to the prohibition of shipments recommended for the period December 23–28, 1960, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140–51.1178 of this title; 25 F.R. 8211).

(2) During the period beginning at 12:01 a.m., e.s.t., December 5, 1960, and ending at 12:01 a.m., e.s.t., January 2, 1961, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any oranges, except Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Russet;

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than $2\frac{8}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Oranges and Tangelos: *Provided,* That in determining the percentage of oranges in any lot which are smaller than $2\frac{8}{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size $2\frac{14}{16}$ inches in diameter or smaller; or

(iii) Any Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Russet: *Provided,* That such oranges may have slightly rough texture caused only by scarring, and may have scars and discoloration to the extent permitted under the U.S. No. 2 grade.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 1, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–11310; Filed, Dec. 2, 1960; 9:06 a.m.]

[Grapefruit Reg. 333]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.1036 Grapefruit Regulation 333.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 29, 1960, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–28, 1960, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750–51.783 of this title; 25 F.R. 8219).

(2) During the period beginning at 12:01 a.m., e.s.t., December 5, 1960, and ending at 12:01 a.m., e.s.t, January 2, 1961, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any grapefruit, grown in the production area, which do not grade at least U.S. No. 1: *Provided,* That such grapefruit may have discoloration to the extent permited under the U.S. No. 2 Russet grade, and may have slightly rough texture caused only by speck type melanose;

(ii) Any seeded grapefruit, grown in the production area, which are smaller than $3\frac{15}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit; or

(iii) Any seedless grapefruit, grown in the production area, which are smaller than $3\frac{9}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 1, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–11308; Filed, Dec. 2, 1960; 9:06 a.m.]

[Tangerine Reg. 219]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS, GROWN IN FLORIDA

Limitation of Shipments

§ 933.1037 Tangerine Regulation 219.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the

committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangerines, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangerines, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 29, 1960, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–28, 1960, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangerines; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangerines, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, and standard pack, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Tangerines (§§ 51.1810–51.1834 of this title; 25 F.R. 8216).

(2) During the period beginning at 12:01 a.m., e.s.t., December 5, 1960, and ending at 12:01 a.m. e.s.t., January 2, 1961, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangerines, grown in the production area, that do not grade at least U.S. No. 1; or

(ii) Any tangerines, grown in the production area, that are of a size smaller than the size that will pack 210 tangerines, packed in accordance with the requirements of a standard pack, in a half-standard box (inside dimensions 9½ x 9½ x 19⅛ inches; capacity 1,726 cubic inches).

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 1, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–11311; Filed, Dec. 2, 1960; 9:07 a.m.]

[Tangelo Reg. 25]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.1038 Tangelo Regulation 25.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangelos, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 29, 1960, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23–28, 1960, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangelos; it is necessary, in order to effectuate the declared policy of the act to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangelos, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140–51.1178 of this title; 25 F.R. 8211).

(2) During the period beginning at 12:01 a.m., e.s.t., December 5, 1960, and ending at 12:01 a.m., e.s.t., January 2, 1961, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangelos, grown in the production area, which do not grade at least U.S. No. 1 Russet; or

(ii) Any tangelos, grown in the production area, which are of a size smaller than 2$\frac{5}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Oranges and Tangelos.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 1, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–11312; Filed, Dec. 2, 1960; 9:07 a.m.]

[Lemon Reg. 875]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.982 Lemon Regulation 875.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part

953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based becomes available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on November 29, 1960.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., December 4, 1960, and ending at 12:01 a.m., P.s.t., December 11, 1960, are hereby fixed as follows:

(i) District 1: 37,200 cartons;

(ii) District 2: 93,000 cartons;

(iii) District 3: 18,600 cartons.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: November 30, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-11309; Filed, Dec. 2, 1960; 9:06 a.m.]

Title 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

SUBCHAPTER P—MINING

PART 171—LEASING OF TRIBAL LANDS FOR MINING

Administration of Mineral Permits and Leases Covering Minerals

On page 9206 of the FEDERAL REGISTER of November 11, 1959, there was published a notice of intention to add a new section to Title 25 Code of Federal Regulations, Part 171. The purpose of the addition is to provide regulations for administration by the Commissioner of Indian Affairs of those mineral permits and leases which were issued pursuant to 43 CFR prior to the date the minerals were acquired by the Ute Tribe of the Uintah and Ouray Reservation, Utah, under the Act of July 14, 1956 (70 Stat. 546), and the Pueblos of Zia and Jemez, New Mexico, under the Act of August 2, 1956 (70 Stat. 941).

Interested persons were given an opportunity to submit their views, data and arguments concerning the proposed addition within thirty days from the date of publication of the notice. No written communications pertaining to the proposed addition were received.

The proposed addition to the regulations is hereby adopted, without change and is set forth below. This amendment is effective at the beginning of the 30th calendar day following the date of publication in the FEDERAL REGISTER.

ELMER F. BENNETT,
Acting Secretary of the Interior.

NOVEMBER 28, 1960.

Section 171.1a, a new section, is added to read as follows:

§ 171.1a Existing permits or leases on minerals acquired for the Ute Indian Tribe of the Uintah and Ouray Reservation, Utah, and the Pueblos of Zia and Jemez, New Mexico.

By the Act of July 14, 1956 (70 Stat. 546), title to the minerals underlying certain lands in Utah was vested in the United States in trust for the Ute Indian Tribe of the Uintah and Ouray Reservation and by the Act of August 2, 1956 (70 Stat. 941), title to certain land in New Mexico and the improvements thereon was declared to be in the United States of America in trust for the Pueblos of Zia and Jemez, subject to valid and existing rights. Existing mineral prospecting permits and mining leases on these lands issued pursuant to 43 CFR and all action on the permits and leases shall be administered by the Secretary of the Interior or his authorized representative in accordance with the regulations set forth in Title 43 of the Code of Federal Regulations, except as follows:

(a) Appeals from administrative action shall be made pursuant to applicable regulations set forth in this title.

(b) Payments or reports required by the leases, permits, or regulations in 43 CFR shall be made to the Superintendent having jurisdiction over the land involved instead of the officer of the Bureau of Land Management designated in Title 43 of the Code of Federal Regulations.

[F.R. Doc. 60-11249; Filed, Dec. 2, 1960; 8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 60-NY-82]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Modification

On August 19, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8034) stating that the Federal Aviation Agency proposed to realign VOR Federal airway No. 30 from Akron, Ohio, to Clarion, Pa., and realign VOR Federal airway No. 72 from Attica, Ohio, to Youngstown, Ohio.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. In the text of § 600.6030 (14 CFR 600.6030, 25 F.R. 107) "Youngstown, Ohio, omnirange station;" is deleted and "INT of the Akron VOR 092° True and the Clarion VOR 265° True radials;" is substituted therefor.

2. In the text of § 600.6072 (14 CFR 600.6072, 24 F.R. 8491, 25 F.R. 855, 2574, 4376, 3813, 8809) "Cleveland, Ohio, VOR;" is deleted and "Akron, Ohio, VOR;" is substituted therefor.

These amendments shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11240; Filed, Dec. 2, 1960; 8:46 a.m.]

[Airspace Docket No. 60-WA-213]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Modification of Control Area Extensions

On September 14, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8823) stating that the Federal Aviation Agency proposed to modify the Peru, Ind., and the Lafayette, Ind., control area extensions.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. Section 601.1258 (14 CFR 601.1258) is amended to read:

§ 601.1258 Control area extension (Lafayette, Ind.).

Within a 25-mile radius of the Purdue University Airport (latitude 40°24'45" N., longitude 86°55'57" W.).

2. Section 601.1405 (14 CFR 601.1405) is amended to read:

§ 601.1405 Control area extension (Peru, Ind.).

Within a 25-mile radius of the Bunker Hill AFB (latitude 40°39'38" N., longitude 86°08'31" W.), excluding the portion which would coincide with the Lafayette, Ind. (§ 601.1258) and the Fort Wayne, Ind. (§ 601.1462), control area extensions; and including the area NW of Peru bounded on the S by the Lafayette control area extension, on the W by VOR Federal airway No. 7, on the N by VOR Federal airway No. 38 and on the E by the Fort Wayne control area extension.

These amendments shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11238; Filed, Dec. 2, 1960; 8:45 a.m.]

[Airspace Docket No. 60-KC-52]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Modification of Control Area Extension

On September 14, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8824) stating that the Federal Aviation Agency (FAA) proposed to modify the Rochester, Minn., control area extension.

No adverse comments were received regarding the proposed amendment.

Subsequent to publication of the Notice the FAA has determined that a requirement for the proposed control area extension northeast of the low frequency range no longer exists. Therefore, action is taken herein to eliminate this extension from the description of the control area extension as proposed in the notice.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated herein and in the notice, § 601.1263 (25 F.R. 861) is amended to read:

§ 601.1263 Control area extension (Rochester, Minn.).

Within a 15-mile radius of the Rochester Municipal Airport (latitude 43°54'33" N, longitude 92°29'42" W.); within 5 miles either side of the 209° True radial of the Rochester VOR extending from the 15-mile radius control area extension to 15 miles SW of the VOR.

This amendment shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11239; Filed, Dec. 2, 1960; 8:45 a.m.]

[Airspace Docket No. 60-KC-55]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Modification of Control Zone

On September 16, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8910) stating that the Federal Aviation Agency proposed to modify the Grand Forks, N. Dak., control zone.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, § 601.2102 (14 CFR 601.2102) is amended to read:

§ 601.2102 Grand Forks, N. Dak., control zone.

Within a 5-mile radius of the Grand Forks International Airport (latitude 47°55'40" N., longitude 97°05'45" W.); within 2 miles either side of the S course of the Grand Forks RR, extending from the 5-mile radius zone to 12 miles S of the RR; within 2 miles either side of the 340° True radial of the Grand Forks VOR, extending from the 5-mile radius zone to the VOR.

This amendment shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11237; Filed, Dec. 2, 1960; 8:45 a.m.]

[Airspace Docket No. 60-NY-120]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Revocation and Modification of Reporting Points

The purpose of these amendments to § 601.7001 of the regulations of the Administrator is to revoke the Norfolk, Va., VOR as a domestic reporting point and modify the Lithonia, Ga., INT.

Flight progress reports over designated locations, automatically initiated by pilots, will facilitate air traffic management and assist the controller in the performance of his duties. However, due to the continuous modernization of the airway structure, the need for reporting points at particular locations is constantly being revised. The actions taken herein reflect this changing need on the part of air traffic management.

Since these amendments are of a procedural nature and do not assign or reassign the use of navigable airspace, notice and public procedure hereon are unnecessary. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, these amendments will become effective more than 30 days after publication.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530), the following actions are taken:

In § 601.7001 (14 CFR 601.7001, 25 F.R. 8540), the following changes are made:

1. In the text delete:

Norfolk, Va., VOR.
Lithonia INT: The INT of the McDonough, Ga., VOR 345° True and the Atlanta, Ga., VORTAC 054° True radials.

2. In the text add:

Lithonia INT: The INT of the McDonough, Ga., VOR 345° True and the Atlanta, Ga., VORTAC 053° True radials.

These amendments shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11243; Filed, Dec. 2, 1960; 8:46 a.m.]

[Airspace Docket No. 60-NY-50]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Revocation of Federal Airway, Associated Control Areas and Reporting Points, and Modification of Control Area Extension

On September 14, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8828) stating that the Federal Aviation Agency proposed to revoke, in its entirety, Red Federal airway No. 37, its associated control areas and reporting points, and modify the Roanoke, Va., control area extension.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. In Part 600 (14 CFR Part 600) the following change is made:

§ 600.237 [Revocation]

Section 600.237 *Red Federal airway No. 37 (Roanoke, Va., to Gordonsville, Va.)* is revoked.

2. In Part 601 (14 CFR Part 601) the following changes are made:

§ 601.237 [Revocation]

(a) Section 601.237 *Red Federal airway No. 37 control areas (Roanoke, Va., to Gordonsville, Va.)* is revoked.

§ 601.4237 [Revocation]

(b) Section 601.4237 *Red Federal airway No. 37 (Roanoke, Va., to Gordonsville, Va.)* is revoked.

3. Section 601.1063 (14 CFR 601.1063) is amended to read:

§ 601.1063 Control area extension (Roanoke, Va.).

The airspace S of Roanoke bounded on the N by VOR Federal airway No. 136, on the SE by VOR Federal airway No. 222, and on the W by VOR Federal airway No. 103.

These amendments shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat, 749; 49 U.S.C. 1348)

Issued in Washington, D.C. on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11242; Filed, Dec. 2, 1960; 8:46 a.m.]

[Airspace Docket No. 60-NY-53]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Revocation of Federal Airway, Associated Control Areas and Reporting Points; Revocation and Designation of Control Area Extensions

On September 14, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 8829) stating that the Federal Aviation Agency proposed to revoke, in its entirety, Blue Federal airway No. 29, its associated control areas and reporting points. In addition, the Lynchburg, Va., control area extension would be redesignated and the South Boston, Va., control area extension would be revoked.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. In Part 600 (14 CFR 600) the following change is made:

§ 600.629 [Revocation]

Section 600.629 *Blue Federal airway No. 29 (Raleigh, N.C., to Lynchburg, Va.)* is revoked.

2. In Part 601 (14 CFR 601) the following changes are made:

§ 601.629 [Revocation]

(a) Section 601.629 *Blue Federal airway No. 29 control areas (Raleigh, N.C., to Lynchburg, Va.)* is revoked.

§ 601.4629 [Revocation]

(b) Section 601.4629 *Blue Federal airway No. 29 (Raleigh, N.C., to Lynchburg, Va.)* is revoked.

§ 601.1450 [Revocation]

(c) Section 601.1450 *Control area extenstion (South Boston, Va.)* is revoked.

3. Section 601.1059 (14 CFR 601.1059) is amended to read:

§ 601.1059 Control area extension (Lynchburg, Va.).

Within a 20-mile radius of the Lynchburgh, Va., VOR extending clockwise from VOR Federal airway No. 260 E of Lynchburg to VOR Federal airway No. 143 SW of Lynchburg; within a 15-mile radius of the Lynchburg VOR extending clockwise from VOR Federal airway No. 260 W of Lynchburg to VOR Federal airway No. 143 N of Lynchburg.

These amendments shall become effective 0001 e.s.t. February 9, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 28, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-11241; Filed, Dec. 2, 1960; 8:46 a.m.]

[Reg. Docket No. 586]

PART 612—AERONAUTICAL FIXED COMMUNICATIONS

Revision of Part

Part 612 contains references to the Civil Aeronautics Administration, Civil Aeronautics Act of 1938, Interstate Airways Communications Stations, Overseas Foreign Aeronautical Communications Stations, and CAA Regional Administrator that are no longer appropriate. In addition it contains language in § 612.1 that is no longer applicable. Therefore, this revision is issued to incorporate all of the previous amendments to Part 612 and to bring the wording of the regulation up-to-date by substituting the words Federal Aviation Agency, Federal Aviation Act of 1958, Flight Service Stations, International Flight Service Stations and FAA Regional Manager where applicable. Section 612.1 is corrected by deleting the last part of the first sentence, which refers to studies by International Civil Aviation Organization and International Telecommunications Union and by substituting Federal Aviation Act of 1958 section references in the last sentence. The ICAO/ITU studies referred to were not completed, therefore, further mention of them is no longer necessary.

Since this revision contains only editorial changes, makes no substantive changes, and imposes no additional burden on any person, notice and public pro-

cedure hereon are unnecessary, and good cause exists for making the revised regulation effective immediately.

In consideration of the foregoing, Part 612 of Chapter III of Title 14 of the Code of Federal Regulations is hereby revised as follows to become effective December 3, 1960.

Sec.
612.1 Basis and purpose.
612.2 Acceptability of messages.
612.3 Assessment of fees.
612.4 Methods of payment.
612.5 Priority of transmission.
612.6 Limitation of liability.

AUTHORITY: §§ 612.1 to 612.6 issued under secs. 305, 307(b), 313, 72 Stat. 749, 752; 49 U.S.C. 1346, 1348, 1354; sec. 10, 62 Stat. 453, 49 U.S.C. 1159.

§ 612.1 Basis and purpose.

The purpose of this part is to prescribe the types of messages pertaining to international or overseas aircraft operations which will be accepted for transmission by FAA communications stations and the fees which will be assessed for the transmission of certain types of these messages. The basis for the part is found in sections 305 and 307(b) of the Federal Aviation Act of 1958, and section 10 of the International Aviation Facilities Act of 1948.

§ 612.2 Acceptability of messages.

(a) FAA International Flight Service Stations and FAA Flight Service Stations located in territory (including the states of Alaska and Hawaii) outside the continental United States, will accept for transmission messages regarding international or overseas aircraft operations where such messages are of the following types:

(1) Distress messages and distress traffic.

(2) Messages for the safety of human life.

(3) Flight safety messages comprising:

(i) Air traffic control messages including;

(*a*) Air traffic control messages concerning aircraft in flight or about to depart,

(*b*) Departure messages,

(*c*) Flight plan/departure messages,

(*d*) Arrival messages,

(*e*) Flight plan messages,

(*f*) Flight notification messages,

(*g*) Messages concerning cancellation of flight, and

(*h*) Messages concerning delayed departure.

(ii) Position reports from aircraft.

(iii) Messages originated by an aircraft operating agency of immediate concern to an aircraft in flight or to an aircraft about to depart.

(iv) Meteorological advice of immediate concern to aircraft in flight or to an aircraft about to depart.

(4) Meteorological messages comprising:

(i) Messages containing meteorological forecasts.

(ii) Messages containing exclusively meteorological observations.

(iii) Other meteorological messages exchanged between meteorological offices.

(5) Aeronautical administrative messages comprising:

(i) Messages regarding the operation or maintenance of facilities essential for the safety or regularity of aircraft operation.

(ii) Messages essential to the efficient functioning of aeronautical tele-communication services.

(iii) Messages exchanged between Government Civil Aviation Authorities relating to aircraft operation.

(6) Notices to airmen.

(7) Flight regularity messages comprising:

(i) Messages containing details of the number of passengers and crew, weight of cargo and other data required for weight and balance computation. Other remarks essential to the rapid clearance of the load from the aircraft may be included. These messages shall only be acceptable when addressed to the point of intended landing and to not more than two other addressees concerned in the general area of the route segment of the flight to which the message refers.

(ii) Messages concerning changes in aircraft operating schedules to become effective within 72 hours after the message is filed.

(iii) Messages concerning the servicing of aircraft, when the aircraft is en route or scheduled to depart within 48 hours.

(iv) Messages concerning changes in collective requirements for passengers, crew, and cargo, caused by unavoidable deviations from normal operating schedules and necessary for flight regularity in the case of aircraft en route or about to depart. Individual requirements of passengers or crew are not admissible in this type of message.

(v) Messages concerning nonroutine landings to be made by an aircraft en route or about to depart.

(vi) Messages concerning parts and materials urgently required for the operation of aircraft en route or scheduled to depart within 48 hours.

(vii) Messages concerning the preflight arrangement of air navigation services, and operational servicing for nonscheduled or irregular operations of aircraft, filed within 48 hours of proposed time of departure.

(b) FAA Flight Service Stations located within the continental United States (excluding Alaska and Hawaii) will accept for transmission messages described in paragraph (a) (1) through (6) of this section. In addition, such stations will relay messages described in paragraph (a) or (c) of this section which are originally accepted for transmission at FAA stations located outside the continental United States or are received from foreign stations of the integrated international aeronautical network, and which in normal routing require transit of the continental United States to reach overseas addresses.

(c) Where adequate non-Government communication facilities are not available, FAA International Flight Service Stations, and FAA Flight Service Stations located in territory (including the states of Alaska and Hawaii) outside the continental United States will accept messages, other than those prescribed in paragraph (a) of this section, originated by and addressed to aircraft operating agencies relating to international aircraft operations, overseas aircraft operations, or aircraft operations within a United States territory or possession which, by virtue of their importance, have a direct bearing on the efficient and economic conduct of the day-to-day operations of such agencies, concerning the following:

(1) Messages of the types prescribed in paragraph (a) (7) of this section which do not conform to the time limitations prescribed therein.

(2) Parts, equipment or supplies required for aircraft, air navigation, communication and other essential ground facilities.

(3) Train reservations or hotel accommodations for passengers or agency personnel.

(4) Lost baggage or personal effects.

(5) Tickets or cargo shipments or payment therefor.

(6) Inquiries relative to passenger whereabouts and cargo receipt or delivery.

(7) New or revised passenger or cargo rates.

(8) Crew assignments and similar operations personnel matters to become effective within seven days after the time of the message.

(9) Post-flight reports for routine record purposes.

(10) Publicity messages and special handling of dignitaries.

(11) Reservation messages originated by aircraft operating agencies to secure the space required in transport aircraft.

NOTE: Third party messages or messages addressed to parties other than aircraft operating agencies or their representatives shall not be acceptable.

§ 612.3 Assessment of fees.

(a) No fee shall be assessed for the transmission of a message which is of a type or types specified in § 612.2(a) (1) through (7). A separate fee shall be assessed for the transmission to each addressee of a message which contains, in whole or in part, matter related to any of that described in § 612.2(c).

(b) Transmission of such a message to an addressee may in some cases consist of receipt of the message from a non-FAA communications station and the forwarding of that message without additional use of the FAA communications system. Only one fee per addressee shall be assessed regardless of the number of FAA communications stations through which the message may be sent. Each fee shall be computed on the basis of twenty-five cents for each ten words or portion thereof contained in the text and signature of the message. If delivery of the message involves refiling with a non-FAA communications facility, such refiling will be accomplished on a "Collect" basis at no additional cost to, or assumption of liability by, the FAA. Local tele-communications facilities required for the acceptance or delivery of messages will be provided by the user without expense to the FAA.

NOTE: The Internal Revenue Code provides that there shall be imposed on the

amount paid within the states of the United States, and the District of Columbia, for each telegraph, cable, or radio dispatch or message, a tax equal to (a) fifteen percent of the amount so paid, or (b) ten percent of the amount so paid in the case of an international communication.

(Sec. 3797(a)(9), 53 Stat. 469, sec. 3465(a)(1)(3), 56 Stat. 975; 26 U.S.C. 3797, 3465)

§ 612.4 Methods of payment.

Fees shall be paid in United States dollars to the FAA official in charge of the communications station first transmitting or receiving the message or to any other properly designated FAA official. Deferred payment of fees shall be permitted only where prior written arrangements have been made for such payment on a periodic basis or where prepayment is not practicable in a specific case. Arrangements for the deferred payment of fees may be made with the FAA Regional Manager having jurisdiction over the FAA communications station first transmitting or receiving the message.

§ 612.5 Priority of transmission.

The aeronautical messages of the types stated in § 612.2(a) (1) through (7) shall have priority over messages containing matter described in § 612.2(c).

§ 612.6 Limitation of liability.

The Government shall not be liable for error or delay in the transmission or delivery, or for nondelivery, of any message accepted for transmission under this part, regardless of whether such error, delay, or nondelivery is due to the negligence of any employee of the Government or otherwise, beyond the amount of the fee assessed for the transmission of such message.

Issued in Washington, D.C., on November 28, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60-11236; Filed, Dec. 2, 1960; 8:45 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

PART 121—FOOD ADDITIVES

Subpart A—Definitions and Procedural and Interpretative Regulations

REFUSAL TO EXTEND EFFECTIVE DATE OF STATUTE FOR CERTAIN SPECIFIED FOOD ADDITIVES

The Commissioner of Food and Drugs, pursuant to the authority provided in the Federal Food, Drug, and Cosmetic Act (sec. 6(c), Public Law 85-929; 72 Stat. 1788; 21 U.S.C., note under sec. 342) and delegated to him by the Secretary of Health, Education, and Welfare (25 F.R. 8625), hereby refuses to authorize the use in food of safrole, oil of sassafras, dihydrosafrole, and iso-safrole.

Long-term pharmacological studies in the laboratories of the Food and Drug Administration, demonstrated safrole, which is also the principal component of oil of sassafras, to be a carcinogen. The scientific data were carefully reviewed by a group of scientists made up of representatives of government and representatives from a panel recommended by the National Academy of Sciences. This group concluded that safrole is to be classed as a weak hepatic carcinogen. Thus, under the provisions of section 409(b)(3)(a), safrole and oil of sassafras are food additives which may not be the subject of any regulation authorizing their use in foods. Food and Drug Administration studies of dihydrosafrole and iso-safrole demonstrated that they cause liver damage to test animals.

The principal food use of these substances has been in the flavoring of root beer and similar beverages. Representatives of the industry involved were kept advised of the progress of the experimental work, both in the Food and Drug Administration laboratories and in commercial laboratories. As a result, the industry began, months ago, to eliminate the safrole and oil of sassafras from its output. An extensive survey by Food and Drug inspectors covering about 3,200 bottlers and suppliers completed on November 25, 1960 disclosed that neither of these substances is now being used by the industry. The use of dihydrosafrole and iso-safrole has also been eliminated.

Part 121 is amended by adding to Subpart A the following new section:

§ 121.89 Substances refused extension of time for compliance.

On the basis of data before him, the Commissioner cannot find that there is no undue risk to the public health in extending the effective date of the Food Additives Amendment of 1958 as it applies to safrole, oil of sassafras, dihydrosafrole, and iso-safrole. The requests for extensions are denied, and any prior sanction or approval of the use of these articles in food is hereby cancelled.

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since the Commissioner is authorized to grant extensions only where he can conclude on reliable scientific evidence that there is no undue risk to the public health. Since there is no reliable basis for reaching that conclusion, a delay in issuance of this order would be contrary to the public interest.

Effective date. This order shall become effective on the date of signature, because there is no adequate scientific basis for extending the effective date of the law beyond that date.

(72 Stat. 1788; 21 U.S.C., note under sec. 342)

Dated: November 30, 1960.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner of Food and Drugs.

[F.R. Doc. 60-11264; Filed, Dec. 2, 1960; 8:49 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 2209]

[Fairbanks 025492]

ALASKA

Withdrawing Lands for Use of Federal Aviation Agency for Air Navigation Purposes

By virtue of the authority vested in the Secretary of the Interior by section 4 of the Act of May 24, 1928 (45 Stat. 729; 49 U.S.C. 214), it is ordered as follows:

Subject to valid existing rights, the following-described lands in Alaska are hereby withdrawn from all forms of appropriation under the public land laws, including the mining but not the mineral-leasing laws, nor the disposals of materials under the Act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 601-604) as amended, and reserved for use of the Federal Aviation Agency in the maintenance of air navigation facilities:

UMIAT, ALASKA

From U.S.M. "Able" at 69°22'13.453" N., 152°09'07.330" W., go N. 7°18' W., 78.11 feet, thence
N. 82°42' E., 80.34 feet to runway centerline station 0+00;
S. 7°18' E., 2,500.00 feet to the point of beginning; thence
S. 82°42' W., 6,700.00 feet;
N. 7°18' W., 900.00 feet;
S. 82°42' W., 4,500.00 feet;
N. 7°18' W., 2,600.00 feet;
N. 82°42' E., 19,200.00 feet;
S. 7°18' E., 3,500.00 feet;
S. 82°42' W., 8,000.00 feet to the point of beginning.

The tract described contains 1,449.7 acres.

2. The reservation made by this order shall be subject to the withdrawal made by Executive Order No. 3797-A of February 27, 1923, for oil and gas as Navy Petroleum Reserve No. 4 and to the jurisdiction granted to the Department of the Navy over Naval Petroleum Reserves by the act of August 10, 1956 (70A Stat. 457-462; 10 U.S.C. 7421-7438), and shall take precedence over but not otherwise affect the withdrawal made by Public Land Order No. 82 in connection with the prosecution of the war.

3. There is reserved for the Department of the Navy's Arctic Research Laboratory: (a) A right to use, operate and maintain, and to have rights of ingress to and egress from buildings and other facilities for which said Department may be and remains accountable; (b) access to and use of the airstrip landing field; (c) access to and use of the float landing lagoon; (d) the right to consolidate Arctic Research Laboratory buildings into one general location within the with-

drawn area; and, (e) access to and use of existing wells for testing purposes.

GEORGE W. ABBOTT,
Assistant Secretary of the Interior.

NOVEMBER 28, 1960.

[F.R. Doc. 60-11250; Filed, Dec. 2, 1960; 8:47 a.m.]

[Public Land Order 2210]

[Anchorage 052837]

ALASKA

Partly Revoking Public Land Order No. 797 of January 25, 1952

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

1. Public Land Order No. 797 of January 25, 1952, which excluded the following-described lands from the Chugach National Forest, is hereby revoked so far as it re-withdrew in paragraph 5 thereof, approximately 62,053 acres of the excluded lands for classification:

Beginning at Mile Post 90 on the Alaska Railroad on the North shore of Turnagain Arm in approximate latitude 60°59' N., longitude 149°34'30" W., thence by metes and bounds:

North, 5.90 miles;
East, 13.50 miles;
South, 5.60 miles;
East, 2.20 miles;
South,5.20 miles to M.P. 71 on the Alaska Railroad;
South, 0.25 mile to mean high tide line Turnagain Arm;
Northwesterly, along mean high tide line Turnagain Arm to a point due south of M.P. 90, Alaska Railroad;
North, 0.12 mile to M.P. 90, the point of beginning.

The tract described contains approximately 76,064 acres.

2. Of the excluded lands, Public Land Order No. 797 provided that the status of 1270 acres at Indian Creek, 9000 acres at Bird Creek, and 308 acres at Glacier Creek, all as described more particularly in Public Land Order No. 797, would not otherwise be changed until so provided by the issuance of an appropriate order opening the lands to disposition under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U.S.C. 682a), as amended. Except for 378.83 acres described in Small Tract Classification Orders No. 51, 75, and 81, plans for further small tract development in the areas have been abandoned.

3. In the excluded area, Public Land Order No. 797 withdrew (a) 2800 acres for preservation and protection of scenic values, (b) 630 acres for protection of the water supply of the City of Anchorage, and (c) 2.2 acres for airport purposes, all as described in the order, which withdrawals shall remain intact.

4. Subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law, the unreserved, unappropriated lands described in paragraphs 1 and 2 of this order, are hereby opened to settlement and to the filing of such applications, selections, and locations as are allowable on unsurveyed lands in accordance with the following:

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

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

(2) Until 10:00 a.m. on February 28, 1961, the State of Alaska shall have a preferred right to select the lands in accordance with and subject to the provisions of the act of July 28, 1956 (70 Stat. 709; 48 U.S.C. 46-3b), and section 6(g) of the Alaska Statehood Act of July 7, 1958 (72 Stat. 339), and the regulations in 43 CFR 76.1-18.

(3) All valid applications under the nonmineral public land laws other than any from the State, presented prior to 10:00 a.m. on January 3, 1961, will be considered as simultaneously filed at that hour. Rights under such applications and selections filed after that hour will be governed by the time of filing.

b. The lands have been open to applications and offers under the mineral leasing laws. They will be open to settlement under the Homestead and Alaska Homesite laws, and to location under the United States mining laws, beginning at 10:00 a.m. on February 28, 1961.

5. Persons claiming preference rights based upon valid settlement, statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims.

Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Anchorage, Alaska.

GEORGE W. ABBOTT,
Assistant Secretary of the Interior.

NOVEMBER 28, 1960.

[F.R. Doc. 60-11251; Filed, Dec. 2, 1960; 8:47 a.m.]

[Public Land Order 2211]

[Montana 037251]

MONTANA

Restoration Under Section 24, Federal Power Act

By virtue of the authority contained in section 24 of the act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818), as amended, and pursuant to DA-168-Montana issued December 15, 1959, it is ordered as follows:

The following-described lands are hereby opened to application, petition, location and selection under the public land laws, subject to valid existing rights, to the provisions of section 24 of the Federal Power Act, supra, and to the preference rights of application of the State of Montana provided by section 24 of the Federal Power Act and subsection (c) of section 2 of the act of August 27, 1958 (72 Stat. 928; 43 U.S.C. 851, 852):

PRINCIPAL MERIDIAN

T. 20 N., R. 17 E.,
Sec. 18, SW¼NE¼ and NE¼SE¼.

Containing 80 acres.

Subject to the preference rights of application of the State of Montana, applications received at or before 10:00 a.m. on January 3, 1961, shall be considered as simultaneously filed at that time. Those thereafter received shall be considered in the order of filing, provided, that applications from those having prior existing valid settlement rights, preference rights conferred by existing law or equitable claims subject to allowance and confirmation, will take priority over all other applications.

The lands have been open to applications and offers under the mineral leasing laws, and to location under the United States mining laws by virtue of the act of August 11, 1955 (69 Stat. 682; 30 U.S.C. 621).

Inquiries concerning the lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Billings, Montana.

GEORGE W. ABBOTT,
Assistant Secretary of the Interior.

NOVEMBER 28, 1960.

[F. R. Doc. 60-11252; Filed, Dec. 2, 1960; 8:47 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Certain Options

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form 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, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. 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 30-day period. In such a case, a public hearing will be held, and 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 7805 of the Internal Revenue Code of 1954.

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

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

In order to provide rules for the tax treatment of certain options, the Income Tax Regulations (26 CFR Part 1) are amended as follows:

PARAGRAPH 1. Paragraph (d)(1) of § 1.61–2 is amended to read as follows:

§ 1.61–2 Compensation for services, including fees, commissions, and similar items.

* * * * *

(d) *Compensation paid other than in cash*—(1) *In general.* If services are paid for other than in money, the fair market value of the property or services taken in payment must be included in income. If the services were rendered at a stipulated price, such price will be presumed, in the absence of evidence to the contrary, to be the fair market value of the compensation received, except in the case of options to purchase stock or other property which are issued as compensation for services (including services performed by employees and services performed by independent contractors). In the case of such options which are not subject to section 421, see paragraph (c) of §§ 1.61–14 and 1.421–6.

PAR. 2. Section 1.61–14 is amended by adding at the end thereof the following new paragraph (c):

§ 1.61–14 Miscellaneous items of gross income.

* * * * *

(c) *Certain options.* There are certain options to purchase stock or other property that are granted as payment of an amount which is includible in gross income and which is not a capital gain. If section 305 or 421 does not apply to such an option, then the time when income is realized by reason of the granting of such option and the amount of such income shall be determined by applying the rules of § 1.421–6. For example, the rules of such section shall be applied to an option which is granted to a person as payment for his services as an independent contractor, or to an option which is granted to a person as part payment for the loan of money or for the entering into of an agreement to loan money.

PAR. 3. Section 1.421–6 is amended to read as follows:

§ 1.421–6 Options to which section 421 does not apply.

(a) *Scope of section.* (1) If an employer or other person grants to an employee or other person for any reason connected with the employment of such employee an option to purchase stock of the employer or other property, and if section 421 is not applicable, then this section shall apply. This section will apply, for example, when an option is not a restricted stock option at the time it is granted (see section 421(d)(1) and § 1.421–2), or when an option is modified so that it no longer qualifies as a restricted stock option (see section 421(e) and § 1.421–4), or when there is a disqualifying disposition of stock acquired by the exercise of a restricted stock option so that section 421 does not apply. When an option is granted for any reason connected with the employment of an employee, this section applies, if section 421 does not apply, irrespective of whether the option is granted by the employer, by a parent or subsidiary of the employer, by a stockholder of any of such corporations, or by any other person, and irrespective of whether the option is granted to the employee, to a member of his family, or to any other person, and irrespective of whether the option is to purchase the stock of the employer, the stock of a parent or subsidiary of the employer, the stock of any other corporation, or to purchase any other property. In addition, paragraph (c) of § 1.61–14 makes the rules of this section applicable in determining the time when certain other options result in the realization of income and the amount of such income.

(2) This section is applicable only to options granted on or after February 26, 1945, except that this section is not applicable to—

(i) Property transferred pursuant to an option exercised before September 25, 1959, if the property is transferred subject to a restriction which has a significant effect on its value, or

(ii) Property transferred pursuant to an option granted before September 25, 1959, and exercised on or after such date, if, under the terms of the contract granting such option, the property to be transferred upon exercise of the option is to be subject to a restriction which has a significant effect on its value and if such property is actually transferred subject to such restriction.

However, if an option granted before September 25, 1959, and on or after February 26, 1945, is sold or otherwise disposed of before exercise, the provisions of this section shall be fully applicable to such disposition.

(3) If an option to which this section applies has a readily ascertainable fair market value when granted, no amount is includible in gross income under this section by reason of the transfer or exercise of such option, irrespective of whether such value was included in income for the taxable year in which the option was granted, and any deduction which is allowable as a result of the granting of such option is allowable only for the taxable year in which the option is granted. Thus, if an option having a readily ascertainable fair market value to which this section applies was granted in a taxable year for which an assessment of deficiency was barred at the time of the adoption of paragraph (c) of this section as a Treasury decision, no amount is includible in gross income under this section by reason of the transfer or exercise of such option. However, if there is a determination to which the rules of sections 1311–1314 apply, there may be an adjustment for the taxable year in which the option was granted.

(b) *Meaning and use of certain terms.* (1) For the purpose of this section, the term "option" includes the right or privilege of a person to purchase property from any person by virtue of an offer continuing for a stated period of time, whether or not irrevocable, to sell such property at a stated price, such person being under no obligation to purchase.

(2) As used in this section, the terms "employee", "employment", and "employer" have reference to the legal and bona fide relationship of employer and employee. For rules applicable to the determination whether the employer-employee relationship exists, see section 3401(c) and the regulations thereunder.

(3) For purposes of applying the rules of this section to the options which are made subject to such rules by paragraph (c) of § 1.61–14—

(i) In the case of options granted to persons performing services for compensation as independent contractors, the term "employee" includes the person who performs such services, the term "employer" includes the person for whom such services are performed, and the term "employment" includes the performance of such services, and

(ii) In the case of options granted as part payment for the loan of money, the term "employee" includes the lender, the term "employer" includes the borrower, and the term "compensation" shall be read as interest.

(c) *Options with a readily ascertainable fair market value.* (1) If there is granted an option to which this section applies and which has a readily ascertainable fair market value (determined in accordance with subparagraphs (2) and (3) of this paragraph) at the time the option is granted, the employee in connection with whose employment such option is granted realizes compensation at such time in an amount equal to the excess, if any, of such fair market value over any amount paid for the option. If an option to which this section applies does not have a readily ascertainable fair market value at the time the option is granted, the time when the compensation is realized and the amount of such compensation shall be determined under paragraph (d) of this section.

(2) Although options may have a value at the time they are granted, that value is ordinarily not readily ascertainable unless the option is actively traded on an established market. If an option is actively traded on an established market, the fair market value of such option is readily ascertainable for purposes of this section by applying the rules of valuation set forth in § 20.2031–2 of this chapter (the Estate Tax Regulations).

(3) (i) When an option is not actively traded on an established market, the fair market value of the option is not readily ascertainable unless the fair market value of the option can be measured with reasonable accuracy. For purposes of this section, if an option is not actively traded on an established market, the option does not have a readily ascertainable fair market value when granted unless the taxpayer can show that all of the following conditions exist:

(*a*) The option is freely transferable by the optionee;

(*b*) The option is exercisable immediately in full by the optionee;

(*c*) The option or the property subject to the option is not subject to any restriction or condition (other than a lien or other condition to secure the payment of the purchase price) which has a significant effect upon the fair market value of the option or such property; and

(*d*) The fair market value of the option privilege is readily ascertainable in accordance with subdivision (ii) of this subparagraph.

(ii) The fair market value of an option includes the value attributable to the option privilege and may include the value attributable to the right to make an immediate bargain purchase of the property subject to the option. If the option provides an option price which is less than the fair market value of the property subject to the option at the time it is granted, an immediate gain may be realized by exercising the option at the bargain price and selling the property so acquired. However, irrespective of whether there is a right to make an immediate bargain purchase of the property subject to the option, the fair market value of the option includes the value of the option privilege. The option privilege is the opportunity to benefit at any time during the period the option may be exercised from any appreciation during such period in the value of the property subject to the option without risking any capital. Therefore, the fair market value of an option is not merely the difference which may exist at a particular time between the option price and the value of the property subject to the option but also includes the value of the option privilege. Accordingly, for purposes of this section, the fair market value of the option is not readily ascertainable unless the value of the option privilege can be measured with reasonable accuracy. In determining whether the value of the option privilege is readily ascertainable, and in determining the amount of such value when such value is readily ascertainable, it is necessary to consider—

(*a*) Whether the value of the property subject to the option can be ascertained;

(*b*) The probability of any ascertainable value of such property increasing or decreasing; and

(*c*) The length of the period during which the option can be exercised.

(d) *Options without a readily ascertainable fair market value.* If there is granted an option to which this section applies, and if the option does not have a readily ascertainable fair market value at the time it is granted, the employee in connection with whose employment the option is granted is considered to realize compensation includible in gross income under section 61 at the time and in the amount determined in accordance with the following rules of this paragraph:

(1) Except as provided in subparagraph (2) of this paragraph, if the option is exercised by the person to whom it was granted, the employee realizes compensation at the time an unconditional right to receive the property subject to the option is acquired by such person, and the amount of such compensation is the difference between the amount payable for the property and the fair market value of the property at the time an unconditional right to receive the property is acquired. An individual has an unconditional right to receive the property subject to the option when his right to receive such property is not subject to any conditions, other than conditions that may be performed by him at any time. Thus, if an individual who has exercised an option has a right to make payment for the property at any time and to receive the property immediately after making such payment, such individual realizes compensation at the time he exercises the option. However, if an individual who has exercised an option is prevented by the terms of the option contract from making payment immediately or from receiving an immediate transfer of the property after making payment, such individual does not realize compensation at the time he exercises the option. Such individual will not realize compensation until he does acquire the right to make payment immediately and to receive an immediate transfer of the property. For purposes of this section, an unconditional right to receive the property subject to the option shall not be considered to have been acquired before the date on which the option is exercised.

(2) (i) If the option is exercised by the person to whom it was granted but, at the time an unconditional right to receive the property subject to the option is acquired by such person, such property is subject to a restriction which has a significant effect on its value, the employee realizes compensation at the time such restriction lapses or at the time the property is sold or exchanged, in an arm's length transaction, whichever occurs earlier, and the amount of such compensation is the lesser of—

(*a*) The difference between the amount paid for the property and the fair market value of the property (determined without regard to the restriction) at the time of its acquisition, or

(*b*) The difference between the amount paid for the property and either its fair market value at the time the restriction lapses or the consideration received upon the sale or exchange, whichever is applicable.

If the property is sold or exchanged in a transaction which is not at arm's length before the time the employee realizes compensation in accordance with this subdivision, any amount of gain which the employee realizes as a result of such sale or exchange is includible in gross income at the time of such sale or exchange, but the amount includible in gross income under this subdivision at the time of the expiration of the restriction on the sale or exchange at arm's length shall be reduced by the amount of gain includible in gross income as a result of the sale or exchange not at arm's length.

(ii) The provisions of subdivision (i) of this subparagraph may be illustrated by the following examples:

Example (1). On November 1, 1959, X Corporation grants to E, an employee, an option to purchase 100 shares of X Corporation stock at $10 per share. Under the terms of the option, E will be subject to a binding commitment to resell the stock to X Corporation at the price he paid for it in the event that his employment terminates within 2 years after he acquires the stock, for any reason except his death. Evidence of this commitment will be stamped on the face of E's stock certificate. E exercises the option and acquires the stock at a time when the stock, determined without regard to the restriction, has a fair market value of $18 per share. Two years after he acquires the stock, at which time the stock has a

fair market value of $30 per share, E is still employed by X Corporation. E realizes compensation upon the expiration of the 2-year restriction and the amount of the compensation is $800. The $800 represents the difference between the amount paid for the stock ($1,000) and the fair market value of the stock (determined without regard to the restriction) at the time of its acquisition ($1,800), since such value is less than the fair market value of the stock at the time the restriction lapsed ($3,000).

Example (2). Assume, in example (1), that E dies one year after he acquires the stock, at which time the stock has a fair market value of $25 per share. Since the restriction lapses upon E's death, he realizes compensation of $800 ($1,800 less $1,000) and this amount is includible in E's gross income for the taxable year closing with his death.

Example (3). Assume that, pursuant to the exercise of an option not having a readily ascertainable fair market value to which this section applies, an employee acquires stock subject to the sole condition that, if he desires to dispose of such stock during the period of his employment, he is obligated to offer to sell the stock to his employer at its fair market value at the time of such sale. Since this condition is not a restriction which has a significant effect on value, the employee realizes compensation upon acquisition of the stock.

Example (4). Assume, in example (3), that the employee is obligated to offer to sell the stock to his employer at its book value rather than at its fair market value. Since this condition amounts to a restriction which has a significant effect on value, the employee does not realize compensation upon acquisition of the stock, but he does realize such compensation upon the lapse of the restriction, such as, for example, his death or the termination of his employment.

(3) If the option is not exercised by the person to whom it was granted, but is transferred in an arm's length transaction, the employee realizes compensation in the amount of the gain resulting from such transfer of the option, and such compensation is includible in his gross income in accordance with his method of accounting.

(4) If the option is not exercised by the person to whom it was granted, but is transferred in a transaction which is not at arm's length, the employee realizes compensation in the amount of the gain resulting from such transfer of the option, and such compensation is includible in his gross income in accordance with his method of accounting. Moreover, the employee realizes additional compensation at the time and in the amount determined under subparagraph (1), (2), or (3) of this paragraph, except that the amount of compensation determined under subparagraph (1), (2), or (3) of this paragraph shall be reduced by any amount previously includible in gross income as a result of such transfer of the option. For example, if in 1960 an employee is granted an option not having a readily ascertainable fair market value to buy a share of stock for $50 at a time when the stock has a fair market value of $100, and later in 1960 the employee transfers, in a transaction not at arm's length, the option to his wife for $10, the employee realizes compensation of $10 in 1960. If in 1961 the wife exercises the option at a time when the stock has a fair market value of $120, the employee realizes additional compensation in 1961 in the amount of $60 (the $70 bargain spread less the $10 taxed as compensation in 1960). For the purpose of this subparagraph, if a person other than the employee dies holding an unexercised option at a time when the employee is still living, the transfer which results by reason of the death of such person is a transfer in a transaction which is not at arm's length.

(5) If there is granted an option to which this section applies, and the employee dies before realizing the compensation in accordance with the rules of this paragraph, income having the character of compensation is realized at the time and in the amount determined under this paragraph by the person who transfers or exercises the option, or the person who receives the property subject to a restriction which has a significant effect on its value. For example, this subparagraph is applicable:

(i) When an option not having a readily ascertainable fair market value is granted to an employee, and he dies before transferring or exercising the option,

(ii) When an option not having a readily ascertainable fair market value is granted to the employee, and he dies after the transfer of the option in a transaction which is not at arm's length, but before the option is exercised, or

(iii) When an option not having a readily ascertainable fair market value is granted to another person, and the employee dies before realizing all of the compensation which would result from any transfer or exercise of the option. If the option is one which was granted to the employee and he dies before transferring or exercising the option, the option shall be considered a right to receive income in respect of a decedent to which the rules of section 691 apply. In any such case, if the option is transferred, section 691 provides that the amount received for such transfer or the fair market value of the property transferred at the time of transfer, whichever is greater, is income realized at the time of such transfer. Moreover, if a transfer is subject to this rule, it will be treated as a transfer in an arm's length transaction for the purpose of this paragraph.

(6) If an option to which this section applies is exercised in part and transferred in part, the rules of this paragraph shall be applied as if there were two options—one exercised and one transferred.

(7) Notwithstanding the other provisions of this paragraph, if this section is applicable because of a disqualifying disposition of stock acquired by the exercise of a restricted stock option, the taxable year of the employee for which he is required to include in his gross income the compensation resulting from such option is determined under section 421 (f) and paragraph (e) of § 1.421–5.

(e) *Basis.* (1) If an option to which this section applies is exercised by the person to whom it was granted, such person's basis for the property so acquired shall be increased by any amount that is includible in the gross income of the employee under paragraph (d) of this section. If such person transfers such property to a person whose basis is the same as the transferor's basis, such transferee's basis shall also reflect the adjustment made by this paragraph. However, if such property is transferred by either of such persons at death so that its basis is determined under section 1014, the basis so determined shall not be increased by reason of this paragraph.

(2) If an option to which this section applies is transferred in a transaction which is not at arm's length, the transferee who exercises the option shall increase his basis for the property so acquired by any amount that is includible in the gross income of the employee at the time such transferee acquires the property.

(3) If an option to which this section applies is transferred in a transaction which is at arm's length, the basis of the property acquired by an exercise of the option shall not be increased by reason of any amount that is includible in the gross income of the employee under this section.

(4) If an option to which this section applies has a readily ascertainable fair market value at the time it is granted, the basis of such option includes any amount includible in gross income of the employee under paragraph (c) of this section.

(f) *Deductions.* If the employer grants an option to which this section applies, the employer of the employee in connection with whose employment the option is granted is considered to have paid compensation to such employee at the same time and in the same amount as such employee is considered under paragraph (c) or (d) of this section to have realized compensation. The deductibility of the amount considered so paid is determined under section 162 or other provision of the Code which is applicable to such a payment. Whether such amount may be deducted in the taxable year considered so paid, or whether such amount is a capital expenditure which is not deductible or which may be amortized, depends upon the nature of the transaction involved and the facts and circumstances of each case. If this section is applicable because of a disqualifying disposition of stock acquired by the exercise of a restricted stock option, the employer's taxable year for which such compensation is deductible is determined under section 421(f) and paragraph (e) of § 1.421–5.

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[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Stock Options

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below 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