

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

PROOF OF CLAIM

Indicate Debtor against which you assert a claim by checking the appropriate box. (Check only one Debtor per claim form.)

POC ID: 2248

- | | |
|--|--|
| <input checked="" type="checkbox"/> Cano Petroleum, Inc. (Case No. 12-31549) | <input type="checkbox"/> Tri-Flow, Inc. (Case No. 12-31553) |
| <input type="checkbox"/> Cano Petro of New Mexico (Case No. 12-31550) | <input type="checkbox"/> W.O. Energy of Nevada, Inc (Case No. 12-31554) |
| <input type="checkbox"/> Ladder Companies, Inc. (Case No. 12-31551) | <input type="checkbox"/> W.O. Operating Company, Ltd. (Case No. 12-31556) |
| <input type="checkbox"/> Square One Energy, Inc. (Case No. 12-31552) | <input type="checkbox"/> W.O. Production Company, Ltd. (Case No. 12-31557) |
| | <input type="checkbox"/> WO Energy, Inc. (Case No. 12-31555) |

NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property) :

JULES E. SCHNEIDER III

Name and address where notices should be sent:



29747776002248

JULES E SCHNEIDER III
3709 OVERBROOK LN
HOUSTON, TX 77027

RECEIVED

APR 20 2012

BMC GROUP

If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.

THIS SPACE IS FOR COURT USE ONLY

Creditor Telephone Number (713 622-6011) email: JSCHNEI280@AOL.COM

Name and address where payment should be sent (if different from above):

N/A

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number (if known):

Filed on:

Payment Telephone Number () email:

1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ 2

If all or part of your claim is secured, complete item 4.
If all or part of your claim is entitled to priority, complete item 5.

HAVE NO RECORDS OF ACCOUNT. FOUND THAT I AM OWED ACCUMULATED ROYALTY, PER KATY CLARK @ THOMPSON & KNIGHT # 214/969-1700.

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. BASIS FOR CLAIM:

(See instruction #2)

KATHY CLARK @ 214/969-1700

3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:

N/A

3a. Debtor may have scheduled account as:

N/A

(See instruction #3a)

3b. Uniform Claim Identifier (optional):

N/A

(See instruction #3b)

4. SECURED CLAIM: (See instruction #4)

N/A

Check the appropriate box if your claim is secured by a lien on property or a right of set off, attach required redacted documents, and provide the requested information.

Amount of arrearage and other charges, as of time case filed, included in secured claim, if any: \$ _____

Nature of property or right of setoff:

Basis for Perfection: _____

Describe:

Amount of Secured Claim: \$ _____

Real Estate Motor Vehicle Other _____

Amount Unsecured: \$ _____

Value of Property: \$ _____

Annual Interest Rate: _____ % Fixed or Variable (when case was filed)

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

Amount entitled to priority: \$ N/A

You MUST specify the priority of the claim:

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).

Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).

Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).

Wages, salaries, or commissions (up to \$11,725*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).

Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (_____).

* Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6. CREDITS: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)

N/A

CANO PETROLEUM



00067

7. DOCUMENTS: Attached are redacted copies of documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and definition of "redacted").
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.
If the documents are not available, please explain:

DATE-STAMPED COPY To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is actually received on or before 5:00 pm, prevailing Central Time on May 7, 2012 for All Entities and Persons including Governmental Units.

BY MAIL TO:
BMC Group, Inc.
Attn: Cano Petroleum, Inc. Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

BY MESSENGER OR OVERNIGHT DELIVERY TO:
BMC Group, Inc.
Attn: Cano Petroleum, Inc. Claims Processing
18675 Lake Drive East
Chanhassen, MN 55317

*You are encouraged to E-File your proof of claim directly by logging onto <http://www.bmcgroup.com/Cano/ClaimFiling>

8. SIGNATURE: (See instruction #8)

Check the appropriate box.

I am the creditor. I am the creditor's authorized agent.
(Attach copy of power of attorney, if any.) I am the trustee, or the debtor,
or their authorized agent. I am a guarantor, surety, indorser, or other codebtor.
(See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: JULES E. SCHNEIDER, III
Title: ROYALTY OWNER
Company: _____

Jules E. Schneider, III 4/16/12
(Signature) (Date)

Address and telephone number (if different from notice address above):
3709 OVERBROOK LANE
HOUSTON, TEXAS 77027

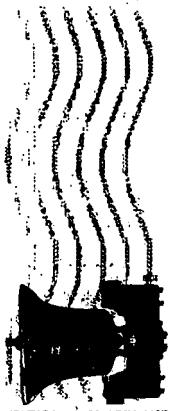
Telephone number: 713/ 622-6011 email: SSCHNEI280@AOL.COM

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

3709 OVERBROOK LANE
HOUSTON, TX 77027

HOUSTON TX 77027

17 APR 2012 2 11



USA FIRST-CLASS FOREVER

RECEIVED

APR 20 2012

BMC GROUP

BMC GROUP, INC.

ORNO

ATTN: PETROLEUM, INC.

CLAIMS PROCESSING

P.O. BOX 3020

QUAHUASS EN, MN

5531743020

5531743020