



DEC 21 2001

Mr. Milt Heft
General Manager
Petrogen International, Ltd.
P.O. Box 1778
San Leandro, California 94577

Dear Mr. Heft:

In response to your letter to Mr. David D. Lauriski, Assistant Secretary of Labor for Mine Safety and Health, my office has reviewed your information regarding the oxy-gasoline cutting torch system. After reviewing the information and consulting with appropriate personnel in the Mine Safety Health Administration (MSHA), MSHA has concluded that, your system, subject to certain conditions set forth below, may be used in underground mines.

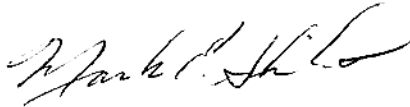
It should be noted that, since MSHA has no formal approval requirements for your system under Subchapter B of 30 Code of Federal Regulations (CFR), no formal evaluation is required under this subchapter before it is introduced into the mines. In addition, while MSHA does not have specific regulations regarding the use of your system in underground mines, your system would be subject to the general regulations as set forth in Title 30 of the CFR in the areas of new task training, welding and cutting/compressed gases, fire protection and protective equipment. For example, metal and nonmetal regulations prohibit the storage but not the use of gasoline in underground mines.

For this reason, once cutting activities are concluded in metal and nonmetal mines using your torch system, the gasoline tanks from your system would have to be removed from the underground portion of the mine. With respect to coal mines, MSHA will allow the use of your system in a manner similar to the one for other torch systems such as acetylene.

Given the volatility of gasoline, MSHA recommends that the following actions be taken when the torch is used in any underground mine:

1. The torch system, including the oxygen and gasoline tanks, should be removed from the mine, when cutting activities are completed; and
2. The fuel tank should not be re-fueled in any area of an underground mine.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Skiles". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark E. Skiles
Director of Technical Support