

ORIGINAL

Decision No. 3576

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application)
of Valley Pipe Line Company for) Application No. 1246.
authority to issue stock.)

LOVELAND, Commissioner.

SEVENTH SUPPLEMENTAL ORDER

This Commission, on September 19, 1914, having authorized applicant to issue 53,184 shares of stock of the par value of \$100 per share (Decision No. 1805, Volume 5, Opinions and Orders of the Railroad Commission of California, Page 409) and to use the proceeds in the construction of a pipe line from the property of the California Oil Fields, Limited, in Fresno County, to Martinez, in Contra Costa County, on San Francisco Bay:

And this Commission, in the abovementioned order having provided that said stock should not be issued until after applicant had filed detailed estimates of cost and received supplemental orders from this Commission for such issue;

And this Commission, in accordance with said provision having issued supplemental orders authorizing the applicant to issue $37,123\text{-}3/4$ shares of said stock, and applicant now having presented to this Commission statements of cost as required by this Commission, and applicant having requested authority upon such statements of cost to issue $2,876\text{-}1/4$ shares of its capital stock; and

WHEREAS, it appears that such issue of stock will, under the supplemental orders herein, have provided for a total issue of 40,000 shares of said stock; and

WHEREAS, it appears further that the issue of said 40,000 shares of stock will have provided for the completion of applicant's pipe line,

IT IS HEREBY ORDERED that Valley Pipe Line Company be granted authority and it is hereby granted authority to issue 2,876-1/4 shares of its capital stock of the par value of \$100 per share, said stock being part of the 53,184 shares of the capital stock of this company, heretofore authorized to be issued under certain conditions as specified in this Commission's Decision No. 1805 heretofore referred to.

The authority herein granted is granted upon the following conditions and not otherwise:

(1) The stock herein authorized to be issued shall be issued to Anglo-Saxon Petroleum Company at a price which shall yield the applicant not less than \$80 per share.

(2) The proceeds from the sale of the stock herein authorized to be issued shall be used for the following purposes:

(a) For the payment of expenses incurred in the cost of construction of that certain pipe line which the applicant has constructed between the property of the California Oil Fields, Limited, near Coalinga, Fresno County, and Martinez, on San Francisco Bay, in Contra Costa County, California, in accordance with the plans and specifications of this Commission in connection with the application herein, to which reference is hereby made.

(b) For working capital, organization expense, promotion expense, interest incurred during construction, and development cost, \$116,000.

(3) Valley Pipe Line Company shall keep separate, true, and accurate accounts showing the receipt and application in detail of the proceeds of the sale of the stock hereby authorized to be issued; and on or before the twenty-fifth day of each month the company shall make verified reports to the Commission stating the sale or sales of said stocks during the preceding month, the terms and conditions of the sale, the moneys realized therefrom, and the use and application of such moneys, all in accordance with this Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

The foregoing Seventh Supplemental Order is hereby approved and ordered filed as the Seventh Supplemental Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 12th day of August, 1916.

Max Thelen
H. H. Fontaine
Alex. G. Foster
Frank R. Decker

Commissioners.