



**Department of Energy**  
Washington, DC 20585

MAY 12 1994

Mr. Daniel Longworth  
Chief Executive Officer  
CoalPlex International, Inc.  
4634 S. Maryland Parkway  
Suite 101  
Las Vegas, NV 89119-6311

Dear Mr. Longworth:

Thank you for your letter of April 7, 1994, to Secretary O'Leary, and for the associated background information, which give us a good view of the diversity of your organization. We are also in receipt of the additional information which you provided on May 3 to Mr. Ed Trexler of our Office of Planning and Environment.

We are impressed with the aggressive efforts which CoalPlex has put forward, not only to provide needed energy supplies, but also to enhance our environment and to promote domestic jobs. These efforts are particularly in accord with the Administration's strategy to concurrently promote energy, environment, and economics--the three E's.

We wish you well in your endeavors, particularly in your new efforts to provide domestic coke to Geneva Steel as a replacement for existing imports.

Sincerely,

A handwritten signature in cursive script, reading "Jack S. Siegel".

Jack S. Siegel  
Acting Assistant Secretary  
for Fossil Energy





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EXHIBIT C

MANAGEMENT RESUMES

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DANIEL J. LONGWORTH  
252 CONVENTION CENTER DRIVE  
SUITE 500  
LAS VEGAS, NEVADA 89109

1990

Daniel J. Longworth is a director of Coalplex International, Inc. Mr. Longworth was reared in New York City where his father was involved in general construction. He spent his youth learning all areas of building construction and demolition by getting "hands on" experience.

In 1973, Mr. Longworth became President of West Thompson S&G Co. of West Thompson, Connecticut. His responsibilities included heavy equipment purchases including crushing and screening plant equipment, lease negotiations and end user sales contracts. He was the originator of Grand America Cleaning Company, Inc., a building cleaning/restoration company employing many original, innovative and proprietary cleaning/restoration processes. This company invented many new combinations of cleaning/restoration techniques to include use of hydrofonic and hydrofluric acids, hydro-blasting, hydro-silica blasting, hydraulic cement and fiberglass membranes. Grand America Cleaning Company, Inc. was awarded the Smithsonian Institution's national competitive bid to clean and restore the exterior of the Cooper-Hewitt Museum in New York City, the United States National Museum of Design.

For the past several years, Mr. Longworth has been employed as a business consultant. He won exclusive contracts with such prestigious institutions, municipalities and companies as the Smithsonian Institution, the County of Nassau, New York, Gimbels and the Exxon Corporation. He has also been employed by Fortune 500 companies such as International Business Machines (IBM) and Teledyne. He brings a wealth of first-hand, practical experience and technical expertise to Coalplex International.

Mr. Longworth is a highly decorated Vietnam Veteran. He was awarded the Silver Star for gallantry in action and The Air Medal while serving in combat with the U.S. Army Airborne Infantry in Vietnam. He is presently a member of and has run for a national office in the Vietnam Veterans of America, a national veterans service organization. He is a past member of the American Legion, VFW and the DAV. He received an Honorable Discharge from the service in 1968. He has lived and traveled extensively and has been involved with The International Children's Heart Fund, (formerly the Mexican Children's Heart Fund) for over six years.



Joseph d. Balsler  
Metallurgist  
510 Escondido Circle  
Livermore, CA 94550  
(415) 455-0418

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COALPLEX INTERNATIONAL, INC.  
101 Convention Center Drive, Suite 900  
Las Vegas, NV 89109  
Attn: Mr. Dan Longworth

September 12, 1991

Dear Dan,

Attached you will find the flow sheet describing the system configuration required to process the Romanian Coal into Supercoal. The system is configured to support one boiler at 150 tonnes per hour. A system configured to support several boilers together would in general be multiples of this configuration except that the inherent overcapacity of some components could be utilized to reduce the capitalization requirements.

The flow sheet configuration can be assembled in an area of 75 ft. by 110 ft. with a maximum ceiling height requirement of 40 ft.

The plant configuration assumes that the incoming coal can be supplied by specification to be lump coal of low specific gravity that does not need to be ground to liberate its mineral content and only needs to be treated with Tectrol to cut emissions during combustion. The heavier specific gravity coal can then be processed by cleaning prior to Tectrol treatment. We have arbitrarily specified the agitator tank to hold one hours worth of ground slurried coal providing some reserve for minor maintenance and component downtimes. The cleaner fluid bed separators will function in first a rougher cleaner mode (R1 through R10) and the low specific gravity slurry will pass to the cleaner fluid bed separators (C1 through C6) for final sulfur and ash removal. The de-waterers will remove most of the physical water from the slurry at a rate projected at 30 tonnes per hour per unit, but the excess physical water left in the product (up to 25% physically entrapped water) will be utilized with the wet Tectrol treatment to disperse the Tectrol prior to final de-watering in the LPS system. The refuse extracted in the fluid bed separators will be de-watered to the 20-25% moisture level, and further de-watering will require an additional LPS system if required as an Option #1. The middling slurry from the separators will need to be de-watered, but the capacity will only need to be a small fraction of the total process stream capacity, hence a smaller de-watering unit can be used. The middlings will also require LPS drying to reduce the physical moisture level to under 8% for autogenous grinding.



**ROMANIA**

Bucharest, the 23 -th of September 1991

**MIND****MINISTRY OF INDUSTRY***Minister's Office*

Dear Sir.

The Romanian experts that analysed the information provided by you in the time of your visits in Romania and by your letters sent to to the Ecological Division of the Ministry of Industry think that COALPLEX technology is very interesting for Romania and can be applied with good results in our thermo-electrical plants. Therefore, I have the pleasure to confirm you our sincere interest to purchase COLAPLEX system to equip our coal burning thermo-electrical plants.

We agree, also, with you that it is necessary to apply, at first, your technology in one of our representative coal burning thermo-electrical plants to demonstrate the efficiency of the system and to set up the parts that will be manufactured in Romania for the further installations.

To choose and propose you an appropriate plant for the first application we think that is necessary that our experts fulfil their information paying a visit at your representative installations. Based on the conclusions of that visit, we will be able to propose you a couple plants to be visited by your experts and to set up, together, the plant which will be equipped with COALPLEX system.

Waiting for an early reply, I remain.

Yours faithfully,



**Victor STANCULESCU**  
Minister of Industry





Государственный комитет РСФСР  
по экологии и природопользованию

117874, Москва,  
ул. Кедровая, № 2

Уважаемый Г-н Бок,

Благодарю Вас за предоставленную информацию о технологии COALPLEX. Предварительное знакомство с технологией позволяет сделать вывод, что ее использование может быть полезно в Российской Федерации.

Нам необходимо получить более подробную информацию об этой технологии для проведения технико-экономического и эколого-экономического анализа с целью определения эколого-экономической эффективности технологии и возможных сфер ее применения.

Мы выразим намерение, при условии успешного выполнения этих оценок, разработки соответствующих предложений и прояснении финансовых вопросов, о долгосрочном сотрудничестве и заключении соглашения с Вашей фирмой о приобретении технологии COALPLEX и ее распространении на территории России.

Надеемся на успешное сотрудничество нашего министерства с Вашей компанией.

Заместитель министра  
экологии РСФСР

  
Н. Н. Дукьянчиков

#1  
Russia



Oct. 23, 91 16:47

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SHERA 86

01

Federative Committee for Ecology  
of RSFSR

117874 Moscow  
Kedrona st. # 306

Thank you for presenting the information regarding COALPLEX technology. Preliminary acquaintance with the technology permits to reach a conclusion as of whether its utilization could be feasible in the Russian federation.

It is necessary for us to obtain a more detailed information about this technology in order to be able to carry out a techno-economic and ecologo-economic analysis with the purpose to determine the technology's efficacy and possible realms for its application.

We express our intention, provided the successful fulfilment of the above mentioned goals, to work out the respective offer and clarify the financial matters, for a long term cooperation and conclusion of an agreement with your firm consisting in acquisition of COALPLEX technology and its dissemination on the Russia's territory.

We hope to accomplish a successful cooperation between our Ministry and your Company.

Vice Minister  
of Ecology RSFSR

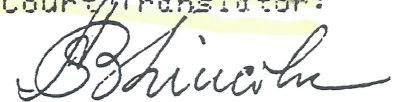
N.N. Lukianchicov

THIS IS TO CERTIFY THE ACCURACY OF THE ABOVE TRANSLATION FROM RUSSIAN INTO ENGLISH.

Las Vegas Oct. 24, 91

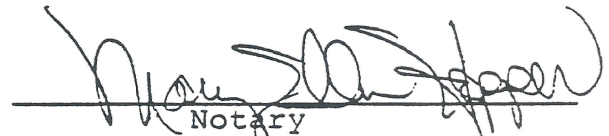
ALEXANDER B. LINCOLN  
District Court Translator

8th. District Court Translator:  
District Court Translator  
ALEXANDER B. LINCOLN



SUBSCRIBED AND SWORN TO (AFFIRMED) BEFORE ME THIS DAY OF OCT. 24<sup>th</sup> 1991

Seal  
Clark County, State of Nevada

  
Notary

# 1  
RUSSIA