## NTRD Program Disclaimers

### 1. Disclaimer of Endorsement:

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10/11/05

# Texas Commission on Environmental Quality
# New Technology Research & Development (NTRD) Program
# Monthly Project Status Report

Contract Number: 582-5-70807-T043

Grantee: North American Bio-Fuels, LLC

Date Submitted: 10/10/05

Report for the **Monthly** period: September 2005

Starting Date: 9/1/05 Ending Date: 9/30/05

Section I. Accomplishments *(Please provide a bulleted list of project accomplishments as well as a description of their importance to the project.)*

- Pilot facility is currently being produced by Innovative Energy Solutions, Inc. (the owner of the technology which North American Bio-Fuels, LLC has licensed) for use in testing covered by the Grant. This pilot facility will be capable of producing up to 100 barrels of product per day (4,200 gallons) and will include state-of-the-art computerized monitoring equipment and will cost approximately $550,000.
- Product is being produced in lab for use in testing. This production will be supplemented by pilot facility upon its completion.
- Have received drafts of contract documents with West Virginia University, Dept. of Mechanical & Aerospace Engineering and are finalizing these agreements.

**Indicate which part of the Grant Activities as defined in the grant agreement, the above accomplishments are related to:**

- Testing to satisfy Texas Low Emissions Diesel Standards

Section II: Problems/Solutions

| | |
|---|---|
| Problem(s) Identified<br><br>*(Please report anticipated or unanticipated problem(s) encountered and its effect on the progress of the project)* | N/A |
| Proposed Solution(s)<br><br>*(Please report any possible solution(s) to the problem(s) that were considered/encountered)* | N/A |
| Action(s) Conducted and Results<br><br>*(Please describe the action(s) taken to resolve the problem(s) and its effect)* | N/A |

Section III. **Goals and Issues for Succeeding Period**: (*Please provide a brief description of the goal(s) you hope to realize in the coming period and identify any notable challenges that can be foreseen)*

- Continued production of product in laboratory.
- Continued development of pilot production facility.
- Execution of all required agreements with West Virginia University.

Date: 10/10/05

*Authorized Project Representative's Signature*

**NOTE**: *Please attach any additional information that you feel should be a part of your report or that may be required to meet the deliverable requirements for tasks completed during this reporting period.*