

NTRD Program Disclaimers

1. Disclaimer of Endorsement:

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

Contract Number: 582-5-70807-M023

Grantee: North Texas Bio-Energy, LLC

Date Submitted: 2/10/06

Report for the **Monthly** period: January 2006

Starting Date: 1/1/06

Ending Date: 1/31/06

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

- Product has been produced by Natural Resources Canada (the owner of the technology which North Texas Bio-Energy, LLC has licensed) for use in testing covered by the Grant.
- Have received drafts of contract documents with West Virginia University, Dept. of Mechanical & Aerospace Engineering and are finalizing these agreements.
- Working to finalize amendment to extend performance deadline under original contract.
- Testing is scheduled for week of March 10.

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

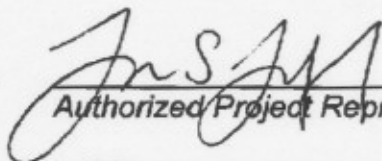
- Proof of Concept Testing.

Section II: Problems/Solutions

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

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)*

- Execution of all required agreements with West Virginia University.
- Finalize agreements with West Virginia University and schedule testing.

 _____ Date: 2/10/06
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.*