files a tariff for U.S. carriers exclusively or for foreign carriers exclusively, the agent will be treated just as its principals would be. But where a tariff is filed on behalf of U.S. carriers and foreign carriers jointly, the rule proposes that an agent must pay a filing fee for tariff matter or changes unless it certifies that the tariff matter or changes pertain only to foreign air carriers. Recognizing that tariff agents my incur work or expense in some cases in order to ascertain whether a tariff change is exempt or not, we propose in effect to give agents an option to pay the $1-per-page fee instead of seeking an exemption. Our tenative view is that the rule is the most equitable resolution of the problem.

Pan American and International Air Traffic Tariffs Corp. also ask the Board to eliminate filing fees for so-called "back-up" tariff pages.[2] Although petitioners say that backup pages do not contribute to the Board's cost of reviewing tariffs, the Board's staff does examine backup pages in some respects and thus incurs a cost. Moreover, the general $1-per-page tariff fee is an average figure which was derived by allocating one-quarter of direct costs against all filed tariff pages, including backup pages. If the Board had excluded backup pages from the computations used in deriving filing fees, it would have assigned more costs to other tariff pages and thus affected the basic $1 fee computation. The Board will therefore decline to propose the suggested rule.

*Proposed rules.* It is proposed to amend Part 389 of the Organization Regulations (14 CFR Part 389) to delete § 389.25 (k) and (p) and to substitute instead new § 389.25 (k), (p), and (q), reading as follows:

§ 389.25 **Schedule of filing and license fees.**

* * * * *

(k) *Free or reduced-rate authority, waiver of tariff regulations, and special tariff permission.* The filing fee for applications (1) under § 223.8 of this chapter for authority to furnish free or reduced-rate overseas or foreign air transportation (except an application filed at the request of a U.S. Government agency or a foreign government), (2) under § 221.200 of this chapter for waiver or modification of the provisions of Part 221 of this chapter with respect to the filing and posting of tariffs, or (3) for special tariff permission under § 221.133 or § 221.191 of this chapter, is $7. With respect to applications for waiver or special tariff permission, such fee does not apply to an application which a foreign air carrier files or which a tariff publishing agent files on behalf of foreign air carriers exclusively.

* * * * *

(p) *Tariffs issued by carriers.* (1) The filing fee for tariffs (including supplements and revised or additional original pages thereto) issued by an air carrier pursuant to sections 403 or 1003 of the Act is $1 per page. That fee is applicable notwithstanding that the tariff contains participating foreign air carriers, but it is not applicable to a blank looseleaf page unless it cancels matter on the preceding issue of the page.

(2) There shall be no filing fee for tariffs issued by a foreign air carrier notwithstanding that the tariff contains participating air carriers.

(q) *Tariffs issued by publishing agents.* The filing fee for tariffs (including supplements and revised or additional original pages thereto) issued by a publishing agent pursuant to section 403 or section 1003 of the Act is $1 per page subject to the following conditions:

(1) If the tariff is issued on behalf of one or more air carriers exclusively, the filing fee is applicable to any page.

(2) If the tariff is issued on behalf of one or more foreign air carriers exclusively, no filing fee is applicable to any page.

(3) If the tariff is issued on behalf of one or more air carriers and one or more foreign air carriers, the filing fee is applicable to any page except to a page which the issuing agent states in his accompanying letter of tariff transmittal contains only:

(i) Matters pertaining exclusively to foreign air carriers; or

(ii) Changes only in matter pertaining exclusively to foreign air carriers when included on the same page together with matter (other than matter pertaining exclusively to foreign air carriers) which is reissued without change.

(4) The filing fee is not applicable to a blank looseleaf page unless it cancels matter on the preceding issue of the page other than matter pertaining only to foreign air carriers exclusively.

(5) Where two pages are published back-to-back on the same leaf and one page is not subject to a fee pursuant to § 389.25(q)(3) and the page on the reverse side is issued without change (except for pagination, correction number, and issued and effective dates), no fee is applicable to the latter page.

(6) The filing fee is applicable to a looseleaf page containing a correction number check sheet unless all other pages of the tariff are exempt from filing fees.

[F.R. Doc. 68-8095; Filed, July 8, 1968; 8:48 a.m.]

[2] A "back-up" tariff page is the side of a tariff sheet which is reprinted without substantive change when a change is made on the other side.

# FEDERAL COMMUNICATIONS COMMISSION

## [ 47 CFR Part 73 ]

[Docket No. 18179]

## NONAVAILABILITY OF TELEVISION PROGRAMS PRODUCED BY NON-NETWORK SUPPLIERS

### Order Extending Time for Filing Comments and Reply Comments

1. This proceeding was instituted by notice of proposed rule making adopted and released May 8 and May 10, 1968, respectively, which set dates of July 8 and August 8, respectively, for comments and reply comments. Two groups—the National Association of Broadcasters (NAB) by petition filed June 14, and seven television film producers represented by the law firm of Phillips, Nizer, Benjamin, Krim, and Ballon in a petition filed June 26—seek a lengthy extension of the time for filing comments, to December 9, 1968, for initial comments and January 6 or January 9, 1969, for reply comments.[1]

2. NAB asserts in support of its request the need to gain information concerning the many and varied exclusivity arrangements now in use, to evaluate the information obtained (as to territory, duration, costs, etc.) in arriving at appropriate standards to recommend for adoption (referring to the observation in the notice that relatively little information is now available), and, in general, to acquire familiarity in this area. The pendency of the "copyright" case (pending at the time of the petition but since decided), in which a decision might furnish guidelines to be used in the present proceeding, is also cited as reason for extension. The film producers also refer to the need for gathering information in this new area (said not to be now readily available in the form set forth in the notice) and the need for careful consideration of complex problems in determining appropriate standards—all of which, it is said, will require considerable time on the part of the officers and employees of these suppliers.

3. The Commission recognizes the need for getting and evaluating a substantial amount of pertinent information in this area, and of careful consideration in formulating standards to be applied. Therefore a fairly long extension appears appropriate. However, it does not appear at this point that all of the time requested—which would be 7 months from the date of adoption of the notice—will be necessary, or that such a lengthy extension would be warranted. Accordingly, we are herein extending the time for 3 months, until October 8, 1968, for comments and November 8 for reply comments.

4. *Accordingly, it is ordered,* That the time for filing comments herein is extended to and including October 8, 1968, and the time for filing reply comments is extended to and including November 8, 1968; and the petitions for extension of time filed by National Association of Broadcasters on June 14, 1968, and various program producers on June 26, 1968, are granted to that extent and in all other respects are denied. Authority for this action is found in sections 4(i) and 303(r) of the Communications Act of

[1] Other parties have also filed requests for extension of time, for lesser periods, all of which are in effect granted by the present action.

1934, as amended, and § 0.281(d)(8) of the Commission's rules.

Adopted: June 27, 1968.

Released: July 2, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] JAMES O. JUNTILLA,
*Acting Chief, Broadcast Bureau.*

[F.R. Doc. 68-8101; Filed, July 8, 1968; 8:49 a.m.]

# DEPARTMENT OF THE TREASURY

## Internal Revenue Service

## [ 26 CFR Part 1 ]

## INCOME TAX

## Notice of Proposed Rule Making

Notice is hereby given 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 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 30 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 30-day period. In such 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 sections 1502 and 7805 of the Internal Revenue Code of 1954 (68A Stat. 367, 917; 26 U.S.C. 1502, 7805).

[SEAL] SHELDON S. COHEN,
*Commissioner of Internal Revenue.*

In order to provide rules for application of the tax on accumulated earnings imposed by section 531 of the Internal Revenue Code, and to make other changes, the Income Tax Regulations (26 CFR Part 1) are amended as follows:

PARAGRAPH 1. Section 1.531-1 is amended to read as follows:

### § 1.531-1 Imposition of tax.

Section 531 imposes (in addition to the other taxes imposed upon corporations by chapter 1 of the Code) a graduated tax on the accumulated taxable income of every corporation described in section 532 and § 1.532-1. In the case of an affiliated group which makes, or is required to make, a consolidated return, see the regulations under section 1502. All of the taxes on corporations under chapter 1 of the Code are treated as one tax for purposes of assessment, collection, payment, period of limitations, etc. See section 535 and §§ 1.535-1, 1.535-2, and 1.535-3 for the definition and determination of accumulated taxable income.

PAR. 2. Section 1.532-1(a) is amended by adding a new subparagraph (3) to read as follows:

### § 1.532-1 Corporations subject to accumulated earnings tax.

(a) *General rule.* * * *

(3) See § 1.533-1(a)(3) for cases where a subsidiary corporation is deemed to have been availed of for the purpose of avoiding the income tax with respect to the shareholders of its parent corporation when the parent relies on the underlying value of its investment in the subsidiary to obtain funds for nondividend distributions to its shareholders.

* * * * *

PAR. 3. Section 1.533-1(a) is amended by adding a new subparagraph (3) to read as follows:

### § 1.533-1 Evidence of purpose to avoid income tax.

(a) *In general.* * * *

(3) (i) If one corporation (hereinafter referred to as the "parent") owns, directly or indirectly, the stock of another corporation (hereinafter referred to as the "subsidiary"), the earnings and profits of the subsidiary may provide, directly or indirectly, the principal source of funds for distributions by the parent to its shareholders. Normally, the subsidiary will distribute its earnings and profits to the parent, which in turn will make distributions to its shareholders that are treated as dividends under section 301(c)(1). However, in some cases the parent may rely upon the underlying value of its investment in the subsidiary to obtain funds for distributions to its shareholders, rather than cause the subsidiary to distribute its earnings and profits. If this occurs, the subsidiary will be deemed to have been availed of for the purpose of avoiding the income tax with respect to shareholders of the parent (including a parent whose outstanding stock is traded on a stock exchange or in an over-the-counter market), if—

(*a*) Part or all of the distribution by the parent is treated by its shareholders in the manner provided in section 301 (c) (2) or (3), and

(*b*) Such distribution would have been treated as provided in section 301 (c)(1) if the subsidiary had distributed its earnings and profits to the parent.

(ii) All the circumstances which might be construed as evidence that the parent has relied upon the underlying value of its investment in the subsidiary to obtain funds for distributions to its shareholders cannot be outlined, but the following factors, among others, will be considered as evidence of such reliance:

(*a*) The parent borrows money and secures the loan with stock or securities of the subsidiary;

(*b*) The parent borrows money and the loan agreement contains conditions relating to the earnings or net assets of the subsidiary;

(*c*) The parent borrows money and under the loan agreement the subsidiary is required to maintain bank balances related to the amount borrowed; or

(*d*) Stock or securities are issued for money or property by the parent, the value of which stock or securities is based in part on the underlying asset value of the subsidiary.

(iii) In the case of an affiliated group of corporations which files or is required to file a consolidated return, see § 1.1502-43 for inapplicability of this subparagraph where the tax imposed by section 531 is based on consolidated accumulated taxable income because of an election under § 1.1502-33(c)(4)(iii) to adjust earnings and profits to reflect increases or decreases in a member's basis or excess loss account for the stock of a subsidiary.

(iv) The application of this subparagraph may be illustrated by the following examples:

*Example (1).* (a) P Corporation, a publicly held corporation, owns all the capital stock of S Corporation. P and S file separate returns for the calendar year 1967. P has no earnings and profits for 1967 and had a deficit in accumulated earnings and profits as of December 31, 1966. S has earnings and profits of $100,000 for 1967 and has accumulated earnings and profits as of December 31, 1966. A cash distribution to the shareholders of P in the amount of $25,000 is made in 1967.

(b) If during 1967 S distributes $25,000 to P, and P in turn distributes $25,000 to its shareholders and this amount is treated as a dividend under section 301(c)(1), S will not be deemed under this subparagraph to have been availed of to avoid the income tax on the shareholders of P.

(c) If P relies upon the underlying value of its investment in S to obtain funds for the distribution to its shareholders rather than obtaining such funds by causing S to distribute its earnings and profits (for example, if P borrows $25,000 from a bank and secures the loan with the capital stock of S) and if such distribution to the P shareholders is not treated as a dividend under section 301(c)(1), S will be deemed to have been availed of for the purpose of avoiding the income tax on the shareholders of P.

*Example (2).* (a) P Corporation owns all the capital stock of S Corporation. P conducts a business, as well as providing certain administrative services to S. P and S file separate returns for the calendar year 1967. P has a loss of $10,000 for 1967 and had a deficit in accumulated earnings and profits as of December 31, 1966. S has earnings and profits of $100,000 for 1967 and had accumulated earnings and profits as of December 31, 1966. No intercompany distributions are made in 1967. A cash distribution to the shareholders of P in the amount of $25,000 is made in 1967. P obtains the funds for this distribution by the sale of assets for $25,000 on which it does not realize any gain or loss.

(b) This subparagraph does not apply because P did not obtain funds for the distribution to its shareholders by relying upon the underlying value of its investment in S.

(v) This subparagraph shall apply only for taxable years beginning after July 9, 1968.

* * * * *

PAR. 4. Section 1.535-1(a) is amended to read as follows:

§ 1.535-1 **Definition.**

(a) The accumulated earnings tax is imposed by section 531 on the accumulated taxable income. Accumulated taxable income is the taxable income of the corporation with the adjustments prescribed by section 535(b) and § 1.535-2, minus the sum of the dividends paid deduction and the accumulated earnings credit. See section 561 and the regulations thereunder, relating to the definition of the deduction for dividends paid, and section 535(c) and § 1.535-3, relating to the accumulated earnings credit.

* * * * *

PAR. 5. Section 1.535-3 is amended by revising paragraph (a) and by adding a new subdivision (iii) to paragraph (b) (1). These revised and added provisions read as follows:

§ 1.535-3 **Accumulated earnings credit.**

(a) *In general.* As provided in section 535(a) and § 1.535-1, the accumulated earnings credit, provided by section 535(c), reduces taxable income in computing accumulated taxable income. In the case of a corporation, not a mere holding or investment company, the accumulated earnings credit is determined as provided in paragraph (b) of this section and, in the case of a holding or investment company, as provided in paragraph (c) of this section.

(b) *Corporation which is not a mere holding or investment company*—(1) *General rule.* * * *

(iii) In a case to which subparagraph (3) of § 1.533-1(a) applies, that is, a case in which a parent relies upon the underlying value of its investment in a subsidiary to obtain funds for non-dividend distributions to its shareholders, there is a presumption that all or a part of the subsidiary's earnings and profits for the taxable year are not retained for the reasonable needs of the business. The amount to which the presumption applies is an amount equal to the sum of the distributions to the parent's shareholders during the taxable year which are treated as provided in section 301(c) (2) or (3). The burden of overcoming such presumption and showing that earnings and profits have been retained for the reasonable needs of the business is on the taxpayer.

* * * * *

PAR. 6. Paragraph (d) of § 1.1502-2 is revised to read as follows:

§ 1.1502-2 **Computation of tax liability.**

* * * * *

(d) If paragraph (b) of this section does not apply, the tax imposed by section 531 on the consolidated accumulated taxable income (see § 1.1502-43), or the aggregate of the taxes imposed by section 531 on the separate accumulated taxable income of those members that are formed or availed of for the purpose set forth in section 532 (see § 1.1502-47);

* * * * *

PAR. 7. Subdivisions (i), (ii), and (iii) of § 1.1502-33(c)(4) are revised to read as follows:

§ 1.1502-33 **Earnings and profits.**

* * * * *

(c) *Stock and obligations.* * * *

(4) *Investment adjustment*—(i) *Taxable years beginning before January 1, 1976.* Except as provided in subdivision (iii) of this subparagraph, for taxable years beginning before January 1, 1976—

(*a*) Adjustments made by a member under § 1.1502-32 (e) (1) and (2), and (g) shall not be reflected in the earnings and profits of such member.

(*b*) For purposes of computing the earnings and profits of a member on the disposition of stock of a subsidiary, the adjusted basis of such stock shall be—

(*1*) The adjusted basis determined without regard to adjustments under § 1.1502-32 (e) (1) and (2), and (g), plus

(*2*) The amount of any excess loss account includible in income by such member under § 1.1502-19(a) on such disposition.

(ii) *Taxable years beginning after December 31, 1975.* For taxable years beginning after December 31, 1975—

(*a*) There shall be reflected in the earnings and profits of each member for a taxable year an amount equal to any increase or decrease for such taxable year pursuant to § 1.1502-32 (e) (1) and (2), and (g) in such member's basis or excess loss account for its stock in a subsidiary.

(*b*) For purposes of computing the earnings and profits of a member on the disposition of stock of a subsidiary, the adjusted basis of such stock shall be determined by taking into account any adjustments under § 1.1502-32 (e) (1) and (2), and (g).

(*c*) If subdivision (i) of this subparagraph applies for one or more taxable years before this subdivision applies—

(*1*) Adjustments shall be made to the extent necessary to prevent duplication or omission of items of earnings and profits. For example, basis shall be determined under (*b*) of this subdivision by taking into account adjustments under § 1.1502-32 (e) (1) and (2), and (g) only for years for which this subdivision applies.

(*2*) The negative adjustment applicable under § 1.1502-32 (b)(2)(iii)(*a*) or (c)(2)(i) to distributions made in years for which this subdivision applies out of earnings and profits accumulated in years for which this subdivision did not apply shall be eliminated in computing earnings and profits and in determining adjusted basis for purposes of computing earnings and profits on the disposition of the subsidiary's stock.

(iii) *Election to adjust currently.* For any taxable year beginning before January 1, 1976, the group may elect to apply the provisions of subdivision (ii) of this subparagraph. Such election shall be made by submitting a statement, on or before the due date (including any extensions of time) of the consolidated return for the first taxable year for which the election is to apply, to the internal revenue officer with whom the group files such return. However, such election may be made for any taxable year beginning after December 31, 1965, within 60 days after (insert date on which the regulations proposed on Feb. 15, 1968 (33 F.R. 2997) are published in final form in the FEDERAL REGISTER), if it is made in conjunction with an election under paragraph (d) of this section. If an election is made under this subdivision for any taxable year, it may not thereafter be revoked and shall apply for all subsequent taxable years beginning before January 1, 1976.

* * * * *

PAR. 8. Immediately after § 1.1502-42 there is added the following:

§ 1.1502-43 **Accumulated earnings tax on a consolidated basis.**

(a) *General rule.* (1) Except as provided in subparagraph (2) of this paragraph, the application of the tax imposed by section 531 shall be on a consolidated basis. In such case the tax imposed by section 531 shall be applied with respect to any group (other than a group that is a personal holding company under section 542) that is formed or availed of for the purpose of avoiding the income tax with respect to the shareholders of any member of the group, or the shareholders of any other corporation, by permitting earnings and profits to accumulate instead of being divided or distributed. If it is determined that a group is so formed or availed of, the tax imposed by section 531 shall be imposed on the consolidated accumulated taxable income (as defined in § 1.1502-44).

(2) This section shall not apply for taxable years beginning after July 9, 1968, and before January 1, 1976, unless the group elects under paragraph (c)(4)(iii) of § 1.1502-33 to adjust earnings and profits to reflect increases or decreases in a member's basis or excess loss account for the stock of a subsidiary. If such election is not made, see § 1.1502-47.

(b) *Evidence of purpose to avoid income tax.* (1) The fact that the earnings and profits of the group are permitted to accumulate beyond the reasonable needs of the business of the group shall be determinative of the purpose to avoid the income tax with respect to shareholders, unless the group by the preponderance of the evidence shall prove to the contrary. For purposes of the preceding sentence, the earnings and profits of the group shall be the aggregate of the earnings and profits of corporations that are members at the close of the taxable year, determined in accordance with § 1.1502-33, other than the earnings and profits of members that are subject to the tax imposed by section 541 on separate undistributed personal holding company income for the taxable year.

(2) The fact that the group is a mere holding or investment group shall be prima facie evidence of the purpose to avoid the income tax with respect to shareholders.

(c) *Reasonable needs of the business.* The reasonable needs of the business of the group shall include the reasonable needs of the business of any corporation that is a member of the group at the close of the taxable year, other than a corporation that is subject to the tax imposed by section 541 on separate undistributed personal holding company income for the taxable year. Thus, the earnings and profits of one member of the group may be accumulated with respect to the reasonable business needs of another member of the group. If under the rules of paragraph (b) of § 1.537–3 the business of a corporation that is not a member of the group is considered the business of a member, then the earnings and profits of any member may be accumulated with respect to such nonmember corporation's reasonable business needs.

(d) *Burden of proof.* For purposes of section 534(a)—

(1) The notification described in section 534(b) informing the group that the proposed notice of deficiency includes an amount with respect to the accumulated earnings tax imposed by section 531 shall be mailed to the common parent corporation, and

(2) The statement described in section 534(c) shall be submitted by the common parent corporation.

§ 1.1502–44 **Consolidated accumulated taxable income.**

(a) *In general.* For purposes of the computation of the tax liability under § 1.1502–3, "consolidated accumulated taxable income" means the consolidated taxable income of the group (determined without regard to § 1.1502–15) adjusted in the manner provided in paragraph (b) of this section, minus the sum of—(1) the consolidated dividends paid deduction determined under § 1.1502–45, and (2) the consolidated accumulated earnings credit determined under § 1.1502–46. If any member of the group is subject to the tax imposed by section 541 on separate undistributed personal holding company income for the taxable year, then the consolidated taxable income and the adjustments (under paragraph (b) of this section) to consolidated taxable income shall be computed by excluding the items of income and deduction of such member and by including dividends distributed by such member to another member (other than a member that is subject to the tax imposed by section 541 on separate undistributed personal holding company income).

(b) *Adjustments to consolidated taxable income.* As required by section 535(b), the consolidated taxable income is adjusted as follows:

(1) *Consolidated taxes.* Under section 535(b)(1), there shall be allowed as a deduction—

(i) The amount of the consolidated tax liability (determined under § 1.1502–2, but without regard to paragraphs (b) through (d) of such section) accrued during the taxable year, and

(ii) The taxes deductible under paragraph (a)(2) of § 1.535–2.

(2) *Consolidated charitable contributions.* In lieu of the consolidated charitable contributions deduction provided by § 1.1502–24, there shall be allowed the aggregate charitable contributions of the members of the group allowable under section 170, determined without regard to section 170(b)(2). For this purpose, any excess of the amount of the charitable contributions made in a prior taxable year over the amount allowed as a deduction under section 170 for such year shall not be allowed as a deduction from consolidated taxable income in computing consolidated accumulated taxable income for the taxable year.

(3) *Special deductions disallowed.* Under section 535(b)(3), the deductions provided in section 242 and §§ 1.1502–26 and 1.1502–27 shall not be allowed.

(4) *Net operating loss deduction disallowed.* Under section 535(b)(4), the consolidated net operating loss deduction determined under § 1.1502–21 shall not be allowed.

(5) *Capital losses.* Under section 535(b)(5), there shall be allowed as a deduction the consolidated net capital loss, determined under paragraph (a) of § 1.1502–22.

(6) *Long-term capital gains.* Under section 535(b)(6), there shall be allowed as a deduction the excess of the consolidated net long-term capital gain (determined under paragraph (a) of § 1.1502–41) over the consolidated net short-term capital loss (determined under paragraph (b) of § 1.1502–41, but without regard to the consolidated net capital loss carryovers to the taxable year), minus the taxes attributable to such excess.

(7) *Capital loss carryovers.* Under section 535(b)(7), the consolidated net capital loss carryovers (determined under paragraph (b) of § 1.1502–22) shall not be allowed.

(8) *Bank affiliates.* Under section 535(b)(8), there shall be allowed the aggregate deductions of the several members of the group under section 601. For purposes of the determination of the amount of earnings and profits devoted by a member of the group during the year to the acquisition of readily marketable assets other than bank stock, there shall be disregarded earnings and profits devoted to the acquisition of assets, directly or indirectly, from another member of the group. For purposes of the taxable income limitation in section 601, the taxable income of a member of the group shall be determined under § 1.1502–12 (without regard to the deduction under section 242), adjusted for the following items taken into account in the computation of consolidated taxable income:

(i) The portion of the consolidated net operating loss deduction, the consolidated charitable contributions deduction, and the consolidated section 922 deduction attributable to such member;

(ii) Such member's net capital gain (determined without regard to any net capital loss carryover attributable to such member);

(iii) Such member's net capital loss and section 1231 net loss, reduced by the portion of the consolidated net capital loss attributable to such member; and

(iv) The portion of any consolidated net capital loss carryover attributable to such member that is absorbed in the taxable year.

§ 1.1502–45 **Consolidated dividends paid deduction.**

(a) *General rule.* The consolidated dividends paid deduction shall be the sum of—

(1) The aggregate deductions of the several members of the group under section 561(a) (1) and (2), and

(2) In the case of a group computing its tax liability under paragraph (b) of § 1.1502–2, the consolidated dividend carryover.

(b) *Special rules.* (1) The deductions allowable under section 561(a) (1) and (2) to the members of the group with respect to dividends shall be determined without regard to any deductions attributable to dividends paid, or considered as paid, to other members of the group.

(2) In the case of a group computing its section 531 tax liability on a consolidated basis under § 1.1502–43, the deductions allowable to the members of the group under section 561(a) (1) and (2) shall be determined without regard to any deductions attributable to dividends paid, or considered as paid, by members that are subject to the tax imposed by section 541 on separate undistributed personal holding company income.

§ 1.1502–46 **Consolidated accumulated earnings credit.**

(a) *In general.* As provided in paragraph (a) of § 1.1502–44, the consolidated accumulated earnings credit is subtracted from the consolidated taxable income in computing consolidated accumulated taxable income. In the case of a group that is not a mere holding or investment group, the consolidated accumulated earnings credit shall be determined as provided in paragraph (b) of this section. In the case of a mere holding or investment group, the consolidated accumulated earnings credit shall be determined as provided in paragraph (c) of this section.

(b) *Group that is not a mere holding or investment group*—(1) *General rule.* In the case of a group that is not a mere holding or investment group, the consolidated accumulated earnings credit shall be the greater of the two following amounts:

(i) The excess (if any) of such part of the earnings and profits of the group for the taxable year that are retained for the reasonable needs of the business of the group, over the long-term capital gains deduction under paragraph (b)(6) of § 1.1502–44, or

(ii) The amount by which $100,000 exceeds the aggregate of the accumulated earnings and profits at the close of the preceding taxable year of the corporations that are members of the group at the close of the current taxable year, other than corporations that are subject to the tax imposed by section 541 on separate undistributed personal holding company income for the taxable year.

(2) *Special rules.* (i) For purposes of subparagraph (1) (i) of this paragraph—

(*a*) The terms "earnings and profits of the group" and "reasonable needs of the business of the group" shall have the meanings assigned to such terms under paragraphs (b) (1) and (c) of § 1.1502–43, and

(*b*) The amount of the earnings and profits of the group for the taxable year that are retained shall be the amount by which such earnings and profits exceed the consolidated dividends paid deduction for the taxable year (determined under § 1.1502–45).

(ii) For purposes of subparagraph (1) (ii) of this paragraph, the earnings and profits of members accumulated at the close of the preceding taxable year shall be reduced by any dividends paid after the close of such taxable year that are considered paid during such taxable year under section 563(a).

(c) *Holding and investment groups.* In the case of a group that is a mere holding or investment group, the consolidated accumulated earnings credit shall be the amount by which $100,000 exceeds the aggregate of the accumulated earnings and profits at the close of the preceding taxable year of corporations that are members of the group at the close of the current taxable year, other than corporations that are subject to the tax imposed by section 541 on separate undistributed personal holding company income for the taxable year. For purposes of the preceding sentence, the earnings and profits of members accumulated at the close of the preceding taxable year shall be reduced by any dividends paid after the close of such taxable year under section 563(a).

**§ 1.1502–47 Accumulated earnings tax on separate basis.**

(a) *In general.* (1) For taxable years beginning after July 9, 1968, and before January 1, 1976, if the group does not elect under paragraph (c) (4) (iii) of § 1.1502–33 to adjust earnings and profits to reflect increases or decreases in a member's basis or excess loss account for the stock of a subsidiary, then the tax imposed by section 531 shall apply to the separate accumulated taxable income of each member (other than a member that is subject to the tax imposed by section 541 on separate undistributed personal holding company income) that is formed or availed of for the purpose set forth in section 532. For this purpose, the separate accumulated taxable income of any member of the group shall be the separate taxable income of such member (determined in accordance with subparagraph (2) of this paragraph) adjusted in the manner provided in section 535(b), minus the dividends paid deduction as defined in section 561 and the accumulated earnings credit as defined in section 535(c). For purposes of the computation of the dividends paid deduction, a distribution by one member to another member shall be considered as a dividend if such distribution would constitute a dividend under the provisions of section 562 to a recipient that is not a member of the group.

(2) For purposes of this section, the separate taxable income of a member shall be determined under § 1.1502–12, except that—

(i) Dividend distributions from another member of the group shall not be eliminated,

(ii) Paragraph (b) of § 1.1502–12 shall not apply, and

(iii) There shall be taken into account the following items:

(*a*) Such member's net capital gain (determined without regard to any net capital loss carryover attributable to such member);

(*b*) Such member's net capital loss and section 1231 net loss, reduced by the portion of the consolidated net capital loss attributable to such member; and

(*c*) That portion of the consolidated section 922 deduction that is attributable to such member.

(b) *Special rules.* (1) A member's deduction for taxes under section 535(b) (1) shall include that portion of the consolidated tax liability of the group (as determined under § 1.1502–2, but without regard to paragraphs (b) through (d) of such section) accrued during the taxable year that is allocated to such member pursuant to section 1552 (and paragraph (d) of § 1.1502–33, if applicable).

(2) In determining the deduction described in section 535(b) (6), the taxes attributable to the excess of the member's net long-term capital gain over its net short-term capital loss shall be the difference between—

(i) The taxes imposed by subtitle A of the Code (except the tax imposed by section 531) for the taxable year with respect to the group, and

(ii) Such taxes computed for such year without including such excess in taxable income.

(3) In determining the deduction described in section 535(b) (8), the term "taxable income" as used in section 601 shall be the separate taxable income (determined in accordance with paragraph (a) (2) of this section but without regard to any deduction under section 242), minus—(i) the portion of the consolidated net operating loss deduction and the consolidated charitable contributions deduction attributable to the member, and (ii) the portion of any consolidated net capital loss carryover attributable to such member that is absorbed in the taxable year.

**§§ 1.1502–48 to 1.1502–74 [Reserved]**

[F.R. Doc. 68-8094; Filed, July 8, 1968; 8:48 a.m.]

# DEPARTMENT OF JUSTICE

## Bureau of Narcotics and Dangerous Drugs

## [ 21 CFR Part 166 ]

## DEPRESSANT AND STIMULANT DRUGS

### Proposed Listing of Synthesized Tetrahydrocannabinols as Subject to Control

The Bureau of Narcotics and Dangerous Drugs has recommended, on the basis of its investigations and the recommendations of an advisory committee appointed pursuant to section 511(g) (1) of the Federal Food, Drug, and Cosmetic Act, that the drugs set forth below be listed as "depressant or stimulant" drugs within the meaning of section 201(v) of the Act because of their hallucinogenic effect. Having considered such recommendations, pursuant to the provisions of the Act (secs. 201(v), 511, 701, 52 Stat. 1055, as amended, 79 Stat. 227 et seq.; 21 U.S.C. 321(v), 360a, 371) and under the authority vested in the Attorney General by Reorganization Plan No. 1 of 1968 (33 F.R. 5611), it is proposed that § 166.3(c) (3) be amended by alphabetically inserting in the list of drugs a new item, as follows:

**§ 166.3 Listing of drugs defined in section 201 (v) of the Act.**

* * * * *

(c) * * *

(3) * * *

Synthetic equivalents of the substances contained in the plant, or in the resinous extractives of *Cannabis* sp. and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity such as the following:

$\Delta^{1}$ cis or trans tetrahydrocannabinol, and their optical isomers,

$\Delta^{6}$ cis or trans tetrahydrocannabinol, and their optical isomers,

$\Delta^{3,4}$ tetrahydrocannabinol, and its optical isomers.

(Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions are covered)

* * * * *

All interested persons are invited to submit their views in writing regarding this proposal. Comments concerning any additional trade or other names that may be properly listed for the subject drugs are also invited. Views and comments should be submitted, preferably in quintuplicate, addressed to the Office of Chief Counsel, Bureau of Narcotics and Dangerous Drugs, Department of Justice, Room 613, 633 Indiana Avenue, Washington, D.C. 20226, within 30 days following the date of publication of this notice in the FEDERAL REGISTER, and may be accompanied by a memorandum or brief in support thereof.

Dated: July 6, 1968.

RAMSEY CLARK,
*Attorney General.*

[F.R. Doc. 68-8189; Filed, July 8, 1968; 11:51 a.m.]

# Notices

## DEPARTMENT OF THE TREASURY

### Bureau of Customs

[Countervailing Duties—ATS 644]

### MERCHANDISE FROM FRANCE

### Notice of Countervailing Duty Proceedings

Information has been received which appears to indicate that certain measures adopted by the Government of France in Decree No. 68-581, dated June 29, 1968 (English translation set forth below as Appendix A), with respect to the exportation of merchandise from France constitute the payment or bestowal of a bounty or grant, directly or indirectly, within the meaning of section 303 of the Tariff Act of 1930 (19 U.S.C. 1303), upon the manufacture, production, or exportation of the merchandise to which the measures apply.

After the expiration of the time limits set forth in this notice, a determination will be made whether a bounty or grant is being paid or bestowed in connection with any such manufacture, production, or export. If it is determined that a bounty or grant is being paid or bestowed, an appropriate countervailing duty order will be issued and published in accordance with § 16.24 of the Customs Regulations (19 CFR 16.24).

Before a determination is made consideration will be given to any relevant data, views, or arguments submitted in writing with respect to the existence or nonexistence, and the net amount, of a bounty or grant. Such submissions should be addressed to the Commissioner of Customs, 2100 K Street NW., Washington, D.C. 20226, in time to be received by his office not later than 30 days from the date of publication of this notice in the FEDERAL REGISTER. No hearing will be held.

This notice is published pursuant to § 16.24(d) of the Customs Regulations (19 CFR 16.24(d)).

[SEAL] LESTER D. JOHNSON,
*Commissioner of Customs.*

Approved: July 8, 1968.

JOSEPH M. BOWMAN,
*Assistant Secretary of the Treasury.*

APPENDIX A

Following Text Decree and two annexes published Journal Officiel No. 153, June 30, 1968, pages 6156–7:

Decree No. 68-581 of June 29, 1968, granting a special, temporary allowance to exporters.

Upon the recommendation of the Minister of the Economy and Finance:

In view of Decree No. 62-1587 of December 29, 1962, providing General Regulations for Government Accounting, particularly Article 104; in view of the Customs Code; in view of the General Tax Code,

The Prime Minister Decrees:

ARTICLE 1. A special, temporary allowance is hereby granted to exporters for exports made on a definitive basis.

ARTICLE 2. The following shall be excluded from the benefit of this allowance: Exports composed of the products appearing on the attached list in Annex I to this decree; exports composed of all products intended for the overseas departments and territories.

ARTICLE 3. The amount of the allowance pertaining to exports covered by an "Economic Risks" policy issued by the Compagnie Francaise d'Assurances pour le Commerce Exterieur, shall be deducted from the sum to be paid by that company at the time of payment of the claim due.

ARTICLE 4. (A) The period for which the allowance may be granted shall run from July 1, 1968 to January 31, 1969.

(B) For transactions carried out between July 1, 1968, and October 31, the allowance shall be granted at the full rate; from November 1 on, it shall be reduced by half.

(C) The date to be considered in granting the allowance shall be the date of the registration of the Export Customs Declaration.

ARTICLE 5. The allowance shall be computed in accordance with the following formula:

$$X:\frac{6}{100}\times\frac{E}{CA}(S\text{ plus}\frac{M}{3})$$

In which, for the month under consideration: X represents the amount of the allowance to be computed; 6 over 100 the base index at the full rate; E the value of the month's exports that may be considered in computing the allowance under the conditions laid down by this decree; CA the total sales of the concern for the month under consideration.

It is equal to the total appearing on line 38 of the return on Form CA3 filed by taxpayers in connection with the taxes on gross sales.

For concerns placed under the lump-sum system, CA represents one-twelfth of the lump-sum sales established for 1968, increased, should the case arise, by the total of the transactions not included in the lump-sum that were effected during the month under consideration. If the lump-sum is not yet established, CA represents one-twelfth of the sales for the year 1967 as shown on the return on Form 951 submitted in January 1968.

The total sales referred to in the two preceding subparagraphs shall be reduced by the total of the taxes on gross sales levied on the transactions effected on the domestic market.

In no case may the ratio $\frac{E}{CA}$ be greater than 1.

S: 27 times the amount of the tax on wages pertaining to the wages of the month under consideration.

M: The total, including taxes, of the purchases of all types of goods and services of French origin made on the domestic market and of the imports from overseas departments and territories.

ARTICLE 6. When the exports that can be considered in computing the allowance are composed of products on the list that constitutes Annex II of this decree, the allowance shall be computed by the following formula:

$$X:\frac{6}{100}\times\frac{E}{CA}(S)$$

The elements of which are determined as stated in Article 5 above.

ARTICLE 7. (A) The allowance shall be granted to the natural or juridical person shown on the Export Customs Declaration as being responsible for the repatriation of the foreign exchange covering the exportation.

(B) The value of the exports to be considered in applying the computation formulas defined in Articles 5 and 6 is composed of the total amount to be repatriated, after deducting, in case of a sale c.i.f. or f.o.b. destination or f.o.b. through customs, the expenses incurred outside France.

(C) When the natural or juridical person responsible for the repatriation is not the manufacturer of the product exported but a commission agent or an exporting trader, or any other person acting in any capacity whatever in the marketing of the product exported, such person must transfer back to his supplier the amount of the allowance.

ARTICLE 8. (A) Any natural or juridical person who is to obtain the allowance must, to that end, deposit a monthly declaration, the form of which is fixed by an *Arrêté* of The Director General for Customs and Indirect Taxes.

(B) The transactions to be included on each monthly declaration are those for which an export declaration was filed with the customs authorities during the same month.

(C) The conditions under which exports listed on the monthly declaration must be substantiated are fixed by *Arrêté* of The Director General for Customs and Indirect Taxes.

ARTICLE 9. Export transactions whose monthly total, computed by the formula set forth in Article 5 or in Article 6, as the case may be, does not amount to 250 francs, shall not entail payment of the allowance.

ARTICLE 10. The Bureau of Customs and indirect taxes shall be responsible for the payment of the allowances.

ARTICLE 11. False declarations or acts the purpose or effect of which is to obtain, in whole or in part, an allowance that is not due or is greater than the total resulting from the application of this decree shall fall within the purview of the customs code, particularly paragraph 4 of Article 426 thereof.

ARTICLE 12. The Minister of the Economy and Finance shall be responsible for enforcing this decree, which shall be published in the *Journal Officiel de la République Francaise.*

Done in Paris, June 29, 1968,
Georges Pompidou.

By the Prime Minister:
Maurice Couve de Murville,
Minister of the Economy and Finance.

ANNEX I

LIST OF PRODUCTS WHICH ARE EXCLUDED FROM THE BENEFITS OF THE EXPORT AID MEASURES

| *Customs tariff position* | *Description of the products* |
|---|---|
| Chapters 1 to 24 | All products listed in these chapters except those forming the subject of Annex II, which enjoy special aid measures. |
| Chapter 27 | Mineral fuels, mineral oils and products of their distillation, bituminous substances, mineral waxes. |

| Customs tariff position | Description of the products |
|---|---|
| 41-01 | Raw hides and skins (fresh, salted, dried, limed, or pickled), including sheepskins in the wool. |
| 54-01 | Raw flax; flax tow and waste. |
| Chapter 72 | Coin. |
| 89-04 | Ships, boats and other vessels for breaking up. |
| Chapter 99 | Works or art, collectors' pieces, and antiques. |
| Miscellaneous | Waste and debris of all sorts. |
| Ex Chapter 73 | Products to which the Treaty of April 18, 1951, establishing a European Coal and Steel Community applies, marked [with its French abbreviation] C.E.C.A. in column 2 of the Customs Tariffs on Imports. |

ANNEX II

LIST OF PRODUCTS THAT ARE ENTITLED TO THE ALLOWANCE UNDER THE CONDITIONS SPECIFIED IN ARTICLE 6 OF THE DECREE

| Customs tariff position | Description of the products |
|---|---|
| 07-02 | Vegetables (whether or not cooked), preserved by freezing. |
| 07-03 | Vegetables preserved in brine, in sulphur water or in other substances. |
| 07-04 | Dried, dehydrated or evaporated vegetables. |
| 08-10 | Fruit (whether or not cooked), preserved by freezing, not containing added sugar. |
| 08-11 | Fruit provisionally preserved but unsuitable for consumption as it is. |
| 08-12 | Fruit, dried, other than that falling within heading No. 08-01 to 08-05 inclusive. |
| 13-03 | Vegetable saps and extracts; pectic substances, pectinates and pectates, agar-agar and other mucilages and thickeners derived from vegetable materials. |
| 15-07 | Fixed vegetable oils, fluid or solid, crude, refined or purified. |
| Chapter 16 | Preparations of meat, of fish, or crustaceans, or molluscs. |
| 17-04 | Sugar confectionery, not containing cocoa. |
| 18-06 | Chocolate and other food preparations containing cocoa. |
| Chapter 19 | Preparations of cereals, flour or starch, pastry-cooks' products. |
| Chapter 20 | Preparations of vegetables, fruit, or other parts of plants. |
| Chapter 21 | Miscellaneous edible preparations. |
| 22-01 | Waters, including SPA waters and aerated waters. |
| 22-02 | Lemonade, flavored aerated waters and other nonalcoholic beverages, not including fruit and vegetable juices falling within heading No. 20-07. |
| 22-03 | Beer made from malt. |
| 22-06 | Vermouths and wines of fresh grapes flavored with aromatic extracts. |
| 22-10 | Vinegar and substitutes for vinegar. |
| 23-07 | Sweetened forage; other preparations of a kind used in animal feeding. |
| Chapter 71 | All products in this chapter with the exception of those listed under the following positions:<br>71-3. Synthetic or reconstructed precious or semiprecious stones.<br>71-15BII. Articles consisting of, or incorporating precious or semiprecious stones (natural, synthetic, or reconstructed).<br>Others:<br>71-16. Imitation jewelry, which benefits from the aid under the conditions laid down in article 8 of the decree. |

[F.R. Doc. 68-8183; Filed, July 8, 1968; 10:04 a.m.]

## Comptroller of the Currency

### INSURED BANKS

#### Joint Call for Report of Condition

CROSS REFERENCE: For a document relating to a joint call for report of condition of insured banks, see F.R. Doc. 68-8088, Federal Deposit Insurance Corporation, *infra*.

## Office of Foreign Assets Control

### ALMOND JELLY, CANNED

#### Importation Directly From Taiwan (Formosa); Available Certifications

Notice is hereby given that certificates of origin issued by the Ministry of Economic Affairs of the Republic of China under procedures agreed upon between that government and the Office of Foreign Assets Control in connection with the Foreign Assets Control Regulations are now available with respect to the importation into the United States directly, or on a through bill of lading, from Taiwan (Formosa) of the following additional commodity:

Almond jelly, canned.

[SEAL] MARGARET W. SCHWARTZ,
*Director, Foreign Assets Control.*

[F.R. Doc. 68-8093; Filed, July 8, 1968; 8:48 a.m.]

# DEPARTMENT OF AGRICULTURE

## Agricultural Stabilization and Conservation Service

### DOMESTIC BEET SUGAR PRODUCING AREA

#### 1969-Crop Proportionate Shares; Notice of Hearing

Notice is hereby given that the Secretary of Agriculture, acting pursuant to the Sugar Act of 1948, as amended, will conduct a hearing to receive the views and recommendations of interested persons on the need for establishing proportionate shares (farm acreage allotments) for the 1969 crop of sugar beets in the Domestic Beet Sugar Area.

In accordance with the provisions of paragraph (1), subsection (b) of section 302 of the Sugar Act of 1948, as amended (7 U.S.C. 1132(b)), the Secretary must determine for each crop year whether the production of sugar from any crop of sugar beets will, in the absence of proportionate shares, be greater than the quantity needed to enable the area to meet its quota and provide a normal carryover inventory, as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar from such crop normally would be marketed. Such determination may be made only after due notice and opportunity for an informal public hearing.

The hearing on this matter will be conducted in the Brown Palace Hotel, Denver, Colo., beginning at 10 a.m. on July 25, 1968.

Proportionate shares are not in effect for the current crop and were not in effect for the 1967 crop of sugar beets. Latest estimates indicate that sugar production from 1967 acreage of about 1,190,000 will total 2,700,000 short tons, raw value. Industry estimates indicate that 1968 crop acreage planted or to be planted will be somewhat higher than the March intentions of 1,414,000 acres.

Views and recommendations on the need for establishing proportionate shares may be presented orally at the hearing, preferably supported in writing by an original and two copies of the oral statement. Views and recommendations may also be submitted in writing (original and two copies) at the hearing or they may be mailed to the Director, Sugar Policy Staff, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250, postmarked not later than August 16, 1968.

Oral and written views proposing that proportionate shares be established for the 1969 crop should include recommendations as to the level of the national sugar beet acreage requirement and as to the details of a program. These would include such items as methods (formulae) of establishing State allocations, area allotments and farm bases, the level of set asides for new producers, appeals and adjustments.

All written submissions made pursuant to this notice will be made available for public inspection at such times and places in a manner convenient to the public business (7 CFR 1.27(b)).

Signed at Washington, D.C., on July 2, 1968.

H. D. GODFREY,
*Administrator, Agricultural Stabilization and Conservation Service.*

[F.R. Doc. 68-8104; Filed, July 8, 1968; 8:49 a.m.]

## Commodity Credit Corporation

## SALES OF CERTAIN COMMODITIES

### July Sales List

*Notice to buyers.* Pursuant to the policy of Commodity Credit Corporation issued October 12, 1954 (19 F.R. 6669), and subject to the conditions stated therein as well as herein, the commodities listed below are available for sale and, where noted, for redemption of payment-in-kind certificates on the price basis set forth.

The U.S. Department of Agriculture announced the prices at which CCC commodity holdings are available for sale beginning at 3 p.m., e.d.t., on June 28, 1968, and, subject to amendment, continuing until superseded by the August Monthly Sales List.

The following commodities are available: Cotton (upland and extra long staple), wheat, corn, oats, barley, rye, rice, grain sorghum, peanuts, tung oil, butter, cheese, and nonfat dry milk.

With the 1968 crop marketing year beginning July 1 for wheat, barley, oats, and rye, the July list includes formula minimum pricing for these commodities based on 1968 price-support loan rates. The beginning markups used in CCC minimum sales prices for these grains in-store have been adjusted to reflect changes in receiving rate under the Uniform Grain Storage Agreement.

Corn offerings for export are being resumed on a limited basis. This will involve only 1967 crop corn taken over under the price-support program starting about August 1, 1968, in the southeastern States where it is not feasible for CCC to continue storage of this grain.

Information on the availability of commodities stored in Commodity Credit Corporation bin sites may be obtained from ASCS State offices shown at the end of the sales list, and for commodities stored at other locations from ASCS commodity and grain offices also shown at the end of the list.

Corn, oats, barley, or grain sorghum, as determined by CCC, will be sold for unrestricted use for "Dealers' Certificates" issued under the emergency livestock feed program. Grain delivered against such certificates will be sold at the applicable current market price, determined by CCC.

In the following listing of commodities and sale prices or method of sales, "unrestricted use" applies to sales which permit either domestic or export use and "export" applies to sales which require export only. CCC reserves the right to determine the class, grade, quality, and available quantity of commodities listed for sale.

The CCC Monthly Sales List, which varies from month to month as additional commodities become available or commodities formerly available are dropped, is designed to aid in moving CCC's inventories into domestic or export use through regular commercial channels.

If it becomes necessary during the month to amend this list in any material way—such as by the removal or addition of a commodity in which there is general interest or by a significant change in price or method of sale—an announcement of the change will be sent to all persons currently receiving the list by mail from Washington. To be put on this mailing list, address: Director, Commodity Operations Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Interest rates per annum under the CCC Export Credit Sales Program (Announcement GSM-3 or 4) for July 1968 are 6 percent for U.S. bank obligations and 7 percent for foreign bank obligations. Commodities now eligible for financing under the CCC Export Credit Sales Program include oats, wheat, wheat flour, barley, bulgur, corn, cornmeal, grain sorghum, upland and extra long staple cotton, tobacco, cottonseed oil, soybean oil, dairy products, tallow, lard, and breeding cattle, and rye. Commodities purchased from CCC may be financed for export as private stocks under Announcement GSM-4.

Information on the CCC Export Credit Sales Program and on commodities available under Title I, Public Law 480, private trade agreements, and current information on interest rates and other phases of these programs may be obtained from the Office of the General Sales Manager, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250.

The following commodities are currently available for new and existing barter contracts: Oats, cotton (upland and extra long staple), and tobacco. Wheat and grain sorghum are also available under conditions noted in the individual commodity listings. In addition, free market stocks of corn, grain sorghum, barley, oats, wheat, and wheat flour, under Announcement PS-1; tobacco under Announcement PS-3; cottonseed oil and soybean oil under Announcement PS-2; and upland and extra long staple cotton under Announcement PS-4; are eligible for programing in connection with barter contracts covering procurement for Federal agencies that will reimburse CCC. (However, Hard Red Winter 13 percent protein or higher, Hard Red Spring 14 percent protein or higher, Durum wheats, and flour produced from these wheats may not be exported under Barter through west coast ports. Hard Red Winter 12.99 percent protein or less may be exported under Barter from the west coast only with benefit of the west coast payment rate or certificate cost applicable to Hard Red Winter "all proteins". Hard Red Winter 13 percent protein and higher may be exported under Barter from the gulf coast to any destination only with benefit of the gulf coast payment rate or certificate cost which applies to Hard Red Winter "all proteins".) Further information on private-stock commodities may be obtained from the Office of Barter and Stockpiling, Foreign Agricultural Service, USDA, Washington, D.C. 20250.

The CCC will entertain offers from responsible buyers for the purchase of any commodity on the current list. Offers accepted by CCC will be subject to the terms and conditions prescribed by the Corporation. These terms include payment by cash or irrevocable letter of credit before delivery of the commodity and the conditions require removal of the commodity from CCC stocks within a reasonable period of time. Where sales are for export, proof of exportation is also required, and the buyer is responsible for obtaining any required U.S. Government export permit or license. Purchase from CCC shall not constitute any assurance that any such permit or license will be granted by the issuing authority.

Applicable announcements containing all terms and conditions of sale will be furnished upon request. For easy reference a number of these announcements are identified by code number in following list. Interested persons are invited to communicate with the Agricultural Stabilization and Conservation Service, USDA, Washington, D.C. 20250, with respect to all commodities or—for specified commodities—with the designated ASCS commodity office.

Commodity Credit Corporation reserves the right to amend from time to time, any of its announcements. Such amendments shall be applicable to and be made a part of the sale contracts thereafter entered into.

CCC reserves the right to reject any or all offers placed with it for the purchase of commodities pursuant to such announcements.

CCC reserves the right to refuse to consider an offer, if CCC does not have adequate information of financial responsibility of the offerer to meet contract obligations of the type contemplated in this announcement. If a prospective offerer is in doubt as to whether CCC has adequate information with respect to his financial responsibility, he should either submit a financial statement to the office named in the invitation prior to making an offer, or communicate with such office to determine whether such a statement is desired in his case. When satisfactory financial responsibility has not been established, CCC reserves the right to consider an offer only upon submission by offerer of a certified or cashier's check, a bid bond, or other security, acceptable to CCC, assuring that if the offer is accepted, the offerer will comply with any provisions of the contract with respect to payment for the commodity and the furnishing of performance bond or other security acceptable to CCC.

Disposals and other handling of inventory items often result in small quantities at given locations or in qualities not up to specifications. These lots are offered by the appropriate ASCS office promptly upon appearance and therefore, generally, they do not appear in the Monthly Sales List.

On sales for which the buyer is required to submit proof to CCC of exportation, the buyer shall be regularly engaged in the business of buying or selling commodities and for this purpose shall maintain a bona fide business office in the United States, its territories or possessions and have a person, principal, or resident agent upon whom service of judicial process may be had.

Prospective buyers for export should note that generally, sales to U.S. Government agencies, with only minor exceptions will constitute domestic unrestricted use of the commodity.

Commodity Credit Corporation reserves the right, before making any sales, to define or limit export areas.

The Department of Commerce, Bureau of International Commerce, pursuant to regulations under the Export Control Act of 1949, prohibits the exportation or reexportation by anyone of any commodities under this program to Cuba, the Soviet Bloc, or Communist-controlled areas of the Far East including Communist China, North Korea, and the Communist-controlled area of Viet Nam except under validated license issued by the U.S. Department of Commerce, Bureau of International Commerce.

For all exportations, one of the destination control statements specified in Commerce Department Regulations (Comprehensive Export Schedule § 379.10(c)) is required to be placed on all copies of the shipper's export declaration, all copies of the bill of lading, and all copies of the commercial invoices. For additional information as to which destination control statement to use, the exporter should communicate with the Bureau of International Commerce or one of the field offices of the Department of Commerce.

Exporters should consult the applicable Commerce Department regulations for more detailed information if desired and for any changes that may be made therein.

SALES PRICE OR METHOD OF SALE

WHEAT, BULK

*Unrestricted use.*

A. *Storable.* All classes of wheat in CCC inventory are available for sale at market price but not below 115 percent of the 1968 price-support loan rate for the class, grade, and protein of the wheat plus the markup shown in C below applicable to the type of carrier involved.

B. *Nonstorable.* At not less than market price, as determined by CCC.

C. *Markup and examples (dollars per bushel in-store).*[1]

| Markup in-store received by— | | Examples |
|---|---|---|
| Truck | Rail or barge | |
| $0.04 | $0.01½ | Minneapolis—No. 1 DNS ($1.56) 115 percent +$0.01½; $1.81½.<br>Portland—No. 1 SW ($1.44) 115 percent +$0.01½; $1.67½.<br>Kansas City—No. 1 HRW ($1.44) 115 percent +$0.01½; $1.67½.<br>Chicago—No. 1 RW ($1.46) 115 percent +$0.01½; $1.69½. |

See footnotes at end of article.

*Export.*

A. CCC will sell limited quantities of Hard Red Winter and Hard Red Spring wheat at west coast ports at domestic market price levels for export under Announcement GR-345 (Revision IV, Oct. 30, 1967, as amended) as follows:

(1) Offers will be accepted subject to the purchasers' furnishing the Portland ASCS Branch Office with a Notice of Sale containing the same information (excluding the subsidy acceptance number) as required by exporters who wish to receive an export payment under GR-345. The Notice of Sale must be furnished to the Commodity Office within 5 calendar days after the date of purchase.

(2) Sales will be made only to fill dollar market sales abroad and exporter must show export from the west coast to a destination west of the 170th meridian, west longitude, and east of the 60th meridian, east longitude, and to countries on the west coast of Central and South America.

B. CCC will sell wheat for export under Announcement GR-261 (Revision II, Jan. 9, 1961, as amended and supplemented) subject to the following:

(1) All classes will be sold subject to offers which include the price at which the buyer proposes to purchase the wheat.

(2) All classes will be sold to fill dollar market sales abroad and exporter must show export from the west coast to a destination within the geographical limitation shown in A(2) above.

(3) All classes will be sold for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966. However, CCC-owned wheat will not be sold for barter at west coast ports.

C. Announcement GR-262 (Revision II, Jan. 9, 1961, as amended) for export as flour as follows: All classes will be sold for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966. However, sales for barter will not be made at west coast ports.

D. CCC will not sell wheat under Announcement GR-346 until further notice.

*Available.* Chicago, Kansas City, Minneapolis, and Portland ASCS offices.

CORN, BULK

*Unrestricted use.*

A. *Redemption of domestic payment-in-kind certificates.* Such CCC dispositions of corn as CCC may designate will be in redemption of certificates or rights represented by pooled certificates under a feed grain program. The price at which corn shall be valued for such dispositions shall be the market price as determined by CCC, but not less than 115 percent of the applicable 1967 price-support loan rate[2] for the class, grade, and quality of the corn plus the markup shown in C of this unrestricted use section.

B. *General sales.*

1. *Storable.* Such CCC dispositions of storable corn as CCC may designate as general sales will be made during the month at market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula minimum price for such sales which is 105 percent of the applicable 1967 price-support rate[2] (published loan rate plus 19 cents per bushel) for the class, grade, and quality of the corn, plus the markup shown in C of this unrestricted use section.

2. *Nonstorable.* At not less than market price as determined by CCC.

C. *Markups and examples (dollars per bushel in-store[1] basis No. 2 yellow corn 14 percent M.T. 2 percent F.M.).*

| Markup in-store received by— | Examples |
|---|---|
| Truck | |
| $0.17½ | Feed grain program domestic PIK certificate minimums:<br>McLean County, Ill. ($1.08+$0.02½) 115 percent +$0.17½; $1.45½.<br>Agricultural Act of 1949; stat. minimums:<br>McLean County, Ill. ($1.08+$0.02½ +$0.19): 105 percent +$0.17½; $1.53½. |

*Available.* Chicago, Kansas City, Minneapolis, and Portland ASCS grain offices.

*Export.* Limited quantities of corn at South Atlantic and eastern gulf ports for cash at the market price, as determined by CCC, for export under Announcement GR-212 (Revision 2, Jan. 9, 1961). The statutory minimum price referred to in GR-212 is computed in accordance with B1 of the unrestricted use section for corn.

*Available.* Kansas City ASCS Commodity Office.

GRAIN SORGHUM, BULK

*Unrestricted use.*

A. *Redemption of domestic payment-in-kind certificates.* Such CCC dispositions of grain sorghum as CCC may designate will be in redemption of certificates or rights represented by pooled certificates under a feed grain program. The minimum price at which grain sorghum shall be valued for such dispositions shall be market price, as determined by CCC, but not less than 115 percent of the applicable 1967 price-support loan rate[2] for the class, grade, and quality of the grain sorghum, plus the markup shown in C of this unrestricted use section applicable to the type of carrier involved.

B. *General sales.*

1. *Storable.* Such CCC dispositions of storable grain sorghum as CCC may designate as general sales will be made during the month at market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula minimum price for such sales which is 105 percent of the applicable 1967 price-support rate[2] (published loan rate plus 34 cents per hundredweight) for the class, grade, and quality of the grain sorghum, plus the markup shown in C of this unrestricted use section applicable to the type of carrier involved.

2. *Nonstorable.* At not less than market price as determined by CCC.

C. *Markups and examples (dollars per hundredweight in-store[1] No. 2 or better).*

| Markup in-store received by— | | Examples |
|---|---|---|
| Truck | Rail or barge | |
| $0.29¼ | $0.25¼ | Feed grain program domestic PIK certificate minimums:<br>Hale County, Tex. ($1.59) 115 percent +$0.29¾; $2.12¾.<br>Kansas City, Mo. (ex-rail) ($1.85) 115 percent +$0.25¼; $2.38¼.<br>Agricultural Act of 1949; stat. minimums:<br>Hale County, Tex. ($1.59+$0.34); 105 percent +$0.29¾; $2.32¾.<br>Kansas City, Mo. (ex-rail) ($1.85 +$0.34); 105 percent +$0.25¼; $2.55¼. |

*Export.*

Sales are made at the higher of the domestic market price, as determined by CCC, or 115 percent of the applicable 1967 price-support loan rate plus carrying charges in section C. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcements is 105 percent of the applicable price-support rate plus the markup referred to in C of the unrestricted use section for grain sorghum. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966, and for cash or other designated sales.

*Available.* Kansas City, Chicago, Minneapolis, and Portland ASCS grain offices.

BARLEY, BULK

*Unrestricted use.*

A. *Storable.* Market price, as determined by CCC, but not less than 115 percent of the applicable 1967 price-support rate[2] for the class, grade, and quality of the barley plus the applicable markup.

B. *Markups and examples (dollars per bushel in-store[1] No. 2 or better).*

| Markup in-store received by— Truck | Markup in-store received by— Rail or barge | Examples |
|---|---|---|
| $0.04 | $0.01½ | Cass County, N. Dak. ($0.87); 115 percent +$0.04; $1.03. Minneapolis, Minn. (ex-rail) ($1.10); 115 percent +$0.01½; $1.28½. |

C. *Nonstorable.* At not less than market price as determined by CCC.

*Export.*

Sales are made at the higher of the domestic market price, as determined by CCC or 115 percent of the applicable 1968 price-support loan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcement is 105 percent of the applicable price-support rate plus the markup referred to in B of the unrestricted use section for barley. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for cash or other designated sales.

*Available.* Chicago, Kansas City, Minneapolis, and Portland grain offices.

OATS, BULK

*Unrestricted use.*

A. Market price, as determined by CCC, but not less than 115 percent of the applicable 1968 price-support rates[2] for the class, grade, and quality of the oats plus the markup shown in B below.

B. *Markups and examples (dollars per bushel in-store[1] Basis No. 2 XHWO).*

| Markup in-store received by— Truck | Examples—Agricultural Act of 1949; Stat. minimum |
|---|---|
| $0.04 | Redwood County, Minn. ($0.60+$0.03 quality differential); 115 percent +$0.04; $0.77. |

C. *Nonstorable.* At not less than the market price as determined by CCC.

*Export.* Sales are made at the higher of the domestic market price, as determined by CCC, or 115 percent of the applicable 1968 price-support loan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcements is 105 percent of the applicable price-support rate plus the markup referred to in B of the unrestricted use section for oats. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961), for application to barter contracts and for cash or other designated sales.

*Available.* Kansas City, Chicago, Minneapolis, and Portland ASCS grain offices.

RYE, BULK

*Unrestricted use.*

A. *Storable.* Market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula price which is 115 percent[2] of the applicable 1968 price-support rate for the class, grade, and quality of the grain plus the markup shown in B below applicable to the type of carrier involved.

B. *Markups and examples (dollars per bushel in-store[1] No. 2 or better).*

| Markup in-store received by— Truck | Markup in-store received by— Rail or barge | Examples—Agricultural Act of 1949: Stat. minimum |
|---|---|---|
| $0.04 | $0.01½ | Rolette County, N. Dak. ($0.89); 115 percent +$0.04; $1.07. Minneapolis, Minn. (ex-rail) ($1.23); 115 percent +$0.01½; $1.43½. |

C. *Nonstorable.* At not less than market price as determined by CCC.

*Export.*

Sales are made at the higher of the domestic market price, as determined by CCC, or 115 percent of the applicable 1968 price-support loan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcement is 105 percent of the applicable price-support rate plus the markup referred to in B of the unrestricted use section for rye. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for cash or other designated sales.

*Available.* Chicago, Kansas City, Portland, and Minneapolis ASCS grain offices.

RICE, ROUGH

*Unrestricted use.*

Market price but not less than 1967 loan rate plus 5 percent plus 44 cents per hundredweight, basis in store.

*Export.*

As milled or brown under Announcement GR-369, Revision III, as amended, Rice Export Program.

*Available.* Prices, quantities, and varieties of rough rice available from Kansas City ASCS Commodity Office.

COTTON, UPLAND

*Unrestricted use.*

A. Competitive offers under the terms and conditions of Announcement NO-C-32 (Sale of Upland Cotton for Unrestricted Use). Under this announcement, upland cotton acquired under price-support programs will be sold at the highest price offered but in no event at less than the higher of (a) 110 percent of the current loan rate for such cotton, or (b) the market price for such cotton, as determined by CCC.

B. Competitive offers under the terms and conditions of Announcement NO-C-31 (Disposition of Upland Cotton—In Redemption of Payment-In-Kind Certificates or Rights in Certificate Pools, In Redemption of Export Commodity Certificates, Against the "Shortfall," and Under Barter Transactions), as amended. Cotton may be acquired for immediate delivery at its current market price, as determined by CCC, but not less than a minimum price determined by CCC. Cotton may be acquired for delivery on August 1, 1968, at the market price for cotton for delivery at such future time, as determined by CCC, but not less than a minimum price determined by CCC. Minimum prices for both immediate and delayed delivery will in no event be less than 120 points (1.2 cents) per pound above the loan rate for such cotton at the time it is to be delivered.

*Export.*

*CCC disposals for barter.* Competitive offers under the terms and conditions of Announcements CN-EX-28 (Acquisition of Upland Cotton for Export Under the Barter Program), and NO-C-31 (described above), as amended.

COTTON, EXTRA LONG STAPLE

*Unrestricted use.*

Competitive offers under the terms and conditions of Announcements NO-C-6. (Revised July 22, 1960), as amended, and NO-C-10, as amended. Under these announcements extra long staple cotton (domestically grown) will be sold at the highest price offered but in no event at less than the higher of (a) 115 percent of the current support price for such cotton plus reasonable carrying charges, or (b) the domestic market price as determined by CCC.

*Export.*

A. *CCC sales for export.* Competitive offers under the terms and conditions of Announcements CN-EX-22 (Extra Long Staple Cotton Export Program) and NO-C-27 (Sale of Extra Long Staple Cotton), as amended.

B. *Barter.* Competitive offers under the terms and conditions of Announcement CN-EX-27 (Acquisition of Extra Long Staple Cotton for Export Under the Barter Program), and NO-C-27 (Sale of Extra Long Staple Cotton), as amended.

COTTON, UPLAND OR EXTRA LONG STAPLE

*Unrestricted use.*

Competitive offers under the terms and conditions of Announcement NO-C-20 (Sale of Special Condition Cotton). Any such cotton (Below Grade, Sample Loose, Damaged Pickings, etc.) owned by CCC will be offered for sale periodically on the basis of samples representing the cotton according to schedules issued from time to time by CCC.

*Availability information.*

Sale of cotton will be made by the New Orleans ASCS Commodity Office. Sales announcements, related forms and catalogs for upland cotton and extra long staple cotton showing quantities, qualities, and location may be obtained for a nominal fee from that office.

PEANUTS, SHELLED

When stocks are available in their area of responsibility, the quantity, type, and grade offered and whether for restricted or unrestricted use are announced in weekly lot lists are invitations to bid issued by the following:

GFA Peanut Association, Camilla, Ga.

Peanut Growers Cooperative Marketing Association, Franklin, Va.

Southwestern Peanut Growers' Association, Gorman, Tex.

A. *Restricted use sales.* Announcement PR-1 as amended, and the lot list contain terms and conditions of sales restricted to domestic crushing or export.

1. Shelled peanuts of less than U.S. No. 1 grade may be purchased for foreign or domestic crushing.

All sales are made on the basis of competitive bids each Wednesday, by the Pro-

See footnotes at end of article.

ducer Associations Division, Agricultural Stabilization and Conservation Service, Washington, D.C. 20250, to which all bids are submitted.

TUNG OIL

*Unrestricted use.*

Sales are made periodically on a competitive bid basis. Bids are submitted to the Producer Association Division, Agricultural Stabilization and Conservation Service, Washington, D.C. 20250.

The quantity offered and the date bids are to be received are announced to the trade in notices of Invitation to Bid, issued by the National Tung Oil Marketing Cooperative, Inc., Poplarville, Miss. 39470.

Terms and conditions of sale are as set forth in Announcement NTOM-PR-4 of April 6, 1967, as amended, and the applicable Invitation to Bid.

Bids will include, and be evaluated on the basis of, price offered per pound f.o.b. storage location. For certain destinations, CCC will as provided in the Announcement, as amended, refund to the buyer a "freight equalization" allowance.

Copies of the Announcement or the Invitation may be obtained from the Cooperative or Producer Associations Division, ASCS, Telephone Washington, D.C., area code 202, DU 8-3901.

DAIRY PRODUCTS

Sales are in carlots only in-store at storage location of products.

*Submission of offers.*

Submit offers to the Minneapolis ASCS Commodity Office.

NONFAT DRY MILK

*Unrestricted use.*

Announced prices, under MP-14: Spray process, U.S. Extra Grade, 25.40 cents per pound packed in 100-pound bags and 25.65 cents per pound packed in 50-pound bags.

*Export.*

Announced prices, under MP-23, pursuant to invitations issued by Minneapolis ASCS Commodity Office. Invitations will indicate the type of export sales authorized, the announced price and the period of time such price will be in effect.

BUTTER

*Unrestricted use.*

Announced prices, under MP-14: 74 cents per pound—New York, Pennsylvania, New Jersey, New England, and other States bordering the Atlantic Ocean and Gulf of Mexico. 73.25 cents per pound—Washington, Oregon, and California. All other States 73 cents per pound.

CHEDDAR CHEESE (STANDARD MOISTURE BASIS)

*Unrestricted use.*

Announced prices, under MP-14: 52.750 cents per pound—New York, Pennsylvania, New England, New Jersey, and other States bordering the Atlantic Ocean and Pacific Ocean and the Gulf of Mexico. All other States 51.750 cents per pound.

FOOTNOTES

[1] The formula price delivery basis for binsite sales will be f.o.b.

[2] Round product up to the nearest cent.

USDA AGRICULTURE STABILIZATION AND CONSERVATION SERVICE OFFICES

GRAIN OFFICES

Kansas City ASCS Commodity Office, 8930 Ward Parkway (Post Office Box 205), Kansas City, Mo. 64141. Telephone: Area Code 816, Emerson 1-0860.

Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Hawaii, Kansas, Louisiana, Mississippi, Missouri, Nebraska, Nevada, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Wyoming (domestic and export). California (domestic only), Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Virginia, Vermont, and West Virginia (export only).

Branch Office—Chicago ASCS Branch Office, 226 West Jackson Boulevard, Chicago, Ill. 60606. Telephone: Area Code 312, 353-6581.

Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Virginia, Vermont, and West Virginia (domestic only).

Branch Office—Minneapolis ASCS Branch Office, 310 Grain Exchange Building, Minneapolis, Minn. 55415. Telephone: Area Code 612, 334-2051.

Minnesota, Montana, North Dakota, South Dakota, and Wisconsin (domestic and export).

Branch Office—Portland ASCS Branch Office, 1218 Southwest Washington Street, Portland, Oreg. 97205. Telephone: Area Code 503, 226-3361.

Idaho, Oregon, Utah, and Washington (domestic and export sales), California (export sales only).

PROCESSED COMMODITIES OFFICE—(ALL STATES)

Minneapolis ASCS Commodity Office, 6400 France Avenue South, Minneapolis, Minn. 55435. Telephone: Area Code 612, 334-3200.

COTTON OFFICE (ALL STATES)

New Orleans ASCS Commodity Office, Wirth Building, 120 Marais Street, New Orleans, La. 70112. Telephone: Area Code 504, 527-7766.

GENERAL SALES MANAGER OFFICES

Representative of General Sales Manager, New York Area: Joseph Reidinger, Federal Building, Room 1759, 26 Federal Plaza, New York, N.Y. 10007. Telephone: Area Code 212, 264-8439, 8440, 8441.

Representative of General Sales Manager, West Coast Area: Callan B. Duffy, Appraisers' Building, Room 802, 630 Sansome Street, San Francisco, Calif. 94111. Telephone: Area Code 415, 556-6185.

ASCS STATE OFFICES

Illinois, Room 232, U.S. Post Office and Courthouse, Springfield, Ill. 62701. Telephone: Area Code 217, 525-4180.

Indiana, Room 110, 311 West Washington Street, Indianapolis, Ind. 46204. Telephone: Area Code 317, 633-8521.

Iowa, Room 937, Federal Building, 210 Walnut Street, Des Moines, Iowa 50309. Telephone: Area Code 515, 284-4213.

Kansas, 2601 Anderson Avenue, Manhattan, Kans. 66502. Telephone: Area Code 913, JE 9-3531.

Michigan, 1405 South Harrison Road, East Lansing, Mich. 48823. Telephone: Area Code 517, 372-1910.

Missouri, I.O.O.F. Building, 10th and Walnut Streets, Columbia, Mo. 65201. Telephone: Area Code 314, 442-3111.

Minnesota, Room 230, Federal Building and U.S. Courthouse, 316 Robert Street, St. Paul, Minn. 55101. Telephone: Area Code 612, 228-7651.

Montana, Post Office Box 670, U.S.P.O. and Federal Office Building, Bozeman, Mont. 59715. Telephone: Area Code 406, 587-4511, Ext. 3271.

Nebraska, Post Office Box 793, 5801 O Street, Lincoln, Nebr. 68501. Telephone: Area Code 402, 475-3361.

North Dakota, Post Office Box 2017, 15 South 21st Street, Fargo, N. Dak. 58103. Telephone: Area Code 701, 237-5205.

Ohio, Room 202, Old Federal Building, Columbus, Ohio 43215. Telephone: Area Code 614, 469-5644.

South Dakota, Post Office Box 843, 239 Wisconsin Street SW., Huron, S. Dak. 57350. Telephone: Area Code 605, 352-8651, Ext. 321 or 310.

Wisconsin, Post Office Box 4248, 4601 Hammersley Road, Madison, Wis. 53711. Telephone: Area Code 608, 254-4441, Ext. 7535.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 407, 63 Stat. 1066; sec. 105, 63 Stat. 1051, as amended by 76 Stat. 612; secs. 303, 306, 307, 76 Stat. 614-617; 7 U.S.C. 1441 (note))

Signed at Washington, D.C., on July 1, 1968.

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

[F.R. Doc. 68-8052; Filed, July 8, 1968; 8:45 a.m.]

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## Consumer and Marketing Service

## COTTON RESEARCH AND PROMOTION

### Applications for Certification of Cotton Producer Organizations

Pursuant to section 14 of the Cotton Research and Promotion Act (80 Stat. 284; 7 U.S.C. 2113) and § 1205.337 of the Cotton Research and Promotion Order (7 CFR Part 1205), the U.S. Department of Agriculture is required to certify the eligibility of cotton producer organizations for participation in the nomination of members and alternate members of the Cotton Board. Notice is hereby given that the U.S. Department of Agriculture will accept applications for certification from any cotton producer organization not currently certified for this purpose.

Any such cotton producer organization desiring to request certification should submit its application in duplicate to the Director, Cotton Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250.

A formal application form is not required but each application must contain the following information:

1. Geographic territory within the State covered by the organization's active membership.

2. Nature and size of the organization's active membership in the State, proportion of total of such active membership accounted for by farmers, a map showing the cotton producing counties in such State in which the organization has members, the volume of cotton produced in each such county for the 1965 crop, the number of cotton producers in each such county, and the size of the organization's active cotton producer membership in each such county.

3. The extent to which the cotton producer membership of such organization is represented in setting the organization's policies.

4. Evidence of stability and permanency of the organization.

5. Sources from which the organization's operating funds are derived.

6. Functions of the organization.

7. A statement concerning the organization's ability and willingness to further the aims and objectives of the Cotton Research and Promotion Act.

In order to be considered, applications must be postmarked no later than 11:59 p.m. on July 26, 1968.

Dated: July 3, 1968.

S. C. RADEMAKER,
*Director, Cotton Division,*
*Consumer and Marketing Service.*

[F.R. Doc. 68-8105; Filed, July 8, 1968; 8:49 a.m.]

# DEPARTMENT OF COMMERCE

## Office of the Secretary

[Dept. Order 134-3, Amdt. 1]

### OFFICE OF BUDGET AND FINANCE

#### Organization and Functions

This material amends the material appearing at 32 F.R. 10381 of July 14, 1967.

Department Order 134-3 of October 18, 1966, is hereby amended as follows:

In section 4 *Organization and functions,* paragraphs .01 and .07 are amended, and a new paragraph .08 is added, to read:

.01 The Office of Budget and Finance shall comprise:

a. Office of the Director:
Director.
Deputy Director.

b. Financial Systems Policy Division.

c. Budget Coordination Division.

d. Budget Review and Analysis Staff.

e. Financial Management Services Division.

f. Central Accounting Division.

.07 The Financial Management Services Division shall manage the Working Capital Fund, and on a reimbursable basis through the Working Capital Fund, shall provide financial management services, except accounting, payrolling, and related financial reporting, to the Office of the Secretary and, as determined by the Assistant Secretary for Administration to be more advantageously performed as central services, to operating units of the Department. The head of the Financial Management Services Division shall serve as budget officer for General Administration, operating units as assigned, and miscellaneous accounts of the Department of Commerce.

.08 The Central Accounting Division shall, on a reimbursable basis through the Working Capital Fund, provide accounting, financial reporting, payrolling and related services to the Office of the Secretary and, as determined by the Assistant Secretary for Administration to be more advantageously performed as central services, to operating units of the Department and related independent agencies and commissions. The Central Accounting Division shall render consolidated financial reporting for the Department.

Effective date: July 1, 1968.

DAVID R. BALDWIN,
*Assistant Secretary*
*for Administration.*

[F.R. Doc. 68-9077; Filed, July 8, 1968; 8.47 a.m.]

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[Dept. Order 134-2, Amdt. 1]

### OFFICE OF AUDITS

#### Organization and Functions

This material amends the material appearing at 32 F.R. 13679 of September 29, 1967.

Department Order 134-2 is hereby amended as follows:

In section 4 *Organization and functions,* the following is added at the end of the listings in paragraph .01 and paragraph .07 as indicated:

(a) .01 * * *

* * * * *

Comprehensive Internal Audit Division 4.

(b) .07 * * *

Comprehensive Internal Audit Division 4.

Maritime Administration.

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Effective date: June 25, 1968.

DAVID R. BALDWIN,
*Assistant Secretary*
*for Administration.*

[F.R. Doc. 68-8078; Filed, July 8, 1968; 8:47 a.m.]

# DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## Food and Drug Administration

### HAZLETON LABORATORIES, INC.

#### Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 8B2302) has been filed by Hazleton Laboratories, Inc., Post Office Box 30, Falls Church, Va. 22046, proposing that § 121.2526 *Components of paper and paperboard in contact with aqueous and fatty foods* be amended to provide for the safe use of sodium *n*-dodecylpolyethoxy (50 moles) sulfate as a component of paper and paperboard intended for use in contact with foods of types II, III, IV-B, and VI-A as described in table 1 of § 121.2526(c).

Dated June 27, 1968.

J. K. KIRK,
*Associate Commissioner*
*for Compliance.*

[F.R. Doc. 68-8099; Filed, July 8, 1968; 8:49 a.m.]

# DEPARTMENT OF TRANSPORTATION

## Coast Guard

[CGFR 68-81]

### PORTION OF DELAWARE RIVER, CHESTER, PA.

#### Closure to Navigation During Launching of Hull No. 642, "SS American Liberty"

By virtue of the authority vested in me as Commandant, U.S. Coast Guard, by 49 CFR 1.4 (32 F.R. 5606) and Executive Order 10173 as amended by Executive Orders 10277, 10352, and 11249, I hereby affirm for publication in the FEDERAL REGISTER the order of A. J. Carpenter, Rear Admiral, U.S. Coast Guard, Commander, 3d Coast Guard District, who has exercised authority as District Commander, such order reading as follows:

PORTION OF DELAWARE RIVER, CHESTER, PA.

Under the authority of Title II of the Espionage Act of June 15, 1917, 40 Stat. 220, 50 U.S.C. 191, and Executive Order 10173 as amended, I declare that from 1 p.m., e.d.t., on Tuesday, July 9, 1968, until completion of the launching at 2 p.m., e.d.t., Tuesday, July 9, 1968, the following area is a security zone and I order that it be closed to any person or vessel due to the launching of Hull No. 642, the "SS American Liberty":

The waters of the Delaware River, Chester, Pa., within the coordinates of latitude 39°50'55" N., longitude 75°20'46" W., at the shoreline of Chester, Pa., thence southeasterly to latitude 39°50'34" N., longitude 75°19'29" W., thence north to latitude 39°51'22" N., longitude 75°19'32" W.

No person or vessel may remain in or enter this security zone.

The Captain of the Port, Philadelphia, Pa., shall enforce this order.

The Captain of the Port may be assisted by employees and facilities of any State or political subdivision thereof or any Federal agency.

For violation of this order Title II of the Espionage Act of June 15, 1917 (40 Stat. 220 as amended, 50 U.S.C. 192), provides:

"If any owner, agent, master, officer, or person in charge, or any member of the crew of any such vessel fails to comply with any regulation or rule issued or order given under the provisions of this chapter, or obstructs or interferes with the exercise of any power conferred by this chapter, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the Customs Revenue Laws; and the person guilty of such failure, obstruction, or interference shall be punished by imprisonment for not more than 10 years and may, in the discretion of the court, be fined not more than $10,000.

"If any other person knowingly fails to comply with any regulation or rule issued or order given under the provisions of this chapter, knowingly obstructs or interferes with the exercise of any power conferred by this chapter, he shall be punished by imprisonment for not more than 10 years and may, at the discretion of the court, be fined not more than $10,000."

Dated: July 2, 1968.

P. E. TRIMBLE,
*Vice Admiral, U.S. Coast Guard,*
*Acting Commandant.*

[F.R. Doc. 68-8072; Filed, July 8, 1968; 8:46 a.m.]

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[CGFR 68-80]

## PORTION OF WARWICK RIVER, NORFOLK—NEWPORT NEWS HARBOR

### Closure to Navigation During Naval Amphibious Training Exercises

By virtue of the authority vested in me as Commandant, U.S. Coast Guard, by 49 CFR 1.4 (32 F.R. 5606) and Executive Order 10173 as amended by Executive Orders 10277, 10352, and 11249, I hereby affirm for publication in the FEDERAL REGISTER the order of E. C. Allen, Jr., Rear Admiral, U.S. Coast Guard, Commander, 5th Coast Guard District, who has exercised authority as District Commander, such order reading as follows:

PORTION OF WARWICK RIVER, NORFOLK—NEWPORT NEWS HARBOR

Under the authority of Title II of the Espionage Act of June 15, 1917, 40 Stat. 220, 50 U.S.C. 191 and Executive Order 10173, as amended, I declare that during the below specified times and dates the following area is a security zone and I order that it be closed to any person or vessel due to Naval Amphibious Training Exercises:

The waters of the Warwick River, Warwick-Newport News area, Va., between points established by the coordinates of latitude 37°08'15" N., longitude 76°34'45" W., and latitude 37°08'15" N., longitude 76°34'15" W.

No person or vessel may remain in or enter this security zone when set during the periods specified below.

The Captain of the Port may be assisted by employees and facilities of any State or political subdivision thereof or any Federal agency.

The Commander, Amphibious Training Command, U.S. Atlantic Fleet, shall enforce this order.

This security zone shall be set during the following times and dates: 7 a.m., e.d.t., to 11 a.m., e.d.t., and from 12 p.m., e.d.t., to 4 p.m., e.d.t.; ninth (Tuesday), 11th (Thursday), 16th (Tuesday), 18th (Thursday), 30th (Tuesday) of July 1968, and second (Friday), sixth (Tuesday), 13th (Tuesday) of August 1968.

For violation of this order Title II of the Espionage Act of June 15, 1917 (40 Stat. 220, as amended, 50 U.S.C. 192) provides:

"If any owner, agent, master, officer, or person in charge, or any member of the crew of any such vessel fails to comply with any regulation or rule issued or order given under the provisions of this chapter, or obstructs or interferes with the exercise of any power conferred by this chapter, the vessel, together with her tackle, apparel, furniture, and equipment, shall be subject to seizure and forfeiture to the United States in the same manner as merchandise is forfeited for violation of the customs revenue laws; and the person guilty of such failure, obstruction, or interference shall be punished by imprisonment for not more than 10 years and may, in the discretion of the court, be fined not more than $10,000.

"If any other person knowingly fails to comply with any regulation or rule issued or order given under the provisions of this chapter, or knowingly obstructs or interferes with the exercise of any power conferred by this chapter, he shall be punished by imprisonment for not more than 10 years and may, at the discretion of the court, be fined not more than $10,000."

Dated: July 2, 1968.

P. E. TRIMBLE,
*Vice Admiral, U.S. Coast Guard,*
*Acting Commandant.*

[F.R. Doc. 68-8073; Filed, July 8, 1968; 8:46 a.m.]

# CIVIL AERONAUTICS BOARD

[Docket No. 20015; Order 68-7-21]

## CARIBBEAN-ATLANTIC AIRLINES, INC.

### Order of Suspension and Investigation Regarding Proposed Charter Provisions

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 2d day of July 1968.

By tariff revisions filed June 4 and 20, 1968, and marked to become effective July 5, 1968, Caribbean-Atlantic Airlines, Inc. (Caribair), proposes to amend its payment and refund charter rule. The proposal[1] requires a deposit of an amount equal to 25 percent of the charter price when a charter agreement is signed and provides that this deposit will be forfeited if the charterer cancels the agreement prior to the planned departure time of the flight.

The carrier has presented no factual data or any other justification in support of its proposal.

Upon consideration of all relevant matters, the Board finds that Caribair's proposal may be unjust, unreasonable, unjustly discriminatory, unduly preferential, or unduly prejudicial, or otherwise unlawful, and should be suspended pending investigation.

Carriers have been permitted deposit and forfeiture requirements to deter frivolous reservations and cancellations, and to protect themselves from loss. The Board, however, has considered that the forfeiture requirements should be no greater than necessary to serve this purpose and that forfeiture should not be considered as a source of revenue for the carriers. In reviewing penalty provisions the Board has recognized that in some situations the carriers will have an opportunity to resell the service, and in some instances the service would not be utilized in any event.

The amount proposed to be forfeited, 25 percent, involves a very sharp rise above the 10 percent currently in effect for Caribair. The forfiture applies to cancellations long before the planned departure while the present 10 percent charge is applicable only to cancellations within 24 hours of departure. This raises a question whether the carrier would have the opportunity to reschedule its equipment or otherwise avoid losses from a cancellation in most circumstances. Accordingly a reasonableness issue is presented by the absence of an economic basis or other circumstances justifying these charges for cancellations which may be made well in advance of departure. Domestic airlines do not generally have any penalty provisions. Moreover, the failure to provide a maximum charge also raises a question of unjust discrimination, or undue preference or prejudice. In this regard, cancellation of both long distance and short distance charters may subject the carrier to a similar loss exposure; however, the long distance charterer would be subject to a penalty many times that of the short distance charterer. For these reasons the Board has concluded that it will not permit the designated changes to become effective[2] pending investigation.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 403 and 1002 thereof:

*It is ordered,* That:

1. An investigation be instituted to determine whether the provisions described in Appendix A attached hereto,[3] and rules, regulations, and practices affecting such provisions, are or will be unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful, to determine and prescribe the lawful provisions, and rules, regulations, or practices affecting such provisions;

2. Pending hearing and decision by the Board, the provisions described in Appendix A hereto,[3] except insofar as they apply to foreign air transportation, are suspended and their use deferred to and including October 2, 1968, unless otherwise ordered by the Board, and that no changes be made therein during the period of suspension except by order or special permission of the Board.

3. This investigation be assigned for hearing before an Examiner of the Board at a time and place hereafter to be designated; and

4. A copy of this order be filed with the aforesaid tariff and served upon Caribbean-Atlantic Airlines, Inc., which is made a party to this proceeding.

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[1] Rule 20(b) appearing on second revised page 4 to Caribair's Tariff CAB No. 12, filed June 20, 1968. On the first revised page 4 filed June 4, Rule 20(b) stipulated that the carrier would retain the 25 percent deposit as damages and that the charterer shall be entitled to a refund of all monies in excess of 25 percent of the total charter fee. The bases for suspension and investigation, and the order herein are applicable to the rule as it appeared on both the first and second revised page 4 of the tariff.

[2] The effect of this suspension order will be to leave in force all of the provisions of Rule 20(b) appearing on original page 4 and permit to become effective the proposed provisions appearing in Rule 20(b) on the second revised page 4 which provide that at the time the charter agreement is signed, charterer shall deposit with the carrier an amount equal to 25 percent of the total charter charge.

[3] Appendix A filed as part of the original document.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART, *Acting Secretary.*

[F.R. Doc. 68-8096; Filed, July 8, 1968; 8:48 a.m.]

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[Docket No. 19834; Order 68-7-13]

## MOHAWK AIRLINES, INC.

### Order Setting Application for Hearing

Adopted by the Civil Aeronautics Board as its office in Washington, D.C., on the 2d day of July 1968.

On April 18, 1968, Mohawk Airlines, Inc. (Mohawk), filed an application, pursuant to Subpart M of Part 302 of the Board's procedural regulations, for amendment of its certificate of public convenience and necessity for route 94 to eliminate condition 4(b), which requires that flights between Syracuse and Cleveland serve at least one intermediate stop.

The city of Syracuse and other Syracuse civic interests[1] have filed a joint statement requesting that the Board grant Mohawk's application.

Trans-East Airlines, Inc. (Trans-East), filed an answer seeking denial or deferral of the application, on the principal ground that similar authority, subject to a long-haul restriction, is in issue in the Northern New England-Great Lakes Investigation, Docket 18322 (Investigation).[2] Mohawk points out in its reply that the Investigation is oriented toward Northern New England service requirements and that Trans-East did not propose any Syracuse-Cleveland service therein.

Upon consideration of the pleadings and all the relevant facts, we have determined to exercise our discretionary right in accordance with Rule 1311 of the Board's procedural regulations and direct that a hearing be held under the expedited procedures set forth in Rule 1312.

*Accordingly, it is ordered,* That:

1. The application of Mohawk Airlines, Inc., in Docket 19834 be and it hereby is set for hearing before an Examiner of the Board at a time and place hereafter designated; and

2. This order shall be served upon all parties served by Mohawk in its application and Trans-East Airlines, Inc.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART, *Acting Secretary.*

[F.R. Doc. 68-8097; Filed, July 8, 1968; 8:49 a.m.]

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[1] The Greater Syracuse Chamber of Commerce, The Metropolitan Development Association of Syracuse and Onondaga County, and the Automobile Club of Syracuse.

[2] Trans-East has applied for such authority in Docket 16333, as amended. Orders E-25310, June 16, 1967, and E-25489, August 3, 1967.

# FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 18229—18233; FCC 68-688]

## LONE STAR TELEVISION SERVICE, INC., ET AL.

### Memorandum Opinion and Order Instituting Consolidated Hearing

In re petitions by Lone Star Television Service, Inc., Longview, Tex., Docket No. 18229, File No. CATV 100-34; Telecom Cable Co., Texarkana, Tex., Docket No. 18230, File No. CATV 100-48; Cypress Valley Cable Television Service, Inc., Marshall, Tex., Docket No. 18231, File No. CATV 100-96; Kilgore Video, Inc., Kilgore, Tex., Docket No. 18232, File No. CATV 100-244; for authority pursuant to § 74.1107 of the rules to operate CATV systems in the Shreveport television market (ARB 68); and in re applications of Telecom Cable Co., Jefferson, Atlanta, Edgewood, Mineola, Big Sandy, Ashland, and Terrell, Tex., Docket No. 18233, File Nos. 15908 through 13-IB-116X, 24276-IB-26X; for construction permits for new point-to-point microwave radio stations in the business radio service.

1. These petitioners propose to establish CATV systems in various Texas communities and seek waiver of the hearing requirements in order to import distant television signals into the Shreveport market (ARB 68), which has a net weekly circulation of 289,300. Channel assignments in the market and their status are:

Shreveport—3 (ABC), 12 (CBS), *24 (Idle), 33 (Idle);
Texarkana—6 (NBC), 17 (Idle), *34 (Idle);
Marshall—*22 (Idle), 35 (Idle);
Longview—16 (CP, Indep.).

2. The Shreveport market encompasses a tri-State area: Louisiana, Texas, and Arkansas. All of the CATV proposals are for the Texas part of the market and involve four separate communities. In general, petitioners wish to carry the distant signals from Dallas and Fort Worth, which are 100-150 miles from the communities involved.

3. The proposals, and contentions in support and opposition, are as follows:

A. Lone Star Television Service, Inc. (CATV 100-34), plans to operate in Longview, Tex. (40,050), which is located about 54 miles southwest of Shreveport and 80 miles southwest of Texarkana. Petitioner would carry:

LOCAL SIGNALS

| Channels: | |
|---|---|
| 3 (ABC) | Shreveport, La. |
| 12 (CBS) | Do. |
| 6 (NBC) | Texarkana, Tex. |
| 7 (ABC, NBC) | Tyler, Tex. |

DISTANT SIGNALS

| Channels: | |
|---|---|
| 5 (NBC) | Fort Worth, Tex. |
| 11 (Indep.) | Do. |
| 4 (CBS) | Dallas, Tex. |
| 8 (ABC) | Do. |

In support of its request, petitioner claims: (1) It has a construction deadline to meet; (2) Longview is located 54 miles from Shreveport; (3) the city receives no instate television service and there is a lack of service from Texas-oriented stations; (4) Longview is in competition with Tyler, Tex., 30 miles away, in attracting new industry and that city has a grandfathered CATV system already carrying the Dallas and Fort Worth stations; (5) there will be no leapfrogging of signals; (6) the community is a link in a chain for potential microwave service and it is essential that Longview receive the same signals as the other communities; (7) petitioner has gone to considerable expense in obtaining and planning the operation in Longview; and (8) economically, politically, educationally, and culturally the community is identified with Texas, not Louisiana.

The petition is opposed by KTBS, Inc., and KSLA-TV, Inc. They claim: (1) The showing made does not justify waivers; (2) carriage of the Dallas-Fort Worth stations would have a serious adverse impact on existing and potential television stations in the Shreveport market.

B. Telecom Cable Co. (CATV) 100-48), plans to operate in Texarkana (50,006), which is located in both Texas and Arkansas, and is situated about 65 miles from Shreveport. The following signals will be carried:[1]

LOCAL SIGNALS

| Channels: | |
|---|---|
| 3 (ABC) | Shreveport, La. |
| 12 (CBS) | Do. |
| 6 (CBS) | Texarkana, Tex. |

DISTANT SIGNALS

| Channels: | |
|---|---|
| 7 (ABC, NBC) | Tyler, Tex. |
| 4 (CBS) | Little Rock, Ark. |
| 11 (CBS) | Do. |
| 5 (NBC) | Fort Worth, Tex. |
| 11 (Indep.) | Do. |
| *13 (Educ.) | Dallas, Tex. |
| 4 (CBS) | Do. |
| 8 (ABC) | Do. |

C. Cypress Valley Cable Television Service, Inc. (CATV 100-96), plans to build a CATV system in Marshall, Tex., (23,846), which is situated approximately 36 miles southwest of Shreveport, 65 miles southwest of Texarkana, and outside the predicted Grade B contour of Channel 16, Longview. It proposes to carry the following signals:

LOCAL

| Channels: | |
|---|---|
| 3 (ABC) | Shreveport, La. |
| 12 (CBS) | Do. |
| 6 (NBC) | Texarkana, Tex. |

DISTANT

| Channels: | |
|---|---|
| 11 (Indep.) | Fort Worth, Tex. |
| *13 (Educ.) | Dallas, Tex. |
| 7 (ABC/NBC) | Tyler, Tex. |

Waiver of hearing is requested for the following reasons: (1) Marshall is not part of any SMSA or urbanized area; (2) the system does not have the potential for "explosive growth;" (3) no pay-TV operations, program originations, or sale of advertising time are contemplated;

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[1] Telecom Cable has requested a hearing and thus has advanced no arguments in support of waiver.

(4) economically, politically, educationally, and culturally, the community is identified with Texas, not Louisiana; (5) its size, and distance from Shreveport, makes Marshall no threat to a potential Shreveport UHF; (6) it is unrealistic to assume that Channel 35, Marshall, will be activated within the foreseeable future in light of the proposal to construct and operate a station on Channel 16 at Longview, which is about 20 miles away; and (7) although not listed as a distant signal to be carried, the system would carry Channel 16 if activated.

Opposition comes from KTBS, Inc., and KSLA-TV, Inc.[2] It is argued that: (1) Marshall will be relied on by future market UHF stations; (2) such stations would be threatened by importation of distant independents; (3) a future UHF in Marshall would be stifled by petitioner's CATV system, not the UHF station proposed for Longview; (4) importation of a distant educational station will prevent the development of local educational television; and (5) hearing is necessary to assess the growing fragmentation of the market by CATV systems.

D. Kilgore Video, Inc. (CATV 100-244), proposes to operate at Kilgore, Tex. (10,092), located 65 miles southwest of Shreveport and approximately 15 miles southwest of Longview, Tex. The system will carry the following signals:[3]

LOCAL

| Channels: | |
|---|---|
| 7 (ABC, NBC) | Tyler, Tex. |
| 3 (ABC) | Shreveport, La. |
| 12 (CBS) | Do. |
| 6 (NBC) | Texarkana, Tex. |
| 16 (CP, Indep.) | Longview, Tex. |

DISTANT

| Channels: | |
|---|---|
| 4 (CBS) | Dallas, Tex. |
| 8 (ABC) | Do. |
| 5 (NBC) | Fort Worth, Tex. |
| 11 (Indep.) | Do. |
| 9 (NBC) | Lufkin, Tex. |

Petitioner makes the following supporting arguments: (1) Kilgore lies on the periphery of the Shreveport market and is 65 miles from the central city; (2) the community receives practically no in-state television service; (3) any future UHF Shreveport station would not meet the needs and interests of Kilgore residents; and (4) § 74.1103 will protect the Longview UHF.

Objections have been filed by Radio Longview, Inc., Channel Seven, Inc., licensee of Channel 7, Tyler, Tex., and KSLA-TV, Inc., claiming: (1) The Longview UHF will rely on Kilgore, will not be protected by program exclusivity, and will be threatened by importation of distant independents; (2) the Shreveport stations do provide coverage of Texas events; and (3) Kilgore is an integral part of the Shreveport market. Additionally, a nonmarket station, Channel 7, Tyler, has objected on the basis that there are already nine CATV systems carrying distant signals in its service area and the authorization of another one in Kilgore will only mean further fragmentation of its market.

4. Hearing will be ordered for these proposals. The communities are the larger population centers of the market; two have UHF allocations. With respect to Longview and Kilgore especially, hearing is necessary to weigh the impact on Channel 16 (CP), Longview, which proposes an independent operation in that city. We fully appreciate the need for in-state programing by Kilgore and Longview residents and that issue will be taken up in hearing. But that consideration is not a sufficient basis for waiver in this case.

5. Telecom Cable Co. has applied for construction permits for microwave stations to relay distant signals from Dallas-Fort Worth to CATV systems in Gladewater, Jefferson, and Texarkana, all in Texas, and, except as noted below, is legally, technically, and financially qualified. A § 74.1107 request has been filed only with respect to the Texarkana CATV proposal. KTBS, Inc., Channel 3, Shreveport, has filed a petition to deny the applications. The matter of extending service to Texarkana will be designated for hearing. No action is being taken with respect to the other communities alleged to be served.

*Accordingly, it is ordered,* That the petition to dismiss or deny, filed by KTBS, Inc., in regard to the microwave applications of Telecom Cable Co. (File Nos. 15908/13-IB-116X, 24276-IB-26X) is granted to the extent indicated above and is otherwise denied.

*It is further ordered,* That the request of Telecom Cable Co. for hearing is granted and the requests of Cypress Valley Cable Television Service, Inc., Kilgore Video, Inc., and Lone Star Television Service, Inc., for waiver of the hearing provisions of § 74.1107 of the rules are denied, and pursuant to sections 4(i), 303, and 307(b) of the Communications Act of 1934, as amended, and § 74.1107 of the rules, a consolidated hearing is ordered as to said matters and the supporting microwave applications (File Nos. 15908/13-IB-116X and 24276-IB-26X) on the following issues:

1. To determine the present and proposed penetration and extent of CATV service in the Shreveport market.

2. To determine the effects of current and proposed CATV service in the Shreveport market upon existing, proposed and potential television broadcast stations in the market.

3. To determine (a) the present policy and proposed future plans of petitioners with respect to the furnishing of any service other than the relay of the signals of broadcast stations; (b) the potential for such services; and (c) the impact of such services upon television broadcast stations in the market.

4. To determine whether there are unsatisfied needs in Longview, Texarkana, and Kilgore, Tex., for in-state television programing, and if so, the extent to which the applicants' proposed CATV services would meet those needs for their respective communities.

5. To determine in light of the above whether grant of the applications and the proposals would be consistent with the public interest.

Radio Longview, Inc., KTBS, Inc., KSLA-TV, Inc., KCMC, Inc., and Channel Seven, Inc., are made parties to this proceeding and, to participate, must comply with the applicable provisions of § 1.221 of the Commission's rules. The burden of proof is upon the petitioners. A time and place for hearing will be specified in another order.

Adopted: June 26, 1968.

Released: July 3, 1968.

FEDERAL COMMUNICATIONS COMMISSION,[4]
[SEAL] BEN F. WAPLE,
*Secretary.*

[F.R. Doc. 68-8102; Filed, July 8, 1968; 8:49 a.m.]

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[Docket Nos. 17889, 17890; FCC 68M-1009]

## LONG ISLAND VIDEO, INC., AND GRANIK BROADCASTING CO., INC.

### Order Regarding Procedural Dates

In re applications of Long Island Video, Inc., Patchogue, N.Y., Docket No. 17889, File No. BPCT-3242; Granik Broadcasting Co., Inc., Patchogue, N.Y., Docket No. 17890, File No. BPCT-3422; for construction permit for new television broadcast station (Channel 67).

The Hearing Examiner has for consideration a letter received June 27, 1968, from counsel for Granik Broadcasting Co., Inc.;

It appearing, that the applicants have filed with the Review Board certain pleadings which may obviate the necessity for hearing;

It further appearing, that the Broadcast Bureau, the only other party to this proceeding, has orally advised the Examiner that it does not object to the postponement of further proceedings pending Review Board action on the said pleadings:

*It is ordered,* That the previously established procedural dates, including the commencement of hearing on July 16, 1968, are continued pending further order.

Issued: July 1, 1968.

Released: July 3, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
*Secretary.*

[F.R. Doc. 68-8103; Filed, July 8, 1968; 8:49 a.m.]

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[2] Channel 16 does not object to carriage of distant signals but asks that appropriate inquiry be made into the plans of Cypress for program origination or the sale of advertising time.

[3] In Kilgore Video, Inc., FCC 67-1259, 10 FCC 2d 737, the Commission authorized carriage of the following local signals: 3 (ABC), 12 (CBS), Shreveport, and 6 (NBC), Texarkana. Section 74.1105 notice having been given and no objection having been filed, Kilgore Video may, of course, carry Channel 7, Tyler, and Channel 16, Longview, when activated.

[4] Commissioner Bartley dissenting; Commissioners Loevinger and Wadsworth absent.

# FEDERAL DEPOSIT INSURANCE CORPORATION

## INSURED BANKS

### Joint Call for Report of Condition

Pursuant to the provisions of section 7(a)(3) of the Federal Deposit Insurance Act each insured bank is required to make a Report of Condition as of the close of business June 29, 1968, to the appropriate agency designated herein, within 10 days after notice that such report shall be made: *Provided*, That if such reporting date is a nonbusiness day for any bank, the preceding business day shall be its reporting date.

Each national bank and each bank in the District of Columbia shall make its original report of condition on Office of the Comptroller Form, Call No. 466,[1] and shall send the same to the Comptroller of the Currency, and shall send a signed and attested copy thereof to the Federal Deposit Insurance Corporation. Each insured State bank which is a member of the Federal Reserve System, except a bank in the District of Columbia, shall make its original Report of Condition on Federal Reserve Form 105—Call 188,[1] and shall send the same to the Federal Reserve Bank of the District wherein the bank is located, and shall send a signed and attested copy thereof to the Federal Deposit Insurance Corporation. Each insured State Bank not a member of the Federal Reserve System except a bank in the District of Columbia and a mutual savings bank, shall make its original Report of Condition on FDIC Form 64—Call No. 84,[1] and shall send the same to the Federal Deposit Insurance Corporation.

The original Report of Condition required to be furnished hereunder to the Comptroller of the Currency and the copy thereof required to be furnished to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for preparation of Reports of Condition by National Banking Associations," dated January 1961, and any amendments thereto.[1] The original Report of Condition required to be furnished hereunder to the Federal Reserve Bank of the District wherein the bank is located and the copy thereof required to be furnished to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for the preparation of Reports of Condition by State Member Banks of the Federal Reserve System," dated June 1968, and any amendments thereto.[1] The original Report of Condition required to be furnished hereunder to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for the preparation of Report of Condition on Form 64, by insured State banks not members of the Federal Reserve System," dated January 1961, and any amendments thereto.[1]

Each insured mutual savings bank not a member of the Federal Reserve System shall make its original Report of Condition on FDIC Form 64 (Savings),[1] prepared in accordance with "Instructions for the preparation of Report of Condition on Form 64 (Savings) and Report of Income and Dividends on Form 73 (Savings) by Mutual Savings Banks," dated December 1962, and any amendments thereto,[1] and shall send the same to the Federal Deposit Insurance Corporation.

K. A. RANDALL,
*Chairman, Federal Deposit Insurance Corporation.*

WILLIAM B. CAMP,
*Acting Comptroller of the Currency.*

J. L. ROBERTSON,
*Vice Chairman, Board of Governors of the Federal Reserve System.*

[F.R. Doc. 68-8088; Filed, July 8, 1968; 8:48 a.m.]

[1] Filed as part of original document.

# FEDERAL POWER COMMISSION

[Docket No. G-2683 etc.]

## ASSOCIATED PROGRAMS, INC., ET AL.

### Findings and Order

JUNE 25, 1968.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, amending certificates, permitting and approving abandonment of service, terminating certificates, substituting respondents, making successor co-respondent, redesignating proceedings, accepting agreements and undertakings for filing, requiring filing of agreements and undertakings, and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce, for permission and approval to abandon service, or a petition to amend an existing certificate authorization, all as more fully described in the respective applications and petitions (and any supplements or amendments thereto) which are on file with the Commission.

The Applicants herein have filed related FPC gas rate schedules and propose to initiate or abandon, add or delete natural gas service in interstate commerce as indicated by the tabulation herein. All sales certificated herein are at rates either equal to or below the ceiling prices established by the Commission's statement of general policy No. 61-1, as amended, or involve sales for which permanent certificates have been previously issued.

Associated Programs, Inc., Applicant in Docket Nos. G-2683, G-3999, G-4229, G-8408, CI62-927, and CI63-1560, proposes to continue the sales of natural gas heretofore authorized in said dockets to be made pursuant to Associated Oil & Gas Co. FPC Gas Rate Schedule Nos. 1, 15, 6, 4, 9, and 14, respectively. Said rate schedules have been redesignated as those of Applicant. The presently effective rates under said rate schedules are in effect subject to refund in Docket Nos. G-17358, RI65-286, RI65-581, RI65-580, RI66-206, and RI67-452, respectively. Applicant has requested to be substituted in lieu of Associated Oil & Gas Co. as respondent in each of said proceedings and has submitted agreements and undertakings to assure the total refunds of all amounts collected, from the time that the increased rates became effective subject to refund, in excess of the amounts determined to be just and reasonable in said proceedings. Therefore, Applicant will be substituted as respondent in each of said proceedings; the proceedings will be redesignated accordingly; and the agreements and undertakings will be accepted for filing.

Consolidated Oil & Gas, Inc. (Operator), et al., Applicant in Docket No. CI62-1037, proposes to continue the sale of natural gas heretofore authorized in said docket to be made pursuant to Shell Oil Co. (Operator) et al., FPC Gas Rate Schedule No. 269. Said rate schedule will be redesignated as that of Applicant. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. RI67-169, and Applicant has requested in its certificate application that it be made a party to said proceeding and has indicated that it intends to be responsible for the total refund from the date that the increased rate was made effective subject to refund. Therefore, Applicant will be substituted in lieu of Shell as respondent; the proceeding will be redesignated accordingly; and Applicant will be required to file an agreement and undertaking to assure the refund of all amounts collected in excess of the amount determined to be just and reasonable in said proceeding.

Colorado Oil and Gas Corp., Applicant in Docket No. CI68-1203, proposes to continue in part the sale of natural gas heretofore authorized in Docket Nos. G-11022 and G-11023 to be made pursuant to Bruce Anderson et al., FPC Gas Rate Schedule No. 2. The contract comprising said rate schedule will also be accepted for filing as a rate schedule of Applicant. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. G-20454. Therefore, Applicant will be made a co-respondent in said proceeding; the proceeding will be redesignated accordingly; and Applicant will be required to file an agreement and undertaking to assure the refund of any amounts collected by it in excess of the amount determined to be just and reasonable in said proceeding.

The Commission's staff has reviewed each application and recommends each action ordered as consistent with all substantive Commission policies and required by the public convenience and necessity.

After due notice, a joint petition to intervene by Pacific Lighting Service and Supply Co., Southern California Gas Co., and Southern Counties Gas Company of California, and a notice of intervention by The People of the State of California and The Public Utilities Commission of the State of California were filed in Docket Nos. CI67-946 and CI67-985, in the matter of the applications filed on January 31, 1967, and February 6, 1967, respectively, in said dockets. The joint petition to intervene and the notice of intervention have been withdrawn, and no other petitions to intervene, notices of intervention, or protests to the granting of any of the respective applications or petitions in this order have been received.

At a hearing held on June 20, 1968, the Commission on its own motion received and made a part of the record in these proceedings all evidence, including the applications, amendments, and exhibits thereto, submitted in support of the respective authorizations sought herein, and upon consideration of the record;

The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the jurisdiction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of said Act upon the commencement of the service under the respective authorizations granted hereinafter.

(2) The sales of natural gas hereinbefore described, as more fully described in the respective applications, amendments and/or supplements herein, will be made in interstate commerce, subject to the jurisdiction of the Commission and such sales by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) The respective Applicants are able and willing properly to do the acts and to perform the services proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules, and regulations of the Commission thereunder.

(4) The sales of natural gas by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefore should be issued as hereinafter ordered and conditioned.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the certificate authorizations heretofore issued by the Commission in the following dockets should be amended as hereinafter ordered and conditioned:

| | | |
|---|---|---|
| G-2683 | CI61-1355 | CI66-1213 |
| G-3999 | CI61-1745 | CI67-174 |
| G-4229 | CI62-927 | CI67-931 |
| G-4676 | CI62-1037 | CI67-932 |
| G-5967 | CI63-173 | CI67-933 |
| G-6304 | CI63-1560 | CI67-934 |
| G-8408 | CI64-841 | CI67-935 |
| G-10739 | CI65-207 | CI67-936 |
| G-10937 | CI65-817 | CI67-1458 |
| G-14679 | CI66-727 | CI67-1617 |
| G-17203 | CI66-853 | |
| CI61-922 | CI66-1184 | |

(6) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates heretofore issued in the following dockets should be amended to reflect the deletion of acreage where new certificates are issued herein:

| *Amend to delete acreage* | *New certificate* |
|---|---|
| G-11022 | CI68-1203 |
| G-11023 | CI68-1203 |
| G-13633 | CI68-1077 |
| G-13876 | CI68-1209 |
| G-14361 | CI68-1139 |
| G-15714 | CI67-946 |
| G-15714 | CI67-985 |
| CI63-258 | CI68-1239 |
| CI63-1515 | CI68-1222 |

(7) The sales of natural gas proposed to be abandoned by the respective Applicants, as hereinbefore described, all as more fully described in the respective applications and in the tabulation herein, are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act, and such abandonments should be permitted and approved as hereinafter ordered.

(8) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates of public convenience and necessity heretofore issued to the respective Applicants relating to the abandonments hereinafter permitted and approved should be terminated.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Associated Programs, Inc., should be substituted in lieu of Associated Oil & Gas Co. as respondent in the proceedings pending in Docket Nos. G-17358, RI65-286, RI65-580, RI65-581, RI66-206, and RI67-452, that said proceedings should be redesignated accordingly, and that the agreements and undertakings submitted in said dockets by Associated Programs, Inc., should be accepted for filing.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Consolidated Oil & Gas, Inc. (Operator) et al., should be substituted in lieu of Shell Oil Co. (Operator), et al. as respondent in the proceeding pending in Docket No. RI67-169, that said proceeding should be redesignated accordingly, and that Consolidated should be required to file an agreement and undertaking.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Colorado Oil and Gas Corp. should be made a co-respondent in the proceeding pending in Docket No. G-20454, that said proceeding should be redesignated accordingly, and that Colorado should be required to file an agreement and undertaking.

(12) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the respective related rate schedules and supplements as designated in the tabulation herein should be accepted for filing as hereinafter ordered.

The Commission orders:

(A) Certificates of public convenience and necessity are issued upon the terms and conditions of this order, authorizing the sales by the respective Applicants herein of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary for such sales, all as hereinbefore described and as more fully described in the respective applications, amendments, supplements, and exhibits in this proceeding.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations, and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder, and is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceedings now pending or hereafter instituted by or against the respective Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the respective contracts particularly as to the cessation of service upon termination of said contracts, as provided by section 7(b) of the Natural Gas Act. Nor shall the grant of the certificates aforesaid be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The grant of the certificates issued herein on all applications filed after July 1, 1967, is upon the condition that no increase in rate which would exceed the ceiling prescribed for the given area by paragraph (d)(3) of the Commission's statement of general policy No. 61-1, as amended, shall be filed prior to the applicable date as indicated by footnote 15 in the attached tabulation.

(E) The initial rate for the sale authorized in Docket No. CI68-1077 shall be 13.453 cents per Mcf at 15.025 p.s.i.a., including tax reimbursement.

(F) The initial rate for sales authorized in Docket Nos. CI67-1617 and CI68-1123 shall be 15 cents per Mcf at 14.65 p.s.i.a., including tax reimbursement, subject to B.t.u. adjustment; however, in the event that the Commission amends its policy statement No. 61-1, by adjusting the boundary between the Panhandle area and the Oklahoma "Other" area so as to increase the initial wellhead price for new gas in the area involved herein, Applicants thereupon may substitute the new rates reflecting the amounts of such increases, and thereafter collect such new rates prospectively in lieu of the initial rate herein required.

(G) The initial rate for the sale authorized in Docket No. CI68-1161 shall be 15 cents per Mcf at 14.65 p.s.i.a., including tax reimbursement.

(H) The certificate issued herein in Docket No. CI68-1123 is conditioned upon any determination which may be made in the proceeding pending in Docket No. R-338 with respect to the transportation of liquefiable hydrocarbons.

(I) The certificate issued herein in Docket No. CI68-1203 involving the sale of gas by Colorado Oil and Gas Corp., to its affiliate, Colorado Interstate Gas Co., determines the rate which legally may be paid by the buyer to the seller, but is without prejudice to any action which the Commission may take in any rate proceeding involving either company.

(J) Certificates are issued herein in Docket Nos. CI67-485 and CI68-1238 authorizing Applicants to continue the sales of natural gas being rendered on June, 7, 1954.

(K) The certificates heretofore issued in Docket Nos. G-4676, G-10739, CI64-841, CI65-817, CI66-853, CI66-1213, CI67-174, CI67-1458, and CI67-1617 are amended by adding thereto or deleting therefrom authorization to sell natural gas to the same purchasers and in the same areas as covered by the original authorizations pursuant to the rate schedule supplements as indicated in the tabulation herein.

(L) The certificate heretofore issued in Docket No. G-14679 is amended by deleting therefrom authorization to sell natural gas pursuant to the rate schedule supplement as indicated in the tabulation herein, and Applicant shall not be relieved of any refund obligations which may be imposed in the related rate suspension proceedings pending in Docket Nos. G-15370, G-17423, G-19767, RI61-213, RI62-104, RI64-202, RI65-259, RI66-132, and RI67-91, insofar as it pertains to the acreage being released.

(M) The certificates heretofore issued in the following dockets are amended to reflect the deletion of acreage where new certificates are issued herein to authorize service from the subject acreage:

| *Amend to delete acreage* | *New certificate* |
|---|---|
| G-11022 | CI68-1203 |
| G-11023 | CI68-1203 |
| G-13633 | CI68-1077 |
| G-13876 | CI68-1209 |
| G-14361 | CI68-1139 |
| G-15714 | CI67-946 |
| G-15714 | CI67-985 |
| CI63-258 | CI68-1239 |
| CI63-1515 | CI68-1222 |

(N) The certificates heretofore issued in Docket Nos. G-2683, G-3999, G-4229, G-5967, G-6304, G-8408, G-10937, G-17203, CI61-922, CI61-1355, CI61-1745, CI62-927, CI62-1037, CI63-173, CI63-1560, CI65-207, CI66-727, CI66-1184, CI67-931, CI67-932, CI67-933, CI67-934, CI67-935, and CI67-936 are amended by substituting the respective successors in interest as certificate holders as indicated in the tabulation herein.

(O) Permission for and approval of the abandonment of service by the respective Applicants, as hereinbefore described, all as more fully described in the respective applications and in the tabulation herein are granted.

(P) The certificates heretofore issued in Docket Nos. CI63-288, CI63-691, and CI63-958 are terminated.

(Q) Associated Programs, Inc., is substituted in lieu of Associated Oil & Gas Co. as respondent in the proceedings pending in Docket Nos. G-17358, RI65-286, RI65-580, RI65-581, RI66-206, and RI67-452; said proceedings are redesignated accordingly; [1] and the agreements and undertakings submitted in said proceedings by Associated Programs, Inc., are accepted for filing.

(R) Associated Programs, Inc., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder; and the agreements and undertakings filed by it in Docket Nos. G-17358, RI65-286, RI65-580, RI65-581, RI66-206, and RI67-452 shall remain in full force and effect until discharged by the Commission.

(S) Consolidated Oil & Gas, Inc. (Operator), et al., is substituted in lieu of Shell Oil Co. (Operator) et al., as respondent in the proceeding pending in Docket No. RI67-169, and said proceeding is redesignated accordingly.[2]

(T) Within 30 days from the issuance of this order, Consolidated Oil & Gas, Inc. (Operator), et al., shall execute, in the form set out below, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI67-169 to assure the refund of all amounts collected, together with interest at the rate of 7 percent per annum, in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(U) Consolidated Oil & Gas, Inc. (Operator), et al., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by it in Docket No. RI67-169 shall remain in full force and effect until discharged by the Commission.

(V) Colorado Oil and Gas Corp. is made a co-respondent in the proceeding pending in Docket No. G-20454, and said proceeding is redesignated accordingly.[3]

(W) Within 30 days from the issuance of this order, Colorado Oil and Gas Corp. shall execute, in the form set out below, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. G-20454 to assure the refund of any amounts collected by it, together with interest at the rate of 7 percent per annum, in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(X) Colorado Oil and Gas Corp. shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by it in Docket No. G-20454 shall remain in full force and effect until discharged by the Commission.

(Y) The respective related rate schedules and supplements as indicated in the tabulation herein are accepted for filing; further, the rate schedules relating to the successions herein are redesignated and accepted, subject to the applicable Commission regulations under the Natural Gas Act to be effective on the dates as indicated in the tabulation herein.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Acting Secretary.*

[1] Docket Nos. RI65-286, RI65-580, and RI67-452, Associated Programs, Inc.; Docket Nos. G-17358, RI65-581, and RI66-206, Associated Programs, Inc. (Operator), et al.

[2] Consolidated Oil & Gas, Inc. (Operator), et al.

[3] Bruce Anderson et al., and Colorado Oil and Gas Corp.

| Docket No. and date filed | Applicant | Purchaser, field, and location | FPC rate schedule to be accepted: Description and date of document | No. | Supp. |
|---|---|---|---|---|---|
| G-2683 E 4-5-68 | Associated Programs, Inc. (Operator), et al. (successor to Associated Oil & Gas Co. (Operator), et al.). | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., Trans-Tex Field, Wharton County, Tex. | Associated Oil & Gas Co. (Operator), et al., FPC GRS No. 1. | 1 | |
| | | | Supplement Nos. 1-7 | 1 | 1-7 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 1 | 8 |
| G-3999 E 4-5-68 | Associated Programs, Inc. (successor to Associated Oil & Gas Co.). | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., Agua Dulce Field, Nueces County, Tex. | Associated Oil & Gas Co., FPC GRS No. 15. | 7 | |
| | | | Supplement Nos. 1-12 | 7 | 1-12 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 7 | 13 |
| G-4229 E 4-5-68 | Associated Programs, Inc. (Operator), et al. (successor to Associated Oil & Gas Co. (Operator), et al.). | Trunkline Gas Co., Cage Ranch Field, Brooks County, Tex. | Associated Oil & Gas Co. (Operator), et al., FPC GRS No. 6. | 3 | |
| | | | Supplement Nos. 1-6 | 3 | 1-6 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 3 | 7 |
| G-4676 D 3-21-68 | Sinclair Oil & Gas Co. (partial abandonment). | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., acreage in Colorado and Austin Counties, Tex. | Assignment 3-30-62 [2] | 44 | 13 |
| | | | Amendment 2-28-68 [3, 4] | 44 | 14 |
| G-5967 E 4-22-68 | Eber S. Roush, et al. (successor to Wilbur D. Roush, et al.). | The Ohio Fuel Gas Co., Sutton Township, Meigs County, Ohio. | Wilbur D. Roush, et al., FPC GRS No. 3. | 2 | |
| | | | Supplement Nos. 1-4 | 2 | 1-4 |
| | | | Notice of succession 4-18-68. | | |
| | | | Assignment 5-14-66 [5] | 2 | 5 |
| | | | Effective date: 3-4-67. | | |
| G-6304 E 4-4-68 | Lone Star Producing Co. (successor to D. E. & R. J. Whelan, Inc.). | Texas Eastern Transmission Corp., Whelan Field, Harrison, and Marion Counties, Tex. | D. E. & R. J. Whelan, Inc., FPC GRS No. 1. | 87 | 1-8 |
| | | | Supplement Nos. 1-8 | 87 | 1-8 |
| | | | Notice of succession 4-2-68. | | |
| | | | Assignment 11-1-67 [6] | 87 | 9 |
| | | | Assignment 11-30-67 [6] | 87 | 10 |
| | | | Effective date: 11-1-67. | | |
| G-8408 E 4-5-68 | Associated Programs, Inc. (successor to Associated Oil & Gas Co.). | Trunkline Gas Co., Alfred-Almond Field, Jim Wells County, Tex. | Associated Oil & Gas Co., FPC GRS No. 4. | 2 | |
| | | | Supplement Nos. 1-4 | 2 | 1-4 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 2 | 5 |
| G-10739 D 11-20-67 | Atlantic Richfield Co. (Operator) et al. | Texas Eastern Transmission Corp., Chicolete Creek and other fields, De Witt, McMullen and other counties, Tex. | Amendment 10-17-67 [4, 7] | 160 | 28 |
| G-10937 E 3-15-68 | W. M. Laughlin (successor to Coastal States Gas Producing Co.). | Trunkline Gas Co., Premont Field, Jim Wells County, Tex. | Coastal States Gas Producing Co., FPC GRS No. 3. | 4 | |
| | | | Supplement Nos. 1-4 | 4 | 1-4 |
| | | | Notice of succession 3-12-68. | | |
| | | | Conveyance 9-1-67 [8] | 4 | 5 |
| | | | Effective date: 9-1-67. | | |
| G-14679 D 4-8-68 | Placid Oil Co. (Operator) et al. | H. L. Hunt, Whelan Field, Harrison County, Tex. | Release Agreement 10-10-67.[4, 9] | [10] 29 | 8 |
| G-17203 E 4-15-68 | Warren Petroleum Corp. (Operator) (successor to Sinclair Oil & Gas Co. (Operator). | El Paso Natural Gas Co., Tatum Gasoline Plant, Lea County, N. Mex. | Sinclair Oil & Gas Co. (Operator), FPC GRS No. 168. | 56 | |
| | | | Supplement Nos. 1-7 | 56 | 1-7 |
| | | | Notice of succession 4-11-68. | | |
| | | | Assignment 4-1-68 [11] | 56 | 8 |
| | | | Effective date: 4-1-68. | | |
| CI61-922 E 4-8-68 | First National Bank in Dallas, Trustee (Operator) et al. (successor to Jake L. Hamon (Operator) et al.). | South Texas Natural Gas Gathering Co., Northeast Thompsonville Field, Jim Hogg County, Tex. | Jake L. Hamon (Operator) et al., FPC GRS No. 28. | 1 | |
| | | | Supplement No. 1 | 1 | 1 |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 2-29-68 [12] | 1 | 2 |
| | | | Effective date: 3-1-68. | | |
| CI61-1355 E 4-5-68 | Turner & Fiske (successor to Dulaney Oil Co.). | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., El Puerto Field, Starr County, Tex. | Dulaney Oil Co., FPC GRS No. 2. | 1 | |
| | | | Supplement No. 1 | 1 | 1 |
| | | | Notice of succession 3-25-68. | | |
| | | | Assignment 2-1-68 [13] | 1 | 2 |
| | | | Effective date: 2-1-68. | | |
| CI61-1745 E 4-8-68 | First National Bank in Dallas, Trustee (Operator) et al. (successor to Jake L. Hamon (Operator) et al.). | South Texas Natural Gas Gathering Co., Northeast Thompsonville Field, Jim Hogg County, Tex. | Jake L. Hamon (Operator) et al., FPC GRS No. 31. | 2 | |
| | | | Supplement No. 1 | 2 | 1 |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 2-29-68 [12] | 2 | 2 |
| | | | Effective date: 3-1-68. | | |
| CI62-927 E 4-5-68 | Associated Programs, Inc. (Operator) et al. (successor to Associated Oil & Gas Co. (Operator) et al.). | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., New Taiton Field, Wharton County, Tex. | Associated Oil & Gas Co. (Operator) et al., FPC GRS No. 9. | 4 | |
| | | | Supplement Nos. 1-2 | 4 | 1-2 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 4 | 3 |
| CI62-1037 E 3-25-68 | Consolidated Oil & Gas, Inc. (Operator) et al. (successor to Shell Oil Co. (Operator) et al.). | El Paso Natural Gas Co., East Boundary Butte Field, Apache County, Ariz. | Shell Oil Co., (Operator) et al., FPC GRS No. 269. | 33 | |
| | | | Supplement Nos. 1-7 | 33 | 1-7 |
| | | | Notice of succession 3-22-68. | | |
| | | | Assignment 10-10-67 [14] | 33 | 8 |
| | | | Effective date: 10-12-67. | | |
| CI63-173 E 4-5-68 | Associated Programs, Inc. (Operator) et al. (successor to Associated Oil & Gas Co. (Operator), et al.). | Kansas-Nebraska Natural Gas Co., Inc., Bijou Field, Morgan County, Colo. | Associated Oil & Gas Co. (Operator) et al., FPC GRS No. 13. | 5 | |
| | | | Supplement No. 1 | 5 | 1 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 5 | 2 |
| CI63-1560 E 4-5-68 | Associated Programs, Inc. (successor to Associated Oil & Gas Co.). | Valley Gas Transmission, Inc., Koopman and San Diego East Fields, Jim Wells and Duval Counties, Tex. | Associated Oil & Gas Co., FPC GRS No. 14. | 6 | |
| | | | Supplement No. 1 | 6 | 1 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 6 | 2 |
| CI64-841 C 11-24-67 D 11-24-67 [15] | St. Clair Oil Co. | Equitable Gas Co., Skin Creek and Collins Settlement Districts, Lewis County, W. Va. | Letter agreement 5-8-67.[16] | 12 | 8 |
| | | | Letter agreement 5-19-67.[16] | 12 | 9 |
| | | | Supplemental agreement 10-13-67.[17] | 12 | 10 |
| | | | Letter agreement 4-22-68.[18] | 12 | 11 |
| CI65-207 E 4-5-68 | Associated Programs, Inc. (successor to Associated Oil & Gas Co.). | Texas Eastern Transmission Corp., Englehart Field, Colorado County, Tex. | Associated Oil & Gas Co., FPC GRS No. 18. | 8 | |
| | | | Supplement Nos. 1-12 | 8 | 1-12 |
| | | | Notice of succession 3-1-68. | | |
| | | | Assignment 1-19-68 [1] | 8 | 1 |

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial sucession.

See footnotes at end of table.

| Docket No. and date filed | Applicant | Purchaser, field, and location | FPC rate schedule to be accepted: Description and date of document | No. | Supp. |
|---|---|---|---|---|---|
| CI65-817 C 4-10-68[15] D 4-10-68 | Jennings Petroleum Corp. | Equitable Gas Co., Salt Lick and Otter Districts, Braxton County, W. Va. | Letter agreement 4-2-68.[16][18] | 2 | 3 |
| CI66-727 E 4-15-68 | Consolidated Production Corp. (successor to G. M. Close). | Panhandle Eastern Pipe Line Co., acreage in Dewey County, Okla. | G. M. Close, FPC GRS No. 1. | 1 | |
| | | | Notice of succession 4-11-68. | | |
| | | | Assignment 12-1-67 | 1 | 1 |
| | | | Effective date: 12-1-67 | | |
| CI66-853 C 4-11-68[15] | Service Gas Products Co. (Operator) et al. | do | Amendatory agreement 12-21-67.[18][19] | 7 | 4 |
| CI66-1184 E 4-17-68 | W. G. Kennedy (successor to Gibson Oil Co. et al., First National Bank of Quincy, agent). | Consolidated Gas Supply Corp., Grant District, Ritchie County, W. Va. | Gibson Oil Co. et al., First National Bank of Quincy, agent, FPC GRS No. 1. | 1 | |
| | | | Notice of succession (undated). | | |
| | | | Assignment 7-6-67 | 1 | 1 |
| | | | Effective date: 7-6-67 | | |
| CI66-1213 C 4-19-68[15] | J. Gregory Merrion (Operator) et al. | El Paso Natural Gas Co., Undesignated Chacra and South Blanco Pictured Cliffs Fields, Rio Arriba County, N. Mex. | Agreement 10-30-67 | 4 | 1 |
| | | | Agreement 4-4-68 | 4 | 2 |
| CI67-174 C 4-16-68[15] | Southland Royalty Co. (Operator) et al. | Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla. | Amendatory agreement 3-8-68.[18][20] | 23 | 2 |
| CI67-485 A 10-14-66[21] | Bank of Wadestown, agent for S. O. Eddy et al. | Consolidated Gas Supply Corp., Lincoln District, Marion County, W. Va. | Contract 4-1-41 | 1 | |
| | | | Supplemental agreement 11-1-40.[22] | 1 | 1 |
| | | | Supplemental agreement 4-4-51.[23] | 1 | 2 |
| | | | Supplemental Agreement 4-5-56.[23] | 1 | 3 |
| CI67-931 E 4-11-68 | Universal Major Industries Corp. et al. (successor to Transamerican Petroleum Corp. et al.). | Consolidated Gas Supply Corp., Banks Township, Indiana County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 2. | 1 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Letter Agreement 8-19-65.[24] | 1 | 1 |
| | | | Assignment 3-22-67[25] | 1 | 2 |
| | | | Effective date: 3-22-67 | | |
| CI67-932 E 4-11-68 | Universal Major Industries Corp. (Operator) et al. (successor to Transamerican Petroleum Corp. et al.). | Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 3. | 2 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 3-22-67 | 2 | 1 |
| | | | Effective date: 3-22-67 | | |
| CI67-933 E 4-11-68 | do | Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, and Banks Township, Indiana County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 4. | 3 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 3-22-67 | 3 | 1 |
| | | | Effective date: 3-22-67 | | |
| CI67-934 E 4-11-68 | Universal Major Industries Corp. et al. (successor to Transamerican Petroleum Corp. et al.). | Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 5. | 4 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 3-22-67[25] | 4 | 1 |
| | | | Effective date: 3-22-67 | | |
| CI67-935 E 4-11-68 | do | Consolidated Gas Supply Corp., Bell Township, Jefferson County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 6. | 5 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 3-22-67[25] | 5 | 1 |
| | | | Effective date: 3-22-67 | | |
| CI67-936 E 4-11-68 | Universal Major Industries Corp. (successor to Transamerican Petroleum Corp. et al.). | Consolidated Gas Supply Corp., Gaskill and Bell Townships, Jefferson County, Pa. | Transamerican Petroleum Corp. et al., FPC GRS No. 7. | 6 | |
| | | | Notice of succession 4-4-68. | | |
| | | | Assignment 3-22-67[25] | 6 | 1 |
| | | | Effective date: 3-22-67 | | |
| CI67-946 (G-15714) F 1-31-67 | Midwest Oil Corp. (successor to Humble Oil & Refining Co.). | Transwestern Pipeline Co., Mammoth Creek Field, Lipscomb County, Tex. | Ratified 8-30-66[26] | 43 | |
| | | | Contract 7-7-58[27] | 43 | 1 |
| | | | Letter agreement 10-8-59. | 43 | 2 |
| | | | Letter agreement 3-11-60. | 43 | 3 |
| | | | Letter agreement 5-25-60. | 43 | 4 |
| | | | Letter agreement 10-19-62 | 43 | 5 |
| | | | Letter agreement 4-7-64. | 43 | 6 |
| CI67-985 (G-15714) F 2-6-67 | Explorer Oil Co. (successor to Humble Oil & Refining Co.). | do | Ratified 1-20-67[26] | 1 | |
| | | | Contract 7-7-58[27] | 1 | 1 |
| | | | Letter agreement 10-8-59. | 1 | 2 |
| | | | Letter agreement 3-11-60. | 1 | 3 |
| | | | Letter agreement 5-25-60. | 1 | 4 |
| | | | Letter agreement 10-19-62. | 1 | 5 |
| | | | Letter agreement 4-7-64. | 1 | 6 |
| CI67-1167 A 2-27-67 | Royis Ward | Almos Gas Gathering Co., North Mathis Field, San Patricio County, Tex. | Contract 1-23-67 | 1 | |
| CI67-1241 A 3-10-67 | Almos Gas Gathering Co. | United Gas Pipe Line Co., North Mathis Field, San Patricio County, Tex. | Contract 2-24-67 | 2 | |
| CI67-1267 A 3-16-67 | J. E. Hillier | Almos Gas Gathering Co., North Mathis Field, San Patricio County, Tex. | Contract 1-31-67 | 3 | |
| CI67-1458 C 4-18-68[15] | Anadarko Production Co. | Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla. | Amendatory agreement 3-1-68.[18] | 129 | 1 |
| CI67-1617 C 1-22-68[15] | W. B. Osborn, Jr. (Operator), et al.[28] | Panhandle Eastern Pipe Line Co., acreage in Woods County, Okla. | Amendment 12-18-67[18] | 25 | 2 |
| CI68-1077 (G-13633) F 3-6-68 | William Herbert Hunt Trust Estate (Operator) et al. (successor to Union Producing Co.). | Arkansas Louisiana Gas Co., Colquitt Field, Claiborne Parish, La. | Contract 3-25-57[29] | 13 | |
| | | | Amendment 3-25-57 | 13 | 1 |
| | | | Letter agreement 3-25-57. | 13 | 2 |
| | | | Letter agreement 8-15-58. | 13 | 3 |
| | | | Assignment 8-2-67[30] | 13 | 4 |
| | | | Assignment 8-5-67[30] | 13 | 5 |
| | | | Compliance 4-24-68[31] | 13 | 6 |
| CI68-1110 A 3-14-68[15] | Douglas Resources Corp. et al. | Northern Natural Gas Co., North Salon Area, Ellis County, Okla. | Contract 12-21-67[32] | 5 | |
| CI68-1123 A 3-18-68[15] | Sarkeys, Inc. | Panhandle Eastern Pipe Line Co., Peek Area, Roger Mills County, Okla. | Contract 2-22-68[33] | 6 | |
| | | | Compliance 4-26-68[34] | 6 | 1 |
| CI68-1125 A 3-18-68[15] | Frank J. Hall (Operator) et al. | Mississippi River Transmission Corp., Walnut Bayou Field, Caddo Parish, La. | Contract 3-4-68 | 4 | |
| CI68-1136 (CI63-691) B 3-18-68 | Signal Oil & Gas Co. | Tennessee Gas Pipeline Co., a division of Tenneco, Inc., West Bishop Field, Nueces County, Tex. | Notice of cancellation 4-29-68.[4][9] | 9 | 7 |

See footnotes at end of table.

| Docket No. and date filed | Applicant | Purchaser, field, and location | FPC rate schedule to be accepted: Description and date of document | No. | Supp. |
|---|---|---|---|---|---|
| CI68-1139 (G-14361) F 3-18-68 | William P. Quan (successor to Davis Oil Co.). | El Paso Natural Gas Co., Aneth Area, White Mesa Unit, San Juan County, Utah. | Contract 11-12-57 [35] | 1 | |
| | | | Letter 11-6-57 | 1 | 1 |
| | | | Letter agreement 11-22-57.[36] | 1 | 2 |
| | | | Letter agreement 1-8-58 | 1 | 3 |
| | | | Letter agreement 7-30-58 | 1 | 4 |
| | | | Letter agreement 11-15-59. | 1 | 5 |
| | | | Letter agreement 11-20-59. | 1 | 6 |
| | | | Letter (undated) [37] | 1 | 7 |
| | | | Assignment 12-1-67 [38] | 1 | 8 |
| | | | Effective date: 9-1-67 | | |
| CI68-1161 A 3-25-68 [15] | T. F. Hodge | Arkansas Louisiana Gas Co., North Drummond Area, Garfield County, Okla. | Contract 11-4-66 [39] | 7 | |
| | | | Contract 7-2-62 [18] | [40] 7 | 1 |
| CI68-1174 (CI63-958) B 4-3-68 | Grace E. and Robert A. Lowther. | Consolidated Gas Supply Corp., Meade District, Tyler County, W. Va. | Notice of cancellation 4-1-68.[4] [41] | 1 | 3 |
| CI68-1203 (G-11022) (G-11023) F 4-9-68 | Colorado Oil & Gas Corp. (successor to Bruce Anderson et al.). | Colorado Interstate Gas Co., Greenwood Field, Morton County, Kans. | Contract 11-18-58 [42] | 62 | |
| | | | Assignment 6-14-67 [43] | 62 | 1 |
| | | | Assignment 6-14-67 [44] | 62 | 2 |
| | | | Effective date: 6-14-67 | | |
| CI68-1209 (G-13876) F 4-15-68 | Consolidated Oil & Gas, Inc. (Operator), et al. (successor to Shell Oil Co.). | El Paso Natural Gas Co., Boundary Butte Field, San Juan County, Utah. | Contract 11-4-57 [45] | 34 | |
| | | | Letter Agreement 1-8-58. | 34 | 1 |
| | | | Assignment 10-10-67 [14] | 34 | 2 |
| | | | Effective date: 10-12-67 | | |
| CI68-1212 A 4-17-68 [15] | JenningsPetroleum Corp. | Equitable Gas Co., Salt Lick District, Braxton County, W. Va. | Contract 4-2-68 [18] | 7 | |
| CI68-1216 A 4-18-68 [15] | Sidwell Oil & Gas, Inc. | Northern Natural Gas Co., acreage in Hansford County, Tex. | Contract 3-21-68 [32] | 7 | |
| CI68-1219 A 4-19-68 [15] | King Resources Co. | Kansas-Nebraska Natural Gas Co., Inc., Camrick Field, Texas County, Okla. | Contract 1-31-68 [18] | 13 | |
| CI68-1220 A 4-19-68 [15] | Clayton's Oil Co. (Operator), agent, et al. | Cities Service Gas Co., acreage in Pawnee County, Okla. | Contract 3-29-68 | 1 | |
| CI68-1221 (CI63-288) B 4-19-68 | Anadarko Production Co. | Panhandle Eastern Pipe Line Co., Light Field Area, Beaver County, Okla. | Notice of cancellation 4-17-68.[4] [9] | 69 | 3 |
| CI68-1222 (CI63-1515). F 4-17-68 | Humble Oil & Refining Co. (successor to The Redco Corp.). | Northern Natural Gas Co., Northwest Hokit Field, Pecos County, Tex. | Contract 4-7-63 [46] | 445 | |
| | | | Assignment 1-11-68 [47] | 445 | 1 |
| | | | Quality statement 3-4-68.[48] | 445 | 2 |
| | | | Effective date: 1-1-68 | | |
| CI68-1223 A 4-22-68 5-16-68 [15] [49] | Allen Beard et al. | United Fuel Gas Co., Rocky Fork Field, Union District, Kanawha County, W. Va. | Contract 2-16-68 [18] | 6 | |
| CI68-1224 A 4-22-68 [15] | do | United Fuel Gas Co., Rocky Fork Field, Kanawha County, W. Va. | Contract 3-20-68 [18] [50] | 7 | |
| CI68-1225 A 4-22-68 5-16-68 [15] [49] | do | do | Contract 2-16-68 [18] [50] | 8 | |
| CI68-1226 A 4-22-68 [15] | Magness Petroleum Co. (Operator) et al. | Northern Natural Gas Co., Doby Springs Field, Harper County, Okla. | Contract 4-2-68 | 5 | |
| CI68-1228 A 4-22-68 | Frank H. Walsh | Kansas-Nebraska Natural Gas Co., Inc., Armstrong Field, Logan County, Colo. | Contract 2-1-68 | 7 | |
| CI68-1230 A 4-22-68 5-10-68 [15] [51] | Magness Petroleum Co. (Operator) et al. | Arkansas Louisiana Gas Co., Hitchcock Field, Blaine County, Okla. | Contract 2-19-68 [52] | 6 | |
| | | | Contract 9-27-67 [53] | 6 | 1 |
| | | | Amendment 4-30-68 [54] | 6 | 2 |

| Docket No. and date filed | Applicant | Purchaser, field, and location | FPC rate schedule to be accepted: Description and date of document | No. | Supp. |
|---|---|---|---|---|---|
| CI-68-1236 A 4-24-68 [15] | Montlar Oil & Gas Co. et al. | Consolidated Gas Supply Corp., Glenville District, Gilmer County, W. Va. | Contract 2-14-68 [18] | 4 | |
| CI68-1238 A 4-22-68 [21] | Eber S. Roush et al. | The Ohio Fuel Gas Co., Sutton Township, Meigs County, Ohio. | Contract 9-5-46 [55] | 1 | |
| CI68-1239 (CI63-258) F 4-24-68 as amended 6-17-68 | Wessely Petroleum, Ltd. (successor to Sunset International Petroleum Corp. et al.). | Panhandle Eastern Pipe Line Co., Mocane Morrow Field, Beaver County, Okla. | Contract 8-6-62 [56] | 7 | |
| | | | Assignment 3-29-68 [57] | 7 | 1 |
| | | | Assignment 4-18-68 [58] | 7 | 2 |
| | | | Effective date: 4-1-68 | | |

1 From Associated Oil & Gas Co. to Associated Programs, Inc.
2 Transfers acreage from Sinclair Oil & Gas Co. to H. B. Lively to a depth of 9,100 feet (filed Mar. 9, 1968).
3 Defines acreage remaining dedicated to the contract (filed Feb. 29, 1968).
4 Effective date: Date of this order.
5 From Wilbur D. Roush to Eber Roush.
6 Conveys acreage from D. E. & R. J. Whelan, Inc. to Lone Star Producing Co.
7 Deletes from dedication the leases in the Tulsita-Wilcox Field, Bee County, Tex., District No. 2. Casinghead gas deleted is subject by prior contract to Pan American Petroleum Corp. (Operator) et al., FPC GRS No. 114; gas-well-gas deleted because of no reserves.
8 Transfers properties from Coastal States Gas Producing Co. to W. M. Laughlin.
9 Source of gas depleted.
10 Rate effective subject to refund in Docket No. RI67-91; also subject to proceedings in Docket Nos. G-15370, G-17423, G-19767, RI61-213, RI62-104, RI64-202, RI65-259, and RI66-132.
11 From Sinclair Oil & Gas Co. to Warren Petroleum Corp.
12 Transfers acreage from Jake L. Hamon to First National Bank in Dallas to a depth of 100 feet below the base of The First Hinnant (Wilcox) Sand.
13 Assigns acreage from Dulaney Oil Co. to R. C. Turner and Vivian Sloane Fiske.
14 From Shell Oil Co. to Consolidated Oil & Gas, Inc. et al.
15 Jan. 1, 1970, moratorium pursuant to the Commission's statement of general policy No. 61-1, as amended.
16 Adds acreage and deletes various expired leases.
17 Adds acreage and includes clause to protect Equitable's gas storage reservoir.
18 Effective date: Date of initial delivery (Applicant shall advise the Commission as to such date).
19 Accept as to that part pertaining to the Dewey County acreage (shown on page 16 of Exhibit "A"), not previously certificated.
20 Adds acreage and provides for a 5-year makeup period for gas paid for but not taken.
21 Sale being rendered on June 7, 1954.
22 Farmout agreement.
23 Extends term of contract.
24 Adds acreage.
25 Assignment from Transamerican Petroleum Corp. to Universal Major Industries Corp.
26 Covers acreage acquired by assignment from Humble.
27 Basic contract between Transwestern and Humble; on file as Humble Oil & Refining Co. (Operator) et al., FPC GRS No. 239.
28 By letter filed May 1, 1968, Applicant advised willingness to accept authorization conditioned to a rate of 15 cents plus B.t.u. adjustment.
29 Currently on file as Union Producing Co. (Operator) et al., FPC GRS No. 66.
30 Conveys interest of Union Producing Co. to Applicant only with respect to the formations between the base of the Taylor Sand and the base of the Smackover Formation.
31 Complies with temporary certificate issued Apr. 18, 1968.
32 Acreage committed limited to all depths shallower than the base of the Mississippian System.
33 Applicant is filing to cover its own interest of 24.87455 percent of Moore Unit.
34 Complies with temporary certificate issued Apr. 18, 1968. Applicant has stated willingness to accept a permanent certificate at an initial base rate of 15 cents and subject to the ultimate disposition of Docket No. R-338.
35 On file as Davis Oil Co. FPC GRS No. 1.
36 Favored Nations Agreement with regard to price, quantities of gas, provisions relating to liquids or liquid settlements.
37 Applicant's predecessor, Davis Oil Co., filed notice of acceptance of reduced rate pursuant to Opinion No 335.
38 From Davis Oil Co. to William P. Quan.
39 Adopts terms of contract dated July 2, 1962, except as to indefinite pricing provisions.
40 Applicant proposed the contractual rate of 16.015 cents (includes 0.015-cent tax reimbursement); however, by letter filed May 8, 1968, Applicant advised willingness to accept a permanent certificate conditioned to 15 cents per Mcf including tax reimbursement.
41 Production of gas no longer economically feasible.
42 Currently on file as Bruce Anderson et al., FPC GRS No. 2.
43 Assigns 75 percent of the operating rights in all formations below 3,500′ in the NW¼ of sec. 9, T. 345, R. 42 W., from Bruce Anderson and M. A. Machris to Applicant.
44 Assigns 75 percent of the operating rights in all formations below 3,500′ in the NE¼ of sec. 9, T. 345, R. 42 W., from Bruce Anderson and M. A. Machris to Applicant.
45 Between Shell Oil Co. and El Paso; on file as Shell Oil Co. FPC GRS No. 178
46 On file as The Redco Corp. FPC GRS No. 1.
47 The Redco Corp. assigns 50 percent working-interest in the Mary A. Simmons Lease to Applicant.
48 Shows applicable area rate of 17.21 cents per Mcf.

[49] Revised contract summary filed to reflect a rate of 27.5 cents per Mcf in lieu of the original proposed rate of 28 cents.
[50] Production from the Newburg Sand only.
[51] Amendment to the application filed to change price to read 15 cents per Mcf in lieu of 17 cents per Mcf.
[52] Ratifies contract dated Sept. 27, 1967, between Apache Corp. and Arkansas Louisiana Gas Co.
[53] Also on file as Apache Corp. (Operator) et al., FPC GRS No. 42.
[54] Provides for downward B.t.u. adjustment; B.t.u. to be measured on a wet basis.
[55] Rate schedule previously accepted for filing but no certificate filing was ever made for this sale.
[56] Currently on file as Sunset International Petroleum Corp. FPC GRS No. 9.
[57] From Sunset International Petroleum Corp. to Applicant.
[58] From Robert J. Nolt to Applicant.

Suggested agreement and undertaking:

BEFORE THE FEDERAL POWER COMMISSION

(Name of Respondent ____________)

Docket No.______

AGREEMENT AND UNDERTAKING OF (NAME OF RESPONDENT) TO COMPLY WITH REFUNDING AND REPORTING PROVISIONS OF SECTION 154.102 OF THE COMMISSION'S REGULATIONS UNDER THE NATURAL GAS ACT

(Name of Respondent) hereby agrees and undertakes to comply with the refunding and reporting provisions of section 154.102 of the Commission's regulations under the Natural Gas Act insofar as they are applicable to the proceeding in Docket No. ______ (and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto [1]) this ______ day of ____________, 196__.

(Name of Respondent)

By ________________________

Attest:

________________________

[F.R. Doc. 68-7944; Filed, July 8, 1968; 8:45 a.m.]

# FEDERAL RESERVE SYSTEM

## PIEDMONT TRUST BANK

### Order Granting Temporary Exemption

In the matter of the application of Piedmont Trust Bank, Martinsville, Va., for exemption from the registration requirements of the Securities Exchange Act of 1934.

There has come before the Board of Governors, pursuant to section 12(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78*l*), an application by Piedmont Trust Bank, Martinsville, Va., a member State bank of the Federal Reserve System, for exemption from the registration requirements of section 12(g) of the Act.

Notice of receipt of the application was published in the FEDERAL REGISTER on May 17, 1968 (33 F.R. 7338), providing an opportunity for interested persons to submit comments and recommendations with respect to the application and to request a hearing on the matter. Time for filing comments and for requesting a hearing has expired and no such comments or requests have been received.

On the basis of the information set forth in the application, or otherwise available, the Board finds that:

(1) The bank has assets of $31.9 million and equity capital of $2.9 million;

(2) The bank has outstanding 219,615 shares of capital stock, owned by 539 shareholders as of December 31, 1967;

(3) There is some trading activity and a regular market in the bank's stock, with considerable, although primarily local, interest in such stock; and

(4) Compliance, at this time, with the registration and reporting requirements of the Act would impose a severe burden on the bank and its personnel.

Upon consideration of all the circumstances, the Board concludes that the granting of a temporary exemption until April 30, 1969, would not be inconsistent with the public interest or the protection of investors.

*It is hereby ordered*, That Piedmont Trust Bank be, and hereby is, exempted from the registration requirements of section 12(g) of the Securities Exchange Act of 1934 until April 30, 1969.

Dated at Washington, D.C., this 2d day of July 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
*Assistant Secretary.*

[F.R. Doc. 68-8056; Filed, July 8, 1968; 8:45 a.m.]

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[1] If a corporation.

## INSURED BANKS

### Joint Call for Report of Condition

CROSS REFERENCE: For a document relating to a joint call for report of condition of insured banks, see F.R. Doc. 68-8088, Federal Deposit Insurance Corporation, *supra*.

# GENERAL SERVICES ADMINISTRATION

## STANDING INTERAGENCY COMMITTEES CHAIRED BY GENERAL SERVICES ADMINISTRATION

Bureau of the Budget Circular No. A-63 of March 2, 1964, requires that notice of the establishment or extension of standing interagency committees be published in the FEDERAL REGISTER "in order to facilitate convenient and permanent reference by Federal agencies, unless this would be inconsistent with law or regulations, or where such publication would not be in the national interest." In compliance with this requirement the following information is provided relating to standing interagency committees chaired by the General Services Administration.

A. Continuing interagency committees established by legislation, Executive order, or at the direction of the President:

Administrative Committee of the Federal Register.
Federal Fire Council.
National Archives Trust Fund Board.
National Historical Publications Commission.

B. Standing committee established during fiscal year 1968:

Interagency Committee for Improvement in Procurement and Management of Property.

C. Standing committees and subcommittees extended beyond June 30, 1968:

Interagency Advisory Committee on Disposal of Natural Rubber.
Interagency Advisory Committee on Security Equipment.
Interagency Advisory Committee on Standardization Planning.
Interagency Committee for Review of Federal Supply Schedules.
Interagency Coordinating Committee on Medical Stockpile Shelf-Life Items.
Interagency Procurement Policy Committee.
Interagency Transportation and Traffic Management Committee.
Southwest Employment Area Transportation Committee.
Southwest Employment Area Transportation Working Committee.
Southwest Employment Area Transportation Working Subcommittee.

Dated: July 1, 1968.

LAWSON B. KNOTT, Jr.,
*Administrator of General Services.*

[F.R. Doc. 68-8089; Filed, July 8, 1968; 8:48 a.m.]

# OFFICE OF ECONOMIC OPPORTUNITY

## SECRETARY OF LABOR ET AL.

### Delegation of Authorities Regarding Special Impact Programs

1. The Delegation of Authorities dated March 10, 1967, approved by the President March 14, 1967 (32 F.R. 4588), is hereby rescinded insofar as it applies to programs under title I, Part D, of the Economic Opportunity Act of 1964, as amended, 81 Stat. 688, 42 U.S.C. 2763-68.

2. Pursuant to section 602(d) of the Economic Opportunity Act, the following powers of the Director are hereby delegated concurrently and severally to the Secretary of Labor, the Secretary of Commerce, and the Secretary of Agriculture:

(a) The power to provide financial assistance under section 151 of the Economic Opportunity Act;

(b) The power to make such determinations as may be necessary or appropriate in the administration of grants or contracts made by them pursuant to section 151; and

(c) The powers of the Director under sections 602, 603(b), and 611 of the Economic Opportunity Act to the extent they deem necessary or appropriate for carrying out their functions in exercising the foregoing powers.

The powers delegated herein may be redelegated with or without authority for further redelegation.

3. Allotments of funds by the Office of Economic Opportunity under title I-D will be based on prior understanding between the Director and the appropriate Secretary of the special impact areas in which they are to be used and the principal features of the projects involved.

4. Concurrent authority is retained by the Director of the Office of Economic Opportunity for the purpose of providing financial assistance for projects other than those to be administered by the Secretary of Labor, the Secretary of Commerce, or the Secretary of Agriculture.

5. All operating information, evaluation reports, and other data concerning the programs administered under the delegated powers shall be freely exchanged between the Director and the appropriate Secretary. Each agreement made under the delegated authority with any public or private agency shall contain provisions adequate to assure that information needed for evaluation purposes will be made available to the Director at his request.

BERTRAND M. HARDING,
*Acting Director,*
*Office of Economic Opportunity.*

JUNE 17, 1968.

Approved: June 27, 1968.

LYNDON B. JOHNSON,
*President of the United States.*

[F.R. Doc. 68-8087; Filed, July 8, 1968; 8:48 a.m.]

# SECURITIES AND EXCHANGE COMMISSION

[812-2328]

## STATE STREET INVESTMENT CORP.

### Notice of Filing of Application for Order Exempting Sale by Open-End Company of Its Securities at Other Than Public Offering Price

JULY 2, 1968.

Notice is hereby given that State Street Investment Corp. ("Applicant"), 225 Franklin Street, Boston, Mass., a Massachusetts corporation registered under the Investment Company Act of 1940, 15 U.S.C. Sec. 80a-1 et seq. ("Act"), as an open-end diversified management investment Company, has filed an application pursuant to section 6(c) of the Act for an order of the Commission exempting from the provisions of section 22(d) of the Act a transaction in which Applicant's redeemable securities will be issued at a price other than the current public offering price in exchange for substantially all the assets of Adams Securities Company ("Adams"). All interested persons are referred to the application on file with the Commission for a statement of Applicant's representations which are summarized below.

Adams, a Massachusetts corporation, is a personal holding company all of whose outstanding stock is owned by 25 stockholders and is exempt from registration under the Act by reason of the provisions of section 3(c)(1) thereof. Adams has conducted its business as a private investment company since its formation in 1916.

Pursuant to an agreement between Applicant and Adams, assets owned by Adams with a value of approximately $2,571,243 on May 17, 1968 will be transferred to Applicant in exchange for shares of Applicant's stock.

The number of shares of Applicant to be issued to Adams is to be determined by dividing the aggregate market value of the assets of Adams (subject to certain adjustments set forth in the application) to be transferred to Applicant by Applicant's net asset value per share (as defined in the agreement), both to be determined as of the valuation time. If the valuation in the agreement had taken place on May 17, 1968, Adams would have received 48,407 shares of Applicant's stock.

When received by Adams, the shares of Applicant are to be distributed to the Adams shareholders on the liquidation of Adams. Applicant has been advised by the management of Adams that the stockholders of Adams do not have any present intention of distributing the shares of Applicant to be received on such liquidation following the sale of assets transaction or of redeeming any substantial number thereof. Applicant does presently intend to sell a portion of the securities subsequent to their acquisition from Adams as set out in the application.

Applicant represents that there is no affiliation or relationship between the officers and directors of the Applicant and the officers and directors of Adams and that the proposed transaction is the result of arms-length negotiations by the principals of both corporations.

Section 22(d) of the Act provides that registered open-end investment companies may sell their shares only at the current public offering price as described in the prospectus. Section 6(c) permits the Commission, upon application, to exempt such a transaction if it finds that such an exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicant contends that the proposed offering of its stock will comply with the provisions of the Act, other than section 22(d) and submits that the granting of the application would be in accordance with established practice of the Commission, is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than July 22, 1968, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service by affidavit (or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in the matter including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

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

[F.R. Doc. 68-8064; Filed, July 8, 1968; 8:45 a.m.]

# SMALL BUSINESS ADMINISTRATION

[Delegation of Authority No. 30 (Midwestern Area); Rev. 2]

## AREA COORDINATORS ET AL.

### Delegation of Authority To Conduct Program Activities in Midwestern Area

Pursuant to the authority delegated to the Area Administrator by Delegation of Authority No. 30 (Rev. 12), 32 F.R. 179, dated January 7, 1967, and Amendment 1, 32 F.R. 8113, dated June 6, 1967, 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.