

ORIGINAL

Decision No. 73901

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SPEED'S OIL TOOL SERVICE, INC.,)
a California Corporation,)
))
For Authority to issue 125,000)
shares of \$1.00 par value stock.)

Application No. 50063
Filed March 4, 1968

O P I N I O N

This is an application for an order of the Commission authorizing Speed's Oil Tool Service, Inc., a California corporation, to issue \$125,000 aggregate par value of its capital stock.

By Decision No. 73716, dated February 14, 1968, in Application No. 49911, the Commission authorized L. L. Kirchhof, doing business as Speed's Oil Tool Service, to sell and transfer, and applicant herein, to purchase and acquire, the former's statewide petroleum irregular route carrier certificate of public convenience and necessity, together with related assets.

In the present proceeding the corporation proposes to issue \$125,000 aggregate par value of its capital stock in exchange for the assets, subject to liabilities, to be acquired from L. L. Kirchhof. Applicant's pro forma balance sheet dated as of May 1, 1968, attached to the application as Exhibit C, indicates total assets of \$153,433 offset by current liabilities and common stock equity of \$5,000 and \$148,433, respectively.

No value is assigned to the petroleum irregular route carrier certificate of public convenience and necessity.

It appears that the excess of net assets to be acquired over the total par value of capital stock to be issued will be credited to applicant's unearned surplus account.

The Commission has considered this matter and finds that: (1) the proposed stock issue is for a proper purpose; (2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

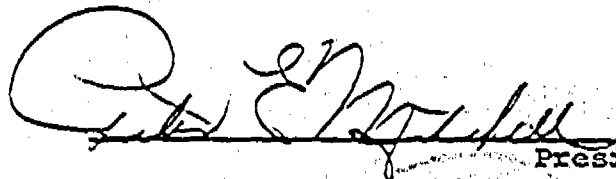
IT IS ORDERED that:

1. On or before September 30, 1968, Speed's Oil Tool Service, Inc., for the purpose specified in this proceeding, may issue not exceeding 125,000 shares of its \$1 par value capital stock.

2. Speed's Oil Tool Service, Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

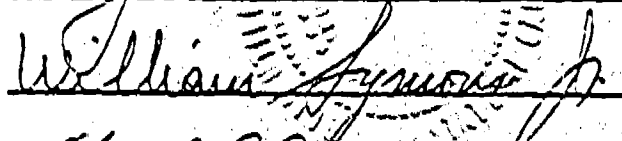
3. The effective date of this order is the date hereof.

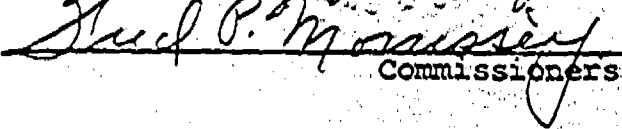
Dated at Los Angeles, California,
this 26th day of MARCH, 1968.



President







Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.