

FEDERAL REGISTER

VOLUME 33 • NUMBER 145

Friday, July 26, 1968 • Washington, D.C.

Pages 10621-10708

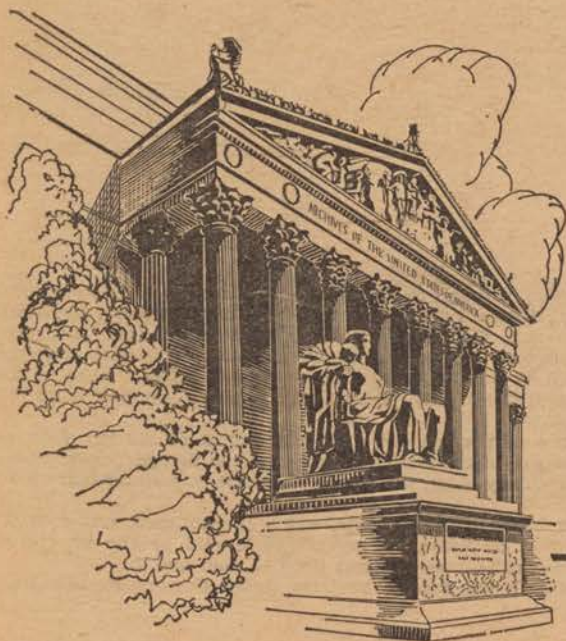
PART I

(Part II begins on page 10691)

Agencies in this issue—

The President
Agricultural Stabilization and
Conservation Service
Agriculture Department
Atomic Energy Commission
Business and Defense Services
Administration
Civil Aeronautics Board
Commodity Credit Corporation
Consumer and Marketing Service
Delaware River Basin Commission
Federal Aviation Administration
Federal Communications Commission
Federal Power Commission
Fiscal Service
Internal Revenue Service
Interstate Commerce Commission
Maritime Administration
National Bureau of Standards
National Park Service
Packers and Stockyards
Administration
Securities and Exchange Commission
Small Business Administration
Water Resources Council

Detailed list of Contents appears inside.



*2-year Compilation
Presidential Documents*

Code of Federal Regulations

TITLE 3, 1964-1965 COMPILATION

Contains the full text of Presidential Proclamations, Executive orders, reorganization plans, and other formal documents issued by the President and published in the Federal Register during the period January 1, 1964-December 31, 1965. Includes consolidated tabular finding aids and a consolidated index.

Price: \$3.75

Compiled by Office of the Federal Register, National Archives and Records Service, General Services Administration

**Order from Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402**

FEDERAL REGISTER

Area Code 202



Phone 962-8626

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There are no restrictions on the republication of material appearing in the FEDERAL REGISTER or the CODE OF FEDERAL REGULATIONS.

Contents

THE PRESIDENT

EXECUTIVE ORDER

- Adding an Assistant Secretary of Commerce to the membership of the Development Loan Committee 10625

EXECUTIVE AGENCIES

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

- Rules and Regulations**
Wheat; farm marketing quotas and acreage allotments 10627

AGRICULTURE DEPARTMENT

See also Agricultural Stabilization and Conservation Service; Commodity Credit Corporation; Consumer and Marketing Service; Packers and Stockyards Administration.

Notices

- Indiana, South Dakota, and Wyoming; designation of areas for emergency loans 10658

ATOMIC ENERGY COMMISSION

Notices

- Commonwealth Edison Co., and Iowa-Illinois Gas and Electric Co.; notice of issuance of amendments to provisional construction permits 10660

BUSINESS AND DEFENSE SERVICES ADMINISTRATION

Notices

- Decisions on applications for duty-free entry of scientific articles:
I.B.E.W. Electrical Workers Educational Training Centre 10659
Massachusetts General Hospital 10659
University of Chicago 10658
Yale University 10659

CIVIL AERONAUTICS BOARD

Notices

- Hearings, etc.:*
Furman Air Freight Corp. 10661
TAG Airlines, Inc. 10661

COMMERCE DEPARTMENT

See Business and Defense Services Administration; Maritime Administration; National Bureau of Standards.

COMMODITY CREDIT CORPORATION

Rules and Regulations

- Cooperative marketing associations; eligibility requirements for price support 10639
Financing of sales of agricultural commodities; breeding cattle; correction 10641
Puerto Rican tobacco purchase program 10640

CONSUMER AND MARKETING SERVICE

Proposed Rule Making

- Dried prunes produced in California; handling 10656

DELAWARE RIVER BASIN COMMISSION

Notices

- Comprehensive plan; notice of public hearing 10662

FEDERAL AVIATION ADMINISTRATION

Rules and Regulations

- Airworthiness directives; Boeing Model 727 Series airplanes 10644
Secret Service Agents; admission to flight deck 10655
Standard instrument approach procedures; miscellaneous amendments (2 documents) 10645, 10649

Proposed Rule Making

- Airworthiness directives; Boeing Models 707, 720, and 727 Series airplanes 10656

FEDERAL COMMUNICATIONS COMMISSION

Rules and Regulations

- Amateur radio service; transmission of pictures in high frequency band 10641

FEDERAL POWER COMMISSION

Notices

- Hearings, etc.:*
Associated Programs, Inc., et al. 10662
Sunray DX Oil Co. (2 documents) 10663, 10664

FISCAL SERVICE

Rules and Regulations

- Offers in compromise of claims; revocation of part 10627

INTERIOR DEPARTMENT

See National Park Service.

INTERNAL REVENUE SERVICE

Rules and Regulations

- Income tax; percentage depletion in case of minerals and ores 10692

Proposed Rule Making

- Income tax; percentage depletion 10700

INTERSTATE COMMERCE COMMISSION

Notices

- Fourth section applications for relief 10684
Motor carriers:
Temporary authority applications 10684
Transfer proceedings 10685

MARITIME ADMINISTRATION

Notices

- Oceanic Steamship Co.; notice of application 10659

NATIONAL BUREAU OF STANDARDS

Rules and Regulations

- Policies, services, procedures, and fees; change in designation 10627

NATIONAL PARK SERVICE

Notices

- Assistant Regional Administrator, et al., Northeast Region; delegation of authority 10658

PACKERS AND STOCKYARDS ADMINISTRATION

Notices

- Hays Livestock Commission Co., Inc., et al.; deposing of stockyards 10658

SECURITIES AND EXCHANGE COMMISSION

Notices

- Comstock-Keystone Mining Co.; order suspending trading 10665

SMALL BUSINESS ADMINISTRATION

Notices

- Area Coordinators et al.; delegation of authority to conduct program activities in certain regions (5 documents) 10666, 10669, 10673, 10677, 10680
General Investment Corporation of Denver; notice of filing of application 10665
Iowa; declaration of disaster loan area 10665

(Continued on next page)

TRANSPORTATION DEPARTMENT

See Federal Aviation Administration.

TREASURY DEPARTMENT

See Fiscal Service; Internal Revenue Service.

WATER RESOURCES COUNCIL**Proposed Rule Making**

Discount rate in plan formulation
and evaluation (2 documents) -- 10656,
10657

List of CFR Parts Affected

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1968, and specifies how they are affected.

3 CFR		14 CFR		26 CFR	
EXECUTIVE ORDER:		39.....	10644	1.....	10692
11417.....	10625	97 (2 documents).....	10645, 10649	PROPOSED RULES:	
		121.....	10655	1.....	10700
7 CFR		PROPOSED RULES:			
728.....	10627	39.....	10656	31 CFR	
1425.....	10639	15 CFR		240.....	10627
1464.....	10640	200.....	10627	47 CFR	
1488.....	10641	18 CFR		97.....	10641
PROPOSED RULES:		PROPOSED RULES:			
993.....	10656	704 (2 documents).....	10656, 10657		

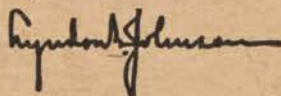
Presidential Documents

Title 3—THE PRESIDENT

Executive Order 11417

ADDING AN ASSISTANT SECRETARY OF COMMERCE TO THE MEMBERSHIP OF THE DEVELOPMENT LOAN COMMITTEE

By virtue of the authority vested in me by section 204 of the Foreign Assistance Act of 1961 (22 U.S.C. 2164) and as President of the United States, Executive Order No. 10973 of November 3, 1961, as amended, is hereby further amended by inserting in section 305, after the text "the Assistant Secretary of the Treasury dealing with international finance," the following: "the Assistant Secretary of Commerce for Domestic and International Business,".



THE WHITE HOUSE,
July 24, 1968.

[F.R. Doc. 68-9049; Filed, July 25, 1968; 10:26 a.m.]

EX801

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THE HISTORY OF THE

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CHARLES THE FIRST

1600
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1676
1677
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1679
1680
1681
1682
1683
1684
1685
1686
1687
1688
1689
1690
1691
1692
1693
1694
1695
1696
1697
1698
1699
1700

Rules and Regulations

Title 15—COMMERCE AND FOREIGN TRADE

Chapter II—National Bureau of Standards, Department of Commerce

SUBCHAPTER A—MEASUREMENT SERVICES

PART 200—POLICIES, SERVICES, PROCEDURES, AND FEES

Change in Designation

Pursuant to a change in National Bureau of Standards editorial practice, the Miscellaneous Publication series has been redesignated as the Special Publication series. In this connection, Miscellaneous Publication 250, Calibration and Test Services of the National Bureau of Standards, has been extensively revised and reissued as Special Publication 250.¹ SP 250 updates the Bureau's various test services and calibrations as well as the fees for the performance of such services.

Accordingly, Special Publication 250 should be substituted in each of the following sections of Part 200, 15 CFR where reference is made to Miscellaneous Publication 250: § 200.103 (b) and (c); § 200.105; § 200.107(a); § 200.19(e); § 200.110 (b) and (h); § 200.111; § 200.115(b); § 200.116 (a), (b), and (c). Similarly, the Special Publication series should be substituted in §§ 200.107 (a) and 200.108(a) wherever reference is made to other publications in the Miscellaneous Publication series.

A. V. ASTIN,
Director.

[F.R. Doc. 68-8919; Filed, July 25, 1968; 8:45 a.m.]

Title 31—MONEY AND FINANCE: TREASURY

Chapter II—Fiscal Service, Department of the Treasury

SUBCHAPTER A—BUREAU OF ACCOUNTS

PART 240—OFFERS IN COMPROMISE OF CLAIMS UNDER SECTION 194, TITLE 31, UNITED STATES CODE

Part 240 of Title 31 of the Code of Federal Regulations prescribes deposit and accounting procedures governing remittances on account of offers in compromise submitted for the approval of the Secretary of the Treasury, upon the recommendation of the General Counsel, under section 3469 of the Revised Statutes, 31 U.S.C. 194. The Treasury Department has determined that these procedures are not current and are unnecessary, in view of the developments in the law providing alternative methods

¹ For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

for the compromise of claims in favor of the United States, particularly the Federal Claims Collection Act of 1966, 31 U.S.C. Supp. II, 951-953, and that, therefore, these regulations should be revoked. The Department also finds, in accord with 5 U.S.C. 553, that notice and public procedure thereon are not necessary, since the regulations revoked involve rules of agency practice and procedure.

Accordingly, Part 240, Chapter II of Title 31 of the Code of Federal Regulations (also appearing as Department Circular 39) is revoked.

(5 U.S.C. 301)

Effective date: This revocation shall be effective upon publication in the FEDERAL REGISTER.

Dated: July 22, 1968.

[SEAL]

JOHN K. CARLOCK,
Fiscal Assistant Secretary.

[F.R. Doc. 68-8940; Filed, July 25, 1968; 8:47 a.m.]

Title 7—AGRICULTURE

Chapter VII—Agricultural Stabilization and Conservation Service (Agricultural Adjustment), Department of Agriculture

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

PART 728—WHEAT

Subpart—Regulations Pertaining to Farm Acreage Allotments, Yields, and Wheat Certificate Programs for Crop Years 1968-69

1969 COUNTY ACREAGE ALLOTMENTS

The regulations governing the 1968-69 wheat program (33 F.R. 6508), as amended, are amended by deleting §§ 728.356 and 728.357 under centerhead "1968 County Acreage Allotment" and by adding §§ 728.356 and 728.357 to read as follows:

1969 COUNTY ACREAGE ALLOTMENTS

§ 728.356 Basis and purpose.

(a) The county acreage allotments for 1969 crop wheat contained herein have been determined under section 334 of the Agricultural Adjustment Act of 1938, as amended. The purpose of this document is to apportion among the counties of each State the respective State wheat acreage allotments, less reserves for (1) new farms and (2) appeals, corrections and missed farms as recommended by the respective ASC State committees for 1969.

(b) Section 334(b) of the Agricultural Adjustment Act of 1938, as amended, provides that the State acreage allotments for wheat, less a reserve of not to exceed 3 percentum thereof for new farms, shall be apportioned by the Secre-

tary among the counties in the State on the basis of the preceding year's wheat allotment in each county, including all amounts allotted to the county, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county, taking into consideration established crop rotation practices, estimated decrease in farm allotments because of loss of history, and other relevant factors.

(c) The 1969 State acreage allotments for wheat less reserves for (1) new farms, and (2) appeals, corrections, and missed farms were apportioned among the counties in the various States as follows:

(d) (1) To each 1968 county wheat allotment determined under section 334(b) of the Act, as amended, and published in the FEDERAL REGISTER of August 11, 1967 (32 F.R. 11609) was added the sum of 1968 allotment acreage allocated to counties in each State from the national acreage reserve and the special acreage reserve to increase allotments on eligible farms in designated counties where wheat is a major income-producing crop. The resulting preliminary apportionment bases for each county were (i) adjusted to reflect the net plus or minus change in 1968 wheat allotment resulting from the transfer of farms to other counties for administrative purposes, and (ii) were adjusted downward to the extent of the sum of 1968 wheat allotment received from farms going out of agricultural production.

(2) Adjustments in county preliminary apportionment bases for established crop rotation practices and other relevant factors were made to the extent deemed necessary to establish a fair and equitable apportionment base for each county. The State wheat acreage allotment less a reserve for new farms and a reserve for appeals and corrections and missed farms was distributed pro rata to counties on the basis of each county's apportionment base determined in accordance with the foregoing.

(e) The tables contained in § 728.357 hereof show the apportionment of the 1969 State wheat acreage allotment to counties. The reserve acreage for new farms and the reserve for appeals, corrections of errors and missed farms withheld from the State allotment are listed at the end of the allotment tabulation for each State. The reserve acreage withheld by county committee for appeals, corrections of errors, and missed farms prior to apportioning the county allotment to individual farms is indicated in the appropriate column on the tabulation.

(f) Since farmers in the winter wheat area will begin 1969 wheat planting operations shortly, it is hereby found that the apportionment and determinations herein shall become effective upon the date of the filing of this document with the Director, Office of the Federal Register.

RULES AND REGULATIONS

§ 723.357 Apportionment of the 1969 State wheat acreage allotment to counties.

ALABAMA		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Autauga	1,100	
Baldwin	9,697	
Barbour	55	
Bibb	27	
Blount	132	
Bullock	29	
Butler		
Calhoun	207	
Chambers	470	
Cherokee	1,385	
Chilton	67	
Choctaw		
Clarke	125	
Clay	87	
Cleburne	172	
Coffee	225	
Colbert	9,343	
Conecuh	138	
Coosa	23	
Covington	147	
Crenshaw	42	
Cullman	71	
Dale	281	
Dallas	629	
De Kalb	344	
Elmore	436	
Escambia	2,433	
Etowah	98	
Fayette	66	
Franklin	557	
Geneva	850	
Greene	26	
Hale	302	
Henry	312	
Houston	840	
Jackson	1,202	
Jefferson	118	
Lamar	66	
Lauderdale	9,843	
Lawrence	5,359	
Lee	259	
Limestone	3,372	
Lowndes	335	
Macon	199	
Madison	4,511	
Marengo	36	
Marion	192	
Marshall	237	
Mobile	557	
Monroe	275	
Montgomery	516	
Morgan	1,559	
Perry	130	
Pickens	172	
Pike	127	
Randolph	233	
Russell	56	
St. Clair	52	
Shelby	114	
Sumter	66	
Talladega	933	
Tallapoosa	64	
Tuscaloosa	54	
Walker	100	
Washington	460	
Wilcox	18	
Winston	6	
Total to counties	62,137	
Reserve for new farms	100	
Reserve for appeals, corrections, and missed farms	100	
State total	62,337	

ARIZONA		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Apache	158	5
Cochise	938	5
Cocconino	2,157	5
Gila		
Graham	51	2
Greenlee	65	1
Maricopa	13,247	10
Mohave	388	1
Navajo	1,255	5
Pima	320	2
Pinal	10,683	10
Santa Cruz		
Yavapai	1,246	1
Yuma	8,685	5
Total to counties	39,193	52
Reserve for new farms	0	
Reserve for appeals, corrections, and missed farms	14	
State total	39,207	

ARKANSAS		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Arkansas	694	
Ashley	44	
Baxter	74	
Benton	2,686	
Boone	132	
Bradley		
Calhoun		
Carroll	102	
Chicot	1,114	
Clark		
Clay	14,141	
Cleburne	21	
Cleveland		
Columbia		
Conway	1,979	
Craighead	13,109	
Crawford	3,159	
Crittenden	9,642	
Cross	3,048	
Dallas		
Desha	788	
Drew	41	
Faulkner	384	
Franklin	981	
Fulton	63	
Garland	5	
Grant	26	
Greene	6,008	
Hempstead	38	
Hot Spring	37	
Howard		
Independence	5,400	
Izard	36	
Jackson	4,169	
Jefferson	353	
Johnson	1,054	
Lafayette	7	
Lawrence	2,738	
Lee	3,196	
Lincoln	101	
Little River	49	
Logan	1,891	
Lonoke	787	
Madison	191	
Marion	28	
Miller	26	
Mississippi	27,867	
Monroe	486	
Montgomery	3	
Nevada		
Newton	2	
Ouachita		
Perry	432	
Phillips	3,481	
Pike		
Poinsett	4,597	
Polk	5	
Pope	1,408	
Prairie	613	
Pulaski	3,073	
Randolph	3,007	
St. Francis	5,131	
Saline	5	
Scott		
Searcy	69	
Sebastian	536	
Sevier		
Sharp	109	
Stone	190	
Union		
Van Buren	34	
Washington	633	
White	656	
Woodruff	2,242	
Yell	1,207	
Total to counties	134,128	
Reserve for new farms, appeals, corrections, and missed farms	75	
State total	134,203	

CALIFORNIA		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Alameda	1,160	
Alpine	6	
Amador	182	
Butte	6,986	
Calaveras		
Colusa	6,149	
Contra Costa	1,184	
Del Norte		
El Dorado		
Fresno	13,515	
Glenn	3,120	
Humboldt		
Imperial	1,714	
Inyo	7	

CALIFORNIA—Continued		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Kern	33,897	
Kings	2,101	
Lake	240	
Lassen	6,140	
Los Angeles	23,140	
Madera	8,766	
Martin	368	
Mariposa	98	
Mendocino	672	
Merced	3,049	
Modoc	15,452	
Mono	7	
Monterey	14,604	
Napa	793	
Nevada		
Orange	430	
Placer	8,914	
Plumas	506	
Riverside	15,562	
Sacramento	15,592	
San Benito	1,061	
San Bernardino	49	
San Diego	524	
San Francisco		
San Joaquin	9,749	
San Luis Obispo	77,983	
San Mateo	26	
Santa Barbara	8,103	
Santa Clara	80	
Santa Cruz		
Shasta	1,112	
Sierra	267	
Siskiyou	17,912	
Solano	11,691	
Sonoma	291	
Stanislaus	672	
Sutter	14,552	
Tehama	1,731	
Trinity		
Tulare	25,878	
Tuolumne	5	
Ventura	515	
Yolo	9,946	
Yuba	1,115	
Total to counties	367,616	
Reserve for new farms	50	
Reserve for appeals, corrections, and missed farms	50	
State total	367,716	

COLORADO		
County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Adams	114,593	
Alamosa	695	
Arapahoe	56,392	
Archuleta	1,283	
Baca	221,765	
Bent	26,078	
Boulder	9,807	
Chaffee	72	
Cheyenne	124,514	
Clear Creek		
Conejos	1,031	
Costilla	768	
Crowley	10,496	
Custer	269	
Delta	1,134	
Denver		
Dolores	24,674	
Douglas	9,581	
Eagle	279	
Elbert	58,875	
El Paso	13,272	
Fremont	599	
Garfield	3,986	
Gilpin		
Grand	794	
Gunnison		
Hinsdale		
Huerfano	4,025	
Jackson	7,439	
Jefferson	195,690	
Kiowa	215,684	
Kit Carson		
Lake	17,231	
La Plata	19,914	
Larimer	17,983	
Las Animas	120,103	
Lincoln	117,550	
Logan	1,411	
Mesa		
Mineral		
Moffat	29,099	
Montezuma	17,602	
Montrose	3,966	

RULES AND REGULATIONS

COLORADO—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Morgan	55,838	
Otero	3,719	
Ouray	590	
Park		
Phillips	97,042	
Pitkin	112	
Prowers	137,203	
Pueblo	15,210	
Rio Blanco	5,309	
Rio Grande	2,376	
Routt	20,671	
Saguache	507	
San Juan		
San Miguel	2,750	
Sedgwick	55,327	
Summit		
Teller	7	
Washington	205,095	
Weld	165,254	
Yuma	123,561	
Total to counties	2,337,393	
Reserve for new farms	300	
Reserve for appeals, corrections, and missed farms	200	
State total	2,337,893	

CONNECTICUT

Fairfield	2	
Hartford	99	
Litchfield	28	
Middlesex	51	
New Haven	55	
New London		
Tolland	40	
Windham	36	
Total to counties	311	
Reserve for new farms	2	
Reserve for appeals, corrections, and missed farms	4	
State total	317	

DELAWARE

Kent	11,145	15
New Castle	9,649	30
Sussex	5,126	20
Total to counties	25,920	65
Reserve for new farms, appeals, corrections, and missed farms	24	
State total	25,944	

FLORIDA

Alachua	512	
Baker	13	
Bay		
Bradford		
Brevard		
Broward		
Calhoun	614	
Charlotte		
Citrus		
Clay		
Collier		
Columbia	302	
Dade		
De Soto		
Dixie		
Duval		
Escambia	7,328	
Flagler		
Franklin		
Gadsden	63	
Gilchrist	396	
Glades		
Gulf		
Hamilton	164	
Hardee		
Hendry		
Hernando		
Highlands		
Hillsborough		
Holmes	83	
Indian River		
Jackson	732	
Jefferson	87	
Lafayette	50	
Lake		
Lee		
Leon	13	

FLORIDA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Levy	660	
Liberty	47	
Madison	1,500	
Manatee		
Marion	31	
Martin		
Monroe		
Nassau		
Okaloosa	1,257	
Okeechobee		
Orange		
Osceola		
Palm Beach		
Pasco		
Pinellas		
Polk		
Putnam		
St. Johns		
St. Lucie		
Santa Rosa	1,899	
Sarasota		
Seminole		
Sumter	6	
Suwannee	748	
Taylor		
Union		
Volusia		
Wakulla		
Walton	273	
Washington	57	
Total to counties	16,835	
Reserve for new farms	75	
Reserve for appeals, corrections, and missed farms	25	
State total	16,935	

GEORGIA

Appling	36	
Atkinson	26	
Bacon	18	
Baker	447	
Baldwin	39	
Banks	1,670	
Barrow	957	
Bartow	2,603	
Ben Hill	24	
Berrien	233	
Bibb	603	
Bleckley	430	
Brantley		
Brooks	1,099	
Bryan	6	
Bulloch	340	
Burke	1,484	
Butts	1,162	
Calhoun	225	
Camden		
Candler	382	
Carroll	844	
Catoosa	181	
Charlton		
Chatham	13	
Chattahoochee		
Chattooga	171	
Cherokee	148	
Clarke	1,565	
Clay	139	
Clayton	238	
Clinch		
Cobb		
Cofer	87	
Colquitt	158	
Colquitt	41	
Columbia	236	
Cook	101	
Coweta	277	
Crawford	1,000	
Crisp	1,618	
Dade	66	
Dawson	217	
Decatur	142	
De Kalb	106	
Dodge	276	
Dooly	3,072	
Dougherty	705	
Douglas	121	
Early	1,208	
Echols	4	
Effingham	82	
Elbert	3,346	
Emanuel	651	
Evans	94	
Fannin	24	
Fayette	500	
Floyd	663	
Forsyth	489	
Franklin	5,582	
Fulton	211	

GEORGIA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Gilmer		32
Glascok		544
Glynn		
Gordon		754
Grady		332
Greene		315
Gwinnett		1,336
Habersham		189
Hall		564
Hancock		236
Haralson		205
Harris		115
Hart		7,775
Heard		486
Henry		1,638
Houston		5,075
Irwin		34
Jackson		3,412
Jasper		392
Jeff Davis		28
Jefferson		10,093
Jenkins		322
Johnson		646
Jones		54
Lamar		509
Lanier		28
Laurens		1,873
Lee		452
Liberty		
Lincoln		259
Long		
Lowndes		360
Lumpkin		44
McDuffie		334
McIntosh		
Macon		2,195
Madison		9,085
Marion		252
Meriwether		561
Miller		745
Mitchell		44
Monroe		231
Montgomery		97
Morgan		944
Murray		1,202
Muscogee		9
Newton		444
Oconee		2,740
Oglethorpe		5,074
Paulding		201
Peach		2,181
Pickens		104
Pierce		11
Pike		1,125
Polk		922
Pulaski		961
Putnam		123
Quitman		33
Rabun		7
Randolph		347
Richmond		741
Rockdale		252
Schley		218
Screven		394
Seminole		566
Spalding		1,056
Stephens		714
Stewart		56
Sumter		1,866
Talbot		114
Taliaferro		148
Tattnall		77
Taylor		247
Telfair		20
Terrell		298
Thomas		205
Tift		53
Toombs		101
Towns		72
Treutlen		117
Troup		41
Turner		41
Twiggs		346
Union		74
Upson		149
Walker		456
Walton		493
Ware		1,892
Warren		1,261
Washington		3,596
Wayne		
Webster		87
Wheeler		810
White		66
Whitfield		1,008
Wilcox		268
Wilkes		680
Wilkinson		163
Worth		627
Total to counties	123,572	

RULES AND REGULATIONS

GEORGIA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Reserve for new farms.....	100	
Reserve for appeals, corrections, and missed farms.....	101	
State total.....	123, 773	

IDAHO

Ada.....	6, 181	
Adams.....	901	
Bannock.....	44, 729	
Bear Lake.....	19, 359	
Benewah.....	17, 563	
Bingham.....	48, 355	
Blaine.....	6, 820	
Boise.....	367	
Bonner.....	1, 234	
Bonneville.....	82, 244	
Boundary.....	8, 681	
Butte.....	8, 946	
Camas.....	29, 449	
Canyon.....	18, 143	
Caribou.....	47, 625	
Cassia.....	57, 088	
Clark.....	4, 886	
Clearwater.....	7, 047	
Custer.....	1, 716	
Elmore.....	6, 383	
Franklin.....	32, 520	
Fremont.....	43, 854	
Gem.....	2, 369	
Gooding.....	7, 745	
Idaho.....	52, 784	
Jefferson.....	25, 786	
Jerome.....	13, 672	
Kootenai.....	22, 244	
Latah.....	59, 708	
Lemhi.....	1, 043	
Lewis.....	35, 694	
Lincoln.....	9, 399	
Madison.....	43, 684	
Minidoka.....	22, 835	
Nez Perce.....	58, 127	
Oneida.....	60, 532	
Owyhee.....	4, 890	
Payette.....	4, 967	
Power.....	84, 134	
Shoshone.....		
Teton.....	26, 016	
Twin Falls.....	34, 332	
Valley.....	523	
Washington.....	16, 085	
Total to counties.....	1, 080, 640	
Reserve for new farms.....	200	
Reserve for appeals, corrections, and missed farms.....	1, 002	
State total.....	1, 081, 842	

ILLINOIS

Adams.....	35, 715	100
Alexander.....	4, 981	10
Bond.....	19, 176	100
Boone.....	1, 322	15
Brown.....	8, 066	45
Bureau.....	2, 509	25
Calhoun.....	5, 318	40
Carroll.....	326	10
Cass.....	18, 314	50
Champaign.....	43, 102	50
Christian.....	45, 847	75
Clark.....	25, 349	200
Clay.....	17, 424	100
Clinton.....	30, 048	75
Coles.....	25, 339	50
Cook.....	3, 318	10
Crawford.....	19, 317	110
Cumberland.....	17, 936	60
De Kalb.....	1, 433	10
De Witt.....	9, 256	50
Douglas.....	20, 204	30
Du Page.....	4, 659	15
Edgar.....	28, 656	25
Edwards.....	10, 966	50
Effingham.....	23, 168	200
Fayette.....	30, 098	250
Ford.....	3, 925	15
Franklin.....	17, 730	50
Fulton.....	19, 281	125
Gallatin.....	9, 103	40
Greene.....	22, 469	100
Grundy.....	1, 686	5
Hamilton.....	12, 941	25
Hancock.....	28, 015	100
Hardin.....	168	4
Henderson.....	4, 224	25
Henry.....	800	25
Iroquois.....	19, 909	50

ILLINOIS—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Jackson.....	17, 206	80
Jasper.....	26, 190	200
Jefferson.....	21, 982	50
Jersey.....	18, 206	50
Jo Daviess.....	25	1
Johnson.....	1, 657	10
Kane.....	3, 903	30
Kankakee.....	13, 165	25
Kendall.....	1, 794	20
Knox.....	3, 631	50
Lake.....	5, 466	125
La Salle.....	3, 045	25
Lawrence.....	20, 519	150
Lee.....	4, 031	40
Livingston.....	6, 206	25
Logan.....	23, 841	50
McDonough.....	12, 811	150
McHenry.....	3, 675	25
McLean.....	13, 793	50
Macon.....	24, 777	80
Macoupin.....	43, 436	200
Madison.....	49, 697	300
Marion.....	25, 587	25
Marshall.....	4, 277	25
Mason.....	30, 011	60
Massac.....	3, 468	10
Menard.....	15, 134	50
Mercer.....	1, 105	25
Monroe.....	31, 527	100
Montgomery.....	39, 237	200
Morgan.....	29, 181	100
Moultrie.....	17, 972	20
Ogle.....	1, 336	10
Peoria.....	12, 974	30
Perry.....	17, 980	100
Platt.....	18, 092	25
Pike.....	22, 598	75
Pope.....	1, 855	10
Pulaski.....	4, 693	25
Putnam.....	2, 095	25
Randolph.....	31, 584	50
Richardson.....	15, 221	100
Rock Island.....	909	25
St. Clair.....	53, 030	80
Saline.....	12, 381	70
Sangamon.....	40, 384	125
Schuyler.....	15, 639	50
Scott.....	13, 507	50
Shelby.....	40, 115	50
Stark.....	1, 247	25
Stephenson.....	152	5
Tazewell.....	21, 768	125
Union.....	6, 711	15
Vermilion.....	43, 157	50
Wabash.....	13, 192	75
Warren.....	1, 496	25
Washington.....	45, 931	30
Wayne.....	19, 679	50
White.....	23, 566	120
Whiteside.....	4, 073	25
Will.....	14, 096	10
Williamson.....	5, 527	25
Winnebago.....	1, 834	10
Woodford.....	5, 918	25
Total to counties.....	1, 621, 393	6, 235
Reserve for new farms.....	600	
Reserve for appeals, corrections, and missed farms.....	399	
State total.....	1, 622, 392	

INDIANA

Adams.....	16, 789	48
Allen.....	32, 854	95
Bartholomew.....	19, 637	56
Benton.....	15, 569	45
Blackford.....	4, 763	15
Boone.....	12, 405	39
Brown.....	15, 342	5
Carroll.....	15, 327	44
Cass.....	14, 323	42
Clark.....	6, 380	18
Clay.....	17, 243	50
Clinton.....	19, 165	55
Crawford.....	1, 960	15
Daviess.....	20, 717	60
Dearborn.....	4, 958	14
Decatur.....	22, 273	65
De Kalb.....	19, 318	56
Delaware.....	14, 950	50
Dubois.....	12, 297	35
Elkhart.....	21, 194	61
Fayette.....	8, 653	30
Floyd.....	1, 592	5
Fountain.....	17, 206	49
Franklin.....	12, 823	37
Fulton.....	13, 791	40
Gibson.....	23, 518	67
Grant.....	15, 182	44
Greene.....	12, 016	35

INDIANA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Hamilton.....	14, 354	42
Hancock.....	12, 382	36
Harrison.....	7, 743	22
Hendricks.....	12, 672	37
Henry.....	13, 417	38
Howard.....	13, 891	40
Huntington.....	15, 366	45
Jackson.....	15, 696	46
Jasper.....	16, 825	60
Jay.....	12, 701	37
Jefferson.....	5, 542	16
Jennings.....	8, 474	25
Johnson.....	13, 816	40
Knox.....	31, 698	91
Kosciusko.....	21, 807	63
Lagrange.....	16, 913	50
Lake.....	12, 184	35
La Porte.....	30, 045	90
Lawrence.....	3, 219	12
Madison.....	18, 611	55
Marion.....	7, 892	23
Marshall.....	17, 488	50
Martin.....	2, 182	15
Miami.....	13, 200	38
Monroe.....	1, 496	15
Montgomery.....	17, 554	50
Morgan.....	8, 871	35
Newton.....	9, 963	30
Noble.....	17, 033	49
Ohio.....	1, 008	5
Orange.....	3, 321	15
Owen.....	4, 931	40
Parke.....	13, 891	40
Perry.....	4, 241	15
Pike.....	8, 000	23
Porter.....	19, 146	55
Posey.....	23, 813	69
Pulaski.....	16, 282	47
Putnam.....	10, 487	30
Randolph.....	15, 834	46
Ripley.....	15, 748	50
Rush.....	21, 297	61
St. Joseph.....	22, 197	64
Scott.....	4, 167	12
Shelby.....	21, 449	62
Spencer.....	13, 930	40
Starke.....	10, 290	30
Steuben.....	12, 130	35
Sullivan.....	21, 055	75
Switzerland.....	2, 515	7
Tippecanoe.....	21, 253	75
Tipton.....	12, 658	36
Union.....	9, 437	27
Vanderburgh.....	10, 631	31
Vermillion.....	10, 487	30
Vigo.....	15, 574	45
Wabash.....	17, 412	50
Warren.....	13, 992	40
Warrick.....	10, 137	29
Washington.....	9, 061	26
Wayne.....	13, 429	44
Wells.....	15, 763	45
White.....	16, 642	55
Whitley.....	15, 131	43
Total to counties.....	1, 247, 578	3, 729
Reserve for new farms.....	300	
Reserve for appeals, corrections, and missed farms.....	100	
State total.....	1, 247, 978	

IOWA

Adair.....	262	5
Adams.....	1, 323	5
Allamakee.....	53	
Appanoose.....	906	3
Audubon.....	134	
Benton.....	220	
Black Hawk.....	59	1
Boone.....	69	
Bremer.....	44	
Buchanan.....	43	1
Buena Vista.....	0	
Butler.....	11	
Calhoun.....	34	
Carroll.....	50	
Cass.....	1, 099	
Cedar.....	64	
Cerro Gordo.....	1, 547	
Cherokee.....	22	
Chickasaw.....	30	
Clarke.....	229	5
Clay.....	21	
Clayton.....	114	1
Clinton.....	112	
Crawford.....	441	
Dallas.....	492	3
Davis.....	1, 885	20
Decatur.....	959	

RULES AND REGULATIONS

IOWA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Delaware	15	2
Des Moines	4,230	20
Dickinson	213	
Dubuque	44	
E. Pottawattamie	2,046	5
Emmet	36	
Fayette	46	
Floyd	36	
Franklin	30	
Frederick	10,795	25
Greene	8	
Grundy	9	
Guthrie	504	3
Hamilton	548	
Hancock	331	
Hardin	12	1
Harrison	14,840	6
Henry	1,341	15
Howard	49	
Humboldt	10	
Ida	39	
Iowa	93	
Jackson	13	
Jasper	905	
Jefferson	1,709	
Johnson	107	
Jones	61	
Keokuk	140	
Kossuth	1,266	
Lee	8,519	21
Linn	120	
Louis	1,234	
Lucas	591	10
Lyon	430	
Madison	1,973	10
Mahaska	524	
Marion	993	15
Marshall	31	
Mills	10,239	60
Mitchell	517	
Monona	14,568	39
Monroe	737	
Montgomery	4,381	25
Muscatine	1,117	
O'Brien	20	
Osceola	1,042	
Page	6,668	50
Palo Alto	38	
Plymouth	879	5
Pocahontas	23	
Polk	2,900	7
Poweshiek	75	
Ringgold	2,175	15
Sac	4	
Scott	194	
Shelby	103	
Sioux	101	
Story	150	
Tama	46	
Taylor	2,710	30
Union	337	5
Van Buren	3,576	25
Wapello	1,972	
Warren	3,523	5
Washington	210	
Wayne	297	
Webster	82	2
W. Pottawattamie	6,038	2
Winnebago	3,073	50
Winneshek	95	
Woodbury	4,149	10
Worth	1,567	10
Wright	107	
Total to counties	137,815	507
Reserve for new farms	200	
Reserve for appeals, corrections, and missed farms	100	
State total	138,115	

KANSAS

Allen	28,101	25
Anderson	29,659	50
Atchison	26,088	40
Barber	109,981	50
Barton	216,650	50
Bourbon	21,885	30
Brown	34,297	15
Butler	60,849	50
Chase	17,741	20
Chautauqua	13,446	10
Cherokee	57,352	50
Cheyenne	102,798	20
Clark	90,250	30
Clay	85,831	35
Cloud	108,485	50
Coffey	26,185	30
Comanche	90,625	30
Cowley	92,757	50
Crawford	34,663	30

KANSAS—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Decatur	89,233	20
Dickinson	129,032	25
Doniphan	17,234	35
Douglas	29,325	40
Edwards	135,226	30
Elk	13,357	25
Ellis	136,953	50
Ellsworth	104,832	25
Finney	170,211	30
Ford	235,075	50
Franklin	27,139	25
Geary	24,178	25
Gove	105,399	20
Graham	103,471	20
Grant	78,836	20
Gray	177,313	20
Greeley	124,533	20
Greenwood	18,964	25
Hamilton	125,763	20
Harper	176,285	50
Harvey	91,543	50
Haskell	130,310	20
Hodgeman	138,532	40
Jackson	33,103	40
Jefferson	29,331	25
Jewell	108,413	50
Johnson	22,708	50
Kearny	91,988	20
Kingman	153,874	50
Kiowa	105,728	25
Labette	55,230	35
Lane	104,232	30
Leavenworth	22,586	50
Lincoln	103,580	25
Linn	25,088	50
Logan	100,552	10
Lyon	36,014	50
McPherson	181,997	50
Marion	109,298	30
Marshall	72,043	50
Meade	145,659	20
Miami	28,974	35
Mitchell	155,221	25
Montgomery	43,383	25
Morris	39,364	25
Morton	77,314	20
Nemaha	32,086	25
Neosho	41,532	25
Ness	178,956	40
Norton	76,890	30
Osage	26,878	30
Osborne	129,127	30
Ottawa	104,298	50
Pawnee	181,208	30
Phillips	86,557	30
Pottawattamie	34,910	25
Pratt	157,254	50
Rawlins	107,400	10
Reno	248,880	50
Republic	83,466	50
Rice	148,829	50
Riley	28,953	25
Rooks	128,557	20
Rush	166,665	30
Russell	135,395	30
Saline	111,609	25
Scott	105,973	30
Sedgwick	174,262	50
Seward	90,103	20
Shawnee	33,664	50
Sheridan	106,532	25
Sherman	135,982	25
Smith	101,142	30
Stafford	151,845	50
Stanton	112,073	20
Stevens	89,919	20
Sumner	261,518	50
Thomas	165,443	25
Trego	115,282	30
Wabaunsee	25,704	50
Wallace	75,739	20
Washington	78,861	30
Wichita	99,048	20
Wilson	42,098	30
Woodson	14,938	25
Wyandotte	3,638	20
Total to counties	9,669,686	3,415
Reserve for new farms	500	
Reserve for appeals, corrections, and missed farms	504	
State total	9,670,690	

KENTUCKY

Adair	1,096	
Allen	1,843	
Anderson	155	
Ballard	2,192	
Barren	1,665	

KENTUCKY—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Bath	1,122	
Bell		
Boone	698	
Bourbon	4,402	
Boyd	2	
Boyle	1,721	
Bracken	995	
Breathitt		
Breckinridge	4,838	
Bullitt	1,265	
Butler	904	
Caldwell	1,829	
Calloway	4,143	
Campbell	225	
Carlisle	880	
Carroll	179	
Carter	62	
Casey	498	
Christian	17,378	
Clark	611	
Clay		
Clinton	512	
Crittenden	1,575	
Cumberland	89	
Davies	6,153	
Edmonson	362	
Elliot		
Estill	11	
Fayette	1,510	
Fleming	919	
Floyd		
Franklin	428	
Fulton	3,509	
Gallatin	122	
Garrard	636	
Grant	83	
Graves	4,269	
Grayson	2,986	
Green	1,395	
Greenup	106	
Hancock	1,375	
Hardin	3,382	
Harlan		
Harrison	1,757	
Hart	229	
Henderson	4,486	
Henry	906	
Hickman	4,007	
Hopkins	4,177	
Jackson	30	
Jefferson	1,594	
Jessamine	654	
Johnson		
Kenton	62	
Knott		
Knox	8	
Larue	1,783	
Laurel	28	
Lawrence		
Lee	7	
Leslie		
Letcher		
Lewis	346	
Lincoln	1,225	
Livingston	879	
Logan	10,020	
Lyon	981	
McCracken	986	
McCreary		
McLean	2,631	
Madison	377	
Magoffin		
Marion	1,314	
Marshall	1,206	
Martin		
Mason	3,264	
Meade	3,873	
Menifee		
Mercer	1,331	
Metcalfe	358	
Monroe	1,199	
Montgomery	783	
Morgan	7	
Muhlenberg	2,650	
Nelson	3,256	
Nicholas	804	
Ohio	1,059	
Oldham	1,527	
Owen	123	
Owsley		
Pendleton	549	
Perry		
Pike		
Powell	16	
Pulaski	1,035	
Robertson	145	
Rockcastle	88	
Rowan	22	
Russell	337	
Scott	1,890	
Shelby	2,697	
Simpson	11,297	

KENTUCKY—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Spencer	649	
Taylor	3,355	
Todd	10,032	
Trigg	5,165	
Trimble	1,152	
Union	7,530	
Warren	4,492	
Washington	1,571	
Wayne	1,532	
Webster	5,170	
Whitley		
Wolfe		
Woodford	1,793	
Total to counties	204,149	
Reserve for new farms	350	
Reserve for appeals, corrections, and missed farms	50	
State total	204,549	

LOUISIANA (PARISHES)

Acadia	254	
Allen	91	
Ascension		
Assumption		
Avozelles	16	
Beauregard		
Bienville		
Bossier	712	
Caddo	319	
Calcasieu		
Caldwell	172	
Cameron		
Catahoula	63	
Clalborne	4	
Concordia	1,073	
De Soto	15	
East Baton Rouge	61	
East Carroll	15,137	
East Feliciana	1	
Evangeline	18	
Franklin	452	
Grant		
Iberia		
Iberville		
Jackson	3	
Jefferson		
Jefferson Davis	106	
Lafayette	23	
Lafourche		
La Salle	16	
Lincoln		
Livingston		
Madison	6,414	
Morehouse	1,364	
Natchitoches	160	
Orleans		
Ouachita	122	
Plaquemines		
Pointe Coupee	97	
Rapides	96	
Red River	517	
Richland	676	
Sabine		
St. Bernard		
St. Charles		
St. Helena		
St. James		
St. John the Baptist		
St. Landry	13	
St. Martin		
St. Mary		
St. Tammany		
Tangipahoa		
Tensas	7,058	
Terrebonne		
Union		
Vermilion	10	
Vernon		
Washington		
Webster	74	
West Baton Rouge		
West Carroll	2,750	
West Feliciana		
Winn		
Total to parishes	38,153	
Reserve for new farms	0	
Reserve for appeals, corrections, and missed farms	0	
State total	38,153	

MAINE

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Androsoggin		
Aroostook		141
Cumberland		
Franklin		
Hancock		
Kennebec	8	
Knox		
Lincoln		
Oxford		
Penobscot	12	
Piscataquis		
Sagadahoc		
Somerset	29	
Waldo	25	
Washington	1	
York	13	
Total to counties	229	
Reserve for new farms	6	
Reserve for appeals, corrections, and missed farms	13	
State total	248	

MARYLAND

Allegany	907	5
Anne Arundel	1,415	10
Baltimore	5,646	10
Calvert	944	5
Caroline	10,242	20
Carroll	16,439	25
Cecil	7,840	25
Charles	4,013	10
Dorchester	9,740	25
Frederick	18,612	25
Garrett	1,381	10
Harford	4,485	20
Howard	4,182	10
Kent	10,462	20
Montgomery	7,610	25
Prince Georges	2,935	2
Queen Annes	15,226	35
St. Marys	5,462	10
Somerset	562	5
Talbot	13,826	25
Washington	13,608	25
Wicomico	303	5
Worcester	1,023	10
Total to counties	156,863	362
Reserve for new farms	100	
Reserve for appeals, corrections, and missed farms	50	
State total	157,013	

MASSACHUSETTS

Barnstable		
Berkshire	59	
Bristol	9	
Dukes		
Essex	11	
Franklin	19	
Hampden	23	
Hampshire	39	
Middlesex		
Nantucket		
Norfolk		
Plymouth		
Suffolk		
Worcester	14	
Total to counties	174	
Reserve for new farms	2	
Reserve for appeals, corrections and missed farms	5	
State total	181	

MICHIGAN

Alcona	2,548	15
Alger	3	
Allegan	23,509	35
Alpena	6,450	5
Antrim	906	5
Arenac	5,768	15
Baraga	4	
Barry	20,546	50
Bay	23,071	25
Benzie	204	1

MICHIGAN—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Berrien	15,884	10
Branch	24,443	25
Calhoun	30,160	50
Cass	16,456	40
Charlevoix	1,008	5
Cheboygan	966	5
Chippewa	578	12
Clare	3,329	10
Clinton	33,696	100
Crawford	11	
Delta	180	2
Dickinson	7	
Eaton	33,113	30
Emmet	782	5
Genesee	27,681	
Gladwin	5,223	5
Gogebic		
Grand Traverse	2,147	5
Gratiot	34,893	10
Hillsdale	26,542	200
Houghton	31	
Huron	52,261	25
Ingham	25,540	100
Ionia	30,579	100
Iosco	1,809	10
Iron		
Isabella	20,630	10
Jackson	22,303	50
Kalamazoo	22,724	30
Kalkaska	358	2
Kent	21,961	60
Keweenaw		
Lake	764	3
Lapeer	27,695	50
Leelanau	971	5
Lenawee	44,329	
Livingston	20,612	25
Luce	29	1
Mackinac	105	4
Macomb	14,986	25
Manistee	1,066	5
Marquette		
Mason	5,326	5
Mecosta	8,016	20
Memominee	194	5
Midland	11,199	10
Missaukee	3,858	10
Monroe	33,222	30
Montcalm	25,239	30
Montmorency	1,430	10
Muskegon	4,969	50
Newaygo	7,069	50
Oakland	12,621	20
Oceana	4,139	10
Ogemaw	2,894	10
Ontonagon	37	2
Oscoda	5,447	5
Oscoda	194	
Otsego	303	5
Ottawa	17,189	60
Presque Isle	4,069	15
Roscommon	128	2
Saginaw	46,231	25
St. Clair	30,630	25
St. Joseph	22,720	50
Sanilac	52,465	75
Schoolcraft	17	2
Shiawassee	34,004	
Tuscola	47,959	40
Van Buren	12,177	30
Washtenaw	27,867	50
Wayne	7,680	50
Wexford	1,087	10
Total to counties	1,078,761	1,830
Reserve for new farms	300	
Reserve for appeals corrections, and missed farms	25	
State total	1,079,086	

MINNESOTA

Aitkin	220	1
Anoka	134	1
Becker	16,685	25
Beltrami	1,781	5
Benton	178	2
Big Stone	16,572	25
Blue Earth	15,084	10
Brown	6,279	5
Carlton	19	1
Carver	2,121	2
Cass	82	10
Chippewa	9,914	5
Chisago	251	5
Clay	69,239	25

RULES AND REGULATIONS

MINNESOTA—Continued

MISSISSIPPI—Continued

MISSOURI—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Clearwater	5,777	5
Cook	6,734	20
Cottonwood	71	2
Crow Wing	6,000	20
Dakota	3,201	5
Dodge	10,612	15
Douglas	5,428	10
East Ottertail	19,599	50
East Polk	13,822	10
Faribault	1,366	5
Fillmore	9,916	25
Freeborn	6,783	15
Goodhue	14,412	10
Grant	478	5
Hennepin	299	5
Houston	538	2
Hubbard	784	2
Isanti	145	2
Itasca	3,472	10
Jackson	75	1
Kanabec	6,304	15
Kandiyohi	81,774	25
Kittson	1,158	5
Koochiching	18,663	25
Lac qui Parle		
Lake		
Lake of the Woods	4,714	10
Le Sueur	10,228	25
Lincoln	4,098	10
Lyon	4,179	15
McLeod	4,116	10
Mahnomen	11,700	15
Marshall	94,970	40
Martin	1,636	2
Meeker	4,540	5
Millie Lacs	230	8
Morrison	734	3
Mower	4,301	5
Murray	2,375	5
Nicollet	6,801	15
Nobles	2,354	5
Norman	45,462	10
North St. Louis	301	2
Olmsted	2,447	10
Pennington	11,626	25
Pine	54	1
Pipestone	235	3
Pope	9,353	15
Ramsey		
Red Lake	9,996	15
Redwood	10,626	20
Renville	16,823	25
Rice	6,029	5
Rock	556	5
Roseau	26,380	25
Scott	3,049	5
Sherburne	710	2
Sibley	9,463	20
South St. Louis	45	1
Stearns	2,785	20
Steele	4,966	10
Stevens	13,651	20
Swift	12,177	20
Todd	1,326	15
Traverse	19,853	20
Wabasha	2,308	10
Wadena	294	1
Washington	10,978	15
Watsonwan	717	10
West Ottertail	2,908	5
West Polk	27,261	20
Wilkin	100,656	30
Wilkina	45,407	20
Winona	732	5
Wright	4,084	15
Yellow Medicine	13,178	30
Total to counties	928,472	1,049
Reserve for new farms, appeals, corrections, and missed farms.	306	
State total	928,778	

MISSISSIPPI

Adams	21
Alcorn	31
Amite	
Attala	12
Benton	56
Bolivar	8,518
Calhoun	7
Carroll	146
Chickasaw	84
Choctaw	
Claborne	59
Clarke	
Clay	154
Coahoma	5,863
Copiah	19
Covington	36
De Soto	3,456

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Forrest		
Franklin		
George	7	
Greene		
Grenada		
Hancock		
Harrison		
Hinds	89	
Holmes	159	
Humphreys	2,217	
Issaquena	885	
Iwawamba	56	
Jackson	21	
Jasper		
Jefferson	50	
Jefferson Davis	50	
Jones	16	
Kemper	50	
Lafayette	25	
Lamar		
Landerdale		
Lawrence	5	
Leake		
Lee	96	
Leflore	1,005	
Lincoln		
Lowndes	827	
Madison	154	
Marion		
Marshall	139	
Monroe	38	
Montgomery	18	
Neshoba	3	
Newton		
Noxubee	131	
Oktibbeha	48	
Panola	719	
Pearl River		
Perry	11	
Pike	12	
Pontotoc	396	
Prentiss	5	
Quitman	2,470	
Rankin		
Scott	9	
Sharkey	2,084	
Simpson		
Smith		
Stone		
Sunflower	3,317	
Tallahatchie	3,279	
Tate	285	
Tippah	11	
Tishomingo	15	
Tunica	8,702	
Union	66	
Walthall		
Warren	14	
Washington	3,537	
Wayne		
Webster	69	
Wilkinson	9	
Winston		
Yalobusha	70	
Yazoo	3,676	
Total to counties	53,317	
Reserve for new farms	135	
Reserve for appeals, corrections, and missed farms.	17	
State total	53,469	

MISSOURI

Adair	7,352
Andrew	12,211
Atchison	11,332
Audrain	24,052
Barry	6,784
Barton	38,526
Bates	33,968
Benton	10,170
Bollinger	6,391
Boone	16,442
Buchanan	22,250
Butler	14,116
Caldwell	14,573
Callaway	16,620
Camden	15,919
Cape Girardeau	15,919
Carroll	39,547
Carter	333
Cass	22,125
Cedar	12,967
Chariton	27,072
Christian	4,035
Clark	11,786
Clay	11,967
Clinton	11,238
Cole	10,756
Cooper	20,014

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Crawford	2,402	
Dade	20,881	
Dallas	4,187	
Daviess	21,319	
De Kalb	14,224	
Dent	1,815	
Douglas	1,386	
Dunklin	27,847	
Franklin	19,744	
Gasconade	11,860	
Gentry	12,902	
Greene	12,115	
Grundy	7,402	
Harrison	13,764	
Henry	23,329	
Hickory	4,402	
Holt	16,911	
Howard	14,910	
Howell	1,893	
Iron	278	
Jackson	16,038	
Jasper	39,137	
Jefferson	7,047	
Johnson	22,403	
Knox	11,052	
Laclede	3,787	
Lafayette	27,236	
Lawrence	19,156	
Lewis	17,782	
Lincoln	21,424	
Linn	10,669	
Livingston	15,972	
McDonald	3,303	
Macon	13,458	
Madison	1,191	
Maries	5,718	
Marion	17,809	
Mercer	4,804	
Miller	7,012	
Mississippi	17,869	
Moniteau	12,237	
Monroe	21,106	
Montgomery	18,478	
Morgan	8,258	
New Madrid	29,528	
Newton	18,264	
Nodaway	12,807	
Oregon	1,255	
Osage	10,919	
Ozark	858	
Pemiscot	20,927	
Perry	15,836	
Pettis	23,387	
Phelps	3,243	
Pike	18,265	
Platte	26,712	
Polk	12,101	
Pulaski	1,849	
Putnam	1,849	
Ralls	15,642	
Randolph	12,638	
Ray	28,559	
Reynolds	581	
Ripley	2,325	
St. Charles	32,951	
St. Clair	17,835	
St. Francois	2,271	
St. Louis	16,050	
Ste. Genevieve	6,253	
Saline	30,976	
Schuyler	2,009	
Scotland	6,836	
Scott	21,391	
Shannon	657	
Shelby	17,840	
Stoddard	34,351	
Stone	1,019	
Sullivan	4,176	
Taney	141	
Texas	4,676	
Vernon	34,751	
Warren	14,328	
Washington	1,087	
Wayne	1,569	
Webster	4,256	
Worth	4,534	
Wright	1,865	
Total to counties	1,515,462	
Reserve for new farms, appeals, corrections, and missed farms.	990	
State total	1,516,452	

MONTANA

Beaverhead	8,422
Big Horn	59,755
Blaine	74,142
Broadwater	22,601
Carbon	26,717

RULES AND REGULATIONS

MONTANA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Carter	25,262	
Cascade	113,452	
Chouteau	294,191	
Custer	19,713	
Danfels	173,075	
Dawson	112,596	
Deer Lodge	928	
Fallon	72,741	
Fergus	136,756	
Fishhead	23,474	
Gallatin	57,417	
Garfield	37,333	
Glacier	46,767	
Golden Valley	15,730	
Granite	897	
Hill	269,534	
Jefferson	7,714	
Judith Basin	69,365	
Lake	16,594	
Lewis and Clark	13,437	
Liberty	141,277	
Lincoln	583	
McCone	144,234	
Madison	9,077	
Meagher	3,672	
Mineral	610	
Missoula	7,268	
Musselshell	14,662	
Park	20,015	
Petroleum	5,953	
Phillips	78,045	
Pondera	130,270	
Powder River	25,717	
Powell	4,117	
Prairie	31,826	
Ravalli	6,083	
Richland	122,646	
Roosevelt	221,578	
Rosebud	21,074	
Sanders	5,901	
Sheridan	188,306	
Silver Bow	47	
Stillwater	53,135	
Sweet Grass	9,734	
Teton	142,245	
Toole	133,977	
Treasure	4,898	
Valley	193,366	
Wheatland	9,036	
Wibaux	46,875	
Yellowstone	73,186	
Total to counties	3,554,111	
Reserve for new farms		500
Reserves for appeals, corrections, and missed farms		1,001
State total	3,555,612	

NEBRASKA

Adams	80,852	50
Antelope	6,030	5
Arthur	9	
Banner	46,808	30
Blaine	1	
Boone	10,905	25
Box Butte	83,313	25
Boyd	1,324	5
Brown	1,961	5
Buffalo	40,259	50
Burt	9,447	5
Butler	42,564	30
Cass	28,110	25
Cedar	225	1
Chase	66,109	40
Cherry	1,028	6
Cheyenne	139,188	40
Clay	77,230	50
Colfax	17,541	50
Cuming	1,950	5
Custer	48,720	40
Dakota	185	2
Dawes	39,814	25
Dawson	17,842	30
Deuel	57,978	10
Dixon	100	
Dodge	24,500	30
Douglas	4,092	3
Dundy	27,214	50
Fillmore	75,700	75
Franklin	40,460	50
Frontier	47,860	50
Furnas	55,253	10
Gage	74,410	50
Garden	35,996	25
Garfield	343	1
Gosper	27,805	30
Grant		
Greeley	10,284	25
Hall	28,216	50

NEBRASKA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Hamilton	53,706	50
Harlan	48,537	40
Hayes	36,791	20
Hitchcock	61,526	40
Holt	5,723	6
Hooker	1	
Howard	24,612	30
Jefferson	53,138	50
Johnson	21,694	25
Kearney	62,734	25
Keith	61,031	50
Keya Paha	907	3
Kimball	112,891	30
Knox	3,031	5
Lancaster	64,456	50
Lincoln	50,369	50
Logan	6,714	5
Loup	197	1
McPherson	148	
Madison	5,471	15
Merrick	21,923	25
Morrill	31,317	50
Nance	20,225	25
Nemaha	22,753	25
Nuckolls	46,139	50
Otoe	37,173	30
Pawnee	15,139	20
Perkins	116,348	50
Phelps	59,611	25
Pierce	1,372	2
Platte	21,924	30
Polk	32,385	50
Redwillow	57,192	30
Richardson	26,358	25
Rook	52	1
Saline	68,190	50
Sarpy	5,649	4
Saunders	35,897	50
Scotts Bluff	15,121	15
Seward	51,700	50
Sheridan	50,722	15
Sherman	14,891	25
Sioux	7,088	5
Stanton	1,549	1
Thayer	68,304	50
Thomas	13	
Thurston	398	1
Valley	15,447	25
Washington	9,958	25
Wayne	218	2
Webster	41,010	40
Wheeler	65	1
York	48,089	50
Total to counties	2,880,533	2,344
Reserve for new farms		250
Reserve for appeals, corrections, and missed farms		253
State total	2,881,036	

NEVADA

Churchill	1,606	
Clark	56	
Douglas	154	
Elko	1,187	
Esmeralda	30	
Eureka	1,632	
Humboldt	4,316	
Lander	443	
Lincoln	45	
Lyon	626	
Mineral	30	
Nye	578	
Ormsby	13	
Pershing	3,735	
Storey	1	
Washoe	821	
White Pine	106	
Total to counties	15,379	
Reserve for new farms, appeals, corrections, and missed farms		0
State total	15,379	

NEW JERSEY

Atlantic	4	
Bergen		
Burlington	3,164	
Camden	250	
Cape May	47	
Cumberland	1,448	
Essex		
Gloucester	858	
Hudson		
Hunterdon	7,794	
Mercer	8,085	

NEW JERSEY—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Middlesex	5,415	
Monmouth	9,139	
Morris	421	
Ocean	228	
Passaic	3,116	
Salem	3,653	
Somerset	136	
Sussex	24	
Union	2,391	
Warren		
Total to counties	46,173	
Reserve for new farms		26
Reserve for appeals, corrections, and missed farms		26
State total	46,225	

NEW MEXICO

Bernalillo	1,215	
Conron	103	
Chaves	230	
Colfax	7,376	
Curry	178,370	75
De Baca	481	
Dona Ana	7	
Eddy	17	
Grant	99	
Guadalupe	89	
Harding	21,539	25
Hidalgo	132	
Lea	819	
Lincoln	91	
Luna		
McKinley	519	
Mora	1,193	
Otero	45	
Quay	116,141	50
Rio Arriba	6,764	
Roosevelt	53,217	15
Sandoval	848	
San Juan	635	
San Miguel	1,117	
Santa Fe	3,355	
Sierra	20	
Socorro	3,403	
Taos	1,353	
Torrance	16,264	10
Union	7,618	
Valencia	3,826	
Total to counties	426,946	175
Reserve for new farms, appeals, corrections, and missed farms		403
State total	427,349	

NEW YORK

Albany	1,605	10
Allegany	3,602	
Broome	219	4
Cattaraugus	1,015	
Cayuga	20,681	25
Chautauqua	2,656	2
Chemung	2,077	6
Chenango	615	
Clinton	11	
Columbia	1,423	
Cortland	559	
Delaware	48	
Dutchess	464	
Erie	11,550	5
Essex	296	5
Franklin	20	
Fulton	139	
Genesee	21,678	10
Greene	1,109	
Hamilton		
Herkimer	708	
Jefferson	2,099	3
Lewis	80	
Livingston	27,365	50
Madison	2,361	
Monroe	26,175	25
Montgomery	1,713	10
Nassau	240	
New York City		
Niagara	21,152	60
Oneida	1,979	
Onondaga	9,462	11
Ontario	27,118	25
Orange	171	
Orleans	16,688	14
Oswego	2,011	
Otsego	412	
Putnam		

RULES AND REGULATIONS

NEW YORK—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Rensselaer	1,365	10
Richmond		
Rockland		
St. Lawrence	84	
Saratoga	753	10
Schenectady	533	
Schoharie	1,532	10
Schuyler	5,345	5
Seneca	16,433	40
Steuben	13,782	20
Suffolk	1,839	
Sullivan	49	
Tioga	1,431	
Tompkins	6,851	30
Ulster	1,202	
Warren		
Washington	430	
Wayne	16,167	50
Westchester	43	
Wyoming	10,878	15
Yates	12,888	30
Total to counties	300,886	500
Reserve for new farms, appeals, corrections, and missed farms	52	
State total	300,938	

NORTH CAROLINA

Alamance	8,021	
Alexander	3,192	
Alleghany	137	
Anson	6,204	
Ashe	19	
Avery	5	
Beaufort	2,066	
Bertie	218	
Bladen	1,538	
Brunswick	377	
Buncombe	310	
Burke	2,002	
Cabarrus	7,760	
Caldwell	1,350	
Camden	2,525	
Carters	465	
Caswell	6,973	
Catawba	13,033	
Chatham	5,204	
Cherokee	23	
Chowan	250	
Clay	14	
Cleveland	13,351	
Columbus	1,454	
Craven	2,066	
Cumberland	6,783	
Currituck	2,628	
Dare		
Davidson	10,172	
Davie	4,187	
Duplin	3,473	
Durham	1,602	
Edgecombe	2,927	
Forsyth	5,288	
Franklin	6,484	
Gaston	6,328	
Gates	924	
Graham		
Granville	4,397	
Greene	2,951	
Guilford	10,743	
Halifax	2,861	
Harnett	9,686	
Haywood	16	
Henderson	140	
Hertford	601	
Hoke	3,315	
Hyde	1,544	
Irredell	15,541	
Jackson	7	
Johnston	9,878	
Jones	777	
Lee	3,299	
Lenoir	3,452	
Lincoln	10,044	
McDowell	559	
Macon	25	
Madison	120	
Martin	258	
Mecklenburg	5,275	
Mitchell		
Montgomery	2,753	
Moore	5,152	
Nash	7,721	
New Hanover	169	
Northampton	1,836	
Onslow	654	
Orange	3,991	
Pamlico	996	
Pasquotank	2,654	

NORTH CAROLINA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Person	6,778	
Pitt	3,378	
Polk	1,100	
Randolph	10,761	
Richmond	3,569	
Robeson	8,045	
Rockingham	9,665	
Rowan	15,351	
Rutherford	5,171	
Sampson	6,570	
Scotland	1,595	
Stanly	14,400	
Stokes	3,602	
Surry	3,607	
Swain		
Transylvania	10	
Tyrell	511	
Union	14,872	
Vance	3,877	
Wake	8,867	
Wendover	930	
Perquimans	1,587	
Warren	4,442	
Washington	736	
Watauga	35	
Wayne	5,160	
Wilkes	2,778	
Wilson	6,549	
Yadkin	7,628	
Yancey	4	
Total to counties	392,416	
Reserve for new farms, appeals, corrections, and missed farms	375	
State total	392,791	

NORTH DAKOTA

Adams	129,320	150
Barnes	161,135	250
Benson	170,866	400
Billings	33,166	
Bottineau	226,533	200
Bowman	108,700	50
Burke	123,911	150
Burleigh	88,575	254
Cass	171,314	425
Cavalier	188,868	500
Dickey	63,233	100
Divide	159,780	200
Dunn	115,801	50
Eddy	61,722	100
Emmons	118,982	150
Foster	60,983	200
Golden Valley	67,548	
Grand Forks	154,910	300
Grant	121,855	90
Griggs	61,148	200
Hettinger	121,143	150
Kidder	70,788	250
La Moure	119,935	200
Logan	89,323	260
McHenry	170,906	200
McIntosh	104,459	200
McKenzie	138,233	200
McLean	241,451	400
Mercer	88,227	75
Morton	134,961	100
Mountrail	190,983	610
Nelson	104,043	250
Oliver	51,149	65
Pembina	151,871	325
Pierce	132,788	300
Ramsey	174,266	150
Ransom	58,872	75
Renville	112,492	150
Richland	80,724	125
Rolette	92,500	150
Sargent	63,942	40
Sheridan	97,989	100
Sioux	38,759	50
Slope	88,697	50
Stark	142,457	
Steele	71,371	175
Stutsman	221,621	400
Towner	159,726	200
Trall	89,053	120
Walsh	167,882	350
Ward	232,121	400
Wells	152,509	350
Williams	233,903	300
Total to counties	6,627,474	10,539
Reserve for new farms	400	
Reserve for appeals, corrections, and missed farms	598	
State total	6,628,472	

OHIO

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Adams	10,538	25
Allen	23,720	300
Ashland	19,136	30
Ashtabula	9,703	25
Athens	1,146	15
Auglaize	22,112	250
Belmont	3,106	30
Brown	14,038	25
Butler	15,973	25
Carroll	6,546	40
Champaign	21,341	100
Clark	20,123	50
Clermont	7,579	50
Clinton	27,515	25
Columbiana	12,885	50
Coshocton	10,311	25
Crawford	23,691	60
Cuyahoga	691	10
Darke	35,547	200
Defiance	26,294	300
Delaware	17,665	50
Erie	14,217	50
Fairfield	28,180	75
Fayette	30,986	25
Franklin	20,062	100
Fulton	25,988	100
Gallia	1,508	40
Geauga	3,691	25
Greene	24,018	70
Guernsey	3,366	35
Hamilton	2,527	15
Hancock	37,168	150
Hardin	24,386	100
Harrison	2,513	30
Henry	33,349	200
Highland	27,550	50
Hocking	3,188	20
Holmes	16,603	25
Huron	27,408	75
Jackson	1,998	20
Jefferson	3,220	25
Knox	20,907	75
Lake	1,423	25
Lawrence	495	5
Licking	22,999	150
Logan	18,120	90
Lorain	14,720	50
Lucas	13,792	50
Madison	28,514	50
Mahoning	8,998	50
Marion	20,465	150
Medina	13,749	55
Meigs	1,708	20
Mercer	26,359	175
Miami	26,408	100
Monroe	1,379	15
Montgomery	19,398	100
Morgan	2,283	25
Morrow	16,344	100
Muskingum	8,754	25
Noble	887	20
Ottawa	17,761	100
Paulding	27,404	150
Perry	8,735	50
Pickaway	37,595	75
Pike	3,702	25
Portage	10,275	50
Preble	22,715	100
Putnam	37,245	200
Richland	20,349	90
Ross	27,568	100
Sandusky	27,950	50
Scioto	3,278	10
Seneca	37,871	50
Shelby	22,250	100
Stark	18,922	75
Summit	3,884	20
Trumbull	7,868	15
Tuscarawas	11,145	25
Union	19,311	65
Van Wert	28,552	300
Vinton	1,016	10
Warren	15,781	50
Washington	3,294	50
Wayne	30,116	100
Williams	25,234	100
Wood	50,737	250
Wyandot	26,362	50
Total to counties	1,476,308	6,800
Reserve for new farms	250	
Reserve for appeals, corrections, and missed farms	250	
State total	1,476,808	

OKLAHOMA

Adair	687	
Alfalfa	194,933	
Atoka	126	

RULES AND REGULATIONS

OKLAHOMA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Beaver	234,353	
Beckham	42,294	
Blaine	141,803	
Bryan	4,501	
Caddo	89,332	
Canadian	124,280	
Carter	837	
Cherokee	719	
Choctaw	144	
Cimarron	169,235	
Cleveland	9,232	
Coal	401	
Comanche	51,030	
Cotton	91,305	
Craig	18,785	
Creek	1,831	
Custer	145,166	
Delaware	7,332	
Dewey	100,605	
Ellis	105,087	
Garfield	243,621	
Garvin	9,390	
Grady	48,902	
Grant	245,381	
Greer	59,778	
Harmon	55,702	
Harper	118,118	
Haskell	1,844	
Hughes	542	
Jackson	121,000	
Jefferson	7,818	
Johnston	714	
Key	168,314	
Kingfisher	188,237	
Kiowa	167,970	
Latimer	10	
LeFlore	3,765	
Lincoln	10,942	
Logan	65,916	
Love	1,379	
McClain	12,230	
McCurtain	68	
McIntosh	1,371	
Major	122,731	
Marshall	1,150	
Mayes	9,661	
Murray	2,142	
Muskogee	10,286	
Noble	99,086	
Nowata	11,223	
Okfuskee	1,612	
Oklahoma	22,078	
Okmulgee	1,257	
Osage	23,059	
Ottawa	23,218	
Pawnee	17,257	
Payne	20,229	
Pittsburg	993	
Pontotoc	907	
Pottawatomie	10,858	
Pushmataha	9	
Roger Mills	46,653	
Rogers	10,548	
Seminole	1,277	
Sequoyah	5,319	
Stephens	16,514	
Texas	354,446	
Tillman	149,818	
Tulsa	7,642	
Wagoner	12,936	
Washington	6,200	
Washita	146,021	
Woods	157,078	
Woodward	92,792	
Total to counties	4,453,409	
Reserve for new farms, appeals, corrections, and missed farms	1,000	
State total	4,454,409	

OREGON

Baker	14,363	25
Benton	4,985	30
Clackamas	8,266	60
Clatsop		
Columbia	162	
Coos		
Crook	3,143	
Curry		
Deschutes	1,126	
Douglas	676	
Gilliam	81,458	150
Grant	1,561	
Harney	2,168	
Hood River	7	
Jackson	966	
Jefferson	24,867	100

OREGON—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Josephine	27	
Klamath	9,890	50
Lake	14,559	25
Lane	4,874	10
Lincoln		
Linn	7,730	25
Malheur	14,723	25
Marion	19,258	150
Morrow	108,554	100
Multnomah	465	
Polk	13,228	20
Sherman	88,901	100
Tillamook		
Umatilla	184,053	500
Union	40,066	125
Wallowa	21,859	115
Wasco	59,576	100
Washington	16,064	50
Wheeler	5,558	50
Yamhill	17,297	150
Total to counties	770,370	1,960
Reserve for new farms	500	
Reserve for appeals, corrections, and missed farms	700	
State total	771,570	

PENNSYLVANIA

Adams	16,875	15
Allegheny	2,130	10
Armstrong	7,755	10
Beaver	3,616	5
Bedford	9,517	25
Berks	25,941	50
Blair	5,302	20
Bradford	2,407	5
Bucks	16,454	15
Butler	10,173	5
Cambria	4,543	20
Cameron	24	2
Carbon	2,554	15
Centre	13,320	50
Chester	13,717	40
Clarion	6,596	10
Clearfield	2,443	15
Clinton	4,256	15
Columbia	14,150	35
Crawford	7,267	41
Cumberland	19,376	25
Dauphin	10,979	20
Delaware	407	10
Elk	256	4
Erie	6,847	20
Fayette	3,710	10
Forest	179	2
Franklin	26,378	50
Fulton	6,424	15
Greene	923	10
Huntingdon	7,551	20
Indiana	8,210	10
Jefferson	4,389	5
Juniata	7,704	20
Lackawanna	111	5
Lancaster	49,493	40
Lawrence	7,993	30
Lebanon	12,225	25
Lehigh	13,361	40
Luzerne	3,987	5
Lycoming	11,321	20
McKean	97	5
Mercer	10,481	20
Mifflin	6,500	12
Monroe	2,223	5
Montgomery	9,917	30
Montour	6,142	10
Northampton	9,580	20
Northumberland	13,644	25
Perry	11,087	35
Philadelphia		
Pike	41	2
Potter	754	10
Schuykill	8,896	20
Snyder	9,651	50
Somerset	5,907	20
Sullivan	192	8
Susquehanna	150	5
Tioga	1,548	5
Union	7,813	20
Venango	2,877	5
Warren	754	10
Washington	5,141	5
Wayne	42	3
Westmoreland	9,050	25
Wyoming	584	10
York	40,308	50
Total to counties	533,943	1,194

PENNSYLVANIA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Reserve for new farms, appeals, corrections, and missed farms	201	
State total	534,144	

RHODE ISLAND

Bristol		
Kent		
Newport	73	
Providence		
Washington	84	
Total to counties	157	
Reserve for new farms, appeals, corrections, and missed farms	3	
State total	160	

SOUTH CAROLINA

Abbeville	5,385	
Aiken	6,453	
Allendale	3,676	
Anderson	21,610	
Bamberg	2,459	
Barnwell	2,833	
Beaufort	4	
Berkeley	333	
Calhoun	7,542	
Charleston	181	
Cherokee	5,503	
Chester	1,681	
Chesterfield	3,069	
Clarendon	2,738	
Colleton	428	
Darlington	6,430	
Dillon	2,163	
Dorchester	204	
Edgefield	2,802	
Fairfield	709	
Florence	3,541	
Georgetown	250	
Greenville	7,513	
Greenwood	2,411	
Hampton	2,120	
Horry	1,339	
Jasper	49	
Kershaw	2,501	
Lancaster	1,459	
Laurens	7,858	
Lee	5,706	
Lexington	4,609	
McCormick	647	
Marion	809	
Marlboro	2,535	
Newberry	4,365	
Oconee	4,999	
Orangeburg	10,757	
Pickens	3,768	
Richland	3,897	
Saluda	3,697	
Spartanburg	13,797	
Sumter	5,887	
Union	1,443	
Williamsburg	1,195	
York	3,543	
Total to counties	176,898	
Reserve for new farms	25	
Reserve for appeals, corrections, and missed farms	99	
State total	177,022	

SOUTH DAKOTA

Aurora	10,701	15
Beadle	73,134	50
Bennett	42,368	20
Bon Homme	4,651	10
Brookings	7,140	15
Brown	168,741	100
Brule	11,991	30
Buffalo	4,682	15
Butte	14,241	10
Campbell	76,664	30
Charles Mix	81,060	50
Clark	58,781	25
Clay	4,874	15
Codington	27,972	30
Corson	102,549	25
Custer	3,385	10
Davison	2,120	10
Day	68,515	25
Deuel	5,415	25
Dewey	53,799	30

RULES AND REGULATIONS

10637

SOUTH DAKOTA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Douglas	7,118	10
Edmunds	113,698	50
Fall River	14,299	15
Faulk	75,428	30
Grant	16,450	50
Gregory	14,829	30
Haakon	32,924	10
Hamlin	11,791	25
Hand	63,208	50
Hanson	1,906	10
Harding	37,241	25
Hughes	42,393	30
Hutchinson	7,679	25
Hyde	18,455	25
Jackson	12,373	20
Jerauld	19,021	25
Jones	42,002	20
Kingsbury	29,137	50
Lake	3,175	5
Lawrence	4,377	10
Lincoln	3,105	50
Lyman	80,332	50
McCook	1,550	10
McPherson	83,244	10
Marshall	49,250	25
Meade	50,199	30
Mellette	24,246	25
Miner	5,199	15
Minnehaha	530	
Moody	584	
Pennington	40,628	30
Perkins	125,685	75
Potter	86,911	75
Roberts	45,504	50
Sauborn	3,659	10
Shannon	17,505	10
Spink	210,365	100
Stanley	24,471	30
Sully	97,015	100
Todd	9,362	10
Tripp	68,609	50
Turner	3,316	15
Union	8,274	15
Walworth	76,161	25
Washabaugh	13,306	20
Yankton	2,229	20
Ziebach	32,302	20
Total to counties	2,503,828	1,875
Reserve for new farms	1,001	
Reserve for appeals, corrections, and missed farms	1,000	
State total	2,505,829	

TENNESSEE

Anderson	61	
Bedford	5,592	
Benton	835	
Bledsoe	772	
Bradley	2,867	
Campbell	955	
Cannon	152	
Carroll	496	
Carter	900	
Cheatam	245	
Chester	1,778	
Claborn	152	
Clay	2,299	
Cocke	569	
Coffee	1,395	
Crockett	3,419	
Cumberland	638	
Davidson	196	
Decatur	853	
De Kalb	68	
Dickson	877	
Dyer	1,200	
Fayette	5,839	
Fentress	9	
Franklin	373	
Gibson	6,552	
Giles	2,346	
Granger	3,741	
Greene	1,579	
Grundy	6,937	
Hamblen	584	
Hamilton	3,666	
Hancock	405	
Hardeman	709	
Hardin	153	
Hawkins	808	
Haywood	4,281	
Henderson	628	
Henry	98	
Hickman	3,066	
Houston	638	
Humphreys	502	
Jackson	975	
Jackson	172	

TENNESSEE—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Jefferson	4,878	
Johnson	384	
Knox	1,005	
Lake	2,706	
Lauderdale	2,085	
Lawrence	5,631	
Lewis	109	
Lincoln	4,039	
Loudon	2,363	
McMinn	1,163	
McNairy	38	
Macon	1,167	
Madison	287	
Marion	357	
Marshall	3,387	
Mauzy	9,207	
Meigs	871	
Monroe	3,031	
Montgomery	6,202	
Moore	320	
Morgan	139	
Obion	8,024	
Overton	1,002	
Perry	202	
Pickett	459	
Polk	524	
Putnam	1,145	
Rhea	591	
Roane	591	
Robertson	19,562	
Rutherford	3,590	
Scott	216	
Sequatchie	2,776	
Sevier	815	
Shelby	549	
Smith	449	
Stewart	1,743	
Sullivan	4,730	
Sumner	1,887	
Tipton	409	
Trousdale	85	
Unicoi	203	
Union	176	
Van Buren	2,741	
Warren	3,497	
Washington	725	
Wayne	3,876	
Weakley	1,451	
White	5,104	
Williamson	1,320	
Wilson		
Total to counties	188,178	
Reserve for new farms	75	
Reserve for appeals corrections, and missed farms	177	
State total	188,430	

TEXAS

Anderson		
Andrews		
Angelina		
Aransas		
Archer	26,534	
Armstrong	76,003	
Atascosa	198	
Austin		
Bailey	16,268	
Bandera	31	
Bastrop	18	
Baylor	59,264	
Bee	31	
Bell	7,861	
Bexar	1,468	
Blanco	656	
Borden	1,229	
Bosque	4,627	
Bowie	197	
Brazoria		
Brazos	8	
Brewster		
Briscoe	45,924	
Brooks		
Brown	15,185	
Burleson		
Burnet	1,152	
Caldwell	6	
Calhoun		
Callahan	17,464	
Cameron		
Camp		
Carson	136,336	
Cass		
Castro	89,413	
Chambers		
Cherokee	4	
Childress	39,842	
Clay	26,385	
Cochran	2,958	

TEXAS—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Coke		1,808
Coleman		24,117
Collin		47,880
Collingsworth		23,165
Colorado		4
Comal		385
Comanche		1,765
Concho		21,236
Cooke		21,238
Coryell		11,799
Cottle		23,238
Crane		
Crockett		
Crosby		31,682
Culberson		11
Dallam		63,187
Dallas		22,733
Dawson		980
Deaf Smith		167,941
Delta		1,843
Denton		31,302
De Witt		5
Dickens		20,449
Dimmit		4
Donley		14,548
Duval		
Eastland		4,097
Ector		
Edwards		4
Ellis		16,442
El Paso		
Erath		949
Falls		1,709
Fannin		18,254
Fayette		
Fisher		26,312
Floyd		114,440
Foard		61,397
Fort Bend		
Franklin		
Freestone		
Frio		48
Galveston		2,048
Galveston		
Garza		1,181
Gillespie		6,925
Glasscock		234
Goliad		
Gonzales		10
Gray		75,108
Grayson		45,619
Gregg		
Grimes		
Guadalupe		973
Hale		54,705
Hall		11,313
Hamilton		6,232
Hansford		201,223
Hardeman		77,755
Hardin		
Harris		
Harrison		
Hartley		79,068
Haskell		45,747
Hays		44
Hemphill		30,859
Henderson		69
Hidalgo		
Hill		8,691
Hockley		874
Hood		194
Hopkins		69
Houston		8
Howard		1,719
Hudspeth		
Hunt		10,819
Hutchinson		58,135
Irion		45
Jack		3,608
Jackson		64
Jasper		
Jeff Davis		
Jefferson		
Jim Hogg		
Jim Wells		
Johnson		4,230
Jones		54,743
Karnes		1,281
Kaufman		4,744
Kendall		2,086
Kenedy		
Kent		4,762
Kerr		1,472
Kimble		225
King		5,048
Kinney		
Kleberg		
Knox		46,461
Lamar		4,034
Lamb		6,265
Lampasas		2,605

TEXAS—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
La Salle		
Lavaca	2	
Lee		
Leon	8	
Liberty		
Limestone	115	
Lipscomb	97,959	
Live Oak	78	
Llano	69	
Loving		
Lubbock	4,337	
Lynn	818	
McCulloch	12,478	
McLennan	12,046	
McMullen		
Madison		
Marion		
Martin	367	
Mason	72	
Matagorda		
Maverick	36	
Medina	639	
Menard	994	
Midland	21	
Milam	1,107	
Mills	2,862	
Mitchell	6,505	
Montague	2,653	
Montgomery		
Moore	127,739	
Morris		
Motley	9,368	
Nacogdoches		
Navarro	3,082	
Newton		
Nolan	13,084	
Nueces		
Ochiltree	218,595	
Oldham	54,605	
Orange		
Palo Pinto	2,868	
Panola		
Parker	503	
Parmer	94,189	
Pecos	88	
Polk		
Potter	28,344	
Presidio	8	
Rains	32	
Randall	117,418	
Reagan	9	
Real		
Red River	324	
Reeves	110	
Refugio		
Roberts	26,591	
Robertson		
Rockwall	5,414	
Runnels	32,941	
Rusk		
Sabine		
San Augustine		
San Jacinto		
San Patricio		
San Saba	1,842	
Schleicher	559	
Scurry	9,801	
Shackelford	15,310	
Shelby		
Sherman	152,383	
Smith		
Somervell	48	
Starr		
Stephens	11,387	
Sterling	273	
Stonewall	19,020	
Sutton		
Swisher	107,068	
Tarrant	3,153	
Taylor	56,776	
Terrell		
Terry	8,342	
Throckmorton	28,991	
Titus		
Tom Green	2,392	
Travis	74	
Trinity		
Tyler		
Upshur		
Upton		
Uvalde	110	
Val Verde		
Van Zandt	368	
Victoria	1	
Walker	7	
Waller	47	
Ward		
Washington	13	
Webb		
Wharton	105	
Wheeler	19,794	
Wichita	50,058	

TEXAS—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Wilbarger	79,752	
Willacy		
Williamson	1,133	
Wilson	690	
Winkler		
Wise	4,100	
Wood		
Yoakum	1,979	
Young	43,757	
Zapata		
Zavala	78	
Total to counties	3,703,018	
Reserve for new farms	500	
Reserve for appeals, corrections, and missed farms	503	
State total	3,704,021	
UTAH		
Beaver	1,283	
Box Elder	84,948	
Cache	30,178	
Carbon	1,026	
Daggett	21	
Davis	3,352	
Duchesne	1,768	
Emery	2,181	
Garfield	1,000	
Grand	316	
Iron	5,156	
Juab	17,947	
Kane	632	
Millard	24,397	
Morgan	1,839	
Piute	135	
Rich	3,134	
Salt Lake	16,479	
San Juan	28,523	
Sanpete	9,762	
Sevier	2,292	
Summit	866	
Tooele	5,728	
Uintah	2,583	
Utah	14,936	
Wasatch	154	
Washington	5,746	
Wayne	155	
Weber	2,802	
Total to counties	269,339	
Reserve for new farms, appeals, corrections and missed farms	248	
State total	269,587	
VERMONT		
Addison	294	
Bennington		
Caledonia		
Chittenden	90	
Essex		
Franklin		
Grand Isle	38	
Lamoille		
Orange		
Orleans	12	
Rutland		
Washington		
Windham	9	
Windsor		
Total to counties	443	
Reserve for new farms, appeals, corrections, and missed farms	5	
State total	448	
VIRGINIA		
Acomack	963	
Albemarle	1,385	
Alleghany	81	
Amelia	5,981	
Amherst	1,401	
Appomattox	5,453	
Augusta	8,487	
Bath	168	
Bedford	5,852	
Bland	834	
Botetourt	1,340	
Brunswick	4,648	
Buchanan	3	
Buckingham	4,583	
Campbell	7,747	
Caroline	5,567	
Carroll	521	

VIRGINIA—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Charles City	2,660	
Charlotte	6,103	
Chesapeake	2,398	
Chesterfield	1,515	
Clarke	2,645	
Craig	446	
Culpeper	1,862	
Cumberland	3,596	
Dickenson	1	
Dinwiddie	3,028	
Essex	5,993	
Fairfax	1,011	
Fauquier	4,736	
Floyd	1,112	
Fluvanna	1,528	
Franklin	5,014	
Frederick	3,327	
Giles	409	
Gloucester	658	
Goochland	1,906	
Grayson	290	
Greene	1,053	
Greensville	477	
Halifax	13,564	
Hampton	37	
Hanover	6,803	
Henrico	1,839	
Henry	1,063	
Highland	173	
Isle of Wight	636	
James City	719	
King & Queen	2,633	
King George	2,443	
King William	2,885	
Lancaster	1,295	
Lee	1,368	
Loudoun	7,443	
Louisa	3,667	
Lunenburg	3,467	
Madison	1,870	
Mathews	330	
Mecklenburg	9,504	
Middlesex	1,701	
Montgomery	960	
Nansemond	1,396	
Nelson	1,169	
New Kent	1,294	
Newport News		
Northampton	187	
Northumberland	4,155	
Nottoway	2,754	
Orange	2,146	
Page	3,129	
Patrick	683	
Pittsylvania	19,956	
Powhatan	1,287	
Prince Edward	5,840	
Prince George	1,531	
Prince William	1,762	
Pulaski	759	
Rappahannock	703	
Richmond	4,068	
Roanoke	734	
Rockbridge	2,379	
Rockingham	8,372	
Russell	1,376	
Scott	1,321	
Shenandoah	4,153	
Smyth	1,278	
Southampton	1,541	
Spotsylvania	2,021	
Stafford	1,398	
Surry	698	
Sussex	1,213	
Tazewell	1,281	
Virginia Beach	3,649	
Warren	1,401	
Washington	3,141	
Westmoreland	6,220	
Wise	5	
Wythe	2,604	
York	170	
Total to counties	268,356	
Reserve for new farm	200	
Reserve for appeals, corrections, and missed farms	100	
State total	268,656	
WASHINGTON		
Adams	240,785	100
Asotin	24,800	50
Benton	93,358	50
Chelan	3,027	
Clallam	66	
Clark	396	
Columbia	61,278	50
Cowlitz	13	
Douglas	152,539	100

WASHINGTON—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Ferry	3,465	
Franklin	89,932	35
Garfield	58,775	50
Grant	124,161	100
Grays Harbor	40	
Island	851	
Jefferson	11	
King		
Kitsap		
Kittitas	8,198	5
Klickitat	52,918	50
Lewis	2,520	
Lincoln	245,076	100
Mason		
Okanogan	23,845	50
Pacific		
Pend Oreille	862	
Pierce	13	
San Juan	140	
Skagit	1,376	
Skamania		
Snohomish	99	
Spokane	103,502	100
Stevens	18,081	50
Thurston	363	
Wahkiakum		
Walla Walla	157,102	25
Whatcom	248	
Whitman	304,199	100
Yakima	25,692	50
Total to counties	1,798,601	1,065
Reserve for new farms, appeals, corrections, and missed farms	1,000	
State total	1,799,601	

WEST VIRGINIA

Barbour	156	
Berkeley	2,950	
Boone		
Braxton	3	
Brooke	303	
Cabell	59	
Calhoun		
Clay		
Doddridge		
Fayette	78	
Gilmer		
Grant	1,126	
Greenbrier	1,253	
Hampshire	1,584	
Hancock	344	
Hardy	1,391	
Harrison	10	
Jackson	152	
Jefferson	6,659	
Kanawha	1	
Lewis	10	
Lincoln		
Logan		
McDowell		
Marion	8	
Marshall	380	
Mason	1,350	
Mercer	238	
Mineral	622	
Mingo		
Monongalia	65	
Monroe	2,451	
Morgan	1,503	
Nicholas	274	
Ohio	200	
Pendleton	1,623	
Pleasants	16	
Pocahontas	379	
Preston	872	
Putnam	210	
Raleigh	52	
Randolph	158	
Ritchie	3	
Roane	12	
Summers	365	
Taylor	48	
Tucker	18	
Tyler	16	
Upshur	73	
Wayne	13	
Webster	1	
Wetzel	16	
Wirt	22	
Wood	335	
Wyoming		
Total to counties	27,392	
Reserve for new farms, appeals, corrections, and missed farms	99	
State total	27,491	

WISCONSIN

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Adams		183
Ashland		15
Barron		50
Bayfield		178
Brown		354
Buffalo		553
Burnett		46
Calumet	1,396	
Chippewa		81
Clark		164
Columbia	1,835	
Crawford		67
Dane	1,622	
Dodge	2,026	
Door	1,096	
Douglas		106
Dunn		144
Eau Claire		159
Florence		2
Fond du Lac	1,198	
Forest		30
Grant		227
Green		78
Green Lake		578
Iowa		229
Iron		2
Jackson		154
Jefferson	1,028	
Juneau		93
Kenosha	3,220	
Kewaunee		980
La Crosse		137
Lafayette		64
Langlade		137
Lincoln		71
Manitowoc		924
Marathon		422
Marquette		182
Menominee		540
Milwaukee	1,454	
Monroe		113
Oconto		249
Oneida		69
Outagamie		286
Ozaukee		2,322
Pepin		542
Pierce		1,745
Polk		174
Portage		269
Price		14
Racine		7,461
Richland		89
Rock		2,733
Rusk		15
St. Croix		785
Sauk		876
Sawyer		8
Shawano		228
Sheboygan		1,978
Taylor		30
Traverse		640
Vernon		27
Vilas		3
Walworth		2,752
Washburn		24
Washington		3,732
Waukesha		1,941
Waupaca		145
Wausara		359
Winnebago		1,330
Wood		39
Total to counties	52,802	
Reserve for new farms, appeals, corrections, and missed farms	100	
State total	53,002	

WYOMING

Albany		
Big Horn		806
Campbell		26,357
Carbon		9,150
Converse		5,087
Crook		24,035
Fremont		2,092
Goshen		62,055
Hot Springs		64
Johnson		4,605
Laramie		58,700
Lincoln		3,088
Natrona		78
Niobrara		7,984
Park		2,125
Platte		33,957
Sheridan		9,889
Sublette		

WYOMING—Continued

County	Acreage apportioned to counties from State allotments	County reserve for appeals and corrections
Sweetwater		
Teton	820	
Uinta	58	
Washakie	113	
Weston	7,631	
Total to counties	248,674	
Reserve for new farms, appeals, corrections and missed farms	75	
State total	248,749	

(Secs. 334, 375, 52 Stat. 53, as amended by 79 Stat. 1199, 66, as amended; 7 U.S.C. 1334, 1375)

Effective date. These regulations shall be effective upon filing with the Director, Office of the Federal Register.

Signed at Washington, D.C., on July 16, 1968.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 68-8699; Filed, July 25, 1968; 8:45 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[Amdt. 3]

PART 1425—COOPERATIVE MARKET-ING ASSOCIATIONS

Subpart—Eligibility Requirements for Price Support

MISCELLANEOUS AMENDMENTS

The regulations issued by the Commodity Credit Corporation, published in 33 F.R. 4914, 5865, and 7071 and containing eligibility requirements for cooperative marketing associations to obtain price support are hereby amended as follows:

1. Section 1425.8(c) is amended to correct a section reference and reads as follows:

§ 1425.8 Conflict of interest.

(c) Contemplated transactions. The association shall also submit a statement as to whether any transactions of the kind described in paragraph (b) of this section are contemplated in the period between the date of the application, or the date such information is required to be submitted under § 1425.3(b), as applicable, and the end of the next marketing year for the commodity. If any such transaction is contemplated, the association shall submit a detailed explanation of such contemplated transactions(s) and a statement of the reasons therefor.

2. Section 1425.9 is amended to allow changes in cooperative marketing agreements desired to meet changing marketing conditions and reads as follows:

§ 1425.9 Uniform marketing agreement.

Any quantity of a commodity on which price support is obtained and any other quantity of such commodity which is included in the same pool with a quantity of the commodity on which price support is obtained, must be delivered to the association by its members pursuant to a uniform marketing agreement between the association and each of its members who delivered such commodity to the association. An association may provide alternative methods of marketing during a marketing season in addition to any set forth in its marketing agreement if the terms and conditions thereof are reasonable and information concerning such methods of marketing and how and when to elect each such method of marketing are made available to members who are affected thereby; if a new method of marketing used during a marketing season is adopted for future operations, it shall be included in the marketing agreement as soon as practicable but not later than the third marketing year it is used or beginning with such later marketing year as is authorized by the Executive Vice President, CCC.

3. Section 1425.20 is amended to provide for continued approval of an approved association which does not meet certain requirements but agrees to operate in compliance with such requirements until membership action can be taken to cure such deficiency and reads as follows:

§ 1425.20 Substantial compliance.

Notwithstanding the foregoing provisions of this part, if the Executive Vice President, CCC, determines that an association has not met all of the eligibility requirements of this subpart but has substantially complied with such requirements, or has met substantially all such requirements, he may approve the association for participation in the price support program if the association agrees in writing to meet all of the eligibility requirements of this subpart prior to the beginning of the marketing year for the crop of the commodity next succeeding the crop for which approval is then being sought. Board resolutions agreeing to comply with provisions of this subpart may be accepted by the Executive Vice President, CCC, as substantial compliance with such provisions for purposes of this section. Any approved association which, without fault or negligence, fails to comply with requirements included in this subpart which can be met for the current marketing year only by calling a special membership meeting may continue to be approved for participation in the price support program for the current marketing year if it agrees to operate in accordance with such program requirements and further agrees to undertake to have its members at its next regular membership meeting take the action necessary to comply with such program requirements.

Effective date. Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on July 22, 1968.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 68-8948; Filed, July 25, 1968; 8:47 a.m.]

PART 1464—TOBACCO

Subpart—Puerto Rican Tobacco Purchase Program

Sec.	
1464.1778	General statement.
1464.1779	Administration.
1464.1780	Definitions.
1464.1781	Offer to sell tobacco to Commodity Credit Corporation.
1464.1782	Acceptance of offer—title and risk of loss.
1464.1783	Delivery and temporary storage.
1464.1784	Purchase price for tobacco.
1464.1785	Payment for tobacco.
1464.1786	Dealer settlement with producers.
1464.1787	Records and books.

AUTHORITY: The provisions of this subpart issued under sec. 4, 62 Stat. 1070, as amended, sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054, sec. 125, 70 Stat. 198, 74 Stat. 6; 7 U.S.C. 1441, 1445, 1421, 1423, 7 U.S.C. 1813, 15 U.S.C. 714b, 714c.

§ 1464.1778 General statement.

This subpart sets forth the terms and conditions of a price support program under which Commodity Credit Corporation (referred to in this subpart as CCC) will purchase eligible Puerto Rican tobacco from eligible dealers.

§ 1464.1779 Administration.

This program will be administered by the Producer Associations Division, ASCS, under the general direction and supervision of the Executive Vice President, CCC.

§ 1464.1780 Definitions.

(a) The term "Puerto Rican regulation" refers to the regulation issued by the Commonwealth of Puerto Rico Department of Agriculture entitled "Regulation to Govern Commercial Relations Between Tobacco Growers and Dealers".

(b) The term "loan program regulation" refers to the price support regulation issued by Commodity Credit Corporation, U.S. Department of Agriculture, entitled "Tobacco Loan Program" (7 CFR 1464).

(c) The term "eligible tobacco" means type 46 tobacco, of the crop current at the time of the offer to sell, which is held by an eligible dealer for and on behalf of producers, pursuant to the Puerto Rican regulation, and of which not less than 85 percent is of grades for which price support is available under the loan program regulations.

(d) The term "eligible dealer" means a dealer who is licensed under and in compliance with the Puerto Rican regulation.

§ 1464.1781 Offer to sell tobacco to Commodity Credit Corporation.

Each year, upon being informed by the Commonwealth of Puerto Rico Depart-

ment of Agriculture of an eligible dealer or eligible dealers, who, after July 1, have eligible tobacco which they are unable to sell commercially at acceptable prices, CCC shall mail to each such dealer Form No. PR 1 "Offer and Acceptance for Sale and Purchase of Puerto Rican Tobacco". If the dealer decides to offer tobacco to CCC, he shall arrange to have the tobacco graded and weighed by inspectors of the Tobacco Division, C&MS, U.S. Department of Agriculture. The dealer shall furnish all labor and equipment necessary to facilitate the grading and weighing, and the charges for inspectors will be paid by CCC. The dealer shall then complete the offer portion of the form, including the weight of each grade offered, shall execute that portion of the form in triplicate and shall airmail the executed copies of the form to the Director, Producer Associations Division, U.S. Department of Agriculture, Washington, D.C. 20250. A copy of the grade and weight certificate, Form PR-2, signed by the inspector, shall accompany each offer. The dealer may submit more than one offer to sell, but no offer postmarked later than September 30 of the year in which executed will be accepted unless, for reasons beyond the control of the dealer, the grade and weight certificate could not be obtained by that date. The tobacco covered by each offer shall constitute a "lot".

§ 1464.1782 Acceptance of offer—title and risk of loss.

CCC shall promptly accept each properly executed offer by filling out and executing the acceptance portion of the offer and acceptance form and shall promptly airmail a copy to the dealer. Upon the execution by CCC of the acceptance form, the offer and acceptance shall constitute a valid and binding contract and title and risk of loss or damage to the tobacco shall pass to CCC.

§ 1464.1783 Delivery and temporary storage.

The dealer shall deliver all tobacco sold to CCC f.o.b. trucks at dealer's warehouse when and as directed by CCC. Pending delivery, the dealer shall furnish free storage for a period up to 45 days from the date of acceptance.

§ 1464.1784 Purchase price for tobacco.

The purchase price for each lot of tobacco offered by the dealer shall be the sum of (1) the grade purchase rate designated in the offer and acceptance form for each grade multiplied by the number of pounds in each grade as shown on the acceptance form and on the applicable grade and weight certificate, totaled for all grades (hereinafter called the lot settlement value), and (2) a handling charge at the rate of \$11 per hundredweight of tobacco purchased. The grade purchase rate designated in the offer and acceptance form for each grade shall be the grade loan rate for the then current crop as announced by CCC for Puerto Rican tobacco pursuant to the loan program regulation, less 1 cent per

pound, converted to a sweated-weight basis by multiplying by the factor 1.19. For scrap and No Grade tobacco for which there is no grade loan rate under the loan program regulation, the grade purchase rate will be the grade loan rate for N grade, less 3 cents per pound, converted to a sweated-weight basis by multiplying by the factor 1.19.

§ 1464.1785 Payment for tobacco.

CCC shall pay the dealer for tobacco purchased, promptly following acceptance of an offer.

§ 1464.1786 Dealer settlement with producers.

Within 30 days from the date the dealer receives payment from CCC for any lot of tobacco, he shall pay or credit to the account of all producers from whom he received tobacco an amount which, except for any minor difference resulting from the computation of each producer's share, is equal to the lot settlement value of the tobacco sold to CCC. Each producer's share of such payment shall be determined on the basis of all tobacco delivered to the dealer by all producers, including both any tobacco sold commercially and the tobacco sold to CCC, in accordance with the following computation: The total loan value of all grades of tobacco received from all producers shall be determined on the basis of the announced CCC grade loan rates, or, in the case of Scrap and No Grade tobacco, for which there are no announced grade loan rates, on the basis of the grade loan rate for N grade, less 2 cents per pound. The lot settlement value of the tobacco sold to CCC shall be divided by the total loan value of all tobacco received. Each grade loan rate shall be multiplied by this factor to determine a grade settlement rate for each grade of tobacco received from producers. Each producer from whom the dealer received tobacco during the year shall be paid or credited for each pound of tobacco of each grade he delivered at the grade settlement rate for that grade. Within 35 days from the date of receiving payment from CCC, the dealer shall execute and transmit to CCC, Form PR 3, "Certification of Payments to Producers".

§ 1464.1787 Records and books.

The dealer shall keep complete and accurate records with respect to all his transactions relating to the tobacco of any crop year during which tobacco is sold to CCC. Such records shall, at all times, show the name and address of each producer from whom tobacco was received, the number of pounds of each U.S. Government grade of tobacco received from each producer, the date and place received, the amounts advanced to each producer in money, material, or services, the date of such advances and description of services or materials charged as advances, quantities of tobacco sold, name and address of purchaser, grades and prices of tobacco sold and amount paid to each producer or credited to each producer's account in settlement for the tobacco delivered. The dealer shall keep such records for a period of 3 years after delivery of tobacco

to CCC and shall make them available upon request to representatives of CCC or the General Accounting Office for examination and audit.

Effective date: Date of filing with office of Federal Register.

Signed at Washington, D.C., on July 22, 1968.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 68-8949; Filed, July 25, 1968; 8:47 a.m.]

SUBCHAPTER C—EXPORT PROGRAMS

[Amdt. 5]

PART 1488—FINANCING OF SALES OF AGRICULTURAL COMMODITIES

Subpart A—Financing of Export Sales of Agricultural Commodities From Private Stocks Under CCC Export Credit Sales Program (GSM-4)

DAIRY BREEDING CATTLE

Correction

The correction published on page 10085 in the July 13, 1968 issue is restated as follows:

In F.R. Doc. 68-7805, appearing at page 9594 in the issue of Tuesday, July 2, 1968, the following corrections are made in Supplement II:

1. The third line of A 1 is changed to read: "sales price for dairy breeding cattle to be".
2. The last line of A 1 is changed to read: "included as a part of the port value."
3. The fourth line of E is changed to read: "GSM-4, as amended, the exporter has the".

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 17736, RM 265; FCC 68-725]

PART 97—AMATEUR RADIO SERVICE

Report and Order Regarding Picture Transmission in High Frequency Bands by Amateur Radio Service Stations

In the matter of amendment of Part 97 of the Commission's rules to provide for the transmission of pictures in the high frequency bands by stations in the Amateur Radio Service.

1. On September 25, 1967, the Commission released a notice of proposed rule making to amend its rules to provide for the transmission of pictures, using narrow band modulation techniques, by amateur stations in the telephony segments of the amateur bands. The notice was duly published in the FEDERAL REGISTER on September 30, 1967, 32 F.R. 13728, and all formal comments and reply comments filed in response thereto have been carefully considered by the Commission.

2. The rule changes proposed in this docket would provide for picture transmission with a bandwidth not in excess of that occupied by an amplitude modulation single sideband voice transmission and would permit simultaneous voice transmission, provided the total bandwidth occupied does not exceed the bandwidth of a normal double side band (voice) amplitude modulated transmission. The necessary bandwidths for single and double sideband are considered to be 3 kc/s and 6 kc/s, respectively. A choice of either amplitude modulation, A5, or frequency modulation, F5, for the picture transmission was proposed. A choice of either A3 or F3 for voice transmission is already provided in each band involved. Narrow band TV transmission, also referred to as "Slow-Scan TV," is transmitted by frequency modulating a subcarrier between the limits of 1500 c/s (black) and 2300 c/s (white). Vertical and horizontal synchronization is maintained by transmitting short bursts of 1200 c/s tone. Live scenes are transmitted as a series of "stills." The photo conductive layer at the slow scan vidicon is exposed to the light and dark areas of the scene for a fraction of a second and is then scanned at a rate of 15 c/s. A single scene can be scanned in 8 seconds. The output signal of the scanner is introduced into the audio section of a single sideband suppressed carrier (SSBSC) transmitter and is transmitted without loss of picture detail in the conventional SSBSC transmitter voice bandwidth.

3. One comment was opposed to any provision for narrow band TV; two opposed anything but "cw-type" emission for TV; nineteen individuals and one club supported the proposal without change; two individuals and two organizations proposed either reduction in the number of bands available, reduction in the size of the phone band segments to be available or allocations in the telegraphy segments of the high frequency bands. One proposed that all telephony bands be available for narrow band TV, while another would also make the telegraphy-only portions of the high frequency bands available. Based upon a desire for additional experience to further evaluate the interference potential of slow-scan TV, an additional trial period was requested by an individual and two organizations.

4. Generally, the recommendations for reduced frequency availability or for operation in telegraphy subbands were based upon the fear that disruptive or destructive interference to telephony communications would result from narrow band TV. Since May 1966, a number of amateur stations throughout the United States have been authorized to transmit slow-scan TV signals for test and demonstration purposes. No cases of interference resulting from these authorizations have been reported to the Commission. Slow-scan TV is more susceptible to interference than is radiotelephony, requiring a ratio of desired to undesired signal of 10 db to 20 db for marginal to good picture quality. This

requirement would appear to be such that slow-scan TV would generally not be used in the more heavily populated portions of the available frequency bands. Furthermore, there is some evidence that a single sideband transmitter, operating in the slow-scan TV mode within the same bandwidth as radiotelephony, has less interference potential than the same transmitter using radiotelephony at its rated peak envelope power.

5. The frequency subbands below 28 Mc/s available for slow-scan TV are being limited to those which will ultimately be available only to extra and advanced class licensees. In addition to providing further incentive to upgrade operator licenses, the limitation should also be some assurance that the operators using slow-scan TV have the requisite technical skill to operate in a manner compatible with existing radiotelephone operation. General and conditional class licensees may continue to operate in these subbands, using A5 or F5 emission if desired, until the exclusivity as scheduled in § 97.7 of the rules prevails. Consistent with the intention to limit slow-scan TV to the advanced and extra class licensee subbands and the Commission's statement in Docket 15928 that it will stay in whole or in part, as appropriate, any part of the reserved frequency segments which do not appear to be sufficiently occupied, the availability of these subbands for slow-scan TV will likewise be reviewed and changed if believed appropriate.

6. Suggestions were made that specific standards not be adopted, thus allowing greater flexibility in the choice of operating parameters. Standards for narrow band TV were not specified in the proposal and no such standards are being established. Amateurs will be permitted the freedom of developing various systems within the bandwidth limits specified in the rules.

7. It was also suggested that, before any amateur was authorized to transmit television signals, he be required to demonstrate his knowledge of TV techniques. The Commission now has six classes of amateur operator licenses. With the exception of the conditional class, which in scope is comparable to the general class, each license is evidence of a different level of the general qualifications of the licensees. No particular mode of emission is emphasized in any of the current written examinations. It is not believed either practicable or desirable to depart from the established license structure, which through the evolutionary improvement of examinations can be relied upon to assure adequate technical skill for the types of emissions and frequency bands now available to the various classes of licensees.

8. Recommendations were made that double sideband emission be permitted for the transmission of pictures in the 28, 50, and 144 Mc/s bands because of the preponderance of double sideband trans-

mitting equipment now in use in those bands, ease of reception because of the presence of a carrier, and the low occupancy of those bands. The Commission is not persuaded that its proposal to restrict slow-scan TV in the 28 Mc/s band to single sideband should be modified. Although it is recognized that many stations operating in the 28 Mc/s band continue to use double sideband emission, that in itself does not appear to be sufficient reason to deviate from the original proposal. However, the limited use of single sideband emission in the amateur bands above 50 Mc/s, together with the lower occupancy on those bands justify the relaxation to permit the transmission of slow-scan pictures by double sideband emission in those bands.

9. It was pointed out that there is pending before the Commission a petition requesting that the band 144-144.1 Mc/s be made available only for A-1 emission. The action taken herein is not to be considered determinative of that request, and the suballocations within the 144 Mc/s band will be reviewed in consideration of the petition.

10. Three comments raised questions as to the station identification requirements and recommended identification in other (than the picture) modes. As amended, effective January 15, 1968, section 97.87 requires a station transmitting slow-scan TV to transmit its own call sign by telegraphy or telephony at the times prescribed for identification. Transmission of the other station's call sign is not required and there is no requirement for transmitting call signs by picture.

11. Several comments referred to the apparent omission of the 220-225 Mc/s band from the bands in which slow-scan would be permitted. A provision for slow-scan was included in the proposal and is in the amended rules.

12. In view of the foregoing, the Commission finds that the amendments to Part 97, Amateur Radio Service, as set forth below are in the public interest, convenience and necessity. The authority for such amendments is contained in section 4(i) and 303 of the Communications Act of 1934, as amended.

13. Accordingly, it is ordered, That effective August 30, 1968, Part 97 of the Commission's rules is amended as set forth below.

14. It is further ordered, That this proceeding is terminated.

(Secs. 4, 303, 48 Stat., as amended 1066, 1082; 47 U.S.C. 154, 303)

Adopted: July 17, 1968.

Released: July 19, 1968.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

I. Part 97 of the Commission's rules is amended as follows:

1. Revise § 97.61 to read as follows:

§ 97.61 Authorized frequencies and emissions.

(a) Following are the frequency bands and associated emissions available to amateur stations, subject to the limitations stated in paragraph (b) of this section and § 97.65.

Frequency band	Emissions	Limitations (see paragraph (b))
<i>Kc/s</i>		
1800 to 2000	A1, A3	1, 2
3500 to 4000	A1	
3500 to 3800	F1	
3800 to 3850	A5, F5	3
3850 to 3900	A5, F5	
3800 to 4000	A3, F3	4
7000 to 7300	A1	
7000 to 7200	F1	
7200 to 7225	A5, F5	
7225 to 7250	A5, F5	3
7200 to 7300	A3, F3	
14000 to 14350	A1	
14000 to 14200	F1	
14200 to 14235	A5, F5	
14235 to 14275	A5, F5	3
14200 to 14350	A3, F3	
<i>Mc/s</i>		
21.00 to 21.45	A1	
21.00 to 21.25	F1	
21.25 to 21.30	A5, F5	
21.30 to 21.35	A5, F5	3
21.25 to 21.45	A3, F3	
28.0 to 29.7	A1	
28.5 to 29.7	A3, A5, F3, F5	
29.0 to 29.7	F1	
50.0 to 54.0	A1	
50.1 to 54.0	A2, A3, A4, A5, F1, F2, F3, F5	
51.0 to 54.0	A0	
144 to 148	A1	
144 to 147.9	A0, A2, A3, A4, A5, F0, F1, F2, F3, F5	
220 to 225	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5	5, 6
420 to 450	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5	5, 7
1215 to 1300	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5	5
2300 to 2450	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5, P	5, 8
3300 to 3500	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5, P	5
5650 to 5925	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5, P	5, 9
10000 to 10500	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5	5
21000 to 22000	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5, P	
Above 40000	A0, A1, A2, A3, A4, A5, F0, F1, F2, F3, F4, F5, P	

(b) Limitations:

(1) The use of frequencies in this band is on a shared basis with the Loran A radionavigation system and is subject to cancellation or revision, in whole or in part, by order of the Commission, without hearing, whenever the Commission shall determine such action is necessary in view of the priority of the Loran A radionavigation system. The use of these frequencies by amateur stations shall not cause harmful interference to Loran A system. If an amateur station causes such interference, operation on the frequencies involved must cease if so directed by the Commission.

(2) Operation shall be limited to:

Area	Maximum DC plate input power in watts															
	1800-1825 kc/s		1825-1850 kc/s		1850-1875 kc/s		1875-1900 kc/s		1900-1925 kc/s		1925-1950 kc/s		1950-1975 kc/s		1975-2000 kc/s	
	Day	Night	Day	Night	Day	Night	Day	Night	Day	Night	Day	Night	Day	Night	Day	Night
Alabama	500	100	100	25	No operation	No operation	No operation	200	50	No operation	No operation	No operation	100	25	500	100
Alaska	200	50	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Arizona	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Arkansas	1000	200	200	50	100	25	No operation	No operation	100	25	100	25	100	25	500	100
California	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	200	50	200	50	500	100
Colorado	200	50	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50	200	50	1000	200
Connecticut	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Delaware	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
District of Columbia	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Florida	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Georgia	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Hawaii	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50	100	25	100	25	500	100
Idaho	100	25	No operation	No operation	No operation	No operation	100	25	100	25	100	25	100	25	500	100
Illinois	1000	200	200	50	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Indiana	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Iowa	1000	200	200	50	200	50	No operation	No operation	No operation	No operation	100	25	100	25	500	100
Kansas	500	100	100	25	100	25	No operation	No operation	No operation	No operation	100	25	200	50	1000	200
Kentucky	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Louisiana	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Maine	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Maryland	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Massachusetts	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Michigan	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Minnesota	500	100	100	25	100	25	100	25	100	25	100	25	100	25	500	100
Mississippi	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Missouri	1000	200	200	50	100	25	No operation	No operation	No operation	No operation	100	25	100	25	500	100
Montana	100	25	No operation	No operation	No operation	No operation	100	25	100	25	100	25	100	25	1000	200
Nebraska	500	100	100	25	100	25	No operation	No operation	No operation	No operation	200	50	200	50	1000	200
Nevada	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	200	50	200	50	1000	200
New Hampshire	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
New Jersey	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
New Mexico	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	500	100	1000	200
New York	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
North Carolina	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
North Dakota	500	100	100	25	100	25	100	25	100	25	200	50	200	50	1000	200
Ohio	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Oklahoma	500	100	100	25	100	25	No operation	No operation	No operation	No operation	100	25	200	50	1000	200
Oregon	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50	100	25	100	25	500	100
Pennsylvania	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Rhode Island	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
South Carolina	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
South Dakota	500	100	100	25	100	25	100	25	100	25	200	50	200	50	1000	200
Tennessee	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Texas	200	50	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Utah	100	25	No operation	No operation	No operation	No operation	100	25	100	25	200	50	200	50	1000	200
Vermont	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Virginia	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Washington	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50	No operation	No operation	No operation	No operation	500	100
West Virginia	1000	200	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25
Wisconsin	1000	200	200	50	200	50	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Wyoming	200	50	No operation	No operation	No operation	No operation	100	25	100	25	200	50	200	50	1000	200
Puerto Rico	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Virgin Islands	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50
Swan Island	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Serrana Bank	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Roncador Key	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Navassa Island	500	100	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	500	100
Baker, Canton, Enderbury, Howland	100	25	No operation	No operation	No operation	No operation	100	25	100	25	No operation	No operation	No operation	No operation	200	50
Guam, Johnston, Midway	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	100	25	No operation	No operation	No operation	No operation	100	25
American Samoa	200	50	No operation	No operation	No operation	No operation	200	50	200	50	No operation	No operation	No operation	No operation	200	50
Wake	100	25	No operation	No operation	No operation	No operation	100	25	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation
Palmyra, Jarvis	No operation	No operation	No operation	No operation	No operation	No operation	No operation	No operation	200	50	No operation	No operation	No operation	No operation	200	50

(3) Effective November 22, 1969.

(4) 3900-4000 kc/s not available in following U.S. possessions: Baker, Canton, Enderbury, Guam, Howland, Jarvis, Palmyra, American Samoa, and Wake Islands.

(5) Amateur stations shall not cause interference to the Government radio-location service.

(6) Not available in those portions of Texas and New Mexico bounded by latitude 33°24' N., and 31°53' N., and longitude 105°40' W. and 106°40' W. between the hours 0500 and 1800 local time, Monday through Friday, except to stations authorized to operate in an organized civil defense network when civil defense emergencies exist or when arrangements have been made with the Commission Engineer in Charge at Dallas, Tex., and the Area Frequency Coordinator at White Sands, N. Mex., for drills at specific dates and times.

(7) In the following areas the d.c. plate input power to the final transmitter stage shall not exceed 50 watts, except when authorized by the appropriate Commission Engineer in Charge and the appropriate Military Area Frequency Coordinator.

(i) Those portions of Texas and New Mexico bounded by latitude 33°24' N., 31°53' N., and longitude 105°40' W. and 106°40' W.

(ii) The State of Florida, including the Key West area and the areas enclosed within circles of 200-mile radius centered at 28°21' N., 80°43' W. and 30°30', 86°30' W.

(iii) The State of Arizona.

(iv) Those portions of California and Nevada south of latitude 37°10' N. and the area within a 200-mile radius of 34°09' N., 119°11' W.

8. No protection in the band 2400-2450 Mc/s is afforded from interference due to the operation of industrial, scientific, and medical devices on 2450 kc/s.

9. No protection in the band 5725-5875 is afforded from interference due to the operation of industrial, scientific, and medical devices on 5800 kc/s.

2. Revise the headnote and paragraph (c) and add new paragraphs (d), (e), and (f) in § 97.65 to read as follows:

§ 97.65 Emission limitations.

(c) On frequencies below 29.0 Mc/s and between 50.1 and 52.5 Mc/s, the bandwidth of an F3 emission (frequency or phase modulation) shall not exceed that of an A3 emission having the same audio characteristics; and the purity and stability of emissions shall comply with the requirements of § 97.73.

(d) On frequencies below 50 Mc/s, the bandwidth of A5 and F5 emissions shall not exceed that of an A3 single sideband emission.

(e) On frequencies between 50 Mc/s and 225 Mc/s, single sideband or double sideband A5 emission may be used and the bandwidth shall not exceed that of an A3 single sideband or double sideband signal respectively. The bandwidth of F5 emission shall not exceed that of an A3 single sideband emission.

(f) Below 225 Mc/s, A3 and A5 emissions may be used simultaneously on the same carrier frequency provided the total bandwidth does not exceed that of an A3 double sideband emission.

[F.R. Doc. 68-8792; Filed, July 25, 1968; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airworthiness Docket No. 68-WE-17-AD, Amdt. 39-625]

PART 39—AIRWORTHINESS DIRECTIVES

Boeing Model 727 Series Airplanes

There have been in-flight battery charger failures on Boeing Model 727

series airplanes which have resulted in extensive heat damage to wire bundles adjacent to the battery charger on the right outboard side of the E3 electronic rack. Since this condition is likely to exist or develop in other airplanes of the same model, an airworthiness directive is being issued to require the installation of a flame barrier on the lower inboard side of the R.H. rack support assembly adjacent to the battery charger.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this Amendment effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697) Section 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new Airworthiness Directive:

BOEING. Applies to all Model 727 Series Airplanes.

Compliance required within the next 500 hours time in service after the effective date of this AD, unless already accomplished.

To prevent damage to wire bundles adjacent to the battery charger, accomplish the following:

Install a flame barrier on the lower inboard side of the R.H. rack support assembly adjacent to the battery charger in accordance with Boeing Service Bulletin No. 24-27 or later FAA approved revisions or an equivalent method approved by the Chief, Aircraft Engineering Division, FAA Western Region.

This amendment becomes effective on August 5, 1968.

This amendment is made under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423).

Issued in Los Angeles, Calif., on July 17, 1968.

LEE E. WARREN,
Acting Director, FAA Western Region.

[F.R. Doc. 68-8933; Filed, July 25, 1968; 8:46 a.m.]

SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 9006; Amdt. 606]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

The amendments to the standard instrument approach procedures contained herein are adopted to become effective when indicated in order to promote safety. The amended procedures supersede the existing procedures of the same classification now in effect for the airports specified therein. For the convenience of the users, the complete procedure is republished in this amendment indicating the changes to the existing procedures.

As a situation exists which demands immediate action in the interests of safety in air commerce, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 97 (14 CFR Part 97) is amended as follows:

1. By amending § 97.11 of Subpart B to delete low or medium frequency range (L/MF), automatic direction finding (ADF) and very high frequency omnirange (VOR) procedures as follows:

- Wake Island—Wake Island, NDB (ADF)-1, Orig., Nov. 4, 1967 (established under Subpart C).
- Wake Island—Wake Island, ADF 2, Amdt. 8, Oct. 29, 1966 (established under Subpart C).
- Wake Island—Wake Island, VOR 1, Amdt. 3, June 6, 1964 (established under Subpart C).
- Wake Island—Wake Island, VOR 2, Amdt. 1, June 6, 1964 (established under Subpart C).

2. By amending § 97.11 of Subpart B to cancel low or medium frequency range (L/MF), automatic direction finding (ADF) and very high frequency omnirange (VOR) procedures as follows:

- Wake Island—Wake Island, VOR Runway 10, Orig., Nov. 4, 1967, canceled effective July 25, 1968.
- Wake Island—Wake Island, VOR Runway 28, Orig., Nov. 4, 1967, canceled effective July 25, 1968.

3. By amending § 97.17 of Subpart B to delete instrument landing system (ILS) procedures as follows:

- Wake Island—Wake Island, ILS Runway 10, Amdt. 5, Mar. 14, 1968 (established under Subpart C).
- Wake Island—Wake Island, LOC (BC) Runway 28, Amdt. 1, Mar. 14, 1968 (established under Subpart C).

4. By amending § 97.23 of Subpart C to establish very high frequency omnirange (VOR) and very high frequency-distance measuring equipment (VOR/DME) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA; Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes		Missed approach	
From—	To—	Via	Minimum altitudes (feet)
R 300°, AWK VORTAC counterclockwise	R 301°, AWK VORTAC	10-mile Arc AWK, R 313° lead radial.	1500
R 180°, AWK VORTAC clockwise	R 301°, AWK VORTAC	10-mile Arc AWK, R 289° lead radial.	1500
10-mile Arc	AWK VORTAC (NOPT)	AWK R 301°	500

MAP: 1.5 miles after passing AWK VORTAC.
Climb to 1500' on R 121° within 20 miles. Supplementary charting information: Depict 130' tower Peale Island. TDZ elevation, 14'.

Procedure turn S side of crs, 301° Outbd, 121° Inbd, 1500' within 10 miles of AWK VORTAC. FAF, AWK VORTAC. Final approach crs, 121°. Distance FAF to MAP, 1.5 miles. Minimum altitude over AWK VORTAC, 500'. MSA within 25 miles of AWK VORTAC: 000°-360°-1500'. NOTE: Straight-in approaches from VORTAC to Runway 10 not authorized for turbojet aircraft. #Minimums when ocean vessel at mooring buoy.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-10	340	1	326	340	1	236	340	1	326	340	1	326
S-10#	380	1	366	380	1	366	380	1	366	380	1	366
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C	420	1	406	480	1	466	480	1½	466	580	2	566
A	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14; Facility, AWK; Procedure No. VOR Runway 10, Amdt. 4; Eff. date, 25 July 68; Sup. Amdt. No. VOR 1, Amdt. 3; Dated, 6 June 64

RULES AND REGULATIONS

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR—Continued

Terminal routes				Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: AWK VORTAC.	
R 360°, AWK VORTAC clockwise.....	R 105°, AWK VORTAC.....	12-mile Arc AWK, R 095° lead radial.	1500	Climb to 1500' on R 285° within 20 miles. Supplementary charting information: Depict 130' tower Peale Island. TDZ elevation 12'.	
R 180°, AWK VORTAC counterclockwise.....	R 105°, AWK VORTAC.....	12-mile Arc AWK, R 115° lead radial.	1500		
12-mile Arc.....	AWK R 105°, 4-mile DME (NOPT) ..	AWK R 105°	440		

Procedure turn N side of crs, 105° Outbnd, 285° Inbnd, 1500' within 12 miles of AWK VORTAC.
 Final approach crs, 285°.
 Minimum altitude over 4-mile DME Fix, R 105°, 440'.
 MSA within 25 miles of AWK VORTAC: 000°-360°—1500'.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-28.....	440	1	428	440	1	428	440	1	428	440	1	428
VOR/DME Minimums:												
S-28.....	320	1	308	320	1	308	320	1	308	320	1	308
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	440	1	426	480	1	466	480	1½	466	580	2	566
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14'; Facility, AWK; Procedure No. VOR Runway 28, Amdt. 2; Eff. date, 25 July 68; Sup. Amdt. No. VOR 2, Amdt. 1 Dated, 6 June 64

5. By amending § 97.25 of Subpart C to establish localizer (LOC) and localizer-type directional aid (LDA) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE LOC

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.
 If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: 4 DME AWK VORTAC and E crs AWK LOC.	
AWK VORTAC.....	8 DME AWK VORTAC and E crs AWK LOC.	AWK R 100°.....	1500	Climb straight ahead to 1500' on W crs of ILS within 20 miles.	
AWK NDB.....	8 DME AWK VORTAC and E crs AWK LOC.	AWK 108° bearing.....	1500	Supplementary charting information: TDZ elevation, 12'.	
R 360°, AWK VORTAC clockwise.....	E crs LOC.....	12-mile DME Arc.....	1500		
R 180°, AWK VORTAC counterclockwise.....	E crs LOC.....	12-mile DME Arc.....	1500		
12-mile Arc.....	8-mile DME Fix (NOPT).....	E crs LOC.....	700		

Procedure turn N side of crs, 096° Outbnd, 276° Inbnd, 1500' within 10 miles of 8 DME AWK VORTAC and E crs AWK LOC.
 Final approach crs, 276°.
 Minimum altitude over 8-mile DME Fix, 700'.

Notes: (1) No approach lights. (2) DME required.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-28.....	320	1	308	320	1	308	320	1	308	320	1	308
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	420	1	406	480	1	466	480	1½	466	580	2	666
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14'; Facility, I-AWK; Procedure No. LOC (BC) Runway 28, Amdt. 2; Eff. date, 25 July 68; Sup. Amdt. No. 1; Dated, 14 Mar. 68

6. By amending § 97.27 of Subpart C to establish nondirectional beacon (automatic direction finder) (NDB/ADF) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Cellings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: AWK NDB.
				Climb to 1500' on 275° crs within 20 miles. Supplementary charting information: Depict 130' tower on Peale Island. 1.4 miles 177° AWK NDB to airport.

Procedure turn N side of crs, 095° Outbnd, 275° Inbnd, 1500' within 10 miles of AWK NDB.
Final approach crs, 275°.
Minimum altitude over AWK NDB, 560'.
MSA within 25 miles of facility: 000°-360°—1500'.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	500	2	546	560	2	546	560	2	546	580	2	566
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14'; Facility AWK; Procedure No. NDB (ADF)-1, Amdt. 1; Eff. date, 25 July 68; Sup. Amdt. No. Orig.; Dated 4 Nov. 67

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: AXX NDB.
				Climb to 1500' on crs of 095°. Supplementary charting information: Depict 130' tower on Peale Island. 0.2 mile AXX NDB to runway threshold. TDZ elevation, 14'.

Procedure turn S side of crs, 275° Outbnd, 095° Inbnd, 1500' within 10 miles of AXX NDB.
Final approach crs, 095°.
Minimum altitude over AXX NDB, 440'.
MSA within 25 miles of AXX: 000-360°—1500'.
#Minimums when ocean vessel at mooring buoy.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-10.....	440	1	426	440	1	426	440	1	426	440	1	426
S-10#.....	480	1	466	480	1	466	480	1	466	480	1	466
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	480	1	466	480	1	466	480	1½	466	580	2	566
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14'; Facility, AXX; Procedure No. NDB (ADF) Runway 10, Amdt. 9; Eff. date, 25 July 68; Sup. Amdt. No. ADF 2, Amdt. 8; Dated, 29 Oct. 66

7. By amending § 97.29 of Subpart C to establish instrument landing system (ILS) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes			Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: ILS DH 264', LOC 4.9 miles after passing FAF.
AWK VORTAC.....	3.6 DME AWK VORTAC and W crs AWK LOC.	AWK R 265°.....	1500	Climb to 1500' on E crs ILS within 20 miles.
R 180° AWK VORTAC clockwise.....	W crs LOC (NOPT).....	12-mile Arc.....	1500	Supplementary charting information: 3.6-mile DME Fix/AWK VORTAC R 265° intercepts the W crs of LOC. TDZ elevation, 14'.
R 360° AWK VORTAC counterclockwise.....	W crs LOC (NOPT).....	12-mile Arc.....	1500	
12-mile DME Arc and W crs LOC.....	3.6-mile DME Fix.....	W crs LOC.....	1500	

Procedure turn S side of crs, 276° Outbnd, 096° Inbnd, 1500' within 10 miles of 3.6 DME AWK VORTAC and W crs AWK L FAF, 3.6 DME AWK VORTAC and W crs AWK LOC. Final approach crs, 096°. Distance FAF to MAP, 4.9 miles. Minimum altitude over 3.6 DME AWK VORTAC and W crs AWK LOC, 1500'. Minimum glide slope interception altitude, 1500'. Glide slope altitude at FAF, 1500'. Distance to runway threshold at FAF, 4.9 miles. MSA within 25 miles of AWK VORTAC: 000°-360°-1500'.

Notes: (1) DME required. (2) No marker beacons. #LOC only minimums when ocean vessel at mooring buoy.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT	DH	VIS	HAT
S-10.....	264	1	250	264	1	250	264	1	250	264	1	250
LOC:	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-10.....	340	1	326	340	1	326	340	1	326	340	1	326
S-10#.....	380	1	366	380	1	366	380	1	366	380	1	366
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	420	1	406	480	1	466	480	1½	466	580	2	566
A.....	Standard.		T 2-eng. or less—Standard.				T over 2-eng.—Standard.					

Island, Wake Island; Airport name, Wake Island; Elev., 14'; Facility, I-AWK; Procedure No. ILS Runway 10, Amdt. 6; Eff. date, 25 July 68; Sup. Amdt. No. 5; Dated, 14 Mar. 68

These procedures shall become effective on the dates specified therein.

(Secs. 307(c), 313(a), 601, Federal Aviation Act of 1958; 49 U.S.C. 1348(c), 1354(a), 1421; 72 Stat. 749, 752, 775)

Issued in Washington, D.C., on July 9, 1968.

W. E. ROGERS,
Acting Director, Flight Standards Service.

[F.R. Doc. 68-8437; Filed, July 25, 1968; 8:45 a.m.]

[Reg. Docket No. 9007; Amdt. 607]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

The amendments to the standard instrument approach procedures contained herein are adopted to become effective when indicated in order to promote safety. The amended procedures supersede the existing procedures of the same classification now in effect for the airports specified therein. For the convenience of the users, the complete procedure is republished in this amendment indicating the changes to the existing procedures.

As a situation exists which demands immediate action in the interests of safety in air commerce, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 97 (14 CFR Part 97) is amended as follows:

1. By amending § 97.11 of Subpart B to amend low or medium frequency range (L/MF), automatic direction finding (ADF) and very high frequency omnirange (VOR) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition		Course and distance	Minimum altitude (feet)	Condition	Ceiling and visibility minimums		
From—	To—				2-engine or less 65 knots or less	More than 2-engine, more than 65 knots	More than 2-engine, more than 65 knots
API VOR	LOM	Direct	2500	T-dn	300-1	300-1	200-1/2
Surf Int.	LOM	Direct	3000	C-dn	500-1	500-1	500-1 1/2
Big Run Int.	LOM	Direct	2500	S-dn-13R/L	500-1	500-1	500-1
MX RBN	LOM	Direct	2500	A-dn	800-2	800-2	800-2
Griffith Int.	MX RBN	Direct	2500				

Radar available.

Procedure turn W side of crs, 312° Outbnd, 132° Inbnd, 2500' within 10 miles.

Minimum altitude over facility on final approach crs, 2300'.

Crs and distance, facility to airport, 132°—5.1 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 5.1 miles after passing LOM, make right turn, climb to 2300' and proceed to Peotone VOR Inbnd on R 001°.

Sliding scale not authorized. LOM named Hines.

MSA within 25 miles of facility: 000°-180°-3000'; 180°-270°-2300'; 270°-360°-2500'.

CAUTION: Buildings to 2049' approximately 8 miles NE. Plan departure to avoid this area.

City, Chicago; State, Ill.; Airport name, Chicago-Midway; Elev., 619'; Fac. Class., LOM; Ident., MD; Procedure No. NDB (ADF) Runways 13 R and L, Amdt. 26; Eff. date, 15 Aug. 68; Sup. Amdt. No. 25; Dated, 9 May 68

Crib Int.	MX RBN	Direct	2000	T-dn	300-1	300-1	200-1/2
Griffith Int.	Calumet Int.	Via bearing 132° from MX RBN.	2000	C-dn	500-1	500-1	500-1 1/2
Calumet Int.	MX RBN (final)	Direct	1500	A-dn	800-2	800-2	800-2
Big Run Int.	MX RBN	Direct	2000				
API VOR	MX RBN	Direct	2300				
CGT VOR	Calumet Int.	Via CGT R 356°	2000				

Radar available.

Procedure turn E side of crs, 132° Outbnd, 312° Inbnd, 2000' within 10 miles.

Minimum altitude over facility on final approach crs, 1500'.

Crs and distance, facility to airport, 312°—3.3 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.3 miles after passing LOM, make left turn, climbing to 2300'; proceed to Peotone VOR Inbnd on R 001°.

NOTE: Final approach from holding pattern not authorized. Procedure turn required.

Sliding scale not authorized.

MSA within 25 miles of facility: 000°-090°-3000'; 090°-180°-2300'; 180°-270°-2300'; 270°-360°-3000'.

CAUTION: Buildings to 2049' approximately 8 miles NE. Plan departure to avoid this area.

City, Chicago; State, Ill.; Airport name, Chicago-Midway; Elev., 619'; Fac. Class., LOM (MHW); Ident., MX; Procedure No. NDB (ADF) Runways 31 L and R, Amdt. 17; Eff. date, 15 Aug. 68; Sup. Amdt. No. 16; Dated, 9 May 68

Lexington VOR	LE LOM	Direct	2600	T-dn	300-1	300-1	200-1/2
Richmond Int.	LE LOM	Direct	2600	C-dn	400-1	500-1	500-1 1/2
Keene Int.	LE LOM (final)	Direct	2000	S-dir-4	400-1	400-1	400-1
McAfee Int.	LE LOM	Direct	2500	A-dn	800-2	800-2	800-2
Chaplin Int.	Keene Int.	Via R 264°, LEX VOR.	2500				

Procedure turn N side of crs, 222° Outbnd, 042° Inbnd, 2000' within 10 miles.

Minimum altitude over facility on final approach crs, 2000'.

Crs and distance, facility to airport, 042°—3.5 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.5 miles after passing LE LOM, climb to 2800' on crs, 042° to the Fayette Int, hold N, 1-minute right turns, 222° Inbnd.

MSA within 25 miles of facility: 000°-180°-2700'; 180°-270°-2500'; 270°-360°-2300'.

City, Lexington; State, Ky.; Airport name, Blue Grass; Elev., 978'; Fac. Class., HW; Ident., LE; Procedure No. NDB (ADF) Runway 4, Amdt. 5; Eff. date, 15 Aug. 68; Sup. Amdt. No. ADF 1, Amdt. 4; Dated, 29 Feb. 64

T-dn	300-1	300-1	NA
C-d	800-1	800-1	NA
C-n	800-2	800-2	NA
A-dn	NA	NA	NA

Radar required.

Procedure turn not authorized.

Minimum altitude over facility on final approach crs, 1600'.

Crs and distance, facility to airport, 214°—5.4 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 5.4 miles after passing IA LOM, make right-climbing turn to 3000', then proceed direct to Casanova VOR.

Hold SW R 207°, 1-minute left turns.

MSA within 25 miles of facility: 000°-090°-2300'; 090°-180°-1000'; 180°-270°-2400'; 270°-360°-3300'.

City, Manassas; State, Va.; Airport name, Manassas Municipal (Harry P. Davis Field); Elev., 186'; Fac. Class., LOM; Ident., IA; Procedure No. NDB (ADF)-1, Amdt. 1; Eff. date, 15 Aug. 68; Sup. Amdt. No. ADF1, Orig.; Dated, 27 Nov. 65

RULES AND REGULATIONS

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition		Course and distance	Minimum altitude (feet)	Condition	Ceiling and visibility minimums		
From—	To—				2-engine or less 65 knots or less	More than 65 knots	More than 2-engine, more than 65 knots
				T-d#.....	300-1	300-1	300-1
				C-d.....	600-1	600-1	600-1½
				A-dn.....	NA	NA	NA

Radar available.
Procedure turn N side of crs, 260° Outbnd, 080° Inbnd, 2500' within 10 miles.
Minimum altitude over IND VOR on final approach crs, 2500'.

Crs and distance, facility to airport, 080°—5.5 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 5.5 miles of VOR, make left turn, climb to 2500' and return to VOR.

NOTES: (1) No lights available. (2) Use Indianapolis altimeter setting.
#Avoid climb in NE quadrant of airport after takeoff when weather is below 1000-3 due to 1043' tower 1.1 miles N, 1104' tower 2 miles ENE, and 1849' tower 7 miles NE.
MSA within 25 miles of facility: 000°-180°—2900'; 180°-360°—2300'.

City, Indianapolis; State, Ind.; Airport name, Bob Shank; Elev., 778'; Fac. Class., H-BVORTAC; Ident., Ind.; Procedure No. VOR-1, Amdt. 1; Eff. date, 15 Aug. 68; Sup. Amdt. No. Orig.; Dated, 20 Jan. 68

2. By amending § 97.17 of Subpart B to amend instrument landing system (ILS) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition		Course and distance	Minimum altitude (feet)	Condition	Ceiling and visibility minimums		
From—	To—				2-engine or less 65 knots or less	More than 65 knots	More than 2-engine, more than 65 knots
MX NDB.....	LOM.....	Direct.....	2500	T-dn%.....	300-1	300-1	200-1½
API VOR.....	LOM.....	Direct.....	2500	C-dn.....	500-1	500-1	500-1½
				S-dn-13R*	300-¾	300-¾	300-¾
				A-dn.....	600-2	600-2	600-2

Radar available.
Procedure turn W side of crs, 312° Outbnd, 132° Inbnd, 2500' within 10 miles.
Minimum altitude at glide slope interception Inbnd, 2300'.

Altitude of glide slope and distance to approach end of runway at LOM, 2255'—5.1 miles; at LMM, 868'—0.6 mile.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, make right turn, climb to 2300' and proceed to EON VOR Inbnd on R 001°.

NOTES: (1) Glide slope not usable below 868'. (2) Back course unusable. (3) Sliding scale not authorized. (4) LOM named Hines.

*500-1 required with glide slope inoperative. No reduction authorized for ALS and HIRLS.

%RVR 2400' authorized for takeoff Runway 13R.

CAUTION: Buildings to 2049' approximately 8 miles NE. Plan departure to avoid this area.

MSA within 25 miles of LOM: 000°-180°—3000'; 180°-270°—2300'; 270°-360°—2500'.

City, Chicago; State, Ill.; Airport name, Chicago-Midway; Elev., 619'; Fac. Class., ILS; Ident., I-MDW; Procedure No. ILS Runway 13R, Amdt. 25; Eff. date, 15 Aug 68; Sup. Amdt. No. 24; Dated, 9 May 68

Griffith Int.....	Calumet Int.....	Via SE crs MXT ILS.....	2000	T-dn.....	300-1	300-1	200-1½
				C-dn.....	500-1	500-1	500-1½
Big Run Int.....	MX RBn.....	Direct.....	2000	S-dn-31 L and R.....	400-1	400-1	400-1
Crib Int.....	MX RBn.....	Direct.....	2000	R.....			
CGT VOR.....	Calumet Int.....	Via CGT, R 356°.....	2000	A-dn.....	800-2	800-2	800-2
API VOR.....	MX RBn.....	Direct.....	2300				
Calumet Int.....	MX RBn (final).....	Direct.....	1500				

Radar available.
Procedure turn E side of crs, 132° Outbnd, 312° Inbnd, 2000' within 10 miles.

No glide slope. No approach lights.

Minimum altitude over MX RBn, 1500'.

Crs and distance, MX RBn to airport, 312°—3.3 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.3 miles after passing MX RBn, make left turn, climb to 2300', proceed to Peotone VOR Inbnd on R 001°.

CAUTION: Standard clearance not provided over 771' and 776' obstructions in final approach area.

NOTES: (1) Back crs unusable. (2) Sliding scale not authorized. Reduction for HIRL and REILS not authorized.

CAUTION: Buildings to 2049' approximately 8 miles NE. Plan departure to avoid this area.

MSA within 25 miles of LOM: 000°-090°—3000'; 090°-180°—2300'; 180°-270°—2300'; 270°-360°—3000'.

City, Chicago; State, Ill.; Airport name, Chicago-Midway; Elev., 619'; Fac. Class., ILS; Ident., I-MXT; Procedure No. ILS Runways 31 L and R, Amdt. 6; Eff. date, 15 Aug. 68; Sup. Amdt. No. 5; Dated, 9 May 68

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE ILS—Continued

Transition		Course and distance	Minimum altitude (feet)	Condition	Ceiling and visibility minimums		
From—	To—				2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
LEX VOR.....	LE LOM.....	Direct.....	2600	T-dn.....	300-1	300-1	200-1/2
McAfee Int.....	LE LOM.....	Direct.....	2500	C-dn.....	400-1	500-1	500-1 1/2
Richmond Int.....	LE LOM.....	Direct.....	2600	S-dn-4.....	300-1/2	300-1/2	300-1/2
Chaplin Int.....	Keene Int.....	Via R 264, LEX VOR.	2500	A-dn.....	600-2	600-2	600-2
Keene Int.....	LE LOM (final).....	Direct.....	2000	S-dn-4*.....	400-1	400-1	400-1

Procedure turn N side of crs, 222° Outbnd, 042° Inbnd, 2000' within 10 miles.
 Minimum altitude at glide slope interception Inbnd, 2000'.
 Altitude of glide slope and distance to approach end of runway at OM, 2000'—3.5 miles; at MM, 1190'—0.5 mile.
 If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, climb to 2800' on crs, 042° to the Fayette Int. Hold N, 1-minute right turns, 222° Inbnd.
 CAUTION: Glide slope point of touchdown approximately 1450' in from approach end of runway.
 *400-1/2 (RV R 4000') authorized with operative high-intensity runway lights except for 4-engine turbojet aircraft.
 †RV R 2400' authorized Runway 4.
 ‡MSA within 25 miles of LOM: 000°-180°—2700'; 180°-270°—2500'; 270°-360°—2300'.

City, Lexington; State, Ky.; Airport name, Blue Grass; Elev., 978'; Fac. Class., ILS; Ident., I-LEX; Procedure No. ILS Runway 4, Amdt. 7; Eff. date, 15 Aug. 68; Sup. Amdt. No. ILS-4, Amdt. 6; Dated, 12 Nov. 66

FCM VOR.....	LOM.....	Direct.....	2600	T-dn.....	300-1	300-1	200-1/2
MSP VOR.....	LOM.....	Direct.....	2600	C-dn.....	500-1	500-1	500-1 1/2
FGT VOR.....	LOM.....	Direct.....	2600	S-dn-29LS*.....	200-1/2	200-1/2	200-1/2
Prior Int.....	LOM.....	Direct.....	2600	A-dn.....	600-2	600-2	600-2
White Bear Int.....	LOM.....	Direct.....	2600				

Radar available.
 Procedure turn E side of crs, 115° Outbnd, 295° Inbnd, 2500' within 10 miles.
 Minimum altitude at glide slope interception Inbnd, 2400'.
 Altitude of glide slope and distance to approach end of runway at OM, 2326'—5.5 miles; at MM, 1006'—0.5 mile.
 Crs and distance, 2.2-mile DME Fix and Egan Tank Radar Fix to airport, 295°—2 miles.
 If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 5.5 miles after passing LOM, climb to 2500' on NW crs ILS within 10 miles, or when directed by ATC, make left-climbing turn, climb to 2600' and return to LOM.
 NOTE: DME should not be used to determine aircraft position over MM, runway threshold or runway touchdown point.
 †RV R 2400' authorized Runway 29L.
 ‡RV R 2400'. Descent below 1040' not authorized unless approach lights are visible.
 *500-1/2 required when glide slope not utilized, 500-1/2 authorized with operative ALS except for 4-engine turbojets. 400' minimum authorized after passing the 2.2-mile DME Fix or the Egan Tank Radar Fix.

City, Minneapolis; State, Minn.; Airport name, Minneapolis-St. Paul International (Wold-Chamberlain); Elev., 840'; Fac. Class., ILS; Ident., I-MSP; Procedure No. ILS Runway 29L, Amdt. 25; Eff. date, 15 Aug. 68; Sup. Amdt. No. 24; Dated, 22 Apr. 67

3. By amending § 97.19 of Subpart B to amend radar procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE RADAR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.
 If a radar instrument approach is conducted at the below named airport, it shall be in accordance with the following instrument procedure, unless an approach is conducted in accordance with a different procedure authorized for such airport by the Administrator. Initial approaches shall be made over specified routes. Minimum altitude(s) shall correspond with those established for en route operation in the particular area or as set forth below. Positive identification must be established with the radar controller. From initial contact with radar to final authorized landing minimums, the instructions of the radar controller are mandatory except when (A) visual contact is established on final approach at or before descent to the authorized landing minimums, or (B) at pilot's discretion if it appears desirable to discontinue the approach. Except when the radar controller may direct otherwise prior to final approach, a missed approach shall be executed as provided below when (A) communication on final approach is lost for more than 5 seconds during a precision approach, or for more than 30 seconds during a surveillance approach; (B) directed by radar controller; (C) visual contact is not established upon descent to authorized landing minimums; or (D) if landing is not accomplished.

Transition		Course and distance	Minimum altitude (feet)	Condition	Ceiling and visibility minimums		
From—	To—				2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
All directions\$.....		0-10 miles.....	2000	T-dn%.....	300-1	300-1	200-1/2
290°.....	065°.....	10-20 miles.....	2500	C-dn-22 R and L.....	600-1	600-1	600-1 1/2
065°.....	150°.....	10-20 miles.....	2000	S-dn-22 R and L#.....	600-1	600-1	600-1
150°.....	185°.....	10-15 miles.....	2000	C-dn-4 R and L, 9, 18, 27, 13 R and L, 31 L and R, 36.....	500-1	500-1	500-1 1/2
150°.....	185°.....	15-20 miles.....	2300	S-dn#.....	500-1	500-1	500-1
185°.....	290°.....	10-20 miles.....	2400	A-dn.....	800-2	800-2	800-2

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, make right or left turn as appropriate, climb to 2300' and proceed to EON VOR Inbnd on R 001°.

NOTES: MTI feature of ground radar equipment required for all surveillance approaches. Departures westbound on V-6 at 2000' will be released within 8 miles to climb to 2300'.
 \$Radar control will provide 1000' vertical clearance within a 4-mile radius of tower 2049', 8 miles NE, and within a 3-mile radius of towers 1260', 11 miles W, and 1120', 11 miles NW.

%RV R 2400' authorized for takeoff Runway 13R.
 #600-1/2 authorized Runway 22L with operative REILS except for 4-engine turbojets.
 **Reduction not authorized for ALS.
 ##Runways 4R and 31L—No reduction authorized for REILS.
 ##Runway 31L—No reduction authorized for HIRLS.
 ##Runway 13R—No reduction authorized for ALS.
 Sliding scale not authorized.
 CAUTION: Buildings to 2049' approximately 8 miles NE. Plan departure to avoid this area.

City, Chicago; State, Ill.; Airport name, Chicago-Midway; Elev., 619'; Fac. Class. and Ident., Midway Radar; Procedure No. Radar-1, Amdt. 12; Eff. date, 15 Aug. 68; Sup. Amdt. No. 11; Dated, 9 May 68

RULES AND REGULATIONS

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE RADAR—Continued

Transition		Ceiling and visibility minimums					
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
Surveillance approach							
000°-----	300°-----	Within 30 miles-----	3000	T-dn-----	300-1	300-1	200-1½
				C-dn-----	400-1	500-1	500-1½
				S-dn 5R, 9, 27, 18R, 36L.	400-1	400-1	400-1
				**23L.#			
				A-dn-----	800-2	800-2	800-2

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished: Runways 5R, 36L, 9—Make left-climbing turn to 3000', intercept and proceed Outbnd on Strongsville VOR, R 345° to Crib Int. Hold SE, 1-minute right turns, 345° Inbnd.
 Runways 23L, 27, 18R—Climb to 3000' on runway heading, upon reaching proceed to Cleveland VOR. Hold W, 1-minute right turns, 098° Inbnd.
 CAUTION: 1971' towers approximately 6 miles ESE of airport.
 #400-¾ authorized, except for 4-engine turbojet aircraft, with operative high-intensity runway lights on Runways 5R, 23L, 9, and 27.
 #400-½ authorized with operative ALS on Runway 5R, except for 4-engine turbojet aircraft.
 **On approach to runway 23L, maintain at least 1600' until within 4 miles of runway.

City, Cleveland; State, Ohio; Airport name, Cleveland-Hopkins International; Elev., 792'; Fac. Class. and Ident., Cleveland Radar; Procedure No. 1, Amdt. 15; Eff. date, 15 Aug. 68; Sup. Amdt. No. 14; Dated, 5 June 65

4. By amending § 97.23 of Subpart C to establish very high frequency omnirange (VOR) and very high frequency distance measuring equipment (VOR/DME) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.
 If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: 15.2 miles after passing CTF VOR.	
				Climbing left turn to 2100' direct to CTF VOR.	
				Supplementary charting information: Final approach crs intercepts runway centerline 3000' from threshold TDZ elevation, 240'.	

Procedure turn N side of crs, 270° Outbnd, 090° Inbnd, 2100' within 10 miles of CTF VOR.
 FAF, CTF VOR. Final approach crs, 080°. Distance FAF to MAP, 15.2 miles.
 Minimum altitude over CTF VOR, 1600'; over Highline Int, 1300'.
 MSA: 000°-090°—2000'; 090°-180°—1900'; 180°-360°—2000'.
 NOTE: Use FLO FSS altimeter setting.
 *Night visibility minimums 2 miles.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C	D	
	MDA	VIS	HAT	MDA	VIS	HAT	VIS	VIS	
S-7°-----	1240	1½	1000	1240	1½	1000	NA	NA	
	MDA	VIS	HAA	MDA	VIS	HAA			
C-----	1240	2	1000	1240	2	1000	NA	NA	
	Dual VOR:								
	MDA	VIS	HAT	MDA	VIS	HAT	VIS	VIS	
S-7°-----	800	1	500	800	1	500	NA	NA	
	MDA	VIS	HAA	MDA	VIS	HAA			
C-----	800	1	500	800	1	500	NA	NA	
A-----	Not authorized.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.		

City, Cheraw; State, S.C.; Airport name, Cheraw Municipal; Elev., 240'; Facility, CTF; Procedure No. VOR Runway 7, Amdt. Orig.; Eff. date, 15 Aug. 68

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 15.8-mile DME Fix R 180°.
Briggs VORTAC.....	BSV R 180°, 10-mile DME Fix.....	BSV R 180°.....	3000	Make right-climbing turn to 3000' direct to BSV VORTAC and hold. Supplementary charting information: Hold N 180° Inbnd, 1-minute, right turns. 1160' tower 1 mile N of airport.

Procedure turn not authorized. Approach crs (profile) starts at BSV VORTAC.
Final approach crs, R 180°.
Minimum altitude over BSV VORTAC, 3000'; over 10-mile DME Fix, 3000'.
MSA: 000°-090°-2700'; 090°-180°-2600'; 180°-270°-2600'; 270°-360°-3100'.
NOTES: (1) Radar vectoring. (2) Use Akron-Canton altimeter.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C	D
	MDA	VIS	HAA	MDA	VIS	HAA	VIS	VIS
C.....	1640	1	745	1640	1	745	NA	NA
A.....	Not authorized.			T 2-eng. or less—Standard.			T over 2-eng.—Not authorized.	

City, New Philadelphia; State, Ohio; Airport name, New Philadelphia; Elev., 895'; Facility, BSV VORTAC; Procedure No. VOR/DME-1, Amdt. Orig.; Eff. date, 15 Aug. 68

5. By amending § 97.23 of Subpart C to amend very high frequency omnirange (VOR) and very high frequency-distance measuring equipment (VOR/DME) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE VOR

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach
From—	To—	Via	Minimum altitudes (feet)	MAP: 2.8 miles after passing PBI VORTAC
R 358°, PBI VORTAC counterclockwise.....	R 275°, PBI VORTAC.....	10-mile DME Arc.....	1600	Climb to 1600' on PBI VORTAC R 095° within 15 miles of VORTAC. Supplementary charting information: TDZ elevation, 16'.
R 181°, PBI VORTAC clock wise.....	R 275°, PBI VORTAC.....	10-mile DME Arc.....	2000	
10-mile DME Arc.....	PBI VORTAC (NOPT).....	PBI R 275°.....	800	

Procedure turn N side of crs, 275° Outbnd, 095° Inbnd, 1600' within 10 miles of PBI VORTAC.
FAF, PBI VORTAC, Final approach crs, 095°. Distance FAF to MAP, 2.8 miles.
Minimum altitude over PBI VORTAC, 800'.
MSA: 000°-090°-1700'; 090°-270°-2100'; 270°-360°-1700'.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-9.....	400	¾	384	400	¾	384	400	¾	384	400	1	384
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	460	1	441	480	1	461	480	1¾	461	680	2	661
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

City, West Palm Beach; State, Fla.; Airport name, Palm Beach International; Elev., 19'; Facility, PBI; Procedure No. VOR Runway 9, Amdt. 5; Eff. date, 15 Aug. 68; Sup Amdt. No. 4; Dated, 16 May 68

RULES AND REGULATIONS

6. By amending § 97.25 of Subpart C to amend localizer (LOC) and localizer-type directional aid (LDA) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE LOC

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR. If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: 2.5 miles after passing Selden Int.	
Riverhead VOR.....	Coram Int.....	RVH R 282°.....	1800	Climbing left turn to 2000' direct to RVH VOR and hold. Supplementary charting information: Hold NE, 1-minute right turns, 238° Inbnd. TDZ elevation, 98'.	

Procedure turn not authorized. Approach crs (profile) starts at Coram Int. FAF, Selden Int. Final approach crs, 237°. Distance FAF to MAP, 2.5 miles. Minimum altitude over Coram Int, 1800'; over Selden Int, 1100'.
NOTES: (1) Runways 10-28 closed nights. (2) Dual VOR receivers required. (3) Inoperative table does not apply to HIRL Runway 24.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D		
	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT	MDA	VIS	HAT
S-24.....	440	1	342	440	1	342	440	1	242	440	1	342
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA
C.....	540	1	442	560	1	462	560	1½	462	660	2	562
A.....	Standard.			T 2-eng. or less—Standard.			T over 2-eng.—Standard.					

City, Islip; State, N.Y.; Airport name, Long Island-MacArthur; Elev., 98'; Facility, I-ISP; Procedure No. LOC (BC) Runway 24; Amdt. 4; Eff. date, 15 Aug. 68; Sup. Amdt. No. 3; Dated, 13 June 68

7. By amending § 97.27 of Subpart C to establish nondirectional beacon (automatic direction finder) (NDB/ADF) procedures as follows:

STANDARD INSTRUMENT APPROACH PROCEDURE—TYPE NDB (ADF)

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL, except HAT, HAA, and RA. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles or hundreds of feet RVR. If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator. Initial approach minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Terminal routes				Missed approach	
From—	To—	Via	Minimum altitudes (feet)	MAP: LKV NDB.	
LKV VORTAC.....	LKV NDB.....	Direct.....	9500	Climbing left turn direct LKV NDB, continue climb to 7400' in holding pattern.	
30-mile DME Fix R 148°, LKV VORTAC.....	LKV NDB.....	Direct.....	10000	Supplementary charting information: Approach crs, 1760' left of centerline 3000' from runway threshold. LRCO.	

Procedure turn W side of crs, 161° Outbnd, 341° Inbnd, 7400' within 10 miles of LKV NDB. Final approach crs, 341°. Minimum altitude over LKV, 5440'. MSA: 000°-180°-9500'; 180°-270°-8100'; 270°-360°-9400'. %IFR departure procedures: Runways 2, 20, and 34 turn left; climb on 161° bearing from LKV NDB within 10 miles to cross LKV NDB at or above 7500'. All maneuvering W of crs.
* Use Klamath Falls altimeter when Lakeview altimeter setting not available.
#Alternate minimums not authorized when Lakeview weather not available.

DAY AND NIGHT MINIMUMS

Cond.	A			B			C			D
	MDA	VIS	HAA	MDA	VIS	HAA	MDA	VIS	HAA	VIS
C*.....	5440	1	712	5440	1	712	5440	1½	712	NA
A.....	Standard.#			T 2-eng. or less—Runway 2, 1500-1; standard all other runways.%			T over 2-eng.—Runway 2, 1500-1; standard all other runways.%			

City, Lakeview; State, Oreg.; Airport name, Lake County-Lakeview; Elev., 4728'; Facility, LKV; Procedure No. NDB (ADF)-1, Amdt. Orig.; Eff. date, 15 Aug. 68

These procedures shall become effective on the dates specified therein.

(Secs. 307(c), 313(a), 601, Federal Aviation Act of 1958; 49 U.S.C. 1348(c), 1354(a), 1421; 72 Stat. 749, 752, 775)

Issued in Washington, D.C., on July 9, 1968.

W. E. ROGERS,
Acting Director, Flight Standards Service.

[F.R. Doc. 68-8438; Filed, July 25, 1968; 8:45 a.m.]

[Regulatory Docket No. 9031]

[Special Federal Aviation Regulation No. 19]

PART 121—CERTIFICATION AND OPERATIONS—DOMESTIC, FLAG, AND SUPPLEMENTAL AIR CARRIERS AND COMMERCIAL OPERATORS OF LARGE AIRCRAFT

Secret Service Agents; Admission to Flight Deck

The purpose of this Special Federal Aviation Regulation is to authorize Secret Service Agents to be admitted to, and occupy a seat on, the flight deck of an aircraft carrying any person whose protection is a responsibility of the U.S. Secret Service under the laws of the United States.

The U.S. Secret Service is given protective responsibilities for the President of the United States, the Vice President, and other specified persons (18 U.S.C. section 3056). In addition, by a Joint Resolution of the Congress the U.S. Secret Service has been given responsibility for furnishing protection to persons determined to be major presidential or vice presidential candidates (Public Law 90-331; 90 Cong., H. J. Res. 1292). The Joint Resolution directs Federal Departments

and agencies to assist the Secret Service, when requested by the Director thereof, in the performance of its protective duties under the Code and the Joint Resolution.

The Director of the Secret Service has requested the Federal Aviation Administration to authorize a Secret Service Agent to ride in the flight deck area of an aircraft in the performance of his protective responsibilities when a person the Agent protects is aboard the aircraft. The Director has expressed the view that such an authorization is an essential security measure at this time.

The FAA has determined that the authorization requested should be granted by a Special Federal Aviation Regulation. This regulation authorizes agents of the Secret Service to enter the flight deck of an aircraft operated by an air carrier or commercial operator and to occupy an observer seat on that aircraft. It does not provide for free or reduced rates of transportation for those agents not otherwise authorized by law.

This matter has been informally discussed with representatives of the Air Transport Association, the Airline Pilots Association, and the Allied Pilots Association. Because of the emergency nature of this matter, I find that further com-

pliance with the notice, procedures and effective date provisions of the Administrative Procedure Act would be impracticable.

In consideration of the foregoing, the following Special Federal Aviation Regulation is hereby adopted to become effective July 26, 1968.

Contrary provisions of the Federal Aviation Regulations notwithstanding, whenever an Agent of the Secret Service who is assigned the duty of protecting a person aboard an aircraft operated by an air carrier or commercial operator, considers it necessary in the performance of his duty to ride on the flight deck of that aircraft, he shall upon request and presentation of his Secret Service credentials to the pilot in command of the aircraft, be admitted to the flight deck and permitted to occupy an observer seat thereon.

This Special Federal Aviation Regulation shall terminate July 31, 1969.

(Secs. 813(a) and 601 of the Federal Aviation Act of 1958, 72 Stat. 752, 755; 49 U.S.C. 1354(a), 1421; and Public Law 90-331, 90th Cong., H.J. Res. 1292, June 6, 1968)

Issued in Washington, D.C., on July 24, 1968.

WILLIAM F. MCKEE,
Administrator.

[F.R. Doc. 68-9062; Filed, July 25, 1968; 11:27 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Pgrt 993]

HANDLING OF DRIED PRUNES PRODUCED IN CALIFORNIA

Administrative Rules and Regulations

Notice is hereby given of a proposal to amend the administrative rules and regulations (Subpart—Administrative Rules and Regulations; 7 CFR 993.101-993.174), operative pursuant to the marketing agreement, as amended, and Order No. 993, as amended (7 CFR Part 993), regulating the handling of dried prunes produced in California (hereinafter referred to collectively as the "order"). The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The proposed amendment was recommended by the Prune Administrative Committee, established under the order.

Section 993.149 is proposed to be amended so as to afford handlers additional time to dispose of defective prunes, accumulated pursuant to disposition obligation incurred under § 993.49(c), in nonhuman consumption outlets. Another proposed change in § 993.149 would recognize a recent development in the industry relating to some handler receipts of prunes. Such prunes have been received at dehydrator premises following inspection of prunes dehydrated from prune plum samples drawn by an inspector from an incoming lot and dehydrated the same as the remainder of the lot.

The proposals are as follows:

Revise § 993.149(d) (3) and add a new paragraph (e) to read as follows:

§ 993.149 Receiving of prunes by handlers.

* * * * *

(d) * * *

(3) *Disposition.* Prunes accumulated by a handler pursuant to subparagraph (2) of this paragraph shall be disposed of in nonhuman consumption outlets during the crop year in which the prunes establishing such obligation were received from producers and dehydrators unless the handler files an application with the Committee for additional time to complete such disposition and receives written approval from the Committee for such disposition within a specified period of time.

(e) *Receiving at dehydrator.* Notwithstanding paragraph (b) (1) of this section, any handler may arrange with the inspection service for the receiving of prunes at a dehydrator's premises designated as such handler's inspection station and for the incoming inspection and

certification to be based on samples of prunes drawn as prune plums and dehydrated in the same manner as the prunes to which they are referable. Where such arrangement is acceptable to the Committee as permitting the inspection and certification when based on samples drawn as prunes, such certification shall be acceptable for the purposes of this section if the inspector further certifies that the dehydration process of the prunes being certified was satisfactorily completed without damage to the prunes.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposal should file the same in quadruplicate with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the 10th day after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during official hours of business (7 CFR 1.27(b)).

Dated: July 23, 1968.

PAUL A. NICHOLSON,
Deputy Director, Fruit and
Vegetable Division, Consumer
and Marketing Service.

[F.R. Doc. 68-8950; Filed, July 25, 1968;
8:47 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 39]

[Airworthiness Docket No. 68-WE-14-AD]

AIRWORTHINESS DIRECTIVES

Boeing Airplane Co. Models 707, 720, and 727

The Federal Aviation Administration is considering amending Part 39 of the Federal Aviation Regulations by adding an Airworthiness Directive (AD) applicable to Boeing Airplane Co. Model 707, 720, and 727 airplanes.

There has been a report of an inflight offsetting of the rudder pedal when hard foot pressure was applied thereto, resulting in a temporary loss of foot contact with the rudder pedal. The offsetting has been attributed to the turning of the rudder pedal adjustment crank. Since this condition is likely to exist or develop in other airplanes of the same type design, the proposed airworthiness directive would require replacement or modification of the rudder pedal adjustment crank.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Department of Transportation, Federal Aviation Administration, Western Region, Attention: Regional Counsel, Airworthiness Rules Docket, Post Office Box 92007, Worldway Postal Center, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Airworthiness Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 of the Federal Aviation Regulations by adding the following new Airworthiness Directive:

BOEING AIRPLANE Co. Applies to Models 707, 720, and 727 listed in Boeing Service Bulletin Nos. 2536 (dated June 1, 1967) and 27-100 (dated June 8, 1967).

Compliance required as indicated.
To prevent the rudder pedal from being displaced during application of hard foot pressure on the pedal, accomplish the following:

Within the next 1000 hours time in service after the effective date of this AD, unless already accomplished, remove the existing rudder pedal adjustment crank assembly and replace with a modified or new crank assembly in accordance with Boeing Service Bulletin No. 2536 dated June 1, 1967, for Model 707's and 720's or Boeing Service Bulletin 27-100 dated June 8, 1967, for Model 727's, or later FAA approved revisions, or an equivalent design approved by the Chief, Aircraft Engineering Division, FAA Western Region.

Issued in Los Angeles, Calif., on July 16, 1968.

LEE E. WARREN,
Acting Director, FAA Western Region.

[F.R. Doc. 68-8935; Filed, July 25, 1968;
8:46 a.m.]

WATER RESOURCES COUNCIL

[18 CFR Part 704]

DISCOUNT RATE FOR USE IN PLAN FORMULATION AND EVALUATION

Notice of Proposed Rule Making

Notice is hereby given that the Water Resources Council proposes to establish,

under the procedure prescribed in section 103 of the Water Resources Planning Act (79 Stat. 244; U.S.C. 1962) a new formula for the determination of the discount rates for use each year in the formulation and evaluation of plans for use and development of water and related land resources, by issuing the regulation set forth below.

The proposed new formula would modify that established by section V.G. 2 of the interagency agreement dated May 15, 1962, approved by the President on May 15, 1962, entitled "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources", and published on May 29, 1962, as Senate Document No. 97, 87th Congress, 2d Session.

The discount rate for fiscal year 1969, computed as proposed in the regulation set forth below, would be 4 $\frac{5}{8}$ percent. In following years the rate for any year would not be changed more than $\frac{1}{4}$ percentage point from that used during the previous year. The current discount rate computed on the basis of the present formula is 3 $\frac{1}{4}$ percent.

Interested persons are invited to submit written comments, suggestions, or objections regarding the proposed regulation to the Executive Director, Water Resources Council, 1025 Vermont Avenue NW., Washington, D.C. 20005, within 60 days after date of publication of this notice in the FEDERAL REGISTER.

Dated: July 22, 1968.

HENRY P. CAULFIELD, JR.,
Executive Director.

PART 704—PLAN FORMULATION STANDARDS AND PROCEDURES

Subparts A to D [Reserved]

Subpart E—Standards for Plan Formulation and Evaluation

§§ 704.1—704.38 [Reserved]

§ 704.39 Discount rate.

(a) The interest rate to be used in plan formulation and evaluation for discounting future benefits and computing costs, or otherwise converting benefits and costs to a common time basis, shall be based upon the average yield during the preceding fiscal year on interest-bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or more remaining to maturity: *Provided, however,* That in no event shall the rate be raised or lowered more than one-quarter of 1 percent for any year. The average yield shall be computed as the average during the fiscal year of the daily bid prices. Where the average rate so computed is not a multiple of one-eighth of 1 percent, the rate of interest shall be the multiple of one-eighth of 1 percent nearest to such average rate.

(b) The computation shall be made as of July 1 each year, and the rate thus computed shall be used during the succeeding 12 months. The Executive Director shall annually request the Secretary of the Treasury to inform the Water Resources Council of the rate thus computed.

(c) Subject to the provisions of paragraphs (d) and (e) of this section, the provision of paragraphs (a) and (b) of this section shall apply to all Federal

and federally-assisted water and related land resources project evaluation reports submitted to the Congress, or approved administratively, after the close of the second session of the 90th Congress.

(d) Where construction of a project has been authorized prior to the close of the second session of the 90th Congress, and the appropriate State or local governmental agency or agencies have given prior to December 31, 1969, satisfactory assurances to pay the required non-Federal share of project costs, the discount rate to be used in the computation of benefits and costs for such project shall be the rate in effect immediately prior to the effective date of this section, and that rate shall continue to be used for such project until construction has been completed, unless the Congress otherwise decides.

(e) Notwithstanding the provisions of paragraphs (a) and (b) of this section, the discount rate to be used in plan formulation and evaluation during the remainder of the fiscal year 1969 shall be 4 $\frac{5}{8}$ percent except as provided by paragraph (d) of this section.

(f) Section V.G. 2 of the interagency agreement dated May 15, 1962, approved by the President on May 15, 1962, entitled "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources", and published on May 29, 1962, as Senate Document No. 97, 87th Congress, 2d Session, is superseded by the provisions of this section.

(g) This section shall be effective upon publication in the FEDERAL REGISTER.

[F.R. Doc. 68-8883; Filed, July 25, 1968; 8:45 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

National Park Service

[Order No. 5, Amdt. 2]

ASSISTANT REGIONAL DIRECTOR, ADMINISTRATION, NORTHEAST RE- GION, ET AL.

Change of Title

Delegation. Order No. 5, approved June 8, 1966, and published in 66 F.R. 6327 set forth in section (4) certain authority delegated to the Associate Regional Director, Northeast Regional Office. This amendment is for the purpose of changing the title of the official to whom authority is delegated from Associate Regional Director to Assistant Regional Director, Administration.

(National Park Service Order No. 34 (31 F.R. 4255), as amended; 39 Stat. 535, 16 U.S.C., sec. 2)

LEMUEL A. GARRISON,
*Regional Director,
Northeast Region.*

JULY 5, 1968.

[F.R. Doc. 68-8942; Filed, July 25, 1968;
8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

INDIANA, SOUTH DAKOTA, AND WYOMING

Designation of Areas for Emergency Loans

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), it has been determined that in the hereinafter-named counties in the States of Indiana, South Dakota, and Wyoming, natural disasters have caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

INDIANA

Jackson. Martin.
Lawrence.

SOUTH DAKOTA

Aurora. McCook.
Beadle. McPherson.
Clay. Marshall.
Davison. Perkins.
Douglas. Sanborn.
Hanson. Union.
Hutchinson.

WYOMING

Converse. Laramie.

Pursuant to the authority set forth above, emergency loans will not be made in the above-named counties after June 30, 1969, except to applicants who previously received emergency or special

livestock loan assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 22d day of July 1968.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 68-8938; Filed, July 25, 1968;
8:46 a.m.]

Packers and Stockyards Administration

HAYS LIVESTOCK COMMISSION CO., INC.

Deposting of Stockyards

It has been ascertained, and notice is hereby given, that the livestock markets named herein, originally posted on the respective dates specified below as being subject to the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), no longer come within the definition of a stockyard under said Act and are, therefore, no longer subject to the provisions of the Act.

*Name, location of stockyard, and date of
posting*

Hays Livestock Commission Company, Inc.,
Hays, Kans., Apr. 19, 1950.
Walkerville Livestock Auction, Walkerville,
Mich., Aug. 23, 1966.
Warrenton Livestock Market, Warrenton,
N.C., Sept. 3, 1960.
Vinita Stock Yards, Inc., Vinita, Okla., Mar.
29, 1950.
Red Bank Auction Sales, Lexington, S.C.,
Dec. 1, 1967.
Amarillo Horse Auction, Amarillo, Tex.,
Apr. 22, 1967.

Notice or other public procedure has not preceded promulgation of the foregoing rule since it is found that the giving of such notice would prevent the due and timely administration of the Packers and Stockyards Act and would, therefore, be impracticable and contrary to the public interest. There is no legal warrant or justification for not deposting promptly a stockyard which is no longer within the definition of that term contained in the Act.

The foregoing is in the nature of a rule granting an exemption or relieving a restriction and, therefore, may be made effective in less than 30 days after publication in the FEDERAL REGISTER. This notice shall become effective upon publication in the FEDERAL REGISTER.

(42 Stat. 159, as amended and supplemented;
7 U.S.C. 181 et seq.)

Done at Washington, D.C., this 19th day of July 1968.

G. H. HOPPER,
*Acting Chief, Registrations,
Bonds, and Reports Branch,
Livestock Marketing Division.*

[F.R. Doc. 68-8939; Filed, July 25, 1968;
8:46 a.m.]

DEPARTMENT OF COMMERCE

Business and Defense Services Administration

UNIVERSITY OF CHICAGO

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Producer Goods, Department of Commerce, Room 5123, Washington, D.C. 20230.

Docket No. 68-00557-01-07500. Applicant: The University of Chicago, operator of Argonne National Laboratory, 9700 South Cass Avenue, Argonne, Ill. 60439. Article: Precision calorimetry system, Model 8700. Manufacturer: LKB Produkter AB, Sweden. Intended use of article: The article will be used to obtain thermochemical data on plutonium and uranium compounds especially intermetallics, fluorides and chlorides. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, is being manufactured in the United States. Reasons: The foreign article is intended to be used in investigating a number of problems associated with thermochemical properties of plutonium and uranium compounds, especially intermetallics, fluorides and chlorides. For these purposes, the solution calorimetry techniques of the foreign article can be applied to small amounts of samples in the determination of heats of formation of compounds.

The Department of Commerce knows of no instrument or apparatus being manufactured in the United States, which has the capability to perform all of the experiments for which the foreign article is intended to be used.

EDWARD G. SMITH,
*Director, Office of Producer
Goods, Business and Defense
Services Administration.*

[F.R. Doc. 68-8916; Filed, July 25, 1968;
8:45 a.m.]

I.B.E.W. ELECTRICAL WORKERS EDUCATIONAL TRAINING CENTRE

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Producer Goods, Department of Commerce, Room 5123, Washington, D.C. 20230.

Docket No. 68-00561-98-26000. Applicant: Mr. Charles Burrell, I.B.E.W. Electrical Workers Educational Training Centre, 1442 Linwood Drive, Salinas, Calif. 93901. Article: Clemenz standard construction device for the theory of electricity, Model EG/ZA/ZT. Manufacturer: Dr. Clemenz, West Germany. Intended use of article: The article will be used for instruction in the basic theory of electricity. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, is being manufactured in the United States. Reasons: The foreign article is designed for instructing students in basic principles of electricity with particular application to AC and DC generators, three-phase asynchronous slip ring motors and three-phase squirrel cage motors. The capability of demonstrating three-phase applications of electricity is pertinent to the purposes for which the foreign article is intended to be used.

The Department of Commerce knows of no instrument or apparatus being manufactured in the United States, which provides the capability for demonstrating three-phase applications of electricity.

EDWARD G. SMITH,
Director, Office of Producer
Goods, Business and Defense
Services Administration.

[F.R. Doc. 68-8915; Filed, July 25, 1968;
8:45 a.m.]

MASSACHUSETTS GENERAL HOSPITAL
Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the

Department of Commerce, at the Office of Producer Goods, Department of Commerce, Room 5123, Washington, D.C. 20230.

Docket No. 68-00551-33-06200. Applicant: Massachusetts General Hospital, Fruit Street, Boston, Mass. 02144. Article: Blood filter and bubble trap, Model 910/T. Manufacturer: Honeywell Controls, Ltd., United Kingdom. Intended use of article: The article will be used as a blood filter air trap in conjunction with the heart-lung perfusion apparatus in use clinically at the hospital operating room. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, is being manufactured in the United States. Reasons: For the purposes for which the foreign article is intended to be used, the applicant requires an instrument that will prevent the gas bubbles in the circulating blood stream in a heart-lung perfusion apparatus from reaching the patient with the resultant danger of emboli. The foreign article provides a means of eliminating the gas bubbles, which is superior to similar types of apparatus that do not employ this means. Since this operational principle is protected by English patents, no comparable apparatus is being manufactured in the United States.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, which is being manufactured in the United States.

EDWARD G. SMITH,
Director, Office of Producer
Goods, Business and Defense
Services Administration.

[F.R. Doc. 68-8917; Filed, July 25, 1968;
8:45 a.m.]

YALE UNIVERSITY

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Producer Goods, Department of Commerce, Room 5123, Washington, D.C. 20230.

Docket No. 68-00480-33-63595. Applicant: Yale University, Bureau of Purchases, 20 Ashmun Street, New Haven, Conn. 06520. Article: Digital polarimeter, Model 141. Manufacturer: Bodenseewerk Perkin-Elmer & Co., West Germany. Intended use of article: The article will be

used in the process of synthesizing small quantities of organic compounds, of medical and biological interest; these are principally amino acid and vitamin analogs which will contain radioactive labels. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, is being manufactured in the United States. Reasons: (1) The foreign article has a specified spectral range beginning at 365 millimicrons. The most closely comparable domestic instrument is the Digital model polarimeter manufactured by the Bendix Corp. (Bendix), which has a specified spectral range beginning with 450 millimicrons. Many newly synthesized organic compounds are expected to show optical rotation only in the spectral range below 450 millimicrons. Therefore, the lower spectral range limit of the foreign article is pertinent to the purposes for which the article is intended to be used. (2) The foreign article provides a rotary range of plus or minus 80 degrees from any preset point, whereas the Bendix Digital polarimeter has a rotary range of plus or minus 0.5 degree from any preset point. The need to continually reset the domestic instrument in order to permit rotation in the same range as the foreign article, may lead to the loss of important kinetic data. Hence, the larger rotary range of the foreign article is pertinent. For the foregoing reasons, we find that the Bendix Digital model polarimeter is not of equivalent scientific value to the foreign article for the purposes for which such article is intended to be used.

The Department of Commerce knows of no other instrument or apparatus of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used, which is being manufactured in the United States.

EDWARD G. SMITH,
Director, Office of Producer
Goods, Business and Defense
Services Administration.

[F.R. Doc. 68-8918; Filed, July 25, 1968;
8:45 a.m.]

Maritime Administration

[Docket No. S-217]

OCEANIC STEAMSHIP CO.

Notice of Application

Notice is hereby given of the application dated July 12, 1968, of the Oceanic Steamship Co. for written permission under section 805(a) of the Merchant Marine Act, 1936, as amended (Act) for its affiliate, Maui Pineapple Co., Ltd., to participate in a joint venture agreement for the chartering of vessels to carry pineapple from Hawaii to Atlantic ports of the United States. It is tentatively contemplated that the "SS Rachel V.," owned by the Vantage Steamship Co. will be the next voyage charter which is scheduled to load in Hawaii on approximately August 7, 1968. The "SS

Canterbury Falcon" owned by Marine Transport Lines is under consideration for a voyage charter to commence in Hawaii about August 10, 1968.

Interested parties may inspect this application in the Office of Government Aid, Maritime Administration, Room 4077, General Accounting Office Building, 441 G Street NW., Washington, D.C.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in such application and desiring to be heard on issues pertinent to section 805(a) or desiring to submit a written statement with reference to the application must by close of business on August 5, 1968, file same with the Secretary, Maritime Subsidy Board/Maritime Administration in writing, in triplicate, together with petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief. Notwithstanding anything in § 201.78 of the Maritime Subsidy Board/Maritime Administration rules of practice and procedure (46 CFR Part 201), petitions for leave to intervene received after close of business on August 5, 1968, will not be considered in this proceeding.

If no petitions for leave to intervene are received within the specified time, or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Subsidy Board/Maritime Administration will take such action as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing has been tentatively scheduled for August 13, 1968, at 10 a.m. in Room 4519, General Accounting Office Building, 441 G Street NW., Washington, D.C. The purpose of the hearing will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the proposed domestic service involved or (b) would be prejudicial to the objects and policy of the Act relative to domestic trade operations.

Dated: July 24, 1968.

By order of the Maritime Subsidy Board/Maritime Administration.

JAMES S. DAWSON, JR.,
Secretary.

[F.R. Doc. 68-8974; Filed, July 25, 1968;
8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket Nos. 50-254, 50-265]

COMMONWEALTH EDISON CO. AND IOWA-ILLINOIS GAS AND ELECTRIC CO.

Notice of Issuance of Amendments to Provisional Construction Permits

Notice is hereby given that the Commission has issued, effective as of the date of issuance, Amendment No. 1, set

forth below, to Construction Permits Nos. CPPR-23 and CPPR-24 which were issued to the Commonwealth Edison Co. on February 15, 1967. Provisional Construction Permits Nos. CPPR-23 and CPPR-24 each authorizes Commonwealth Edison Co. to construct a single cycle, forced circulation, boiling water reactor designed to operate at 2,255 megawatts (thermal), (Quad-Cities Unit No. 1 and Quad-Cities Unit No. 2, respectively) at its site in Rock Island County, Ill., about 3 miles north of Cordova, Ill.

The amendments reflect a change in the ownership of the Quad-Cities Station. As a result of this change, Commonwealth Edison Co. and Iowa-Illinois Gas and Electric Co. will own, respectively, a 75 percent and a 25 percent undivided interest in the facility.

Neither Amendment No. 1 nor this change in ownership affects Commonwealth Edison Co.'s responsibilities with respect to design and construction of the facility as set forth in Provisional Construction Permits Nos. CPPR-23 and CPPR-24.

Within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER, Commonwealth Edison Co. or Iowa-Illinois Gas and Electric Co. may file a request for a hearing, and any person whose interest may be affected by the issuance of these amendments may file a petition for leave to intervene. Requests for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's rules of practice, 10 CFR Part 2. If a request for hearing or a petition for leave to intervene is filed within the time specified in this notice, the Commission will issue a notice of hearing or appropriate order.

For further details with respect to these amendments, see a copy of the application amendment dated April 9, 1968, which is available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Bethesda, Md., this 18th day of July 1968.

For the Atomic Energy Commission.

ROGER S. BOYD,

Acting Director,

Division of Reactor Licensing.

[Construction Permit CPPR-23, Amdt. 1]

1. The Atomic Energy Commission (the Commission) has found that:

A. The application for amendment of Construction Permit No. CPPR-23, dated April 9, 1968, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations, 10 CFR, Chapter 1.

B. Prior public notice of the proposed issuance of this amendment is unnecessary because this amendment does not involve significant hazard considerations different from those previously evaluated.

C. Issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.

2. Construction Permit No. CPPR-23 is amended as follows:

A. The name, "Iowa-Illinois Gas and Electric Company," is included in the title im-

mediately below "Commonwealth Edison Company."

B. Paragraph 1 is deleted and the following is substituted:

"1. Pursuant to section 104(b) of the Atomic Energy Act of 1954, as amended (the Act), and Title 10, Chapter 1, Code of Federal Regulations, Part 50, Licensing of Production and Utilization Facilities, the Atomic Energy Commission (the Commission) hereby issues a provisional construction permit to Commonwealth Edison Company and Iowa-Illinois Gas and Electric Company (the applicants) for a utilization facility designed to operate at 2,255 megawatts (thermal) (the facility), described in the application and amendments thereto filed in this matter and in evidence received at the public hearing upon that application. The facility, known as Quad-Cities Unit No. 1, will be located at the applicant's Quad-Cities Station in Rock Island County, Illinois, about three miles north of Cordova, Illinois."

C. Paragraph 2.C is deleted and the following is substituted:

"2.C. This construction permit authorizes Commonwealth Edison Company to own an undivided 75 percent interest in the facility and to construct the facility described in the application and the hearing record in accordance with the principal architectural and engineering criteria set forth therein and authorizes Iowa-Illinois Gas and Electric Company to own an undivided 25 percent interest in the facility."

D. Paragraph 3 is deleted and the following is substituted:

"3. This permit is provisional to the extent that a license authorizing operation of the facility will not be issued by the Commission to the applicants unless (a) the applicants submit to the Commission, by amendment to the application, the complete final safety analysis report, portions of which may be submitted and evaluated from time to time; (b) the Commission finds that the final design provides reasonable assurance that the health and safety of the public will not be endangered by the operation of the facility in accordance with procedures approved by it in connection with the issuance of said license; and (c) the applicants submit proof of financial protection and the execution of an indemnity agreement as required by section 170 of the Act."

3. This amendment is effective as of the date of issuance.

Date of Issuance: July 18, 1968.

For the Atomic Energy Commission.

ROGER S. BOYD,
Acting Director,
Division of Reactor Licensing.

[Construction Permit CPPR-24, Amdt. 1]

1. The Atomic Energy Commission (the Commission) has found that:

A. The application for amendment of Construction Permit No. CPPR-24, dated April 9, 1968, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations, 10 CFR, Chapter 1.

B. Prior public notice of the proposed issuance of this amendment is unnecessary because this amendment does not involve significant hazard considerations different from those previously evaluated.

C. Issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.

2. Construction Permit No. CPPR-24 is amended as follows:

A. The name, "Iowa-Illinois Gas and Electric Company," is included in the title immediately below "Commonwealth Edison Company."

B. Paragraph 1 is deleted and the following is substituted:

"1. Pursuant to section 104(b) of the Atomic Energy Act of 1954, as amended (the Act) and Title 10, Chapter 1, Code of Federal Regulations, Part 50, 'Licensing of Production and Utilization Facilities', the Atomic Energy Commission (the Commission) hereby issues a provisional construction permit to Commonwealth Edison Company and Iowa-Illinois Gas and Electric Company (the applicants) for a utilization facility designed to operate at 2,255 megawatts (thermal) (the facility), described in the application and amendments thereto filed in this matter and in evidence received at the public hearing upon that application. The facility, known as Quad-Cities Unit No. 2, will be located at the applicant's Quad-Cities Station in Rock Island County, Illinois, about three miles north of Cordova, Illinois."

C. Paragraph 2.C is deleted and the following is substituted:

"2.C. This construction permit authorizes Commonwealth Edison Company to own an undivided 75 percent interest in the facility and to construct the facility described in the application and the hearing record in accordance with the principal architectural and engineering criteria set forth therein and authorizes Iowa-Illinois Gas and Electric Company to own an undivided 25 percent interest in the facility."

D. Paragraph 3 is deleted and the following is substituted:

"3. This permit is provisional to the extent that a license authorizing operation of the facility will not be issued by the Commission to the applicants unless (a) the applicants submit to the Commission, by amendment to the application, the complete final safety analysis report, portions of which may be submitted and evaluated from time to time; (b) the Commission finds that the final design provides reasonable assurance that the health and safety of the public will not be endangered by the operation of the facility in accordance with procedures approved by it in connection with the issuance of said license; and (c) the applicants submit proof of financial protection and the execution of an indemnity agreement as required by section 170 of the Act."

3. This amendment is effective as of the date of issuance.

Date of Issuance: July 18, 1968.

For the Atomic Energy Commission.

ROGER S. BOYD,
Acting Director,
Division of Reactor Licensing.

[F.R. Doc. 68-8936; Filed, July 25, 1968;
8:46 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 20016]

FURMAN AIR FREIGHT CORP. ET AL.

Notice of Proposed Approval of Control and Interlocking Relationships

Application of Furman Air Freight Corp. for approval of certain control and interlocking relationships pursuant to sections 408 and 409 of the Federal Aviation Act of 1958, as amended, Docket 20016.

Notice is hereby given, pursuant to the statutory requirements of section 408(b) of the Federal Aviation Act of 1958, as amended, that the undersigned intends to issue the attached order under delegated authority. Interested persons are hereby afforded a period of 15 days from

the date of service within which to file comments or request a hearing with respect to the action proposed in the order.

Dated at Washington, D.C., July 22, 1968.

[SEAL]

A. M. ANDREWS,
Director,
Bureau of Operating Rights.

ORDER OF APPROVAL

Issued under delegated authority.

Application of Furman Air Freight Corp., Ira Furman, Leon Frankel, Gerald Greenstein, Mrs. Rose Levine, Evelyn Furman, Bernard Levine; Docket 20016, for approval of certain control and interlocking relationships pursuant to sections 408 and 409 of

Individual	Air freight	Furman	Sal's
Ira Furman.....	President.....	President.....	Vice president.
Gerald Greenstein.....	Vice president.....		President.
Leon Frankel.....	Vice president.....	Treasurer.....	
Rose Levine.....	Secretary.....	Secretary.....	
Evelyn Furman.....	Treasurer.....	Second vice president.....	Secretary-treasurer.
Bernard Levine.....	Director.....	Vice president.....	

It is alleged that by becoming an indirect air carrier, Air Freight can provide consolidation services to Furman. Sal's will serve Air Freight in addition to serving Furman. The applicants state that their many years of experience in the international freight forwarding field will benefit the proposed air freight consolidation service.

No comments relative to the application or requests for a hearing have been received.

Notice of intent to dispose of the application without a hearing has been published in the FEDERAL REGISTER and a copy of such notice has been furnished by the Board to the Attorney General not later than 1 day following such publication, both in accordance with section 408(b) of the Act.

Upon consideration of the joint application, it is concluded that Air Freight is an air carrier, and that Furman and Sal's are common carriers within the meaning of section 408 of the Act, and the common control of the three companies by Mr. Furman is subject to that section of the Act. However, it has been further concluded that such a control relationship does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly and does not restrain competition. Furthermore, no person disclosing a substantial interest in the proceeding is currently requesting a hearing and it is concluded that the public interest does not require a hearing. The control relationships are similar to others which have been approved by the Board and do not, essentially, present any new substantive issues. It therefore appears that approval of the control relationships would be consistent with the public interest.

We also find that interlocking relationships within the scope of section 409(a) of the Act will result from the holding by the individual applicants of the positions described herein. However, we have concluded that such relationships come within the scope of the exemption from the provisions of section 409 afforded by section 287.2 of the Board's economic regulations. Thus, to the extent that the application requests approval of such relationships, it will be dismissed.

Pursuant to authority duly delegated by the Board in the Board's regulations, 14 CFR

¹ Cf. Orders E-26256, Jan. 19, 1968 and E-26486, Mar. 7, 1968.

the Federal Aviation Act of 1958, as amended.

By application filed July 3, 1968, Furman Air Freight Corp. and Ira Furman request approval pursuant to section 408 of the Federal Aviation Act of 1958, as amended (the Act), of the control and interlocking relationships resulting from the ownership by Mr. and Mrs. Furman of 60 percent of the stock of Furman Air Freight (Air Freight), an applicant for international air freight forwarder authority, 100 percent of the stock of Ira Furman and Co., Inc. (Furman), and 100 percent of the stock of Sal's Airline Delivery Service, Inc. (Sal's). Furman is a U.S. customs broker, an ocean freight forwarder licensed by the Federal Maritime Commission, and an IATA cargo agent. Sal's is a trucking company serving only Furman.

Approval is also sought, pursuant to section 409 of the Act, for the following interlocking relationships:

385.13, and 385.3, it is found that the foregoing control relationships should be approved under section 408(b) of the Act, without hearing, and that the application to the extent that it requests approval of the aforementioned interlocking relationships should be dismissed.

Accordingly, it is ordered:

1. That the common control of Furman Air Freight, Inc., Ira Furman & Co., and Sal's Airline Delivery Service by Mr. Furman be and it hereby is approved; and

2. That, to the extent that approval of interlocking relationships is sought under section 409 of the Act, the application be and it hereby is dismissed.

Persons entitled to petition the Board for review of this order pursuant to the Board's regulations, 14 CFR 385.50, may file such petitions within 5 days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period unless within such period a petition for review is filed, or the Board gives notice that it will review this order on its own motion.

[SEAL]

HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-8943; Filed, July 25, 1968;
8:47 a.m.]

[Docket No. 19139]

TAG AIRLINES, INC.

Notice of Further Prehearing Conference

In view of the Board's Order 7-68-88, July 17, 1968, a further prehearing conference in this proceeding will be held on August 7, 1968, at 10 a.m., e.d.s.t., in Room 211, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C. The parties are advised that all previous procedural dates established in this proceeding are canceled and that new procedural dates will be established at the further prehearing conference.

In order to facilitate the conduct of the conference, interested parties are requested to submit to the Examiner and the parties of record in this proceeding

on or before August 6, 1968: (1) Additional proposed statements of issues, (2) proposed stipulations, (3) requests for additional information and evidence, and (4) proposed additional procedural dates.

Dated at Washington, D.C., July 23, 1968.

[SEAL]

ROBERT M. JOHNSON,
Hearing Examiner.

[F.R. Doc. 68-8944; Filed, July 25, 1968;
8:47 a.m.]

DELAWARE RIVER BASIN COMMISSION

COMPREHENSIVE PLAN

Notice of Public Hearing

Notice is hereby given that the Delaware River Basin Commission will hold a public hearing on Wednesday, July 31, 1968. The hearing will take place in Room 603, City Hall Annex, Juniper and Filbert Streets in Philadelphia, beginning at 2 p.m. The subject of the hearing will be proposals to amend the Comprehensive Plan so as to include therein the following projects.

1. *Soil Conservation Service.* A proposed modification in the Watershed Work Plan for the Assunpink Creek Watershed. The storage capacity of reservoir site 18 would be increased. Multilevel water release facilities for downstream temperature control would be installed at reservoir sites 18 (Millstone Township) and 19 (Upper Freehold Township), Monmouth County, N.J.

2. *Soil Conservation Service.* A plan for flood damage prevention and recreation development in the Furnace Brook Watershed, Warren County, N.J. Prepared in accordance with Public Law 566, the plan provides for one earth-filled dam and associated stream channel improvements. The project has been submitted by the Soil Conservation Service on behalf of several local public agencies in Warren County and the New Jersey Department of Conservation and Economic Development.

3. *Ewing-Lawrence Sewerage Authority.* A sewage works project involving a pumping station and force mains to serve a proposed industrial park in Ewing Township, Mercer County, N.J. A maximum future flow of 480,000 gallons per day will be pumped to the existing Ewing-Lawrence treatment plant for ultimate discharge into Assunpink Creek.

4. *Radnor-Haverford-Marple Sewer Authority.* A project to divert excess raw sewage from the Radnor-Haverford-Marple Sewer Authority treatment works to the Darby Creek Joint Authority treatment plant in Delaware County, Pa. The project involves construction of approximately 9,000 feet of 36-inch relief sewer lines and appurtenances.

5. *Bucks County Water and Sewer Authority.* An extension of Neshaminy Creek interceptor sewer system through construction of intercepting sewers, force mains, and pumping stations on the lower Neshaminy Creek Watershed, Bucks

County, Pa. Initially about 500,000 gallons per day of collected sewage will be conveyed to the Northeast Treatment Plant of the city of Philadelphia for treatment and ultimate disposal to the Delaware River. Ultimate future conveyance is estimated to be 35 million gallons daily.

6. *New Castle County.* Construction of the Glasgow interceptor sewer along Muddy Run from Christina interceptor to the vicinity of Glasgow, New Castle County, Del., a distance of about 3½ miles, to serve the entire Muddy Run drainage area. Temporary treatment facilities now serving sections of the Glasgow region will be abandoned.

7. *Parkway Water Co.* A well water supply project to augment public water supplies serving the Parkway Manor Development, South Whitehall Township, Lehigh County, Pa. Designated as Well No. 4, the new facility is expected to yield 140 gallons per minute.

8. *Borough of Milford.* A new sewage treatment plant and collection system to serve the Borough of Milford and Holland Township in Hunterdon County, N.J. The treatment plant is designed to treat 400,000 gallons per day with 95 percent removal of BOD. Treated effluent will discharge to the Delaware River.

Documents relating to the above proposed additions to the Comprehensive Plan may be examined at the Commission's offices. All persons wishing to testify are requested to register in advance with the Secretary to the Commission; Telephone (609) 883-9500.

W. B. WHITALL,
Secretary.

JULY 19, 1968.

[F.R. Doc. 68-8941; Filed, July 25, 1968;
8:47 a.m.]

FEDERAL POWER COMMISSION

[Doc. No. G-17358, etc.]

ASSOCIATED PROGRAMS, INC., ET AL.

Order Accepting Offers of Settlement, Requiring Filing of Notices of Change and Contract Amendments, Providing for Retention and Dis- bursement of Refunds, Severing Proceeding and Terminating Pro- ceedings

JULY 3, 1968.

Associated Programs, Inc. (Operator), et al. formerly Associated Oil & Gas Co. (Operator) et al., Docket Nos. G-17358 and AR64-2, et al.; Associated Programs, Inc., Docket No. RI65-286.

On April 17, 1968, in Docket No. RI65-286 and on May 1, 1968, in Docket No. G-17358, Associated Programs, Inc. (API), as successor in interest to Associated Oil & Gas Co., filed offers of settlement in these proceedings pursuant to § 1.18(e) of the Commission's rules of practice and procedure. The offers relate to two sales of natural gas to Tennessee Gas Pipeline Co., a division of Tenneco Inc. (Tennessee Gas), from

several fields in Texas Railroad District Nos. 3 and 4. The proceedings involve increased rates, collected subject to refund, from 13.49751 cents to 16.16947 cents per Mcf effective June 1, 1959, under Supplement No. 6 to API's FPC Gas Rate Schedule No. 1 in Docket No. G-17358, and from 14.6 cents to 15.6 cents per Mcf effective April 1, 1965, under Supplement No. 12 to API's FPC Gas Rate Schedule No. 7 in Docket No. RI65-286.¹

Under the terms of the offers, API proposes a settlement rate of 15 cents per Mcf at 14.65 p.s.i.a. inclusive of tax reimbursement for the subject sales. The settlement rate under API's FPC Gas Rate Schedule No. 7 is subject to a 0.21931 cent per Mcf contractual deduction for dehydration. API has agreed to amend its subject contracts by deleting all definite and indefinite price escalation provisions therefrom, except those providing for a 75 percent reimbursement of future tax increases. API stated that there are at least 5 years of recoverable reserves under these contracts, and it has further agreed to execute a contract amendment extending the term under its Rate Schedule No. 7 to 5 years from the date of filing of the settlement offer so that both of its contracts have a remaining life of at least 5 years. API states that it will refund to Tennessee Gas all amounts collected, subject to refund, under the subject proceedings in excess of the settlement rate with applicable interest. Its revenues will be decreased approximately \$31,000 annually below those now being collected subject to refund and it will refund approximately \$196,900, exclusive of interest. Tennessee Gas has agreed to the settlement proposals and no protests have been filed thereto.

Tennessee Gas is required to flow-through to its jurisdictional customers all refundable amounts collected in Docket No. G-17358, estimated to be \$139,800. However, Tennessee Gas is required to flow-through only those refunds in Docket No. RI65-286 attributable to deliveries made on or after January 1, 1967.² Accordingly, we shall direct API to refund with appropriate interest all refundable amounts collected in Docket No. G-17358 and the refundable amounts collected in Docket No. RI65-286 on and after January 1, 1967. For the reasons set forth in our order in Humble Oil & Refining Co., Docket No. G-9287 et al., order issued July 8, 1964, 32 FPC 49, we shall require API to retain the refundable amounts attributable to pre-January 1, 1967, deliveries collected in Docket No. RI65-286 pending further Commission order. API will be permitted either to place such refunds in a special

¹ API's Rate Schedule Nos. 1 and 7 formerly were Associated Oil & Gas Co.'s Rate Schedule Nos. 1 and 15, respectively. The rates collected subject to refund are at a pressure base of 14.65 p.s.i.a., inclusive of tax reimbursement. The settlement rate under API's FPC Gas Rate Schedule No. 7 is also subject to a 0.21931 cent per Mcf contractual deduction for dehydration.

² Commission order issued Aug. 1, 1967, in Docket No. RP67-23.

escrow account, without further interest obligations, or to commingle the retained refunds with its general assets and use them for its corporate purposes, subject to further interest at a rate of 6½ percent per annum.

The proposed settlements are consistent with the provisions of the second amendment to the Commission's statement of general policy No. 61-1, issued December 20, 1960, 24 FPC 1107, as amended by Order No. 264 issued March 27, 1963, 29 FPC 589, and their acceptance would serve the public interest. Our action in accepting API's subject settlement proposals should not be construed as constituting approval of any future rate increases, if any, that may be filed under the subject rate schedules in accordance with the reservation of the right to file increases to cover future tax increases, and is without prejudice to any finding or order of the Commission in any future rate proceedings, including area rate proceedings, involving API's rates and rate schedules.

The Commission finds: The proposed settlement of the subject proceedings on the basis described herein, as more fully set forth in the settlement proposals filed by API on April 17 and May 1, 1968, is in the public interest and it is appropriate in carrying out the provisions of the Natural Gas Act that it be approved and made effective as hereinafter ordered, that the proceeding in Docket No. G-17358 which is consolidated with the area rate proceeding in Docket No. AR64-2 et al., be severed therefrom, that Docket No. G-17358 and RI65-286 be terminated and that refunds be made as hereinafter provided.

The Commission orders: (A) The offers of settlement filed with the Commission on April 17 and May 1, 1968, in Docket Nos. RI65-286 and G-17358, respectively, are approved in accordance with the provisions of this order.

(B) API shall file, within 30 days from the date of issuance of this order, as supplements to its FPC Gas Rate Schedule Nos. 1 and 7, notices of change in rate providing for 15 cents and 14.78069 cents per Mcf settlement rates, respectively, and executed contract amendments as provided in API's offers of settlement. API shall also file, within 30 days from the date of issuance of this order, as a supplement to its FPC Gas Rate Schedule No. 7, an executed contract amendment extending the contract term to April 17, 1973. The notices of change and the contractual amendments required herein shall be submitted in accordance with Part 154 of the Commission's regulations under the Natural Gas Act.

(C) API shall compute the difference between the rate collected in Docket No. RI65-286 subject to refund and the 14.78069 cents settlement rate for the period from April 1, 1965, until January 1, 1967, together with interest at 7 percent per annum computed to the date of issuance of this order, and within 30 days hereof shall submit a report to the Commission, and serve a copy on Tennessee Gas, setting forth the details of such computations, showing separately the principal and applicable interest, the basis used

for such determination, the periods covered, and, within 10 days thereafter shall submit a letter from Tennessee Gas agreeing to the correctness of such amounts.

(D) API shall retain the amounts shown in the report required under paragraph (C) above, subject to further order of the Commission directing the disposition of those amounts.

(E) If API elects to commingle these retained refunds with its general assets and use them for its corporate purposes, it shall pay interest thereon at the rate of 6½ percent per annum on all funds thus available from the date of issuance of this order to the date on which they are paid over to the person ultimately determined to be entitled thereto in a final order of the Commission.

(F) If API elects to deposit the retained refunds in a special escrow account, API shall tender for filing on or before 45 days from the date of issuance of this order an executed escrow agreement, conditioned as set out below, accompanied by a certificate showing service of a copy thereof upon Tennessee Gas. Unless notified to the contrary by the Secretary within 30 days from the date of filing thereof, the escrow agreement shall be deemed to be satisfactory and to have been accepted for filing. The escrow agreement shall be entered into between API and any bank or trust company used as a depository for funds of the U.S. Government and the agreement shall be conditioned as follows:

(a) API, the bank or trust company, and the successors and assigns of each, shall be held and formally bound unto the Federal Power Commission for the use and benefit of those entitled to all amounts and the interest thereon deposited in a special escrow account subject to such agreement, and such bank or trust company shall be bound to pay over to such person or persons as may be identified and designated by final order of the Commission and in such manner as may be therein specified all or any portion of such deposits and interest thereon.

(b) The bank or trust company may invest and reinvest such deposits in any short-term indebtedness of the United States or any agency thereof or in any form of obligation guaranteed by the United States which indebtedness or obligation is payable within 120 days, as the said bank or trust company in the exercise of its sound discretion may select.

(c) Such bank or trust company shall be liable only for such interest as the invested funds described in paragraph (b), above, will earn and no other interest may be collected from it.

(d) Such bank or trust company shall be entitled to such compensation as is fair, reasonable, and customary for its services as such, which compensation shall be paid out of the escrow account to such bank or trust company. Said bank or trust company shall likewise be entitled to reimbursement for its reasonable expenses necessarily incurred in the administration of this escrow account,

which reimbursement shall be made out of the escrow account.

(e) Such bank or trust company shall report to the Secretary of the Commission quarterly, certifying the amount deposited in the bank or trust company for the quarterly period.

(G) API shall compute: (1) The difference between the rate collected subject to refund on and after January 1, 1967, in Docket No. RI65-286 and the settlement rate of 14.78069 cents per Mcf, with 7 percent per annum interest to the date of issuance of this order, and (2) the difference between the rate collected subject to refund in Docket No. G-17358 and the settlement rate of 15 cents per Mcf, with 6 percent per annum interest to the date of issuance of this order. API shall, within 30 days from the date of issuance of this order, submit a report to the Commission, with a copy to Tennessee Gas, setting out the amount of refunds (showing separately the principal and applicable interest), the bases used for such determinations, the periods covered, and 10 days thereafter file a letter with the Commission from Tennessee Gas agreeing to the correctness of such amounts. API shall, within 10 days from the date of filing the letter from Tennessee Gas, refund such monies to Tennessee Gas, and shall within 10 days of the making of such refunds file with the Commission a release from Tennessee Gas with respect thereto.

(H) Upon notification by the Secretary of the Commission that API has complied with the terms and conditions of this order, 14.78069 cents and 15 cents per Mcf rates for sales under API's Gas Rate Schedule Nos. 7 and 1, respectively, as specified in its subject offers of settlement, shall be effective as of the date of issuance of this order, the proceeding in Docket No. G-17358 shall be deemed severed from the proceedings in Docket No. AR64-2 et al., and the proceedings in Docket Nos. G-17358 and RI65-286 shall be deemed terminated, all without further order of the Commission.

(I) The acceptance by the Commission of API's offers of settlement is without prejudice to any findings or determinations that may be made in any proceeding now pending, or hereafter instituted by or against API, including area rate or other similar proceedings.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Acting Secretary.

[F.R. Doc. 68-8920; Filed, July 25, 1968;
8:45 a.m.]

[Docket No. RI68-601]

SUNRAY DX OIL CO.

Order Amending Order Providing for Hearings on and Suspension of Proposed Changes in Rates To Permit Substitute Rate Filing

JULY 18, 1968.

On April 4, 1968, Sunray DX Oil Co. (Sunray) filed with the Commission a

proposed change in rate from 20.625 cents to 23.25 cents per Mcf¹ which pertains to its jurisdictional sales of natural gas from the North LeRoy Field, Vermilion Parish, La. (South Louisiana Area), to United Gas Pipe Line Co. The Commission by order issued April 26, 1968, in Docket No. RI68-601, suspended for 5 months Sunray's rate filing until October 5, 1968, and thereafter until made effective in the manner prescribed by the Natural Gas Act. Sunray's proposed rate increase has not been made effective pursuant to section 4(e) of the Natural Gas Act.

On June 19, 1968, Sunray submitted an amended notice of change in rate² amending Supplement No. 4 to its aforementioned rate schedule to provide for a rate increase to 23 cents per Mcf³ instead of the 23.25 cents per Mcf rate filed on April 4, 1968. The proposed 23.25-cent rate included 1.75-cent tax reimbursement; however, the letter from the purchaser, United Gas Pipe Line Co., which served as the basis for determining the level of tax reimbursement reflected in such increase had not been filed with the Commission. Sunray now proposes to substitute a rate increase filing to reflect a tax reimbursement of 1.5 cents, which is the level prescribed by the contract, in lieu of the 1.75 cents tax reimbursement previously reported.

Sunray's proposed corrected rate of 23 cents per Mcf exceeds the area increased rate ceiling of 14 cents per Mcf, plus applicable tax reimbursement, for the South Louisiana Area as announced in the Commission's statement of general policy No. 61-1, as amended, as did the previously suspended rate in said docket. Since Sunray's instant rate filing reflects a corrected tax reimbursement under the rate schedule involved, we believe that it would be in the public interest to accept Sunray's corrective rate filing subject to the suspension proceeding in Docket No. RI68-601 with the suspension period for such corrective rate filing to terminate

¹ Designated as Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 196.

² Designated as Supplement No. 1 to Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 196.

³ An annual decrease of \$39 from the previously reported amount of \$409.

concurrently with the suspension period (Oct. 5, 1968) of the original filing in said docket.

The Commission orders:

(A) The suspension order issued April 26, 1968, in Docket No. RI68-601, is amended only so far as to permit the 23 cents per Mcf rate contained in Supplement No. 1 to Supplement No. 4 to Sunray's FPC Gas Rate Schedule No. 196 to be filed to supersede the 23.25 cents per Mcf rate provided by Supplement No. 4 to the aforementioned rate schedule, subject to the suspension proceeding in Docket No. RI68-601. The suspension period for such substitute filing to terminate concurrently with the suspension period (Oct. 5, 1968) presently in effect in said docket.

(B) In all other respects, the order issued by the Commission on April 26, 1968, in Docket No. RI68-601, shall remain unchanged and in full force and effect.

By the Commission.

[SEAL] GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-8921; Filed, July 25, 1968; 8:45 a.m.]

[Docket No. RI69-11 etc.]

SUNRAY DX OIL CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund¹

JULY 18, 1968.

The Respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission

¹ Does not consolidate for hearing or dispose of the several matters herein.

APPENDIX A

enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR, Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however*, That the supplements to the rate schedules filed by Respondents, as set forth herein, shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondents shall each execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before September 4, 1968.

By the Commission.

[SEAL] GORDON M. GRANT,
Secretary.

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until	Cents per Mcf		Rate in effect subject to refund in Docket Nos.
									Rate in effect	Proposed increased rate	
RI69-11.....	Sunray DX Oil Co., Post Office Box 2039, Tulsa, Okla. 74102.	222	26	Oklahoma Natural Gas Gathering Corp. ² (Ringwood Field, Major County, Okla.) (Oklahoma "Other" Area).	\$142	6-21-68	6-21-68	6-22-68	11.0	12.0	
RI69-12.....	Alkman Bros. Corp. (Operator) et al., 706 Bank of the Southwest Bldg., Amarillo, Tex. 79108.	2	3	Northern Natural Gas Co. (Larabee Field, Stevens County, Kans.).	13,500	6-21-68	7-14-68	7-15-68	11.0	16.0	

² Applicable to acreage added by Amendment dated Mar. 14, 1968 (Supplement No. 5).

³ Oklahoma Natural classed as a pipeline company in its certificate (CI61-1408) for resale of gas to Cities Service Gas Co. at an initial rate of 17 cents per Mcf. Oklahoma Natural's related increase to 18.5 cents has been approved. However, Oklahoma Natural must flow through any refunds made by its suppliers.

⁴ The stated effective date is the date of filing.

⁵ The suspension period is limited to 1 day.

⁶ Periodic rate increase.

⁷ Pressure base is 14.65 p.s.i.a.

⁸ For gas from formations below Top of Morrow Sand.

⁹ The stated effective date is the earliest date predecessor could make rate effective.

¹⁰ Respondent filing for renegotiated rate of its predecessor, Northern Natural Gas Producing Co. Predecessor's rate currently suspended in Docket No. RI68-442 until July 15, 1968.

¹¹ Subject to a downward B.t.u. adjustment.

Sunray DX Oil Co. (Sunray) proposes a periodic rate increase from 11 cents to 12 cents per Mcf for a wellhead sale of gas to Oklahoma Natural Gas Gathering Corp. (Oklahoma Natural) from the Ringwood Field, Major County, Okla., (Oklahoma "Other" Area). The area ceiling rate for increases is 11 cents per Mcf. The sale covers additional acreage added to the basic contract and was authorized under a temporary certificate issued May 29, 1968, in Docket No. CI62-1412 at a conditioned rate of 11 cents per Mcf.¹² Sunray was advised in a letter granting the temporary certificate that it could file a rate increase to the 12 cents contractual rate and request a shortened suspension period. Sunray requests waiver of the 30 days notice requirement and a 1 day suspension period if the proposed rate is suspended. Sunray's proposed 12 cents per Mcf rate exceeds the area increased rate ceiling of 11 cents per Mcf for the Oklahoma "Other" Area as announced in the Commission's statement of general policy No. 61-1, as amended, and should be suspended. Consistent with prior Commission action on filings in the Ringwood Area, we believe that it would be in the public interest to waive the 30 days notice requirement provided in section 4(d) of the Natural Gas Act to permit an effective date of June 21, 1968, the date of filing, for Sunray's proposed rate increase, and to limit to 1 day the suspension period ordered herein for such rate filing.

Aikman Bros. Corp. (Operator) et al (Aikman), proposes an increase from 11 cents to 16 cents per Mcf for a sale of gas to Northern Natural Gas Co. from the Larabee Field, Stevens County, Kans. The area ceiling for increases is 11 cents per Mcf. Aikman acquired its interest in the sale involved from Northern Natural Gas Producing Co. (Producing) which, until July 1964, was a wholly owned subsidiary of the buyer. Prior to the time that Aikman filed for its certificate authorization Producing had filed its renegotiated rate increase covering the acreage involved from 11 cents to 16 cents per Mcf which was suspended until July 18, 1968, in Docket No. RI68-442. In the temporary certificate issued June 10, 1968, in Docket No. CI68-1049, to Aikman at an initial rate of 11 cents per Mcf, the Commission advised Aikman that upon filing a notice of change in rate to the 16 cents level that such proposed rate would be suspended until July 15, 1968, or until made effective, to correspond with the suspension period of the predecessor. Consistent with such temporary authorization, we conclude that it would be in the public interest to waive the 30-day notice requirement provided in section 4(d) of the Natural Gas Act, to the extent necessary, to permit an effective date of July 14, 1968, for Aikman's proposed rate increase, and to limit to 1 day the suspension period ordered herein for such rate filing.

[F.R. Doc. 68-8922; Filed, July 25, 1968; 8:45 a.m.]

¹² By order issued Nov. 3, 1966, in Docket No. RP66-19, an increase by Oklahoma Natural from 17 cents to 18.5 cents designed to compensate only for an increase in the cost of purchased gas was accepted for filing and allowed to become effective June 1, 1966, without obligation to refund, except that Oklahoma Natural is required to flow through any refunds received from its producer-suppliers and to reduce its rate to reflect any rate reductions of such suppliers.

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-2250]

COMSTOCK-KEYSTONE MINING CO.

Order Suspending Trading

JULY 22, 1968.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Comstock-Keystone Mining Co., being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15 (c) (5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period July 22, 1968, at 11:30 a.m., e.d.t., through July 31, 1968, both dates inclusive.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 68-8937; Filed, July 25, 1968; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area 678]

IOWA

Declaration of Disaster Loan Area

Whereas, it has been reported that during the month of July 1968, because of the effects of certain disasters, damage resulted to residences and business property located in the counties of Bremer, Butler, Black Hawk, and Buchanan, in the State of Iowa;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the area affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, therefore, as Acting Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b) (1) of the Small Business Act, as amended, may be received and considered by the Office below indicated from persons or firms whose property, situated in the aforesaid counties, and areas adjacent thereto, suffered damage or destruction resulting from floods occurring on July 16 and July 17, 1968.

OFFICE

Small Business Administration Regional Office, 210 Walnut Street, Des Moines, Iowa 50309.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to January 31, 1969.

Dated: July 19, 1968.

HOWARD GREENBERG,
Acting Administrator.

[F.R. Doc. 68-8926; Filed, July 25, 1968; 8:45 a.m.]

GENERAL INVESTMENT CORPORATION OF DENVER

Notice of Filing of Application for Change of Control of Licensed Small Business Investment Company

Notice is hereby given that application has been filed with the Small Business Administration (SBA) pursuant to § 107.701 of the Regulations Governing Small Business Investment Companies (13 CFR Part 107, 33 F.R. 326) for transfer of control of Central Investment Corp. of Denver, Suite 811, Central Bank Building, Denver, Colo. (Central Investment) a Federal Licensee under the Small Business Investment Act of 1958, as amended (License No. 11/11-0006). Central Investment is also a registered closed-end investment company under the Investment Company Act of 1940.

Central Investment was licensed on April 5, 1960, and as of March 31, 1968, has paid-in capital and surplus of \$5,544,311. It has 1,560,000 shares of issued and outstanding common stock. J. S. Dillon & Sons Stores Co., Inc., 2700 East Fourth Street, Hutchinson, Kans., proposes to acquire all of the outstanding stock of Central Investment through an exchange of 547,368 shares of its stock for the 1,560,000 shares of Central Investment stock.

It is contemplated that the officers and directors of the Central Investment will continue to serve in their same capacity. The principal offices of the Licensee will remain in Denver, Colo.

Matters involved in SBA's consideration of the application include the general business reputation and character of the proposed new owners, and the probability of successful operation of the company under their control and management (including adequate profitability and financial soundness) in accordance with the Act and regulations.

Notice is further given that any interested person may not later than 10 days from the publication of this notice, submit to SBA, in writing, relevant comments on the proposed transfer of control. Any such communication should be addressed to: Associate Administrator for Investment, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416.

A copy of this notice shall be published by the proposed transferees in a newspaper of general circulation in Denver, Colo., and Hutchinson, Kans.

For SBA (pursuant to delegated authority).

Date: July 19, 1968.

GLENN R. BROWN,
Associate Administrator
for Investment.

[F.R. Doc. 68-8927; Filed, July 25, 1968;
8:45 a.m.]

[Delegation of Authority 30 (Northeastern Area)]

AREA COORDINATORS ET AL.

Delegation of Authority To Conduct Program Activities in the Northeastern Area

Pursuant to the authority delegated to the Area Administrators by Delegation of Authority No. 30 (Revision 12), 32 F.R. 179, and Amendment 1, 32 F.R. 8113, and Amendment 2, 33 F.R. 8793, the following authority is hereby redelegated to the positions as indicated herein:

I. Area Coordinators.

A. Development Company Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under the sections 501 and 502 programs of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all sections 501 and 502 loans within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for sections 501 and 502 loans only. Product classification decisions for procurement purposes are made by contracting officers.

B. Liquidation and Disposal Coordinator.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim

in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans, and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Supervisory Liquidation and Disposal Officer.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a parti-

cipation or guaranty agreement; and (3) the cancellation of authority to liquidate.

D. *Area Claims Review Committee.*—To consist of the liquidation and disposal coordinator, area counsel and the area supervisory appraiser who will meet and consider reasonable and properly supported compromise proposals of indebtedness owed to the Agency and to take final action on such proposals provided such action represents the majority recommendation of the committee on claims not in excess of \$5,000 (including CPC advances but excluding interest), or represents the unanimous recommendation of said committee on claims in excess of \$5,000 but not exceeding \$100,000 (including CPC advances but excluding interest).

E. Financial Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans; and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

F. Procurement and Management Assistance Coordinator.

1. *Eligibility determinations (for PMA activities only).*—To determine eligibility of applicants for assistance under any program of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for PMA activities only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

G. Area Administrative Officer.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; and (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate

Small Business Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

II. Regional Directors.

A. Financial assistance.

1. To approve business and disaster loans not exceeding \$350,000 (SBA share) and economic opportunity loans not exceeding \$25,000 (SBA share).

2. To decline business, economic opportunity, and disaster loans of any amount.

3. To close and disburse approved loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Washington and area approved loans and for loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,

By _____

(Name)

Regional Director.

(City)

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding principal balance of construction loans and loans involving accounts receivable and inventory financing.

**10. To establish disaster field offices upon receipt of advice of the designation of a disaster area; to advise on the making of disaster loans; to appoint as a processing representative any bank in the disaster area; and to close disaster field offices when no longer advisable to maintain such offices.

11. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the

Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

B. Development company assistance.

**1. To approve or decline section 501 State Development Company loans and section 502 Local Development Company loans up to \$350,000 (SBA share).

2. To close and disburse sections 501 and 502 loans.

3. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

4. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

5. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing.

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under

the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. *Size determination.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

D. *Eligibility determinations.*—To determine eligibility of applicants for assistance under any program of the Agency, with the exception of the 501 and 502 programs, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in section 120.2 (e) of SBA Loan Policy Regulations.

E. Administration.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration to reimburse the General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

F. Chiefs, Financial Assistance Divisions (and Assistant Chiefs, if assigned).

1. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

2. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

3. To approve business and disaster loans not exceeding \$350,000 (SBA share), and economic opportunity loans not exceeding \$25,000 (SBA share).

4. To close and disburse approved business, economic opportunity, and disaster loans.

5. To decline business, economic opportunity, and disaster loans of any amount.

6. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

7. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under the delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

8. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

9. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

10. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

11. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

12. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due

thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

G. *Supervisory Loan Officer and/or Assistance Team Leader.*

1. To approve or decline business and disaster direct loans not in excess of \$50,000 and participation loans not in excess of \$50,000 (SBA share).

2. To approve or decline economic opportunity loans not in excess of \$25,000 (SBA share).

3. To close and disburse approved business, economic opportunity, and disaster loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

10. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of

claim in bankruptcy on other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

11. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

12. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

H. *Loan Officer (financial assistance).*

1. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

2. To close and disburse approved business, economic opportunity, and disaster loans.

*I. *Chief, Development Company Assistance Division.*

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank application for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

J. *Loan Officer (Development Company Assistance)*.

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To approve final actions concerning current direct, participation, and First Mortgage Plan 502 loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to applications against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of

equipment being released does not exceed \$500.

K. *Regional Counsel (Reserved)*.

L. *Chief, Accounting, Clerical, and Training Division*.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

**5. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

**6. To extend the disbursement period on all loan authorizations or undischarged portions of loans, except sections 501 and 502 loans.

**7. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Adjustment of interest payment dates.

e. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

f. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

M. *Assistant Chief, Accounting, Clerical, and Training Division*.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such

vehicles when not furnished by this Administration.

III. *Branch Manager (Reserved)*.

IV. The specific authority delegated herein, indicated by double asterisks (**) cannot be redelegated.

V. The authority delegated herein to a specific position may be exercised by an SBA employee designated as acting in that position.

VI. All previously delegated authority is hereby rescinded without prejudice to actions taken under such Delegations of Authority prior to the date hereof.

Effective Date: July 1, 1968.

THOMAS J. NOONAN,
Area Administrator,
Northeastern Area.

[F.R. Doc. 68-8928; Filed, July 25, 1968;
8:45 a.m.]

[Delegation of Authority 30 (Middle Atlantic Area)]

AREA COORDINATORS ET AL.

Delegation of Authority To Conduct Program Activities in the Middle Atlantic Area

Pursuant to the authority delegated to the Area Administrators by Delegation of Authority No. 30 (Revision 12), 32 F.R. 179, as amended, 32 F.R. 8113 and 33 F.R. 8793, the following authority is hereby redelegated to the positions as indicated herein:

I. *Area Coordinators*.
A. *Development Company Assistance Coordinator*.

1. *Eligibility determinations (for financial assistance only)*.—To determine eligibility of applicants for assistance under the sections 501 and 502 programs of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only)*.—To make initial size determinations in all sections 501 and 502 loans within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for sections 501 and 502 loans only. Product classification decisions for procurement purposes are made by contracting officers.

B. *Liquidation and Disposal Coordinator*.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock

and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans, and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Supervisory Liquidation and Disposal Officer.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public

sale of (1) collateral in connection with the liquidation of loans and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement; and (3) the cancellation of authority to liquidate.

D. Area Claims Review Committee. To consist of the liquidation and disposal coordinator, area counsel and the area supervisory appraiser who will meet and consider reasonable and properly supported compromise proposals of indebtedness owed to the Agency and to take final action on such proposals provided such action represents the majority recommendation of the committee on claims not in excess of \$5,000 (including CPC advances but excluding interest), or represents the unanimous recommendation of said committee on claims in excess of \$5,000 but not exceeding \$100,000 (including CPC advances but excluding interest).

E. Financial Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in section 120.2(e) of SBA Loan Policy Regulations.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans; and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

F. Procurement and Management Assistance Coordinator.

1. *Eligibility determinations (for PMA activities only).*—To determine eligibility of applicants for assistance under any program of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for PMA activities only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by the contracting officers.

G. Area Administrative Officer.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; and (c) contract for services required in setting up and dismantling and moving SBA exhibits; and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

II. Regional Directors.

A. Financial assistance.

1. To approve business and disaster loans not exceeding \$350,000 (SBA share) and Economic Opportunity Loans not exceeding \$25,000 (SBA share).

2. To decline business, economic opportunity, and disaster loans of any amount.

3. To close and disburse approved loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Washington and area approved loans and for loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Regional Director.
(City)

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undischarged portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding principal balance of construction loans and loans involving accounts receivable and inventory financing.

**10. To establish disaster field offices upon receipt of advice of the designation of a disaster area; to advise on the making of disaster loans; to appoint as a processing representative any bank in the disaster area; and to close disaster field offices when no longer advisable to maintain such offices.

11. To take all necessary actions in connection with the administration, servicing, and collection other than those accounts classified as "in liquidation"; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

B. *Development company assistance.*
*1. To approve or decline section 501 State Development Company loans and section 502 Local Development Company loans up to \$350,000 (SBA share).

2. To close and disburse sections 501 and 502 loans.

3. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

4. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

5. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing.

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. *Size determinations.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

D. *Eligibility determinations.*—To determine eligibility of applicants for assistance under any program of the Agency, with the exception of the 501 and 502 programs, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

E. *Administration.*
1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.
2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits; and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration to reimburse the General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

F. *Chiefs, Financial Assistance Divisions (and Assistant Chiefs, if assigned).*
1. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

2. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except

sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

3. To approve business and disaster loans not exceeding \$350,000 (SBA share), and economic opportunity loans not exceeding \$25,000 (SBA share).

4. To close and disburse approved business, economic opportunity, and disaster loans.

5. To decline business, economic opportunity, and disaster loans of any amount.

6. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

7. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under the delegated authority, said execution to read as follows:

By _____ (Name), Administrator,

(Name)
Title of person signing.

8. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

9. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

10. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

11. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

12. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens,

satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

G. Supervisory Loan Officer and/or Assistance Team Leader.

1. To approve or decline business and disaster direct loans not in excess of \$50,000 and participation loans not in excess of \$50,000 (SBA share).

2. To approve or decline economic opportunity loans not in excess of \$25,000 (SBA share).

3. To close and disburse approved business, economic opportunity, and disaster loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Central Office, area and regional approved loans and loans approved under delegated authority, said execution to read as follows:

By _____ (Name), Administrator,
 _____ (Name)
 Title of person signing.

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

10. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of de-

posit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

11. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

12. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA Loan Policy Regulations.

H. Loan Officer (financial assistance).

1. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

2. To close and disburse approved business, economic opportunity, and disaster loans.

I. Chief, Development Company Assistance Division.

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank application for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

J. Loan Officer (Development Company Assistance).

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To approve final actions concerning current direct, participation and First Mortgage Plan 502 loans:

a. Use of cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to applications against premiums.

c. Minor modifications in the authorization.

- d. Extension of disbursement period.
- e. Extension of initial principal payments.
- f. Adjustment of interest payment dates.
- g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.
- h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

K. Regional Counsel (Reserved).

L. Chief, Accounting, Clerical, and Training Division.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits; and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

*5. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

*6. To extend the disbursement period on all loan authorizations or undischarged portions of loans, except sections 501 and 502 loans.

*7. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Adjustment of interest payment dates.

e. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

f. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

M. Assistant Chief, Accounting, Clerical, and Training Division.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required

in setting up and dismantling and moving SBA exhibits; and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

III. Branch Manager (Reserved).

IV. The specific authority delegated herein, indicated by double asterisks (**) cannot be redelegated.

V. The authority delegated herein to a specific position may be exercised by an SBA employee designated as acting in that position.

VI. All previously delegated authority is hereby rescinded without prejudice to actions taken under such Delegations of Authority prior to the date hereof.

Effective Date: July 1, 1968.

EDWARD N. ROSA,
Area Administrator,
Middle Atlantic Area.

[F.R. Doc. 68-8929; Filed, July 25, 1968;
8:46 a.m.]

[Delegation of Authority 30 (New York)]

AREA COORDINATORS ET AL.

Delegation of Authority To Conduct Program Activities in the New York Area

Pursuant to the authority delegated to the Area Administrators by Delegation of Authority No. 30 (Revision 12), 32 F.R. 179, Amendment 1, 32 F.R. 8113, and Amendment 2, 33 F.R. 8793, the following authority is hereby redelegated to the positions as indicated herein:

I. Area Coordinators.

A. Development Company Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under the sections 501 and 502 programs of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all sections 501 and 502 loans within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for sections 501 and 502 loans only. Product classification decisions for procurement purposes are made by contracting officers.

B. Liquidation and Disposal Coordinator.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, includ-

ing without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans, and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Supervisory Liquidation and Disposal Officer.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be

appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement; and (3) the cancellation of authority to liquidate.

D. *Area Claims Review Committee.*—To consist of the liquidation and disposal coordinator, area counsel and the area supervisory appraiser who will meet and consider reasonable and properly supported compromise proposals of indebtedness owed to the Agency and to take final action on such proposals provided such action represents the majority recommendation of the committee on claims not in excess of \$5,000 (including CPC advances but excluding interest), or represents the unanimous recommendation of said committee on claims in excess of \$5,000 but not exceeding \$100,000 (including CPC advances but excluding interest).

E. *Financial Assistance Coordinator.*

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the non-applicability of eligibility limitation to a community emergency as set forth in § 120.2(e) of SBA Loan policy regulations.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans; and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

F. *Procurement and Management Assistance Coordinator.*

1. *Eligibility determinations (for PMA activities only).*—To determine eligibility of applicants for assistance under any program of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for PMA activities only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for

financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

G. *Area Administrative Officer.*

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; and (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

II. *Regional Directors.*

A. *Financial assistance.*

1. To approve business and disaster loans not exceeding \$350,000 (SBA share) and economic opportunity loans not exceeding \$25,000 (SBA share).

2. To decline business, economic opportunity, and disaster loans of any amount.

3. To close and disburse approved loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Washington and area approved loans and for loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Regional Director,
(City)

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding principal balance of construction loans and loans involving accounts receivable and inventory financing.

**10. To establish disaster field offices upon receipt of advice of the designation of a disaster area; to advise on the making of disaster loans; to appoint as a processing representative any bank in the disaster area; and to close disaster field offices when no longer advisable to maintain such offices.

11. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

B. *Development company assistance.*

**1. To approve or decline section 501 State Development Company loans and section 502 Local Development Company loans up to \$350,000 (SBA Share).

2. To close and disburse sections 501 and 502 loans.

3. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

4. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

5. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing.

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to

equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. *Size determinations.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as property of any kind, legal and amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

D. *Eligibility determinations.*—To determine eligibility of applicants for assistance under any program of the Agency, with the exception of the 501 and 502 programs, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitation to a community emergency as set forth in § 120.2(e) of SBA Loan policy regulations.

E. *Administration.*

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration to reimburse the General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

F. *Chiefs, Financial Assistance Division (and Assistant Chiefs, if assigned).*

1. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, ex-

cept sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

2. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitation to a community emergency as set forth in § 120.2(e) of SBA Loan policy regulations.

3. To approve business and disaster loans not exceeding \$350,000 (SBA share), and economic opportunity loans not exceeding \$25,000 (SBA share).

4. To close and disburse approved business, economic opportunity, and disaster loans.

5. To decline business, economic opportunity, and disaster loans of any amount.

6. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

7. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under the delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

8. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

9. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

10. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

11. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

12. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and deposit, and any other liens, powers, rights, charges on and interest in or to

property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

G. *Supervisory Loan Officer and/or Assistance Team Leader.*

1. To approve or decline business and disaster direct loans not in excess of \$50,000 and participation loans not in excess of \$50,000 (SBA share).

2. To approve or decline economic opportunity loans not in excess of \$25,000 (SBA share).

3. To close and disburse approved business, economic opportunity, and disaster loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

10. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite

and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quit-claim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinates, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

11. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

12. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitation to a community emergency as set forth in § 120.2(e) of SBA Loan Policy regulations.

H. Loan Officer (financial assistance).

1. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

2. To close and disburse approved business, economic opportunity, and disaster loans.

I. Chief, Development Company Assistance Division.

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank application for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

J. Loan Officer (Development Company Assistance).

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To approve final actions concerning current direct, participation, and First Mortgage Plan 502 loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to applications against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

K. Regional Counsel (Reserved).

L. Chief, Accounting, Clerical, and Training Division.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

**5. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

**6. To extend the disbursement period on all loan authorizations or undisbursed portions of loans, except sections 501 and 502 loans.

**7. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Adjustment of interest payment dates.

e. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

f. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

M. Assistant Chief, Accounting, Clerical, and Training Division.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits, and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

III. Branch Manager (Reserved).

IV. The specific authority delegated herein, indicated by double asterisks (**) cannot be redelegated.

V. The authority delegated herein to a specific position may be exercised by an SBA employee designated as acting in that position.

VI. All previously delegated authority is hereby rescinded without prejudice to actions taken under such Delegations of Authority prior to the date hereof.

Effective Date: July 1, 1968.

ANDREW J. SEMON,
Acting Area Administrator,
New York Area.

[F.R. Doc. 68-8930; Filed, July 25, 1968;
8:46 a.m.]

[Delegation of Authority 30 (Pacific Coastal Area) Rev. 1]

AREA COORDINATORS ET AL.

Delegation of Authority To Conduct Program Activities in the Pacific Coastal Area

Pursuant to the authority delegated to the Area Administrators by Delegation of Authority No. 30 (Revision 12), 32 F.R. 179, and Amendment 1, 32 F.R. 8113, the following authority is hereby redelegated to the positions as indicated herein:

I. Area Coordinators.

A. Development Company Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under the sections 501 and 502 programs of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all sections 501 and 502 loans within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for sections 501 and 502 loans only. Product classification decisions for procurement purposes are made by contracting officers.

B. Liquidation and Disposal Coordinator.

1. To take all necessary actions in connection with the liquidation and disposal

of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate and granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of leases or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary actions in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans, and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Supervisory Liquidation and Disposal Officer.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special

warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement; and (3) the cancellation of authority to liquidate.

D. *Area Claims Review Committee.*—To consist of the liquidation and disposal coordinator, area counsel and the area supervisory appraiser who will meet and consider reasonable and properly supported compromise proposals of indebtedness owed to the Agency and to take final action on such proposals provided such action represents the majority recommendation of the committee on claims not in excess of \$5,000 (including CPC advances but excluding interest), or represents the unanimous recommendation of said committee on claims in excess of \$5,000 but not exceeding \$100,000 (including CPC advances but excluding interest).

E. Financial Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only).*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans; and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

F. Procurement and Management Assistance Coordinator.

1. *Eligibility determinations (for PMA activities only).*—To determine eligibility of applicants for assistance under any program of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for PMA activities only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification

decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

G. Area Administrative Officer.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; and (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

II. Regional Directors.

A. Financial assistance.

1. To approve business and disaster loans not exceeding \$350,000 (SBA share) and economic opportunity loans not exceeding \$25,000 (SBA share).

2. To decline business, economic opportunity, and disaster loans of any amount.

3. To close and disburse approved loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Washington and area approved loans and for loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,

By _____

(Name)

Regional Director.

(City)

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding principal balance of construction loans and loans involving accounts receivable and inventory financing.

**10. To establish disaster field offices upon receipt of advice of the designation of a disaster area; to advise on the making of disaster loans; to appoint as a processing representative any bank in the disaster area; and to close disaster field offices when no longer advisable to maintain such offices.

11. To take all necessary actions in connection with the administration,

servicing and collection, other than those accounts classified as "in liquidation"; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

B. Development company assistance.

**1. To approve or decline section 501 State Development Company loans and section 502 Local Development Company loans up to \$350,000 (SBA share).

2. To close and disburse sections 501 and 502 loans.

3. To extend the disbursement period on Sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

4. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

5. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing.

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the

Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Size determinations.—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

D. Eligibility determinations.—To determine eligibility of applicants for assistance under any program of the Agency, with the exception of the 501 and 502 programs, in accordance with Small Business Administration standards and policies.

E. Administration.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits; and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration to reimburse the General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

F. Chiefs, Financial Assistance Divisions (and Assistant Chiefs, if assigned).

1. **Size determinations for financial assistance only.**—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

2. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies.

3. To approve business and disaster loans not exceeding \$350,000 (SBA share), and economic opportunity loans not exceeding \$25,000 (SBA share).

4. To close and disburse approved business, economic opportunity, and disaster loans.

5. To decline business, economic opportunity, and disaster loans of any amount.

6. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

7. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under the delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

8. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

9. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

10. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

11. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

12. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such

other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

G. *Supervisory Loan Officer and/or Assistance Team Leader.*

1. To approve or decline business and disaster direct loans not in excess of \$50,000 and participation loans not in excess of \$50,000 (SBA share).

2. To approve or decline economic opportunity loans not in excess of \$25,000 (SBA share).

3. To close and disburse approved business, economic opportunity, and disaster loans.

4. To enter into business loan participation agreements with banks.

5. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

10. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights,

charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

11. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

12. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies.

H. *Loan Officer (financial assistance).*

1. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium of the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

2. To close and disburse approved business, economic opportunity, and disaster loans.

I. *Chief, Development Company Assistance Division.*

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loan authorizations or undistributed portions of sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank application for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

J. *Loan Officer (Development Company Assistance)*.

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To approve final actions concerning current direct, participation, and First Mortgage Plan 502 loans:

a. Use of the cash surrender value of life insurance to pay the premium of the policy.

b. Release of dividends of life insurance or consent to applications against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

K. *Regional Counsel [Reserved]*.

L. *Chief, Accounting, Clerical, and Training Division*.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles for the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

**5. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

**6. To extend the disbursement period on all loan authorizations or undistributed portions of loans, except sections 501 and 502 loans.

**7. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Adjustment of interest payment dates.

e. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

f. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

M. *Assistant Chief, Accounting, Clerical, and Training Division*.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to

rent garage space for the storage of such vehicles when not furnished by this Administration.

III. *Branch Manager [Reserved]*.

IV. The specific authority delegated herein, indicated by double asterisks (**) cannot be redelegated.

V. The authority delegated herein to a specific position may be exercised by an SBA employee designated as acting in that position.

VI. All previously delegated authority is hereby rescinded without prejudice to actions taken under such Delegations of Authority prior to the date hereof.

Effective date: July 1, 1968.

WILLIAM S. SCHUMACHER,
Area Administrator,
Pacific Coastal Area.

[F.R. Doc. 68-8931; Filed, July 25, 1968; 8:46 a.m.]

[Delegation of Authority 30 (Rocky Mountain Area)]

AREA COORDINATORS ET AL.

Delegation of Authority To Conduct Program Activities in the Rocky Mountain Area

Pursuant to the authority delegated to the Area Administrators by Delegation of Authority No. 30 (Revision 12), 32 F.R. 179, and Amendment 1, 32 F.R. 8113, and Amendment 2, 33 F.R. 8793, the following authority is hereby redelegated to the positions as indicated herein:

I. Area Coordinators.

A. Development Company Assistance Coordinator.

1. *Eligibility determinations (for financial assistance only)*.—To determine eligibility of applicants for assistance under the sections 501 and 502 programs of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for financial assistance only)*.—To make initial size determinations in all sections 501 and 502 loans within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for sections 501 and 502 loans only. Product classification decisions for procurement purposes are made by contracting officers.

B. Liquidation and Disposal Coordinator.

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor,

licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with the liquidation of loans, and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. *Supervisory Liquidation and Disposal Officer.*

1. To take all necessary actions in connection with the liquidation and disposal of all loans and other obligations or assets, including collateral purchased; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. To take all necessary action in liquidating Economic Development Administration loans and acquired collateral when and as authorized by Economic Development Administration.

d. To advertise regarding the public sale of (1) collateral in connection with

the liquidation of loans and (2) acquired property.

e. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement; and (3) the cancellation of authority to liquidate.

D. *Area Claims Review Committee.*—To consist of the liquidation and disposal coordinator, area counsel and the area supervisory appraiser who will meet and consider reasonable and properly supported compromise proposals of indebtedness owed to the Agency and to take final action on such proposals provided such action represents the majority recommendation of the committee on claims not in excess of \$5,000 (including CPC advances but excluding interest), or represents the unanimous recommendation of said committee on claims in excess of \$5,000 but not exceeding \$100,000 (including CPC advances but excluding interest).

E. *Financial Assistance Coordinator.*

1. *Eligibility determinations (for Financial assistance only).*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA loan policy regulations.

2. *Size determinations (for financial assistance only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans; and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

F. *Procurement and Management Assistance Coordinator.*

1. *Eligibility determinations (for PMA activities only).*—To determine eligibility of applicants for assistance under any program of the Agency in accordance with Small Business Administration standards and policies.

2. *Size determinations (for PMA activities only).*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

G. *Assistant to Area Administrator.*

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; and (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

II. *Regional Directors.*

A. *Financial assistance.*

1. To approve business and disaster loans not exceeding \$350,000 (SBA share) and economic opportunity loans not exceeding \$25,000 (SBA share).

2. To decline business, economic opportunity, and disaster loans of any amount.

3. To close and disburse approved loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Washington and area approved loans and for loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,

By _____

(Name)

Regional Director.

(City)

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding principal balance of construction loans and loans involving accounts receivable and inventory financing.

**10. To establish disaster field offices upon receipt of advice of the designation of a disaster area; to advise on the making of disaster loans; to appoint as a processing representative any bank in the disaster area; and to close disaster field offices when no longer advisable to maintain such offices.

11. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

B. Development company assistance.

*1. To approve or decline section 501 State Development Company loans and section 502 Local Development Company loans up to \$350,000 (SBA share).

2. To close and disburse sections 501 and 502 loans.

3. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

4. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

5. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing.

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be

appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

C. Size determinations.—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

D. Eligibility determinations.—To determine eligibility of applicants for assistance under any program of the Agency, with the exception of the 501 and 502 programs, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA loan policy regulations.

E. Administration.

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorneys in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of Disaster Loan Offices, to obligate Small Business Administration to reimburse the General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

F. Chiefs, Financial Assistance Divisions (and Assistant Chiefs, if assigned).

1. **Size determinations for financial assistance only.**—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

2. **Eligibility determinations for financial assistance only.**—To determine eligibility of applicants for assistance under

any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA loan policy regulations.

3. To approve business and disaster loans not exceeding \$350,000 (SBA share), and economic opportunity loans not exceeding \$25,000 (SBA share).

4. To close and disburse approved business, economic opportunity, and disaster loans.

5. To decline business, economic opportunity, and disaster loans of any amount.

6. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

7. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under the delegated authority, said execution to read as follows:

(Name), Administrator,
By _____
(Name)
Title of person signing.

8. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

9. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

10. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

11. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

12. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and

such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

G. *Supervisory Loan Officer and/or Assistance Team Leader.*

1. To approve or decline business and disaster direct loans not in excess of \$50,000 and participation loans not in excess of \$50,000 (SBA share).

2. To approve or decline economic opportunity loans not in excess of \$25,000 (SBA share).

3. To close and disburse approved business, economic opportunity, and disaster loans.

4. To enter into business, economic opportunity, and disaster loan participation agreements with banks.

5. To execute loan authorizations for Central Office, area, and regional approved loans and loans approved under delegated authority, said execution to read as follows:

(Name), Administrator,

By _____

(Name)

Title of person signing.

6. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

7. To extend the disbursement period on all loan authorizations or undisbursed portions of loans.

8. To approve, when requested, in advance of disbursement, conformed copies of notes and other closing documents; and certify to the participating bank that such documents are in compliance with the participation authorization.

9. To approve service charges by participating banks not to exceed 2 percent per annum on the outstanding balance on construction loans and loans involving accounts receivable and inventory financing.

10. To take all necessary actions in connection with the administration, servicing, and collection, other than those accounts classified as "in liquidation"; and to do and to perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable

now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of contracts of sale or of lease or sublease, quitclaim, bargain and sale of special warranty deeds, bills of sale, leases, subleases, assignments, subordinations, releases (in whole or in part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank applications for use of liquidity privileges under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

11. *Size determinations for financial assistance only.*—To make initial size determinations in all cases within the meaning of the Small Business Size Standards Regulations, as amended, except sections 501 and 502 loans, and further, to make product classification decisions for financial assistance purposes only. Product classification decisions for procurement purposes are made by contracting officers.

12. *Eligibility determinations for financial assistance only.*—To determine eligibility of applicants for assistance under any program of the Agency, except sections 501 and 502 loans, in accordance with Small Business Administration standards and policies. No authority is hereby delegated to declare the nonapplicability of eligibility limitations to a community emergency as set forth in § 120.2(e) of SBA loan policy regulations.

H. *Loan Officer (financial assistance).*

1. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

2. To close and disburse approved business, economic opportunity, and disaster loans.

I. *Chief, Development Company Assistance Division.*

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loan authorizations or undisbursed portions of sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To take all necessary actions in connection with the administration, servicing, and collection; and to do and perform and to assent to the doing and performance of, all and every act and thing requisite and proper to effectuate the granted powers, including without limiting the generality of the foregoing:

a. The assignment, endorsement, transfer, and delivery (but in all cases without representation, recourse, or warranty) of notes, claims, bonds, debentures, mortgages, deeds of trust, contracts, patents and applications therefor, licenses, certificates of stock and of deposit, and any other liens, powers, rights, charges on and interest in or to property of any kind, legal and equitable, now or hereafter held by the Small Business Administration or its Administrator.

b. The execution and delivery of assignments, subordinations, releases (in whole or part) of liens, satisfaction pieces, affidavits, proofs of claim in bankruptcy or other estates and such other instruments in writing as may be appropriate and necessary to effectuate the foregoing.

c. The approval of bank application for use of liquidity privilege under the loan guaranty plan.

d. Except: (1) To compromise or sell any primary obligation or other evidence of indebtedness owed to the Agency for a sum less than the total amount due thereon; and (2) to deny liability of the Small Business Administration under the terms of a participation or guaranty agreement, or the assertion of a claim for recovery from a participating bank under any alleged violation of a participation or guaranty agreement.

J. *Loan Officer (Development Company Assistance).*

1. To close and disburse sections 501 and 502 loans.

2. To extend the disbursement period on sections 501 and 502 loans.

3. To cancel, reinstate, modify, and amend authorizations for sections 501 and 502 loans.

4. To approve final actions concerning current direct, participation, and First Mortgage Plan 502 loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to applications against premiums.

c. Minor modifications in the authorization.

d. Extension of disbursement period.

e. Extension of initial principal payments.

f. Adjustment of interest payment dates.

g. Release of hazard insurance checks not in excess of \$500 and endorse such

checks on behalf of the Agency where SBA is named as joint loss payee.

h. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

K. *Regional Counsel [Reserved]*.

L. *Chief, Accounting, Clerical, and Training Division.*

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

**5. To cancel, reinstate, modify, and amend authorizations for business, economic opportunity, and disaster loans.

**6. To extend the disbursement period on all loan authorizations or undisbursed portions of loans, except sections 501 and 502 loans.

**7. To approve final actions concerning current direct or participation loans:

a. Use of the cash surrender value of life insurance to pay the premium on the policy.

b. Release of dividends of life insurance or consent to application against premiums.

c. Minor modifications in the authorization.

d. Adjustment of interest payment dates.

e. Release of hazard insurance checks not in excess of \$500 and endorse such checks on behalf of the Agency where SBA is named as joint loss payee.

f. Release of equipment with or without consideration where the value of equipment being released does not exceed \$500.

M. *Assistant Chief, Accounting, Clerical, and Training Division.*

1. To purchase reproductions of loan documents, chargeable to the revolving fund, requested by U.S. attorney in foreclosure cases.

2. To (a) purchase office supplies and equipment, including office machines, and rent regular office equipment and furnishings; (b) contract for repair and maintenance of equipment and furnishings; (c) contract for services required in setting up and dismantling and moving SBA exhibits and (d) issue Government bills of lading.

3. In connection with the establishment of disaster loan offices, to obligate Small Business Administration to reimburse General Services Administration for the rental of office space.

4. To rent motor vehicles from the General Services Administration and to rent garage space for the storage of such vehicles when not furnished by this Administration.

III. *Branch Manager [Reserved]*.

IV. The specific authority delegated herein, indicated by double asterisks (**) cannot be redelegated.

V. The authority delegated herein to a specific position may be exercised by an SBA employee designated as acting in that position.

VI. All previously delegated authority is hereby rescinded without prejudice to actions taken under such Delegations of Authority prior to the date hereof.

Effective date: July 1, 1968.

GEORGE E. SAUNDERS,
Area Administrator,
Rocky Mountain Area.

[F.R. Doc. 68-8932; Filed, July 25, 1968;
8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 23, 1968.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41397—*Carbon furnace or electrolytic bath electrodes and carbon plugs from Natco, Tenn.* Filed by O. W. South, Jr., agent (No. A6036), for and on behalf of Louisville and Nashville Railroad Co. Rates on carbon furnace or electrolytic bath electrodes and carbon plugs, in carloads, minimum weight 140,000 pounds, from Natco, Tenn., to Newport, Ky.

Grounds for relief—Market competition.

Tariff—Supplement 200 to Southern Freight Association, agent, tariff ICC S-484.

AGGREGATE-OF-INTERMEDIATES

FSA No. 41398—*Passenger fares in southern territory.* Filed by Southern Passenger Association, agent (No. 2), for interested rail carriers. This is in relation to the transportation of passengers, between points on lines of applicant carriers and between such points on the one hand, and points on lines of connecting carriers, on the other.

Grounds for relief—Establishment of increased coach fares by applicant carriers and maintenance of depressed joint through fares.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-8945; Filed, July 25, 1968;
8:47 a.m.]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 23, 1968.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR Part 340) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 19227 (Sub-No. 130 TA), filed July 17, 1968. Applicant: LEONARD BROS. TRUCKING CO., INC., 2596 Northwest 20th Street, Miami, Fla. 33152. Applicant's representative: J. Fred Dewhurst (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Commodities* presently authorized without observing the Florida Gateway restricted to traffic moving on Government Bills of Lading as follows: Combination of Subs 32 and 43, commodities, except boats, and other than oilfield equipment which because of size or weight, require the use of special equipment, over irregular routes, between points in Connecticut, Delaware, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia, West Virginia, Wisconsin, District of Columbia, Alabama, Georgia, and South Carolina, on the one hand, and, on the other, points in Alabama, Georgia, South Carolina, and Texas; combination of Subs 32, 93, 44, and 54, *airplane parts and supplies, materials, parts, and components*, requiring the use of special equipment, and *missile parts and supplies and materials, parts, and components used in the maintenance, serving, and repair of missiles*, except such commodities which require the use of special equipment, between points in California, on the one hand, and, on the other, points in Alabama, Georgia, Illinois, Louisiana, Mississippi, and South Carolina; combination of Subs 32, 54, and 93, *airplane parts and supplies, materials, parts, and components, used in*

the construction of aircraft and supplies, machinery, and equipment, used in the maintenance, servicing, repair, and operation of aircraft, restricted to commodities requiring special equipment for loading or unloading when performed by shipper or consignee and only ordinary vehicular equipment for over-the-road portion of the transportation, between points in California, on the one hand, and, on the other, points in Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia, for 180 days. NOTE: Applicant does intend to tack with existing authority. Supporting shipper: Headquarters Military Traffic Management and Terminal Service, Nassif Building, 5611 Columbia Pike, Falls Church, Va. 20315. Send protests to: District Supervisor Joseph B. Teichert, Interstate Commerce Commission, Bureau of Operations, Room 1226, 51 Southwest First Avenue, Miami, Fla. 33130.

No. MC 29079 (Sub-No. 45 TA), filed July 18, 1968. Applicant: BRADA MILLER FREIGHT SYSTEM, INC., 1210 South Union Street, Kokomo, Ind. 46901. Applicant's representative: Carl L. Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: General commodities (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, and liquid commodities in bulk) between the Ford Motor Co. plant-site at the intersection of Westport Road and Murphy Lane, Jefferson County, near Louisville, Ky., on the one hand, and, on the other, points in Illinois, Indiana, Ohio, St. Louis, Missouri, and points in that part of Michigan south of Mason, Lake, Osceola, Clare, Gladwin, and Arenac Counties, and Saginaw Bay, for 180 days. Supporting shipper: Ford Motor Co., The American Road, Dearborn, Mich. Send protests to: District Supervisor J. H. Gray, Bureau of Operations, Interstate Commerce Commission, Room 204, 345 West Wayne Street, Fort Wayne, Ind. 46802.

No. MC 30837 (Sub-No. 356 TA), filed July 19, 1968. Applicant: KENOSHA AUTO TRANSPORT CORPORATION, 4200 39th Avenue, Kenosha, Wis. 53140. Applicant's representative: Albert P. Barber (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Boat trailers (designed to be drawn by passenger automobiles) from Adams, Wis., to points in the United States (except Alaska and Hawaii), for 180 days. Supporting shipper: Sears, Roebuck & Co., 7401 Skokie Boulevard, Skokie, Ill. 60076 (A. W. Phillips, Commerce Counsel, Department 754—National Transportation). Send protests to: District Supervisor Lyle D. Helfer, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

No. MC 61440 (Sub-No. 112 TA), filed July 17, 1968. Applicant: LEE WAY MOTOR FREIGHT, INC., 3000 West Reno, Post Office Box 82488, Exchange Branch, Oklahoma City, Okla. 73108. Applicant's representative: Richard H. Camplin (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: General commodities including classes A and B explosives, restricted to traffic moving on Government Bills of Lading, between points in Kentucky, Indiana, Illinois, Missouri, Arkansas, Louisiana, Texas, Oklahoma, and Kansas, on the one hand, and, on the other, points in Washington, California, Nevada, Arizona, and Utah, for 180 days. NOTE: Applicant intends to tack the authority sought herein with its existing authority under MC 61440. Supporting shipper: Curtis L. Wagner, Jr., Chief Regulatory Law Division, Department of the Army, Office of the Judge Advocate General, Washington, D.C. 20310. Send protests to: C. L. Phillips, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 350, American General Building, 210 Northwest Sixth, Oklahoma City, Okla. 73102.

No. MC 107743 (Sub-No. 8 TA), filed July 17, 1968. Applicant: SYSTEM TRANSPORT, INC., East 6523 Broadway Avenue, Spokane, Wash. 99206. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Lumber, from points in Washington east of the Cascade Mountains; points in Idaho on and north of the Snake River; and points in Montana, on the west of U.S. Highway 89, to points in Weber, Morgan, Davis, Salt Lake, Utah, Cache, and Tooele Counties, Utah; and Larimer, Weld, Boulder, Jefferson, Douglas, Teller, El Paso, Pueblo, Elbert, Arapahoe, Adams, Morgan, and Logan Counties, Colo., for 180 days. Supporting shippers: Bennett Lumber Products, Inc., Box 49, Princeton, Idaho 83857; Roy M. Menteer Lumber Co., Post Office Box 183, Spokane, Wash. 99210; St. Regis Paper Co., Libby, Mont. 59923; Trumark Industries, Terminal Box 3045, Spokane, Wash. 99220; Prentice Lumber Co., Inc., Post Office Box 59, Missoula, Mont. 59801; North Pacific Lumber Co., Post Office Box 3915, Portland, Ore. 97208; Northwest Lumber Sales, Inc., Zep Building, East 5111 Trent Avenue, Spokane, Wash. 99211. Send protests to: L. C. Taylor, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 401 U.S. Post Office, Spokane, Wash. 99201.

No. MC 109026 (Sub-No. 12 TA), filed July 17, 1968. Applicant: HALL K. DAVIS AND LELLA H. DAVIS, a partnership doing business as BURKESVILLE TRANSFER COMPANY, Post Office Box 192, Glasgow, Ky. 42141. Applicant's representative: Walter Harwood, 515 Nashville Bank & Trust Building, Nashville, Tenn. 37201. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, classes A and B explosives, household goods as defined by the

Commission, and commodities in bulk), serving the Ford Motor Co. plant-site at the intersection of Westport Road and Murphy Lane, in Jefferson County, Ky., in connection with presently authorized operations to and from Louisville, Ky., for 180 days. NOTE: Applicant proposes to tack the temporary authority sought with its present permanent authority, at Louisville, Ky. Supporting shipper: C. F. Wilkins, Supervisor, Transportation and Traffic Analysis Section, Ford Motor Co., Dearborn, Mich. 48120. Send protests to: Wayne L. Merilatt, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 426 Post Office Building, Louisville, Ky. 40202.

MOTOR CARRIER OF PASSENGERS

No. MC 96001 (Sub-No. 25 TA) (Correction), filed July 1, 1968, published FEDERAL REGISTER issue of July 16, 1968, and republished as corrected this issue. Applicant: KENNETH HUDSON, INC., doing business as HUDSON BUS LINES, 70 Union Street, Medford, Mass. Applicant's representative: James H. Sullivan (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Passengers, in special operations, from Quincy and Milton, Mass., to Rockingham Park, Salem, N.H., and return, for 180 days. NOTE: The purpose of this republication is to correct Docket No. 96007 in lieu of 96001. Supporting shipper: Supported by individuals wishing to obtain service to the race track. Send protests to: James F. Martin, Jr., Assistant Regional Director, Interstate Commerce Commission, Bureau of Operations, John F. Kennedy Building, Government Center, Boston, Mass. 02203.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.[F.R. Doc. 68-8946; Filed, July 25, 1968;
8:47 a.m.]

[Notice 177]

MOTOR CARRIER TRANSFER
PROCEEDINGS

JULY 23, 1968.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 279), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-70495. By order of July 17, 1968, the Transfer Board approved the transfer to Allmen Transfer & Moving Co., a corporation, Brecksville, Ohio,

of the operating rights in certificate No. MC-100359 (Sub-No. 1) issued August 9, 1966, to Theodore R. Garmann, doing business as Hall Moving & Storage, Cincinnati, Ohio, authorizing the transportation, over irregular routes, of household goods, between Cincinnati, Ohio, and points within 10 miles thereof, on the one hand, and, on the other, points in Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Missouri, New York, Ohio, Pennsylvania, and Tennessee. Dual operations were authorized. Jack B. Josselson, Atlas Bank Building, Cincinnati, Ohio 45202, attorney for transferor. Earl N. Merwin, 85 East Gay Street, Columbus, Ohio 43215, attorney for transferee.

No. MC-FC-70581. By order of July 19, 1968, the Transfer Board approved the transfer to James B. Studdard Transfer & Storage Co., Inc., 782 Seneca Street, Leavenworth, Kans. 66048 of the operating rights in certificate No. MC-123459 issued October 10, 1961, to James B. Studdard, doing business as Studdard Transfer & Storage, 782 Seneca Street, Leavenworth, Kans. 66048, authorizing the transportation, over irregular routes, of household goods, and new furniture and fixtures, uncrated, between Leavenworth, Kans., and points within 5 miles of Leavenworth.

No. MC-FC-70604. By order of July 19, 1968, the Transfer Board approved the transfer to Willard Leach, doing business as Leach Trucking, Vassar, Mich., of the operating rights in permit No. MC-124944 issued April 24, 1968, to Bulk Carriers of Ohio, Inc., Cleveland, Ohio, authorizing the transportation of pickled vegetables, in cans and containers, from Imlay City, Memphis, Bridgeport, and Saginaw, Mich., to points in Illinois, Indiana, Kentucky, Ohio, New York, points in Iowa on and east of U.S. Highway 63, points in Pennsylvania on and west of U.S. Highway 219, points in West Virginia on and west of U.S. Highway 119, Roanoke and Salem, Va., Atlanta, Ga., and Landover, Md.; pickles, sauerkraut, and peppers, in glass containers, from Bridgeport, Mich., to points in the destination territory above-described, with the exception of Landover, Md.; and empty glass containers, from Streator, Ill., Dunkirk and Winchester, Ind., Lancaster, N.Y., Huntington, W. Va., and Washington, Pa., to Bridgeport, Mich. William B. Elmer, 22644 Gratiot Avenue, East Detroit, Mich. 48021, attorney for applicants.

No. MC-FC-70616. By order of July 15, 1968, the Transfer Board, approved the transfer to Dilts Trucking, Inc., Crescent, Iowa, of the operating rights in certificate Nos. MC-115669 (Sub-No. 18) and

MC-115669 (Sub-No. 63) and portions of the operating rights in Nos. MC-115669 (Sub-No. 30), and MC-115669 (Sub-No. 35), issued September 4, 1962, March 17, 1967, November 21, 1962, and July 11, 1963, respectively, to Howard N. Dahlsten, doing business as Dahlsten Truck Line, Clay Center, Nebr., authorizing transportation service in interstate commerce respectively of salt and salt compounds, from Omaha, Nebr., to points in Iowa, Minnesota, North Dakota, and South Dakota, salt and salt products, from Sioux City, Iowa, to points in Nebraska, Minnesota, and South Dakota, crushed and ground oyster shells, in bulk and bags, and animal feed grade sugar, in bags, from Council Bluffs, Iowa, to points in Iowa, Kansas, Nebraska, Minnesota, Missouri, North Dakota, and South Dakota, and lignite, treated and untreated; (a) from Gascoyne, N. Dak., to Belle Fourche, S. Dak., and Upton, Wyo.; and (b) from Belle Fourche, S. Dak., Upton, Wyo., and Gascoyne, N. Dak., to points in Oklahoma, Kansas, and Texas. Donald L. Stern, 630 Central National Bank Building, Omaha, Nebr. 68102, attorney for applicants.

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-8947; Filed, July 25, 1968;
8:47 a.m.]

CUMULATIVE LIST OF PARTS AFFECTED—JULY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during July.

3 CFR	Page	7 CFR—Continued	Page	9 CFR—Continued	Page
PROCLAMATIONS:		1070	9647	85	10280
Aug. 3, 1901 (see PLO 4461)	9616	1078	9647	97	10085
3857	10003	1079	9647	307	10085
3858	10497	1090	10278	340	10085
3859	10499	1098	10279	355	10086
		1134	10133		
EXECUTIVE ORDERS:		1205	9703, 9874	PROPOSED RULES:	
May 4, 1907:		1421	9948, 9951, 10502	311	10577
See PLO 4470	9709	1425	10639		
Revoked in part by PLO 4497)	10400	1443	10313	10 CFR	
July 7, 1910 (revoked in part by PLO 4479)	10092	1446	10503	50	9704
May 27, 1913 (revoked in part by PLO 4468)	9708	1464	9759, 9809, 10640	70	9809
March 21, 1914 (revoked in part by PLO 4468)	9708	1479	10184		
1664 (revoked by PLO 4466)	9618	1483	10185, 10186	12 CFR	
3797-A (see PLO 4470)	9709	1488	9593, 9594, 10085, 10641	1	9596
4806 (revoked in part by PLO 4501)	10401	1601	10186, 10279	8	9598
6039 (revoked in part by PLO 4495)	10399			9	9649
8579 (see PLO 4474)	9822	PROPOSED RULES:		208	9865
11417	10625	26	9825, 10284	217	9873
		51	10146	250	9865
5 CFR		52	9711	265	10330
213	9581,	319	10011	523	10331
9645, 9865, 10133, 10183, 10501		725	9619	526	10522
550	9703	730	10093	541	10523
		906	10210	544	10524
7 CFR		915	10528	545	10526
1	10273	932	10011	563	10526
17	10005	948	10102	569	10526
52	9582	965	10211	640	9873
53	9584	991	10211		
58	10385	993	10576, 10656	PROPOSED RULES:	
81	10083	1001	10403	561	9675
215	10083	1002	10403		
301	9749,	1003	10403	13 CFR	
9751, 9755, 10273, 10275, 10276		1004	10284, 10403	101	9649
354	10084, 10561	1009	10102	121	9651
362	10561	1015	10403		
401	10277	1016	10403	14 CFR	
409	10561	1030	10104, 10346	39	9598,
719	9755	1032	10105	9706, 9810, 9874, 10133, 10280,	
728	9584, 10627	1033	9662	10388, 10389, 10644.	
777	10386	1036	10102	71	9599,
778	10183	1041	10102	9706, 9810, 9875, 9876, 10202-	
811	9945	1044	10102	10204, 10280, 10281, 10443, 10444,	
814	9946	1047	10104, 10346	10563-10566.	
842	9586, 10277	1049	10104, 10346	73	10204, 10444
905	9592, 9756	1050	10105, 10108	75	9707, 9810, 10204, 10205
908	9703, 9947, 10277, 10387, 10561	1062	10105	91	10505
910	9592, 9757, 10084, 10387	1063	10147	95	10566
915	10501	1067	10105	97	9760, 9811, 10318, 10645, 10649
917	9948	1068	10105	121	10329, 10655
919	10388	1070	10105	127	10329
944	9593, 10562	1076	10105	137	9600
946	9756	1078	10105	241	9651
947	9758	1079	10105	298	9764
948	9645	1090	9662	310	10444
953	10562	1098	9662	389	10445
1015	9646	1099	10105		
1032	10278	1202	10346	PROPOSED RULES:	
1033	10133			25	10361
1036	9646	8 CFR		39	9712, 9905, 10528, 10656
1044	9647	103	10504	43	10578
1050	9647	235	10504	67	9905
1062	9647	238	10504	71	9620,
1063	9647	299	10505	9621, 9713, 9826, 9827, 9906, 9907,	
1068	9647	336	10505	10212, 10213, 10459, 10460, 10579,	
9648, 10278		499	10505	10580.	
				73	9827
				75	9622, 10460, 10579, 10580
				91	10578
				135	10578
				211	10108
				302	10108

14 CFR—Continued	Page
PROPOSED RULES—Continued	
389	9828
399	10108
15 CFR	
0	9765
200	10627
368	10006
370	9602
371	9603
372	9602
373	9604, 9652
384	10331
385	9604, 10006
PROPOSED RULES:	
7	9663
1000	10403
16 CFR	
13	9813, 9814, 10205, 10505, 10506
15	9605, 9606, 9815, 9816, 10205, 10206
245	10332
PROPOSED RULES:	
240	10616
241	10285
17 CFR	
231	10086, 10134
240	10389
241	10086, 10134
249	10389
PROPOSED RULES:	
230	10406
18 CFR	
101	10135
104	10135
105	10136
141	10138
154	10138
201	10136
204	10137
205	10138
620	9877
PROPOSED RULES:	
260	10362
604	10574
704	10656, 10657
19 CFR	
1	10140
4	9707
12	9766
16	10445
PROPOSED RULES:	
1	10210
20 CFR	
404	9766
405	9767, 9768
422	9600
614	10086
PROPOSED RULES:	
405	10149
602	10266
620	10266
21 CFR	
1	10140, 10206, 10391, 10392
2	9608
3	9609
8	9952, 9953
19	10141
27	10087, 10088

21 CFR—Continued	Page
29	10392
46	10506
120	9609, 10568
	9610, 9707, 9774, 9880, 9953,
121	9610, 9775, 9954, 10207, 10569
130	9954
146a	10393
147	10142
191	9880
PROPOSED RULES:	
1	9960, 10149, 10283
3	9783, 9960
15	9783
16	9783
17	9783
18	9783, 10577
45	9783, 9904
120	9619, 10528
121	9783, 9904
125	9783
130	9711, 10283
131	9960
146	10283
166	9833
22 CFR	
51	10281
208	9952
23 CFR	
255	10207
PROPOSED RULES:	
256	10361
24 CFR	
200	9775, 10317
203	9816
234	9816
25 CFR	
32	9708
PROPOSED RULES:	
221	10528
26 CFR	
1	9653, 9816, 10569, 10692
245	10510
PROPOSED RULES:	
1	9781, 9830, 10700
212	9957
28 CFR	
0	9817
45	10516, 10570
47	9819
29 CFR	
0	10432
3	10186
4	9880
20	10008
101	9819
102	9819
525	10488
1600	9610
PROPOSED RULES:	
4	9904
30 CFR	
11	10336
31 CFR	
7	10088
211	9611, 9708

31 CFR—Continued	Page
240	10627
605	10142
32 CFR	
1	10187
2	10187
3	10188
4	10188
5	10190
6	10190
7	10190
10	10196
12	10197
13	10198
14	10199
15	10200
16	10200
17	10201
18	10201
22	10201
163	10446
579	10453
888	9778
32A CFR	
OEP (Ch. I):	
DMO 8555.1A	10143
DMP 4	10393
OIA (Ch. X):	
Reg. 1	9900, 10008
PROPOSED RULES:	
OIA (Ch. X):	
Reg. 1	10225
33 CFR	
110	9778, 10393, 10454
207	9611, 10456
402	10008
35 CFR	
253	10281
36 CFR	
PROPOSED RULES:	
7	10346
38 CFR	
1	10516
3	9956
18	10516
39 CFR	
137	10394
151	10342
742	10570
822	9657
824	10008
41 CFR	
1-1	10393
5-30	9820
6-1	10516
6-75	10516
8-1	10456
8-3	10456
8-10	10456
8-52	10456
9-1	9820
9-4	9820, 10457
9-5	9821
9-7	9820
9-9	9820, 9821
9-12	9776
9-15	9776
9-16	10457

41 CFR—Continued Page

12-1	10517
101-11	9777
101-19	9777
101-38	10208
101-43	10009
101-44	10010
101-45	10010

42 CFR

52	9821
53	10145

43 CFR

1850	10394
3120	10343, 10570

PUBLIC LAND ORDERS:

238 (revoked by PLO 4491)	10399
317 (modified by PLO 4490)	10398
876 (revoked by PLO 4489)	10398
922 (see PLO 4490)	10398
1195 (revoked in part by PLO 4500)	10401
1327 (see PLO 4482)	10395
1358 (revoked in part by PLO 4467)	9708
1624 (see PLO 4470)	9709
1634 (revoked in part by PLO 4494)	10399
2323 (amended by PLO 4470)	9709
2557 (amended by PLO 4470)	9709
2709 (revoked by PLO 4499)	10401
3152 (revoked in part by PLO 4500)	10401
3584 (see PLO 4500)	10401
3594 (see PLO 4470)	9709
3871 (revoked in part by PLO 4473)	9822
4395 (corrected by PLO 4475)	9822
4457	9614
4458	9614
4459	9614
4460	9615
4461	9616
4462	9616

43 CFR—Continued Page

PUBLIC LAND ORDERS—Continued	
4463	9616
4464	9617
4465	9617
4466	9618
4467	9708
4468	9708
4469	9709
4470	9709
4471	9709
4472	9902
4473	9822
4474	9822
4475	9822
4476	9822
4477	9823
4478	9823
4479	10092
4480	10394
4481	10394
4482	10395
4483	10396
4484	10396
4485	10397
4486	10398
4487	10398
4488	10398
4489	10398
4490	10398
4491	10399
4492	10399
4493	10399
4494	10399
4495	10399
4496	10400
4497	10400
4498	10400
4499	10401
4500	10401
4501	10401

46 CFR

2	10047
42	10047
43	10075

46 CFR—Continued Page

44	10076
45	10077
46	10077
310	10281
401	9823
510	10145
524	10089

PROPOSED RULES:

284	10459
-----	-------

47 CFR

1	9657, 10343, 10345, 10570
2	9659, 10090
21	9657
73	10519
87	9659, 9779, 10345
89	10345
91	10345
93	10345
97	10641

PROPOSED RULES:

2	9665
15	10529
73	9713, 9829, 9960, 10019, 10224, 10531, 10581.
81	9665
83	9665
87	10020

49 CFR

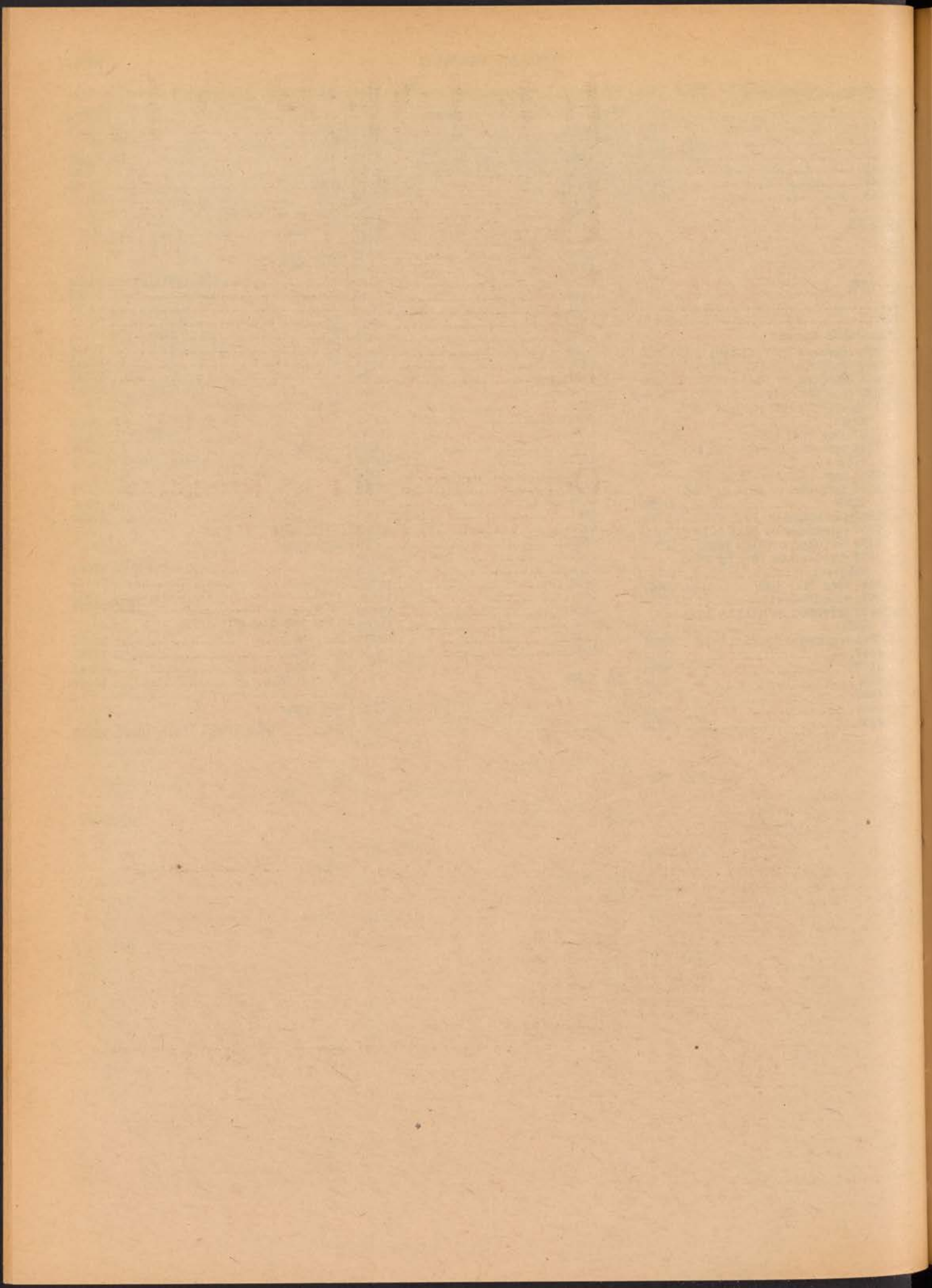
1033	9780, 10401
1043	10572
1048	9661
1084	10572

PROPOSED RULES:

180	10213
293	10152, 10362
294	10152
Ch. X	10461

50 CFR

32	9709, 10282, 10445, 10522, 10573
----	----------------------------------



FEDERAL REGISTER

VOLUME 33 • NUMBER 145

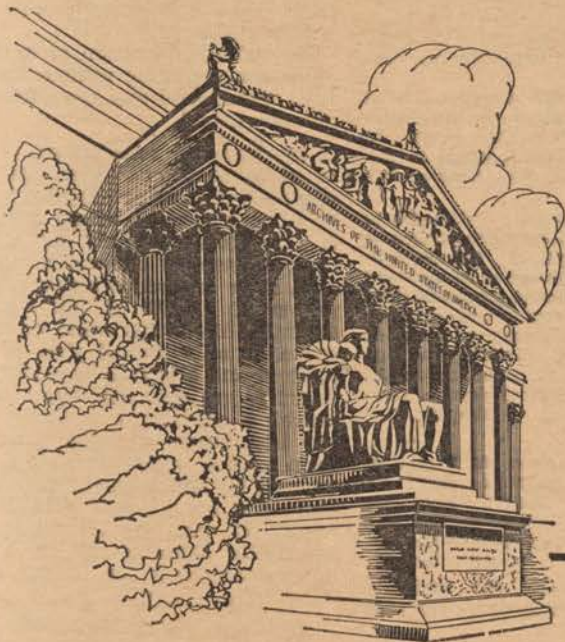
Friday, July 26, 1968 • Washington, D.C.

PART II

Department of the Treasury
Internal Revenue Service

PERCENTAGE DEPLETION

Treasury Decision
and
Notice of Proposed Rule Making



Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6965]

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

Percentage Depletion in the Case of Minerals and Ores

On July 13, 1966, a notice of proposed rule making to amend the Income Tax Regulations (26 CFR Part 1) under sections 611 and 613 of the Internal Revenue Code of 1954 was published in the FEDERAL REGISTER (31 F.R. 9506). To facilitate the conforming of the regulations to the changes made by sections 207, 208, and 209 of the Act of November 13, 1966 (Public Law 89-809, 80 Stat. 1579), so much of the regulations, issued in proposed form in the FEDERAL REGISTER for July 13, 1966, as related to percentage depletion rates for certain clays will be reissued in tentative form with notice of proposed rule making. In addition, certain portions of § 1.613-3, as proposed, are reserved and will be reissued in tentative form with notice of proposed rule making. After consideration of all such relevant matter as was presented by interested persons regarding the other provisions of the rules proposed, such regulations are amended as follows (with certain portions reserved as indicated below):

PARAGRAPH 1. There is inserted immediately after § 1.611 the following new section:

§ 1.611-0 Regulatory authority.

Sections 1.611-1 through 1.614-8, inclusive, are prescribed under the authority granted the Secretary or his delegate by section 611(a) of the Code to prescribe regulations under which a reasonable allowance for depletion and depreciation of improvements shall be allowed, according to the peculiar conditions in each case, in the case of mines, oil and gas wells, other natural deposits and timber.

PAR. 2. Section 1.613 is amended by revising section 613(c) and by adding to the historical note. These amended provisions read as follows:

§ 1.613 Statutory provisions; percentage depletion.

SEC. 613. *Percentage depletion.* * * *

(c) *Definition of gross income from property.* For purposes of this section—

(2) *Mining.* The term "mining" includes not merely the extraction of the ores or minerals from the ground but also the treatment processes considered as mining described in paragraph (4) (and the treatment processes necessary or incidental thereto), and so much of the transportation of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to the plants or mills in which such treatment processes are applied thereto as is not in excess of 50 miles unless the Secretary or his delegate finds that the physical

and other requirements are such that the ore or mineral must be transported a greater distance to such plants or mills.

(4) *Treatment processes considered as mining.* The following treatment processes where applied by the mine owner or operator shall be considered as mining to the extent they are applied to the ore or mineral in respect of which he is entitled to a deduction for depletion under section 611:

(A) In the case of coal—cleaning, breaking, sizing, dust allaying, treating to prevent freezing, and loading for shipment;

(B) In the case of sulfur recovered by the Frasch process—cleaning, pumping to vats, cooling, breaking, and loading for shipment;

(C) In the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and ores or minerals which are customarily sold in the form of a crude mineral product—sorting, concentrating, sintering, and substantially equivalent processes to bring to shipping grade and form, and loading for shipment;

(D) In the case of lead, zinc, copper, gold, silver, uranium or fluorspar ores, potash, and ores or minerals which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore or the mineral or minerals from other material from the mine or other natural deposit;

(E) The pulverization of talc, the burning of magnesite, the sintering and nodulizing of phosphate rock, and the furnacing of quick-silver ores;

(F) In the case of calcium carbonates and other minerals when used in making cement—all processes (other than preheating of the kiln feed) applied prior to the introduction of the kiln feed into the kiln, but not including any subsequent process;

(G) In the case of clay to which paragraph (5)(B) of subsection (b) applies—crushing, grinding, and separating the mineral from waste, but not including any subsequent process; and

(H) Any other treatment process provided for by regulations prescribed by the Secretary or his delegate which, with respect to the particular ore or mineral, is not inconsistent with the preceding provisions of this paragraph.

(5) *Treatment processes not considered as mining.* Unless such processes are otherwise provided for in paragraph (4) (or are necessary or incidental to processes so provided for), the following treatment processes shall not be considered as "mining": electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or shaping.

[Sec. 613 as amended by sec. 36, Technical Amendments Act 1958 (72 Stat. 1633); sec. 302(b) Public Debt and Tax Rate Extension Act 1960 (74 Stat. 291); sec. 13(e), Rev. Act 1962 (76 Stat. 1034); sec. 6, Act of Sept. 2, 1964 (Public Law 88-571, 78 Stat. 860)]

PAR. 3. Paragraphs (b), (c), and (d) of § 1.613-3 are prescribed to read as follows:

§ 1.613-3 Gross income from the property.

(b) *Minerals other than oil and gas—*
(1) *In general.* The term "gross income from the property," as used in section 613(c)(1), means, in the case of a mineral property other than an oil or gas property, gross income from mining. "Gross income from mining" is that amount of income which is attributable to the processes of extraction of the ores or minerals from the ground and the application of mining processes, including mining transportation. For the purpose of this section, "ordinary treatment processes" (applicable to the taxable years beginning before Jan. 1, 1961) and "treatment processes considered as mining" (applicable to the taxable years beginning after Dec. 31, 1960) will be referred to as "mining processes." Processes, including packaging and transportation, which do not qualify as mining will be referred to as "nonmining processes." Also for the purpose of this section, transportation which qualifies as "mining" will be referred to as "mining transportation" and transportation which does not qualify as "mining" will be referred to as "nonmining transportation." See paragraph (f) of this section for the definition of the term "mining" and paragraph (g) of this section for rules relating to nonmining processes.

(2) *Sales prior to the application of nonmining processes including nonmining transportation.* (i) Subject to the adjustments required by paragraph (e)(1) of this section, gross income from mining means (except as provided in subdivision (ii) of this subparagraph) the actual amount for which the ore or mineral is sold if the taxpayer sells the ore or mineral—

(a) As it emerges from the mine, prior to the application of any process other than a mining process or any transportation, or

(b) After application of only mining processes, including mining transportation, and before any nonmining transportation.

If the taxpayer sells his ore or mineral in more than one form, and if only mining processes are applied to the ore or mineral, gross income from mining is the actual amount for which the various forms of the ore or mineral are sold, after any adjustments required by paragraph (e)(1) of this section. For example, if, at his mine or quarry, a taxpayer sells several sizes of crushed gypsum and also sells gypsum fines produced as an incidental byproduct of his crushing operations, without applying any nonmining processes, gross income from mining will ordinarily be the total amount for which such crushed gypsum and fines are actually sold. See paragraphs (f) and (g) of this section for provisions defining mining and nonmining processes for various minerals.

(ii) [Reserved]

(c) *Sales after the application of nonmining processes including nonmining transportation where a representative market or field price for the taxpayer's ore or mineral can be ascertained—*(1)

General rule. If the taxpayer processes the ore or mineral before sale by the application of nonmining processes (including nonmining transportation), gross income from the property shall be computed by use of the representative market or field price of an ore or mineral of like kind and grade as the taxpayer's ore or mineral after the application of the mining processes (if any) actually applied and before any nonmining transportation, subject to any adjustments required by paragraph (e) of this section. The objective in computing gross income from the property by the representative market or field price method is to ascertain, on the basis of a study of actual competitive sales by the taxpayer or others, the dollar figure or amount which most nearly represents the approximate price at which the taxpayer, in light of market conditions, could have sold his ores or minerals if, prior to the application of nonmining processes, the taxpayer had sold the quantities and types of ores and minerals to which he applied nonmining processes. If it is possible to determine a market or field price under the provisions of this paragraph, and if such price is determined to be representative, the taxpayer's gross income from the property shall be determined on the basis of such price and not under the provisions of paragraph (d) of this section. The taxpayer's own actual sales prices for ores or minerals of like kind and grade shall be taken into account when establishing market or field prices, provided that such sales are determined to be representative.

(2) *Criteria for determining whether an ore or mineral is of like kind and grade as the taxpayer's ore or mineral.* An ore or mineral will be considered to be of like kind and grade as the taxpayer's ore or mineral if, in common commercial practice, it is sufficiently similar in chemical, mineralogical, or physical characteristics to the taxpayer's ore or mineral so that it is used or is economically suitable for use for essentially the same purposes as the uses to which the taxpayer's ore or mineral is put. Whether an ore or mineral is of like kind and grade as the taxpayer's ore or mineral will generally be determined by reference to industrial specifications and by consideration of chemical and physical data relating to the minerals and deposits in question. An ore or mineral may be considered to be of like kind and grade as the taxpayer's ore or mineral even though the chemical, mineralogical, or physical characteristics (including size, mineral content, structure, and impurities) of such ore or mineral are not precisely identical to those of the taxpayer's ore or mineral. Similarly, the fact that the taxpayer applies slightly different size reduction processes, the fact that the taxpayer uses slightly different beneficiation processes, or the fact that the taxpayer sells his ore or mineral for different purposes, will not in itself, prevent another person's ore or mineral from being considered to be of like kind and grade as the taxpayer's ore or mineral. On the

other hand, the fact that the taxpayer's ore or mineral is suitable for the same general commercial use as another person's ore or mineral will not cause the two ores or minerals to be considered to be of like kind and grade if the desirable natural constituents of the two ores or minerals are markedly different substances. For example, anthracite coal will not be considered to be of like kind as bituminous coal merely because both types of coal can be used as fuel. Similarly, bituminous coal which does not possess coking qualities will not be considered to be of like grade as bituminous coking coal. However, in the case of a taxpayer who mines and uses his bituminous coal in the production of coke, all bituminous coals in the same marketing area will be considered to be of like kind, and all such bituminous coals having the same or similar coking quality suitable for commercial use by coke producers will be considered to be of like grade as the coal mined and used by the taxpayer.

(3) *Factors to be considered in determining the representative market or field price for the taxpayer's ore or mineral.* In determining the representative market or field price for the taxpayer's ore or mineral, consideration shall be given only to prices of ores or minerals of like kind and grade as the taxpayer's ore or mineral and with which, under commercially accepted standards, the taxpayer's ore or mineral would be considered to be in competition if it were sold under the conditions described in paragraph (b) (2) (i) of this section. A weighted average of the selling prices of ores or minerals of like kind and grade as the taxpayer's, benefited only by mining processes, in the taxpayer's actual or potential lines of commerce, and in the marketing area of the taxpayer's mine, although not a prerequisite to the determination of the representative market or field price, is an important factor in the determination of such price. The taxpayer's own competitive sales prices for minerals which have been subjected only to mining processes shall be taken into account in computing such a weighted average. The identity of the taxpayer's actual or potential lines of commerce, the geographical extent of the relevant markets, and the price within such markets which is the representative market or field price, are necessarily factual determinations to be made on the basis of the facts and circumstances of each individual case. These facts and circumstances include the similarity of the taxpayer's ore or mineral to the ores or minerals marketed by others, the location of the mines or quarries at which sales of ores or minerals take place, the frequency and volume of such sales, the functional product markets in which miners' ores or minerals are sold, the amount of competition within the relevant markets, the date or dates at which sales take place, the prices paid by the taxpayer and by others when purchasing similar ores or minerals, and all other relevant factors.

(4) *Type of sales which may be considered in determining the representative market or field price for the taxpayer's ore or mineral.* Sales or purchases, including the taxpayer's, of ores or minerals of like kind and grade as the taxpayer's will be taken into consideration in determining the representative market or field price for the taxpayer's ore or mineral only if such sales or purchases are the result of competitive transactions. Accordingly, primary consideration will be given to sales in markets characterized by a substantial number of unrelated buyers and sellers, no one of whom controls a substantial portion of the sales or purchases in the market. For the purpose of determining the representative market or field price for the taxpayer's ore or mineral, exceptional, insignificant, unusual, tie-in, or accommodation sales shall be disregarded. Representative market or field prices shall not be determined by reference to prices established in transactions between members of a controlled group. See paragraph (a) of section 1482-1 for the definitions of the terms "controlled" and "group".

(5) *Information to be furnished by a taxpayer computing gross income from the property by use of a representative market or field price.* A taxpayer who computes his gross income from the property pursuant to the provisions of this paragraph shall attach to his return a statement indicating the price or prices used by him in computing gross income from mining under this paragraph and the source of his information as to such price or prices.

(6) *Limitation on gross income from the property computed under the provisions of this paragraph.* It shall be presumed that a price is not a representative market or field price for the taxpayer's ore or mineral if the sum of such price plus the total of all costs of the nonmining processes (including nonmining transportation) which the taxpayer applies to his ore or mineral regularly exceeds the taxpayer's actual sales price of his first marketable product or group of products. See paragraph (d) (1) (iv) of this section for the definition of the term "first marketable product or group of products". For example, if the total of all costs of nonmining processes applied by the taxpayer to coal for the purpose of making coke is \$12 per ton, and if the taxpayer's actual sale price for such coke is \$18 per ton, a price of \$7 per ton would not be a representative market or field price for the taxpayer's coal. In order to rebut the presumption set forth in the first sentence of this subparagraph, evidence must be produced to establish to the satisfaction of the district director that the loss on nonmining operations is directly attributable to unusual, peculiar, and nonrecurring factors rather than to the use of a market or field price which is not representative. For example, the first sentence of this subparagraph shall not apply if the taxpayer establishes in an appropriate case that the loss on nonmining operations is directly attributable

to unusual, peculiar, and nonrecurring events such as a fire, flood, explosion, earthquake, strike, or a similar event which is not a normal part of the operations of the taxpayer.

(d) *Sales after the application of nonmining processes where a representative market or field price cannot be ascertained*—(1) *Computation of gross income from the property by use of the proportionate profits method.* (i) If it is impossible to determine a representative market or field price as described in paragraph (c) of this section, then, except as provided in subparagraph (2) of this paragraph, gross income from the property shall be computed by use of the proportionate profits method. See § 1.611-0. The objective of the proportionate profits method of computation is to ascertain gross income from the property by applying the principle that each dollar of the total costs paid or incurred to produce, transport and sell the first marketable product or group of products earns the same percentage of profit. Accordingly, in the proportionate profits method no ranking of costs is permissible which results in excluding or minimizing the effect of any costs incurred to produce, sell and transport the first marketable product or group of products. See subdivision (iv) of this subparagraph for the definition of the term "first marketable product or group of products".

(ii) The proportionate profits method of computation is applied by multiplying the taxpayer's gross sales (actual or constructive) of his first marketable product or group of products (after making the adjustments required by paragraph (e) of this section) by a fraction whose numerator is the sum of all the costs allocable to those mining processes which are applied to produce, sell, and transport the first marketable product or group of products, and whose denominator is the total of all the mining and nonmining costs paid or incurred to produce, sell, and transport the first marketable product or group of products (after making the adjustments required by this paragraph and paragraph (e) of this section). See subdivisions (iv) and (v) of this subparagraph for the definitions of the terms "first marketable product or group of products" and "gross sales (actual or constructive)", respectively. The method as described herein is merely a restatement of the method formerly set forth in the second sentence of Regulations 118, § 39.23(m)-1(e)(3) (1939 Code). The proportionate profits method of computation may be illustrated by the following equation:

$$\frac{\text{Mining costs}}{\text{Total costs}} \times \text{Gross sales} = \text{Gross Income from mining.}$$

(iii) Those costs which are paid or incurred by the taxpayer to produce, sell, and transport the first marketable product or group of products, and which are not directly identifiable with either a particular mining process or a particular nonmining process shall be properly apportioned to mining and to nonmining. In the absence of any specific

provision of this section providing an apportionment method, such costs shall be apportioned by use of a method which is reasonable in the circumstances. One method which may be reasonable in a particular case is an allocation based on the proportion that the direct costs of mining processes and the direct costs of nonmining processes bear to each other. For example, the salary of a corporate officer engaged in overseeing all of the taxpayer's processes is an expense which would normally be apportioned on the basis of the ratio between the direct costs of mining and nonmining processes. On the other hand, an expense such as workmen's compensation premiums would normally be apportioned on the basis of direct labor costs. For the rule relating to selling expenses, see paragraph (c) of § 1.613-4.

(iv) As used in this section, the term "first marketable product or group of products" means the product (or group of essentially the same products) produced by the taxpayer as a result of the application of nonmining processes, in the form or condition in which such product or products are first marketed in significant quantities by the taxpayer or by others in the taxpayer's marketing area. For this purpose, bulk and packaged products are considered to be essentially the same product. The first marketable product or group of products does not include a product or group of products additionally refined, beneficiated, altered, or manufactured as a result of the application of additional nonmining processes. For example, if a cement manufacturer sells his own finished cement of various types in bulk and bags and also sells concrete blocks or dry ready-mix aggregates containing additives, the finished cement of various types, in bulk and bags, constitutes the first marketable product or group of products produced by him. Similarly, if an integrated iron ore and steel producer sells both pig iron in various sizes and rolled sheet iron or shapes, his first marketable product is the pig iron in its various sizes. Further, if an integrated clay and brick producer sells both unglazed bricks and tiles of various shapes and sizes and additionally manufactured bricks and tiles which are specially glazed, the unglazed products, both packaged and unpackaged, constitute his first marketable product or group of products.

(v) As used in this paragraph, the term "gross sales (actual or constructive)" means the total of the taxpayer's actual sales to others of the first marketable product or group of products, plus the taxpayer's constructive sales of the first marketable product or group of products used or retained for use in his own subsequent operations. The prices at which actual or constructive sales are made are to be determined in accordance with the principles set forth in this paragraph and in paragraphs (b), (c), and (e) of this section, as appropriate. In the case of constructive sales of the taxpayer's first marketable product or group of products, the taxpayer shall attach

to his return a statement indicating the price or prices used by him in computing the representative market or field price for such product or products, and the source of his information as to such price or prices. The prices at which actual or constructive sales are made shall not be determined by reference to prices established in transactions between members of a controlled group. See paragraph (a) of § 1.482-1 for the definitions of the terms "controlled" and "group".

(vi) The provisions of this subparagraph may be illustrated by the following example:

Example.—(a) *Facts.* A is engaged in the mining of a mineral to which section 613 applies, and in the application thereto of nonmining processes. During 1968, A incurred extraction costs of \$35,000; other mining costs of \$56,000; \$150,000 for manufacturing costs; \$46,000 for other nonmining processes; and \$14,000 for the company president's salary and similar costs. The actual gross sales price of A's first marketable group of products (after the adjustments required by paragraph (e) of this section) was \$6 per ton for all products. During 1968, A sold 70,000 tons of these manufactured products. It is not possible to establish a representative market or field price for A's mineral before the application of nonmining processes.

(b) *Computation.* (1) The computation of A's gross income from mining by use of the proportionate profits method involves two steps. The first step is to apportion A's costs to mining and to nonmining. A apportions the company president's salary and similar costs to mining and to nonmining in the manner described in the third and fourth sentences of subdivision (iii) of this subparagraph, and apportions his remaining costs as follows:

Cost	Mining	Nonmining	Total
Extraction.....	\$35,000	.....	\$35,000
Other mining processes.....	56,000	.....	56,000
Manufacturing.....	.....	\$150,000	150,000
Other nonmining processes.....	.....	46,000	46,000
Subtotal.....	91,000	196,000	287,000
President's salary and similar costs.....	4,439	9,561	14,000
Total costs.....	95,439	205,561	301,000

(2) The second step is to apply the proportionate profits fraction so as to compute A's gross income from mining. To do this, A first computes his gross sales of his first marketable group of products. In this case, the actual gross sales price of A's first marketable group of products (after the adjustments required by paragraph (e) of this section) was \$6 per ton for all products. Since 70,000 tons of these products were sold, A's actual gross sales were \$420,000. Next, A multiplies his actual gross sales of \$420,000 by the proportionate profits fraction, whose numerator consists of his total mining costs (\$95,439) and whose denominator consists of his total costs (\$301,000). This procedure indicates that A's gross income from mining is \$133,170 (i.e., 95,439/301,000ths of A's actual gross sales of \$420,000).

(2) [Reserved]

(3) *Costs to be used in computing gross income from the property by use of the proportionate profits method or another approved method based on the taxpayer's costs.* In determining the taxpayer's gross income from the property by use of the proportionate profits method or another approved method

based on the taxpayer's costs, only costs actually paid or incurred shall be taken into consideration. In general, if the taxpayer has consistently employed a reasonable method of determining the costs of the various individual phases of his mining and nonmining processes (such as extraction, loading for shipment, calcining, packaging, etc.), such method shall not be disturbed. The amount of any particular item to be taken into account shall, for taxable years beginning after November 30, 1968, be the amount used in determining the taxpayer's income for tax purposes. For example, the depreciation lives, methods, and records used for tax purposes, if different from those used for book purposes, shall be the basis for determining the amount of depreciation to be used in the proportionate profits computation of gross income from mining.

(4) *Treatment of particular items in computing gross income from the property by use of the proportionate profits method or another approved method based on the taxpayer's costs.* (i) Except as specifically provided elsewhere in this section, when determining gross income from the property by use of the proportionate profits method or any other approved method which is based on the taxpayer's costs, the costs attributable to mining transportation shall be treated as mining costs, and the costs attributable to nonmining transportation shall be treated as nonmining costs. Accordingly, except as specifically provided elsewhere in this section, all profits attributable to mining transportation shall be treated as mining profits, and all profits attributable to nonmining transportation shall be treated as nonmining profits. For this purpose, mining transportation means so much of the transportation of ores or minerals (whether or not by common carrier) from the point of extraction from the ground to plants or mills in which other mining processes are applied thereto as is not in excess of 50 miles or, if the taxpayer files an application pursuant to paragraph (h) of this section and the Commissioner finds that both the physical and other requirements are such that the ores or minerals must be transported a greater distance to such plants or mills, the transportation over the greater distance. Further, for this purpose, nonmining transportation includes the transportation (whether or not by common carrier) of ores, minerals, or the products produced therefrom, from the point of extraction from the ground to nonmining facilities, or from a mining facility to a nonmining facility, or from one nonmining facility to another, or from a nonmining facility to the customers who purchase the taxpayer's first marketable product or group of products. See paragraph (e) (2) of this section for provisions relating to purchased transportation to the customer, and paragraph (g) (3) of this section for provisions relating to transportation the primary purpose of which is marketing or distribution. In the absence of other methods which the district director determines

will clearly reflect the costs of the various phases of transportation, the cost attributable to nonmining transportation shall be an amount which is in the same ratio to the costs incurred for the total transportation as the distance of the nonmining transportation is to the distance of the total transportation. Where the plants or mills in which mining processes are applied to ores or minerals are in excess of 50 miles from the point of extraction from the ground (or in excess of a greater distance approved by the Commissioner), the costs incurred for transportation to such plants or mills in excess of 50 miles (or of such greater distance) shall be treated as nonmining costs in determining gross income from mining. Accordingly, all profits attributable to such excess transportation are treated as nonmining profits. However, except in the case of transportation performed in conveyances owned or leased by the taxpayer, the preceding sentence shall apply only to taxable years beginning after November 30, 1968.

(ii) In determining gross income from the property by use of the proportionate profits method or any other approved method which is based on the taxpayer's costs, a process shall not be considered as a mining process to the extent it is applied to ores, minerals, or other materials with respect to which the taxpayer is not entitled to a deduction for depletion under section 611. The costs of such nondepletable ores, minerals, or materials; the costs of the processes (including blending, size reduction, etc.) applied thereto; and the transportation costs thereof, if any, shall be considered as nonmining costs in determining gross income from mining. If a mining process is applied to an admixture of depletable and nondepletable material, the cost of the process and the cost of transportation, if any, attributable to the nondepletable material shall be considered as nonmining costs in determining gross income from mining. Accordingly, all profits attributable thereto are treated as nonmining profits. In the absence of methods which will more clearly reflect the cost attributable to the processing and transportation, if any, of the nondepletable admixed material, the cost attributable thereto shall be deemed to be that proportion of the costs which the tonnage of nondepletable material bears to the total tonnage of both depletable and nondepletable material.

(iii) In determining gross income from the property by use of the proportionate profits method (or any other approved method which is based on the taxpayer's costs)—

(a) The costs attributable to containers, bags, packages, pallets, and similar items as well as the costs of materials and labor attributable to bagging, packaging, palletizing, or similar operations shall be considered as nonmining costs.

(b) The costs attributable to the bulk loading of manufactured products shall be considered as nonmining costs.

(c) The costs attributable to the operation of warehouses or distribution terminals for manufactured products

shall be considered as nonmining costs. Accordingly, all profits attributable thereto are treated as nonmining profits.

(iv) In computing gross income from the property by means of the proportionate profits method or any other approved method based on the taxpayer's costs, the principles set forth in paragraph (c) of § 1.613-4 shall apply when determining whether selling expenses and trade association dues are to be treated, in whole or in part, as mining costs or as nonmining costs. To the extent that selling expenses and trade association dues are treated as nonmining costs, all profits attributable thereto are treated as nonmining profits.

(v) In computing gross income from the property by means of the proportionate profits method or any other approved method based on the taxpayer's costs, allowances to customers which are determined to have the effect of trade or cash discounts under the provisions of paragraph (e) (1) (ii) of this section, shall (if not otherwise taken into account) be excluded from the denominator of the proportionate profits fraction. See paragraph (e) (1) (i) of this section for provisions excluding such allowances from the taxpayer's gross sales of his first marketable product or group of products.

PAR. 4. Paragraphs (e) and (f) of § 1.613-3 are amended to read as follows:

§ 1.613-3 Gross income from the property.

(e) *Reductions of sales price in computing gross income from the property*

(1) *Discounts.* (i) The amount of any trade or (for taxable years beginning after Nov. 30, 1968) cash discounts actually allowed by a taxpayer computing gross income from the property under the provisions of paragraph (b) (2) of this section shall be subtracted from the sale price of the taxpayer's ore or mineral. In the case of a taxpayer computing gross income from the property under the provisions of paragraph (c) of this section, any such discounts actually allowed (if not otherwise taken into account) by the person or persons making the sales on the basis of which the representative market or field price for the taxpayer's ore or mineral is to be determined shall be subtracted from the sale price in computing such representative market or field price. In the case of a taxpayer computing gross income from the property under the provisions of paragraph (d) of this section, such discounts (if not otherwise taken into account) shall be subtracted from the gross sales (actual or constructive) of the first marketable product or group of products.

(ii) The provisions of subdivision (i) of this subparagraph apply even though a trade or cash discount is allowed in some form other than a direct reduction in sale price. Accordingly, allowances (no matter how designated) which are determined to have the same effect as trade or cash discounts shall be subject to such subdivision. For example, in a particular case freight absorption and special serv-

ices to customers may in effect constitute trade or cash discounts. Further, interlocking sale and purchase arrangements may in effect constitute trade or cash discounts in instances in which a miner sells his mineral product to a vendee at an excessive price, in return for an agreement to purchase the vendee's product at a price which is also excessive. The dollar amount of an allowance having the same effect as a trade or cash discount shall be determined in light of all the facts and circumstances, and shall include an appropriate share of the taxpayer's overhead and profit in instances which a service is rendered by the taxpayer or his employees. For example, in instances in which gross income from mining is computed under paragraph (d)(1) of this section, the dollar amount attributable to services performed by the taxpayer or his employees shall include a proportionate share of the taxpayer's overhead and profit.

(2) *Purchased transportation to the customer.* (i) A taxpayer who computes gross income from mining under the provisions of paragraph (c) of this section and who sells his ore or mineral after the application of only mining processes but after nonmining transportation shall use as the representative market or field price (as described in paragraph (c) of this section) his delivered price (if otherwise representative) reduced by costs paid or incurred by him for purchased transportation to the customer as defined in subdivision (iii) of this subparagraph. If the transportation by the taxpayer is not purchased transportation to the customer, and if other producers in the taxpayer's marketing area sell significant quantities of the ore or mineral of like kind and grade after the application of only mining processes but after purchased transportation to the customer (as defined in subdivision (iii) of this subparagraph), the delivered price at which the ore or mineral is sold by such other producers (if otherwise representative) reduced by the costs of purchased transportation to the customer paid or incurred by such producers shall be used by the taxpayer as the representative market or field price for his ore or mineral. When applying the preceding sentence, appropriate adjustments shall be made to take into account differences in mode of transportation and distance. For purposes of this subdivision, any delivered price shall be adjusted as provided in subparagraph (1) of this paragraph.

(ii) In the case of a taxpayer computing gross income from mining under the provisions of paragraph (d)(1) of this section, the cost of purchased transportation to the customer (as defined in subdivision (iii) of this subparagraph) shall be excluded from the taxpayer's gross sales of his first marketable product or group of products (after any adjustments required by subparagraph (1) of this paragraph) and from the denominator of the proportionate profits fraction, without attributing profits to the cost of such transportation. Similar transportation cost adjustments may be made, if appropriate, in the case of methods of

computation which are approved under paragraph (d)(2) of this section and which are based on the taxpayer's costs. For the treatment of costs and profits attributable to transportation which does not meet the requirements of subdivision (iii) of this subparagraph, see paragraph (d)(4)(i) of this section.

(iii) For purposes of this section, the term "purchased transportation to the customer" means, in general, nonmining transportation from the taxpayer's mine or plant to the customer—

(a) Which is performed in conveyances owned or leased by persons other than the taxpayer, rather than in conveyances owned or leased by the taxpayer;

(b) Which is performed solely to deliver the taxpayer's minerals or mineral products to the customer, rather than to transport such minerals or products for packaging or other additional processing by the taxpayer (other than incidental storage or handling); and

(c) Which is charged to the customer in such a way that the taxpayer ordinarily does not earn any profit with respect to such transportation.

For purposes of the preceding sentence, transportation which is performed by a person controlling or controlled by the taxpayer (within the meaning of paragraph (a)(3) of § 1.482-1) shall be deemed to have been performed in conveyances owned or leased by the taxpayer unless it is established by the taxpayer that the price charged by the controlling or controlled person for such transportation constitutes an arm's-length charge (under the standard described in paragraph (b)(1) of § 1.482-1). The term "purchased transportation to the customer" includes transportation to a warehouse, terminal, or distribution facility owned or operated by the taxpayer, provided that such transportation is performed under the conditions described in the first sentence of this subdivision. The taxpayer must demonstrate the non-profit character of the transportation services, as described in (c) of this subdivision, in light of all the facts and circumstances. It shall be presumed that the requirements set forth in either (a) or (c) of this subdivision (relating, respectively, to conveyance ownership and profits) are not satisfied if the taxpayer requires customers to purchase minerals or mineral products only on a delivered basis, by failing to offer such minerals or products for sale on the basis of a price f.o.b. the taxpayer's mine or plant, or by other means. In the case of taxpayers computing gross income from mining under the provisions of paragraph (d) of this section, the term "purchased transportation to the customer" refers to transportation which conforms with the other requirements of this subdivision and which is performed to transport the taxpayer's first marketable product or group of products (as defined in paragraph (d)(1)(iv) of this section) rather than to transport minerals or mineral products which do not yet constitute the taxpayer's first marketable product or group of products.

(iv) The provisions of this subparagraph may be illustrated by the following examples:

Example (1). A is engaged in the mining of an ore of mineral M and in the production and sale of M concentrate. A retains a portion of his concentrate for use in his own nonmining operations. During 1968, A sold 100,000 tons of M concentrate of ore mined and processed by him. Such sales constituted a significant portion of his total production. 80,000 tons of such concentrate were sold by A on the basis of a representative price (after adjustments required by subparagraph (1) of this paragraph) of \$30 per ton f.o.b. mine or plant. The remaining 20,000 tons were sold by A, both directly and through terminals, on the basis of a delivered price (after adjustments required by subparagraph (1) of this paragraph) at City X of \$40 per ton. The delivered price included the \$15 per ton cost of purchased transportation from the mine or plant to customers in City X. The representative market or field price of the concentrate sold by A on the basis of a delivered price is \$25 per ton, determined by subtracting the cost of the purchased transportation to the customer (\$15 per ton) from the delivered price for the concentrate (\$40 per ton). Accordingly, A's gross income from mining with respect to the 20,000 tons of M concentrate sold on a delivered basis is \$500,000. The representative market or field price for the concentrate retained by A and used in his own nonmining operations may be computed by reference to the weighted average price for both A's f.o.b. mine and A's delivered sales of concentrate, with the delivered sales prices reduced in the manner described above. On this basis, the representative market or field price for the retained concentrate is \$29 per ton.

Example (2). B is engaged in the mining of an ore of mineral N and in the production of its concentrate. B retains all but an insignificant amount of his concentrate for use in his own nonmining operations. Other producers in B's marketing area sell significant amounts of N concentrate of like kind and grade, both on an f.o.b. mine or plant basis and on a delivered basis. In this case, the prices for both the f.o.b. and the delivered sales made by other producers (after any adjustments required by subparagraph (1) of this paragraph), with the delivered prices reduced by the cost of purchased transportation to the customer, shall, if such prices are otherwise representative, be taken into account when establishing the representative market or field price for the N concentrate produced and used by B.

(f) *Definition of mining—(1) In general.* The term "mining" includes only—

(i) The extraction of ores or minerals from the ground;

(ii) Mining processes, as described in subparagraphs (2) through (5) of this paragraph; and

(iii) So much of the transportation (whether or not by common carrier) of ores or minerals from the point of extraction of the ores or minerals from the ground to the plants or mills in which the processes referred to in subdivision (ii) of this subparagraph are applied thereto as is not in excess of 50 miles, and, if the Commissioner finds that both the physical and other requirements are such that the ores or minerals must be transported a greater distance to such plants or mills, the transportation over such greater distance as the Commissioner authorizes. See paragraph (h) of

this section for rules relating to the filing of applications to treat as mining any transportation in excess of 50 miles.

(2) *Definition of mining processes.*

(i) As used in subparagraph (1) (ii) of this paragraph, the term "mining processes" means, for taxable years beginning before January 1, 1961, the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products, including the following processes (and the processes necessary or incidental thereto), and, for taxable years beginning after December 31, 1960, means the following processes (and the processes necessary or incidental thereto):

(a) In the case of coal—cleaning, breaking, sizing, dust allaying, treating to prevent freezing, and loading for shipment;

(b) In the case of sulfur recovered by the Frasch process—cleaning, pumping to vats, cooling, breaking, and loading for shipment;

(c) In the case of iron ore, bauxite, ball and sagger clay, rock asphalt, and ores or minerals which are customarily sold in the form of a crude mineral product (as defined in subparagraph (3) (iv) of this paragraph)—

(1) Where applied for the purpose of bringing to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section)—sorting, concentrating, sintering, and substantially equivalent processes, and

(2) *Loading for shipment.*

(d) In the case of lead, zinc, copper, gold, silver, uranium, or fluorspar ores, potash, and ores or minerals which are not customarily sold in the form of the crude mineral product—crushing, grinding, and beneficiation by concentration (gravity, flotation, amalgamation, electrostatic, or magnetic), cyanidation, leaching, crystallization, precipitation (but not including electrolytic deposition, roasting, thermal or electric smelting, or refining), or by substantially equivalent processes or combination of processes used in the separation or extraction of the product or products from the ore or the mineral or minerals from other material from the mine or other natural deposit; and

(e) In the case of the following ores or minerals—

(1) The furnacing of quicksilver ores,

(2) The pulverization of talc,

(3) The burning of magnesite, and

(4) The sintering and nodulizing of phosphate rock.

(ii) For taxable years beginning after December 31, 1960, the term "mining processes" also includes:

(a) In the case of calcium carbonates and other minerals when used in making cement—all processes (other than preheating the kiln feed) applied prior to the introduction of the kiln feed into the kiln, but not including any subsequent process; and

(b) In the case of clay to which sec-

tion 613(b) (5) (B) applies—crushing, grinding, and separating the clay from waste, but not including any subsequent process.

(iii) A process is "necessary" to another related process if it is essential to the performance of the other process. For example, if the concentrating of low-grade iron ores to bring to shipping grade and form cannot be effectively accomplished without fine pulverization, such pulverization may be treated as a process which is "necessary" to the concentration process. Accordingly, because concentration is a mining process, such pulverization is also a mining process. Furthermore, if mining processes cannot be effectively applied to a mineral without storage of the mineral while awaiting the application of such processes, such storage may be treated as a process which is "necessary" to the accomplishment of such mining processes. A process is "incidental" to another related process if the cost thereof is insubstantial in relation to the cost of the other process or if the process is merely the coincidental result of the application of the other process. For example, the use of thawing equipment to unload frozen ore cars at concentration plants will be considered incidental to concentration, where the cost of using such equipment is insubstantial in relation to the cost of the concentration process. Further, where crushing of a crude mineral is treated as a mining process, the production of fines as a by-product is ordinarily the coincidental result of the application of a mining process. If a taxpayer demonstrates that a particular process is necessary or incidental solely to a process named as a mining process in section 613(c) (4) or this paragraph, the necessary or incidental process will also be considered a mining process.

(iv) The term "mining" does not include purchasing minerals from another. Accordingly, the processes listed in this paragraph shall be considered as mining processes only to the extent that they are applied by a mine owner or operator to an ore or mineral in respect of which he is entitled to a deduction for depletion under section 611. The application of these processes to purchased ores, minerals, or materials does not constitute mining.

(3) *Processes recognized as mining for ores or minerals covered by section 613(c) (4) (C).* (i) As used in section 613(c) (4) (C) and subparagraph (2) (i) (c) of this paragraph, the terms "sorting" and "concentrating" mean the process of eliminating waste, separating the valuable mineral from the valueless, or separating two or more valuable minerals or ores. Examples of sorting and concentrating processes are hand or mechanical sorting, magnetic separation, gravity concentration, jigging, the use of shaking or concentrating tables, the use of spiral concentrators, the use of sluices or sluice boxes, sink-and-float processes, and flotation processes such as bubble, skin, and froth flotation. Under section

613(c) (4) (C), concentration will be considered a mining process only where it is applied to bring an ore or mineral to shipping grade and form.

(ii) As used in section 613(c) (4) (C) and subparagraph (2) (i) (c) of this paragraph, the term "sintering" means the agglomeration of fine particles by heating to a temperature at which incipient, but not complete, fusion occurs. Sintering will be considered a mining process only where it is applied to an ore or mineral, or a concentrate of an ore or mineral, as an auxiliary process necessary to bring the ore or mineral to shipping grade and form. A thermal action which is applied in the manufacture of a finished product will not be considered to be a mining process, even though such thermal action may cause the agglomeration of fine particles by incipient fusion, and even though such action does not cause a chemical change in the agglomerated particles. For example, the sintering of finely ground iron ore concentrate prior to shipment from the concentration plant for the purpose of preventing the risk of loss of the finely divided particles is considered a mining process. On the other hand, for example, a heating process applied to expand or harden clay, shale, perlite, vermiculite, or other materials in the course of the manufacture of lightweight aggregate or other building materials is not considered to be a mining process.

(iii) As used in section 613(c) (4) (C) and this section, to "bring to shipping grade and form" means to bring (by the application of mining processes at the mine or concentration plant) the quality or size of an ore or mineral to the initial condition at which a significant portion thereof customarily is shipped by ordinary miners for sale or for use in a manufacturing process. The determination as to when an ore or mineral reaches shipping grade and form shall be made on the basis of U.S. nationwide mining practice, except that, in the case of a mineral industry in which the U.S. practice is shown to be unrepresentative of the mining practices of U.S. taxpayers in such industry, the determination shall be made in light of worldwide mining practice by U.S. taxpayers in such industry. A process will not be recognized as a process applied to bring a mineral to shipping grade and form if the process is applied following shipment to a facility at which processes described in paragraph (g) of this section are applied, or if such process (wherever applied) beneficiates the ore or mineral to the degree that such process constitutes smelting or refining, or any other nonmining process within the meaning of paragraph (g) of this section.

(iv) An ore or mineral is "customarily sold in the form of a crude mineral product," within the meaning of section 613(c) (4) (C), if a significant portion of the production thereof is sold or used in a nonmining process prior to the alteration of its inherent mineral content by

some form of beneficiation, concentration, or ore dressing. An ore or mineral does not lose its classification as a crude mineral product by reason of the fact that, before sale or use in a nonmining process, the ore or mineral may be crushed or subjected to other processes which do not alter its inherent mineral content. Whether the portion of production sold or used in the form of a crude mineral product is a significant portion of the total production of an ore or mineral is a question of fact, to be determined by reference to the U.S. nationwide pattern of sales and uses for such ore or mineral, except that, in the case of a mineral industry in which the U.S. pattern of sales and uses is shown to be unrepresentative of the pattern of sales and uses of U.S. taxpayers in such industry, the determination shall be made in light of the worldwide pattern of sales and uses by U.S. taxpayers in such industry.

(4) *Type of processes recognized as mining for ores or minerals covered by section 613(c)(4)(D).* Cyanidation, leaching, crystallization, and precipitation, which are listed in section 613(c)(4)(D) as treatment processes considered as mining, and the processes (or combination of processes) which are substantially equivalent thereto, will be recognized as mining only to the extent that they are applied to the taxpayer's ore or mineral for the purpose of separation or extraction of the valuable mineral product or products from the ore, or for the purpose of separation or extraction of the mineral or minerals from other material extracted from the mine or other natural deposit. A process, no matter how denominated, will not be recognized as mining if the process beneficiates the ore or mineral to the degree that such process, in effect, constitutes smelting, refining, or any other nonmining process within the meaning of paragraph (g) of this section. As used in section 613(c)(4)(D) and subparagraph (2)(i)(d) of this paragraph, the term "concentration" has the meaning set forth in the first two sentences of subparagraph (3)(i) of this paragraph.

PAR. 5. Paragraphs (g), (h), and (i) of § 1.613-3 are prescribed to read as follows:

§ 1.613-3 Gross income from the property.

(g) *Nonmining processes*—(1) *General rule.* Unless they are otherwise provided for in paragraph (f) of this section as mining processes (or are necessary or incidental to processes listed therein), the following processes are not considered to be mining processes—electrolytic deposition, roasting, calcining, thermal or electric smelting, refining, polishing, fine pulverization, blending with other materials, treatment effecting a chemical change, thermal action, and molding or

shaping. See subparagraph (6) of this paragraph for definitions of certain of these terms.

(2) *Necessary or incidental processes; sequence.* (i) A process (even though otherwise nominally specified as a mining process in section 613(c) or this section) shall not be considered as mining if it functions in any significant degree as a necessary or incidental part of such nonmining processes as refining, smelting, roasting, manufacturing, or packaging, or any other nonmining activity. For example, the crushing and grinding or the loading for shipment of products which have been molded, shaped, or fired shall not be considered as mining. See paragraph (f)(2)(iii) of this section for the definitions of the terms "necessary" and "incidental".

(ii) Ordinarily, a process applied subsequent to a nonmining process shall also be considered to be a nonmining process. However, exceptions to this rule shall be made in those instances in which the rule would discriminate between similarly situated producers of the same mineral. For example, roasting is specifically designated in subdivision (i) of this subparagraph as a nonmining process, but in the case of minerals referred to in section 613(c)(4)(C) sintering is recognized as a mining process. However, if certain impurities in an ore can only be removed by roasting in order to bring it to the same shipping grade and form as a competitive sintered ore of the same kind which requires no roasting, the subsequent sintering of the roasted ore will be treated as a mining process, although the roasting of the ore is a nonmining process and will be treated as such. The test of nondiscrimination shall be applied by reference to the U.S. nationwide pattern of production in the particular mineral industry, except that, in the case of a mineral industry in which the U.S. pattern of production is shown to be unrepresentative of the pattern of production of U.S. taxpayers in such industry, the determination shall be made in light of the worldwide pattern of production by U.S. taxpayers in such industry. In addition, exceptions to the rule set forth in the first sentence of this subdivision shall be made in cases in which a nonmining process is incidental to a process specified as mining. See paragraph (f)(2)(iii) of this section for the definition of the term "incidental." For example, the sprinkling of coal with dots of paper to identify the coal for trade name purposes prior to loading for shipment shall not prevent the loading for shipment from being considered as mining.

(3) *Transportation for the purpose of marketing or distribution; storage.* Transportation, the primary purpose of which is marketing, distribution, or delivery for the application of only nonmining processes shall not be considered as mining. Nor shall transportation be considered as mining merely because,

during the course of such transportation, some extraneous matter is removed from the ore or mineral by the operation of forces of nature, such as evaporation, drainage, or gravity flow. Similarly, storage or warehousing of manufactured products shall not be considered as mining. The preceding sentence shall apply even though, during the course of such storage or warehousing, some extraneous matter is removed from the ore or mineral by the operation of forces of nature, such as evaporation, drainage, or gravity flow.

(h) *Application to treat, as mining, transportation in excess of 50 miles.* If a taxpayer desires to include in the computation of his gross income from mining transportation in excess of 50 miles from the point of extraction of the minerals from the ground, he shall file an original and one copy of an application for the inclusion of such greater distance with the Commissioner of Internal Revenue, Washington, D.C. 20224. The application must include a statement setting forth in detail the facts concerning the physical and other requirements which prevented the construction and operation of the plant (in which mining processes, as defined in paragraph (f) of this section, are applied) at a place nearer to the point of extraction from the ground. These facts must be sufficient to apprise the Commissioner of the exact basis of the application. If the taxpayer's return is filed prior to receipt of notice of the Commissioner's action upon the application, a copy of such application shall be attached to the return. If, after an application is approved by the Commissioner, there is a material change in any of the facts relied upon in such application, a new application must be submitted by the taxpayer.

(i) *Extraction from waste or residue.* "Extraction of ores or minerals from the ground" means not only the extraction of ores or minerals from a deposit, but also the extraction by mine owners or operators of ores or minerals from waste or residue of their prior mining. The preceding sentence does not apply to any such extraction of ores or minerals by the purchaser of such waste or residue or the purchaser of the rights to extract ores or minerals from such waste or residue. The term "purchaser" does not apply to any person who acquires a mineral property, including such waste or residue, in a tax-free exchange, such as a corporate reorganization, from a person who was entitled to a depletion allowance upon ores or minerals produced from such waste or residue, or from a person who would have been entitled to such depletion allowance had section 613(c)(3) been in effect at the time of the transfer. The term "purchaser" also does not apply to a lessee who had renewed a mineral lease if the lessee was entitled to a depletion allowance (or would have been so entitled had section 613(c)(3) been in effect at the

time of the renewal) upon ores or minerals produced from such waste or residue before renewal of the lease. It is not necessary, for purposes of the preceding sentence, that the mineral lease contain an option for renewal. The term "purchaser" does include a person who acquires such waste or residue in a taxable transaction, even though such waste or residue is acquired merely as an incidental part of the entire mineral enterprise. It is immaterial whether the

waste or residue results from the process of extraction from the ground or from application of mining processes, as defined in paragraph (f) of this section. However, extraction of ores or minerals from waste or residue which results from processes which are not allowable as mining processes is not treated as mining. For special rules with respect to certain corporate acquisitions referred to in section 381(a), see section 381(c)(18) and the regulations thereunder.

(Secs. 611(a) and 7805 of the Internal Revenue Code of 1954 (68A Stat. 207, 917; 26 U.S.C. 611(a), 7805))

[SEAL] **SHELDON S. COHEN,**
Commissioner of Internal Revenue.

Approved: July 25, 1968.

STANLEY S. SURREY,
*Assistant Secretary
of the Treasury.*

[F.R. Doc. 68-9047; Filed, July 25, 1968;
10:20 a.m.]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

PERCENTAGE DEPLETION

Notice of Proposed Rule Making

Notice is hereby given that the regulations set forth in tentative form in the attached appendix are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 45 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 45-day period. In such case, a public hearing will be held, and a notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 611(a) and 7805 of the Internal Revenue Code of 1954 (68A Stat. 207, 917; 26 U.S.C. 611(a), 7805).

[SEAL]

SHELDON C. COHEN,

Commissioner of Internal Revenue.

The following regulations are hereby prescribed to amend the sections indicated herein of the Income Tax Regulations under sections 482 and 613 of the Internal Revenue Code of 1954. Except as otherwise provided, such regulations are applicable for taxable years beginning after December 31, 1953, and ending after August 16, 1954. With respect to taxable years beginning after November 13, 1966, the regulations prescribed herein give effect to the amendments made by sections 207, 208, and 209 of the Act of November 13, 1966 (Public Law 89-809, 80 Stat. 1539). With respect to taxable years beginning after December 31, 1960, the regulations prescribed herein give effect to certain of the amendments made by section 302(b) of the Public Debt and Tax Rate Extension Act of 1960 (Public Law 86-564, 74 Stat. 291).

PARAGRAPH 1. Section 1.482-2 is amended by adding a new subdivision (v) to paragraph (e)(1) thereof. This added provision reads as follows:

§ 1.482-2 Determination of taxable income in specific situations.

(e) Sales of tangible property—(1) In general. * * *

(v) The price for a mineral product at the point at which mining or extraction ends shall be determined under the provisions of § 1.613-3. However, the preceding sentence shall not prevent the application of this section for purposes other than the determination of the price for a mineral product at the point at which mining or extraction ends. For example, the fact that the price for oil in the immediate vicinity of the well-head is determined under the provisions of § 1.613-3, for purposes of sections 482 and 613, shall not prevent the application of these regulations to determine the price for such oil after it has been transported to a port.

PAR. 2. Section 1.613 is amended by revising section 613 (b) and (c)(4)(G) and by adding to the historical note. These amended provisions read as follows:

§ 1.613 Statutory provisions; percentage depletion.

SEC. 613. Percentage depletion. * * *

(b) Percentage depletion rates. The mines, wells, and other natural deposits, and the percentages, referred to in subsection (a) are as follows:

- (1) 27½ percent—oil and gas wells.
- (2) 23 percent—
 - (A) Sulfur and uranium; and
 - (B) If from deposits in the United States—orthosite, clay, laterite, and nephelitic syenite (to the extent that alumina and aluminum compounds are extracted therefrom), asbestos, bauxite, celestite, chromite, corundum, fluorspar, graphite, ilmenite, kyanite, mica, olivine, quartz crystals (radio grade), rutile, block steatite talc, and zircon, and ores of the following metals: antimony, beryllium, bismuth, cadmium, cobalt, columbium, lead, lithium, manganese, mercury, nickel, platinum and platinum group metals, tantalum, thorium, tin, titanium, tungsten, vanadium, and zinc.
- (3) 15 percent—
 - (A) Metal mines (if paragraph (2)(B) does not apply), rock asphalt, and vermiculite; and
 - (B) If neither paragraph (2)(B), (5), or (6)(B) applies, ball clay, bentonite, china clay, sagger clay, and clay used or sold for use for purposes dependent on its refractory properties.
- (4) 10 percent—asbestos (if paragraph (2)(B) does not apply), brucite, coal, lignite, perlite, sodium chloride, and wollastonite.
- (5) 7½ percent—clay and shale used or sold for use in the manufacture of sewer pipe or brick, and clay, shale, and slate used or sold for use as sintered or burned lightweight aggregates.
- (6) 5 percent—
 - (A) Gravel, peat, pumice, sand, scoria, shale (except shale described in paragraph (5)), and stone (except stone described in paragraph (7));
 - (B) Clay used, or sold for use, in the manufacture of drainage and roofing tile, flower pots, and kindred products; and
 - (C) If from brine wells—bromine, calcium chloride, and magnesium chloride.
- (7) 15 percent—all other minerals (including, but not limited to, apatite, barite, borax, calcium carbonates, diatomaceous earth, dolomite, feldspar, fullers earth, garnet, gilsonite, granite, limestone, magnesite, magnesium carbonates, marble, mollusk shells (including clam shells and oyster shells), phosphate rock, potash, quartzite, slate, soapstone, stone (used or sold for use by the mine owner or operator as dimension stone

or ornamental stone), thenardite, tripoli, trona, and (if paragraph (2)(B) does not apply) bauxite, flake graphite, fluorspar, lepidolite, mica, spodumene, and talc, including pyrophyllite), except that, unless sold on bid in direct competition with a bona fide bid to sell a mineral listed in paragraph (3), the percentage shall be 5 percent for any such other mineral (other than slate to which paragraph (5) applies) when used, or sold for use, by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. For purposes of this paragraph, the term "all other minerals" does not include—

(A) Soil, sod, dirt, turf, water, or mosses; or

(B) Minerals from sea water, the air, or similar inexhaustible sources.

(c) Definition of gross income from property. * * *

(4) Treatment processes considered as mining. * * *

(G) In the case of clay to which paragraph (5) or (6)(B) of subsection (b) applies—crushing, grinding, and separating the mineral from waste, but not including any subsequent process; and

[Sec. 613 as amended by sec. 36, Technical Amendments Act of 1958 (72 Stat. 1633); sec. 302, Public Debt and Tax Rate Extension Act 1960 (74 Stat. 291); sec. 13(e), Rev. Act 1962 (76 Stat. 1034); sec. 6, Act of Sept. 2, 1964 (Public Law 88-571, 78 Stat. 860); secs. 207, 208, and 209, Act of Nov. 13, 1966 (Public Law 89-809, 80 Stat. 1579)]

PAR. 3. Section 1.613-2 is amended by revising subparagraphs (1), (2), and (3) of paragraph (a), by adding new subparagraphs (5), (6), and (7) to paragraph (b), by revising paragraph (c)(2), and by adding new subparagraphs (6), (7), and (8) at the end of paragraph (c). These amended and added provisions read as follows:

§ 1.613-2 Percentage depletion rates.

- (a) In general. * * *
- (1) Without regard to situs of deposits. The following rates are applicable to the minerals or mineral properties listed in this subparagraph regardless of the situs of the mineral properties or the deposits from which the minerals are produced:
- (i) 27½ percent—Gas wells, oil wells, or oil and gas wells. The term "gas wells" refers to wells producing gases which, by value, are predominantly natural hydrocarbon gases. The term "oil wells" refers to wells producing liquids which, by value, are predominantly natural petroleum liquids. The term "oil and gas wells" refers to wells producing liquids and gases which, by value, are predominantly natural hydrocarbon gases and natural petroleum liquids. The term "natural hydrocarbon gases" includes gases such as butanes, ethane, methane, propane, pentanes, and hexanes, but does not include gases produced by artificial means or nonhydrocarbon gases such as argon, carbon dioxide, helium, hydrogen, hydrogen sulphide, nitrogen, or oxygen. The term "natural petroleum liquids" includes paraffin base, mixed base, and asphaltic base liquid petroleum, but does not include pyrobitumens or bitumens other than liquid petroleum, nor does the term include oils produced from mineral deposits such as asphalt, coal, rock asphalt, tar sands, kerogen,

oil shale, gilsonite, or similar deposits, whether or not liquefied or gasified. For example, the term "natural petroleum liquids" does not include oils produced from tar sands, whether or not the tar is liquefied by the injection of steam into the tar sands.

(ii) 23 percent—Uranium, and (except where recovered from oil wells, gas wells, oil and gas wells, or metal mines) sulfur.

(iii) 15 percent—

(a) Applicable to taxable years beginning either before January 1, 1961, or after December 31, 1960: Metal mines,^{1,2} rock asphalt, vermiculite. The term "metal mines" refers to mines producing ores and minerals which, by value, are predominantly metal ores or metals.

(b) Applicable only to taxable years beginning before January 1, 1961: Refractory and fire clay.

(c) Applicable only to taxable years beginning after December 31, 1960, and applicable to such taxable years only if subdivision (vi) (c) of this subparagraph does not apply: Clay used or sold for use for purposes dependent on its refractory properties.

(d) Applicable to taxable years beginning before January 1, 1961, and (if neither subdivision (vi) (c) or (e) of this subparagraph nor subparagraph (2) of this paragraph applies) also applicable to taxable years beginning after December 31, 1960: Ball clay, bentonite, china clay, sagger clay.

(iv) 10 percent—Asbestos,^{3a} brucite, coal, lignite, perlite, sodium chloride, wollastonite.

(v) 7½ percent—For taxable years beginning after November 13, 1966, clay and shale used or sold for use in the manufacture of building or paving brick or sewer pipe, and clay, shale, and slate used or sold for use as sintered or burned lightweight aggregates.

(vi) 5 percent—

(a) Applicable to all taxable years beginning after December 31, 1953: Gravel, peat, pumice, sand, scoria, shale (except shale to which subdivision (v) of this subparagraph applies), stone (except dimension or ornamental stone). If from brine wells—Bromine, calcium chloride, magnesium chloride.

(b) Applicable only to taxable years beginning before January 1, 1961: Brick and tile clay.

(c) Applicable only to taxable years beginning after December 31, 1960: Clay used, or sold for use, in the manufacture of drainage and roofing tile, flowerpots, and kindred products.

(d) Applicable only to taxable years beginning before November 14, 1966:

Mollusk shells (including clam shells and oyster shells).

(e) Applicable only to taxable years beginning after December 31, 1960, and before November 14, 1966: Clay used, or sold for use, in the manufacture of building or paving brick or sewer pipe.

(2) Production from U.S. deposits. A rate of 23 percent is applicable to the minerals listed in this subparagraph if produced from deposits within the United States:

Anorthosite. ³	Kyanite.
Asbestos.	Laterite. ^{3,5}
Bauxite.	Mica.
Beryl. ⁴	Nephelite syenite. ^{3,5}
Celestite.	Olivine.
Chromite.	Quartz crystals
Clay. ^{3,5}	(radio grade).
Corundum.	Rutile.
Fluorspar.	Block steatite talc.
Graphite.	Zircon.
Ilmenite.	

Ores of the following metals—

Antimony.	Platinum.
Beryllium. ⁶	Platinum group
Bismuth.	metals.
Cadmium.	Tantalum.
Cobalt.	Thorium.
Columbium.	Tin.
Lead.	Titanium.
Lithium.	Tungsten.
Manganese.	Vanadium.
Mercury.	Zinc.
Nickel.	

(3) Other minerals. A rate of 15 percent is applicable to the minerals listed in this subparagraph regardless of the situs of the deposits from which the minerals are produced, provided the minerals are not used or sold for use by the mine owner or operator as riprap, ballast, road material, rubble, concrete aggregates, or for similar purposes. If, however, such minerals are sold or used for the purposes described in the preceding sentence, a rate of 5 percent is applicable to any of such minerals unless sold on bid in direct competition with a bona fide bid to sell any of the minerals listed in subdivision (iii) of subparagraph (1) of this paragraph, in which case the rate is 15 percent. In addition, the provisions of this subparagraph are not applicable with respect to any of the minerals listed herein if the rate prescribed in subparagraph (2) of this paragraph is applicable. For purposes of the first sentence of this subparagraph, minerals used or sold for use as stucco stone, exposed aggregate, terrazzo stone, and the like, shall be considered to be minerals used or sold for use by the mine owner or operator for purposes similar to use as concrete aggregate. Accordingly, the applicable rate of depletion for such minerals shall be determined in accord-

ance with the second sentence of this subparagraph.

Aplite.	Magnesium car-
Barite.	bonates.
Bauxite.	Marble.
Beryl. ⁷	Mica.
Borax.	Phosphate rock.
Calcium car-	Potash.
bonates.	Quartzite.
Clay, refractory	Shells, mollusk
and fire. ⁸	(including clam
Diatomaceous	and oyster
earth.	shells). ⁹
Dolomite.	Slate.
Feldspar.	Soapstone.
Flake graphite.	Spodumene.
Fluorspar.	Stone (dimension
Fullers earth.	or ornamental). ¹⁰
Garnet.	Talc (including
Gilsonite.	pyrophyllite).
Granite.	Thenardite.
Lepidolite.	Tripoli.
Limestone.	Trona.
Magnesite.	All other minerals.

(b) Definition of terms. * * *

(5) As used in section 613(b) (2) (B) and this section, the terms "clay," "laterite," and "nephelite syenite" do not include bauxite having an aluminum oxide content of 40 percent or more.

(6) As used in section 613(b) (7) (A) and this section, the terms "soil" and "dirt" refer to conglomerate mixtures of miscellaneous mineral materials, or mineral and organic materials, generally found at or near the surface of the earth in alluvial or wind-blown deposits. The principal useful characteristic of "dirt" ordinarily is its bulk or space-filling ability. The term "dirt" includes material commonly known as "fill dirt", whether or not sold to specifications. The term "dirt" also includes conglomerate mixtures of miscellaneous mineral materials which are used or sold for use as ground fill, road bed material, sub-base material for roads or airports, or core material for earthen dams, levees, or dikes, and for similar uses. The term "soil" refers to conglomerate mixtures used or sold for use for the purposes set forth in the preceding sentence, or similar uses, or for agricultural or horticultural purposes. The terms "soil" and "dirt" apply to conglomerate mixtures even though it is shown that some of the mineral materials contained in the mixture might be entitled to percentage depletion if they were not mixed with other mineral or organic materials. For example, the terms "soil" and "dirt" apply to a mineral mixture even though it is shown that some of the mineral particles in the mixture are clay particles or sand particles, and accordingly, a mixture composed of 65 percent clay particles, 30 percent sand particles, and 5 percent organic matter would constitute "soil" or "dirt." However, for pur-

¹ Not applicable if the rate prescribed in subparagraph (2) of this paragraph is applicable.

² For taxable years beginning after the publication of this provision in the FEDERAL REGISTER as a Treasury Decision, the 15 percent rate of depletion for metal mines applies to sulfur produced from metal mines.

^{3a} Not applicable if the rate prescribed in subparagraph (2) of this paragraph is applicable.

³ The rate prescribed in this subparagraph does not apply except to the extent that alumina and aluminum compounds are extracted therefrom.

⁴ Applicable only for taxable years beginning before Jan. 1, 1964.

⁵ Applicable only for taxable years beginning after Nov. 13, 1966.

⁶ Applicable only for taxable years beginning after Dec. 31, 1963.

⁷ Applicable only for taxable years beginning before Jan. 1, 1964.

⁸ Not applicable for taxable years beginning after Dec. 1, 1960.

⁹ Applicable only for taxable years beginning after Nov. 13, 1966.

¹⁰ The 15-percent rate is applicable only to stone used or sold for use by the mine owner or operator as cut dimension stone or as ornamental stone blacks or slabs.

poses of this section, a mineral mixture which is composed of more than 90 percent clay particles shall not be considered "soil" or "dirt," nor shall a mineral mixture which is composed of more than 90 percent sand particles or gravel particles be considered "soil" or "dirt." For example, a mineral mixture which is composed of 91 percent clay particles shall not be considered to be "soil" or "dirt," nor shall a mixture which is composed of 91 percent sand or gravel particles be considered to be "soil" or "dirt," even though such mixtures contain some organic matter or some mineral particles other than clay particles, or sand or gravel particles, respectively.

(7) As used in section 613(b)(7)(A) and this section, the term "water" includes water found in gaseous, liquid, or solid form.

(c) *Rules for application of paragraph (a) of this section.* * * *

(2) (i) If the taxpayer extracts a complex ore or mineral (that is, an ore or mineral containing two or more valuable mineral constituents), and if one or more of the valuable constituents is entitled to a percentage depletion rate under section 613(b) and this section which is different from the percentage depletion rate applicable to the other valuable constituents, then (except as provided in the case of oil wells, gas wells, oil and gas wells, or metal mines in subdivision (v)), the percentage depletion allowance shall be computed by applying the percentage rate applicable to each particular valuable constituent to the gross income from the property attributable to each such constituent. The gross income from the property attributable to each such constituent shall be determined in accordance with subdivision (ii), (iii), or (iv) of this subparagraph, as appropriate. The percentage depletion deduction so computed is subject to the limitation provided in section 613(a) and § 1.613-1, that is, 50 percent of the taxpayer's taxable income from the property (computed without allowance for depletion). Such taxable income (computed in accordance with § 1.613-4) is the total taxable income resulting from the production of all the minerals produced from the mineral property.

(ii) If the complex ore or mineral is sold (or used) after the application of only mining processes, without separation of its valuable mineral constituents, the gross income from the property attributable to each valuable constituent shall be computed by fairly apportioning the actual (or constructive) selling price of the complex ore or mineral between the various valuable mineral constituents on the basis of the market or field price and relative content of each valuable constituent, or on some other reasonable basis.

(iii) If the valuable mineral constituents are separated and sold (or used) after the application of only mining processes, the gross income from the property attributable to each valuable mineral constituent shall be the actual (or constructive) selling price of each such constituent.

(iv) If the complex ore or mineral is not sold or used until after the separation of its valuable mineral constituents by the application of nonmining processes, the gross income from the property attributable to each valuable constituent shall be determined by reference to the representative market or field price or other constructive price of each constituent, prior to the application of nonmining processes, and by reference to the relative content of each such constituent.

(v) In the case of oil wells, gas wells, or oil and gas wells (as defined in paragraph (a)(1)(i) of this section), the rate of depletion for all minerals extracted from the well shall be 27½ percent. In the case of metal mines (as defined in paragraph (a)(1)(iii)(a) of this section), the rate of depletion for all minerals extracted from the mine shall be 15 percent, except to the extent that the provisions of section 613(b)(2)(B) and paragraph (a)(2) of this section are applicable to metalliferous ores produced from such mines. In the case of sulphur produced from metal mines, the rule set forth in the preceding sentence shall not apply for taxable years beginning before the publication of this subdivision in the FEDERAL REGISTER as a Treasury Decision. The provisions of this subdivision shall not apply to any well or mine other than an oil well, gas well, oil and gas well, or metal mine. For example, the provisions of this subdivision do not apply to sulfur wells or to coal mines.

(vi) The provisions of this subparagraph may be illustrated by the following examples:

Example (1). An ore is obtained from a domestic mineral property, and a concentrate which contains both copper and zinc is obtained from that ore. The depletion rate for domestic zinc is 23 percent, and the depletion rate for copper is 15 percent. Representative market or field prices for copper concentrate or zinc concentrate are not available in the relevant marketing area, but representative market prices for refined copper and refined zinc are available. Under these circumstances, the selling price for the copper-zinc concentrate may be allocated between the copper content and the zinc content in the same ratio that the representative market price or refined copper bears to the representative market price for refined zinc, taking into account the amounts of the two metals present in the copper-zinc concentrate. If representative market or field prices for copper concentrate or zinc concentrate were available, the selling price for the copper-zinc concentrate would have been allocated on that basis, taking into account the amounts of the two metals present in the copper-zinc concentrate.

Example (2). A pyritic ore is obtained from a mineral property. Pyrite contains both iron and sulfur. The pyritic ore is sold for \$5 per ton, without separation of the iron from the sulfur. Each ton of the pyritic ore produced from the particular property contains approximately one-sixth of a ton of sulphur and one-half ton of iron. The remainder is gangue material. The representative market or field price for such sulfur in the taxpayer's marketing area is \$24 per ton and the representative market or field price for iron ore is \$10 per ton. On this basis, if sold separately, the sulfur would have sold for \$4 and the iron for \$5, for a total of \$9. Thus, four-ninths of the selling price of the

pyritic ore (or \$2.22) is attributable to the sulfur and five-ninths (or \$2.77) is attributable to the iron. Accordingly, the property in question is a metal mine and the applicable rate of depletion is 15 percent for all minerals produced from the mine. If the relative amount of sulfur recovered, or the price for sulfur, were to rise to the point at which the minerals produced from the property were, by value, predominantly sulfur, the property would no longer constitute a metal mine. Accordingly, the general rules for determining the rate of percentage depletion in the case of complex ores and minerals would apply. Therefore, the rate of depletion for the sulfur would be 23 percent, and the rate of depletion for the iron would be 15 percent.

Example (3). A gas which contains both natural hydrocarbon gas and sulfur is obtained from a mineral property containing a well. Natural hydrocarbon gas constitutes the predominant mineral produced from the well, by value. Accordingly, the well constitutes a gas well, and the applicable rate of depletion is 27½ percent for all minerals produced from the well.

(6) The method of mining or extracting an ore or mineral does not determine the applicable rate of depletion (except in the case of minerals named in section 613(b)(6)(C)), nor does the applicable rate of depletion determine the processes to be considered as mining under section 613(c). For example, a 15 percent rate of depletion is applicable to tar sand (which is an "other mineral" within the meaning of section 613(b)(7)), whether the bitumen in the sand is recovered by surface stripping or by underground liquefaction and pumping. Conversely, the rate of depletion applicable to tar sand does not determine whether underground liquefaction and pumping are to be treated as mining under the provisions of section 613(c).

(7) Unless an end use test applies, the percentage rate of depletion applicable to an ore or mineral shall ordinarily be determined by reference to the chemical, mineralogical, and physical characteristics of the ore or mineral as found in place in the ground. When applying the preceding sentence, gangue materials shall be disregarded. However, in the case of ores or minerals which cannot readily be sampled in place in the ground, it may be more practical, in the particular facts and circumstances of the case, to determine the percentage rate of depletion by reference to the chemical, mineralogical, and physical characteristics of the ore or mineral after the application of extractive or mining processes. The district director shall determine whether the special rule set forth in the preceding sentence is applicable in a particular case.

(8) If the taxpayer restores or repays amounts included in gross income from the property for a prior year as part of the actual or constructive selling price of ores or minerals, then the amount of any deduction otherwise allowable on account of such restoration or repayment shall be decreased to the extent that a deduction for percentage depletion with respect to the amounts previously included in income, but subsequently restored or repaid, reduced taxable income in such prior year or years (either di-

rectly or indirectly as, for example, as part of a net operating loss deduction). See § 1.611-0. If appropriate, a corresponding adjustment shall be made to capital account. Examples of instances in which this subparagraph shall apply are payments made as a result of a court decision, the settlement of a claim, or a voluntary repayment.

PAR. 4. Section 1.613-3 is amended by revising paragraph (a), adding paragraph (b) (2) (ii) in the space reserved therefor, adding paragraph (d) (2) in the space reserved therefor, revising (b) of paragraph (f) (2) (ii), adding a new subparagraph (5) at the end of paragraph (f), adding new subparagraphs (4), (5), and (6) at the end of paragraph (g), and adding a new paragraph (j). These amended and added provisions read as follows:

§ 1.613-3 Gross income from the property.

(a) *Oil and gas wells.* The term "gross income from the property," as used in section 613, means in the case of oil wells, gas wells, or oil and gas wells (except in the case of sales between members of a controlled group) the amount for which the taxpayer sells the oil or gas in the immediate vicinity of the wellhead. See paragraph (a)(1)(i) of § 1.613-2 for the meaning of the terms "oil wells," "gas wells," and "oil and gas wells." If the oil or gas is not sold in the immediate vicinity of the wellhead, but (prior to sale) is converted into a refined or manufactured product, or is subjected to processes such as fractionation, desulphurization, separation, scrubbing, or absorption, or is transported away from the immediate vicinity of the wellhead, then gross income from the property shall be computed by use of the representative market or field price of oil or gas of like kind and grade before any such conversion, processing, or transportation. See paragraph (c) of this section for rules relating to the determination of representative market or field prices. For taxable years beginning after the publication of this sentence in the FEDERAL REGISTER as a Treasury decision, if the oil or gas is not sold in the immediate vicinity of the wellhead, but is subjected to conversion, processing, or transportation away from the immediate vicinity of the wellhead, and if it is impossible to determine a representative market or field price as described in paragraph (c) of this section, then gross income from the property shall be computed by reference to the provisions of paragraph (d) of this section. When applying the provisions of paragraph (c) or (d) of this section, the term "mining" as used in such paragraphs shall be deemed, for purposes of this paragraph, to refer to the extractive activities used to bring oil or gas to the wellhead. Similarly, the term "nonmining" as used in such paragraph shall be deemed, for purposes of this paragraph, to refer to post-extractive activities after the oil or gas reaches the wellhead. In the case of sales between members of a controlled group, gross income from the

property shall be determined under the provisions of paragraph (c) or (d) of this section, as appropriate, rather than under the provisions of this paragraph. See paragraph (a) of § 1.482-1 for the definitions of the terms "controlled" and "group". See paragraph (j) of this section for additional provisions relating to the computation of gross income from the property by members of controlled groups.

(b) *Minerals other than oil and gas*—* * *

(2) *Sales prior to the application of nonmining processes including nonmining transportation*—* * *

(i) In the case of sales between members of a controlled group, gross income from mining shall be determined under the provisions of paragraphs (c) or (d) of this section, as appropriate, rather than under the provisions of this subparagraph. See paragraph (a) of § 1.482-1 for the definitions of the terms "controlled" and "group". See paragraph (j) of this section for additional provisions relating to the computation of gross income from the property by members of controlled groups.

(d) *Sales after the application of nonmining processes where a representative market or field price cannot be ascertained.* * * *

(2) *Computation of gross income from mining by use of a method of computation other than the proportionate profits method.* (i) If, for taxable years beginning after the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision, circumstances exist which make the use of the proportionate profits method inappropriate, consideration will be given to approval of the use of an alternative method of computation. The procedures described in subdivision (iv) or (v) of this subparagraph are to be followed by industry groups or particular taxpayers, respectively, in making application for permission to compute gross income from mining by use of an alternative method. Subdivision (vii) of this subparagraph pertains to use of an alternative method on the initiative of the Commissioner or district director. The objective in computing gross income from mining by means of an alternative method is to provide for those infrequent instances in which a representative market or field price is not available and in which the proportionate profits method of computation consistently fails to reflect clearly the gross income from the property, in the light of all the facts and circumstances.

(ii) The use of an alternative method shall be acceptable only if it is established that, under the particular facts and circumstances of the case, the proportionate profits method consistently fails to reflect clearly the gross income from the property, and the proposed alternative method consistently does reflect clearly the gross income from the property. When determining whether a method of computation clearly reflects gross income from the property, it is relevant to compare the gross income from the property

produced by such method with the gross income from the property, on an equivalent amount of production, which results from the computation methods used by competitors. When determining the acceptability of proposed alternative methods, primary consideration will be given to computation methods based upon arms-length charges for ores, minerals, products, or services. See paragraph (b) (1) of § 1.482-1 regarding the arms-length character of a charge.

(iii) Application for permission to compute gross income from mining by use of an alternative to the proportionate profits method shall be made by submitting a request to the Commissioner of Internal Revenue, Washington, D.C. 20224. To the extent practicable, such requests should be submitted on an industrywide basis. See subdivision (iv) of this subparagraph for information to be submitted with a request which is submitted on behalf of an industry group. See subdivision (v) of this subparagraph for information to be submitted with a request which is submitted on behalf of a particular taxpayer.

(iv) A request for permission to use an alternative method of computation in lieu of the proportionate profits method shall, if submitted on behalf of an industry group, contain the following information:

(a) The names and last known addresses of the persons on whose behalf the request is submitted;

(b) A concise explanation of the reasons why it is impossible to determine a representative market or field price (as described in paragraph (c) of this section) for the ore or mineral to which the request relates;

(c) A concise statement of the reasons why it is inappropriate for the persons on whose behalf the request is submitted to compute gross income from mining for the particular ore or mineral by use of the proportionate profits method, as described in subparagraph (1) of this paragraph; and

(d) A concise description of the alternative method which is proposed to be used in lieu of the proportionate profits method.

In addition, there shall be submitted under separate cover—

(e) Computations of gross income from mining for a typical member (or, if deemed appropriate by the applicant, several typical members) of the industry group, for the three most recent completed taxable years, by the use of—

(1) The proportionate profits method, and

(2) The alternative method proposed to be used in lieu thereof.

If computations for additional members of the industry are deemed necessary for evaluating the request, the Commissioner may request the submission of the information described in (e) of this subdivision by some or all of the other persons on whose behalf the request is submitted. The information described in (e) of this subdivision shall be treated as confidential. The Commissioner may thereafter require such other informa-

tion as may be necessary to evaluate the request. Approval of such request shall be granted only if the standards set forth in subdivision (ii) of this subparagraph are satisfied.

(v) A request for permission to use an alternative method of computation in lieu of the proportionate profits method shall, if submitted on behalf of a particular taxpayer, contain the same information set forth in subdivision (iv) (a) through (d) of this subparagraph, and computations of the taxpayer's gross income from mining for his three most recent completed taxable years by use of both the proportionate profits method and the alternative method proposed to be used in lieu thereof. The Commissioner may thereafter require the submission by the taxpayer of such other information as may be necessary to evaluate his request. Approval of such request shall be granted only if the standards set forth in subdivision (ii) of this subparagraph are satisfied.

(vi) Approval and continued use of an alternative method of computation in lieu of the proportionate profits method (issued in response to a request submitted pursuant to either subdivision (iv) or subdivision (v) of this subparagraph) depends upon all the facts and circumstances in each case, including such terms and conditions as may be necessary in the opinion of the Commissioner to reflect clearly the gross income from the property. Accordingly, the use of such a method shall be subject to review and change in any taxable year in which it is established that there has been a substantial change in the industry's (or taxpayer's) mode of operation or technology, or in the market conditions relating to the taxpayer's crude or finished products. However, an approved alternative method will not be disturbed if such changes are merely insubstantial.

(vii) If the district director (or Commissioner) is of the opinion that the use of a proportionate profits method is inappropriate in the case of a particular taxpayer, the taxpayer will be so advised. Thereafter, the taxpayer shall, upon request, furnish such information as is necessary to determine the proper method of computation in the circumstances. The standards set forth in subdivision (ii) of this subparagraph are applicable in determining whether the use of an alternative method of computation should be required. The provisions of subdivision (vi) of this subparagraph shall apply to the use of any alternative method required pursuant to this subdivision.

(viii) Among the alternative methods of computation to the approval of which consideration will be given, provided that the requirements of this subparagraph are met, are the methods listed below. The order in which these methods are listed is not significant, and the listing of these methods does not preclude a request to make use of a method which is not listed below.

(a) Use of representative market or field prices for an ore or mineral which is of like kind but which is not of like

grade as the taxpayer's ore or mineral, with appropriate, readily ascertainable adjustments for differences in mineral content. For example, it may be appropriate in a particular case to establish the representative market or field price for an ore having 50 percent X mineral content by reference to the representative market or field price for the same kind of ore having 60 percent X mineral content, with an appropriate adjustment for the differences in the valuable mineral content of the two ores, any differences in processing costs attributable to impurities, and any other relevant factors.

(b) Representative Schedule Method. The representative schedule method is a pricing formula which uses representative finished product prices, penalties, charges, and adjustments, established in arms-length transactions between unrelated parties, to determine the market or field price for a crude mineral product. The representative character of a price, penalty, charge, or adjustment shall be determined by applying the principles set forth in paragraph (c) of this section. The representative schedule method is principally intended for use in those industries in which such a schedule-type pricing method is in general use to determine the price paid to unintegrated mineral producers for their crude mineral product. For example, if unintegrated producers of copper concentrate in a particular field or market customarily sell their concentrate at prices which are determined in accordance with a schedule-type pricing formula, consideration will be given to the determination of concentrate prices for integrated copper producers in accordance with the same pricing formula. The representative schedule method shall not be used by integrated producers if it results in a consistent disparity between the price received by unintegrated producers for their crude mineral product and the constructive price for similar mineral products computed by integrated producers by use of the representative schedule method. Nor shall the representative schedule method be used if it is impossible to determine one or more of the elements in the representative schedule formula by reference to prices, penalties, charges, or adjustments established in arms-length transactions between unrelated parties. See paragraph (b) (1) of § 1.482-1 regarding the arms-length character of a charge.

(c) Use of representative market or field prices established outside the taxpayer's marketing area, provided that conditions in the two marketing areas are substantially the same. For example, it may be appropriate in a particular case to establish the representative market or field price for pellets containing 60 percent iron which are produced and used in Utah, by reference to the representative market or field price for pellets containing 60 percent iron which are produced and sold in Wyoming, provided that conditions in the two marketing areas are shown to be substantially the same.

(ix) Subdivisions (i) through (viii) of this subparagraph shall not apply with respect to taxable years beginning before the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision. In the case of taxable years beginning before such date, if the taxpayer establishes to the satisfaction of the Commissioner that another method of computation, other than the computation of profits proportionate to costs, clearly reflects gross income from the property, then such gross income shall be computed for such taxable years by the use of such other method.

(f) *Definition of mining.* * * *

(2) *Definition of mining processes.* * * *

(ii) * * *

(b) In the case of clay to which paragraph (5) or (6)(B) of section 613(b) applies—crushing, grinding, and separating the clay from waste, but not including any subsequent process.

(5) *Processes recognized as mining under sections 613(c)(4)(C) and (H).*

(i) Section 302(b) of the Public Debt and Tax Rate Extension Act of 1960 amended section 613(c)(4)(C) and added section 613(c)(4)(H) to grant authority to the Secretary or his delegate to treat as a mining process with respect to a particular ore or mineral any process not inconsistent with the principles set forth in (a) through (e) of this subdivision. The flexibility granted by the phrase "substantially equivalent processes" in section 613(c)(4)(C) and the specific regulatory authority in section 613(c)(4)(H) will be exercised particularly to deal with changes in mining technology. This authority will also be exercised to avoid discrimination in the treatment of mineral producers who use different processing techniques to accomplish the same results or who produce competing minerals, and to indicate the proper classification of processes which are not specifically named in connection with a particular mineral in section 613(c). Accordingly, for taxable years beginning after December 31, 1960, if a taxpayer desires that a particular process or processes applied by him (not otherwise provided for) be recognized as a mining process, a petition to amend the regulations to that effect must be submitted to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224. The petition must set forth concisely the reason for the request and be supported by a complete statement of the facts sufficient to permit a determination. In considering such petitions, the following factors shall ordinarily be taken into account:

(a) No process which is considered to be a nonmining process under the provisions of section 613(c)(5), or which is necessary or incidental to such a nonmining process, shall be designated as a mining process under section 613(c)(4)(C) or (H).

(b) No process shall be designated as a mining process which constitutes man-

ufacturing or packaging, or the distribution or marketing of manufactured or packaged products, or which is necessary or incidental to any such manufacturing, packaging, distribution, or marketing process.

(c) No process shall be designated as a mining process which effects a substantial physical or chemical change in a crude mineral product, or which transforms a crude mineral product into a new or different mineral product, or into a refined or manufactured product.

(d) No process shall be designated as a mining process if the effect of such designation is to create discrimination against ordinary producers of the same kind of mineral who are not integrated into manufacturing operations. The test of nondiscrimination shall be applied by reference to the U.S. nationwide pattern of production in respect to the same kind of mineral, except that, in the case of a mineral industry in which the U.S. nationwide pattern of production is shown to be unrepresentative of the pattern of production of U.S. taxpayers in such industry, the test shall be applied by reference to the worldwide pattern of production by U.S. taxpayers in such industry.

(e) No process (other than loading for shipment) shall be designated as a mining process if it is applied to minerals which have already reached "shipping grade and form" (as defined in paragraph (f) (3) (iii) of this section).

(ii) Under the authority granted the Secretary or his delegate in section 613 (c) (4) (H), and in accordance with the foregoing factors, the following processes, and the processes necessary or incidental thereto, are recognized as mining processes for taxable years beginning after December 31, 1960:

(a) In the case of shale or slate used, or sold for use, in the manufacture of building or paving brick, drainage and roofing tile, sewer pipe, flower pots, lightweight aggregates, and kindred products—crushing, grinding, and separating the shale or slate from waste, but not including any subsequent process.

(b) [Reserved]

(iii) Under the flexibility granted the Secretary or his delegate in section 613 (c) (4) (C), and in accordance with the foregoing factors, the following processes, and the processes necessary or incidental thereto, are recognized as mining processes for taxable years beginning after December 31, 1960:

(a) In the case of sodium chloride (common salt) extracted from a solid deposit by solution mining (except sodium chloride brine used or sold for use in the production of chemicals or chemical products)—Where applied to bring the mineral to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), injection of water into the mineral deposit in the ground, pumping of brine to the surface, treatment of brine to remove minor impurities, processes to remove the water which was added to accomplish solution mining, so much mechanical screening as is necessary to produce those crude bulk salt

products which are not sold to size specification, and loading of such products for shipment, but no subsequent process (such as additional screening, blending, packaging, pressing into blocks, or similar processes).

(b) In the case of sand or gravel—Where applied to bring the mineral to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), washing, crushing (but not coarse grinding) for the purpose of reducing sand or gravel in size, mechanical screening, drying (but, unless shown to be necessary under subdivision (iv) (d) of this subparagraph, not drying by thermal action), and loading for shipment, but no subsequent process.

(c) In the case of ball clay, bentonite, china clay, clay used or sold for its refractory properties, fullers earth, sagger clay, and other clays or shale (except clay or shale for which specific provision is made elsewhere in section 613 or this section)—Where applied to bring the mineral to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), crushing or shredding, and coarse grinding, performed for the purpose of reducing the mineral in size, drying (but, unless shown to be necessary under subdivision (iv) (d) of this subparagraph, not drying by thermal action), and loading for shipment, but not including fine grinding, or equivalent processes, or any other subsequent process. Mechanical screening of the product of an allowable crushing, shredding, or coarse grinding process shall be treated as mining if such screening is a necessary or incidental part of such crushing, shredding, or coarse grinding process.

(d) For taxable years beginning after the publication of this subdivision in the FEDERAL REGISTER as a Treasury decision, in the case of dolomite, granite, limestone, marble, and stone used or sold for use as broken or crushed stone products—Where applied to bring the mineral to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), crushing and coarse grinding performed for the purpose of reducing the mineral in size, washing, drying (but, unless shown to be necessary under subdivision (iv) (d) of this subparagraph, not drying by thermal action), and loading for shipment, but not including fine grinding, or equivalent processes, or any other subsequent process. Mechanical screening of the product of an allowable crushing or coarse grinding process shall be treated as mining if such screening is a necessary or incidental part of such crushing or coarse grinding process.

(e) In the case of bauxite—Where applied to bring to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), removal of overburden, extraction of the mineral from the ground, hand or mechanical sorting to eliminate waste (including sorting by mechanical screening), drying (including thermal drying) to the extent necessary to facilitate sorting (but not thermal drying for other purposes), and loading for shipment, but no subsequent process.

(f) In the case of minerals which are customarily sold in the form of a crude mineral product (other than the minerals listed in (a) through (e) of this subdivision) including aplite, asbestos, barite, brucite, celestite, corundum, diatomaceous earth, feldspar, gilsonite, graphite, gypsum, kyanite, mica, mollusk shells (except shells used in making cement), novaculite, olivine, peat, perlite, pumice, quartzite, quartz sand and pebbles used or sold for purposes dependent upon their chemical or refractory properties, rock asphalt, rock salt (halite), sandstone, slate (except slate for which specific provision is made elsewhere in section 613 or this section), soapstone, tripoli, vermiculite, wollastonite, and zircon—Where applied to bring the mineral to shipping grade and form (as defined in paragraph (f) (3) (iii) of this section), the specific processes named in section 613 (c) (4) (C) (and any crushing and grinding processes necessary therefor), crushing (but not coarse grinding) performed for the purpose of reducing the mineral in size, washing, drying (but, unless shown to be necessary under subdivision (iv) (d) of this subparagraph, not drying by thermal action), and loading for shipment, but no subsequent process. Mechanical screening of the product of an allowable crushing or grinding process shall be treated as mining if such screening is a necessary or incidental part of such crushing or grinding process.

(g) In the case of minerals listed in (a) through (f) of this subdivision—Transportation of the mineral from the point of extraction from the ground to the plants or mills in which the mining processes listed in (a) through (f) of this subdivision are applied (within the limits as to distance set forth to section 613 (c) (2)), provided that it is established to the satisfaction of the district director that it is clearly not feasible to apply such processes at the location where the mineral is extracted from the ground.

(iv) As used in section 613 (c) and this section—

(a) The term "crushing" is used herein to describe, in general, a size reduction process applied to reduce large mineral lumps to a size that is determined by the setting of the size reduction machinery or equipment rather than by the amount of time the mineral remains in such equipment. A size reduction process will be considered as crushing if the size reduction equipment is applied so as to reduce the mineral particles introduced into the equipment to a normal topsize of not less than 0.0555 inches, which is the size opening in a No. 14 screen (U.S. Standard Sieve Series), or to some larger normal topsize. A mineral product will be considered to have a normal topsize of 0.0555 inches if at least 98 percent of the product will pass through a No. 14 screen (U.S. Standard Sieve Series) provided that at least 5 percent of the product is retained on a No. 20 screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be rea-

sonable in the circumstances. This normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a double roll crusher) rather than to the final products for sale. The term "crushing" is sometimes referred to in the case of certain clays as "shredding". The term "crushing" includes the incidental production of fines as a byproduct of an allowable crushing process.

(b) As used herein, the term "coarse grinding" refers to size reduction processes used to reduce mineral particles to a normal topsize of not less than 0.0331 inch, which is the size opening in a No. 20 screen (U.S. Standard Sieve Series). A mineral product shall be considered to have a normal topsize of 0.0331 inch if at least 98 percent of the product will pass through a No. 20 screen (U.S. Standard Sieve Series), provided that at least 5 percent of the product is retained on a No. 30 screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be reasonable in the circumstances. This normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a hammer mill), rather than to the final products for sale.

(c) As used herein, the term "fine grinding" refers to size reduction processes which constitute fine pulverization. See paragraph (g) (6) (v) of this section for the definition of the term "fine pulverization".

(d) As used herein, the terms "necessary" and "incidental" have the meanings set forth in subparagraph (2) (iii) of this paragraph. Accordingly, if a taxpayer demonstrates that a particular process is necessary or incidental to a process named as a mining process in this subparagraph, such necessary or incidental process will also be considered a mining process, even though such process might otherwise be considered to be a nonmining process under section 613(c) (5) or paragraph (g) of this section. However, the rule set forth in the preceding sentence shall not apply in cases in which a particular process is applied for a significant purpose other than (or in addition to) the facilitation of a mining process. Accordingly, if a process functions in any significant degree as a necessary or incidental part of a nonmining process, such necessary or incidental process will be considered to be a nonmining process. For example, if a taxpayer demonstrates that a thermal drying process is necessary for the purpose of facilitating size reduction processing so that stone will pass through a screen with openings of 0.0331 inches (which is the size opening in a No. 20 screen (U.S. Standard Sieve Series)), such process may be treated as a mining process. However, a thermal drying process (including a thermal drying process described in the preceding sentence) shall not be considered to be a mining process if it appears that such process

is also applied for a significant purpose which is unrelated to mining, such as, for example, preparation of certain stone for bagging, preparation of certain stone for recirculation through size reduction equipment to accomplish fine pulverization, separation of "minus No. 20 screen material" into various size fractions, or reclamation of fine materials produced as a byproduct when preparing other materials for the application of manufacturing processes by the taxpayer or a person controlling or controlled by the taxpayer.

(g) *Nonmining process.* * * *

(4) *Manufacturing, etc.* The production, packaging, distribution, and marketing of manufactured products, and the processes necessary or incidental thereto, are nonmining processes.

(5) *Transformation processes.* Processes which effect a substantial physical or chemical change in a crude mineral product, or which transforms a crude mineral product into new or different mineral products, or into refined or manufactured products, are nonmining processes, except to the extent that such processes are specifically designated as mining processes in section 613(c) or in paragraph (f) of this section.

(6) *Definitions.* As used in section 613(c) (5) and this section—

(i) The term "calcining" refers to processes used to expel the volatile portions of a mineral by the application of heat, as, for example, the burning of carbonate rock to produce lime, the heating of gypsum to produce plaster, or the heating of clays to reduce water of crystallization.

(ii) The term "thermal smelting" refers to processes which reduce or beneficiate ores or minerals by the application of heat, as, for example, the furnacing of copper concentrate, or the heating of iron pellets to eliminate a portion of the combined oxygen from the iron compounds in the pellets.

(iii) The term "refining" refers to processes (other than concentration processes) used to eliminate impurities or foreign matter from metallic and non-metallic ores and minerals, as, for example, the refining of blister copper or the refining of clays to eliminate lignite, iron, or titanium. In general, a refining process is designed to achieve a high degree of purity by removing relatively small amounts of impurities or foreign matter from the ore or mineral which is subjected to the refining process, whereas a concentration process is designed to separate a valuable mineral from gangue material by removing substantial amounts of impurities or foreign matter, which frequently constitute the bulk of the mineral material subjected to the concentration process. Accordingly, if a process might be classified as either a refining process or a concentration process, and if the process removes impurities or foreign matter which constitute, by weight, less than 25 percent of the mineral material subjected to the process, such process shall be presumed to be a refining process within the scope of section 613(c) (5) and this paragraph,

unless the taxpayer establishes to the satisfaction of the district director that such process is not properly classified as a refining process and that such process is properly classified as a concentration process. However, the preceding sentence shall not apply in the case of concentration processes which are specifically designated as mining processes in section 613(c) or paragraph (f) of this section. This subdivision shall not have application in the case of natural petroleum liquids or natural hydrocarbon gases.

(iv) The term "polishing" refers to processes used to smooth the surface of minerals, as, for example, sawing applied to finish rough cut blocks of stone, sand finishing, buffing, or otherwise smoothing blocks of stone.

(v) For taxable years beginning after the publication of this subdivision in the FEDERAL REGISTER as a Treasury decision the term "fine pulverization" refers to any grinding or other size reduction process applied to reduce the normal topsize of a mineral product to less than 0.0331 inches, which is the size opening in a No. 20 Screen (U.S. Standard Sieve Series). A mineral product will be considered to have a normal topsize of 0.0331 inches if at least 98 percent of the product will pass through a No. 20 Screen (U.S. Standard Sieve Series), provided that at least 5 percent of the product is retained on a No. 30 Screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be reasonable in the circumstances. The normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a roller mill), rather than to the final products for sale. Fine pulverization includes the repeated recirculation of material through crushing or grinding equipment to accomplish fine grinding or fine pulverization. Separating or screening the product of a fine pulverization process for size (including separation by air flotation) shall be treated as a nonmining process.

(vi) The term "blending with other materials" refers to processes used to blend different kinds and grades of minerals with one another, as, for example, blending iodine with common salt for the purpose of producing iodized table salt.

(vii) The term "treatment effecting a chemical change" refers to processes (other than designated mining processes) which transform or modify the chemical composition of a crude mineral, as, for example, the coking of coal or the retorting of oil shale. The term also refers to processes (other than incidental use of chemicals in designated mining processes) which utilize chemicals to separate one mineral from another, or to clean or purify minerals, as, for example, the use of chemicals to produce magnesium compounds from brine, or to bleach kaolin.

(viii) The term "thermal action" refers to processes which involve the application of artificial heat to ores or

minerals, such as, for example, the burning of bricks, the coking of coal, the retorting of oil shale, the expansion or popping of perlite, the exfoliation of vermiculite, the heat treatment of garnet, the kiln drying of bauxite, clay, diatomaceous earth, fuller's earth, sand, or stone to remove moisture, and the heating of shale, clay, or slate to produce lightweight aggregates.

(ix) As used in section 613(c)(5) and this paragraph, the terms "necessary" and "incidental" have the meanings set forth in paragraph (f)(2)(iii) of this section. If a process functions in any significant degree as a necessary or incidental part of a nonmining process, such necessary or incidental process will also be considered a nonmining process. The preceding sentence shall apply even though such necessary or incidental process may also facilitate a mining process.

(j) *Computation of gross income from the property by members of controlled groups.* When computing "gross income from the property" for percentage depletion purposes, the computation methods described in this section shall apply without regard to the form of business organization of the taxpayer or other members of a controlled group, and without regard to the prices established in transactions between members of a controlled group. See paragraph (a) of § 1.482-1 for the definitions of the terms "controlled" and "group". For example, if a producer of burnt lime purchases crushed limestone from an affiliated corporation after the application of only mining processes by such affiliated corporation, the "gross income from the property" with respect to such kiln feed shall be determined in accordance with the provisions of paragraph (c), (d)(1), or (d)(2) of this section, as appropriate, without regard to the intercompany sale. Further, if in applying section 482 it becomes necessary to determine the price of mineral product at the point at which the mining or extraction of such mineral product ends, the price for such product shall be determined under the provisions of this section. However, the preceding sentence shall not prevent the application of section 482 for purposes other than the determination of the price for a mineral product at the point at which mining or extraction ends. For example, the fact that the price for oil in the immediate vicinity of the wellhead is determined under the provisions of this section for purposes of sections 482 and 613 shall not prevent the application of section 482 to determine the price for such oil after it has been transported to a port.

PAR. 5. Section 1.613-4 is amended by revising paragraph (a) and adding a new paragraph (c). The amended and added provisions read as follows:

§ 1.613-4 Taxable income from the property.

(a) *General rule.* The term "taxable income from the property (computed without allowance for depletion)", as used in section 613 and this part, means "gross income from the property" as de-

finied in section 613(c) and § 1.613-3, less all allowable deductions (excluding any deduction for depletion) which are attributable to extraction or mining processes, including mining transportation, with respect to which depletion is claimed. These deductible items include operating expenses, selling expenses, administrative and financial overhead, depreciation, taxes deductible under section 162 or 164, losses sustained, net operating loss deductions, intangible drilling and development costs, exploration and development expenditures, etc. See paragraph (c) of this section for special rules relating to discounts and to certain of these deductible items. Expenditures which may be attributable both to the mineral property upon which depletion is claimed and to other activities shall be properly apportioned to the mineral property and to such activities. Furthermore, where a taxpayer has more than one mineral property, deductions which are not directly attributable to a specific mineral property shall be properly apportioned among the several properties. In determining the taxpayer's taxable income from the property, the amount of any particular item to be taken into account shall be determined in accordance with the principles set forth in paragraph (d)(3) of § 1.613-3.

(c) *Treatment of particular items in computing taxable income from the property.* In determining taxable income from the property under the provisions of paragraph (a) of this section—

(1) Trade or cash discounts (or allowances determined to have the same effect as trade or cash discounts) which are actually allowed to the taxpayer in connection with the acquisition of property, supplies, or services shall not be included in the cost of such property, supplies, or services. Accordingly, only the actual net cost of such property, supplies, or services shall be taken into account when computing taxable income from the property. See paragraph (e)(1) of § 1.613-3 for additional rules relating to discounts.

(2) Intangible drilling and development costs which are deducted under section 263(c) and § 1.612-4 shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. For taxable years beginning after the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision, the amount of intangible drilling and development costs to be subtracted when determining taxable income from the property shall be computed without any reduction in such costs for bottom hole or dry hole contributions received.

(3) Exploration and development expenditures which are deducted from the taxable year under section 615, 616, or 617 shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section.

(4) Selling expenses paid or incurred with respect to crude oil or gas or a raw material product shall be subtracted from gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. In addition, a reasonable portion of the expenses of selling a refined, manufactured, or fabricated product shall also be subtracted from gross income from the property when determining the taxpayer's taxable income from the property. Such portion shall ordinarily be greater than zero, but not necessarily in proportion to other mining, extractive, nonmining, or post-extractive costs. For example, the selling expenses incurred by a producer of raw mineral products such as coal, iron ore, or crushed dolomite shall be subtracted from gross income from the property for purposes of this section. In addition, a reasonable portion of the selling expenses incurred by a producer of a refined, manufactured, or fabricated product such as cast iron pipe, gasoline, copper wire or bars, gypsum wallboard, calcined lime, cement, or brick and tile products shall also be subtracted from gross income from the property. For purposes of this subparagraph, a product will be considered to be a raw mineral product if it is sold under the conditions described in paragraph (b)(2) of § 1.613-3 or if only insubstantial value is added to the product by nonmining processes. For example, in the case of a producer of crushed granite poultry grit, both bulk and bagged grit will be deemed to be a raw mineral product for purposes of the selling expense rule set forth in this subparagraph. The term "selling expenses" includes sales management salaries, rent of sales offices, sales clerical expenses, salesmen's salaries, sales commissions and bonuses, advertising expenses, sales traveling expenses, and similar expenses, together with an allocable share of the costs of supporting services, but the term does not include delivery expenses.

(5) Taxes which are taken as a credit rather than as a deduction or which are capitalized shall not be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section.

(6) Trade association dues paid or incurred by a producer of crude oil or gas or a raw mineral product shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. See subparagraph (4) of this paragraph for the definition of the term "raw mineral product". In addition, a reasonable portion of the trade association dues incurred by a producer of a refined, manufactured, or fabricated product shall also be subtracted from gross income from the property when determining the taxpayer's taxable income from the property. Such portion shall ordinarily be greater than zero, but not necessarily in proportion to other mining, extractive, nonmining, or post-extractive costs. The foregoing rule shall apply even though one of the principal purposes of

PROPOSED RULE MAKING

an association is to advise, promote, or assist in the production, marketing, or sale of refined, manufactured or fabricated products. For example, a reasonable portion of the trade association dues paid to an association which promotes the sale of cement, refined petroleum, or copper products shall be subtracted from gross income from the property when determining taxable income from the property.

(7) (i) If a net operating loss (including a loss which is attributable to extraction or mining to satisfy a production payment) is incurred in a taxable year beginning after the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision, a deduction under section 172 and § 1.172-1 which results from such net operating loss shall, to the extent that such loss is attributable to a particular mineral property, be subtracted from the gross income from that property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. In the case of a net operating loss carryback, any resulting change in allowable depletion and tax shall reduce the amount otherwise refundable or creditable as a result of such loss carryback. In the case of a net operating loss carryforward, the portion of the loss carried to a particular year which is attributable to a particular mineral property shall be taken into account for such year when computing the allowable depletion with respect to that property.

(ii) The provisions of this subparagraph may be illustrated by the following example:

Example. (a) A's sole income is from the production and sale of copper concentrate, which he mines at two separate mineral properties, the bases of which have been fully recovered through depletion. In 1972, A's gross income from mining is \$200,000 for each property. In 1972, the mining costs (exclusive of depletion) for property No. 1 are \$300,000, and the mining costs (exclusive of depletion) for property No. 2 are \$100,000. Consequently, in 1972, A sustains a net operating loss which is entirely attributable to property No. 1. A wishes to carry this net operating loss back to 1969 under the provisions of section 172. In 1969, A's gross income from property No. 1 was \$200,000, and his mining costs were \$130,000. Accordingly, the 1969 percentage depletion deduction for property No. 1, as originally computed, was

15 percent of \$200,000, or \$30,000 (which was less than 50 percent of the \$70,000 taxable income from that property, or \$35,000).

(b) A's net operating loss carryback from 1972 is \$30,000, computed in two steps as follows:

A'S INCOME AND DEPLETION FOR 1972		
	Property No. 1	Property No. 2
Gross income from mining -----	\$200,000	\$200,000
Mining costs -----	(300,000)	(100,000)
<hr/>		
Taxable income from the property (before any deduction for depletion) -----	(100,000)	100,000
<hr/>		
Percentage depletion	0	30,000
<hr/>		
COMPUTATION OF A'S NET OPERATING LOSS FOR 1972		
Taxable income from property No. 2 -----		\$100,000
Less:		
Depletion with respect to property No. 2 -----	\$30,000	
Net operating loss on property No. 1 -----	100,000	130,000
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Net operating loss to be carried to 1969 -----		(30,000)

(c) A's recomputed taxable income from property No. 1 in 1969, after taking the carryback from 1972 into account, is \$40,000, computed as follows:

A'S RECOMPUTED 1969 TAXABLE INCOME FROM PROPERTY NO. 1		
Gross income from mining -----		\$200,000
Less:		
Net operating loss deduction from 1972 attributable to property No. 1 -----	\$30,000	
Prior costs incurred with respect to property No. 1 -----	130,000	160,000
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Recomputed taxable income from property No. 1 in 1969 -----		40,000

(d) Accordingly, the percentage depletion deduction for property No. 1 in 1969 is limited to 50 percent of the \$40,000 taxable income from the property, or \$20,000, and the resulting change in allowable depletion for 1969 shall reduce the amount refundable or creditable with respect to such year as a result of the net operating loss carryback.

[F.R. Doc. 68-9048; Filed, July 25, 1968; 10:21 a.m.]