senior securities convertible into common stock, of air transport companies and in companies either in, or connected with, or serving and/or supplying the aviation industry. Adams and American presently own together an aggregate of 4.74 percent (33,086 shares) of the common stock of Aviation.

The application represents that on February 7, 1958, Aviation informed its stockholders that it proposes to offer 174,404 shares of capital stock for subscription by its stockholders and that a Registration Statement has been filed with the Securities and Exchange Commission with respect to such shares; that on the effective date of the Registration Statement, which is expected to be on or about February 27, 1958, rights (termed "Primary subscription rights"), evidenced by transferable subscription warrants, to subscribe to 174,404 additional shares of its capital stock on the basis of one additional share for each four shares held at a price to be determined later will be issued to stockholders and that in addition, each stockholder will have the privilege of subscribing (subject to allotment) for that part, if any, of the 174,404 shares that are not purchased pursuant to the exercise of the primary subscription rights. Aviation has further advised its stockholders that the expiration date of this offering will be approximately March 13, 1958. The offering will not be underwritten.

Adams and American desire and intend, subject to the granting of the instant application by the Commission, to exercise their Rights as stockholders to purchase shares of Aviation together with subscription rights under any additional subscription privileges which may be available.

If all stockholders of Aviation, including both applicants, exercise their full rights pursuant to such stock offering the percentage of total outstanding stock of Aviation owned by the applicants will remain the same, 4.74 percent. If subscription Rights of others are not exercised, however, the additional stock of Aviation to be acquired by applicants, pursuant to their Rights and additional subscription privileges which may be available, could result in the ownership by Adams and American of more than 5 percent of the outstanding stock of Aviation.

Section 12 (d) (1) of the act, among other things, makes it unlawful for any registered investment company and any company controlled by it to purchase or otherwise acquire any security issued by any other investment company if such registered investment company and any company controlled by it own in the aggregate, or as a result of such purchase will own, more than 5 percent of the total outstanding stock of such other investment company if the policy of such other investment company is the concentration of investments in a particular industry or group of industries.

Adams and American have agreed that they will take immediate steps to divest themselves of such shares of Aviation which, combined, may be in excess of 5 percent of the common stock of Aviation to be outstanding following the aforesaid Rights offering.

Section 6 (c) of the act provides, among other things, that the Commission, by order upon application, may conditionally or unconditionally exempt any person from any provision or provi-

sions of the act or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the act.

Notice is further given that any interested person may, not later than March 11, 1958, submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application may be granted as provided in Rule N–5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58–1575; Filed, Mar. 3, 1958; 8:45 a.m.]

[File Nos. 70–3679, 70–3668]

ARKANSAS POWER & LIGHT CO. AND SOUTHWESTERN GAS AND ELECTRIC CO.

NOTICE OF FILING AND ORDER CONSOLIDATING PROCEEDINGS AND ORDER FOR HEARING

FEBRUARY 25, 1958

Southwestern Gas and Electric Company ("Southwestern"), a public utility company, and a wholly owned subsidiary of Central and South West Corporation, a registered holding company, having heretofore filed an application pursuant to sections 9 (a) (1) and 10 of the Public Utility Holding Company Act of 1935 ("act") with respect to its subscription for and purchase of 1,440 shares of the preferred stock of First Arkansas Development Finance Corporation ("First Arkansas"), a non-profit Arkansas corporation organized under the provisions of Act 567 of the Acts of Arkansas, 1957 (File No. 70–3668); and

The Commission, on February 20, 1958 having issued its notice of filing of Southwestern's application and ordered a hearing be held thereon on March 20, 1958, (Holding Company Act Release No. 13687):

Notice is hereby given that Arkansas Power & Light Company ("Arkansas Power"), a public utility company and a wholly owned subsidiary of Middle South Utilities, Inc., a registered holding company, has filed an application (File No. 70–3679) with this Commission pursuant to the Act and has designated section 9 (c) (3) as applicable to the proposed transaction.

All interested persons are referred to the application of Arkansas Power on file at the offices of the Commission for a statement of the transaction therein proposed which may be summarized as follows:

Subject to the approval of this Commission, Arkansas Power has subscribed for 10,840 shares of the preferred stock, par value $25 per share, of First Arkansas, for the par value thereof or a total consideration of $271,000. First Arkansas was organized under the provisions of Act 567 for the purpose of promoting the location of new businesses and new industries in the State of Arkansas. As of January 23, 1958 private utilities and rural electric cooperatives have subscribed for 36,409 shares of its nonvoting and nondividend paying preferred stock in the amount of $910,225. Act 567 provides a procedure for the redemptions by First Arkansas of the preferred stock at par. Certain test litigation is planned to determine, among other things, the validity of the powers of First Arkansas under Act 567 and the right of the State of Arkansas to purchase First Arkansas' bonds. As a consequence, proceeds derived by First Arkansas from the sale of preferred stock will be held as trust funds pending final court decisions. Payment in full for the preferred stock is a condition precedent to the granting of a charter of the corporation and to instituting the proposed litigation.

The application states that no State commission or any Federal commission other than this Commission has jurisdiction over the proposed transaction.

It appearing to the Commission that the proceedings with respect to File Nos. 70–3668 and 70–3679 involve common questions of law and fact and that a substantial saving of time and expense will result if the proceedings are consolidated:

It is ordered, That the proceeding designated as File No. 70–3668 and the proceeding designated as File No. 70–3679 be, and the same hereby are, consolidated.

It is further ordered, That a hearing in the consolidated proceedings be held on March 20, 1958 at 10 a. m., at the office of the Commission, 425 Second Street NW., Washington 25, D. C. Any person desiring to be heard in connection with the consolidated proceedings shall file with the Secretary of the Commission, prior to the commencement of the hearing, a request relative thereto, as provided in Rule XVII of the Commission's rules of practice.

It is further ordered, That Robert N. Hislop or any other officer or officers of the Commission designated by it shall preside at said hearing. The officer so designated is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

The Division of Corporate Regulation of the Commission having advised the Commission that it has made a preliminary examination of the application of Arkansas Power and that, upon the basis thereof, the following matters and questions are presented for consideration, without prejudice, however, to the presentation of additional matters and questions upon further examination:

(1) Whether the consideration to be paid by Arkansas Power for the preferred stock of First Arkansas is reasonable.

(2) Whether the proposed acquisition by Arkansas Power of the preferred stock of First Arkansas will unduly complicate the capital structure of the holding company system of which Arkansas Power is a part or will be detrimental to the public interest or the interest of investors or consumers or the proper functioning of such holding company system.

(3) Whether the acquisition by Arkansas Power of the preferred stock of First Arkansas would be detrimental to the carrying out of the provisions of section 11.

(4) Whether all State laws applicable to the proposed acquisition by Arkansas Power of the preferred stock of First Arkansas have been complied with.

(5) Generally, whether the proposed transactions are in all respects compatible with the provisions and standards of the applicable sections of the act and of the rules and regulations promulgated thereunder; and what terms and conditions, if any, should be contained in the order of the Commission.

It is further ordered, That the Secretary of the Commission serve copies of this order by registered mail on Arkansas Power & Light Company, Southwestern Gas and Electric Company, the Arkansas Public Service Commission, First Arkansas and the Arkansas State Banking Board; and that notice of said hearing shall be given to all other persons by general release of this Commission, which shall be distributed to the press and mailed to the mailing list for releases issued under the act, and by publication of this notice and order in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58–1576; Filed, Mar. 3, 1958; 8:45 a. m.]

[File No. 1–227]

NEHI CORP.

NOTICE OF APPLICATION TO WITHDRAW FROM LISTING AND REGISTRATION, AND OF OPPORTUNITY FOR HEARING

FEBRUARY 26, 1958.

In the matter of Nehi Corporation common stock, File No. 1–227.

The above named issuer, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X–12D2–1 (b) promulgated thereunder, has made application to withdraw the specified security from listing and registration on the Boston Stock Exchange.

The reasons alleged in the application for withdrawing this security from listing and registration include the following:

There has been no trading in this stock on the Boston Stock Exchange since 1944. The stock is listed and registered on the New York Stock Exchange. The Company desires to save the expenses incident to the Boston listing.

Upon receipt of a request, on or before March 11, 1958, from any interested person for a hearing in regard to terms to be imposed upon the delisting of this security, the Commission will determine whether to set the matter down for hearing. Such request should state briefly the nature of the interest of the person requesting the hearing and the position he proposes to take at the hearing with respect to imposition of terms. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-1577; Filed, Mar. 3, 1958; 8:46 a. m.]

[File No. 7-1909]

OUTBOARD MARINE CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

FEBRUARY 26, 1958.

In the matter of application by the Philadelphia-Baltimore Stock Exchange for Unlisted Trading Privileges in Outboard Marine Corporation, common stock, File No. 7-1909.

The above named stock exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 promulgated thereunder, has made application for unlisted trading privileges in the specified security, which is listed and registered on the New York Stock Exchange.

Upon receipt of a request, on or before March 17, 1958, from any interested person, the Commission will determine whether to set the matter down for hearing. Such request should state briefly the nature of the interest of the person making the request and the position he proposes to take at the hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-1578; Filed, Mar. 3, 1958; 8:46 a. m.]

[File No. 30-152]

STANDARD SHARES, INC.

ORDER FOR HEARING WITH RESPECT TO APPLICATION

FEBRUARY 25, 1958.

Standard Shares, Inc. ("Shares"), a registered holding company, has filed an application pursuant to section 5 (d) of the Public Utility Holding Company Act of 1935 ("act") requesting an order declaring that it has ceased to be a holding company. The application states that, as of June 30, 1957, Shares owned 45.59 percent of the common stock of Standard Gas and Electric Company ("Gas"), a registered holding company, and Gas owned 100 percent of the common stock of Philadelphia Company ("Philadelphia"), also a registered holding company.

On June 19, 1942, Shares was required by Commission order under section 11 (b) (2) of the act to liquidate and dissolve (Standard Power and Light Corporation, 11 S. E. C. 689). Gas and Philadelphia are subject to outstanding Commission orders under section 11 (b) (2) of the act requiring each to liquidate and dissolve (Standard Gas and Electric Company, 28 S. E. C. 944, 1948, and 32 S. E. C. 545, 1951; and Philadelphia Company, 28 S. E. C. 35, 1948).

Shares, Gas, and Philadelphia have consummated a number of divestments, simplifications, and reorganizations in the process of effectuating compliance with section 11 (b) of the act. The complete liquidation of Gas and Philadelphia has been delayed by reason of undetermined Federal income tax liabilities for the years 1942 through 1950. On February 16, 1956, the Commission approved a plan filed by Shares under section 11 (e) of the act (Standard Power and Light Corporation, Holding Company Act Release No. 13101) and by order dated March 13, 1956, the United States District Court for the District of Delaware enforced the Commission's order and approved the plan. This plan provided, among other things, (a) for the reduction of the direct and indirect interest of Shares in the common stock of Duquesne Light Company ("Duquesne"), a public-utility company, from the then existing interest in such stock of approximately 14.6 percent to less than 5 percent, and (b) for the modification of the outstanding order under section 11 (b) (2) of the act directing Shares to liquidate and dissolve and for its transformation into a closed-end, non-diversified, investment company. This plan also provided that upon the completion of such steps therein as may then be determined appropriate, but in any event not later than 60 days after Shares shall have reduced its direct and indirect holdings of Duquesne's outstanding common stock to less than 5 percent thereof, Shares would file with the Commission an application under section 5 (d) of the act for an order declaring that it has ceased to be a holding company. Subject to its right to petition for review, Shares agreed to take any steps the Commission might require in order to secure such an order.

At June 30, 1957 Shares owned the following amounts and percentages of the common stock of the following companies, each of which is a public-utility company and each of which was an associate company in the Shares' holding company system.

Name of company	Number of shares held	Percentage of outstanding shares
Duquesne Light Co.	302,500	4.58
Oklahoma Gas & Electric Co.	70,000	2.13

In addition, Gas and Philadelphia together owned the following amounts and percentages of the common stock of the following companies, each of which is a public-utility company and each of which was an associate company in the Shares' holding company system.

Name of company	Number of shares held	Percentage of outstanding shares
Duquesne Light Co.	80,009	1.21
Oklahoma Gas & Electric Co.	3,576	.11
Wisconsin Public Service Corp.	53,325	2.11

In addition, Philadelphia and Gas together owned 24,264 shares of the $50 par value cumulative preferred stock of Duquesne, or 1.99 percent thereof.

Since June 30, 1957, Shares has sold 9,000 shares of the common stock of Duquesne, thereby reducing its holdings of such stock to 4.45 percent.

Notice having been given of the filing of said application pursuant to section 5 (d) of the act (Holding Company Act Release No. 13533); no interested person having requested that a hearing be held on said application;

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors that a hearing be held in respect of said application and that said application shall not be granted except pursuant to further order of the Commission;

It is ordered, That a hearing be held on said matter on March 13, 1958, at 10:00 a. m. at the office of the Commission, 425 Second Street NW., Washington, D. C. Any person desiring to be heard in connection with this proceeding shall file with the Secretary of the Commission on or before March 12, 1958, a request relative thereto, as provided in Rule XVII of the Commission's rules of practice.

It is further ordered, That Robert N. Hislop or any other officer or officers of the Commission designated by it for that purpose shall preside at said hearing. The officer so designated is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

The Division of Corporate Regulation of the Commission having advised the Commission that it has made a preliminary examination of the application, and that, upon the basis thereof, the following matters and questions are presented for consideration, without prejudice,

however, to the presentation of additional matters and questions upon further examination:

(1) Whether Shares has ceased to be a holding company.

(2) Whether in connection with the entry of any order declaring Shares has ceased to be a holding company, it is necessary for the protection of investors to impose any terms and conditions and, if so, what terms and conditions.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-1579; Filed, Mar. 3, 1958; 8:46 a. m.]

[File No. 68-169]

UNION ELECTRIC CO.

NOTICE OF AND ORDER FOR HEARING

FEBRUARY 25, 1958.

The Commission having issued a Notice and Order under section 12 (e) of the Public Utility Holding Company Act of 1935 ("act") (Holding Company Act Release No. 13575) on October 25, 1957, prohibiting Union Electric Company ("Union"), a registered holding company, J. Raymond Dyer, and all other persons from soliciting any proxy or other form of authorization regarding the voting of any security of Union in connection with the regular annual meeting for the year 1958 of the stockholders of Union, unless pursuant to a declaration permitted to become effective by order of this Commission; and

Union having filed a declaration and amendments thereto pursuant to section 12 (e) of the act and Rules U-62 and U-65 promulgated thereunder in which it proposes to solicit proxies from its preferred and common stockholders for use at the regular annual meeting of stockholders of the company to be held April 21, 1958, and at any adjournment thereof. The Commission having issued its notice of filing of Union's declaration (Holding Company Act Release No. 13671) permitting any interested person, not later than February 21, 1958, opportunity to request in writing that a hearing be held on Union's declaration, including a statement of the nature of his interest, the reasons for such request, the issues of fact or law which he desired to controvert, and requiring that any such request should be accompanied by an offer of proof; and

J. Raymond Dyer and Nancy Corinne Dyer having filed their objections to Union's declaration, as amended, and an offer of proof, and a request for a hearing thereon;

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a hearing be held with respect to Union's declaration, as amended, and that such declaration shall not be permitted to become effective except pursuant to the further order of the Commission:

It is ordered, That a hearing on said amended declaration pursuant to the applicable provisions of the act and the rules of the Commission be held on March 6, 1958 at 10 a. m., e. s. t., at the offices of the Commission, 425 Second Street NW., Washington, D. C. On such date the hearing room clerk will advise as to where such hearing will be held.

Any person, other than J. Raymond Dyer and Nancy Corinne Dyer, desiring to be heard or otherwise wishing to participate in this proceeding shall, prior to the commencement of the hearing, file with the hearing officer hereinafter designated a request relative thereto as provided by Rule XVII of the Commission's rules of practice and shall state the reasons for wishing to participate, the nature and extent of his interest in the proceeding, and the issues of fact or law raised by the declaration which he desires to controvert.

The Division of Corporate Regulation has advised the Commission, upon the basis of its preliminary examination of the declaration, as amended, that the following matters and questions are presented for consideration, without prejudice, however, to the presentation of additional matters and questions upon further examination:

(1) Whether the proposed solicitation material is in accordance with the standards of section 12 (e) of the act and Rules U-62 and U-65 promulgated thereunder.

(2) Whether the expenses proposed to be expended by Union are appropriate and in accordance with the applicable standards of section 12 (e) of the act and Rule U-65 promulgated thereunder.

(3) Whether all the transactions proposed in Union's declaration are in accordance with the applicable standards of the act, and whether, in the event the declaration should be permitted to become effective, it is necessary or appropriate in the public interest or for the protection of investors or consumers to impose any terms or conditions; and, if so, what terms and conditions.

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions.

It is further ordered, That Sidney L. Feiler or any other hearing officer or hearing officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The hearing officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

It is further ordered, That the Secretary of the Commission give telegraphic notice of the hearing ordered herein to Union, J. Raymond Dyer and Nancy Corinne Dyer, serve copies of this notice and order by registered mail on such persons, and that notice shall be given to all other persons by general release of this Commission, which shall be distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935, and by publication of this notice and order in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-1580; Filed, Mar. 3, 1958; 8:47 a. m.]