

# SECURITIES AND EXCHANGE COMMISSION

# NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington 25, D.C.

FOR RELEASE November 1, 1956

## Securities Exchange Act Release No. 5386

The Securities and Exchange Commission announced today that it issued a second amended order and notice of hearing under Section 19(a) (2) of the Securities Exchange Act in the Matter of Great Sweet Grass Oils Limited ("registrant") to determine whether it is necessary or appropriate for the protection of investors to suspend for a period not exceeding 12 months, or to withdraw, the registration on the American Stock Exchange of the capital stock of the registrant.

The issuance of the second amended order became necessary in view of the following facts: On October 24, 1956 registrant filed with the Commission a request to withdraw the current report on Form 8-K for the month of December, 1955 filed with the Commission on January 24, 1956 and the amendment thereto filed with the Commission on October 17, 1956. Registrant further requested withdrawal of the annual report on Form 10-K for the fiscal year ended December 31, 1955 filed with the Commission on May 16, 1956. Concurrently with the filing of such requests, registrant filed amendment No. 3 to its Form 8-K as a current report for the month of December, 1955, together with a revised Form 10-K for its fiscal year ended December 31, 1955.

The second amended order restates the allegations in the original and amended orders to the effect that the Commission has reason to believe that registrant misrepresented its oil and gas reserves in the prior filings with the Commission, relating to properties acquired from Depositors Mutual Oil Development Company ("Depositors"), an Oklahoma corporation, and from Pitt Petroleum, Ltd., an Alberta corporation, and that the Commission has reason to believe that the balance sheet included in the annual report of the registrant filed with the Commission on May 16, 1956 was false and misleading in valuing the Oklahoma oil and gas properties mentioned above at \$6,597,500.

The second amended order includes allegations that the Commission has reason to believe that the various reports filed by registrant were false and misleading in additional respects including the following: (a) in omitting to state in the last filed Form 8-K report on registrant's own responsibility any amount of oil and gas reserves acquired from Depositors but in attaching as an exhibit geological reports which are ambiguous and conflicting as to the amount of oil and gas reserves acquired from Depositors; (b) in representing that the assets of Depositors were acquired by registrant through arms-length bargaining and that there was no material relationship between registrant and Depositors; (c) in representing that the issuance and sale of 1,750,000 shares of registrant's capital stock to Depositors for its assets was an exempt transaction under the Securities Act of 1933 and not required to be registered hereunder; and (d) in failing to disclose the purpose for which Depositors was organized and that registrant and Depositors intended to make a public distribution of

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registrant's shares issued to Depositors for its assets.

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Arizona Public Service Company (Phoenix, Arizona) filed a registration statement (File 2-12886) with the SEC on October 31, 1956 seeking registration of 200,000 shares of cumulative preferred stock (convertible through December 1, 1966) \$50 par value. The stock is to be offered for sale by the underwriters, the First Boston Corporation and Blyth & Co., Inc. The dividend rate, public offering price and underwriting terms are to be supplied by amendment. The net proceeds from the sale of this preferred stock will be used for partial payment of loans incurred for construction purposes.

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Mississippi Investment Trust, St. Louis, Missouri, filed a registration statement (File 2-12887) with the SEC on October 31, 1956, seeking registration of an additional \$250,000 on value of Contracts of Sale. The price to the public is to be based upon the terms of the particular Contract, and negotiations with the individual purchaser.

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