

PROOF OF CLAIM


Name of Debtor:
Cano Petro of New Mexico

Case Number:
12-31550

YOUR CLAIM IS SCHEDULED AS:
POC ID: a2194
Amount/Classification
\$0.00 Unsecured

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):

Name and address where notices should be sent:
 29747777000400
ANN MURPHY DAILY
PO BOX 2648
ROSWELL, NM 88202-2648

RECEIVED
MAY 02 2012
BMC GROUP

The amount(s) reflected above constitute your claim as scheduled by the Debtor. If you agree with the amounts set forth above, and have no other claim against the Debtor, you need not file this proof of claim EXCEPT as stated below.

If the amount(s) shown above are listed as Contingent, Unliquidated and/or Disputed, a Proof of Claim must be filed.

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

Creditor Telephone Number (505 989 1899 email: dailyann@aol.com)

THIS SPACE IS FOR COURT USE ONLY

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

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):

Payment Telephone Number () email:

Filed on:

1. AMOUNT OF CLAIM AS OF DATE CASE FILED **\$ ALL REVENUE HELD IN SUSPENSE ATTRIBUTABLE TO OWNER'S INTEREST, PAST, PRESENT AND FUTURE.**

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.

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. **MAXIMUM ALLOWED BY LAW.**

2. BASIS FOR CLAIM: OVERRIDING ROYALTY INTERESTS IN OIL AND GAS PROPERTY
(See instruction #2)

3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:
PAYEE NUMBER 10000659

3a. Debtor may have scheduled account as:
CENTRAE RESOURCES CORP.
(See instruction #3a)

3b. Uniform Claim Identifier (optional):
(See instruction #3b)

4. SECURED CLAIM: (See instruction #4)

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: PAY STUB AND DIVIDEND CHECK ATTACHED.
Nature of property or right of setoff:
Describe:
 Real Estate Motor Vehicle Other _____
Value of Property: \$ 500,000.00
Annual Interest Rate: MAXIMUM ALLOWED BY LAW % Fixed or Variable
(when case was filed)

Amount of arrearage and other charges, as of time case filed, included in secured claim, if any: \$ UNKNOWN (SUBJECT TO AUDIT)
Basis for Perfection: SECTION 9.343 OF TEXAS BUSINESS AND COMMERCE CODE AS MAY BE AMENDED, AND ALL LAWS WITH ALL LEGAL RIGHTS RESERVED.
Amount of Secured Claim: \$ ALL REVENUE ATTRIBUTABLE TO OWNER'S INTEREST.
Amount Unsecured: \$ -0-

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: \$ _____

- You MUST specify the priority of the claim:**
- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
 - 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).
 - 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).

- Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
- Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).
- 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.

CANO PETROLEUM

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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)

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
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*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. (See Bankruptcy Rule 3004.) I am a guarantor, surety, indorser, or other codebtor. (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: Ann Murphy Daily
Title: _____
Company: _____
Address and telephone number (if different from notice address above): _____

Ann Murphy Daily 04/30/12
(Signature) (Date)

Telephone number: 505 989 1899 email: dailyann@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.

CANO PETRO OF NEW MEXICO, INC.

DIVISION ORDER

To: Ann Murphy Daily Date: January 15, 2010
P.O. Box 2648
Roswell, NM 88202-2648 Effective Date: January 2010

Property Number: 110001
Property Name: Tomahawk Cone Federal #2 Interest Type: Overriding Royalty
Operator: Cano Petro of New Mexico, Inc.
County and State: Chaves County, New Mexico
Property Description(s): _____

Tomahawk Field (San Andres Formation)

Township 7 South, Range 32 East, NMPM

Section 19: Lots 3,4

Section 30: Lots 1, 2, 3, 4, E/2SW/4

Section 31: Lots 1, 2, 3, E/2NW/4, NE/4, NE/4SW/4, W/2SE/4, NE/4SE/4; all as to the San Andres Formation Only

Roosevelt County, New Mexico

Owner #	Owner Name	Property Name	Prod.	Decimal Interest
1010000659	Ann Murphy Daily	Tomahawk Cone Federal #2	Oil	0.02979400
			Gas	0.02979400
			Other	0.02979400

Each of the undersigned (each an "Owner") certifies its ownership of the decimal interest in production or proceeds as described above payable by Cano Petro of New Mexico, Inc. ("Payor").

Payor shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

Payor is authorized for its own account to receive production into its possession or to deliver the same to any party designated by Payor, the production so received to be run and measured in accordance with applicable pipeline rules and regulations, including those of the governmental agency having recognized jurisdiction over or control of the production and handling of crude oil in such area.

Valuation.

- (a) Oil. The oil run hereunder shall, on the terms herein stated, become Payor property immediately upon being received into Payor's possession or the possession of Payor's designated buyer, and Payor agrees to receive the oil run hereunder and, subject to the further provisions hereof, to pay the Owners therefor according to the division of interest herein indicated, either at the posted per barrel (42 gallons) field price for crude of the same grade and gravity prevailing for the field where produced on the date of each respective run, or, if the oil is purchased by a buyer, the price to be paid shall be the same price received by Payor from such buyer, and, in the absence of a pipeline connection, all prices are subject to deduction of barging or trucking costs and the applicable transportation tax thereon. The word "oil" as used herein shall include all hydrocarbons purchased in a liquid state.

(b) Gas. In making settlements for the interest of the Owners in the proceeds from the sale of gas, Payor is authorized to use the net proceeds received by Payor at whatever point the gas is sold, based upon the terms of an arms' length gas sales contract prudently negotiated in light of the facts and circumstances existing at the time of consummation of such contract; provided, however, that should any order of any regulatory body, state or federal, provide for a price less than the price provided for in any gas sales contract such lesser price shall constitute the net proceeds for the purpose of making payments hereunder. Payor is authorized to charge a fair and reasonable amount for making merchantable and/or conditioning the gas to satisfy customary pipeline specifications and compressing the gas produced and sold from said property as a deduction from the gross amount received to determine the net proceeds for which settlement shall be made. The word "gas" as used herein shall include all gaseous substances, including without limitation casinghead gas.

Payment. From the Effective Date, payment is to be made monthly by Payor's check; however, if the proceeds for any one month amount to less than \$100, Payor may defer payment until the accrued proceeds total that sum; provided that in the event no payment is made during the calendar year, payment of accumulated proceeds less than \$100 shall be made in the month of February of the following year.

Indemnity. Each Owner agrees to indemnify and hold Payor harmless from all liability resulting from payments made to such Owner in accordance with the division of interest set forth herein, including but not limited to attorney fees or judgments in connection with any suit that affects such Owner's interest to which Payor is made a party.

Dispute; Withholding of Funds. If a suit is filed that affects the interest of an Owner, written notice shall be given to Payor by such Owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest set forth herein, Payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN ANY OWNER AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.

In addition to the terms and conditions of this Division Order, Owners and Payor may have certain statutory rights under the laws of the state in which the property is located.

Owner(s) Signature

Owner(s) Social Security Number or
Federal Tax ID Number

Owner(s) Telephone/Fax

Wendell Murphy Daily

████████████████████

505 989 1899 phone
505 989 1006 fax
da.14011@aol.com email

FAILURE TO FURNISH YOUR SOCIAL SECURITY/TAX I.D. WILL RESULT IN A WITHHOLDING TAX IN ACCORDANCE WITH FEDERAL LAW, AND ANY TAX WITHHELD WILL NOT BE REFUNDABLE BY PAYOR.

CANO PETRO OF NEW MEXICO

6500 N BELT LINE RD, SUITE 200
 IRVING, TX 75063-8049
 ROYALTY RELATIONS (214) 687-0030
 DEBTOR IN POSSESSION, 12-31549

PAYEE NAME	PAYEE NO.	DATE	CHECK NUMBER	AMOUNT
ANN MURPHY DAILY	10000659	03/31/12	0105002415	\$766.97

PC/Product Codes	Interest Types	ADJ Codes
1XX-Oil(BBLs)	WI-Working Interest	
2XX-Gas(MCF)	RI-Royalty Interest	
3XX-Condensate(BBLs)	BL-Blanchard	10.Backup Withholding Tax
4XX Plant Products(GALS/BBLs)	OR-Overriding Royalty	12.Non-Resident Income Tax (NM&OK)

Property #	DOI #	Property Name	State	County	Legal	Decimal	OWNER VALUE	OWNER TAX	OWNER DEDUCTS	ADJ. CODE	NET SHARE
00110001	00002	Tomahawk Field-Cone Federal #2	NM	CHAVES			0.02979400				
122011	200	OR					0.09			0.04	0.0
012012	200	OR					0.09			0.06	-0.0
122011	400	OR					0.09			0.24	0.9
00110001	00003	Tomahawk Field-Cone Federal #2	NM	CHAVES			0.02979400				
012012	100	OR					825.13	58.47			766.9

CURRENT CHECK	OWNER VALUE	OWNER TAXES	OWNER DEDUCTS	NET SHARE	TOTAL CHECK AMOUNT:
	825.81	58.50	0.34	766.97	766.97

PLEASE DETACH BEFORE PRESENTING FOR PAYMENT

