

removing "017274" and adding in its place "012286".

**§ 558.625 [Amended]**

9. Section 558.625 *Tylosin* is amended in paragraph (b)(52) by removing "021810" and adding in its place "012286".

**§ 558.630 [Amended]**

10. Section 558.630 *Tylosin and sulfamethazine* is amended in paragraphs (b)(3) and (b)(8) by removing "017274" and adding "012286" and in paragraph (b)(10) by removing "017274, 021810, and 047427" and numerically adding "012286".

Dated: August 31, 1995.

**Robert C. Livingston,**

*Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine*  
[FR Doc. 95-22369 Filed 9-8-95; 8:45 am]

BILLING CODE 4160-01-F

**DEPARTMENT OF THE TREASURY**

**Internal Revenue Service**

**26 CFR Part 1**

[TD 8584]

RIN 1545-AK03

**Capitalization of Interest; Correction**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Correcting amendments.

**SUMMARY:** This document contains a correction to the final regulations [TD 8584] which were published in the *Federal Register* for Thursday, December 29, 1994 (59 FR 67187). The final regulations relate to the requirement to capitalize interest with respect to the production of property.

**EFFECTIVE DATE:** January 1, 1995.

**FOR FURTHER INFORMATION CONTACT:** Jan L. Skelton, (202) 622-4970 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

**Background**

The final regulations that are the subject of these corrections are under section 263A(f) of the Internal Revenue Code.

**Need for Correction**

As published, the final regulations contains an error that is misleading and in need of correction.

**List of Subjects in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

Accordingly, 26 CFR Part 1 is corrected by making the following correcting amendment:

**PART 1—INCOME TAXES**

**Paragraph 1.** The authority citation for Part 1 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 \* \* \*

**Par. 2.** In § 1.263A-9(f)(3), paragraph (v) of *Example 3.*, the last sentence is revised as follows:

**§ 1.263A-9 The avoided cost method.**

\* \* \* \* \*

(f) \* \* \*

(3) \* \* \*

*Example 3. (i)* \* \* \*

(v) \* \* \* For Unit B, this amount is \$775,000 ((\$0 + \$500,000 + \$1,000,000 + \$1,600,000)÷4).

\* \* \* \* \*

**Cynthia E. Grigsby,**

*Chief, Regulations Unit, Assistant Chief Counsel (Corporate).*

[FR Doc. 95-22382 Filed 9-8-95; 8:45 am]

BILLING CODE 4830-01-P

**Bureau of Alcohol, Tobacco and Firearms**

**27 CFR Part 9**

[T.D. ATF-366; RE: Notice No. 801]

RIN 1512-AA07

**The St. Helena Viticultural Area (94F-015P)**

**AGENCY:** Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

**ACTION:** Final rule, Treasury decision.

**SUMMARY:** This final rule establishes a viticultural area in Napa County, California, to be known as "St. Helena." The petition was submitted by Mr. Charles A. Carpy, Chairman of the St. Helena Appellation Committee. The establishment of viticultural areas and the subsequent use of viticultural area names as appellations of origin in wine labeling and advertising will help consumers better identify the wines they may purchase, and will help winemakers distinguish their products from wines made in other areas.

**EFFECTIVE DATE:** October 11, 1995.

**FOR FURTHER INFORMATION CONTACT:** Mary Lou Blake, Wine, Beer and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW, Washington, DC 20226 (202-927-8210).

**SUPPLEMENTARY INFORMATION:**

**Background**

On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37672, 54624) revising regulations in 27 CFR Part 4. These regulations allow the establishment of definitive viticultural areas. The regulations allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements. On October 2, 1979, ATF published Treasury Decision ATF-60 (44 FR 56692) which added a new Part 9 to 27 CFR, for the listing of approved American viticultural areas.

Section 4.25a(e)(1), Title 27 CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographical features, the boundaries of which have been delineated in Subpart C of Part 9.

Section 4.25a(e)(2) outlines the procedure for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area. The petition should include:

(a) Evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition;

(b) Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;

(c) Evidence relating to the geographical features (climate, soil, elevation, physical features, etc.) which distinguish the viticultural features of the proposed area from surrounding areas;

(d) A description of the specific boundaries of the viticultural area, based on the features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale; and

(e) A copy of the appropriate U.S.G.S. map with the boundaries prominently marked.

**Rulemaking Proceeding**

*Petition*

On March 9, 1994, ATF received a petition from Mr. Charles A. Carpy, Chairman of the St. Helena Appellation Committee, proposing to establish a new viticultural area in Napa County, California, to be known as "St. Helena." The St. Helena Appellation Committee is composed of various vineyard and winery owners located throughout the St. Helena area. The proposed St. Helena viticultural area is located approximately 16 miles northwest of the city of Napa. It is located totally within the larger and previously established

Napa Valley viticultural area. The St. Helena viticultural area covers approximately 9,060 acres, and is densely planted to vines. There are over 30 wineries within the area. The petition provided sufficient information to show that the proposed area meets the regulatory requirements discussed previously. This information is shown beginning with the section entitled "Evidence That Viticultural Area Name Is Widely Known." Mr. Charles Sullivan, Napa Valley historian, provided the petitioner with most of the historical information concerning the St. Helena area that is covered in the petition whereas Dr. Deborah Elliott-Fisk of the University of California provided the petitioner with most of the information in the petition concerning soils, geology and physical geography of the St. Helena area.

#### *Notice of Proposed Rulemaking*

In response to Mr. Carpy's petition, ATF published a notice of proposed rulemaking, Notice No. 801, in the *Federal Register* on November 4, 1994 (59 FR 55226), proposing the establishment of the St. Helena viticultural area. The notice requested comments from all interested persons by February 2, 1995.

#### *Comments to Notice of Proposed Rulemaking*

Six comments were received in response to the notice of proposed rulemaking (Notice No. 801). Three commenters—Mr. W. Andrew Beckstoffer of Beckstoffer Vineyards, Mr. Richard E. Walton of Beaulieu Vineyard, and Mr. Thomas Leonardini of Whitehall Lane Winery—state that a certain portion of the proposed viticultural area should not, at this time, be included within the boundaries of the St. Helena viticultural area. The portion of the proposed St. Helena viticultural area which these three commenters want excluded starts at the intersection of Zinfandel Lane with Highway 29 on the southern boundary of the area, then in a westerly direction along Zinfandel Lane to where it intersects with the north fork of Bale Slough, then in a northwesterly direction along the north fork of Bale Slough to where it intersects with the southwesterly straight line projection of Inglewood Avenue, then in a southwesterly direction along the straight line projection of Inglewood Avenue to the 500 foot contour line on the western side of the area, then along the 500-foot contour line in a northwesterly direction to Sulphur Creek, then in a southeasterly and then a northeasterly direction along Sulphur

Creek until it intersects with Highway 29, then in a southeasterly direction along Highway 29 until it intersects with Zinfandel Lane, the point of beginning.

These three commenters feel that there is simply not sufficient precise data or local agreement at this time to justify a choice for this area. They feel that within a relatively short time, say five years, the grapegrowers, winemakers and local residents will so clarify the wine characteristics and local reference for the wine consumer that the viticultural area designation of this area will become clear to all. At this future time, according to these three commenters, the area would either be added to the St. Helena or Rutherford viticultural area depending on what the evidence shows. All three feel that the evidence at that time will show that this area most closely resembles the Rutherford viticultural area.

Mr. Beckstoffer states that as part of the Rutherford viticultural area process, he submitted detailed data regarding the geological features, elevation, soils, rainfall, and geology of this area. Mr. Beckstoffer indicates that he wants this previous data to be included in his petition requesting that this area not be included in any viticultural area until some future time when more information is available.

Mr. Beckstoffer states that prior testimony at the Rutherford viticultural area hearing shows that there are no significant differences in rainfall, elevation or soils in this area from that to the north, St. Helena, or to the south, Rutherford. Mr. Beckstoffer indicates that there was significant controversy, however, regarding the underlying geology of this area and the area to the north and south. Mr. Beckstoffer states that the geological features upon which a delimited grape growing area is defined as a viticultural area do not support the inclusion of this area in either St. Helena or Rutherford to the exclusion of the other. Consequently, Mr. Beckstoffer feels that the features of this area could presently support inclusion in either Rutherford or St. Helena.

Mr. Beckstoffer also states that this area should not be considered a part of the proposed St. Helena viticultural area just because a certain portion of the area in question is within the municipal limits of the city of St. Helena. Mr. Beckstoffer indicates that it is his understanding that the approved Spring Mountain and Howell Mountain viticultural areas include areas within the city of St. Helena. In addition, the proposed St. Helena viticultural area includes areas both within and outside

the city of St. Helena. Furthermore, according to Mr. Beckstoffer, the municipal boundaries of the city of St. Helena have recently been amended and will undoubtedly be amended again in the future. Consequently, Mr. Beckstoffer states that the area in question should not be included or excluded from a viticultural area based on whether a portion of the area is located within the municipal limits of the city of St. Helena.

In summary, Mr. Beckstoffer states that the area in question is a very important grapegrowing area of the Napa Valley claimed for both the Rutherford and St. Helena areas. He further states that the geological features, history and local designation of this area are not precise enough at this time to define the area as part of Rutherford or St. Helena. However, Mr. Beckstoffer feels that with sufficient time, the factors identifying this area in question will be sufficient to justify the inclusion of the area in either Rutherford or St. Helena. Mr. Beckstoffer feels that the current consumer awareness and wine characteristics of grapes produced from this area seem to indicate that the area should be included in Rutherford but that additional time should help determine with greater clarity exactly what viticultural area this area in question belongs in. At some future time, according to Mr. Beckstoffer, this area could be assigned to either Rutherford or St. Helena with much more clarity, precision and general acceptance.

Another commenter—Mr. William A. Hayne—states that he has a vineyard in the area in question and that he does not agree with the proposal to exclude this area from the proposed St. Helena viticultural area. Mr. Hayne further states that viticultural areas in the Napa Valley seem to be destined to be divided up more or less by post office regions and that he wishes to be included in the St. Helena viticultural area as is presently provided for in the notice of proposed rulemaking.

Another commenter—Mr. Richard W. Forman of Forman Vineyard—states that he is very close to the eastern boundary of the proposed St. Helena viticultural area and feels that Forman Vineyard should be included within the St. Helena area. In fact, Mr. Forman states that his winery and vineyard are located within the city limits of St. Helena. He further states his property is located on the lower toe slopes of the eastern Howell Mountain range and as such, has an exposure which looks across the Silverado Trail near Meadowood Lane and into the center of St. Helena. Mr.

Forman indicates that his vineyard, originally established on what was called the Stonebridge property, is clearly more closely associated with its near valley floor neighbors physically, climatologically and geologically, than the further removed and proposed fans of Pratt Valley, Deer Park and Spring Valley. He further indicates that he agrees with Mr. Sullivan's statement in the St. Helena petition that it is difficult to differentiate exactly, on a historical basis, between the 400-600 foot contour on the eastern slopes of the proposed St. Helena viticultural area.

Mr. Forman states that Mr. Sullivan indicates in the petition that the actual Howell Mountain influence of differing climatology does not come into effect until one reaches well above the 600 foot elevation. Mr. Forman states that his vineyard property does not extend beyond the 600-foot contour line and therefore has a very similar climate to the valley floor. And finally, Mr. Forman states that, on a geological basis, his soils closely resemble the soils found in the Phelps Home Ranch 3 Corral III vineyard, noted in petition exhibit No. 30 and located in Spring Valley, which is within the proposed boundaries of the St. Helena viticultural area. Mr. Forman states that this close similarity between soils should establish that his vineyard soils are consistent with other St. Helena district soils and therefore his vineyard property should be included as part of the St. Helena viticultural area.

Mr. Forman indicates that the United States Department of Agriculture (USDA) soil map identifies his vineyard property's soil as a Butte Stony Loam and mentions that it is widely found along the lower eastern toe slopes between Deer Park and Rutherford Cross Roads, again suggesting that this would indeed conform as a characteristic soil type of the area. Mr. Forman states that the climate surrounding his property is quite like that found above the Silverado Trail from Howell Mountain Road to Deer Park Road, particularly in so far as his property is situated within one-fourth mile of the Silverado Trail and has an exposure and elevation only moderately different than these adjacent valley floor locations.

In summary, Mr. Forman states that because of his location within the city limits of St. Helena, because of his exposure and proximity to the valley floor, and because of his vineyard's geology, he feels that his property should be included within the St. Helena viticultural area.

The last commenter, Mr. Chuck Carpy, Chairman of the St. Helena Appellation Committee, states that his

comment is in response to the two proposed boundary amendments which were submitted. In response to Mr. Forman's proposal to extend the boundary of the St. Helena viticultural area to include his vineyard property, Mr. Carpy states that the St. Helena Appellation Committee does not have any objection to this proposal. Mr. Carpy states that Mr. Forman's vineyard is located within the city limits of St. Helena and, to the best of his knowledge, is split by the proposed 400 foot contour line. Mr. Carpy indicates that the petitioners have reviewed Mr. Forman's data and find the soil types and geology to be consistent with those of the other toe-slopes of the Vaca (or Silverado) Range in the immediate vicinity. Mr. Carpy states that he has received information from Mr. Forman that indicates that Mr. Forman's vineyard property contains large deposits of old, uplifted Napa Riverbed materials, which suggests that the Napa River channel ran through the area historically. In this sense, according to Mr. Carpy, the area proposed for inclusion by Mr. Forman appears to be similar to the area on the eastern toe-slopes of Oakville, which were added to that viticultural area in the final rule establishing the Oakville viticultural area.

In addition, Mr. Carpy states that the petitioners have no objection with the inclusion of Mr. Forman's property in the St. Helena viticultural area since the proposed boundary expansion is small and the current boundary works a hardship on Mr. Forman because his vineyards are split.

In regard to Mr. Beckstoffer's proposed boundary amendment, Mr. Carpy states that the petitioners are opposed to any further change in the boundaries of the proposed St. Helena viticultural area. Mr. Carpy states that the present rulemaking concerns the St. Helena viticultural area and should not be used as an indirect method of appealing ATF's final rule on the Rutherford viticultural area. Mr. Carpy points out that there was no appeal to U.S. District Court of the Bureau's decision to exclude from Rutherford the area north of Zinfandel Lane, west of Highway 29, and south of Sulphur Creek (the area in question). Mr. Carpy states that it is clear from Mr. Beckstoffer's comment that Mr. Beckstoffer did not agree with the decision made regarding the establishment of the boundaries of the Rutherford viticultural area and consequently is trying to delay action on the area in question in hopes of eventually getting this area included within the Rutherford viticultural area.

Mr. Carpy states that ATF made its decision on the Rutherford viticultural area in July of 1993. He states that the argument that this decision should be revisited in the future provides no legitimate basis for opposing the St. Helena viticultural area petition. Mr. Carpy states that under the applicable regulations, ATF is bound to decide whether there is sufficient evidence to establish the St. Helena viticultural area as proposed by the petitioners. Mr. Carpy observes that Mr. Beckstoffer concedes such evidence exists when he states, "The geological features upon which a delimited grape growing area are defined as a viticultural area \* \* \* could support inclusion [of the area in question] in either [the Rutherford or the St. Helena Viticultural] Area."

On behalf of the petitioners, Mr. Carpy states that all the requirements for the establishment of the St. Helena viticultural area have been met in the case of the area in question. Specifically, the name identification requirement has been met not only by the fact that a portion of the area is within city limits of St. Helena but also by numerous citations in the modern wine press, by historical documents pertaining to the so-called St. Helena District of the late 1800s and by local name recognition. According to Mr. Carpy, it is inconceivable to the petitioners that the properties of George Crane, who is widely acknowledged as one of the founding fathers of St. Helena (Crane Park in the city of St. Helena honors him), and John Lewelling, who also was prominently identified with St. Helena, could be considered as part of the Rutherford viticultural area. Mr. Carpy states that the petitioners have met their burden of proof. Mr. Carpy then quotes from ATF's final rule on the Rutherford viticultural area with respect to the area in question:

Proponents of a northern boundary for Rutherford that is further north than Zinfandel Lane did not submit any evidence that this area between Zinfandel Lane and Sulphur Creek has ever been known, either currently or historically, as Rutherford. The Rutherford and Oakville Appellation Committee, on the other hand, submitted numerous maps and other name evidence which tends to show that this area has always been considered to be part of the greater St. Helena area.

Later in the final rule establishing the Rutherford viticultural area, it was stated that "Most current and historical maps, as well as other name evidence, suggest that Zinfandel Lane is the most appropriate dividing line between Rutherford and St. Helena." Mr. Carpy indicates that to reject Zinfandel Lane as the most appropriate dividing line

between Rutherford and St. Helena would belie history and mislead consumers.

Mr. Carpy requests that all testimony and documentation from the Rutherford proceeding which pertain to the area in question be included in the record of the present rulemaking.

Mr. Carpy states that with regard to the required geographic evidence, the petitioners have placed the entire Sulphur Creek alluvial fan in the St. Helena viticultural area. The petitioners' expert geographer and soil scientist, Deborah Elliott-Fisk, describes that fan in the reporter's transcript of the public hearing on Rutherford, on page 48, as the drainage basin of Sulphur Canyon and Heath Canyon, including Spring Mountain, which "extends through the town of St. Helena at least up to the vicinity of where the Beringer Winery is today."

Mr. Carpy states that the area in question splits the Sulphur Creek alluvial fan at Highway 29 (on an east-west axis) and at Sulphur Creek (north-south), thereby including in the St. Helena appellation only a portion of this geomorphic unit. Mr. Carpy indicates that anything less than such artificial bisection of the Sulphur Creek alluvial fan would place historical St. Helena wineries like Louis Martini and Beringer Vineyards in the Rutherford viticultural area. Mr. Carpy states that there is no explanation or evidence of how or why the area in question is viticulturally distinct from the area east of Highway 29 or from any other portion of St. Helena.

Mr. Carpy indicates that both before and during the Rutherford viticultural area proceeding, Ms. Elliott-Fisk conducted extensive field research throughout the Napa Valley, including the area in question. Ms. Elliott-Fisk concluded in her comments on the Rutherford viticultural area that "the Sulphur Canyon Fan should be left for a future St. Helena viticultural area, as it has rocky soils (with a higher percentage of boulders and large cobbles) and is dominated by rhyolite and other volcanic lithologies with a soil matrix of fine sands and secondary clays, providing for moderate to moderately high vine vigor under slightly warmer climates and increased precipitation than in the Rutherford region." Mr. Carpy states that the petitioners now seek to follow through on ATF's decision in the Rutherford proceeding by placing the entire Sulphur Creek alluvial fan in the St. Helena viticultural area.

#### ATF Boundary Decisions

After thoroughly reviewing all the comments submitted in response to the notice of proposed rulemaking (Notice No. 801) on the St. Helena viticultural area, ATF has made the following decisions concerning the two requests for boundary changes:

1. *Forman Proposal.* ATF agrees that the Forman vineyard property is split by the boundaries proposed in Notice No. 801 and that the property is located within the city limits of St. Helena. In addition, both Mr. Forman and the petitioners agree that the soil types and geology of this vineyard property are consistent with those of other areas located within the proposed St. Helena viticultural area. For these reasons, ATF has determined that the Forman vineyard property should be included within the boundaries of the St. Helena viticultural area. Consequently, Mr. Forman's proposed boundary change is being adopted in the descriptive section of this final rule.

2. *Beckstoffer Proposal.* ATF believes that the St. Helena petitioners have provided adequate historical, name, and geological evidence to include the area in question in the St. Helena viticultural area. As part of the Rutherford viticultural area process, ATF reviewed all the evidence presented during the comment period and the public hearing to determine the best boundaries for the Rutherford viticultural area. As a result of that review, it was determined that the best dividing line between Rutherford and St. Helena, for viticultural purposes, was Zinfandel Lane. Mr. Beckstoffer has not presented any new evidence which would lead us to the conclusion that the area in question should be part of the Rutherford viticultural area. To the contrary, all historical and name evidence which we have reviewed suggests that this area should be considered as part of the St. Helena area. In addition, the northern boundary of the Rutherford viticultural area was largely determined on the basis of where the southern edge of the Sulphur Canyon Fan approximately ends. Since it was determined that the Sulphur Canyon Fan ends somewhere just south of Zinfandel Lane, it was decided that the northern boundary of the Rutherford viticultural should be Zinfandel Lane. Therefore, since the Sulphur Canyon Fan includes the area north of Zinfandel Lane on both the east and west sides of Highway 29, we have determined that the area in question should be included within the St. Helena viticultural area.

In addition, we see no benefit to delaying a decision on this area for 5

years or more. While it is possible that such a delay could produce some evidence that certain wine characteristics and local reference for the wine consumer might point toward a Rutherford designation for some wines from this area, it would appear that such evidence would at most be limited and subject to dispute. In addition, there is no current evidence available which would be a basis for rejecting the petitioners' current southern boundary proposal. Since the petitioners have provided adequate evidence for their boundary proposal and since no new evidence has been submitted which would cause us to find otherwise, we have decided to adopt the petitioners' boundary proposal as specified in Notice No. 801 along with Mr. Forman's proposed boundary change.

#### Evidence That Viticultural Area Name Is Widely Known

Data prepared by Mr. Charles Sullivan for the petitioners provides the following historical information.

The town of St. Helena was founded by Henry Still, who bought land from the Edward Bale family in 1855. By 1858 there was a school house and a little Baptist church. Four years later Professor William Brewer of the Whitney party called it a "pretty little village with fifty or more houses . . . nestled among grand old oaks." Early winemakers in the St. Helena area included Charles Krug and George Belden Crane. At the end of the 1879 vintage the *San Francisco Post* ran an article on northern California wines which noted the flavor characteristics of Napa clarets. This article was copied by the *St. Helena Star* which predicted that there would be 2,000 acres of grapes planted in the Napa Valley in 1880. According to Mr. Sullivan, the final total was closer to 3,000, and concentrated in the St. Helena area.

As early as 1869, San Francisco's *Alta California* was making reference to a "St. Helena district," as did the *Pacific Rural Press*. These were references to vineyard plantings in the area. In 1872 the *Napa Reporter* made reference to the boom in vineyard land around St. Helena. The *Alta California* ran an article on the area in 1878, treating St. Helena as a specific district with a great reputation. By then Charles Krug, the Beringers, Crane, John Lewelling, H. A. Pellet, and 14 other producers had built cellars in the St. Helena area.

In 1875 Krug and Pellet organized the producers and growers in the district, a move that culminated in the formation of the St. Helena Viticultural Club on January 22, 1876. According to Mr. Sullivan, others outside the district

could join, but it was a local St. Helena organization. In 1880 the Club constructed Vintners Hall, a two story building with a reading room, meeting rooms, and a social hall upstairs.

Mr. Sullivan states that by the end of the 1870s there was no question concerning Napa's special reputation as a winegrowing region, or about St. Helena's as a discrete district in that region. As support for this statement, Mr. Sullivan cites the *Alta California* which concluded in an article published in 1880 that "Napa is now the leading wine-growing county of California, and \* \* \* St. Helena has become the center of the most prosperous wine district in the State."

According to Mr. Sullivan, by the turn of the century Napa prices were still higher than those of other districts, but the special position accorded St. Helena wines had ceased to exist. The popular image of the wines of Oakville, Rutherford, Larkmead, and Howell Mountain had ended the perception of St. Helena wines standing above all others. After Prohibition, the regional association of the leading Napa Valley producers was far from foremost in consumers' minds and in the minds of wine writers according to Mr. Sullivan. However, Mr. Sullivan states that more recently there has been a tendency for wine writers to make reference to the St. Helena "district" and to its wines, particularly to its Cabernet Sauvignons.

In addition to the historical name information mentioned above, the "St. Helena" name appears on a U.S.G.S. 7.5 minute series map entitled "St. Helena Quadrangle" which includes the city of St. Helena and much of its surrounding area.

#### *Evidence of Boundaries*

According to the petition, there have never been precise historic boundaries for the St. Helena viticultural district. However, the petitioners state that history does provide an imprecise "St. Helena District" within the geographic structure of State winegrowing established by the first Board of State Viticultural Commissioners in the 1880s. According to the petition, the State was divided into districts, one being Napa, which included Napa, Solano, and Contra Costa Counties. Charles Krug was the first commissioner for the district in 1880. Napa County was then divided into administrative districts: Napa (City), Yountville, St. Helena, and Calistoga. These were not considered viticultural districts at the time. The St. Helena District included the vineyards of Howell Mountain, most of Rutherford, and Larkmead. This is discussed in E.C. Priber's report to the

Board in 1893. Even Chiles and Conn Valleys were included in the St. Helena District, although Priber gave separate statistics for these areas.

Although the wineries and vineyardists in the Priber report are listed in administrative districts, Priber's man in the field, A. Warren Robinson, asked each where his or her operation was located, and the answer was given as a place, not necessarily a post office. Bernard Ehlers said he lived at Lodi Station. Mrs. Lillie Coit listed Larkmead. According to the petitioner, such data make it possible to make an attempt to draw historically accurate lines.

A more accurate listing of viticultural districts was given by Charles Krug in his report of 1887. He traces the development of each district in Napa County since 1881, by acreage, production, and type of grape vines. Krug listed Yountville, Oakville, Rutherford, St. Helena, Spring Mountain, Howell Mountain, Calistoga and five others. Although he did not include a map, the precision of his statistics indicates that he and others had the limits of these districts in mind.

From the information discussed above, the petitioner has tried to plot the northern and southern boundaries of the St. Helena viticultural area. From a historical point of view, the petitioner states that any one of three landmarks could be used as the northern boundary of the St. Helena viticultural area. These landmarks include Ritchie Creek, Bale Lane, and Big Tree Road. However, from a practical, as well as historical point of view, Bale Lane is the best choice.

The southern boundary of the St. Helena viticultural area was discussed at length during the December 9, 1992, ATF public hearing held in Napa, California, concerning the northern boundary of the Rutherford viticultural area. From the information submitted at that hearing, it was determined that Zinfandel Avenue, known locally as Zinfandel Lane, was the best northern boundary for the Rutherford viticultural area. Consequently, Zinfandel Avenue (Zinfandel Lane) is appropriate as the southern boundary of the adjacent St. Helena viticultural area.

The southeast boundary of the St. Helena appellation includes the Spring Valley area since this area was included in the St. Helena area on the 1895 "Official Map of the County of Napa." On this map, the properties of George Mee and Antonio Rossi (Spring Valley) were listed as being in the St. Helena district whereas Charles Scheggia, just to the south, listed himself as being in Rutherford.

According to the petitioner, the western boundary of the St. Helena viticultural area is not strictly delineated by historical custom. The petitioner states that this western boundary should be dictated by the eastern boundary of the adjacent Spring Mountain District viticultural area which utilizes the 400-foot contour line. The petitioner states that although some people might draw the western boundary of the St. Helena viticultural area at the 500 or 600-foot contour line, the 400-foot contour line defies no historical precedent and prevents the overlapping of the St. Helena viticultural area with the Spring Mountain District viticultural area.

In regard to the eastern boundary, historical records indicate that Conn Valley is a separate area and should not be included in the St. Helena viticultural area. These records indicate, however, that Pratt Valley is clearly part of the St. Helena area from the location of the Pratt and Chabot wine growing properties. In addition, the Crystal Springs Road area and Dago Valley should be included, due more to recent developments there rather than earlier history. However, the petitioner states that the old Rossini property, where the historic Burgess-Souverain Winery is located today, and the Leunenberger property, where the original Sutter Home-Ballantine Winery was located (today Deer Park Winery), should not be included because they are located on the lower slopes of Howell Mountain rather than in the St. Helena area.

The petitioner uses mostly the 400-foot contour line and a short portion of Howell Mountain Road and a longer portion of Conn Valley Road to delineate the eastern boundary of the proposed St. Helena viticultural area.

#### *Geographical Features*

Data prepared by Dr. Elliott-Fisk in support of the petition provides the following geographical information.

*Climate.* The proposed St. Helena viticultural area lies within a relatively narrow and constricted portion of the upper Napa Valley proper. There exists a subtle interaction of climatic factors which affect grapes grown in this valley floor area. These subtle climatic influences are part of a continuum across the entire floor of the Napa Valley.

The Napa Valley proper is classified as a coastal valley. Along the valley floor from Napa to Calistoga, there are pronounced mesoclimatic variations which relate to the penetration of marine influences from San Pablo Bay and, to a lesser extent, to the rise in elevation as one proceeds up Napa

Valley. This marine air incursion is caused by warming of the valley floor and surrounding hillsides during the daylight hours of the growing season. This warming land mass causes the air in the area to rise, creating pressure gradients which draw in marine air off of San Pablo Bay to the south. During the growing season, this phenomenon generally begins in the early afternoon and continues into the evening. Due to proximity to the bay, the areas in the southern portion of the valley receive the most direct impact of these pressure gradient winds. These winds have a cooling effect throughout the Napa Valley.

During the grape growing season, this cooling plays an important role in the development of the grapes by allowing them to better retain their natural acidity which is critical in the production of high quality wines, according to Dr. Elliott-Fisk. In the St. Helena viticultural area, this cooling effect is moderated compared to the areas further south. However, while the St. Helena area has relatively warm conditions, it is the daily maximum extremes, for which the area to the north (Calistoga) is better known, that distinguish the St. Helena and Calistoga areas.

Dr. Elliott-Fisk indicates that traditionally, the dividing line between the area of Calistoga's higher daily extremes and St. Helena's warm coastal climate has been the section of land around Bale Lane. It is at this point that the Napa Valley and Napa River take a pronounced directional change of course from north/northwesterly to more westerly. To the north of Bale Lane, the exposure of the valley floor to the sun also is more directly aligned than to the south where there is more shading.

The area to the north of the St. Helena viticultural area, particularly around the city of Calistoga, is also affected by a secondary marine air incursion, far less dramatic than that off of San Pablo Bay, which penetrates the upper Napa Valley through the Knights Valley area. This marine influence, according to Dr. Elliott-Fisk, does not typically penetrate as far south as the St. Helena viticultural area. When present, these moist, cooling winds serve to moderate the generally hotter temperatures in Calistoga, making this area ideal for growing premium wine grapes.

Dr. Elliott-Fisk also finds that there are significant climatic differences between the St. Helena viticultural area and the surrounding mountains. To the east of St. Helena lies Howell Mountain and to the west is Spring Mountain. These mountain areas range in elevation

from 400 to 2,600 feet for Spring Mountain and from 1,400 to 2,400 feet for Howell Mountain. On average, temperatures fall along the valley floor approximately 2.8 degrees Fahrenheit for each 1,000 foot fall in elevation.

The mountain areas with south or southwest slopes, such as those generally found in the Howell Mountain viticultural area, receive approximately 20 percent more solar radiation during the growing season compared to the valley floor. Northeast and northwest slopes, such as those that typically occur in the Spring Mountain District viticultural area, receive approximately 20 percent less solar radiation than those found on the valley floor in the St. Helena viticultural area. In addition to these differences related to aspect, the relative absence of fog in the higher altitudes increases the solar radiation there compared to the valley floor which often is covered by early morning fog.

According to Dr. Elliott-Fisk, precipitation has been more important in the formation of topography and soils in the Napa Valley than in the definition of distinct climate zones. Outside of annual physiological water needs which are almost exclusively augmented by irrigation, precipitation directly affects grape vines during late spring and early fall, which are the critical periods of the growing and harvest seasons. Cooler areas, those generally found to the south of the St. Helena appellation, are more negatively affected by such conditions.

#### *Soils, Geology and Physical Geography*

The St. Helena viticultural area is in the northern Napa Valley and is defined by Dr. Elliott-Fisk as the valley floor area and lower mountain slopes (i.e., toe-slopes) from Zinfandel Lane in the south to Bale Lane in the north.

According to Dr. Elliott-Fisk, the geology of the St. Helena area is characterized by steep mountain fronts composed of the (1) Franciscan Formation (largely sandstones, mudstones and various metamorphic inclusions) overlain by the moderate thicknesses of Sonoma Volcanics on the west side in the Mayacamas Range, and (2) deep flows of Sonoma Volcanics, volcanic vents, and volcanic domes over Great Valley sandstones on the east side in the Vaca Range. Both mountain slopes have been faulted and heavily eroded, with much of this activity believed to be synonymous with the formation of the Sonoma Volcanics in the last 2-5 million years.

Dr. Elliott-Fisk further states that the topography of the Napa Valley floor is largely the product of (1) the marine incursion of San Pablo Bay, and

consequent marine erosion and deposit, (2) tectonic uplift and land displacement along faults and fold structures (e.g., anticlines), (3) bedrock resistance to erosion, (4) slope stability, and (5) discharge volumes of the Napa River and its tributaries. The St. Helena viticultural area, extending from Bale Lane on the north to Zinfandel Lane on the south, has a fairly uniform, steep gradient (as compared to the entire Napa Valley floor), indicating that it is a zone of erosion of a former more powerful Napa River. The valley in this area is narrow and is almost entirely the product of river erosion, unlike any other stretch of the valley floor. The one break in gradient occurs where the river turns southward near Big Tree Road (just south of Bale Lane) and exerts more force to cut through bedrock. Thus, although alluvial fans extend across the valley floor from their tributary canyons to the Napa River, the fans are small and relatively young compared to the rest of Napa Valley. Sulphur Creek fan is the largest of the group, as it issues from a very large drainage basin. Fans of the eastern side of the proposed appellation are very small, largely due to the resistance of obsidian (i.e., volcanic glass) bedrock here and small tributary basin size.

The topographic uniformity of the St. Helena viticultural area is further substantiated by climatological data and bioclimatic maps. Growing degree-days (i.e., temperature regime), according to Dr. Elliott-Fisk, are very uniform along this stretch of the valley floor and lower slopes, averaging just under 3600 degree-days. Mean annual precipitation is 35-38 inches. Just north of the northern boundary of the St. Helena viticultural area (e.g., around Dunaweal Lane), the vegetation changes from Valley Oak Savanna to Mixed Hardwood Woodland. These gradients of climate and vegetation from south to north up Napa Valley, according to Dr. Elliott-Fisk, further support the designation of viticultural areas, as climate is an important factor influencing vine growth and fruit characteristics, with natural vegetation telling the viticulturalist what vine production will be like.

#### *Soils and Geomorphology of the Napa Valley*

Dr. Elliott-Fisk states that soils can be consistently identified and mapped in Napa Valley through knowledge of the geomorphology (i.e., landforms and landform history) of the area. These soil differences are relevant viticulturally and can be used in the delimitation of viticultural areas. This soil and geomorphic mapping, which is based on

very detailed field and laboratory studies, produces soil units that are similar to those shown in the Napa County Soil Survey (USDA-Soil Conservation Survey), but with more detail, precision, and most importantly, a different classification scheme, according to the petitioner. The resolution of the mapping of Napa Valley's soils has increased from the 1938 survey (and the old Marbut soil classification scheme) to the newer 1977 survey (using the new 7th Approximation system of soil classification) to a more detailed depiction of Napa Valley's soils based on an increased understanding of (1) the geomorphological history of the Napa Valley, and (2) the importance of soil parent material and time as soil-forming factors. There are many more soil types (or potential soil series) in Napa Valley than the Napa County Soil Survey depicts according to the petitioner.

Dr. Elliott-Fisk further notes that a geomorphic (landscape) surface of a given age will have soils of the same type across it. This is because soil formation is controlled by five factors (known as the soil-forming factors): climate, biota (plants and animals), parent material, relief (topography) and time. The petitioner states that much of the variation of soil types in Napa County is due to variation in the parent material and time factors. Different soil types will be derived from sedimentary bedrock versus volcanic bedrock, whether or not these soils are upland residual soils (with weathering and soil formation in place or *in situ*) or transportation/depositional soils (with soil formation beginning once river or other sediments are deposited). Alluvial soils of different ages (old versus young) will also differ significantly.

On any particular geomorphic surface (such as the Sulphur Creek fan), the parent material, relief and time factors are held constant, with the soils very similar (if not identical) across this surface. For depositional landforms (e.g., mudflow lobes, river terraces, alluvial fan units, etc.), the older deposits will have more strongly formed soils. If a geomorphic surface is disturbed by erosion or deposition, its soil will be altered (if not destroyed), with a new soil then forming.

In Napa Valley, according to Dr. Elliott-Fisk, distinct differences are seen between hillside soils and valley floor soils, at least in most situations. Hillside soils tend to be formed from bedrock and are shallow, whereas valley floor soils tend to be formed from alluvium, colluvium or bay deposits and are often deep. As Napa Valley has been tectonically active, however, these

deeper, depositional soils are occasionally found up on the hillsides, uplifted above the valley floor. It is important to separate these depositional hillside soils from residual bedrock soils. They have much higher water-holding capacities and deeper rooting depths, influencing vine growth significantly.

Dr. Elliott-Fisk further indicates that the floor of Napa Valley (excluding the bedrock "islands" which form small hills) has soils formed on (1) alluvial fans of various lithologies, textures, and sizes emerging from tributary watersheds towards the Napa River, (2) alluvial floodplains of various ages along the Napa River and the lower reaches of its tributaries (such as Sulphur Creek), and (3) bay deposits of various types, formed when San Pablo Bay extended into the valley proper. The alluvial fans in particular show marked contrasts in soil types north-south and east-west in the valley as a function of their (1) watershed or drainage basin geology and (2) stream gradient (i.e., topography). Dr. Elliott-Fisk concludes that the soils scientist then expects to find one soil series on fans derived from sedimentary bedrock and another on fans derived from volcanic bedrock.

#### *Geomorphic Units of the St. Helena Viticultural Area*

The valley floor of the St. Helena viticultural area is covered by a series of small fans and contains important areas of Napa River floodplain. Dr. Elliott-Fisk has described the geomorphic units as follows:

##### *North to South on West Side of Valley:*

(1) Ritchie Creek Fan (the southern edge of it extending south of Bale Lane into the viticultural area); principally in the area north of St. Helena;

(2) Mill Creek Fan;

(3) Hirsch Creek Fan;

(4) York Creek Fan;

(5) Sulphur Creek Fan; and

(6) Bear Canyon Fan Complex (in approved Rutherford viticultural area).

##### *North to South on East Side of Valley:*

(1) Simmons Canyon Fan (north of the St. Helena viticultural area);

(2) Dutch Henry and Biter Creek Fan Complex (north of the St. Helena viticultural area, reaching almost to Bale Lane);

(3) Unnamed Fan west of Bell Canyon Reservoir and Crystal Springs Road;

(4) Base of Pratt Valley (very small fan);

(5) Base of Deer Park (unnamed tributary; small fan);

(6) Base of Spring Valley (very small fan; mostly within Spring Valley); and

(7) Conn Creek Fan Complex (in approved Rutherford viticultural area).

##### *Napa River Floodplain and River Terraces:*

(1) Current incised channel of the Napa River;

(2) Current floodplain of the Napa River; and

(3) Older floodplains of the Napa River at higher elevations.

[These landforms follow the channel of the Napa River, except for older terraces along the hillsides, which are largely obscured by dense hillside woodland and forest; these terraces are discovered through intensive field studies.]

Dr. Elliott-Fisk notes that the geomorphic depositional units (i.e., landforms) in the St. Helena viticultural area are composed almost exclusively of volcanic lithologies (around 85–90 percent volcanics typically, occasionally dropping to 70 percent on parts of the Sulphur Creek fan, with the remainder sedimentary and metamorphic inclusions from the bedrock underlying the Sonoma Volcanics). The upper part of the Sulphur Creek Basin contains small units of sandstone and metamorphic lithologies exposed at the surface through faulting and slope failure. Despite this, volcanic rhyolitic tuff, rhyolite, dacite and andesite are by far the dominant surficial geologies, compared to the Bear Canyon Fan Complex to the south which is 30 percent or less volcanics and the remainder sedimentary.

Dr. Elliott-Fisk further observes that although several types of volcanic rocks compose the St. Helena hillside, the most widespread (and as such, ubiquitous) units are volcanic ash-flows, referred to as tuffs, with occasional volcanic mudflows. The matrix is rhyolitic in composition, with incorporated clasts of obsidian, rhyolite, andesite, dacite and tuff. Occasional metamorphic clasts of cobble or smaller size are seen. This geologic parent material is slightly acidic to acidic, with water-holding capacity of tuffaceous bedrock units moderate. This potential soil parent material is brought down both slopes to the west and east of the valley floor by hillside erosion, runoff, and tributary streamflow.

According to Dr. Elliott-Fisk, the Napa River has incised through these fan deposits discharging on the valley floor and migrated as a consequence of the resistance of these deposits versus its own stream power. The Napa River floodplain, and its associated recent terraces, varies in width throughout this section of Napa Valley but has formed important terraces along the eastern valley edge. Distinct breaks in the natural vegetation are seen at the terrace/alluvial fan transition, as the terraces have more fertile soils with a greater water-holding capacity. As the width of the valley floor in the St. Helena area is on the average less (e.g., more narrow) than anywhere else in the

Napa Valley, these terraces form less viticultural acreage than in the southern or middle sections of Napa Valley.

The lower hillside slopes below the 400-foot elevation are difficult to map on a broad scale depicting geomorphic surfaces. This is largely a function of abrupt changes in slope angle and vegetation type, which influence long-term slope stability. Small areas of uplifted depositional surfaces (alluvial fans and stream floodplain terraces) were found across these lower slopes in the St. Helena area, however.

#### *Soils of the St. Helena Viticultural Area*

With regard to the soils within the St. Helena viticultural area, Dr. Elliott-Fisk states that the Sonoma Volcanics rim all sides of the valley in the St. Helena area, and as such the depositional valley floor soils (which may be very bouldery deposits across alluvial fans or finer, but still gravelly deposits along the Napa River proper, all principally Xerolls) are volcanic in origin, and deep, very gravelly sandy loams to sandy clay loams to clay loams, with low to moderate water holding capacities. Sediments have been transported relatively short distances from their origins, as this is the headwater area of the Napa River system, and as such the soils contain a higher percentage of coarse clasts (especially boulders), with sand dominating the fine fraction of almost every soil. Dr. Elliott-Fisk notes that small sections of the upper stream basins of Sulphur Canyon and the Spring Mountain region contain the massive Franciscan marine sandstone and conglomerate, with its affiliated volcanic and metamorphic inclusions. The lithology of the fine clasts that compose the alluvial fans in this immediate region (i.e., Sulphur Creek fan) include a higher portion of non-volcanic clasts (up to 15 percent, to occasionally 30 percent) than alluvial fans to the north, such as the Ritchie Creek fan below Diamond Mountain, located largely north of the northern St. Helena viticultural area boundary. However, the percentage of non-volcanic clasts is much higher to the south of the St. Helena viticultural area (i.e., Bear Canyon fan). The lower toe-slopes of the mountain slopes in the St. Helena area (below the 400-foot elevation) contain both Xerolls and Xeralfs, depending on slope stability and age.

Dr. Elliott-Fisk states that she has excavated an additional 17 soil trenches in the process of her scientific investigation in this area. She states that she has done previous soils work in this region and has excavated over 350 soil trenches in Napa Valley. She has

provided, as part of the petition, profile drawings, descriptive field, and analytical laboratory data for 17 soils by horizon. Four of these soils are from property outside of the boundaries of the St. Helena viticultural area and were chosen to be representative of those areas.

#### *Soil Summary*

The soils of the St. Helena viticultural area, according to Dr. Elliott-Fisk, are deep alluvial soils of moderate age, with well-formed horization, textural B horizons, sandy clay loam to clay loam textures, reddish colors, high gravel content (primarily of cobbles), and near neutral pH. In this erosional zone of the valley floor, where the width is restricted, groundwater and the groundwater table have a significant influence, bringing in additional dissolved minerals and increasing the pH (and nutritional content) above the valley floor soils to the north (Calistoga region) and south (Rutherford and Oakville), as well as the hillsides (Spring Mountain, Diamond Mountain, Howell Mountain and Pritchard Hill). The soil drainage in the St. Helena area is typically good since the water table drops in the spring, summer and fall to allow the vines an adequate root zone with free oxygen and carbon dioxide, thus providing vigorous conditions for grape growing. The moderate climate, with warm summer temperature, balances well with this soil environment, and allows the wine grower to manipulate the vines to extract what the winemaker desires from a particular varietal. As such, Dr. Elliott-Fisk concludes that this provides a stable and predictable environment for grape growing, and the physical geography of the region has promoted the production of fine wines in the St. Helena area for many decades.

#### *Conclusion*

The St. Helena viticultural area is uniform topographically and can be distinguished from the steeper hillsides to the east (Howell Mountain) and west (Spring Mountain District) as well as from the valley floor areas to the south (Rutherford) and north (Calistoga). This is an area where the valley floor narrows from around 19,000 feet at Oakville Cross Road and 11,000 feet at Zinfandel Lane to around 3,500 feet at Lodi Lane and Bale Lane. The area is marked by a uniform, steep gradient and significant river erosion. The bedrock geology is primarily volcanic, in contrast to the sedimentary soils to the south.

Along the eastern edge of the St. Helena area, geologic and geographic evidence support the inclusion of

Spring Valley and Pratt Valley and the exclusion of Conn Valley and the higher mountain slopes.

#### *Viticultural Area Boundary*

The boundary of the St. Helena viticultural area may be found on three United States Geological Survey (U.S.G.S.) maps with a scale of 1:24,000. The boundary is described in § 9.149.

#### *Paperwork Reduction Act*

The provisions of the Paperwork Reduction Act of 1980, Public Law 96-511, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this final rule because no requirement to collect information is imposed.

#### *Regulatory Flexibility Act*

It is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. The establishment of a viticultural area is neither an endorsement nor approval by ATF of the quality of wine produced in the area, but rather an identification of an area that is distinct from surrounding areas. ATF believes that the establishment of viticultural areas merely allows wineries to more accurately describe the origin of their wines to consumers, and helps consumers identify the wines they purchase. Thus, any benefit derived from the use of a viticultural area name is the result of the proprietor's own efforts and consumer acceptance of wines from that region. In addition, no new recordkeeping or reporting requirements are imposed by this regulation. Accordingly, a regulatory flexibility analysis is not required.

#### *Executive Order 12866*

It has been determined that this regulation is not a significant regulatory action as defined by Executive Order 12866. Accordingly, this regulation is not subject to the analysis required by this Executive Order.

*Drafting Information.* The principal author of this document is Robert White, Wine, Beer and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms.

#### **List of Subjects in 27 CFR Part 9**

Administrative practices and procedures, Consumer protection, Viticultural areas, and Wine.

#### **Authority and Issuance**

Title 27, Code of Federal Regulations, Part 9, American Viticultural Areas, is amended as follows:

**PART 9—AMERICAN VITICULTURAL AREAS**

**Par. 1.** The authority citation for Part 9 continues to read as follows:

**Authority:** 27 U.S.C. 205.

**Par. 2.** Subpart C is amended by adding § 9.149 to read as follows:

**Subpart C—Approved American Viticultural Areas**

\* \* \* \* \*

**§ 9.149 St. Helena.**

(a) *Name.* The name of the viticultural area described in this section is "St. Helena."

(b) *Approved maps.* The appropriate maps for determining the boundary of the St. Helena viticultural area are three U.S.G.S. 7.5 minute series topographical maps of the 1:24,000 scale. They are titled:

(1) "St. Helena Quadrangle, California," edition of 1960, revised 1993.

(2) "Calistoga Quadrangle, California," edition of 1958, photorevised 1980.

(3) "Rutherford Quadrangle, California," edition of 1951, photorevised 1968, photoinspected 1973.

(c) *Boundary.* The St. Helena viticultural area is located in Napa County in the State of California. The boundary is as follows:

(1) Beginning on the Rutherford Quadrangle map at the point of intersection between State Highway 29 and a county road shown on the map as Zinfandel Avenue, known locally as Zinfandel Lane, the boundary proceeds in a southwest direction along Zinfandel Avenue to its intersection with the north fork of Bale Slough (blue line stream) near the 201 foot elevation marker;

(2) Thence in a northwesterly direction approximately 2,750 feet along the north fork of Bale Slough to a point of intersection with a southwesterly straight line projection of a light duty road locally known as Inglewood Avenue;

(3) Thence in a straight line in a southwesterly direction along this projected extension of Inglewood Avenue approximately 2,300 feet to its intersection with the 500 foot contour line in Section 7, Township 7 North (T7N), Range 5 West (R5W);

(4) Thence along the 500 foot contour line in a generally northwesterly direction through Sections 7, 1 and 2, to its intersection of the western border of Section 2, T7N, R6W;

(5) Thence northerly along the western border of Section 2

approximately 500 feet to its intersection with Sulphur Creek in Sulphur Canyon in the northwest corner of Section 2, T7N, R6W;

(6) Thence along Sulphur Creek in an easterly direction approximately 350 feet to its intersection with the 400 foot contour line;

(7) Thence along the 400 foot contour line in a generally easterly, then northwesterly, direction past the city of St. Helena (on the St. Helena Quadrangle map) to a point of intersection with a southwesterly straight line projection of the county road shown as Bale Lane in the Carne Humana Rancho on the Calistoga Quadrangle map;

(8) Thence along the projected straight line extension of Bale Lane in a northeasterly direction approximately 700 feet to the intersection of State Highway 29 and Bale Lane and continuing northeasterly along Bale Lane to its intersection with the Silverado Trail;

(9) Thence in a northwesterly direction along the Silverado Trail approximately 1,500 feet to an unmarked driveway on the north side of the Silverado Trail near the 275 foot elevation marker;

(10) Thence approximately 300 feet northeasterly along the driveway to and beyond its point of intersection with another driveway and continuing in a straight line projection to the 400 foot contour line;

(11) Thence in a northerly and then generally southeasterly direction along the 400 foot contour line through Sections 10 (projected), 11, 12, 13, 24 and 25 in T8N, R6W, Section 30 in T8N, R5W, Sections 25 and 24 in T8N, R6W, Sections 19 and 30 in T8N, R5W to a point of intersection with the city limits of St. Helena on the eastern boundary of Section 30 in T8N, R5W, on the St. Helena Quadrangle map;

(12) Thence north, east and south along the city limits of St. Helena to the third point of intersection with the county road known as Howell Mountain Road in Section 29, T8N, R5W;

(13) Thence in a northeasterly direction approximately 900 feet along Howell Mountain Road to its intersection with Conn Valley Road;

(14) Thence northeasterly and then southeasterly along Conn Valley Road to its intersection with the eastern boundary of Section 28, T8N, R5W;

(15) Thence south approximately 5,200 feet along the eastern boundary of Sections 28 and 33 to a point of intersection with the 380 foot contour line near the southeast corner of Section 33, T8N, R5W, on the Rutherford Quadrangle map;

(16) Thence in a northwesterly direction along the 380 foot contour line in Section 33 to a point of intersection with a northeasterly straight line projection of Zinfandel Avenue;

(17) Thence in a southwesterly direction approximately 950 feet along this straight line projection of Zinfandel Avenue to its intersection with the Silverado Trail;

(18) Thence continuing along Zinfandel Avenue in a southwesterly direction to its intersection with State Highway 29, the point of beginning.

Signed: August 9, 1995.

**Daniel R. Black,**  
*Acting Director.*

Approved: August 21, 1995.

**Dennis M. O'Connell,**  
*Acting Deputy Assistant Secretary*  
*(Regulatory, Tariff and Trade Enforcement).*  
[FR Doc. 95-22486 Filed 9-8-95; 8:45 am]

BILLING CODE 4810-31-U

**Office of Foreign Assets Control**

**31 CFR Part 560**

**Iranian Transactions Regulations; Implementation of Executive Orders 12957 and 12959**

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule; amendments.

**SUMMARY:** The Office of Foreign Assets Control of the U.S. Department of the Treasury is amending the Iranian Transactions Regulations to implement the President's declaration of national emergency and imposition of sanctions against Iran.

**EFFECTIVE DATE:** September 6, 1995.

**FOR FURTHER INFORMATION CONTACT:** Regarding the issuance of licenses, Steven I. Pinter, Chief, Licensing Division (tel.: 202/622-2480); regarding banking and compliance questions, Dennis P. Wood, Chief, Compliance Programs Division (tel.: 202/622-2490); regarding Iranian government entities, J. Robert McBrien, Chief, International Programs Division (tel.: 202/622-2420); regarding legal questions, William B. Hoffman, Chief Counsel (tel.: 202/622-2410); Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220.

**SUPPLEMENTARY INFORMATION:**

**Electronic Availability**

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