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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 27—EXCLUSION FROM PROVISIONS OF FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED, AND CLASSIFICATION ACT OF 1949, AS AMENDED, AND ESTABLISHMENT OF MAXIMUM STIPENDS FOR POSITIONS IN GOVERNMENT HOSPITALS FILLED BY STUDENT OR RESIDENT TRAINEES

DEPARTMENT OF THE ARMY; STUDENT DIETITIANS

Effective September 15, 1958, the maximum stipend prescribed under § 27.2 for the position listed below is amended as follows:

§ 27.2 *Maximum stipends prescribed.*

* * *

Student dietitians, Department of the Army: Approved training, after a minimum of three years' college level training, per month	$166

(61 Stat. 727; 5 U. S. C. 1051–1058)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 58-7400; Filed, Sept. 10, 1958; 8:54 a. m.]

Chapter III—Foreign and Territorial Compensation

[Dept. Reg. 108.375]

PART 325—ADDITIONAL COMPENSATION IN FOREIGN AREAS

PAYMENT OF DIFFERENTIAL

Section 325.5, paragraphs (f), (g) and (h) are hereby deleted, and the following paragraphs are substituted in lieu thereof:

(f) Notwithstanding the rate of differential prescribed for the post in § 325.11, if the country listed for the post in that section has a chief of mission position classified pursuant to 22 U. S. C. 866, the per annum differential rate at which payment is made to any employee assigned to such post shall be reduced, if necessary, so that the combined per annum differential and basic salary, or differential, basic salary and charge pay (22 U. S. C. 876 and 877) authorized for the employee, does not exceed an amount which is one hundred dollars ($100) less than the per annum salary authorized for the chief of mission position.

(g) No payment shall be made:

(1) While basic compensation is not paid;

(2) Concurrently with the territorial post differential prescribed in § 350.10 of this chapter.

(h) Where the employee is on duty or leave at two differential posts for portions of the same day, payment for that day shall be made at the rate authorized for the previous day.

(i) Payments to persons serving on a part-time basis shall be prorated to cover only those periods of time for which basic compensation is received.

These amendments shall be effective as of the beginning of the first pay period following November 1, 1958.

(Sec. 102, Part I, E. O. 10000, 13 F. R. 5453, 3 CFR, 1948 Supp.)

Dated: September 2, 1958.

For the Secretary of State.

[SEAL] W. K. SCOTT,
Assistant Secretary for Administration.

[F. R. Doc. 58-7402; Filed, Sept. 10, 1958; 8:54 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter V—Agricultural Marketing Service, Department of Agriculture

Subchapter B—Export and Domestic Consumption Programs

PART 519—FRESH IRISH POTATOES

SUBPART—FRESH IRISH POTATOES-LIVESTOCK FEED DIVERSION PROGRAM ZMD 3A

Sec.

519.180 General statement.
519.181 Administration.
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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.

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519.192 Methods of feeding.
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519.200 Amendment and termination.

AUTHORITY: §§ 519.180 to 519.200 issued under sec. 32, 49 Stat. 774, as amended; 7 U. S. C. 612c.

§ 519.180 *General statement.* In order to encourage the domestic consumption of fresh Irish potatoes produced in the continental United States by diverting them from normal channels of trade and commerce, the Secretary of Agriculture, pursuant to the authority conferred by section 32 of Public Law 320, 74th Congress, as amended, offers to make payment for the diversion of 1958 crop potatoes for use as livestock feed, subject to the terms and conditions hereinafter set forth. Information relating to this program and forms prescribed for use hereunder may be obtained from the following:

Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

Offices of the State Agriculture Stabilization and Conservation Committees in the respective States.

County Agricultural Stabilization and Conservtaion Committees in the respective counties.

§ 519.181 *Administration.* The program provided for in this part will be administered under the general direction and supervision of the Director, Fruit and Vegetable Division, Agricultural Marketing Service, and in the field will be carried out by the Commodity Stabilization Service through the Agricultural Stabilization and Conservation State Committees and Agricultural Stabilization and Conservation County Committees, hereinafter referred to as State and County Committees. Each State Committee will authorize one or more employees of the State Committee to act as representatives of the United States Department of Agriculture, hereinafter referred to as USDA, to approve applications for participation. State and County Committees or their authorized representatives do not have authority to modify or waive any of the provisions of this subpart or any amendments or supplements to this subpart.

§ 519.182 *Area.* This program will be effective in such States or areas as may be designated from time to time by the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture. Information with respect to the areas designated may be obtained from the offices listed in § 519.180.

§ 519.183 *Period of program.* This program will be effective from the date of this announcement and continue until further notice, but in any event not later than April 30, 1959.

§ 519.184 *Rate of payment.* The rate of payment per 100 pounds of potatoes meeting the requirements of Specification A as defined in § 519.190 and which are diverted as prescribed in § 519.189 will be 50 cents for potatoes diverted during the months of September, October and November 1958; 40 cents during the months of December 1958, January and February 1959; and 30 cents during the months of March and April 1959. No payment will be made for any fractional part of 100 pounds and such quantities shall be disregarded.

§ 519.185 *Eligibility for payment.* Payments will be made under this program to any individual, partnership, association, or corporation located in the continental United States, (a) who executes and files an application for participation on the prescribed forms, (b) whose application is approved, (c) who diverts fresh Irish potatoes within the State and county specified in the approved application, directly or through any other person or persons, (d) who files claim as provided in § 519.193 and (e) who otherwise complies with all the terms and conditions of this subpart.

§ 519.186 *Application and approval for participation.* Persons desiring to participate in this program must submit a written application on Form CSS–117 "Application for Participation in Fresh Irish Potato Livestock Feed Diversion Program—ZMD 3a." Each applicant must submit a performance bond as provided in § 519.187. Applications and bonds should be submitted to the County ASC Office for the county within which the potatoes are to be diverted. Applications will be forwarded to the State ASC Office and will be considered in the order received in the respective areas and in accordance with the availability of funds. Applicants will be notified of the approval or non-approval of their application. Approved applications may be modified or amended with the consent of the applicant and the duly authorized representative of the State Committee: *Provided*, That such modification or amendment shall not be in conflict with the provisions of this subpart or any amendment or supplements hereto. An approved applicant is hereinafter referred to as "the diverter."

§ 519.187 *Performance bond.* Each applicant shall submit with his first application for participation a performance bond as further assurance that the potatoes diverted pursuant to this program will be used exclusively for feeding to livestock by methods prescribed in § 519.192. The bond shall be executed on Form CSS–119 by the principal and two individual sureties, all of whom shall agree to indemnify the USDA for any losses, claims, or payments made by USDA with respect to any quantity of such potatoes not used for livestock feed. The USDA may disapprove any bond if for any reason any surety does not in the opinion of USDA afford USDA full protection and security.

§ 519.188 *Period of diversion.* The potatoes in connection with which payments are to be made must be diverted (a) after the date of approval of the diverter's application, (b) within the time period specified in the approved application, and (c) in any event on or before April 30, 1959.

§ 519.189 *Definition of diversion.* Diversion of potatoes for use as livestock feed as used herein means the initial processing of potatoes for feeding to livestock by ensiling, or by cutting, chopping, slicing, gouging, crushing, or cooking to the degree that (a) a minimum of 90 percent of the potatoes which are 2 inches in diameter or larger have been seriously damaged to such an extent that they will not meet the requirements of U. S. No. 2 quality, and (b) the general

appearance of the lot as a whole has been seriously damaged to such an extent that, in the opinion of the inspector, the potatoes are readily and obviously identifiable as having been initially processed and rendered unsuitable to enter into normal channels of trade and commerce as potatoes.

§ 519.190 *Diversion specifications.* Potatoes in connection with which payments will be made must meet the requirements of "Specification A" which is hereby defined as meaning potatoes equal to or better than the quality requirements of U. S. No. 2 grade, and which have either a minimum diameter of 2 inches or a minimum weight of 4 ounces, with no tolerance being allowed for defects or undersize. Long varieties of potatoes which by clipping ends or second growth could be made to meet the quality requirements of U. S. No. 2 grade need not be so clipped to be classed Specification A but the portions which customarily would be clipped off shall not be considered as meeting the requirements of Specification A and this weight shall be deducted in determining the weight of those potatoes in the lot which do meet the requirements of Specification A.

§ 519.191 *Inspection and certificate of diversion.* Prior to diversion the potatoes shall be inspected by an inspector authorized or licensed by the Secretary of Agriculture to inspect and certify the class, quality, and condition of fresh Irish potatoes. The diverter shall be responsible for requesting and arranging for inspection sufficiently in advance of the diversion so that the inspector can be present to determine the proportion of potatoes in each lot which meet the quality requirements of Specification A. The inspector shall also verify the quantity of potatoes being diverted and that such potatoes have been diverted as defined in § 519.189. The diverter shall furnish such scale tickets, weighing facilities, or volume measurements as determined by the inspector to be necessary for ascertaining the net weight of the potatoes being diverted. The cost of inspecting, verifying the quantity, certifying that diversion has been performed, and issuing certificates thereof shall be borne by the diverter. Certificates shall be prepared on Form CSS–118 "Invoice and Certificates of Inspection and Diversion."

§ 519.192 *Methods of feeding.* The feeding of potatoes to livestock shall be accomplished by the following methods:

(a) Feeding in barns or feed lots directly from troughs, bunkers, bins, or other suitable feeding receptacle;

(b) Spreading on pasture land where livestock are grazing, but the rate of spreading during any seven-day period shall not exceed 500 pounds of potatoes per head of cattle or horses or 250 pounds per head of sheep or swine; and

(c) Utilizing the potatoes for livestock feed after dehydration through a process of alternate freezing and thawing. This method may be followed only in areas suitable for this process as may hereafter be approved by the Director, Fruit and Vegetable Division. The potatoes must be initially processed as specified in § 519.189 and in addition to other program requirements, the following special terms and conditions will be applicable:

(1) The potatoes must be spread on pasture consisting of sod or other grassland and the land must be fenced. The land may not be under the Soil Bank Program and, subsequent to spreading the potatoes, the land may not be placed under the Soil Bank Program or be plowed or otherwise cultivated until it is determined by USDA that adequate pasturing by livestock has taken place.

(2) The potatoes may be spread no deeper than 4 inches at any point.

(3) Diversion payments will be computed at the rate in effect at the time of initial processing and spreading but payment to diverters by USDA will not be made until it is determined by USDA that adequate pasturing by livestock has taken place.

(4) Spreading must take place on or before February 28, 1959.

§ 519.193 *Claim for payment.* In order to obtain payment the diverter must submit a properly executed "Invoice and Certificates of Inspection and Diversion," Form CSS–118, to the State ASC Office which approved his application. All such claims shall be filed not later than one calendar month after the termination date of the applicable diversion authorization.

§ 519.194 *Compliance with program provisions.* If USDA determines that any quantity of potatoes diverted under this program was not used exclusively for livestock feed purposes, whether such failure was caused directly by the diverter or by any other person or persons, the diverter shall not be entitled to diversion payments in connection with such potatoes, shall refund to USDA any payment made in connection with such potatoes, and shall be liable to USDA for any other damages incurred as a result of such failure to use the potatoes exclusively for livestock feed purposes. USDA may deny any diverter the right to participate in this program or the right to receive payments in connection with any diversion previously made under this program, or both, if USDA detemines that: (a) The diverter has failed to use or caused to be used any quantity of potatoes diverted under this program exclusively for livestock feed purposes, whether such failure was caused directly by the diverter or by any other person or persons, (b) the diverted has not acted in good faith in connection with any transaction under this program, or (c) the diverter has failed to discharge fully any obligation assumed by him under this program. Persons making any misrepresentation of facts in connection with this program for the purpose of defrauding USDA will be subject to the applicable civil and criminal provisions of the United States Code.

§ 519.195 *Inspection of premises.* The diverter shall permit authorized representatives of USDA at any reasonable time to have access to his premises to inspect and examine such potatoes as are being diverted or stored for diversion, and to inspect and examine the diverter's facilities for diverting potatoes, in order to determine to what extent there is or has been compliance with the provisions of this program.

§ 519.196 *Records and accounts.* If the diverter sells or otherwise disposes of potatoes diverted pursuant to this program to any other person or persons for use as livestock feed, the diverter shall keep accurate records and accounts showing the details relative to the diversion and disposition of such potatoes. The diverter shall permit authorized representatives of USDA at any reasonable time to inspect, examine and make copies of such records and accounts in order to determine to what extent there is or has been compliance with the provisions of this program. Such records and accounts shall be retained by the diverter for two years after date of last payment to him under the program.

§ 519.197 *Set-off.* If the diverter is indebted to USDA or to any other agency of the United States, set-off may be made against any amunt due the diverter hereunder. Setting off shall not deprive the diverter of the right to contest the justness of the indebtedness involved, either by administrative appeal or by legal action.

§ 519.198 *Joint payment or assignment.* The diverter may name a joint payee on the claim for payment or may assign, in accordance with the provisions of the Assignment of Claims Act of 1940, Public Law 811, 76th Congress, as amended (31 U. S. C. 203, 41 U. S. C. 15), the proceeds of any claim, to a bank, trust company, Federal lending agency, or other recognized financing institution: *Provided,* That such assignment shall be recognized only if and when the assignee thereof files written notice of the assignment with the authorized representative of USDA who approved the application, together with a true copy of the instrument of assignment, in accordance with the instructions on Form CSS–66 "Notice of Assignment", which form must be used in giving notice of assignment to USDA. The "Instrument of Assignment" may be executed on Form CSS–347 or the assignee may use his own form of assignment. The CSS forms may be obtained from the State ASC Office or the Washington office shown in § 519.180.

§ 519.199 *Officials not to benefit.* No member of or delegate to Congress, or Resident Commissioner, shall be entitled to any share or part of any contract resulting from this program or to any benefits that may arise therefrom, but this provision shall not be considered to extend to such a contract if made with a corporation for its general benefit or to any such person acting in his capacity as a farmer.

§ 519.200 *Amendment and termination.* This subpart may be amended or terminated at any time but the amendment or termination shall not be effective earlier than the date of filing with the Federal Register Division. No amendment or termination shall be applicable to any potatoes diverted before the effec-

tive time of such amendment or termination.

NOTE: The record-keeping and reporting requirements contained herein have been approved by, and subsequent requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Dated: September 8, 1958.

[SEAL] FLOYD F. HEDLUND,
Authorized Representative of the Secretary of Agriculture.

[F. R. Doc. 58-7412; Filed, Sept. 10, 1958; 8:55 a. m.]

TITLE 7—AGRICULTURE

Chapter III—Agricultural Research Service, Department of Agriculture

PART 319—FOREIGN QUARANTINE NOTICES

MISCELLANEOUS AMENDMENTS

On July 15, 1958, there was published in the FEDERAL REGISTER (23 F. R. 5354) under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), a notice of proposed rule making relating to an amendment of §§ 319.37-4 (b) and 319.37-8 of the regulations supplemental to the quarantine relating to the importation of nursery stock, plants, and seeds (7 CFR 319.37-4 (b), 319.37-8). After due consideration of all relevant matters presented, and under the authority of sections 1, 5, 7, and 9 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 154, 159, 160, 162), §§ 319.37-4 (b) and 319.37-8 are amended in the following respects:

1. Section 319.37-4 (b) is amended by adding at the end thereof the following sentence: "In the case of seeds of such fruits as are approved for importation without treatment under the provisions of §§ 319.56, 319.56-1 et seq., the requirements as to freedom from pulp shall not apply when such seeds are imported, under the requirements of this section, for propagation."

2. Section 319.37-8 is amended by adding at the end thereof the following two sentences: "Furthermore, all plants and cuttings of genera, that are not prohibited entry into the United States but are known to be hosts of the citrus blackfly or may hereafter be determined as such, from all foreign countries (except Canada, countries in Europe and Asia Minor; and those in Africa bordering the Mediterranean Sea), must be defoliated before shipment from the country of origin if they are to be imported through any port other than the Ports of New York and Seattle. The Director of the Plant Quarantine Division shall issue administrative instructions listing the genera of plants that are not prohibited entry into the United States but are known to be hosts of the citrus blackfly or that may hereafter be determined as such."

The section heading for § 319.37-8 is amended to read: "§ 319.37-8 *Inspection; freedom from plant pests; defoliation.*"

These amendments shall become effective October 11, 1958.

The amendment of § 319.37-4 (b) makes inapplicable, in respect to the seeds of fruits that may now be imported without treatment in accordance with the provisions of §§ 319.56, 319.56-1 et seq., the requirements of § 319.74-4 (b), as to freedom from pulp. That is, if the entire fruit is eligible for importation without treatment, seeds from such fruit may be imported although accompanied by moist and fleshy pulp.

The amendment of § 319.37-8 requires that plants and plant cuttings of genera that are known to be hosts of the citrus blackfly from countries where this species occurs must be defoliated in the country of origin if they are to be imported through any port other than the Ports of New York and Seattle. It also authorizes the Director of the Plant Quarantine Division to issue administrative instructions listing such genera. Such administrative instructions are being so issued concurrently with these amendments.

(Sec. 9, 37 Stat. 318; 7 U. S. C. 162. Interpret or apply secs. 1, 5, 7, 37 Stat. 315, as amended, 316, 317, 7 U. S. C. 154, 159, 160)

Done at Washington, D. C., this 8th day of September, 1958.

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

[F. R. Doc. 58-7413; Filed, Sept. 10, 1958; 8:55 a. m.]

[P. Q. 630]

PART 319—FOREIGN QUARANTINE NOTICES

ADMINISTRATIVE INSTRUCTIONS DESIGNATING GENERA KNOWN TO BE HOSTS OF CITRUS BLACKFLY

On July 15, 1958, there was published in the FEDERAL REGISTER (23 F. R. 5354) under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), a notice of rule making relating to proposed administrative instructions designating genera known to be hosts of the citrus blackfly, to be issued under an amendment of § 319.37-8 of the regulations supplemental to the quarantine relating to the importation of nursery stock, plants, and seeds (7 CFR 319.37-8 *supra*). After due consideration of all relevant matters presented, and pursuant to § 319.37-8, as amended, under sections 1, 5, 7, and 9 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 154, 159, 160, 162), administrative instructions to be designated as 7 CFR 319.37-8a are hereby issued as follows:

§ 319.37-8a *Administrative instructions designating genera known to be hosts of the citrus blackfly.* (a) The Director of the Division, upon the basis of evidence satisfactory to him, has determined that the following genera of plants, that are not prohibited entry into the United States, are known hosts of the citrus blackfly (Aleurocanthus woglumi Ashby):

Achras.	Capsicum.
Anacardium.	Cardiospermum.
Annona.	Cedrela.
Ardisia.	Cestrum.
Bouvardia.	Cnidoscolus.
Bumelia.	Coffea.
Bursera.	Crataegus.
Buxus.	Cydonia.
Calocarpum.	Diospyros.
Duranta.	Parmentiera.
Eugenia.	Persea.
Fraxinus.	Plumeria.
Hibiscus.	Populus.
Hura.	Psidium.
Ixora.	Punica.
Jatropha.	Pyrus.
Lagerstroemia.	Sapindus.
Lucuma.	Solandra.
Magnolia.	Spondias.
Mammea.	Strelitzia.
Mangifera.	Tabebuia.
Melia.	Vitis.
Myroxylon.	Zingiber.
Myrtus.	

(b) If additional admissible plants are later determined to be hosts of the citrus blackfly they shall also be listed in paragraph (a) of this section.

(c) Blackfly host plants of genera that are prohibited entry into the United States are not included in the list in paragraph (a) of this section.

These administrative instructions shall become effective October 11, 1958.

These administrative instructions list the genera of plants that are not prohibited entry into the United States and are known hosts of the citrus blackfly.

(Sec. 9, 37 Stat. 318; 7 U. S. C. 162. Interpret or apply secs. 1, 5, 7, 37 Stat. 315, as amended, 316, 317, 7 U. S. C. 154, 159, 160)

Done at Washington, D. C., this 8th day of September 1958.

[SEAL] E. P. REAGAN,
Director, Plant Quarantine Division.

[F. R. Doc. 58-7414; Filed, Sept. 10, 1958; 8:55 a. m.]

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

PART 722—COTTON

DETERMINATION RELATING TO SIZE OF 1959 CHOICE (B) FARM ALLOTMENTS FOR UPLAND COTTON

Basis and purpose. This determination is made pursuant to section 101 of the Agricultural Act of 1958 (P. L. 85-835, approved August 28, 1958), which provides that upland cotton farm allotments established under the Agricultural Adjustment Act of 1938, as amended, shall be designated Choice (A) farm allotments and used as the base for establishing Choice (B) farm allotments for upland cotton. Choice (B) allotments cannot exceed Choice (A) allotments by more than 40 per centum. The purpose of this determination is to provide that Choice (B) allotments shall exceed Choice (A) allotments by 40 per centum.

In order that farmers may begin to make plans for the 1959 crop of upland cotton and in order that preparation of applicable procedures and forms by the Commodity Stabilization Service may proceed in an orderly manner, it is essential that this determination be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice and public procedure requirements and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is imprac-

ticable and contrary to the public interest and this determination shall be effective upon filing of this document with the Director, Division of the Federal Register.

§ 722.210 *Determination relating to size of 1959 Choice (B) farm allotments for Upland Cotton.* It is hereby determined pursuant to section 101 of the Agricultural Act of 1958 (P. L. 85–835, approved August 28, 1958), that 1959 Choice (B) farm allotments for upland cotton shall exceed 1959 Choice (A) farm allotments for upland cotton established under the Agricultural Adjustment Act of 1938, as amended, by 40 per centum.

Done at Washington, D. C., this 5th day of September 1958. Witness my hand and the seal of the Department of Agriculture.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interprets or applies sec. 10a, Pub. Law 85–835, 72 Stat. 988)

[SEAL] E. L. PETERSON,
Assistant Secretary.

[F. R. Doc. 58-7390; Filed, Sept. 10, 1958; 8:52 a. m.]

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

PART 964—DRIED FIGS PRODUCED IN CALIFORNIA

RECEIVING BY HANDLERS

Pursuant to Marketing Agreement No. 123, as amended, and Order No. 64, as amended (7 CFR Part 964), regulating the handling of dried figs produced in California, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), the Dried Fig Administrative Committee, established under said order, unanimously recommended for approval by the Secretary, certain amendments to § 964.150 (b) (2), (c) (3), and (d) (2) of the committee's administrative rules and procedures (7 CFR Part 964). These amendments would: (1) Permit tray dried and sulfured natural Kadota dried figs delivered as one lot by producers or dehydrators to handlers, with each type in separate containers, to be sampled, inspected, and certified as though the lot contained only one type of dried figs; and (2) thereby alleviate restrictions in said administrative rules and procedures.

The present provisions of said rules and procedures require separate inspection of tray dried and sulfured natural Kadota dried figs delivered in one lot. If each type in the lot meets the minimum quality standards for acquisition of natural condition dried figs, the certification for the lot is made on the basis of the lower of the two inspection results. These two types of dried figs are of the same variety, are light in color, and are used in the manufacture of fig paste. In view of the similarity between tray dried and sulfured natural Kadota dried figs and since they are utilized in the same outlet, the aforesaid requirements are not necessary for attaining the objectives of quality regulation and should be alleviated as hereinafter provided.

After consideration of all relevant information, including the committee's recommendation, it is concluded that the amendments hereinafter set forth should be approved.

Therefore, it is hereby ordered, That the administrative rules and procedures (7 CFR Part 964) be amended as follows:

1. Amend the provisions of § 964.150 (b) (2) to read as follows:

(b) *Sampling.* * * *

(2) In the event the natural condition dried figs in any portion of a lot are substantially different in appearance, condition, or quality from the appearance, condition or quality of the balance of the dried figs in the lot, such portion shall be set apart and considered as a separate lot, and shall be sampled and inspected separately: *Provided,* That tray dried and sulfured natural Kadota dried figs delivered as one lot with each type in separate containers, shall be sampled and inspected as one lot.

2. Amend the provisions of § 964.150 (c) (3) to read as follows:

(c) *Inspection.* * * *

(3) The provisions of subparagraph (2) of this paragraph shall also apply to tray dried and natural Kadota dried figs delivered in the same lot: *Provided,* That tray dried and sulfured natural Kadota dried figs delivered as one lot with each type in separate containers, shall not be inspected separately.

3. Amend the provisions of § 964.150 (d) (2) to read as follows:

(d) *Certification.* * * *

(2) In any case where an inspection is made of both tray dried and natural Kadota dried figs in test samples, or of first and second crop dried figs in test samples, the certification shall be made on the basis of the lower inspection result: *Provided,* That when an inspection is made pursuant to the proviso in paragraph (c) (3) of this section, of both tray dried and sulfured natural Kadota dried figs in test samples, the certification shall be made on the basis of the average inspection result.

It is hereby found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice and engage in public rule making procedure, and that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U. S. C. 1001 et seq.), in that: (1) These amendments will relieve restrictions on the handling of tray dried and sulfured natural Kadota dried figs delivered as one lot by alleviating the sampling, inspection, and certification requirements pertaining thereto; (2) handlers have begun to acquire such dried figs in the 1958–59 crop year and it is necessary that these amendments be made effective as soon as possible so that the same sampling, inspection and certification requirements will apply insofar as possible to the acquisitions of such dried figs in said crop year; and (3) handlers are aware that these amendments were recommended by the committee and require no additional advance notice for preparation to comply therewith. In these circumstances, these amendments should be made effective upon publication in the FEDERAL REGISTER.

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

Dated September 5, 1958, to become effective upon publication in the FEDERAL REGISTER.

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

[F. R. Doc. 58-7389; Filed, Sept. 10, 1958; 8:51 a. m.]

TITLE 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

Subchapter D—Exportation and Importation of Animals and Animal Products

PART 92—IMPORTATION OF CERTAIN ANIMALS AND POULTRY AND CERTAIN ANIMAL AND POULTRY PRODUCTS

MISCELLANEOUS AMENDMENTS

On June 27, 1958, there was published in the FEDERAL REGISTER (23 F. R. 4761) a notice of proposed amendments of the regulations governing the importation of certain animals and poultry and certain animal and poultry products in 9 CFR Part 92, as amended. After due consideration of all relevant matter presented, and pursuant to the authority conferred by sections 6, 7, 8, and 10 of the Act of Congress approved August 30, 1890, as amended (21 U. S. C. 102–105) and section 2 of the Act of Congress approved February 2, 1903, as amended (21 U. S. C. 111), said regulations are hereby amended as follows:

1. Section 92.1 is amended by adding new paragraphs (r) and (s) to read respectively:

(r) *Brucellosis-certified areas.* Areas in Canada in which the percentage of cattle affected with brucellosis has been officially determined by the Canadian Government not to exceed one percent and the percentage of herds in which brucellosis is present has been similarly determined not to exceed five percent.

(s) *Western provinces of Canada.* Manitoba, Saskatchewan, Alberta and British Columbia.

2. Section 92.19 is amended to read:

§ 92.19 *Animals from Canada; declaration to accompany animals offered for importation.* For all cattle, sheep, goats, swine, horses, and poultry offered for importation from Canada, there shall be presented to the collector of customs at the time of entry two copies of a statement signed by the owner or importer showing clearly the purpose for which said animals are to be imported.

3. Section 92.20 is amended by deleting paragraph (e) and changing paragraph (c) to read:

§ 92.20 *Cattle from Canada.* • • •

(c) *Brucellosis test or vaccination certificates.* Importations from Canada of cattle six months or older, except steers and all cattle for immediate slaughter, shall be in compliance with the following conditions and requirements:

(1) Cattle from herds designated as brucellosis-free listed herds by the Canadian Government or cattle from herds not known to be affected in brucellosis-certified areas in Canada, except as provided in subparagraph (2) or (4) of this paragraph, shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government showing them to be from such herds and that the cattle offered for entry have been tested for brucellosis with negative results within 30 days preceding their offer for entry. If one or more reactors or suspects are disclosed in such a herd as a result of a brucellosis test at any time, cattle from such herd shall not be imported into the United States unless after such test the cattle offered for entry, and the herd, have been tested and such cattle are accompanied by a certificate in accordance with subparagraph (3) of this paragraph or the herd has reached full status as a brucellosis-free herd under Canadian regulations.

(2) Cattle of the beef breeds raised under range conditions in the western provinces of Canada, except as provided in subparagraph (4) of this paragraph, shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government showing them to be such range cattle of the beef breeds and that they have been tested for brucellosis with negative results within 30 days preceding their offer for entry.

(3) All other cattle from Canada, except as provided in subparagraph (4) of this paragraph, shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government showing:

(i) That all cattle in the herd or herds from which the animals originate (except steers, other cattle under six months of age, and official vaccinates under 30 months of age), have been tested for brucellosis with negative results not more than three months preceding the offer for entry;

(ii) That the cattle offered for entry, except the natural increase, were included in the herd or herds of origin at the time of said herd tests; and

(iii) That the cattle offered for entry (except steers, and other cattle under six months of age and official vaccinates under 30 months of age at the time of their offer for entry), have been tested for brucellosis with negative results within 30 days preceding their offer for entry in addition to and at least 15 days after the herd test specified in subdivision (i) of this subparagraph.

(4) Bulls and female cattle under 30 months of age need not meet the requirements of subparagraph (1), (2), or (3) of this paragraph, provided they are accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government showing that they were officially vaccinated against brucellosis as calves between the ages of four through eight months for dairy breeds or four months through the day they become eleven months for beef breeds and provided, except for cattle of the beef breeds raised under range conditions in the western provinces of Canada, such animals originate in a herd not known to contain any animals affected with brucellosis. The certificate accompanying such officially-vaccinated cattle shall comply with paragraph (d) of this section except that it shall show, in lieu of the date and place of testing, the date of vaccination and shall also show the age of the animal at the time of vaccination.

4. Section 92.22 is amended by changing paragraph (a) to read:

§ 92.22 *Swine from Canada.*—(a) *For purposes other than immediate slaughter.* Swine offered for importation from Canada for purposes other than immediate slaughter shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government showing that said swine have been inspected on the premises of origin immediately before the date of movement therefrom and found to be free of evidence of communicable disease and that, as far as it has been possible to determine, they were not exposed to any such disease during the preceding 60 days; in addition, the certificate shall show that no hog cholera or swine plague has existed on the premises of origin or on adjoining premises for such 60 days.

5. Section 92.25 is amended to read:

§ 92.25 *Special provisions.*—(a) *In-bond shipments from Canada.* Cattle, sheep, goats, swine, horses, and poultry from Canada transported in bond through the United States for immediate export shall be inspected at the border port of entry and shall otherwise meet the requirements of this Part in the same manner as similar animals destined to points in the United States, except that the Director of Division may permit their inspection at some other point when he finds that such action may be taken without endangering the livestock or poultry of the United States.

(b) *Exhibition animals.* (1) Animals, including poultry, from the United States which have been exhibited at the Royal Agricultural Winter Fair at Toronto or other publicly recognized exposition in Canada and have not been in that country more than 30 days are eligible for return to the United States within 10 days from the close of such fair or exposition without Canadian health or test certificates, if they are accompanied by copies of the health certificates properly issued and endorsed in accordance with the export regulations in Part 91 of this chapter at the time of entry into Canada, and it is shown to the satisfaction of the veterinary inspector at the United States port of entry that they are the identical animals covered by said certificates, or, in the case of poultry, if they otherwise qualified for entry into Canada under the Canadian regulations, and in any case if they are found by the inspector to be free of communicable disease and exposure thereto.

(2) Ruminants, swine, horses, and poultry from the United States used for rodeo, circus, or stage exhibitions in Canada are eligible for return to the United States without Canadian health or test certificates, if they are accompanied by copies of the health certificates properly issued and endorsed within the preceding three months, in accordance with the export regulations in Part 91 of this chapter for entry into Canada, and if it is shown to the satisfaction of the veterinary inspector at the United States port of entry that they are the identical animals covered by said certificates, or, in the case of poultry, if they otherwise qualified for entry into Canada under the Canadian regulations, and, in any case, if they are found by the inspector to be free of communicable disease and exposure thereto.

The foregoing amendments shall become effective 30 days after publication in the FEDERAL REGISTER.

(Secs. 6–8, 10, 26 Stat. 416, as amended, 417, sec. 2, 32 Stat. 792, as amended; 21 U. S. C. 102–105, 111)

Done at Washington, D. C., this 8th day of September, 1958.

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

[F. R. Doc. 58-7415; Filed, Sept. 10, 1958; 8:56 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T. D. 6312]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

LOSSES, EXPENSES, AND INTEREST WITH RESPECT TO TRANSACTIONS BETWEEN RELATED TAXPAYERS

On November 30, 1957, notice of proposed rule making regarding regulations for taxable years beginning after December 31, 1953, and ending after August 16, 1954, except as specifically provided otherwise, under section 267 of the Internal Revenue Code of 1954 and regarding an amendment to § 1.707–1 (b) (3) (26 CFR 1.707–1 (b) (3)) for such taxable years was published in the FEDERAL REGISTER (22 F. R. 9596). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the regulations as so proposed are hereby adopted, subject to the changes set forth below:

PARAGRAPH 1. The third, fourth, and fifth sentences of paragraph (a) of § 1.267 (a)–1 are stricken.

PAR. 2. The second sentence of paragraph (b) (3) of § 1.267 (a)–1 is revised to read as follows: "The fair market value on the date of issue of such notes or other instruments of similar effect is includible in the gross income of the payee for the taxable year in which he receives the notes or other instruments.

PAR. 3. In the first sentence of paragraph (c) (3) of § 1.267 (d)–1 "section 1232 (2)" is stricken and "section 1223 (2)" is substituted in lieu thereof, and in the second sentence of that paragraph "section 1232 (1)" is stricken and "section 1223 (1)" is substituted in lieu thereof.

[SEAL] LEO SPEER,
Acting Commissioner of Internal Revenue.

Approved: September 8, 1958.

NELSON P. ROSE,
Acting Secretary of the Treasury.

PARAGRAPH 1. The following regulations are hereby prescribed under section 267 of the Internal Revenue Code of 1954.

Sec.
1.267 (a) Statutory provisions; losses, expenses, and interest with respect to transactions between relatec taxpayers; deductions disallowed.
1.267 (a)–1 Deductions disallowed.
1.267 (b) Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; relationships.
1.267 (b)–1 Relationships.
1.267 (c) Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; constructive ownership of stock.
1.267 (c)–1 Constructive ownership of stock.
1.267 (d) Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; amount of gain where loss previously disallowed.
1.267 (d)–1 Amount of gain where loss previously disallowed.
1.267 (d)–2 Effective date; taxable years subject to the Internal Revenue Code of 1939.

AUTHORITY: §§ 1.267 (a) to 1.267 (d)–2 issued under sec. 7805, 68A Stat. 917; 26 U.S.C. 7805.

§ 1.267 (a) *Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; deductions disallowed.*

SEC. 267. *Losses, expenses, and interest with respect to transactions between related taxpayers*—(a) *Deductions disallowed.* No deduction shall be allowed—

(1) *Losses.* In respect of losses from sales or exchanges of property (other than losses in cases of distributions in corporate liquidations), directly or indirectly, between persons specified within any one of the paragraphs of subsection (b).

(2) *Unpaid expenses and interest.* In respect of expenses, otherwise deductible under section 162 or 212, or of interest, otherwise deductible under section 163,—

(A) If within the period consisting of the taxable year of the taxpayer and 2½ months after the close thereof (i) such expenses or interest are not paid, and (ii) the amount thereof is not includible in the gross income of the person to whom the payment is to be made; and

(B) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(C) If, at the close of the taxable year of the taxpayer or at any time within 2½ months thereafter, both the taxpayer and the person to whom the payment is to be made are persons specified within any one of the paragraphs of subsection (b).

§ 1.267 (a)–1 *Deductions disallowed*—(a) *Losses.* Except in cases of distributions in corporate liquidations, no deduction shall be allowed for losses arising from direct or indirect sales or exchanges of property between persons who, on the date of the sale or exchange, are within any one of the relationships specified in section 267 (b). See § 1.267 (b)–1.

(b) *Unpaid expenses and interest.* (1) No deduction shall be allowed a taxpayer for trade or business expenses otherwise deductible under section 162, for expenses for production of income otherwise deductible under section 212, or for interest otherwise deductible under section 163—

(i) If, at the close of the taxpayer's taxable year within which such items are accrued by the taxpayer or at any time within 2½ months thereafter, both the taxpayer and the payee are persons within any one of the relationships specified in section 267 (b) (see § 1.267 (b)–1); and

(ii) If the payee is on the cash receipts and disbursements method of accounting with respect to such items of gross income for his taxable year in which or with which the taxable year of accrual by the debtor-taxpayer ends; and

(iii) If, within the taxpayer's taxable year within which such items are accrued by the taxpayer and 2½ months after the close thereof, the amount of such items is not paid and the amount of such items is not otherwise (under the rules of constructive receipt) includible in the gross income of the payee.

(2) The provisions of section 267 (a) (2) and this paragraph do not otherwise affect the general rules governing the allowance of deductions under an accrual method of accounting. For example, if the accrued expenses or interest are paid after the deduction has become disallowed under section 267 (a) (2), no deduction would be allowable for the taxable year in which payment is made, since an accrual item is deductible only in the taxable year in which it is properly accruable.

(3) The expenses and interest specified in section 267 (a) (2) and this paragraph shall be considered as paid for purposes of that section to the extent of the fair market value on the date of issue of notes or other instruments of similar effect received in payment of such expenses or interest if such notes or other instruments were issued in such payment by the taxpayer within his taxable year or within 2½ months after the close thereof. The fair market value on the date of issue of such notes or other instruments of similar effect is includible in the gross income of the payee for the taxable year in which he receives the notes or other instruments.

(4) The provisions of this paragraph may be illustrated by the following example:

Example. A, an individual, is the holder and owner of an interest-bearing note of the M Corporation, all the stock of which was owned by him on December 31, 1956. A and the M Corporation make their income tax returns for a calendar year. The M Corporation uses an accrual method of accounting. A uses a combination of accounting methods permitted under section 446 (c) (4) in which he uses the cash receipts and disbursements method in respect of items of gross income. The M Corporation does not pay any interest on the note to A during the calendar year 1956 or within 2½ months after the close of that year, nor does it credit any interest to A's account in such a manner that it is subject to his unqualified demand and thus is constructively received by him. M Corporation claims a deduction for the year 1956 for the interest accruing on the note in that year. Since A is on the cash receipts and disbursements method in respect of items of gross income, the interest is not includible in his return for the year 1956. Under the provisions of section 267 (a) (2) and this paragraph, no deduction for such interest is allowable in computing the taxable income of the M Corporation for the taxable year 1956 or for any other taxable year. However, if the interest had actually been paid to A on or before March 15, 1957, or if it had been made available to A before that time (and thus had been constructively received by him), the M Corporation would be allowed to deduct the amount of the payment in computing its taxable income for 1956.

(c) *Scope of section.* Section 267 (a) requires that deductions for losses or unpaid expenses or interest described therein be disallowed even though the transaction in which such losses, expenses, or interest were incurred was a bona fide transaction. However, section 267 is not exclusive. No deduction for losses or unpaid expenses or interest arising in a transaction which is not bona fide will be allowed even though section 267 does not apply to the transaction.

§ 1.267 (b) *Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; relationships.*

SEC. 267. *Losses, expenses, and interest with respect to transactions between related taxpayers.* * * *

(b) *Relationships.* The persons referred to in subsection (a) are:

(1) Members of a family, as defined in subsection (c) (4);

(2) An individual and a corporation more than 50 percent in value of the outstanding stock of which is owned, directly or indirectly, by or for such individual;

(3) Two corporations more than 50 percent in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual, if either one of such corporations, with respect to the taxable year of the corporation preceding the date of the sale or exchange was, under the law applicable to such taxable year, a personal holding company or a foreign personal holding company;

(4) A grantor and a fiduciary of any trust;

(5) A fiduciary of a trust and a fiduciary of another trust, if the same person is a grantor of both trusts;

(6) A fiduciary of a trust and a beneficiary of such trust;

(7) A fiduciary of a trust and a beneficiary of another trust, if the same person is a grantor of both trusts;

(8) A fiduciary of a trust and a corporation more than 50 percent in value of the outstanding stock of which is owned, directly or indirectly, by or for the trust or by or for a person who is a grantor of the trust; or

(9) A person and an organization to which section 501 (relating to certain educational and charitable organizations which are exempt from tax) applies and which is controlled directly or indirectly by such person or (if such person is an individual) by members of the family of such individual.

§ 1.267 (b)–1 *Relationships*—(a) *In general.* (1) The persons referred to in section 267 (a) and § 1.267 (a)–1 are specified in section 267 (b).

(2) Under section 267 (b) (3), it is not necessary that either of the two corporations be a personal holding company or a foreign personal holding company for the taxable year in which the sale or exchange occurs or in which the expenses or interest are properly accruable, but either one of them must be such a company for the taxable year next preceding the taxable year in which the sale or exchange occurs or in which the expenses or interest are accrued.

(3) Under section 267 (b) (9), the control of certain educational and charitable organizations exempt from tax under section 501 includes any kind of control, direct or indirect, by means of which a person in fact controls such an organization, whether or not the control is legally enforceable and regardless of the method by which the control is exercised or exercisable. In the case of an individual, control possessed by the individual's family, as defined in section 267 (c) (4) and paragraph (a) (4) of § 1.267 (c)–1, shall be taken into account.

(b) *Partnerships.* (1) Since section 267 does not include members of a partnership and the partnership as related persons, transactions between partners and partnerships do not come within the scope of section 267. Such transactions are governed by section 707 for the purposes of which the partnership is considered to be an entity separate from the partners. See section 707 and § 1.707–1. Any transaction described in section 267 (a) between a partnership and a person other than a partner shall be considered as occurring between the other person and the members of the partnership separately. Therefore, if the other person and a partner are within any one of the relationships specified in section 267 (b), no deductions with respect to such transactions between the other person and the partnership shall be allowed—

(i) To the related partner to the extent of his distributive share of partnership deductions for losses or unpaid expenses or interest resulting from such transactions, and

(ii) To the other person to the extent the related partner acquires an interest in any property sold to or exchanged with the partnership by such other person at a loss, or to the extent of the related partner's distributive share of the unpaid expenses or interest payable to the partnership by the other person as a result of such transaction.

(2) The provisions of this paragraph may be illustrated by the following examples:

Example (1). A, an equal partner in the ABC partnership, personally owns all the stock of M Corporation. B and C are not related to A. The partnership and all the partners use an accrual method of accounting, and are on a calendar year. M Corporation uses the cash receipts and disbursements method of accounting and is also on a calendar year. During 1956 the partnership borrowed money from M Corporation and also sold property to M Corporation, sustaining a loss on the sale. On December 31, 1956, the partnership accrued its interest liability to the M Corporation and on April 1, 1957 (more than 2½ months after the close of its taxable year), it paid the M Corporation the amount of such accrued interest. Applying the rules of this paragraph, the transactions are considered as occurring between M Corporation and the partners separately. The sale and interest transactions considered as occurring between A and the M Corporation fall within the scope of section 267 (a) and (b), but the transactions considered as occurring between partners B and C and the M Corporation do not. The latter two partners may, therefore, deduct their distributive shares of partnership deductions for the loss and the accrued interest. However, no deduction shall be allowed to A for his distributive shares of these partnership deductions. Furthermore, A's adjusted basis for his partnership interest must be decreased by the amount of his distributive share of such deductions. See section 705 (a) (2).

Example (2). Assume the same facts as in example (1) of this subparagraph except that the partnership and all the partners use the cash receipts and disbursements method of accounting, and that M Corporation uses an accrual method. Assume further, that during 1956 M Corporation borrowed money from the partnership and that on a sale of property to the partnership during that year M Corporation sustained a loss. On December 31, 1956, the M Corporation accrued its interest liability on the borrowed money and on April 1, 1957 (more than 2½ months after the close of its taxable year) it paid the accrued interest to the partnership. The corporation's deduction for the accrued interest is not allowed to the extent of A's distributive share (one-third) of such interest income. M Corporation's deduction for the loss on the sale of the property to the partnership is not allowed to the extent of A's one-third interest in the purchased property.

§ 1.267 (c) *Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; constructive ownership of stock.*

SEC. 267. *Losses, expenses, and interest with respect to transactions between related taxpayers.* * * *.

(c) *Constructive ownership of stock.* For purposes of determining, in applying subsection (b), the ownership of stock—

(1) Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries;

(2) An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family;

(3) An individual owning (otherwise than by the application of paragraph (2)) any stock in a corporation shall be considered as owning the stock owned, directly or indirectly, by or for his partner;

(4) The family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants; and

(5) Stock constructively owned by a person by reason of the application of paragraph (1) shall, for the purpose of applying paragraph (1), (2), or (3), be treated as actually owned by such person, but stock constructively owned by an individual by reason of the application of paragraph (2) or (3) shall not be treated as owned by him for the purpose of again applying either of such paragraphs in order to make another the constructive owner of such stock.

§ 1.267 (c)–1 *Constructive ownership of stock*—(a) *In general.* (1) The determination of stock ownership for purposes of section 267 (b) shall be in accordance with the rules in section 267 (c).

(2) For an individual to be considered under section 267 (c) (2) as constructively owning the stock of a corporation which is owned, directly or indirectly, by or for members of his family it is not necessary that he own stock in the corporation either directly or indirectly. On the other hand, for an individual to be considered under section 267 (c) (3) as owning the stock of a corporation owned either actually, or constructively under section 267 (c) (1), by or for his partner, such individual must himself actually own, or constructively own under section 267 (c) (1), stock of such corporation.

(3) An individual's constructive ownership, under section 267 (c) (2) or (3), of stock owned directly or indirectly by or for a member of his family, or by or for his partner, is not to be considered as actual ownership of such stock, and the individual's constructive ownership of the stock is not to be attributed to another member of his family or to another partner. However, an individual's constructive ownership, under section 267 (c) (1), of stock owned directly or indirectly by or for a corporation, partnership, estate, or trust shall be considered as actual ownership of the stock, and the individual's ownership may be attributed to a member of his family or to his partner.

(4) The family of an individual shall include only his brothers and sisters, spouse, ancestors, and lineal descendants. In determining whether any of these relationships exist, full effect shall be given to a legal adoption. The term "ancestors" includes parents and grandparents, and the term "lineal descendants" includes children and grandchildren.

(b) *Examples.* The application of section 267 (c) may be illustrated by the following examples:

Example (1). On July 1, 1957, A owned 75 percent, and AW, his wife, owned 25 percent, of the outstanding stock of the M Corporation. The M Corporation in turn owned 80 percent of the outstanding stock of the O Corporation. Under section 267 (c) (1), A and AW are each considered as owning an amount of the O Corporation stock actually owned by M Corporation in proportion to their respective ownership of M Corporation stock. Therefore, A constructively owns 60 percent (75 percent of 80 percent) of the O Corporation stock and AW constructively owns 20 percent (25 percent of 80 percent) of such stock. Under the family ownership rule of section 267 (c) (2), an individual is considered as constructively owning the stock actually owned by his spouse. A and AW, therefore, are each considered as constructively owning the M Corporation stock actually owned by the other. For the purpose of applying this family ownership rule, A's and AW's constructive ownership of O Corporation stock is considered as actual ownership under section 267 (c) (5). Thus, A constructively owns the 20 percent of the O Corporation stock constructively owned by AW, and AW constructively owns the 60 percent of the O Corporation stock constructively owned by A. In addition, the family ownership rule may be applied to make AWF, AW's father, the constructive owner of the 25 percent of the M Corporation stock ac-

tually owned by AW. As noted above, AW's constructive ownership of 20 percent of the O Corporation stock is considered as actual ownership for purposes of applying the family ownership rule, and AWF is thereby considered the constructive owner of this stock also. However, AW's constructive ownership of the stock constructively and actually owned by A may not be considered as actual ownership for the purpose of again applying the family ownership rule to make AWF the constructive owner of these shares. The ownership of the stock in the M and O Corporations may be tabulated as follows:

Person	Stock ownership in M Corporation		Total under Section 267	Stock ownership in O Corporation		Total under Section 267
	Actual	Constructive		Actual	Constructive	
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
A	75	25	100	None	60 20	80
AW (A's wife)	25	75	100	None	20 60	80
AWF (AW's father)	None	25	25	None	20	20
M Corporation				80	None	80
O Corporation	None	None	None			

Assuming that the M Corporation and the O Corporation make their income tax returns for calendar years, and that there was no distribution in liquidation of the M or O Corporation, and further assuming that either corporation was a personal holding company under section 542 for the calendar year 1956, no deduction is allowable with respect to losses from sales or exchanges of property made on July 1, 1957, between the two corporations. Moreover, whether or not either corporation was a personal holding company, no loss would be allowable on a sale or exchange between A or AW and either corporation. A deduction would be allowed, however, for a loss sustained in an arm's length sale or exchange between A and AWF, and between AWF and the M or O Corporation.

Example (2). On June 15, 1957, all of the stock of the N Corporation was owned in equal proportions by A and his partner, AP. Except in the case of distributions in liquidation by the N Corporation, no deduction is allowable with respect to losses from sales or exchanges of property made on June 15, 1957, between A and the N Corporation or AP and the N Corporation since each partner is considered as owning the stock owned by the other; therefore, each is considered as owning more than 50 percent in value of the outstanding stock of the N Corporation.

Example (3). On June 7, 1957, A owned no stock in X Corporation, but his wife, AW, owned 20 percent in value of the outstanding stock of X, and A's partner, AP, owned 60 percent in value of the outstanding stock of X. The partnership firm of A and AP owned no stock in X Corporation. The ownership of AW's stock is attributed to A, but not that of AP since A does not own any X Corporation stock either actually, or constructively under section 267 (c) (1). A's constructive ownership of AW's stock is not the ownership required for the attribution of AP's stock. Therefore, deductions for losses from sales or exchanges of property made on June 7, 1957, between X Corporation and A or AW are allowable since neither person owned more than 50 percent in value of the outstanding stock of X, but deductions for losses from sales or exchanges between X Corporation and AP would not be allowable by section 267 (a) (except for distributions in liquidation of X Corporation).

§ 1.267 (d) *Statutory provisions; losses, expenses, and interest with respect to transactions between related taxpayers; amount of gain where loss previously disallowed.*

SEC. 267. *Losses, expenses, and interest with respect to transactions between related taxpayers.* * * *

(d) *Amount of gain where loss previously disallowed.* If—

(1) In the case of a sale or exchange of property to the taxpayer a loss sustained by the transferor is not allowable to the transferor as a deduction by reason of subsection (a) (1) (or by reason of section 24 (b) of the Internal Revenue Code of 1939); and

(2) After December 31, 1953, the taxpayer sells or otherwise disposes of such property (or of other property the basis of which in his hands is determined directly or indirectly by reference to such property) at a gain,

then such gain shall be recognized only to the extent that it exceeds so much of such loss as is properly allocable to the property sold or otherwise disposed of by the taxpayer. This subsection applies with respect to taxable years ending after December 31, 1953. This subsection shall not apply if the loss sustained by the transferor is not allowable to the transferor as a deduction by reason of section 1091 (relating to wash sales) or by reason of section 118 of the Internal Revenue Code of 1939.

§ 1.267 (d)–1 *Amount of gain where loss previously disallowed*—(a) *General rule.* (1) If a taxpayer acquires property by purchase or exchange from a transferor who, on the transaction, sustained a loss not allowable as a deduction by reason of section 267 (a) (1) (or by reason of section 24 (b) of the Internal Revenue Code of 1939), then any gain realized by the taxpayer on a sale or other disposition of the property after December 31, 1953, shall be recognized only to the extent that the gain exceeds the amount of such loss as is properly allocable to the property sold or otherwise disposed of by the taxpayer.

(2) The general rule is also applicable to a sale or other disposition of property by a taxpayer when the basis of such property in the taxpayer's hands is determined directly or indirectly by reference to other property acquired by the taxpayer from a transferor through a sale or exchange in which a loss sustained by the transferor was not allowable. Therefore, section 267 (d) applies to a sale or other disposition of property after a series of transactions if the basis of the property acquired in each transaction is determined by reference to the basis of the property transferred, and if the original property was acquired in a transaction in which a loss to a transferor was not allowable by reason of section 267 (a) (1) (or by reason of section 24 (b) of the Internal Revenue Code of 1939).

(3) The benefit of the general rule is available only to the original transferee but does not apply to any original transferee (e. g., a donee) who acquired the property in any manner other than by purchase or exchange.

(4) The application of the provisions of this paragraph may be illustrated by the following examples:

Example (1). H sells to his wife, W, for $500, certain corporate stock with an adjusted basis for determining loss to him of $800. The loss of $300 is not allowable to H by reason of section 267 (a) (1) and paragraph (a) of § 1.267 (a)–1. W later sells this stock for $1,000. Although W's realized gain is $500 ($1,000 minus $500, her basis), her recognized gain under section 267 (d) is only $200, the excess of the realized gain of $500 over the loss of $300 not allowable to H. In determining capital gain or loss W's holding period commences on the date of the sale from H to W.

Example (2). Assume the same facts as in example (1) except that W later sells her stock for $300 instead of $1,000. Her recognized loss is $200 and not $500 since section 267 (d) applies only to the nonrecognition of gain and does not affect basis.

Example (3). Assume the same facts as in example (1) except that W transfers her stock as a gift to X. The basis of the stock in the hands of X for the purpose of determining gain, under the provisions of section 1015, is the same as W's, or $500. If X later sells the stock for $1,000 the entire $500 gain is taxed to him.

Example (4). H sells to his wife, W, for $5,500, farmland, with an adjusted basis for determining loss to him of $8,000. The loss of $2,500 is not allowable to H by reason of section 267 (a) (1) and paragraph (a) of § 1.267 (a)–1. W exchanges the farmland, held for investment purposes, with S, an unrelated individual, for two city lots, also held for investment purposes. The basis of the city lots in the hands of W ($5,500) is a substituted basis determined under section 1031 (d) by reference to the basis of the farmland. Later W sells the city lots for $10,000. Although W's realized gain is $4,500 (10,000 minus $5,500), her recognized gain under section 267 (d) is only $2,000, the excess of the realized gain of $4,500 over the loss of $2,500 not allowable to H.

(b) *Determination of basis and gain with respect to divisible property*—(1) *Taxpayer's basis.* When the taxpayer acquires divisible property or property that consists of several items or classes of items by a purchase or exchange on which loss is not allowable to the transferor, the basis in the taxpayer's hands of a particular part, item, or class of such property shall be determined (if the taxpayer's basis for that part is not known) by allocating to the particular part, item, or class a portion of the taxpayer's basis for the entire property in the proportion that the fair market value of the particular part, item, or class bears to the fair market value of the entire property at the time of the taxpayer's acquisition of the property.

(2) *Taxpayer's recognized gain.* Gain realized by the taxpayer on sales or other dispositions after December 31, 1953, of a part, item, or class of the property shall be recognized only to the extent that such gain exceeds the amount of loss attributable to such part, item, or class of property not allowable to the taxpayer's transferor on the latter's sale or exchange of such property to the taxpayer.

(3) *Transferor's loss not allowable.* (i) The transferor's loss on the sale or exchange of a part, item, or class of the property to the taxpayer shall be the excess of the transferor's adjusted basis for determining loss on the part, item, or class of the property over the amount

realized by the transferor on the sale or exchange of the part, item, or class. The amount realized by the transferor on the part, item, or class shall be determined (if such amount is not known) in the same manner that the taxpayer's basis for such part, item, or class is determined. See subparagraph (1) of this paragraph.

(ii) If the transferor's basis for determining loss on the part, item, or class cannot be determined, the transferor's loss on the particular part, item, or class transferred to the taxpayer shall be determined by allocating to the part, item, or class a portion of his loss on the entire property in the proportion that the fair market value of such part, item, or class bears to the fair market value of the entire property on the date of the taxpayer's acquisition of the entire property.

(4) *Examples.* The application of the provisions of this paragraph may be illustrated by the following examples:

Example (1). During 1953, H sold class A stock which had cost him $1,100, and common stock which had cost him $2,000, to his wife W for a lump sum of $1,500. Under section 24 (b) (1) (A) of the 1939 Code, the loss of $1,600 on the transaction was not allowable to H. At the time the stocks were purchased by W, the fair market value of class A stock was $900 and the fair market value of common stock was $600. In 1954, W sold the class A stock for $2,500. W's recognized gain is determined as follows:

Amount realized by W on sale of class A stock		$2,500
Less: Basis allocated to class A stock—$900/$1,500 x $1,500		900
Realized gain on transaction		1,600
Less: Loss sustained by H on sale of class A stock to W not allowable as a deduction:		
Basis to H of class A stock	$1,100	
Amount realized by H on class A stock—$900/$1,500 x $1,500	900	
Unallowable loss to H on sale of class A stock		200
Recognized gain on sale of class A stock by W		1,400

Example (2). Assume the same facts as those stated in example (1) of this subparagraph except that H originally purchased both classes of stock for a lump sum of $3,100. The unallowable loss to H on the sale of all the stock to W is $1,600 ($3,100 minus $1,500). An exact determination of the unallowable loss sustained by H on sale to W of class A stock cannot be made because H's basis for class A stock cannot be determined. Therefore, a determination of the unallowable loss is made by allocating to class A stock a portion of H's loss on the entire property transferred to W in the proportion that the fair market value of class A stock at the time acquired by W ($900) bears to the fair market value of both classes of stock at that time ($1,500). The allocated portion is $900/$1,500 x $1,600, or $960. W's recognized gain is, therefore, $640 (W's realized gain of $1,600 minus $960).

(c) *Special rules.* (1) Section 267 (d) does not affect the basis of property for determining gain. Depreciation and other items which depend on such basis are also not affected.

(2) The provisions of section 267 (d) shall not apply if the loss sustained by the transferor is not allowable to the transferor as a deduction by reason of section 1091, or section 118 of the Internal Revenue Code of 1939, which relate to losses from wash sales of stock or securities.

(3) In determining the holding period in the hands of the transferee of property received in an exchange with a transferor with respect to whom a loss on the exchange is not allowable by reason of section 267, section 1223 (2) does not apply to include the period during which the property was held by the transferor. In determining such holding period, however, section 1223 (1) may apply to include the period during which the transferee held the property which he exchanged where, for example, he exchanged a capital asset in a transaction which, as to him, was nontaxable under section 1031 and the property received in the exchange has the same basis as the property exchanged.

§ 1.267 (d)-2 *Effective date; taxable years subject to the Internal Revenue Code of 1939.* Pursuant to section 7851 (a) (1) (C), the regulations prescribed in § 1.267 (d)-1, to the extent that they relate to determination of gain resulting from the sale or other disposition of property after December 31, 1953, with respect to which property a loss was not allowable to the transferor by reason of section 267 (a) (1) (or by reason of section 24 (b) of the Internal Revenue Code of 1939), shall also apply to taxable years beginning before January 1, 1954, and ending after December 31, 1953, and taxable years beginning after December 31, 1953, and ending before August 17, 1954, which years are subject to the Internal Revenue Code of 1939.

PAR. 2. Paragraph (b) (3) of § 1.707-1 as prescribed by Treasury Decision 6175 (21 F. R. 3500), approved May 23, 1956, is amended to read as follows:

§ 1.707-1 *Transactions between partner and partnership.* * * *

(b) *Certain sales or exchanges of property with respect to controlled partnerships.* * * *

(3) *Ownership of a capital or profits interest.* In determining the extent of the ownership by a partner, as defined in section 761 (b), of his capital interest or profits interest in a partnership, the rules for constructive ownership of stock provided in section 267 (c) (1), (2), (4), and (5) shall be applied for the purpose of section 707 (b) and this paragraph. Under these rules, ownership of a capital or profits interest in a partnership may be attributed to a person who is not a partner as defined in section 761 (b) in order that another partner may be considered the constructive owner of such interest under section 267 (c). However, section 707 (b) (1) (A) does not apply to a constructive owner of a partnership interest since he is not a partner as defined in section 761 (b). For example, where trust T is a partner in the partnership ABT, and AW, A's wife, is the sole beneficiary of the trust, the ownership of a capital and profits interest in the partnership by T will be attributed to AW only for the purpose of further attributing the ownership of such interest to A. See section 267 (c) (1) and (5). If A, B, and T are equal partners, then A will be considered as owning more than 50 percent of the capital and profits interest in the partnership, and losses on transactions between him and the partnership will be disallowed by section 707 (b) (1) (A). However, a loss sustained by AW on a sale or exchange of property with the partnership would not be disallowed by section 707, but will be disallowed to the extent provided in paragraph (b) of § 1.267 (b)-1. See section 267 (a) and (b), and the regulations thereunder.

[F. R. Doc. 58-7403; Filed, Sept. 10, 1958; 8:54 a. m.]

[T. D. 6310]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

CREDIT TO DOMESTIC CORPORATE SHAREHOLDER FOR FOREIGN TAXES PAID BY FOREIGN CORPORATIONS

On December 4, 1957, notice of proposed rule making regarding regulations for taxable years beginning after December 31, 1957, under section 902 of the Internal Revenue Code of 1954 (relating to credit to a domestic corporate shareholder for foreign taxes paid by foreign corporations) was published in the FEDERAL REGISTER (22 F. R. 9698). That notice, the appendix to which set forth a proposed amendment of the income tax regulations (26 CFR Part 1) by the addition of a new paragraph (d) at the end of § 1.902-1, is hereby withdrawn. The income tax regulations (26 CFR Part 1) are amended by adding at the end of § 1.902-1 the following new paragraph effective for taxable years beginning after December 31, 1953, and ending after August 16, 1954:

(d) *Illustration of principles.* The application of the principles of this section in the determination of the amount of the foreign tax available as a basis for a credit to the domestic corporation may be illustrated by the following example involving Corporation A, a domestic corporation which owns 40 percent of the voting stock of Corporation B, a foreign corporation which in turn owns 80 percent of the voting stock of Corporation C, another foreign corporation. It is assumed that all transactions have taken place within, and are related to, the same taxable year.

(1) *Application of section 902 (b) to determine tax deemed to be paid by Corporation B.*

(i) Gains, profits, and income of Corporation C	$125,000
(ii) Foreign tax paid by Corporation C with respect to such gains, profits, and income	25,000
(iii) Accumulated profits of Corporation C: $125,000 less $25,000	100,000
(iv) Dividends paid by Corporation C to Corporation B	50,000
(v) Corporation C foreign tax with respect to the accumulated profits of Corporation C from which the dividends were paid to Corporation B: $\$25,000 \times \frac{100,000}{125,000}$	20,000

(vi) Corporation C foreign tax with respect to the accumulated profits distributed which is deemed to be paid by Corporation B:

$$\$20,000 \times \frac{50,000}{100,000} \text{ ---------- } \$10,000$$

(2) *Application of section 902 (a) to determine tax deemed to be paid by Corporation A.*

(i) Gains, profits, and income of Corporation B:	
Business profits ------ $50,000	
Dividends from Corporation C (as per subparagraph (1) of this paragraph) ---- 50,000	
	$100,000
(ii) Foreign tax actually paid by Corporation B with respect to such gains, profits, and income ----------	20,000
(iii) Accumulated profits of Corporation B:	
$100,000 income less $20,000 taxes paid ----------	80,000
(iv) Dividends paid by Corporation B to Corporation A ------	15,000
(v) Corporation B foreign tax paid with respect to the accumulated profits of Corporation B from which the dividends were paid to Corporation A:	
$\$20,000 \times \frac{80,000}{100,000}$ ----------	16,000
(vi) Corporation B foreign tax paid, and deemed to be paid, with respect to the accumulated profits of Corporation B from which the dividends were paid to Corporation A: $16,000 plus $10,000 ----------	26,000
(vii) Corporation B foreign tax with respect to the accumulated profits distributed which is deemed to be paid by Corporation A: $\frac{15,000}{80,000} \times \$26,000$ ----	4,875

Because this Treasury decision merely adopts the rule contained in § 39.131 (f)–1 (c) of Regulations 118 and continued in effect by Treasury Decision 6091, approved August 16, 1954 (19 F. R. 5167), it is hereby found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of that Act.

(68A Stat. 917; 26 U. S. C. 7805)

[SEAL] LEO SPEER,
Acting Commissioner of Internal Revenue.

Approved: September 8, 1958.

NELSON P. ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 58-7398; Filed, Sept. 10, 1958; 8:53 a. m.]

[T. D. 6311]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

BASIS OF PROPERTY

On January 3, 1957, a notice of proposed rule making regarding the regulations for taxable years beginning after December 31, 1953, and ending after August 16, 1954, under parts I and II (except sections 1017, 1020, and 1021) of subchapter O of chapter 1 of the Internal Revenue Code of 1954 was published in the FEDERAL REGISTER (22 F. R. 35). On November 7, 1957, with certain modifications, the regulations, as so proposed, except for those in paragraph (c) of § 1.1012–1 relating to identification of stock sold, were adopted and published in the FEDERAL REGISTER as Treasury Decision 6265 (22 F. R. 8935). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed in paragraph (c) of § 1.1012–1, the following regulations are hereby prescribed:

§ 1.1012–1 *Basis of property.* * * *

(c) *Sale of stock*—(1) *In general.* If shares of stock in a corporation are sold or transferred by a taxpayer who purchased or acquired lots of stock on different dates or at different prices, and the lot from which the stock was sold or transferred cannot be adequately identified, the stock sold or transferred shall be charged against the earliest of such lots purchased or acquired in order to determine the cost or other basis of such stock and in order to determine the holding period of such stock for purposes of subchapter P of chapter 1 of the Internal Revenue Code of 1954. If, on the other hand, the lot from which the stock is sold or transferred can be adequately identified, the rule stated in the preceding sentence is not applicable. As to what constitutes "adequate identification", see subparagraphs (2), (3), and (4) of this paragraph.

(2) *Identification of stock.* An adequate identification is made if it is shown that certificates representing shares of stock from a lot which was purchased or acquired on a certain date or for a certain price were delivered to the taxpayer's transferee. Except as otherwise provided in subparagraph (3) or (4) of this paragraph, such stock certificates delivered to the transferee constitute the stock sold or transferred by the taxpayer. Thus, unless the requirements of subparagraph (3) or (4) of this paragraph are met, the stock sold or transferred is charged to the lot to which the certificates delivered to the transferee belong, whether or not the taxpayer intends, or instructs his broker or other agent, to sell or transfer stock from a lot purchased or acquired on a different date or for a different price.

(3) *Identification on confirmation document.* (i) Where the stock is left in the custody of a broker or other agent, an adequate identification is made if—

(*a*) At the time of the sale or transfer, the taxpayer specifies to such broker or other agent having custody of the stock the particular stock to be sold or transferred, and

(*b*) Within a reasonable time thereafter, confirmation of such specification is set forth in a written document from such broker or other agent.

Stock identified pursuant to this subdivision is the stock sold or transferred by the taxpayer, even though stock certificates from a different lot are delivered to the taxpayer's transferee.

(ii) Where a single stock certificate represents stock from different lots, where such certificate is held by the taxpayer rather than his broker or other agent, and where the taxpayer sells a part of the stock represented by such certificate through a broker or other agent, an adequate identification is made if—

(*a*) At the time of the delivery of the certificate to the broker or other agent, the taxpayer specifies to such broker or other agent the particular stock to be sold or transferred, and

(*b*) Within a reasonable time thereafter, confirmation of such specification is set forth in a written document from such broker or agent.

Where part of the stock represented by a single certificate is sold or transferred directly by the taxpayer to the purchaser or transferee instead of through a broker or other agent, an adequate identification is made if the taxpayer maintains a written record of the particular stock which he intended to sell or transfer.

(4) *Stock held by a trustee, executor, or administrator.* Where stock is held by a trustee or by an executor or administrator of an estate (and not left in the custody of a broker or other agent), an adequate identification is made if at the time of a sale, transfer, or distribution, the trustee, executor, or administrator—

(i) Specifies in writing in the books and records of the trust or estate the particular stock to be sold, transferred, or distributed, and

(ii) In the case of a distribution, also furnishes the distributee with a written document setting forth the particular stock distributed to him.

Stock identified pursuant to this subparagraph is the stock sold, transferred, or distributed by the trust or estate, even though stock certificates from a different lot are delivered to the purchaser, transferee, or distributee.

(5) *Subsequent sales.* If stock identified under subparagraph (3) or (4) of this paragraph as belonging to a particular lot is sold, transferred, or distributed, the stock so identified shall be deemed to have been sold, transferred, or distributed, and such sale, transfer, or distribution will be taken into consideration in identifying the taxpayer's remaining stock for purposes of subsequent sales, transfers, or distributions.

(68A Stat. 917; 26 U. S. C. 7805)

[SEAL] LEO SPEER,
Acting Commissioner of Internal Revenue.

Approved: September 8, 1958.

NELSON P. ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 58-7399; Filed, Sept. 10, 1958; 8:53 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter F—Personnel

PART 577—MEDICAL AND DENTAL ATTENDANCE

MEDICAL ATTENDANCE

Sections 577.1 and 577.2 are revised to read as follows:

§ 577.1 *Definitions.* For the purpose of the regulations in §§ 577.2 and 577.5 the following definitions apply:

(a) *Medical care.* The term embraces the medical examination and/or treatment of individuals by medical personnel of the Army, Navy, Air Force, other Federal agencies outside of the Department of Defense, and civilian facilities, or by civilian doctors who are legally qualified without limitation to practice medicine and surgery in the area concerned, and medical facilities of the Canal Zone Government. Such care may include the furnishing of hospitalization, nursing and ambulance service, physical examinations, immunizations, prophylactic treatments, medicines, biologicals, and other similar medical services. Prostheses, hearing aids, spectacles, orthopedic footwear, and similar adjuncts to medical care may be furnished only where such adjuncts are authorized.

(b) *Army.* The Army consists of:

(1) The Regular Army.

(2) The Army National Guard of the United States.

(3) The Army National Guard while in the service of the United States.

(4) The Army National Guard while performing duty or training under sections 316 and 502–505 of title 32, United States Code.

(5) The Army Reserve.

(6) All persons appointed or enlisted in or conscripted into the Army without component.

(c) *Active duty.* Active duty is defined as full-time duty in the active military service of the United States, including:

(1) Service on the active list.

(2) Full-time training duty.

(3) Annual training duty.

(4) Attendance (while in active military service) at a school designated by law or by the Secretary as a service school; and

(5) Full-time training or other full-time duty performed by a member of the Army National Guard under sections 316 and 502–505 of title 32, United States Code, for which the member is entitled to pay from the United States or which he has been authorized to perform without pay.

(d) *Inactive duty training.* Inactive duty training is defined as duty prescribed for Reserve components under section 301 of title 37, United States Code, or any other provision of law, and special additional duties authorized by the Secretary and performed by them on a voluntary basis in connection with the prescribed training or maintenance activities of the units to which they are assigned. It includes training of a member of the Army National Guard in accordance with regulations prescribed under section 502 of title 32, United States Code, for which the member is entitled to pay from the United States or which he has been authorized to perform without pay.

§ 577.2 *For whom authorized and manner provided—*(a) *Persons entitled to medical care.* The following are entitled to and will be provided medical care at the expense of Army Medical Service funds:

(1) Members of the Army.

(2) Cadets of the United States Military Academy.

(3) Members of the Reserve Officers' Training Corps of the Army during their attendance at training camps including physical examinations required and immunizations required.

(4) Applicants for enlistment or reenlistment in the Army and registrants under the Universal Military Training and Service Act limited to necessary physical and mental examinations, except as provided in subparagraphs (5) and (6) of this paragraph.

(5) Individuals listed in subparagraph (4) of this paragraph whose physical fitness for military service cannot be determined without hospital study.

(6) Individuals listed in subparagraph (4) of this paragraph except registrants under the Universal Military Training and Service Act, who suffer acute illnesses and injuries while awaiting or undergoing processing at recruiting main stations or at Armed Forces Induction and Examining Stations (limited to emergency medical care, including hospitalization).

(7) Prisoners awaiting trial by courts-martial or serving sentences as a result thereof.

(8) Prisoners of war, persons interned by the Army, and other persons in military custody or confinement.

(9) Civilian seamen in the service of vessels operated by the Department of the Army.

(10) Civilian employees of the Army will be afforded "on-the-job" medical and surgical service through the Occupational Health Service of the Army.

(11) The lawful wife or the dependent lawful husband (spouses) and children who are dependents of members of the uniformed services. For definition of the terms "uniformed services" and "member of a uniformed service" and for restrictions, see §§ 577.60 to 577.70.

(12) Retired Army members placed on the Temporary Disability Retired List who require periodic physical examinations.

(b) *Priority of medical treatment facilities.* (1) Medical care for personnel enumerated in paragraph (a) (1) to (10) of this section will be through the following means in order of the priority of the listings:

(i) Medical treatment facilities.

(ii) Medical treatment facilities of the Navy or Air Force where Army medical treatment facilities are not readily available or accessible.

(iii) Medical treatment facilities of Federal agencies outside the Department of Defense where facilities in paragraph (a) of this section and this paragraph are not readily available or accessible.

(iv) Civilian medical treatment facilities including civilian physicians where facilities listed in subdivisions (i), (ii) and (iii) of this subparagraph are not available.

(2) Medical care for persons enumerated in paragraph (a) (11) of this section will be provided through the following means:

(i) Medical treatment facilities of the uniformed services subject to the availability of space and facilities and the capabilities of the professional staff.

(ii) Civilian medical treatment facilities including civilian physicians and surgeons subject to the terms and conditions prescribed in §§ 577.60 to 577.70.

(3) Medical care for persons enumerated in paragraph (a) (12) of this section will be provided through the following means:

(i) Army medical treatment facilities.

(ii) Medical treatment facilities of the Navy or Air Force subject to the availability of space and facilities and the capabilities of the professional staff.

(iii) Medical treatment facilities of the Veterans' Administration upon request of the Department of the Army.

(c) *Additional persons who may be afforded medical care.* (1) Persons, in addition to those enumerated in paragraph (a) of this section, may be afforded medical care at Army medical treatment facilities as prescribed in pertinent Army regulations.

(2) Persons, in addition to those enumerated in paragraph (a) of this section, may be afforded medical care in uniformed services medical treatment facilities under terms and conditions as prescribed in §§ 577.60 to 577.70.

[AR 40-101, July 30, 1958] (Sec. 3012, 70A Stat. 157; 10 U. S. C. 3012)

[SEAL] HERBERT M. JONES,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 58-7359; Filed, Sept. 10, 1958; 8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[Public Land Order 1728]

[Utah 011437]

UTAH

WITHDRAWING LANDS FOR USE OF FOREST SERVICE, DEPARTMENT OF AGRICULTURE AS THE DESERT EXPERIMENTAL RANGE; REVOKING EXECUTIVE ORDER NO. 6012 OF FEBRUARY 1, 1933

By virtue of the authority vested in the President by section 1 of the act of June 25, 1910 (36 Stat. 847; 43 U. S. C. 141), and otherwise, and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

1. Subject to valid existing rights the following-described public lands in Utah are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws nor the act of July 31, 1947 (61 Stat. 681; 30 U. S. C. 601–604) as amended, and reserved for use of the Forest Service, Department of Agriculture, as an experimental range in furtherance of the act of May 22, 1928 (44 Stat. 699; 16 U. S. C. 1946 ed., Sup. V, secs. 581, 581a–581k) as amended:

SALT LAKE MERIDIAN

T. 24 S., R. 17 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 36, inclusive.
T. 24 S., R. 18 W.,
Secs. 25 and 36.
T. 25 S., R. 17 W.

T. 25 S., R. 18 W.,
Secs. 1 and 2;
Secs. 11 to 14, inclusive;
Secs. 22 to 28, inclusive;
Secs. 33 to 36, inclusive.

The areas described aggregate 55,680 acres.

2. Executive Order No. 6012 of February 1, 1933, which withdrew the lands described in paragraph 1 of this order for use of the Department of Agriculture as an agricultural range experiment station, is hereby revoked.

ROGER ERNST,
Assistant Secretary of the Interior.

SEPTEMBER 5, 1958.

[F. R. Doc. 58-7362; Filed, Sept. 10, 1958; 8:46 a. m.]

[Public Land Order 1729]

[Fairbanks 018557]

ALASKA

WITHDRAWING PUBLIC LANDS FOR USE OF THE BUREAU OF LAND MANAGEMENT AS AN ADMINISTRATIVE SITE (FORT YUKON AREA)

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights, the following-described public lands in Alaska are hereby withdrawn from all forms of appropriation under the public land laws, including the mining but not the mineral-leasing laws nor disposals under the act of July 31, 1947 (61 Stat. 681, 69 Stat. 367; 30 U. S. C. 601-604) as amended, and reserved for use of the Bureau of Land Management as an administrative site:

FORT YUKON AREA

Beginning at a point on line 8-9 of U. S. Survey No. 3191, which bears N. 60°11' E., 1,650 feet from Corner No. 9 of U. S. Survey No. 3191; thence by metes and bounds,
S. 29°49' E., 264 feet;
N. 60°11' E., 825 feet;
N. 29°49' W., 264 feet to a point on line 8-9 of U. S. Survey No. 3191;
S. 60°11' W., 825 feet to the point of beginning.

The tract described contains approximately 5 acres.

ROGER ERNST,
Assistant Secretary of the Interior.

SEPTEMBER 5, 1958.

[F. R. Doc. 58-7363; Filed, Sept. 10, 1958; 8:46 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket Nos. 6584, 6585; FCC 58-815]

[Rules Amdt. 3-123]

PART 3—RADIO BROADCAST SERVICES

STANDARD BROADCAST STATIONS

In re applications of Albuquerque Broadcasting Company (KOB), Albuquerque, New Mexico; Docket No. 6584, File No. BMP-1738; for modification of construction permit. Albuquerque Broadcasting Company (KOB), Albuquerque, New Mexico; Docket No. 6585, File No. BL-1799, BZ-1583; for license to cover construction permit as modified and authority to determine operating power by direct measurement.

The amendment of § 3.25 of Part 3, the subject matter of which is reflected also in § 3.182 of the Commission's rules was (No. 75279), released May 9, 1944, and published in the FEDERAL REGISTER May 16, 1944 (9 F. R. 5178). Pursuant to the hearing, the Commission has on this date adopted its decision (FCC 58-814) concluding that the public interest would be served through the amendment of §§ 3.25 and 3.182 to permit the assignment of an additional Class I station on the frequency 770 kilocycles. Authority for the amendments is contained in sections 4 (i), 301, 303 (c), (d), (f) and (r), and 307 (b) and (d) of the Communications Act of 1934, as amended.

Accordingly, it is ordered, That §§ 3.25 and 3.182 are amended, effective October 17, 1958, as follows:

1. Section 3.25 is amended by adding a new paragraph (e) and modifying paragraph (a) to make reference thereto, as follows:

(a) To each of the channels below, except as provided in paragraph (e) of this section, there will be assigned one Class I station and there may be assigned one or more Class II stations within the continental limits of the United States operating limited time or daytime only: 640, 650, 660, 670, 700, 720, 750, 760, 770, 780, 820, 830, 840, 870, 880, 890, 1020, 1040, 1100, 1120, 1160, 1180, 1200, and 1210 kc. There also may be assigned to these frequencies Class II stations operating unlimited time in Alaska, Hawaii, Virgin Islands and Puerto Rico which will not deliver over 5 microvolts per meter groundwave day or night or 25 microvolts per meter 10 percent time skywave at night at any point within the continental limits of the United States. The power of the Class I stations on these channels shall not be less than 50 kw.

* * * * *

(e) On the frequency 770 kilocycles, two Class I stations may be assigned.

2. Section 3.182 is amended by modifying paragraph (a) (1) (i) to make a reference to amended § 3.25 as follows:

(i) The Class I stations in Group I-A are those assigned to the channels allocated by § 3.25 (a), on which except to the extent therein provided, duplicate nighttime operation is not permitted, that is, no other station is permitted to operate on a channel with a Class I station of this group within the limits of the United States (the Class II stations assigned the channels operate limited time or daytime only), and during daytime the Class station is protected to the 100 uv/m groundwave contour. Protection is given this class of station to the 500 uv/m groundwave contour from adjacent channel stations for both day and nighttime operations. The power of each such Class I station shall not be less than 50 kw. [1]

3. Section 3.182 is further amended by adding to the Table in paragraph (v) the following note:

NOTE: See, however, § 3.25 with reference to the frequency 770 kilocycles.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply secs. 301, 303, 307, 48 Stat. 1081, 1082, 1083; 47 U. S. C. 301, 303, 307)

Adopted: September 3, 1958.

Released: September 5, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-7404; Filed, Sept. 10, 1958; 8:54 a. m.]

[Docket No. 12538; FCC 58-844]

[Rules Amdt. 3-124]

PART 3—RADIO BROADCAST SERVICES

TABLE OF ASSIGNMENTS, TELEVISION BROADCAST STATIONS (PITTSBURGH, PENNSYLVANIA)

1. The Commission has before it for consideration the proposal set out in its notice of proposed rule making (FCC 58-684) released on July 18, 1958, and published in the FEDERAL REGISTER on July 23, 1958 (23 F. R. 5582) in response to a petition filed by Metropolitan Pittsburgh Educational Station, licensee of educational television Station WQED, Pittsburgh, Pennsylvania. The proposal was to change the educational reservation from Channel 22 to Channel 16 in Pittsburgh, Pennsylvania.[1] In the same notice the Commission ordered Telecasting, Inc., to show cause why its outstanding authorization for station WENS in Pittsburgh should not be modified to specify Channel 22 in lieu of Channel 16 at Pittsburgh.

2. No comments were filed in opposition to the proposed change. In response to the order to show cause, Telecasting, Inc., stated that its consents to the proposed shift in its frequency assignment but requested that the change in reservation from Channel 22 to Channel 16 and the modification of its authorization from Channel 16 to Channel 22 be made contingent one upon the other and to take effect on the 31st day following public notification thereof.

4. The Commission is of the view that adoption of the proposed change in educational reservation would serve the public interest and should be adopted. In view of the fact that Channel 16 was in operation for a period of three years and a large number of receivers are presently equipped for reception of that channel, the change made herein will provide an existing potential audience for the educational station and will thereby encourage the early inauguration of this additional educational service in Pittsburgh. The action taken herein makes it necessary to modify the out-

[1] Channel 22 was assigned to Pittsburgh as an educational channel in a Report and Order in Docket No. 12385, released on July 18, 1958 (FCC 58-683).

standing construction permit held by Telecasting, Inc. for WENS, to specify Channel 22 in lieu of Channel 16.

5. Authority for the adoption of the amendment herein is contained in sections 4 (i), 301, 303 (c), (d), (f), (r) and 307 (b) of the Communications Act of 1934, as amended.

6. In view of the foregoing: *It is ordered*, That effective October 10, 1958, the Table of Assignments contained in § 3.606 of the Commission's rules and regulations is amended, insofar as the community named below is concerned, as follows:

City	Channel No.
Pittsburgh, Pa.	2—, 4+, 11, *13—, *16, 22, 53+, 73—[3]

7. *It is further ordered*, That effective October 10, 1958, pursuant to sections 303 (f) and 316 of the Communications Act of 1934, as amended, the construction permit for WENS, Channel 16, Pittsburgh, Pennsylvania, is modified, to specify Channel 22 in lieu of Channel 16.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies secs. 301, 303, 307, 48 Stat. 1081, 1082, 1083; 47 U. S. C. 301, 303, 307)

Adopted: September 4, 1958.

Released: September 8, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-7405; Filed, Sept. 10, 1958; 8:54 a. m.]

[Docket No. 12161; FCC 58-850]

[Rules Amdt. 16-33]

PART 16—LAND TRANSPORTATION RADIO SERVICES

PERMISSIBLE SCOPE OF COOPERATIVE USE OF FACILITIES

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 4th day of September 1958;

The Commission having under consideration amendment of Part 16 of its rules governing the Land Transportation Radio Services to revise and clarify the permissible scope of cooperative use of facilities in these services by providing a clear description of what is to be considered a rendition of a private radiocommunications service, excluding therefrom the installation, by a licensee in the Railroad Radio Service and the Automobile Emergency Radio Service, of his mobile units in the vehicles of persons performing certain services under contract for the station licensee, and to prescribe the conditions under which a private radiocommunications service to other persons may be rendered by a licensee in these services; and

It appearing that the Commission on September 5, 1957, adopted a notice of proposed rule making in the above-entitled matter which was published in the FEDERAL REGISTER on September 13, 1957 (22 F. R. 7342) and adopted a further notice of proposed rule making in this matter on July 2, 1958, which was published in the FEDERAL REGISTER on July 11, 1958 (23 F. R. 5275) in accordance with section 4 (a) of the Administrative Procedure Act; and

It further appearing that the period in which interested persons were afforded an opportunity to submit comments with respect thereto has expired; and

It further appearing that comments in support of the Commission's proposals contained in the further notice of proposed rule making, above-described, have been received from the American Automobile Association, Inc., the American Trucking Associations, Inc., and the Association of American Railroads, and that no comments in opposition thereto have been received; and

It further appearing that the public interest, convenience and necessity will be served by the amendments herein ordered, and that authority therefor is contained in sections 4 (i) and 303 of the Communications Act of 1934, as amended;

It is ordered, That effective October 15, 1958, Part 16 of the Commission's rules governing the Land Transportation Radio Services is amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Released: September 8, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

1. Amend § 16.3 to read as follows:

§ 16.3 *Arrangements for cooperative use of facilities.* For the purposes of this part, the use of facilities licensed under this part for the transmission or reception of any communication which relates solely to the conduct of the activity or activities of a person other than the licensee of those facilities is defined as the rendition of a private radiocommunication service to such other person by the licensee. The installation and use of mobile units, operated under the licensee's station authorization, in the vehicles of other persons furnishing the licensee, under contract, services or facilities within the purview of the established scope of the service in which the station is authorized, in accordance with the provisions of §§ 16.357 and 16.506, shall not be considered the rendition of a private radiocommunication service when the communications involved relate solely to the furnishing of such services or facilities to the licensee. Except for emergency communications, or except for authorized communications relating to civil defense, any rendition of a private radiocommunication service by a station in the Land Transportation Radio Services shall be governed by the following:

(a) The licensee of a base station may render a private radiocommunication service to the licensee(s) of a mobile station or stations in the Land Transportation Radio Services, without specific advance approval by the Commission, upon satisfaction of the following conditions:

(1) The frequency upon which the base station is operated shall be one which would be available for assignment to base stations for use in connection with all of the transportation activities involved.

(2) The rendition of the radiocommunication service shall be on a cost-sharing or no-charge basis, in accordance with the provisions of paragraph (e) of this section.

(3) The licensee of the base station shall maintain exclusive control over the operation of the base station; however, he may provide dispatch points (but not control points) for the use of the licensee of the mobile station.

(4) Except upon specific authorization by the Commission, the licensee of a base station shall not serve a greater number of mobile units of any other person than the number of mobile units of the licensee served by the same base station.

(b) The licensee of a base station may install mobile units, operated under an authorization held by him, in the vehicles of other persons who are separately engaged in transportation activities and may render a private radiocommunication service to the vehicles in which those mobile units are installed only upon specific advance approval by the Commission with respect to every person to whom such radiocommunication service is to be rendered and upon satisfaction of the following additional conditions:

(1) The frequency or frequencies upon which the base and mobile station(s) are operated shall be one(s) which would be available for assignment to base and mobile stations, respectively, for use in connection with all of the transportation activities involved.

(2) The rendition of the radiocommunication service shall be on a cost-sharing or no-charge basis, in accordance with the provisions of paragraph (e) of this section.

(3) The licensee of the base and mobile station(s) shall maintain exclusive control over the operation of the base and mobile station(s); however, he may provide dispatch points (but not control points) for the use of the persons receiving the radiocommunication service. In order to maintain such control, each person in whose vehicles the mobile units of the licensee are proposed to be installed shall enter into a written agreement verifying that the licensee has the sole right of control of the mobile radio units, that the vehicle operators shall operate the radio units subject to the orders and instructions of the base station operator and that the licensee shall at all times have such access to and control of the mobile equipment as will enable him to carry out his responsibilities under the license. A copy of the agreement with vehicle owners required hereby shall be kept with the station records and held available for inspection by Commission representatives but need

[3] The assignment of Channel 73— to Pittsburgh has been stayed pending action upon a petition for reconsideration of the decision to assign the channel to Pittsburgh. See order issued August 5, 1958 (FCC 58-805).

not be submitted to the Commission unless specifically requested in a particular case.

(4) Except upon specific authorization by the Commission, the licensee of a base station shall not serve a greater number of mobile units of any other person than the number of mobile units of the licensee served by the same base station.

(c) A licensee authorized under the provisions of the various subparts of this part which make eligible in certain of these services a non-profit corporation or association organized for the purpose of furnishing a private radiocommunication service to persons engaged in the respective activities may render that communication service only upon specific advance approval by the Commission with respect to every person to whom such radiocommunication service is to be rendered and upon satisfaction of the following additional conditions:

(1) The frequency or frequencies upon which the base and mobile station(s) are operated shall be one(s) which would be available for use in connection with all of the transportation activities involved.

(2) The rendition of the radiocommunication service shall be on a cost-sharing or no-charge basis, in accordance with the provisions of paragraph (e) of this section.

(3) The licensee of the base and mobile station(s) shall maintain exclusive control over the operation of the base and mobile station(s) involved; however, he may provide dispatch points for the use of persons receiving the radiocommunication service. Control points may be provided only upon receiving the prior approval of the Commission in each case.

(d) Authority may be granted for the licensee of an operational fixed station or stations in one of the Land Transportation Radio Services to render a private radiocommunication service to specific other persons engaged in transportation activities, when the frequency or frequencies upon which such operational fixed station(s) are operated are ones which are available for assignment to operational fixed stations for use in connection with all of the transportation activities involved; however, such authority will be granted only on an individual and case-by-case basis at the discretion of the Commission pending further development of its microwave program. The rendition of such radiocommunication service, when authorized, shall be on a cost-sharing or no-charge basis, in accordance with the provisions of paragraph (e) of this section and each person who is to receive such radiocommunication service shall be named in the station authorization.

(e) All arrangements for the rendition of a private radiocommunication service in accordance with the provisions of the preceding paragraphs of this section shal be either on a no-charge basis or on a non-profit, cost-sharing basis pursuant to a written contract between the parties concerned. Such contract shall clearly establish that the licensee has full access to and exclusive control over the radio equipment operated under the authority of the license held by him; and that contributions to capital and operating expenses are accepted only on a cost-sharing, non-profit basis, said costs to be prorated on an equitable basis among all persons who are parties to the arrangement. Records which reflect the cost of the service and its non-profit, cost-sharing nature shall be maintained by the base (or fixed) station licensee and held available for inspection by Commission representatives.

(f) In order to comply with the requirement of specific advance approval contained in paragraphs (b), (c) and (d) of this section, a licensee proposing to render a private radiocommunication service to any other person (other than to render base station service to the licensee of a mobile station) shall make application for authority to render that service with respect to each base or fixed station involved, naming each person who is to receive service and including a description of the kind and extent of the transportation activity in which each is engaged. When the radiocommunication service is to be rendered on a regular basis, the requests for such authority shall be made on FCC Form 400; however, if the service is to be rendered on an irregular or temporary basis, the request may be in the manner provided for in § 16.53. Upon approval of the request, the Commission will designate the persons to whom service may be rendered on the station authorization or in the special temporary authority which shall be kept with the station records.

2. Amend § 16.58 (f) to read as follows:

(f) Lists of those persons to whom the applicant proposes to provide a private radiocommunication service, when prior advance approval with respect to those persons is required in accordance with the provisions of § 16.3, together with a description of the kind and extent of the transportation activity in which each is engaged.

3. Amend § 16.251 (a) (5) to read as follows:

(5) A non-profit corporation or association organized for the purpose of furnishing a radiocommunication service on a cost-sharing basis to persons all of whom are actually engaged in activities set forth in the preceding subparagraphs of this paragraph: *Provided*, That the frequency on which such operation is proposed is available for assignment for use by base stations or mobile stations in connection with all such transportation activities.

4. Amend paragraph (b) of § 16.357 to read as follows:

(b) In addition to the provisions of § 16.3, a licensee of a base station in this service may install mobile units licensed to him in the vehicles of other persons furnishing to the licensee, under contract, a facility or service within the purview of paragraph (a) of this section: *Provided*, That the communications involved are exclusively in connection with such facility or service: *And provided further*, That in each case the licensee and such other person shall comply with the agreement requirements set forth in § 16.3 (b) (3).

5. Amend Subpart K, Automobile Emergency Radio Service, by the addition of the following new section:

§ 16.506 *Contract road service vehicles.* In addition to the provisions of § 16.3, an association of owners of private automobiles which is licensee of a base station and associated mobile units in this service may install mobile units operated under its license in the vehicles of other persons furnishing a private emergency road service to its members pursuant to a contract with the association: *Provided*, That the communications involved are exclusively in connection with such service: *And provided further*, That in each case the licensee and such other person shall comply with the agreement requirements set forth in § 16.3 (b) (3).

[F. R. Doc. 58-7406; Filed, Sept. 10, 1958; 8:55 a. m.]

PROPOSED RULE MAKING

POST OFFICE DEPARTMENT

[39 CFR Part 35]

PHILATELIC STAMPS

NOTICE OF PROPOSED RULEMAKING

The Department proposes to establish a system of fees to cover the cost of handling mail orders for philatelic stamps. Accordingly, it is proposed to amend Title 39, Chapter I, Code of Federal Regulations, as follows:

The proposed regulation relates to a proprietary function of Government, and hence is exempt from the rulemaking requirements of 5 U. S. C. 1003. However, the Postmaster General desires to voluntarily observe the requirements in this case, so that patrons may have an opportunity to present written views concerning the proposed regulation. Consideration will be given the proposed regulation in the light of such views as may be received. Comments may be submitted to Mr. J. Harold Marks, Finance Officer, Bureau of Finance, Room 5216, Post Office Department, Washington 25, D. C., at any time prior to October 15, 1958.

In § 35.1 *The Philatelic Agency*, amend paragraph (c) to read as follows:

(c) *Order for stamps.* All stamps are for sale at face value, plus postage and handling charges listed below, for mail orders where domestic rates apply:

1 to 49 stamps	$0.05
50 to 400 stamps	.10
401 to 1,000 stamps	.20
1,001 to 3,000 stamps	.40
3,001 to 5,000 stamps	.70
5,001 to 10,000 stamps	1.20
10,001 to 35,000 stamps	3.00
Over 35,000 stamps	5.00

A flat charge of 50 cents will be made on each order for registration regardless of value where this protection is desired. All mail orders will be returned by official permit mail, and postage stamps will not be affixed to covering envelopes. Address your order to Philatelic Sales Agency, Post Office Department, Washington 25, D. C.

NOTE: The corresponding Postal Manual section 145.13.

(R. S. 161, as amended, Pub. Law 85-619, 396, as amended; 5 U. S. C. 22, 369, 372)

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

[F. R. Doc. 58-7429; Filed, Sept. 10, 1958; 8:56 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[25 CFR Part 172]

LEASING OF ALLOTTED LANDS FOR MINING

EXECUTION OF MINING LEASES BY SUPERINTENDENTS

Basis and purpose. Notice is hereby given that pursuant to authority vested in the Secretary of the Interior by the act of March 3, 1909 (35 Stat. 781-783; 25 U. S. C. 396), it is proposed to amend 25 CFR 172.5 as set forth below. The purpose of the amendment is to include provisions in the regulation for the execution of mining leases on behalf of the unknown owners of future contingent interests, including remainders and possibility of reverter, and to authorize Superintendents of Indian reservations to execute such instruments.

This proposed amendment relates to matters which are exempt from the rule making requirements of the Administrative Procedure Act (5 U. S. C. 1003); however, it is the policy of the Department of the Interior that, wherever practicable, the rule making requirements be observed voluntarily. Accordingly, interested persons may submit, in triplicate, written comments, suggestions, or objections with respect to the proposed amendments to the Bureau of Indian Affairs, Washington 25, D. C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

ROGER ERNST, *Assistant Secretary of the Interior.*

SEPTEMBER 5, 1958.

The headnote and present text of § 172.5 are amended to read as follows:

§ 172.5 *Execution of leases by Superintendents.* The Superintendent shall execute leases on behalf of unknown owners of future contingent interests, and on behalf of minors and persons who are incompetent by reason of mental incapacity.

[F. R. Doc. 58-7361; Filed, Sept. 10, 1958; 8:46 a. m.]

Fish and Wildlife Service

[50 CFR Part 33]

UPPER SOURIS NATIONAL WILDLIFE REFUGE, NORTH DAKOTA

NOTICE OF PROPOSED RULE MAKING

SEPTEMBER 5, 1958.

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U. S. C. 715i) as amended, and under authority delegated by Commissioner's Order 4 (22 F. R. 8126), it is propsed to add §§ 33.321 and 33.322 to Subpart—Upper Souris National Wildlife Refuge, North Dakota, Chapter I, Title 50, Code of Federal Regulations, as set forth in tentative form below. The purpose of the proposed regulations is to permit fishing and boating on certain parts of the Upper Souris National Wildlife Refuge under certain limitations and subject to compliance with the laws and regulations of the State of North Dakota.

The proposed regulations relate to matters which are exempt from the rule making requirements of the Administrative Procedure Act (5 U. S. C. 1003); however, it is the policy of the Department of the Interior that, wherever practicable, the rule making requirements be observed voluntarily. Accordingly, interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed regulations to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D. C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

D. H. JANZEN, *Director, Bureau of Sport Fisheries and Wildlife.*

§ 33.321 *Fishing permitted.* Noncommercial fishing is permitted during the daylight hours in the hereafter described fishing areas, subject to all conditions and restrictions specified in Parts 18 and 21 of this chapter and to the following provisions:

(a) Strict compliance with all applicable State and Federal laws and regulations is required.

(b) Fishing is permitted in the following described fishing areas:

Area I. The Souris River channel beginning at the north boundary of the refuge extending south to the Mouse River Park in secs. 33 and 34, T. 162 N., R. 86 W., and secs. 2, 3, and 4 in T. 161 N., R. 86 W.

Area II. The waters of Lake Darling lying between the Grano Crossing and the Soo Line Railroad crossing in secs. 2, 3, 4, 10, and 11, T. 159 N., R. 85 W., and in secs. 29, 30, 32, 33, and 34, T. 160 N., R. 85 W.

Area III. The waters of Lake Darling north of Dam No. 83 in sec. 6, T. 157 N., R. 84 W., sec. 1, T. 157 N., R. 85 W., secs. 20, 21, 28, 29, 30, 31, and 32, T. 158 N., R. 84 W., and sec. 36, T. 158 N., R. 85 W., except within 200 feet of the outlet gate on Dam No. 83.

Area IV. The waters adjacent to the east bank of the Souris River south of Dam No. 83 within the W½NW¼ of sec. 6, T. 157 N., R. 84 W.

Area V. The waters adjacent to the county parking lot on the south bank of the river between the Baker Bridge and the curve in the road in sec. 34, T. 157 N., R. 84 W.

Area VI. The waters adjacent to the south bank of the Souris River north of State Highway No. 5 and west of the highway bridge in the SW¼SW¼ sec. 13 and the SE¼SE¼ sec. 14, T. 161 N., R. 86 W.

Area VII. The waters adjacent to St. Mary's Bridge on the road right-of-way in the SE¼SW¼ of sec. 21, T. 157 N., R. 84 W.

Area VIII. The two ponds north of the Grano Grossing and west of Lake Darling in the NE¼ sec. 10, and the S½ sec. 3, T. 159 N., R. 85 W.

(c) Fishing is prohibited from the east shoreline of Fishing Areas II and III and from any dam or dike or within 200 feet of any spillway or water control structure.

(d) Fishing is permitted in Fishing Areas I through VII, inclusive, from the second Saturday in May, or such later date as may be established by the laws and regulations of North Dakota for the opening of the fishing season to September 15, inclusive.

(e) Fishing in Area VIII is permitted from the second Saturday in June or such later date as may be established for the taking of bass by the laws and regulations of North Dakota to September 15, inclusive.

(f) Fishing is permitted on all fishing areas and on other areas designated by suitable posting by the officer in charge from December 15 to March 15, inclusive, or such shorter season as may be prescribed for winter fishing by North Dakota.

(g) No person, while on any part of the refuge north of Lake Darling Dam (No. 83), shall use for bait any minnows, fish, or parts thereof, either alive or pickled, nor have in his possession any minnows, or any seine or net that may be used for taking minnows.

§ 33.322 *Use of boats.* The use of boats is permitted only for the purpose of fishing in Fishing Areas I, II, and III as described in § 33.321. Persons may use one outboard motor not to exceed 7½ horsepower on each such boat. The use of racing craft, hydroplanes, airthrust craft, or inboard motors is prohibited. Boats may be launched and landed only at designated launching areas on Fishing Areas I, II, and III.

[F. R. Doc. 58-7360; Filed, Sept. 10, 1958; 8:46 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

[9 CFR Part 27]

IMPORTED MEAT, MEAT FOOD PRODUCTS, AND MEAT BYPRODUCTS

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given in accordance with section 4 (a) of the Administrative Procedure Act (5 U. S. C. 1003 (a)) that the Department of Agriculture is considering amending § 27.2 of the Federal Meat Inspection Regulations (9 CFR 27.2 as amended) issued under section 306 of the Tariff Act of 1930 (19 U. S. C. 1306) by adding the Republic of Panama to the list of countries specified therein from which certain product (meat, meat food product, and meat byproduct) may be imported into the United States as provided in said regulations.

Any person who wishes to submit written data, views, or arguments concerning the proposed amendment may do so by filing them with the Director of the Meat Inspection Division, Agricultural Research Service, U. S. Department of Agriculture, Washington 25, D. C., within thirty days after the date of publication of this notice in the FEDERAL REGISTER.

Done at Washington, D. C. this 8th day of September 1958.

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

[F. R. Doc. 58-7416; Filed, Sept. 10, 1958; 8:56 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 3]

[Docket No. 12591; FCC 58-843]

RADIO BROADCAST SERVICES

TELEVISION BROADCAST STATION, MEDFORD, OREG.

In the matter of amendment of § 3.606 *Table of assignments*, Television Broadcast Stations, Medford, Oregon; Docket No. 12591.

1. Notice is hereby given that the Commission has received a proposal for rule making in the above-entitled matter.

2. The Commission has before it for consideration a petition filed on June 2, 1958 by TOT Industries, Inc., prospective applicant for a new television broadcast station in Medford, Oregon, requesting an amendment of § 3.606 *Table of assignments*, Television Broadcast Stations so as to add Channel 10 to Medford, Oregon as follows:

City	Channel No.	
	Present	Proposed
Medford, Oreg.	5	[1] 5, 10

[1] Petitioner has proposed the assignment of channel 10 even; however, we are of the view that channel 10 plus would be a more efficient assignment.

3. In support of the request petitioner submits that Medford has a population of 17,305 and nearby Ashland has a population of 7,739 and that Medford is the largest city in Southern Oregon. It urges that this important and fast growing area warrants the assignment of a second VHF channel; that the proposal conforms to all the rules; and that it would make possible a second VHF television service without any adverse affect on any other stations or channel assignment.

4. The Commission is of the view that a rule making proceeding should be instituted in this matter in order that interested parties may submit their views and relevant data.

5. Authority for the adoption of the proposed amendment is contained in sections 4 (i), 301, 303 (c), (d), (f) and (r), and 307 (b) of the Communications Act of 1934, as amended.

6. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before October 10, 1958, a written statement setting forth his comments. Comments supporting the proposed amendments may be also filed on or before the same date. Comments in reply to original comments may be filed within 10 days from the last date for filing said original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

7. In accordance with the provisions of § 1.54 of the rules, an original and 14 copies of all written comments shall be furnished the Commission.

Adopted: September 4, 1958.

Released: September 8, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-7407; Filed, Sept. 10, 1958; 8:55 a. m.]

[Docket No. 12592; FCC 58-849]

[47 CFR Parts 7, 8]

STATIONS ON LAND AND SHIPBOARD IN MARITIME SERVICES

FREQUENCY PAIR ASSIGNMENTS; COOS BAY AND ASTORIA-PORTLAND, OREG.

In the matter of amendment of Parts 7 and 8 of the Commission's rules to make the frequency pair 2566 kc (coast)-2031.5 kc (ship) available for assignment in the vicinity of Coos Bay, Oregon and to delete from availability for assignment the frequency pair 2566 kc (coast)-2009 kc (ship) in the vicinity of Astoria-Portland, Oregon; Docket No. 12592.

1. Notice is hereby given of proposed rule making in the above-entitled matter. The amendments proposed to be adopted are set forth below.

2. This proposal is being issued in response to a petition to amend Parts 7 and 8 of the Commission's rules, filed June 16, 1958, by the West Coast Telephone Company, Everett, Washington. Petitioner requested that the rules be amended so as to make available for assignment the frequency pair 2566 kc (coast)-2031.5 kc (ship) for public ship-shore communication in the vicinity of Coos Bay, Oregon, during the hours 7 a. m. to 7 p. m., Pacific standard time only. The petitioner also has on file a related application for construction permit for a public class II-B coast station to be located at Empire, Oregon.

3. The frequency pair 2566 kc (coast)-2009 kc (ship) is now available for assignment, under the Commission's rules, for use as a second channel during the hours 7 a. m. to 7 p. m., Pacific standard time only, to public coast stations in the Astoria-Portland, Oregon, area and to ship stations for communication with such coast stations. However, no actual assignments of these frequencies have been requested for service in that area, although they have been so available under the Commission's rules for several years.

4. The instant proposal would change the area of availability for use of the frequency 2566 kc (coast) from Astoria-Portland, Oregon, to Coos Bay, Oregon, and substitute the ship frequency 2031.5 kc for the associated ship frequency 2009 kc. The change in ship frequency becomes necessary since Coos Bay is considerably nearer to the Eureka-San Francisco, California, area where the ship frequency 2003 kc is received. If 2009 kc were made available at Coos Bay, harmful interference could be caused under certain conditions to use of the ship frequency 2003 kc for public telephone service since it is only 6 kc removed from 2009 kc. In summary, this proposal would make available for assignment the frequency pair 2566 kc (coast)-2031.5 kc (ship) during the hours 7 a. m. to 7 p. m., Pacific Standard Time only, for service via shore facilities in the vicinity of Coos Bay, Oregon, and simultaneously would delete the frequency pair 2566 kc (coast)-2009 kc (ship) from availability for assignment in the Astoria-Portland area.

5. It is stated in the petition that a substantial number of ocean-going vessels used the Coos Bay harbor in 1957 and that it is expected that approximately 600 commercial fishing boats and numerous pleasure craft, many of which have radio facilities, will use the harbor during the 1958 season. Petitioner noted that maritime mobile service is being offered by public coast stations at San Francisco and Eureka, California, Astoria and Portland, Oregon, and Seattle, Washington, but stated that the volume of traffic handled by these stations and landline charges between such stations and the Coos Bay area has the effect of rendering the important Coos Bay port an isolated area as far as maritime radio service is concerned. The petitioner presumably refers to public ship-shore telephone service of a regional nature.

6. It is believed that the proposed rule amendment would provide for more effective utilization of available maritime frequencies in the public interest, in that it would make a frequency pair available for direct service to an area which apparently is not now covered under the present frequency allocation plan.

7. This proposal is issued under the authority contained in section 303 (c) (d) (f) and (r) of the Communications Act of 1934, as amended.

8. Any interested person who is of the opinion that the proposed amendments should not be adopted or should not be adopted in the form set forth herein, may file with the Commission on or before October 13, 1958, written data, views or briefs setting forth his comments. Comments in support of the proposed amendments may also be filed on

or before the same date. Comments in reply to the original comments may be filed within ten days from the last day for filing said original data, views or briefs. The Commission will consider all such comments prior to taking final action in this matter.

9. In accordance with the provisions of § 1.54 of the Commission's rules, an original and fourteen copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: September 4, 1958.

Released: September 8, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

A. Part 7 is amended as follows:

1. In § 7.306 (b), that portion of the frequency table which lists Astoria-Portland, Oregon, is amended by deleting the frequency pair 2566 kc (coast)-2009 kc (ship). As amended, that portion of the frequency table reads as follows:

Astoria-Portland, Oreg.	2598	None	2206	None.

2. In § 7.306 (b), the frequency table, after the entry Astoria-Portland, Oregon, add a new location and frequencies as follows:

Coos Bay, Oreg.	2366	7 a. m. to 7 p. m. P. s. t. only	2031.5	7 a. m. to 7 p. m. P. s. t. only.

B. Part 8 is amended as follows:

1. In § 8.354 (a) (1), that portion of the frequency table which lists Astoria-Portland, Oregon, is amended by deleting the frequency pair 2009 kc (ship)—2566 kc (coast). As amended, that portion of the frequency table reads as follows:

Astoria-Portland, Oreg.	2206	None	2598	None.

2. In § 8.354 (a) (1), the frequency table, after the entry Astoria-Portland, Oregon, add a new location and frequencies as follows:

Coos Bay, Oreg.	2031.5	7 a. m. to 7 p. m. P. s. t. only.	2366	7 a. m. to 7 p. m. P. s. t. only.

[F. R. Doc. 58-7408; Filed, Sept. 10, 1958; 8:55 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[No. 59-3]

OREGON

ORDER PROVIDING FOR RESTORATION OF PUBLIC LANDS

SEPTEMBER 3, 1958.

Pursuant to an order of the Federal Power Commission issued April 29, 1958, and in accordance with Order No. 541, § 2.5, Part II, of the Director of the Bureau of Land Management, approved April 21, 1954, it is ordered as follows:

1. Subject to valid existing rights and the provisions of existing withdrawals, the lands hereinafter described, so far as they are withdrawn and reserved for power purposes under the provisions of section 24 of the Federal Power Act, pursuant to the filing of application for license for Project No. 1908, are hereby restored to their original status.

WILLAMETTE MERIDIAN, OREGON

T. 13 S., R. 9 E.,
Sec. 3: SE¼NE¼—40 acres.

2. The above-described land was included in the Cascade Range Forest Reserve, presently known as Deschutes National Forest, on October 28, 1893, and was withdrawn for Ranger Station 26 on November 17, 1906. The land is not subject to the provisions of the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284), as amended, granting certain benefits in connection with public lands to veterans of World War II and of the Korean Conflict, nor is it open to prospecting, location, and entry under the mining laws.

3. The lands above described shall be subject to application by the State of Oregon for a period of 90 days from the date of publication of this order, for right-of-way for public highways, or as a source of material for construction and maintenance of such highways.

4. Inquiries concerning the land should be addressed to the Manager, Land Office, Bureau of Land Management, 809 N. E. Sixth Avenue, Portland 12, Oregon.

ELTON M. HATTAN,
Lands and Minerals Officer.

[F. R. Doc. 58-7364; Filed, Sept. 10, 1958; 8:47 a. m.]

[Utah (I-13)]

UTAH

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

SEPTEMBER 5, 1958.

The U. S. Atomic Energy Commission has filed an application, Serial No. U-011026, for the withdrawal of the lands described below from all forms of appropriation under the public land laws, including the mining laws and the Materials Act of July 31, 1947, but not the mineral leasing laws. The land is to be under the exclusive jurisdiction of the U. S. Atomic Energy Commission.

The applicant desires the withdrawal of these lands for the purpose of maintaining an area for the stockpiling of uranium ores.

For a period of 30 days from the date of publication of this notice, persons having cause may present their objections or comments in writing to the State Supervisor for Utah, Bureau of Land Management, Federal Building, P. O. Box 777, Salt Lake City 10, Utah. If any objections are filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time and place, which will be announced, where opponents to the proposed withdrawal may state their views, and where proponents may explain its purpose.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER, either in the form of a public land order or in the form of a notice of determination if the application is rejected. In either case, a separate notice will be sent to each interested party of record.

The lands involved in the application are:

SALT LAKE MERIDIAN

Unsurveyed: Beginning at a point marked by a brass cap set in concrete and scribed "AEC 1957 SW Cor" which point is located North 4,620 feet and West 330 feet from the Northwest corner of Section 16, T. 35 S., R. 15 E.; thence North 1,980 feet to a brass cap set in concrete scribed "AEC 1957 NW Cor"; thence East 2,310 feet to a brass cap set in concrete scribed "AEC 1957 NE Cor"; thence South 1,980 feet to a brass cap set in concrete scribed "AEC 1957 SE Cor"; thence West 2,310 feet to the point of beginning, being an unsurveyed area which, if surveyed, would be described approximately as follows:

T. 35 S., R. 15 E.
Sec. 4: W½SE¼SW¼, SW¼SW¼;
Sec. 5: E½E½SE¼SE¼;
Sec. 8: E½NE¼NE¼NE¼;
Sec. 9: NW¼NE¼NW¼, N½NW¼NW¼.

The area described contains 105 acres.

VAL B. RICHMAN,
State Supervisor.

[F. R. Doc. 58-7365; Filed, Sept. 10, 1958; 8:47 a. m.]

[Montana 014802]

MONTANA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

SEPTEMBER 5, 1958.

The Fish and Wildlife Service Bureau of Sport Fisheries and Wildlife, U. S. Department of the Interior, has filed an application, Serial No. M-014802, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the mining but not the mineral leasing laws. The applicant desires the land be reserved in public ownership under the provisions of the Act of March 10, 1934 (48 Stat. 401), as amended by the Act of August 14, 1946 (60 Stat. 1080). The

land will be administered under cooperative agreement by the Montana Department of Fish and Game as a portion of the Sun River Game Range, and the land will be used for wildlife conservation and management purposes.

The Bureau of Land Management will continue to administer the grazing and other surface resources on the public lands until such time as the State of Montana has acquired the intermingled privately-owned lands in the proposed game range area.

For a period of thirty days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, 1245 North 29th Street, Billings, Montana.

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:

MONTANA PRINCIPAL MERIDIAN

T. 22 N., R. 8 W.,

Sec.:	Acres
6, lots 2 through 10, W½SE¼, SW¼NE¼	425.29
7, Lots 1 through 8, W½NE¼	386.14
14, SE¼, SE¼SW¼	200.00
18, Lots 1, 2, 3, 4, W½W½	305.20
19, Lot 1	36.39
22, SE¼NE¼	40.00
23, E½, E½NW¼, SW¼NW¼ NE¼SW¼	480.00
26, N½NE¼, SE¼, E½SW¼, SW¼SW¼	360.00
27, NW¼SE¼	40.00
28, N½SW¼, SE¼SW¼	120.00
29, SW¼SE¼	40.00
30, Lot 1, NE¼NW¼, N½NE¼, SW¼NE¼	196.46
31, Lot 3, NE¼SW¼, SW¼ SE¼	118.10
32, E½NE¼, NE¼SE¼	120.00
33, W½NE¼, E½W½, SW¼ NW¼, SE¼	460.00
34, S½	320.00
35, S½, N½N½	480.00
	4,127.58

R. D. NIELSON,
State Supervisor.

[F. R. Doc. 58-7366; Filed, Sept. 10, 1958; 8:47 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LAND; AMENDMENT

Notice of the proposed withdrawal and reservation of land for the Bureau of Public Roads in the Anchorage Land District, Alaska, was published in the FEDERAL REGISTER on October 19, 1957, Volume 22, Number 204. The area embraced by this application, which is identified by serial number, Anchorage 034750 has been amended to read as follows:

SEWARD MERIDIAN

Township 12 North, Range 3 West,
Section 36: S½NE¼SW¼NW¼.

Containing 5 acres.

IRVING W. ANDERSON,
Acting Operations Supervisor,
Anchorage.

[F. R. Doc. 58-7367; Filed, Sept. 10, 1958; 8:47 a. m.]

[Los Angeles 0152528]

CALIFORNIA

AIR NAVIGATION SITE WITHDRAWAL

SEPTEMBER 3, 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) as amended, and pursuant to authority delegated to me by the California State Supervisor, Bureau of Land Management, under Part II, Document 4, California State Office dated November 19, 1954 (19 F. R. 7697), it is ordered as follows:

Subject to valid existing rights, the following described public land in California is hereby withdrawn from all forms of appropriations under public land laws, including mining and mineral leasing laws, and reserved for the use of the Department of Commerce, Civil Aeronautics Administration in the maintenance of Air Navigation facilities, Los Angeles 0152528:

SAN BERNARDINO MERIDIAN, CALIFORNIA

T. 9 N., R. 2 W.,
Sec. 23, NW¼SE¼SE¼;
Sec. 24, SW¼NE¼SW¼SW¼, SE¼NW¼ SW¼SW¼, NE¼SW¼SW¼SW¼, NW¼ SE¼SW¼SW¼, SE¼SE¼SW¼SW¼, SW¼SW¼SE¼SW¼;
Sec. 26, S½NE¼NE¼NE¼, N½SE¼NE¼ NE¼.

The area as described contains approximately 35 acres in the County of San Bernardino, California.

It is intended that the above described land shall be returned to the Administration of the Department of Interior when it is no longer needed for the purpose for which it is reserved.

HARRY M. MIWA,
Acting Officer-in-Charge,
Southern Field Group,
Los Angeles.

[F. R. Doc. 58-7368; Filed, Sept. 10, 1958; 8:47 a. m.]

[Classification No. 95]

NEVADA

SMALL TRACT CLASSIFICATION; AMENDMENT

1. Effective July 25, Federal Register Document 53-8583 appearing on pages 6413-14 of the issue for October 8, 1953, is revoked as to the following described public lands:

MOUNT DIABLO MERIDIAN, NEVADA

T. 21 S., R. 60 E.,
Sec. 23, SE¼NW¼NE¼, S½NE¼NE¼, SW¼NE¼, N½SE¼NE¼;
Sec. 24, S½NW¼NW¼.

Containing 110 acres.

2. The lands included in this restoration are located about 4 miles southwest of Las Vegas, Nevada at an elevation of about 2400 feet. The climate is dry, receiving about 5 to 7 inches of rainfall annually. The topography is generally level with soils varying from sands to gravel.

3. The lands are claimed by locators under the United States mining laws, and, subject to the rights of such claimants, shall at 10:00 a. m. on October 8, 1958, become subject to application, petition, location, and selection under the public-land laws, subject to valid existing rights, the provision or existing withdrawal, the requirements of applicable laws, and the 90-day preference-right filing period for veterans and others entitled to preference under the Act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284) as amended.

E. J. PALMER,
State Supervisor for Nevada.

SEPTEMBER 3, 1958.

[F. R. Doc. 58-7369; Filed, Sept. 10, 1958; 8:48 a. m.]

NEVADA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

SEPTEMBER 5, 1958.

The Civil Aeronautics Administration has filed an application, Serial No. Nevada 045129, 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 a radio facility as an aid to air navigation.

For a period of 30 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, P. O. Box 1551, Reno, Nevada.

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:

MOUNT DIABLO MERIDIAN, NEVADA

T. 35 N., R. 56 E.,
Sec. 26, E½NE¼NW¼, E½SE¼NW¼, NW¼NE¼, SW¼NE¼, W½NE¼NE¼, and W½SE¼NE¼.

The area described contains 160 acres more or less.

E. J. PALMER,
State Supervisor.

[F. R. Doc. 58-7370; Filed, Sept. 10, 1958; 8:48 a. m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

GREAT PLAINS AREA OF TEN GREAT PLAINS STATES WHERE GREAT PLAINS CONSERVATION PROGRAM IS SPECIFICALLY APPLICABLE

DESIGNATION OF COUNTIES

For the purpose of making contracts based upon an approved plan of farming operations pursuant to the Act of August 7, 1956 (70 Stat. 1115–1117), the following counties of the following States are designated as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors.

KANSAS

Edwards.

MONTANA

Carbon.	Powder River.
Carter.	Stillwater.
Choteau.	Sweet Grass.
Dawson.	Teton.
Garfield.	Wheatland.
Glacier.	Wibaux.
McCone.	Yellowstone.
Petroleum.	

NEBRASKA

Merrick.	Sheridan.
Sioux.	

TEXAS

Jack.	Stephens.
Loving.	Terrell.
Palo Pinto.	Ward.
Pecos.	Winkler.
Reeves.	Young.
Sheckleford.	

Done at Washington, D. C., this 5th day of September 1958.

[SEAL] E. L. PETERSON,
Assistant Secretary.

[F. R. Doc. 58-7391; Filed, Sept. 10, 1958; 8:52 a. m.]

FEDERAL EXTENSION SERVICE

DELEGATION OF AUTHORITY AND ASSIGNMENT OF FUNCTIONS

Pursuant to authority contained in section 161, Revised Statutes (5 U. S. C. 22), and Reorganization Plan, No. 2 of 1953, section 500.a of the Secretary's Order of December 24, 1953 (19 F. R. 74), as amended, is hereby further amended by assigning to the Federal Extension Service the primary responsibility for providing a focal point of contact and working relationships with national town-country church leaders and denominational and interdenominational church organizations, in the manner hereinafter set forth:

SEC. 500. *Assignment of functions.*

* * *

a. Primary responsibility for and leadership in all educational programs and activities including (1) the administration of the Smith-Lever Act (7 U. S. C. 341–348, 347a), (2) educational and demonstrational work in cooperative farm forestry conducted under section 5 of the Act of June 7, 1924, as amended by the Act of October 26, 1949 (16 U. S. C. 568), (3) all educational and demonstrational aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627), (4) the Department's farm safety program, and (5) for providing a focal point of contact and working relationships with national town-country church leaders and denominational and interdenominational church organizations. This work is carried on in cooperation with other agencies of the Department and with the State Extension Services and other national, State and local organizations.

Done at Washington, D. C., this 8th day of September 1958.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 58-7417; Filed, Sept. 10, 1958; 8:56 a. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

JOHN A. CLAUSSEN

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of March 14, 1956, 21 F. R. 1608; August 31, 1956, 21 F. R. 6585; March 5, 1957, 22 F. R. 1346; August 30, 1957, 22 F. R. 6998; March 5, 1958, 23 F. R. 1578.

A. Deletions: Hat Corporation of America.
B. Additions: None.

This statement is made as of August 23, 1958.

JOHN A. CLAUSSEN.

AUGUST 26, 1958.

[F. R. Doc. 58-7384; Filed, Sept. 10, 1958; 8:50 a. m.]

HERBERT L. HALL

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of March 12, 1958, 23 F. R. 1707.

A. Deletions: No change.
B. Additions: No change.

This statement is made as of August 26, 1958.

HERBERT L. HALL,

AUGUST 27, 1958.

[F. R. Doc. 58-7385; Filed, Sept. 10, 1958; 8:50 a. m.]

JOHN D. EDGINGTON

REPORT OF APPOINTMENT AND STATEMENT OF FINANCIAL INTERESTS

Report of appointment and statement of financial interests required by section 710 (b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. John D. Edgington.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Title of position: Chief, Business Research and Analysis Branch, Iron and Steel Division.
4. Name of private employer: Armco Steel Corporation, Middletown, Ohio.

CARLTON HAYWARD,
Director of Personnel.

AUGUST 15, 1958.

Statement of Financial Interests

5. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Armco Steel Corporation.
Bank deposits.

JOHN D. EDGINGTON.

SEPTEMBER 4, 1958.

[F. R. Doc. 58-7386; Filed, Sept. 10, 1958; 8:51 a. m.]

RICHMOND LEWIS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of September 8, 1956, 21 F. R. 6845; March 9, 1957, 22 F. R. 1578; September 14, 1957, 22 F. R. 7384; March 15, 1958, 23 F. R. 1798.

A. Deletions: None.
B. Additions: West States Petroleum Co.

This statement is made as of August 27, 1958.

RICHMOND LEWIS.

AUGUST 27, 1958.

[F. R. Doc. 58-7387; Filed, Sept. 10, 1958; 8:51 a. m.]

MARGUERITE M. SAUERS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as re-

ported in the FEDERAL REGISTER of April 3, 1956, 21 F. R. 2130; September 6, 1956, 21 F. R. 6721; March 9, 1957, 22 F. R. 1578; September 10, 1957, 22 F. R. 7212; March 5, 1958, 23 F. R. 1578.

A. Deletions: None.
B. Additions: None.

This statement is made as of August 29, 1958.

MARGUERITE M. SAUERS,

SEPTEMBER 2, 1958.

[F. R. Doc. 58-7388; Filed, Sept. 10, 1958; 8:51 a. m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-109]

AMERICAN MACHINE & FOUNDRY CO.

NOTICE OF ISSUANCE OF FACILITY EXPORT LICENSE

Please take notice that no request for formal hearing having been filed following filing of notice of proposed action with the Federal Register Division, the Atomic Energy Commission has this date issued License No. XR-23 to American Machine & Foundry Company authorizing the export of a 5,000 kilowatt tank-type research reactor to Osterreichische Studiengesellschaft Fur Atomenergie Gesellschaft m. b. h., Austria. A notice of proposed issuance of this license was published in the FEDERAL REGISTER on August 5, 1958, 23 F. R. 5931.

Dated at Germantown, Maryland, this 3d day of September 1958.

For the Atomic Energy Commission.

EBER R. PRICE,
Acting Director, Division of Licensing and Regulation.

[F. R. Doc. 58-7356; Filed, Sept. 10, 1958; 8:45 a. m.]

[Docket No. 50-99]

BABCOCK & WILCOX CO.

NOTICE OF ISSUANCE OF UTILIZATION FACILITY LICENSE

Please take notice that no request for a formal hearing having been filed following the filing of notice of the proposed action with the Federal Register Division on August 19, 1958, the Atomic Energy Commission has issued Facility License No. R-47 authorizing The Babcock & Wilcox Company to possess and operate, at the site in Lynchburg, Virginia, described in the application, the swimming pool type nuclear reactor designated by the applicant as the "Pool Test Reactor". Notice of the proposed action was published in the FEDERAL REGISTER on August 20, 1958, 23 F. R. 6380.

Dated at Germantown, Maryland, this 5th day of September 1958.

For the Atomic Energy Commission.

EBER R. PRICE,
Acting Director, Division of Licensing and Regulation.

[F. R. Doc. 58-7357; Filed, Sept. 10, 1958; 8:45 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Vocational Rehabilitation

STATE ALLOTMENT PERCENTAGES

PROMULGATION

Pursuant to section 11 (h) of the Vocational Rehabilitation Act (68 Stat. 661), as amended, and it having been found that the three most recent consecutive years for which satisfactory data are available from the Department of Commerce as to the per capita incomes of the States and of the continental United States are the years 1955, 1956, and 1957, the following allotment percentages for the several States, the District of Columbia, Hawaii, the Virgin Islands, Puerto Rico, and Guam, as determined pursuant to said Act and on the basis of said income data, are hereby promulgated, to be conclusive for each of the two fiscal years in the period beginning July 1, 1959.

Alabama	67.71	New Jersey	38.34
Alaska	75.00	New Mexico	59.99
Arizona	57.12	New York	37.31
Arkansas	71.25	North Carolina	66.43
California	37.52	North Dakota	64.07
Colorado	51.74	Ohio	44.39
Connecticut	33.33	Oklahoma	59.71
Delaware	33.33	Oregon	51.31
Florida	55.10	Pennsylvania	48.39
Georgia	64.20	Rhode Island	49.21
Idaho	59.41	South Carolina	70.35
Illinois	39.49	South Dakota	64.94
Indiana	49.69	Tennessee	65.76
Iowa	57.12	Texas	65.05
Kansas	55.72	Utah	58.43
Kentucky	66.04	Vermont	58.66
Louisiana	62.58	Virginia	58.43
Maine	58.30	Washington	47.33
Maryland	46.82	West Virginia	63.04
Massachusetts	43.13	Wisconsin	52.36
Michigan	44.95	Wyoming	50.46
Minnesota	54.48	District of Columbia	37.83
Mississippi	75.00	Hawaii	50.00
Missouri	51.74	Puerto Rico	75.00
Montana	52.08	Guam	75.00
Nebraska	57.23	Virgin Islands	75.00
Nevada	38.88		
New Hampshire	54.13		

Dated: August 29, 1958.

[SEAL] ARTHUR S. FLEMMING,
Secretary.

[F. R. Doc. 58-7393; Filed, Sept. 10, 1958; 8:52 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 12258, 12260; FCC 58M-928]

WABASH VALLEY BROADCASTING CORP. AND ILLIANA TELECASTING CORP.

ORDER CONTINUING HEARING

In re applications of Wabash Valley Broadcasting Corporation, Terre Haute, Indiana; Docket No. 12258, File No. BPCT-2293; Illiana Telecasting Corporation, Terre Haute, Indiana; Docket No. 12260, File No. BPCT-2392; for construction permits for New Television Broadcast Stations (Channel 2).

The Chief Hearing Examiner having under consideration the joint motion of the applicants herein, filed September 2, 1958, for continuance of the procedural dates in the above-entitled proceeding;

It appearing that the Commission's Broadcast Bureau, the only other party to the proceeding, has no objection to the instant motion;

It is ordered, This 4th day of September 1958 that the motion is granted, and that the following schedule will be observed by the parties to the above-entitled proceeding:

Exchange of Exhibits—November 10, 1958.
Further Hearing Conference—November 19, 1958.
Formal Hearing—December 1, 1958.

Released: September 5, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-7409; Filed, Sept. 10, 1958; 8:55 a. m.]

[Docket No. 12580; FCC 58M-929]

JAMES M. BRANDENBURG

ORDER SCHEDULING HEARING

In the matter of James M. Brandenburg, 1832 Josie Avenue, Long Beach 15, California; Docket No. 12580; suspension of restricted Radiotelephone Operator Permit.

It is ordered, This 3rd day of September 1958, that Basil P. Cooper will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on October 17, 1958, in San Francisco, California.

Released: September 5, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 58-7410; Filed, Sept. 10, 1958; 8:55 a. m.]

[Amdt. O-44; FCC 58-847]

STATEMENT OF ORGANIZATION, DELEGATIONS OF AUTHORITY, AND OTHER INFORMATION

TRANSFER OF LICENSING AND REGULATORY FUNCTIONS

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 4th day of September, 1958;

The Commission having under consideration the desirability of transferring to and unifying within the Broadcast Bureau the licensing and regulatory functions with respect to international broadcasting presently assigned to the Office of the Chief Engineer as well as to the Office of the General Counsel; and

It appearing that the relevant portion of section 0.111 (h) of the Commission's Statement of Organization assigns to the Office of the General Counsel authority to perform all legal functions with respect to international broadcasting; and that the relevant portion of section 0.121 (f) of the Statement of Organization assigns to the Office of the Chief Engineer all engineering functions with

respect to international broadcasting; and

It further appearing that the consolidation of the licensing and regulatory functions of the Commission for international broadcast stations set forth in the parts of sections 0.111 and 0.121, referred to above, and their transfer to the Broadcast Bureau, will best conduce to the proper and expeditious dispatch of the Commission's business and that such a modification of the Statement of Organization would be in the public interest; and

It further appearing, that sections 0.11, and 0.14 of the Commission's Statement of Organization specifically exclude the Broadcast Bureau and its Broadcast Facilities Division from the licensing and regulation of international broadcast stations; and

It further appearing that sections 0.241 and 0.331 (a) (1) & (2) of the Commission's Delegations of Authority should be amended to transfer those powers now delegated to the Chief Engineer to the Chief of the Broadcast Bureau; and

It further appearing that the amendments herein ordered modify only rules of agency organization and that, therefore, notice of rule making is not required and the amendments may be made effective immediately;

It is ordered, That, pursuant to the authority of sections 4 (i), 5 (d) and 303 (r) of the Communications Act of 1934, as amended, sections 0.11, 0.14, 0.111 (h), 0.121 (f), 0.241 and 0.331 (a) (1) & (2) of the Commission's Statement of Organization and Delegation of Authority are amended effective September 4, 1958, as set forth below.

Released: September 8, 1958.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

1. Section 0.111 (h) is amended by deleting the words "international broadcasting stations," to read as follows:

(h) To perform all legal functions with respect to experimental operations under Part 5 of the Commission's rules; the operation of restricted radiation devices under Parts 15 and 18 of the rules; and type approval and type acceptance of radio equipment.

2. Section 0.121 (f) is amended by deleting the words "international broadcasting stations," to read as follows:

(f) To perform all engineering functions with respect to experimental operation under Part 5 of the Commission's rules; the operation of restricted radiation devices under Parts 15 and 18 of the rules; and type approval and type acceptance of radio equipment.

3. Section 0.11 is amended by deleting the words "except the international broadcast services" to read as follows in the opening paragraph:

SEC. 0.11 *Functions of the Bureau.* The Broadcast Bureau assists, advises, and makes recommendations to the Commission with respect to the development of a regulatory program for the broadcast services and is responsible for the performance of any work, function, or activities to carry out that program in accordance with applicable statutes, international agreements, rules and regulations, and policies of the Commission. The Bureau performs the following functions:

4. Section 0.14 is amended by adding the word "international," to read as follows:

SEC. 0.14 *Broadcast Facilities Division.* The Broadcast Facilities Division is responsible for all functions indicated in the statement contained in section 0.11, insofar as such functions pertain to standard (AM), FM, television, international, experimental, and auxiliary broadcast services, excluding functions stated in sections 0.15, 0.16, and 0.17.

5. The introductory paragraph of section 0.241 is amended by deleting the words "except the international broadcast services" to read as follows:

SEC. 0.241 *Matters delegated.* The Chief of the Broadcast Bureau, or in his absence, the Acting Chief, is delegated authority to act upon applications, requests, and other matters which are not in hearing status, relating to broadcast services as follows:

6. Section 0.241 is further amended by the addition of a new paragraph (s) to read as follows:

(s) With respect to International Broadcasting, to act upon requests for the use of frequencies and frequency hours for transmissions to specific target areas subject to the conditions set forth in the Commission's rules governing International Broadcast Stations.

7. Paragraph (a) of section 0.331, concerning the Commission's Delegations of Authority to the Chief Engineer with regard to International Broadcasting, is deleted in toto, and paragraphs (b), (c), and (d) are redesignated (a), (b), and (c).

[F. R. Doc. 58-7411; Filed, Sept. 10, 1958; 8:55 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-9065 etc.]

HUNT OIL CO.

NOTICE OF POSTPONEMENT OF HEARING

SEPTEMBER 5, 1958.

In the matter of Hunt Oil Company, Docket Nos. G-9065, G-9568, G-11124, G-11360, G-13157, G-13191, G-13468, G-13473, G-13504, G-13530, G-14082, G-14408.

Upon consideration of the motion filed August 26, 1958, by Counsel for Hunt Oil Company for postponement of the hearing now scheduled for September 15, 1958, in the above-designated matter;

The hearing now scheduled for September 15, 1958 is hereby postponed to October 15, 1958, at 10:00 a. m., e. d. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-7371; Filed, Sept. 10, 1958; 8:48 a. m.]

[Docket No. G-15431 etc.]

SUPERIOR OIL CO. AND EL PASO NATURAL GAS CO.

NOTICE OF CONSOLIDATION AND DATE OF HEARING

SEPTEMBER 5, 1958.

In the matters of Superior Oil Company, Docket No. G-15431; El Paso Natural Gas Company, Docket No. G-12580, et al.

Upon consideration of the request filed September 4, 1958, by counsel for Superior Oil Company for advancement of hearing date and consolidation of the above-entitled matter with the heretofore consolidated proceedings in the matters of El Paso Natural Gas Company, Docket Nos. G-12580, et al.:

The hearing in the above-entitled matter heretofore scheduled to be held on September 24, 1958, is hereby cancelled and such matter is consolidated with the matters of El Paso Natural Gas Company, Docket Nos. G-12580, et al., to be held on September 10, 1958 at 10:00 a. m., e. d. 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 the consolidated applications as herein provided.

Protests or petitions to intervene in Docket No. G-15431 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 September 10, 1958.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-7372; Filed, Sept. 10, 1958; 8:48 a. m.]

[Docket No. G-16123]

CITIES SERVICE OIL CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

SEPTEMBER 5, 1958.

Cities Service Oil Company (Cities Service) on August 6, 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 August 4, 1958.

Purchaser: Kansas-Nebraska Natural Gas Company, Inc.

Rate schedule designation: Supplement No. 6 to Cities Service's FPC Gas Rate Schedule No. 121.

Effective date: October 1, 1958 (effective date is the effective date proposed by Cities Service).

In support of the proposed periodic rate increase, Cities Service refers to the contract price provision and states that the proposed increase brings into being the price which was negotiated at arms' length, that the annual increase method of pricing was chosen instead of charging an average price and it would be unfair to deny the seller the agreed increased price during the latter part of the con-

tract life after the seller had delivered at the lower rate during the earlier portion, and that the proposed price is not unreasonable and is lower than the present market price for equivalent gas.

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, Supplement No. 6 to Cities Service's FPC Gas Rate Schedule No. 121 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. 6 to Cities Service's FPC Gas Rate Schedule No. 121.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until March 1, 1959, 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 Hussey dissenting).

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

[F. R. Doc. 58-7373; Filed, Sept. 10, 1958; 8:48 a. m.]

[Docket No. G-16124]

HAYNES B. OWNBY DRILLING CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

SEPTEMBER 5, 1958.

Haynes B. Ownby Drilling Company (Ownby) on August 7, 1958, tendered for filing a proposed change in its presently effective rate schedule[1] 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 August 4, 1958.

Purchaser: Texas Illinois Natural Gas Pipeline Company.

Rate schedule designation: Supplement No. 7 to Ownby's FPC Gas Rate Schedule No. 1.

Effective date: September 7, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed redetermined rate increase, Ownby submits a copy of a letter from Texas Illinois Natural Gas Pipeline Company informing it that the price has been redetermined to be a base price of 16.99¢ per Mcf plus tax reimbursement. Ownby has signed the letter in agreement. Ownby states that the increase should be granted because other producers in the area are getting more for their gas as indicated by the fact that the redetermined price is based on an average of the prices and it would be unfair for Ownby to receive a lower price.

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. 7 to Ownby's FPC Gas Rate Schedule No. 1 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. 7 to Ownby's FPC Gas Rate Schedule No. 1.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until February 7, 1959, 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 Hussey dissenting).

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

[F. R. Doc. 58-7374; Filed, Sept. 10, 1958; 8:48 a. m.]

[1] A previous increase was suspended in Docket No. G-11540 until May 2, 1957, but motion to place the suspended rate into effect subject to refund was never filed by Ownby.

[Docket No. G-16176]

BAYOU OIL CO. ET AL.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

SEPTEMBER 5, 1958.

Bayou Oil Company et al. (Bayou) on August 8, 1958,[1] tendered for filing proposed changes in its presently filed rate schedules for the sale 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: Notices of change, August 6, 1956.

Purchaser: Phillips Petroleum Company.

Rate schedule designations: Supplement No. 5 to Bayou's FPC Gas Rate Schedule No. 1. Supplement No. 7 to Bayou's FPC Gas Rate Schedule No. 2.

Effective date: September 8, 1958 (effective date is the first day after expiration of the required 30-days' notice and applies to both tenders).

In support of the revenue-sharing increases, Bayou cites the contract provisions and states that the proposed increased rate is less than the average price currently being paid in the fields involved. Bayou states further that the rate proposed will not operate to increase the ultimate consumers' rates. The proposed incremental increases in rates are predicated upon determinations yet to be made by the Commission.[2]

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 No. 5 to Bayou's FPC Gas Rate Schedule No. 1 and Supplement No. 7 to Bayou's FPC Gas Rate Schedule No. 2 be suspended and the use 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. 5 to Bayou's FPC Gas Rate Schedule No. 1 and Supplement No. 7 to Bayou's FPC Gas Rate Schedule No. 2.

(B) Pending such hearing and decision thereon, said supplements be and they are hereby suspended and the use thereof deferred until September 9, 1958,

[1] Tender, as to Rate Schedule No. 1 completed on August 19, 1958.

[2] Suspended tenders reflecting revenue-sharing increased rates of Phillips In the Matters of Phillips Petroleum Company, Docket Nos. G-13069 and G-14115.

and until such further time as it is 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 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 Hussey dissenting as to the suspension of Supplement No. 7 to Bayou Oil Company, et al. FPC Gas Rate Schedule No. 2).

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

[F. R. Doc. 58-7375; Filed, Sept. 10, 1958; 8:49 a. m.]

[Docket No. G-16178]

PHILLIPS PETROLEUM CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATE

SEPTEMBER 5, 1958.

Phillips Petroleum Company (Phillips) on August 7, 1958, tendered for filing a proposed change in its presently effective rate schedule [1] 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 August 5, 1958.

Purchaser: Northern Natural Gas Company.

Rate schedule designation: Supplement No. 2 to Phillips' FPC Gas Rate Schedule No. 262.

Effective date: October 1, 1958 (effective date is the effective date proposed by Phillips).

In support of the proposed periodic increase Phillips stated that Exhibit No. 324 in Docket No. G-1148 shows that Phillips should receive 18.75¢ per Mcf for this gas so as to recover "its costs plus a fair return."

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 Phillips' FPC Gas Rate Schedule No. 262 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 Phillips' FPC Gas Rate Schedule No. 262.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until March 1, 1959, 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 Hussey dissenting).

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

[F. R. Doc. 58-7376; Filed, Sept. 10, 1958; 8:49 a. m.]

[Docket No. G-16179]

EDWIN W. PAULEY ET AL.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATE

SEPTEMBER 5, 1958.

Edwin W. Pauley, et al. (Pauley) on August 8, 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 August 6, 1958.

Purchaser: Phillips Petroleum Company.

Rate schedule designation: Supplement No. 6 to Pauley's FPC Gas Rate Schedule No. 1.

Effective date: September 8, 1958 (effective date is the first day after expiration of the required 30-days' notice).

In support of the revenue-sharing increase, Pauley cites the contract provisions and states that the proposed increased rate is less than the average price currently being paid in the fields involved. Pauley states further that the rate proposed will not operate to increase the ultimate consumers' rates. The proposed incremental increase in rate is predicated upon determinations yet to be made by the Commission.[1]

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. 6 to Pauley's FPC Gas Rate Schedule No. 1 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. 6 to Pauley's FPC Gas Rate Schedule No. 1.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until September 9, 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 Hussey dissenting).

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

[F. R. Doc. 58-7377; Filed, Sept. 10, 1958; 8:49 a. m.]

[Docket No. G-16182]

AMERADA PETROLEUM CORP.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGE IN RATES

SEPTEMBER 5, 1958.

Amerada Petroleum Corporation (Amerada) on August 7, 1958, tendered for filing a proposed change in its presently effective rate schedule [1] 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 August 6, 1958.

Purchaser: Trunkline Gas Company.

Rate schedule designation: Supplement No. 12 to Amerada's FPC Gas Rate Schedule No. 14.

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[1] Phillips' FPC Gas Rate Schedule No. 262 is in effect subject to refund at Docket No. G-3175.

[1] Suspended tenders reflecting revenue-sharing increased rates of Phillips In the Matter of Phillips Petroleum Company, Docket No. G-14115.

[1] Supplement No. 11 to Amerada's FPC Gas Rate Schedule No. 14 (Louisiana gathering tax increase) was suspended for one day until August 2, 1958, in Docket No. G-15561, and is now in effect subject to refund.

Effective date: October 4, 1958 (effective date is the effective date proposed by Amerada).

In support of the proposed periodic rate increase, Amerada merely states that the increase is provided by a contract resulting from arm's-length bargaining in good faith.

The increased rate and charge so proposed is intended to reflect (in whole or in part) the additional "excise, license, or privilege tax" of one cent per Mcf levied by the State of Louisiana pursuant to Act No. 8 of 1958 (House Bill No. 303), as approved on June 16, 1958, amending Title 47 of the Louisiana Revised Statutes of 1950. The Commission is advised that litigation is being instituted to challenge the constitutionality of the said Act No. 8 of 1958. In consideration of this fact, and in order to assure appropriate refund in the event said Act No. 8 of 1958 should be declared unconstitutional or otherwise held invalid by final judicial decision, it is deemed advisable to suspend the said proposed increased rate and charge.

This suspension, however, is based solely on the possibility of the additional tax being invalidated and only such tax reimbursement shall be made effective subject to refund.

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. 12 to Amerada's FPC Gas Rate Schedule No. 14 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. 12 to Amerada's FPC Gas Rate Schedule No. 14.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until October 5, 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.

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

[F. R. Doc. 58-7378; Filed, Sept. 10, 1958; 8:49 a. m.]

[Docket No. G-16183]

CONTINENTAL OIL CO.

ORDER FOR HEARING AND SUSPENDING PROPOSED CHANGES IN RATES

SEPTEMBER 5, 1958.

Continental Oil Company (Continental) on August 8, 1958, tendered for filing proposed changes in its presently effective rate schedules[1] 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: Notices of Change, undated.
Purchaser: Arkansas Louisiana Gas Company.
Rate schedule designation: Supplement No. 5 to Continental's FPC Gas Rate Schedule No. 126. Supplement No. 6 to Continental's FPC Gas Rate Schedule No. 126.
Effective date: September 8, 1958 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed periodic rate increases, Continental cites arm's length bargaining and states that to deny the increased price would be discriminatory.

The increased rates and charges so proposed are intended to reflect (in whole or in part) the additional "excise, license, or privilege tax" of one cent per Mcf levied by the State of Louisiana pursuant to Act No. 8 of 1958 (House Bill No. 303), as approved on June 16, 1958, amending Title 47 of the Louisiana Revised Statutes of 1950. The Commission is advised that litigation is being instituted to challenge the constitutionality of the said Act No. 8 of 1958. In consideration of this fact, and in order to assure appropriate refund in the event said Act No. 8 of 1958 should be declared unconstitutional or otherwise held invalid by final judicial decision, it is deemed advisable to suspend the said proposed increased rates and charges.

This suspension, however, is based solely on the possibility of the additional tax being invalidated and only such tax reimbursement shall be made effective subject to refund.

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 Supplements Nos. 5 and 6 to Continental's FPC Gas Rate Schedule No. 126 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 Supplements Nos. 5 and 6 to Continental's FPC Gas Rate Schedule No. 126.

(B) Pending such hearing and decision thereon, said supplements be and they are each hereby suspended and the use thereof deferred until September 9, 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 schedule 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. 58-7379; Filed, Sept. 10, 1958; 8:49 a. m.]

[1] Supplement No. 4 to Continental's FPC Gas Rate Schedule No. 126 (Louisiana gathering tax increase) was suspended for one day until August 2, 1958, in Docket No. G-15730, and is now in effect subject to refund.

[Docket Nos. G-14853, 15208]

ARKANSAS LOUISIANA GAS CO. AND OLIN GAS TRANSMISSION CORP.

NOTICE OF APPLICATION AND DATE OF HEARING

SEPTEMBER 8, 1958.

In the matters of Arkansas Louisiana Gas Company, Docket No. G-14853; Olin Gas Transmission Corporation, Docket No. G-15208.

Take notice that on April 8, 1958, Arkansas Louisiana Gas Company (Ark. La.) filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act to construct and operate certain metering facilities and for authorization to sell and deliver natural gas to Olin Gas Transmission Corporation for resale in interstate commerce for ultimate public consumption, which said application was amended and supplemented on May 9 and May 19, 1958, respectively. The proposed facilities to be constructed are to be located in Ouachita Parish, Louisiana and the volume of gas to be sold and delivered through these facilities is not to exceed 30,000 Mcf per day for a period of not more than ten years, and the annual deliveries would approximate 8,000,000 Mcf. The proposed price or rate for the gas to be sold and delivered is 18 cents per Mcf and all gas delivered up to 20,000 Mcf per day is to be paid for whether taken or not.

On June 3, 1958, Olin Gas Transmission Corporation filed an application in Docket No. G-15208 for a certificate of public convenience and necessity authorizing the purchase, receipt and transportation of natural gas to be delivered by Arkansas Louisiana at the latter's Munce Compressor Station. Olin states that the proposed purchase of gas from

Arkansas Louisiana will supplement its existing gas supplies for service to existing customers. No new or additional sales are proposed. Olin also states that its Line F-63 in the area has sufficient capacity to transport the volumes of gas it proposes to purchase from Arkansas Louisiana, and no additional facilities will be required.

These related matters should be heard on a consolidated record and 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 October 7, 1958, at 9:30 a. m., e. d. 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 applications: *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 Applicants 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 September 26, 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. 58-7396; Filed, Sept. 10, 1958; 8:53 a. m.]

[Docket No. G-16129]

MARSHALL R. YOUNG ET AL.

ORDER FOR HEARING, SUSPENDING PROPOSED CHANGE IN RATE, AND ALLOWING INCREASED RATE TO BECOME EFFECTIVE

SEPTEMBER 5, 1958.

Marshall R. Young et al. (Young) on August 7, 1958, tendered for filing a proposed change in its presently effective rate schedule [1] 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 August 4, 1958.

Purchaser: United Gas Pipe Line Company.

Rate schedule designation: Supplement No. 6 to Young's FPC Gas Rate Schedule No. 3.

Effective date: September 8, 1958 (effective date is the date proposed by Young).

In support of the proposed periodic rate increase, Young cites the contractual provisions, United's letter agreeing to pay such increased price and the higher initial rates to Trunkline Gas Company in the same parish.

Because the present tender reflects (in whole or in part) the aforementioned Louisiana tax, the increased rate and charge here proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) 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 said proposed change, and that Supplement No. 6 to Young's FPC Gas Rate Schedule No. 3 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that Young's proposed increased rate be made effective as hereinafter provided and that Young be required to file an undertaking as hereinafter ordered and conditioned.

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. 6 to Young's FPC Gas Rate Schedule No. 3.

(B) Pending such hearing and decision thereon, said supplement is hereby suspended and the use thereof deferred until September 9, 1958, and until such further time as it is made effective in the manner herein prescribed.

(C) The rate, charge, and classification set forth in Supplement No. 6 to Young's FPC Gas Rate Schedule No. 3 shall be effective as of September 9, 1958: *Provided, however,* That within 20 days from the date of this order, Young shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Young shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the difference between the presently effective rate and charge and the proposed increased rate and charge hereby allowed to become effective in the event the additional tax of one cent per Mcf levied by the State of Louisiana is for any reason held to be invalid. Should such additional tax eventually be held invalid and the State of Louisiana makes refund, with interest, of the tax monies collected pursuant to the said Act No. 8 of 1958, then, and in that event, a proportionate part of the interest so received by Young herein shall be passed on and paid to the persons entitled thereto at such times and in such amounts, and in such manner as may be required by final order of the Commission. Young shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rate or charge allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and four copies), in writing and under oath, to the Commission quarterly, or monthly if Young so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rate in effect immediately prior to the date upon which the increased rate allowed by this order becomes effective, and under the rate allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance thereof, Young shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Marshall R. Young, et al. to Comply with the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In Conformity with the requirements of the order issued _____, in Docket No. G-16129 Marshall R. Young, et al. hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order and for that reason has caused this agreement and undertaking to be executed on this ____ day of _____

_____

By _____

Witness:

_____

(Secretary)

Unless Young is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Young shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

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

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules

[1] Present rate, which reflects (in whole or in part) the additional "excise, license, or privilege tax" of one cent per Mcf levied by the State of Louisiana (Act No. 8 of 1958 (House Bill No. 303), as approved on June 16, 1958, amending Title No. 47 of the Louisiana Revised Statutes of 1950), is in effect subject to refund at Docket No. G-15876.

of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

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

[F. R. Doc. 58-7397; Filed, Sept. 10, 1958; 8:53 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 31-653]

INTERNATIONAL NICKEL CO., INC.

NOTICE OF FILING OF APPLICATION FOR EXEMPTION

SEPTEMBER 5, 1958.

Notice is hereby given that The International Nickel Company, Inc. ("Applicant"), a Delaware corporation, has filed an application for an order pursuant to section 3 (a) (3) (A) of the Public Utility Holding Company Act of 1935 ("Act") exempting Applicant and every subsidiary as such from all the provisions of the act on the ground that Applicant is only incidentally a holding company, "being primarily engaged or interested in one or more businesses other than the business of a public-utility company and (A) not deriving, directly or indirectly, any material part of its income from any one or more subsidiary companies, the principal business of which is that of a public-utility company."

The application which is on file in the offices of the Commission may be summarized as follows:

Applicant is primarily engaged in the business of manufacturing nickel alloys and selling nickel and nickel alloys; it operates a rolling mill at Huntington, West Virginia, and a foundry at Bayonne, New Jersey; and, subject to the qualification stated below, Applicant does not own or control directly or indirectly any public-utility properties.

Applicant has entered into an agreement dated July 1, 1958 whereby it will acquire, subject to the granting of this application, irrevocable options to purchase, or designate others to purchase, any or all of the 300 outstanding shares of capital stock of Industrial Gas Corporation, a West Virginia corporation which will purchase substantially all the business and properties of Industrial Gas Company, whose business has heretofore been to produce, transport and sell natural gas to Applicant, to another industrial customer, and to various right-of-way customers. In connection with these transactions, Applicant will purchase a promissory note of Industrial Gas Corporation in the amount of $125,000 which will be secured by mortgage on substantially all of the property which that company will acquire from Industrial Gas Company. Following the propoesd acquisition of properties, Industrial Gas Corporation will conduct the gas business previously carried on by the predecessor company.

According to figures supplied by Industrial Gas Company, sales of natural gas for its fiscal year ended May 31, 1958 amounted to $256,393 to Applicant, $63,316 to its other industrial customer, and $11,155 to its right-of-way customers. At May 31, 1958 Industrial Gas Company had total assets of $223,881, and for the fiscal year then ended had net earnings of $10,865.

Applicant states that at December 31, 1957, and for the year then ended its total assets, net sales, and net earnings amounted to more than 150 times those of Industrial Gas Company (whose business is to be acquired by Industrial Gas Corporation).

Notice is further given that any interested person may, not later than September 22, 1958, at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such 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 filed or as amended, or the Commission may take such other action as it may deem appropriate.

By the Commission.

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

[F. R. Doc. 58-7390; Filed, Sept. 10, 1958; 8:50 a. m.]

[File No. 70-3728]

NATIONAL FUEL GAS CO.

NOTICE OF PROPOSED ISSUE AND SALE AT COMPETITIVE BIDDING OF SINKING FUND DEBENTURES

SEPTEMBER 4, 1958.

Notice is hereby given that National Fuel Gas Company ("National"), a registered holding company, has filed an application-declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6 (a), 7, 9 (a) and 10 thereof and Rules 42 and 50 promulgated thereunder as applicable to the proposed transactions, which are summarized as follows:

National proposes to issue and sell to underwriters at competitive bidding pursuant to Rule 50, $25,000,000 principal amount of ___ percent Sinking Fund Debentures due 1983 ("Debentures"). The interest rate (a multiple of ⅛ of 1 percent) and the price to be paid for the Debentures (not less than 100 percent nor more than 102¾ percent of the principal amount) will be fixed by the bidding.

The net proceeds will be used by National (1) to the extent of $15,987,000 to redeem $15,000,000 principal amount of its outstanding 5½ percent Sinking Fund Debentures due 1982 at 106.58 percent of their principal amount, and (2) to prepay at least $9,000,000 principal amount of bank loans (outstanding in the amount of $9,650,000) due July 15, 1959.

National estimates its fees and expenses to be incurred in connection herewith as follows:

Federal stamp tax	$37,500
Filing fee, this Commission	2,569
Fees of trustee	10,500
Fees of Counsel: Stryker, Tams & Horner	6,250
Auditor's fee, Price Waterhouse & Co.	3,000
Fee of Ralph E. Davis Associates	10,000
Printing and engraving	19,700
Charges of Ebasco Services, Inc.	3,500
Miscellaneous	2,981
Total	66,000

The fees of Cahill, Gordon, Reindel & Ohl, counsel for the underwriters, are estimated at $7,500. It is stated that no other regulatory commission has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than September 19, 1958 at 5:30 p. m., request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date the application-declaration, as filed or as amended, may be granted and permitted to become effective as provided in Rule 23 of the rules and regulations promulgated under the act, or the Commission may exempt the proposed transactions as provided in Rules 20 (a) and 100 thereof, or take such other action as it may deem appropriate.

By the Commission.

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

[F. R. Doc. 58-7381; Filed, Sept. 10, 1958; 8:50 a. m.]

[File No: 24SF-2444]

ARIZONA AVIATION AND MISSILE CORP.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

SEPTEMBER 5, 1958.

I. Arizona Aviation and Missile Corporation (formerly Azair Arizona Aircraft Company) of Phoenix, Arizona, filed with the Commission on October 7, 1957, a notification and offering circular relative to a proposed offering of 150,000 shares of its $1 par value common stock at $2 per share, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to section 3 (b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable grounds to believe that:

A. The terms and conditions of Regulation A have not been complied with by the issuer, particularly in that it failed to file certain sales material as required by Rule 258 of Regulation A.

B. The issuer offered and submitted certain information to a newspaper, to the effect, among other things, that the

firm is currently involved in production and sales of several products and a wide range of aircraft components, knowing such material was false and misleading and would be published and publicly disseminated during the offering of securities, in the area of said offering and such information having been so published and disseminated, such activity by the issuer in connection with said offering constituted an offering in violation of section 17 of the Act.

III. *It is ordered*, Pursuant to Rule 261 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given to Arizona Aviation and Missile Corporation (formerly Azair Arizona Aircraft Company) and to any person having any interest in the matter that this order has been entered, that the Commission upon receipt of a written request within thirty days after the entry of this order will, within twenty days after receipt of such request, set the matter down for a hearing at a place to be designated by the Commission for the purpose of determining whether to vacate the temporary suspension order or to enter an order permanently suspending the exemption without prejudice, however, to the consideration and presentation of additional matters at the hearing, that if no hearing is requested and none is ordered by the Commission, the suspension order shall become permanent on the thirtieth day after its entry and shall remain in effect unless or until it is modified or vacated by the Commission and that notice of the time and place for any hearing will promptly be given by the Commission.

By the Commission.

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

[F. R. Doc. 58-7382; Filed, Sept. 10, 1958; 8:50 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

FREDERIC CHARLES GROMME ARNING

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Frederic Charles Gromme Arning, Longstone, Powdermill Lane, Battle, Sussex, England; Claim No. 57823; $4,493.20 in the Treasury of the United States; 230 shares Goldfield Deep Mines Company $.05 PV capital stock in the custody of the Federal Reserve Bank, New York, New York.
Vesting Order No. 6816.

Executed at Washington, D. C., August 28, 1958.

For the Attorney General.

[SEAL] PAUL V. MYRON, *Deputy Director, Office of Alien Property.*

[F. R. Doc. 58-7394; Filed, Sept. 10, 1958; 8:52 a. m.]

HEINZ HOTZ

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Heinz Hotz, Hotel Kurhaus Adula, Flims-Waldhaus, Switzerland; Claim No. 61814; $89.50 in the Treasury of the United States.
Vesting Order No. 17903.

Executed at Washington, D. C., on August 28, 1958.

For the Attorney General.

[SEAL] PAUL V. MYRON, *Deputy Director, Office of Alien Property.*

[F. R. Doc. 58-7395; Filed, Sept. 10, 1958; 8:52 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

SEPTEMBER 8, 1958.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 34951: *Chemicals—Returned—From, to and between points in southwestern territory.* Filed by Southwestern Freight Bureau, Agent (No. B-7372), for interested rail carriers. Rates on chemicals tank-car loads as more fully described in the application, returned to original point of shipment from, to, and between points in southwestern territory.

Grounds for relief: Carrier competition, among others.

Tariff: Supplement 298 to Southwestern Freight Bureau tariff I. C. C. 4020.

FSA No. 34952: *TOFC Service—Commodities between western points.* Filed by Western Trunk Line Committee, Agent, (No. A-2003), for interested rail carriers. Rates on various commodities loaded in highway trailers and transported on railroad flat cars between points in Kansas and Missouri, on the one hand, and points in Nebraska, on the other.

Grounds for relief: Motor truck competition.

Tariff: Supplement 20 to Western Trunk Lines tariff I. C. C. A-4213.

AGGREGATE-OF-INTERMEDIATES

FSA No. 34950: *Passenger and coach fares in the East.* Filed by A. J. Winkler, Agent (No. A-8), for interested rail carriers. Involving basic first-class fares and basic coach fares for the transportation of persons between points in the East and between points in the East, on the one hand, and points in trunkline-Central Passenger Committee territory, on the other.

Grounds for relief: Maintenance of through one-factor fares in excess of lower combinations of intermediate fares, due to method of disposition of fractions in proposed increased fares.

Tariff: Agent A. J. Winkler's Joint Passenger Tariff NE No. 5, I. C. C. No. 2, and other schedules listed in the application.

By the Commission.

[SEAL] HAROLD D. MCCOY, *Secretary.*

[F. R. Doc. 58-7383, Filed, Sept. 10, 1958; 8:50 a. m.]