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# FEDERAL REGISTER

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*Washington, Tuesday, March 9, 1937*

**PRESIDENT OF THE UNITED STATES.**

**EXECUTIVE ORDER**

**MODIFICATION OF EXECUTIVE ORDER NO. 7070 OF JUNE 12, 1935, PRESCRIBING REGULATIONS GOVERNING APPOINTMENT OF EMPLOYEES PAID FROM EMERGENCY FUNDS**

By virtue of and pursuant to the authority vested in me as President of the United States, I hereby modify paragraph 1 of Executive Order No. 7070 of June 12, 1935, as amended, prescribing regulations governing appointments of employees paid from emergency funds, so that it shall not apply to appointments made by the United States Employees' Compensation Commission.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,  
March 4, 1937.

[No. 7570]

[F. R. Doc. 37-662; Filed, March 5, 1937; 2:13 p. m.]

**TREASURY DEPARTMENT.**

**Public Debt Service.**

[1937—Department Circular No. 574]

**UNITED STATES OF AMERICA 2½ PERCENT TREASURY BONDS OF 1949-53**

**REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER DECEMBER 15, 1949**

*Additional Issue*

MARCH 8, 1937.

**I. OFFERING OF BONDS**

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, approved September 24, 1917, as amended, invites subscriptions, at par and accrued interest from December 15, 1936, from the people of the United States for 2½ percent bonds of the United States, designated Treasury Bonds of 1949-53, in payment of which only Treasury Notes of Series B-1937, maturing April 15, 1937, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury Notes of Series B-1937 tendered and accepted.

**II. DESCRIPTION OF BONDS**

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury Bonds of 1949-53 issued pursuant to Department Circular No. 572, dated December 7, 1936, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 572:

1. The bonds will be dated December 15, 1936, and will bear interest from that date at the rate of 2½ percent per annum,

payable semiannually on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1953, but may be redeemed at the option of the United States on and after December 15, 1949, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the Second Liberty Bond Act, approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above.

3. The bonds will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege and will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

**III. SUBSCRIPTION AND ALLOTMENT**

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. The Secretary of the Treasury reserves the right to close the books as to any or all subscriptions or classes of subscriptions at any time without notice.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, to make allotments in full upon applications for smaller amounts and to make reduced allotments upon, or to reject, applications for larger amounts, or to adopt any or all of said methods or such other methods of allotment and classification of allotments as shall be deemed by him to be in the public interest; and his action in any or all of these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

**IV. PAYMENT**

1. Payment at par and accrued interest for bonds allotted must be made or completed on or before March 15, 1937,



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TABLE OF CONTENTS

Department of Agriculture:	
Agricultural Adjustment Administration:	
Agricultural conservation program, 1937:	
Northeast region, Bulletin No. 101:	
Massachusetts, Supplement (1)-----	592
Pennsylvania, Supplement (2)-----	593
Rhode Island, Supplement (1)-----	593
Southern region, Bulletin 101, Part VII, Rice...	593
Proclamation with respect to marketing agreement and order regulating handling of onions grown in Texas-----	592
Department of the Interior:	
Bureau of Reclamation:	
Boise Irrigation Project, Idaho-Oregon, public notice of annual water charges-----	590
Division of Grazing:	
Joint regulations of Secretaries of Interior and Agriculture relating to protection and administration of game ranges, etc-----	590
Montana Grazing District No. 5, modification-----	592
Department of Labor:	
Immigration and Naturalization Service:	
Franklin, Vt., name of port of entry changed to Moses Line, Vt-----	595
Ogdensburg, N. Y., designated port of entry for aliens arriving by aircraft-----	595
Federal Home Loan Bank Board:	
Home Owners' Loan Corporation:	
Notaries public, appointment of-----	596
Federal Power Commission:	
Order setting hearing in the matter of:	
Montana-Dakota Utilities Co-----	596
President of the United States:	
Executive Order:	
Appointments of employees paid from emergency funds, regulations governing-----	589
Securities and Exchange Commission:	
Order approving acquisition of securities, etc.:	
New England Power Association-----	596
Order for continuance in the matter of:	
Manning, R. H., & Co-----	597
Order permitting declaration to become effective:	
American Service Co-----	596
Order pursuant to Rule 13-22:	
American Service Co-----	596
Suspension orders, etc., offering sheets by:	
Caprock Oil Co-----	597
Costadon Oil and Gas Co., Inc-----	597
Treasury Department:	
Public Debt Service:	
Offering of United States of America 2½% Treasury Bonds of 1949-53-----	589

or on later allotment, and may be made only through surrender of an equal face amount of Treasury Notes of Series B-1937, which will be accepted at par and should accompany the subscription. Coupons dated April 15, 1937, must be attached to the notes when surrendered, and subscribers will be credited with accrued interest thereon from October 15, 1936, to March 15, 1937, (\$12.445055 per \$1,000); they will be charged with accrued interest on the bonds from December 15, 1936, to March 15, 1937, (\$6.181319 per \$1,000); and the net adjustment (\$6.263736 per \$1,000) will be paid to them following acceptance of the notes.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

[SEAL] HENRY MORGENTHAU, JR.,  
Secretary of the Treasury.

[F. R. Doc. 37-675; Filed, March 8, 1937; 11:12 a. m.]

DEPARTMENT OF THE INTERIOR.

Bureau of Reclamation.

[No. 24.]

BOISE IRRIGATION PROJECT, IDAHO-OREGON

PUBLIC NOTICE OF ANNUAL WATER CHARGES<sup>1</sup>

FEBRUARY 18, 1937.

1. *Annual water charges.*—The annual operation and maintenance charges for the irrigation season of 1937, and thereafter until further notice, against all lands of the Arrowrock Division, Boise Irrigation Project, Idaho-Oregon, within the Settlers Irrigation District, and other lands of the Arrowrock Division not included in the Boise-Kuna, Wilder, Nampa-Meridian, New York and Big Bend Irrigation Districts, shall be one dollar ten cents (\$1.10) for the first three (3) acre-feet of water and thirty (30) cents for each additional acre-foot; but a minimum charge of one dollar ten cents (\$1.10) will be made against each irrigable acre and must be paid as toll before any water is delivered. The minimum operation and maintenance charge will be due and payable to the Board of Control, Boise, Idaho, on April 1 preceding the irrigation season. Charges for additional water will be payable to the Board of Control upon demand.

T. A. WALTERS,  
First Assistant Secretary.

[F. R. Doc. 37-673; Filed, March 8, 1937; 10:11 a. m.]

Division of Grazing.

JOINT REGULATIONS OF THE SECRETARIES OF THE INTERIOR AND AGRICULTURE RELATING TO THE PROTECTION AND ADMINISTRATION OF GAME RANGES, OR WILDLIFE REFUGES, ESTABLISHED IN CONJUNCTION WITH THE ORGANIZATION OF GRAZING DISTRICTS UNDER THE TAYLOR GRAZING ACT

By virtue of authority vested in the Secretary of the Interior by the Act of June 28, 1934 (48 Stat. 1229), and in

<sup>1</sup> Act of June 17, 1902, 32 Stat., 388, as amended or supplemented.

the Secretary of Agriculture by section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1222), and section 84 of the Penal Code of the United States as amended by the act of April 15, 1924 (43 Stat. 98), and pursuant to Executive Order No. 7373, of May 20, 1936,<sup>1</sup> establishing the Desert Game Range, and like orders heretofore or hereafter made, establishing such game ranges, or wildlife refuges, the following regulations for the protection of wildlife, the regulation of grazing, and the administration of game ranges, or wildlife refuges, established in conjunction with the organization of grazing districts under the terms of the Act of June 28, 1934, commonly known as the Taylor Grazing Act, are hereby prescribed and shall be effective from March 1, 1937:

#### REGULATION 1. PROTECTION OF WILDLIFE

It is not permitted to hunt, trap, catch, disturb, or kill, or attempt to hunt, trap, catch, disturb, or kill any wild bird or other animal, or to take or molest the nests or eggs of such birds, on any such game ranges, or wildlife refuges, except when authorized by permit issued by or under the authority of the Secretary of Agriculture: *Provided*, That duly authorized grazing permittees and employees of the Departments of Agriculture and the Interior engaged in the control of predatory animals and rodents may trap or otherwise take such rodents, predatory animals, or predatory birds when in the opinion of the Chief, Bureau of Biological Survey, control measures are necessary to reduce the numbers of such animals or birds in order to safeguard the perpetuation of other species of wildlife, to protect livestock, or to conserve grazing resources, or to retard soil erosion.

#### REGULATION 2. ACTS NOT PERMITTED ON GAME RANGES, OR WILDLIFE REFUGES

The following acts are not permitted on lands of the United States within such game ranges, or wildlife refuges:

a. Setting on fire, or causing to be set on fire, any timber, brush, or grass, except as authorized by the resident officer in charge of such area.

b. Building a camp fire in leaves, rotten wood, or other places where it is likely to spread; against large or hollow logs or stumps where it is difficult to extinguish it completely; or in any other dangerous place, or during windy weather, without confining it to holes or cleared spaces from which all vegetation or other inflammable material has been removed.

c. Leaving a camp fire unattended or not completely extinguished.

d. Disturbing, molesting, or interfering, by intimidation, threat, assault, or otherwise, with any person engaged in the management of wildlife or livestock on such ranges, or refuges, or the prevention of trespass thereon.

e. Unless authorized by permit from the resident officer in charge, the carrying of a firearm, except by authorized Federal or State officers.

f. Throwing or placing a burning cigarette, match, pipe heel, firecracker, or any ignited substance in any place where it may start a fire; or discharging any kind of fireworks on any part of such ranges, or refuges.

g. The destruction, injury, defacement, removal, or disturbance in any manner, of any building, notice, sign, sign-board, equipment, fence, post, road, trail, dike, dike embankment, dam, bridge, or other structure, or of any other public property of any kind on such ranges, or refuges.

h. Entering, occupying, or using, without permission from the officer in charge, any building of the United States on such areas used for administration purposes by the Division of Grazing, of the Department of the Interior, or by the Bureau of Biological Survey, of the Department of Agriculture, except in case of emergency to prevent human suffering.

i. The entering or being upon such land with intent to destroy, molest, disturb, or injure property used, or acquired

for use, by the United States, in the administration of such areas.

j. The dumping of garbage, or other refuse or debris, or the draining or dumping of oil, acids or poisons in, or otherwise polluting any waters, waterholes, or streams within any such ranges, or refuges.

#### REGULATION 3. GRAZING

No cattle, sheep, horses, or other livestock are permitted to graze on the public lands within the exterior boundaries of such game ranges, or refuges, except under permit of the Secretary of the Interior and in accordance with such conditions as he may prescribe therein, and no grazing is permitted on lands within the exterior boundaries of such game ranges, or refuges, which have been or which hereafter may be acquired by the United States for use of the Department of Agriculture for the conservation of migratory birds and other wildlife, except under permit of the Secretary of Agriculture and in accordance with such conditions as he may prescribe therein.

#### REGULATION 4. SPECIMENS FOR SCIENTIFIC, EXHIBITION, OR PROPAGATING PURPOSES

Specimens of plant and animal life or other natural objects on any range, or refuge, may be taken for scientific, exhibition, or propagating purposes, under special permit issued by the Secretary of Agriculture and countersigned by the Chief, Bureau of Biological Survey, but no such permit shall be deemed to authorize the taking, possession, transportation, or sale of any wildlife, or the nests or eggs of birds, contrary to State or Federal law.

#### REGULATION 5. SCIENTIFIC STUDIES

Any person may enter upon any such range, or refuge, for scientific study, the taking of photographs thereon, or for other like purposes, but must comply with these regulations, and the rules for the administration of grazing districts.

#### REGULATION 6. REMOVAL OF SURPLUS ANIMALS

Whenever it shall appear after investigation that the number of any species of game animal on any such range, or refuge, shall have increased beyond the numbers specified in the Executive order establishing the particular range, it shall be the duty of the Chief, Bureau of Biological Survey, Department of Agriculture, and the Director, Division of Grazing, Department of the Interior, jointly to determine the number of surplus animals it is desirable to remove from such range, or refuge, and upon such determination such surplus animals may be removed under such conditions and in the manner authorized or prescribed by the Chief, Bureau of Biological Survey.

#### REGULATION 7. ECONOMIC UTILIZATION OF RESOURCES

Permits to cut and remove timber or firewood, occupy or cultivate areas, use any material of commercial value, or make other like use of any lands within the exterior boundaries of such ranges, or refuges; which lands have been or may hereafter be acquired by the United States for the use of the Department of Agriculture for the conservation of migratory birds or other wildlife, not inconsistent with the objects for which such ranges, or refuges, were established, may be issued by the Chief, Bureau of Biological Survey, upon such terms and at such rates of charge, if any, as may be ascertained and determined by him to be commensurate with the value of the privilege given by such permits. Permits for like purposes as to other lands within such ranges, or refuges, may be issued in conformity with rules and regulations of the Department of the Interior covering such usage: *Provided*, That in order to safeguard the food and cover requirements for wildlife, permits to remove timber or firewood from the range, or refuge, shall not be issued until applications therefor have first been approved by the resident officer of the Bureau of Biological Survey and

<sup>1</sup> 1 F. R. 501.

timber permittees shall make such disposition of brush, tops, lops, slashings, and other forest debris resulting from timber operations as such officer may prescribe.

#### REGULATION 8. FISHING

Any person may enter upon any range, or refuge, for the purpose of fishing in accordance with the laws of the State in which such range, or refuge, is located, but must comply with the provisions of these regulations, and the rules for the administration of grazing districts.

#### REGULATION 9. EXHIBITION AND REVOCATION OF PERMITS

Permits shall be exhibited for inspection at any reasonable time upon request of any officer or employee of the Department of the Interior or of the Department of Agriculture engaged in the administration of such ranges, or refuges, or in the enforcement of laws and regulations applicable to wildlife. Any permit may be terminated at any time by agreement between the issuing officer and the permittee; it may be revoked by the Chief, Division of Grazing, Department of the Interior, or his designated representative, if issued by or under his authority, or by the Chief, Bureau of Biological Survey, or his designated representative, if issued by or under his authority, for noncompliance with the terms thereof or of these regulations, for nonuse, or for violation of any law or regulation applicable to the game range, or wildlife refuge, or of any State or Federal law protecting wildlife or the nests or eggs of birds; and it is subject at all times to discretionary revocation by the Secretary under whose authority it was issued.

[SEAL]

H. A. WALLACE,  
*Secretary of Agriculture.*

FEBRUARY 13, 1937.

[SEAL]

CHARLES WEST,  
*Acting Secretary of the Interior.*

FEBRUARY 26, 1937.

[F. R. Doc. 37-672; Filed, March 8, 1937; 10:10 a. m.]

#### MONTANA GRAZING DISTRICT No. 5

##### MODIFICATION

MARCH 2, 1937.

Under and pursuant to the provisions of the act of June 28, 1934 (48 Stat. 1269), as amended by the act of June 26, 1936 (49 Stat. 1976), and subject to the limitations and conditions therein contained, Departmental order of November 3, 1936, establishing Montana Grazing District No. 5, is hereby modified to include within its exterior boundaries the following described lands:

##### MONTANA PRINCIPAL MERIDIAN

- T. 1 N., R. 1 E., that part west of Missouri River;
- T. 2 N., R. 1 E., that part west of Missouri River;
- T. 3 N., R. 1 E., all;
- T. 4 N., R. 1 E., all;
- T. 5 N., R. 1 E., secs. 1 to 5, 8 to 17, 20 to 29, and 32 to 36, inclusive;
- T. 2 N., R. 2 E., that part west of Missouri River;
- T. 3 N., R. 2 E., that part west of Missouri River;
- T. 4 N., R. 2 E., that part west of Missouri River;
- T. 5 N., R. 2 E., that part west of Missouri River;
- T. 4 N., R. 3 E., that part west of Missouri River;
- T. 4 N., R. 1 W., ah.

Rules and regulations for the administration of grazing districts issued by the Secretary of the Interior March 2, 1936, and subsequently amended, shall be effective as to the lands embraced within this addition from and after the date of the publication of this order in the FEDERAL REGISTER.

CHARLES WEST,  
*Acting Secretary of the Interior.*

[F. R. Doc. 37-674; Filed, March 8, 1937; 10:11 a. m.]

#### DEPARTMENT OF AGRICULTURE.

##### Agricultural Adjustment Administration.

#### PROCLAMATION OF SECRETARY OF AGRICULTURE MADE WITH RESPECT TO BASE PERIOD TO BE USED FOR PURPOSE OF MARKETING AGREEMENT AND ORDER REGULATING HANDLING OF ONIONS GROWN IN STATE OF TEXAS

By virtue of the authority vested in me by the Agricultural Adjustment Act, approved May 12, 1933, as amended, I, H. A. WALLACE, Secretary of Agriculture of the United States, do hereby find and proclaim that in connection with the making of a marketing agreement and the issuance of an order regulating the handling of onions grown in the State of Texas, on which a public hearing was held in January 1937, the purchasing power of onions grown in the State of Texas during the period August 1909-July 1914 cannot be satisfactorily determined from available statistics of the Department of Agriculture, but that the purchasing power of such onions can be satisfactorily determined from available statistics of the Department of Agriculture for the entire post-war period, August 1919-July 1929. Therefore, the latter period, August 1919-July 1929, is hereby declared and proclaimed to be the base period for determining the purchasing power of such onions for the purposes of such marketing agreement and order.

In witness whereof I have executed this proclamation in duplicate and have hereunto set my hand and caused the seal of the Department of Agriculture to be affixed in Washington, District of Columbia, this 5th day of March, 1937.

[SEAL]

H. A. WALLACE,  
*Secretary of Agriculture.*

[F. R. Doc. 37-668; Filed, March 6, 1937; 12:31 p. m.]

NER-B-101—Massachusetts—Supplement (1)

Issued March 5, 1937

#### 1937 AGRICULTURAL CONSERVATION PROGRAM—NORTHEAST REGION

##### BULLETIN NO. 101—MASSACHUSETTS—SUPPLEMENT (1)

Pursuant to the authority vested in the Secretary of Agriculture under section 8 of the Soil Conservation and Domestic Allotment Act, Bulletin No. 101—Massachusetts<sup>1</sup> is hereby amended as follows:

##### I

The following is added at the end of the matter relating to Practice Number 1:

Ground limestone is limestone which will analyze at least 80 percent carbonates, 90 percent of which will pass through a 20-mesh sieve and 50 percent of which will pass through a 100-mesh sieve.

The equivalent of 1,000 pounds of ground limestone is either (1) 750 pounds of burned lime or (2) other approved material.

##### II

The following is added at the end of the matter appearing under the heading "*Fertilizing Conserving Crops*" preceding the statement of the rate of payment for Practice Number 2:

The maximum application of available phosphoric acid or potash for which payment will be made is 120 pounds of each per acre. The maximum application of available nitrogen used on green-manure crops for which payment can be made is 16 pounds per acre.

##### III

Part VI, "Definitions", is amended by adding at the end thereof the following:

As used herein as an adjective the term "approved" means, unless the context otherwise requires, found by the County Committee to be recognized as conforming to good farming practice under the circumstances, in instructions issued by the State Committee, based upon (a) recommendations contained in the

<sup>1</sup> 2 F. R. 246.

most recent official reports or bulletins issued by the United States Department of Agriculture, the State Department of Agriculture, the State agricultural experiment station, or the State agricultural college, or (b) a finding of facts made by the State Committee after a study of the material pertinent to the subject matter.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 5th day of March, 1937.

[SEAL]

H. A. WALLACE,  
Secretary of Agriculture.

[F. R. Doc. 37-669; Filed, March 6, 1937; 12:31 p. m.]

NER-B-101-Pennsylvania-Supplement (2) Issued March 5, 1937

1937 AGRICULTURAL CONSERVATION PROGRAM—NORTHEAST REGION

BULLETIN NO. 101—PENNSYLVANIA—SUPPLEMENT (2)

Pursuant to the authority vested in the Secretary of Agriculture under section 6 of the Soil Conservation and Domestic Allotment Act, Bulletin No. 101—Pennsylvania<sup>1</sup> is hereby amended as follows:

I

Item (3) of footnote number 1 is amended by striking out the expression "1000 pounds of ground burned lime" and inserting in lieu thereof the expression "1400 pounds of ground burned lime".

II

The rate of payment per acre in Area B for Practice Number 39 is changed to read \$3.50 in lieu of \$3.00.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 5th day of March, 1937.

[SEAL]

H. A. WALLACE,  
Secretary of Agriculture.

[F. R. Doc. 37-670; Filed, March 6, 1937; 12:32 p. m.]

NER-B-101-Rhode Island-Supplement (1) Issued March 5, 1937

1937 AGRICULTURAL CONSERVATION PROGRAM—NORTHEAST REGION

BULLETIN NO. 101—RHODE ISLAND—SUPPLEMENT (1)

Pursuant to the authority vested in the Secretary of Agriculture under section 8 of the Soil Conservation and Domestic Allotment Act, Bulletin No. 101—Rhode Island<sup>2</sup> is hereby amended as follows:

I

The following is added at the end of the matter relating to Practice Number 1:

Ground limestone is limestone which will analyze at least 80 percent carbonates, 90 percent of which will pass through a 20-mesh sieve and 50 percent of which will pass through a 100-mesh sieve.

The equivalent of 500 pounds of ground limestone is either (1) 350 pounds of hydrated lime, or (2) 500 pounds of pulverized oyster shell containing at least 80 percent carbonates, or (3) approved amounts of other approved material.

II

The following is added at the end of the matter appearing under the heading "Fertilizing Soil-Conserving Crops" relating to Practice Numbers 2, 3, and 4 and immediately be-

<sup>1</sup> 2 F. R. 312.

<sup>2</sup> 2 F. R. 240.

fore the statement of the rate of payment for Practice Number 2:

The limits on the quantities of fertilizer per acre for which payment is allowed are as follows:

	Smallest amount	Largest amount
	Pounds	Pounds
16 percent superphosphate or basic slag: On pasture, hay land, green-manure crops, new seedings of grasses or legumes, or on sod in orchards provided the sod is limed and the entire interplanted crop in the orchard is left on the land.....	200	500
50 percent Muriate of Potash: On hay land, pasture, new seedings of grasses or legumes, green-manure crops, or in orchards provided the entire interplanted crop in the orchard is left on the land.....	100	200
16 percent Nitrate of Soda: On pasture, or on hay land, or in orchards provided the entire interplanted crop in the orchard is left on the land. On new seedings of legumes or grasses, or on green-manure crops.....	100	200
	100	150

When 16 percent superphosphate is added to farm manures, payment will be made for the application of not less than 20 pounds or more than 50 pounds per ton of manure.

The equivalent of 16 percent superphosphate, 50 percent muriate of potash, or 16 percent nitrate of soda, is a quantity of materials, other than manure, containing quantities of phosphoric acid, potash, or nitrogen, or combinations of these, equal in weight and quality to those contained in the specified amounts of 16 percent superphosphate, 50 percent muriate of potash, or 16 percent nitrate of soda.

III

Part V, "Definitions", is amended by adding at the end thereof the following:

As used herein as an adjective the term "approved" means, unless the context otherwise requires, found by the County Committee to be recognized as conforming to good farming practice under the circumstances, in instructions issued by the State Committee, based upon (a) recommendations contained in the most recent official reports or bulletins issued by the United States Department of Agriculture, the State Department of Agriculture, the State agricultural experiment station, or the State agricultural college, or (b) a finding of facts made by the State Committee after a study of the material pertinent to the subject matter.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington, District of Columbia, this 5th day of March, 1937.

[SEAL]

H. A. WALLACE,  
Secretary of Agriculture.

[F. R. Doc. 37-671; Filed, March 6, 1937; 12:32 p. m.]

SR-B-101-Part VII

1937 AGRICULTURAL CONSERVATION PROGRAM

SOUTHERN REGION BULLETIN 101

Part VII—Rice

Southern Region Bulletin 101<sup>1</sup> is hereby supplemented by adding thereto the following Part VII.

The provisions contained in parts I, II, III, IV, V, and VI of Southern Region Bulletin 101 are applicable to all farms in the Southern Region on which rice is grown in 1937 unless the context thereof or of this part VII clearly indicates otherwise. In addition, the provisions contained in this part VII are applicable to rice producers in 1937.

SECTION 71. *Definitions.*—In addition to the definitions contained in part I, the following definitions shall apply to terms used herein and in all forms and documents relating to the 1937 program:

*Rice base acreage* means the acreage established for a rice producer as that normally used by him for the production of rice.

<sup>1</sup> 2 F. R. 10, 98, 225.

*Rice producer* means (1) a person who as owner operates a farm on which rice is produced; (2) a person who as share-tenant operates a farm on which rice is produced; (3) a person who as share-cropper works a producer unit on which rice is produced; (4) a person who as landlord leases to a share-tenant a farm on which rice is produced; or (5) a person who furnishes water or seed rice for the production of rice in 1937 on a share basis.

*Rice land* means any land adapted to the production of rice for which water for rice is readily available.

**SECTION 72. Soil-Building Allowance for Farms for Which a Rice Base is Established.**—The provisions of section 1 with respect to the soil-building allowance are applicable to farms for which there is a rice base and in addition the following is applicable:

(a) \$1.00 for each acre of soil-conserving crops on the farm, other than idle or fallow cropland, which is in excess of the acreage required pursuant to section 17 and which is required to meet the minimum acreage of soil-conserving crops with respect to rice.

**SECTION 73. Rates and Conditions of Payment.**—Subject to the conditions set forth herein, a class I payment will be made to each rice producer in 1937 provided such producer has an acreage of soil-conserving crops<sup>1</sup> on rice land equal to 25 percent of his rice base acreage. Such acreage of soil-conserving crops shall be in addition to the requirements under section 17 and may be allocated either (1) to the same farm to which the rice producer makes an allocation of rice base acreage; or (2) to one or more other farms either owned or operated by such rice producer.

(a) If the acreage planted to rice by any rice producer in 1937 is not less than 85 percent or more than 100 percent of his rice base acreage, such payment will be made in the amount of 20 cents for each 100 pounds of his domestic consumption quota.

(b) If the acreage planted to rice by any rice producer in 1937 is less than 85 percent of his rice base acreage, such payment will be made at the rate specified in paragraph (a), above, on that percentage of his domestic consumption quota determined by dividing the number of acres planted to rice by him in 1937 by the number of acres equal to 85 percent of his rice base acreage.

(c) If the acreage planted to rice by any rice producer in 1937 is more than 100 percent of his rice base acreage, payment will be made at the rate specified in paragraph (a), above, on that portion of his domestic consumption quota which remains after deducting 4 percent for each 1 percent by which the 1937 rice acreage exceeds his rice base acreage.

(d) If the acreage planted to rice by any rice producer in 1937 exceeds 125 percent of his rice base acreage, a deduction from any payment which otherwise would be made to him pursuant to any of the provisions of any other part of this Bulletin 101 will be made for each acre of such excess acreage at a weighted average rate (fixed pursuant to section 15) for all farms on which he is participating in the production of rice in 1937.

(e) If the rice producer's acreage of soil-conserving crops with respect to rice on rice land in 1937 is less than 25 percent of his rice base acreage, there shall be deducted from the class I payment with respect to rice, which otherwise would be made to him, an amount obtained by multiplying \$3.00 by the number of acres by which his total acreage of soil-conserving crops with respect to rice is less than 25 percent of his rice base acreage.

**SECTION 74. Rice Base Acreage and Rice Base Production.**—(a) *Establishment of Producer's Rice Base Acreage and Rice Base Production.*—The rice base acreage and the rice base production for any rice producer for 1937 shall be the rice base acreage and rice base production which was

<sup>1</sup> Idle or fallow cropland on rice farms which is adapted to the production of rice and for which water for rice is readily available and from which no soil-depleting crop is harvested in 1937 may be substituted acre for acre for soil-conserving crops for the purposes of this section 73 but for no other purpose. Such soil-conserving acreage will not be included in determining the soil-building allowance for the farm.

or could have been established under the 1936 Agricultural Conservation Program, subject to adjustments as indicated in this section 74.

(1) If a rice producer did not receive a rice base acreage and rice base production in 1936 and succeeds to the rice production interest<sup>2</sup> either in whole or in part of a rice producer who received a rice base acreage and rice base production in 1936, a rice base acreage and rice base production not in excess of such succession may be established in 1937 for such producer succeeding to the rice production interest.

(2) If a rice producer has participated in the production of rice and did not receive a rice base acreage and rice base production in 1936 and is participating in the production of rice in 1937, such producer may have a rice base acreage and rice base production established in 1937 provided he files the necessary information (including his history of rice production, acreage of rice-land available for rice production in 1937, capacity and facilities for growing and irrigating rice in 1937) on the prescribed form with the County Committee on or before the final date for receiving such forms as set by the State Committee and approved by the Director of the Southern Division.

(3) If an error was made in computing a rice producer's 1936 rice base acreage and rice base production, such error shall be corrected in 1937 after reviewing and checking all basic data in connection with such rice base acreage and rice base production.

(4) The 1936 rice base acreage and rice base production established in each State for all rice producers, irrespective of whether such rice producers participate in the 1937 program, shall after adjustment be deducted from the State rice base acreage and rice base production for 1937. The remainder after such deduction shall be available for the establishment of rice base acreage and rice base production for rice producers for whom a rice base acreage and rice base production was not established in 1936.

(b) *Adjustments.*—

(1) If either the rice base acreage or rice base production for any rice producer is greater or less than the rice base acreage or rice base production for other rice producers with similar rice-growing history on farms in the same community which are similar with respect to size, type of soil, topography, production facilities, type of farming, and farming practices, adjustments may be made that will result in a rice base acreage or rice base production for such rice producer which is equitable as compared with the rice base acreage or rice base production for other rice producers with similar rice-growing history on similar farms.

(2) If a rice producer did not participate in the production of rice in all of the years of the base period<sup>3</sup> and his rice base acreage and rice base production are materially less than the rice base acreage and rice base production for rice producers on farms in the same community which are similar with respect to size, type of soil, topography, production facilities, type of farming, and farming practices and which are operated by rice producers who did grow rice in all of the years of the base period, adjustments may be made that will result in a rice base acreage and rice base production which are equitable as compared with the rice base acreage and rice base production for other rice producers on similar farms.

<sup>2</sup> If the rice production interest consists of machinery and equipment normally used by a rice producer in the production of rice, such machinery and equipment must be in good working condition, must have been used in 1936, and must be used by the successor for the production of rice in 1937. If the rice production interest consists of a canal system, it must be a canal system which was in active operation in 1936 and which will be in active operation in 1937.

<sup>3</sup> The term "base period" in Arkansas and Louisiana means the years 1929-1933, inclusive, and in Texas the years 1931-1933, inclusive.

(3) Adjustments shall be made where either the rice base acreage or rice base production established for a rice producer in 1936 was based on erroneous data, or was otherwise different from the rice base acreage or rice base production, which should have been established under the provisions of the 1936 program.

(4) If a rice producer's rice base acreage and rice base production are reduced because of the rotation of crops, the amount of each such reduction should be held in reserve and not given to other producers.

(c) *Adjustments of Bases, Other Than The Rice Base, on Rice Farms.*—If the sum of the rice base and the total soil-depleting base for any farm exceeds the cropland in the farm, the total soil-depleting base shall be adjusted downward to eliminate such excess.

(d) *Transfers.*—No transfer of rice base acreage or rice base production from one rice producer to another shall be approved except as hereinafter provided:

(1) If a rice producer voluntarily retires from the production of rice, dies, or is declared incompetent by a court of competent jurisdiction, his 1937 rice base acreage and rice base production shall be apportioned in whole or in part among the heirs, devisees, or members of the family of such retired, deceased, or incompetent rice producer according to the extent to which they continue his farming operations, upon their furnishing satisfactory proof of such relationship and succession to his farming operations.

(2) If a rice producer through the voluntary sale of rice land voluntarily withdraws either in whole or in part from the production of rice, all or any part of his 1937 rice base acreage (not in excess of the acreage of rice land so transferred) and the corresponding rice base production may be transferred to the purchaser upon request of both the purchaser and seller of such land and upon satisfactory proof of such withdrawal and sale.

(3) Upon dissolution of a partnership, the rice producer's 1937 rice base acreage and rice base production shall be divided between the partners in such proportion as is agreed upon in writing by them and submitted to the County Committee.

(4) No person who has succeeded to the farming operations of any rice producer by reason of foreclosure, execution, or any forced sale shall be eligible to receive any rice base acreage or rice base production by virtue of such succession.

(5) If a rice producer had a rice base acreage and rice base production established in 1936 in any of the States of Arkansas, Louisiana, or Texas, and moves into another of such States and participates therein as a rice producer in 1937, such rice producer may have all or a part of such rice base acreage and rice base production transferred to the State to which he moved provided he notifies the State Committee therein. The State Committee for the State into which such producer has moved should request the State Committee of the State from which he moved to furnish it with a complete record of such producer's rice base acreage and rice base production in such State. However, no such transfers from one State to another may be made after a date designated by the Director of the Southern Division. After such date the Agricultural Adjustment Administration shall increase or decrease any such State's rice base acreage and rice base production to conform with the transfers made.

(e) *Rice Base Acreage and Rice Base Production.*—The State rice base acreage and rice base production shall be the rice base acreage and rice base production as was established for the State in 1936 subject to adjustments resulting from the transfer between States of rice producers' rice base acreage and rice base production during the years 1935, 1936, and 1937. The County Committee will recommend to the State Committee for approval by the Secretary a producer's rice base acreage and rice base production. The sum of the rice base acreages and rice base production for all rice producers in the State shall not exceed the State rice base acreage and rice base production.

Each rice producer's domestic consumption quota shall be 96.73 percent of his rice base production.

If a rice producer participates in the production of rice in more than one county in the State, his allocation of rice base acreage shall be reviewed by the State Committee to determine that the sum of such allocations does not exceed his rice base acreage.

SECTION 75. *Miscellaneous Provisions.*—(a) *Work Sheets.*—Each rice producer applying for payment with respect to rice will be required to show that work sheets have been filed covering all land owned or operated by him in 1937 in each county in the State in which he is participating as a rice producer.

(b) *Allocations of Rice Base Acreage.*—The total rice base acreage allocated to any farm by a rice producer may range from zero to that acreage which represents such producer's rice base acreage.

(c) *Application for Payment.*—An application for a class I payment with respect to rice shall include all the rice producer's interest as a rice producer in 1937 in all farms in the State.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 5th day of March, 1937.

[SEAL]

H. A. WALLACE, *Secretary.*

[F. R. Doc. 37-667; Filed, March 6, 1937; 12:31 p. m.]

## DEPARTMENT OF LABOR.

### Immigration and Naturalization Service.

[Fifth Amendment to General Order No. 228]

#### CHANGING NAME OF PORT OF ENTRY FROM FRANKLIN, VERMONT, TO MORSES LINE, VERMONT

MARCH 5, 1937.

By virtue of and pursuant to the authority contained in Section 23 of the Immigration Act of 1917 (Act of February 5, 1917, 39 Stat. 892; U. S. C., Ti. 8, Sec. 102), and Executive Order No. 6166, dated June 10, 1933, Paragraph 1, Subdivision A, Rule 3 of the Immigration Rules of January 1, 1930, as amended by General Order No. 228, dated December 21, 1935, is hereby amended, effective April 1, 1937, by striking out Franklin, Vermont, and inserting Morses Line, Vermont, between Highgate and Newport in District No. 1.

[SEAL]

EDW. J. SHAUGHNESSY,  
*Acting Commissioner of Immigration  
and Naturalization.*

Approved:

FRANCES PERKINS,  
*Secretary.*

[F. R. Doc. 37-666; Filed, March 6, 1937; 12:16 p. m.]

[Ninth Amendment of General Order No. 229]

#### PORT OF OGDENSBURG, NEW YORK, FOR THE ENTRY INTO THE UNITED STATES OF ALIENS ARRIVING BY AIRCRAFT

MARCH 5, 1937.

Pursuant to the authority conferred by Subsection (d) of Section 7 of the Air Commerce Act of 1926 (Act of May 20, 1926, 44 Stat. 572; U. S. C., Ti. 49, Sec. 177 (d)), Ogdensburg Harbor, Ogdensburg, New York, is hereby designated as a permanent port for the entry into the United States of aliens arriving by aircraft.

Subparagraph (a), Paragraph 3, Subdivision A, Rule 3 of the Immigration Rules of January 1, 1930, as amended by General Order No. 229, dated December 21, 1935, and amendments thereto, is amended by adding the following immediately before Pembina, North Dakota, Fort Pembina Airport: Ogdensburg, New York, Ogdensburg Harbor.

Subparagraph (b) of said Paragraph 3 is amended by striking therefrom the following: Ogdensburg, New York, Ogdensburg Harbor.

[SEAL]

FRANCES PERKINS, *Secretary.*

Approval recommended:

I. F. WIXON,

*Deputy Commissioner of Immigration and Naturalization.*

[F. R. Doc. 37-665; Filed, March 6, 1937; 12:15 p. m.]

## FEDERAL HOME LOAN BANK BOARD.

## Home Owners' Loan Corporation.

[Regional Manual Amendment]

## APPOINTMENT OF NOTARIES PUBLIC

Be it resolved, That pursuant to the authority vested in the Board by Home Owners' Loan Act of 1933 (48 Stat. 128, 129) as amended by Sections 1 and 13 of the Act of April 27, 1934 (48 Stat. 643-647) and particularly by Sections 4-a and 4-k of said Act as amended, Section 6 of Chapter 1 of the Regional Manual be amended to read as follows:

6. *Notary Public.*—Regional Managers are authorized to have appointed such numbers of notaries public as the needs of the Corporation may require, the cost of securing such appointments, upon approval of the Regional Manager, to be paid by the Regional Treasurer from the Regional Working Fund.

Adopted by the Federal Home Loan Bank Board on March 1, 1937.

[SEAL]

R. L. NAGLE, *Secretary.*

[F. R. Doc. 37-663; Filed, March 6, 1937; 10:40 a. m.]

## FEDERAL POWER COMMISSION.

Commissioners: Frank R. McNinch, Chairman; Basil Manly, Vice Chairman; Herbert J. Drane, Claude L. Draper, Clyde L. Seavey.

[Docket No. IT-5463-S]

## ORDER SETTING HEARING

## MONTANA-DAKOTA UTILITIES COMPANY

The following order was adopted:

The Montana-Dakota Utilities Company, 831 Second Avenue South, Minneapolis, Minnesota, having filed an application, IT-5463-S, for approval to issue serial notes payable to two payee banks amounting to \$1,500,000 and bearing interest at 4½ per cent to be dated March 20, 1937 and to mature at the rate of \$300,000 per annum on the 20th days of March 1938 to March 1942, inclusive;

It is ordered:

That a hearing on said application be held on Thursday, March 18, 1937, at 10 a. m., in the Commission's hearing room, 8th floor Carpenters Building, 1003 K Street, NW., Washington, D. C.

Adopted by the Commission on March 5, 1937.

[SEAL]

LEON M. FUQUAY,  
*Acting Secretary.*

[F. R. Doc. 37-664; Filed, March 6, 1937; 11:35 a. m.]

## SECURITIES AND EXCHANGE COMMISSION.

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its Office in the City of Washington, D. C., on the 5th day of March, A. D., 1937.

[File No. 46-31]

## IN THE MATTER OF NEW ENGLAND POWER ASSOCIATION

ORDER APPROVING ACQUISITION OF SECURITIES PURSUANT TO SECTION 10 OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

New England Power Association, a registered holding company having duly filed with this Commission, an application and an amendment thereto pursuant to Section 10 (a) (1) of the Public Utility Holding Company Act of 1935 for the approval of the acquisition by it in the open market from time to time of not exceeding 85,022 shares of Class A Stock of International Hydro-Electric System to meet the obligations of the applicant under Option Warrants expiring March 1, 1942 which it now has outstanding and which obligate it to deliver one share of Class A Stock of International Hydro-Electric System for each four shares of common stock of Massachusetts Power and Light Associates delivered to it;

A hearing on said application as amended having been held after appropriate notice, the record in this matter having been examined, and the Commission having made and filed its findings herein;

It is ordered that the acquisition by applicant of not exceeding 85,022 shares of such Class A stock in accordance with the terms and conditions of and for the purposes represented by such application as amended be and the same hereby is approved.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 37-677; Filed, March 8, 1937; 12:41 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 8th day of March, A. D., 1937.

[File No. 43-32]

## IN THE MATTER OF AMERICAN SERVICE COMPANY

(Pursuant to Section 7 of Public Utility Holding Company Act of 1935)

## ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

American Service Company having filed with this Commission a declaration pursuant to Section 7 of the Public Utility Holding Company Act of 1935, regarding the issue and sale of 100 shares of its \$10 par value common stock and a \$9,000 5% promissory note, due on demand; a hearing on the declaration having been had after appropriate notice; the record in this matter having been examined, and the Commission having made and filed its Findings herein;

It is ordered that said declaration be and become effective forthwith.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 37-676; Filed, March 8, 1937; 12:41 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 8th day of March, A. D., 1937.

[File No. 37-17]

## IN THE MATTER OF AMERICAN SERVICE COMPANY

(Pursuant to Section 13 of the Public Utility Holding Company Act of 1935 and Rule 13-22)

## ORDER PURSUANT TO RULE 13-22

American Service Company, a subsidiary company of American Utilities Service Corporation, a registered holding



company, having filed with this Commission, pursuant to Section 13 (b) of the Public Utility Holding Company Act of 1935 and Rule 13-22 thereunder, a declaration with respect to its organization and conduct of business as a subsidiary service company; a hearing on said declaration having been duly held pursuant to appropriate notice; the record in this matter having been duly considered; and the Commission having filed its Findings herein;

It is found that Declarant is so organized and conducted as to meet the requirements of Section 13 (b) of said Act with respect to reasonable assurance of efficient and economical performance of the services described in such declaration, for the benefit of associate companies, at cost fairly and equitably allocated among them.

No finding is made with respect to the rendering of any services differing materially from those described by said declaration as the services which Declarant intends presently to render, nor with respect to construction contracts or contracts with respect to sales of goods.

It is so ordered.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-681; Filed, March 8, 1937; 12:41 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 6th day of March, A. D., 1937.

IN THE MATTER OF AN OFFERING SHEET OF A WORKING INTEREST IN THE MANNING-BRYSON-YORK ET AL. FARM, FILED ON JANUARY 28, 1937, BY R. H. MANNING & COMPANY, RESPONDENT

ORDER FOR CONTINUANCE

The Securities and Exchange Commission, having been requested by its counsel for a continuance of the hearing in the above entitled matter,<sup>1</sup> which was last set to be heard at 10:00 o'clock in the forenoon on the 5th day of March, 1937, at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and it appearing proper to grant the request;

It is ordered, pursuant to Rule VI of the Commission's Rules of Practice under the Securities Act of 1933, as amended, that the said hearing be continued to 11:00 o'clock in the forenoon on the 12th day of March, 1937, at the same place and before the same trial examiner.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-680; Filed, March 8, 1937; 12:42 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 6th day of March, A. D. 1937.

IN THE MATTER OF AN OFFERING SHEET OF A WORKING INTEREST IN THE CAPROCK-PARKS #1 FARM, FILED ON FEBRUARY 27, 1937, BY CAPROCK OIL COMPANY, RESPONDENT

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)) AND ORDER DESIGNATING TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet described in the title hereof and filed by the respondent named therein is incomplete or inaccurate in the following material respects, to wit:

(1) In that the date set forth in Division I, paragraph 7, appears to be inaccurate by virtue of the fact that it exceeds 110 days from the date upon which other information is disclosed by the offering sheet;

(2) In that the answer to Division II, Item 10, is in contradiction of the answer to Division II, Item 12, and might, therefore, be misleading;

(3) In that Division II, Item 12, calls for factual data, whereas the answer given thereunder is based upon "opinion" and might, therefore, be misleading;

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and hereby is, suspended until the 5th day of April, 1937; that an opportunity for hearing be given to the said respondent for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension shall be revoked or continued; and

It is further ordered that Charles S. Lobingier, an officer of the Commission be, and hereby is, designated as trial examiner to preside at such hearing, to continue or adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to said offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered that the taking of testimony in this proceeding commence on the 19th day of March, 1937, at 4:00 o'clock in the afternoon, at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said examiner may designate.

Upon the completion of testimony in this matter the examiner is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 37-678; Filed, March 8, 1937; 12:42 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 4th day of March, A. D., 1937.

IN THE MATTER OF AN OFFERING SHEET OF A WORKING INTEREST IN THE COSTADON-HILL FARM, FILED ON FEBRUARY 25, 1937, BY COSTADON OIL AND GAS COMPANY, INC., RESPONDENT

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)), AND ORDER DESIGNATING TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet described in the title hereof and filed by the respondent named therein is incomplete or inaccurate in the following material respects, to wit:

(1) In that the interests represented as being offered by the offering sheet and exhibits attached thereto do not appear to be interests as are defined under Regulation B, Rule 300, and the exemption provided by Regulation B does not, therefore, appear available for the following reasons:

(a) the securities offered do not appear to be fractional undivided interests in a leasehold estate;

(b) the "certificate of undivided beneficial interest" (Exhibit B) apparently does not provide for the conveyance of title to a specifically described undivided fractional interest in the leasehold;

<sup>1</sup> 2 F. R. 305.

(c) "Contract for purchase of undivided beneficial interest in leasehold" (Exhibit B (1)) apparently provides for the substitution of other properties in lieu of the leasehold specifically described in the offering sheet;

(d) the securities represented as being offered appear to also involve an offering of stock in the offeror's corporation, in that under certain conditions said securities represented to be offered under this offering sheet may be exchanged for stock in the offering corporation (Exhibit B (2)). Therefore, such stock must be registered under the Securities Act of 1933, as amended, unless an exemption is available therefor. Regulation B does not provide such exemption;

(2) In that in Division I the text which provides for "name of offeror" and "address of offeror" is omitted;

(3) In that the answer given to Division II, Item 5, is incomplete and misleading by reason of the fact that it does not fully set forth the drilling requirements;

(4) In that Division II, Item 7, is non-responsive and inaccurate by reason of the fact that no answer is made to the question except by reference;

(5) In that Division II, Item 8, is non-responsive and inaccurate by reason of the fact that no answer is made to the question except by reference;

(6) In that under Division II, Item 12, the text is omitted, as is also the required statement;

(7) In that the reply made to the question under Division II, Item 19, is apparently in conflict with the information given in Division II, Item 10;

(8) In that Division II, Item 21, is apparently in conflict with the statement made in Division II, Item 13;

(9) In that the information disclosed under Division II, Item 11, is apparently in conflict with Exhibit A by reason of the fact that the plat shows eight wells within one-eighth of a mile of the tract, whereas only three wells are discussed under this item. Further, that the data relative to each well does not give the required information for each horizon as specified in Division II, Item 10;

(10) In that Division II, Item 12, is incomplete and misleading by reason of the fact that the engineer's recovery report is for the King Knob oil and gas field and not for the

tract in which the interests are offered; also that the report is based upon too little factual data and is, therefore, misleading when used in connection with an offering on this particular tract;

(11) In that Exhibit A is incomplete and inaccurate by reason of the fact that the numbers and total depths are shown for only three wells;

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended that the effectiveness of the filing of said offering sheet be, and hereby is, suspended until the 3rd day of April, 1937; that an opportunity for hearing be given to the said respondent for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension shall be revoked or continued; and

It is further ordered that Charles S. Lobingier, an officer of the Commission be, and hereby is, designated as trial examiner to preside at such hearing, to continue or adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to said offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered that the taking of testimony in this proceeding commence on the 19th day of March, 1937, at 3:30 o'clock in the afternoon, at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said examiner may designate.

Upon the completion of testimony in this matter the examiner is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 37-679; Filed, March 8, 1937; 12:42 p. m.]