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OSHA Regulations with Cover Letter

PLAINTIFF'S EXHIBIT

DMA-36

On June 7, 1972, stringent Federal regulations went into effect on the commercial use of asbestos. The impact of these regulations on the drilling industry has been a source of concern and confusion to suppliers and users, alike.

Because of this, we at Montello determined to ascertain how our unique, wet-refined Super Visbestos would perform, in the context of the OSHA regulations, under the widely varying conditions found on drilling rigs. With the invaluable cooperation and assistance of several companies, four on-site tests and their evaluation have now been completed.

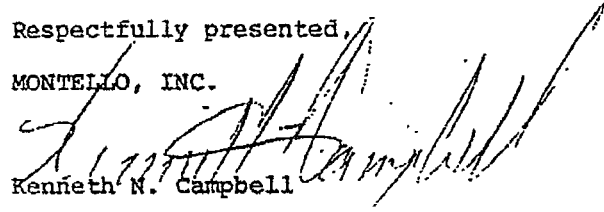
Attached is a copy of an extensive report which gives a detailed interpretation of the results from these four tests. Site selection was based on a desire to evaluate the broadest possible range of dumping environments. Three different forms of our asbestos were checked to determine the effects of fine grinding, coarse grinding (i.e. crushing) and granulating, on air entrained dust levels.

We believe interested readers will find this report informative. On the next page, we've recapped the more important points which it includes. In substance, the results lead us to believe that there is no reasonable expectation of exceeding the limit values imposed by the regulations, when using either Crushed Super Visbestos or the much cleaner New Granular Super Visbestos.

We'll be glad to answer any questions you may have. Just drop us a line or call our Sand Springs office.

Respectfully presented,

MONTELLO, INC.


Kenneth N. Campbell

KNC/jd

montello

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A study covering airborne dust concentrations in drilling fluid operations using wet-refined asbestos has been completed. The following are some of the more important points to consider:

1. All tests were performed using Montello's exclusive wet processed asbestos products. The findings cannot be safely applied to any of the several dry ground products on the market.
2. Fiber counts were highest on fine ground material and lowest on granular material, with coarsely ground (crushed) material falling between these two.
3. Crushed Super Visbestos, which has been used in the field for several years, consistently fell well below the OSHA regulations as to maximum ceiling limit and 8 hour, time weighted average, (TWA).
4. New Granular Super Visbestos, now available in the field at no extra cost, proved to be from 20% to 50% cleaner than Crushed Super Visbestos.
5. Neither form of Super Visbestos exceeded even the much more stringent TWA level which will become effective in 1976.
6. Based on this test series, Super Visbestos in either form offers a safety margin of 5 to 1 or more, in complying with the limits set by the regulations. Therefore, we believe there is no reasonable expectation of exceeding the legal limits, when using Crushed or New Granular Super Visbestos.