

UNITED STATES BANKRUPTCY COURT Northern District of Texas		PROOF OF CLAIM
Name of Debtor: Cano Petroleum, Inc.		Case Number: 12-31549
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): Cirro Group, Inc.		COURT USE ONLY <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____ <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Name and address where notices should be sent: Cirro Group, Inc. c/o Jason Katz 901 Main St., Ste. 6515 Dallas, TX 75202		
Telephone number: (214) 752-2222 email: JKatz@curtislaw.net		
Name and address where payment should be sent (if different from above):		<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> RECEIVED MAY 03 2012 BMC GROUP </div>
Telephone number: _____ email: _____		
1. Amount of Claim as of Date Case Filed: \$ <u>5,296.16</u>		
If all or part of the claim is secured, complete item 4.		
If all or part of the claim is entitled to priority, complete item 5.		
<input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>Unpaid services. See attached Exs. "A" and "B" and "C"</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: 2 6 2 3	3a. Debtor may have scheduled account as: <u>Cirro Energy Acct 167262-3</u> (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.		
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____
Value of Property: \$ _____		Basis for perfection: _____
Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of Secured Claim: \$ _____
		Amount Unsecured: \$ _____
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.		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5). Amount entitled to priority: \$ _____
<input type="checkbox"/> 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).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> 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)		
7. Documents: Attached are redacted copies of any 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 the definition of "redacted")		
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.		
If the documents are not available, please explain: _____		
8. Signature: (See instruction #8)		
Check the appropriate box.		
<input checked="" type="checkbox"/> I am the creditor.	<input type="checkbox"/> I am the creditor's authorized agent. (Attach copy of power of attorney, if any.)	<input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.)
<input type="checkbox"/> 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: <u>Linda C. Waggoner</u>		
Title: <u>Credit Collection Specialist</u>		
Company: <u>Cirro Group, Inc.</u>		
Address and telephone number (if different from notice address above): _____ _____ _____		
Telephone number: (469) 277-4043 email: LWaggoner@cirroenergy.com		

CANO PETROLEUM



00157

5/2/12
 (Signature) (Date)

EXHIBIT "A"

Prior to the filing of Cano Petroleum, Inc.'s (the "Debtor") bankruptcy case on March 7, 2012 (the "Petition Date"), the Debtor entered into three contracts with Cirro Group, Inc. ("Cirro") for the supply of electricity (the "Contracts"). True and correct copies of the Contracts are attached hereto as Ex. "B" and included herein by reference. Cirro hereby asserts an unsecured, non-priority claim in the amount of \$5,298.16 for unpaid pre-petition electricity (the "Claim"). The Claim is evidenced by the amounts shown as 'Uncollectible Balance' on the invoices.

A copy of the invoices are attached collectively hereto as Ex. "C" and incorporated herein by reference (the "Invoices"). A summary of the Claim is listed below. Copies of any other necessary supporting documentation for this claim will be provided upon request.

Cirro reserves the right to amend this claim including without limitation to add any rejection damages that may arise from the rejection of the Contracts.

Summary of Claim		
Statement No.	Pre-Petition Amount Due	Running Total
5833150	263.04	263.04
5833151	25.28	288.32
5833152	111.04	136.32
5833153	19.76	130.8
5833154	329.60	349.36
5833155	258.72	588.32
5833157	1240.80	1499.52
5833158	308.96	1549.76
5833159	2740.96	5298.16
TOTAL	\$5,298.16	

111

powerful connections.
CIRRO
ENERGY

COMMERCIAL CONTRACT FOR SUPPLY OF ELECTRICITY ("Agreement")

NAME/COMPANY NAME: CANO PETROLEUM INC
(REFERRED HERINAFTER AS "CUSTOMER", "YOUR" AND/OR "YOU")

TYPE OF OWNERSHIP:

☐ PARTNERSHIP ☐ SOLE PROPRIETOR/DBA (SS# required) ☒ CORPORATION
☐ LLC

Is your company a property management company? ☐ YES ☒ NO

TAX EXEMPT ☐ YES (certificate required) ☒ NO

TAX ID or SS # 77-0635673
CONTACT NAME: MIKE RICKETTS

MAILING ADDRESS:
C/O: BURNETT PLAZA
801 CHERRY ST UNIT 25 STE 3200
FORT WORTH TX 76102

TELEPHONE NUMBER: 877-698-0900 X 103 FAX NUMBER: _____

E-MAIL ADDRESS: MIKE@CANOPETRO.COM

QUOTE ID or DATE: 07/06/2010

AGREEMENT DELIVERY POINTS: See attachment A

Agreement Start Date

Your Agreement Rate will begin on the next available meter read date after 07/06/2010.

Monthly Customer Charge

The monthly administrative charge for billing and account management is \$19.95 per delivery point indicated on Attachment A.

Agreement Term

The duration of this Agreement is for a period of 23 months.

Energy Price

The price for energy is .0701 per Kilowatt-hour (kWh) ("Agreement Rate").

1. TERM

Service will commence effective upon the date that Cirro Energy becomes the REP of record and will continue for the period indicated on Page 1 under Agreement Term.

Upon the expiration of the initial term of the Agreement, a renewal contract will be agreed upon or the Customer will continue automatically on a month to month basis, until either party terminates this Agreement with thirty (30) calendar days advance written notice to the other party. If Customer continues on a month to month basis, the price for energy will be adjusted to a market based price in effect on the "Statement Date" of the billing month.

2. POINTS OF DELIVERY

The points of delivery covered by this Agreement where you receive energy (the interconnection between the local distribution utility's facilities and your facilities) are those points of energy measurement at the service address (s) listed on Attachment A.

3. PRICE

The monthly administrative charge for billing and account management is listed on page 1 and is assessed per month, per delivery point on Attachment A.

The price for energy is listed under Energy Price on Page 1 and is subject to sections (A) and (B) below if marked as applicable for the type(s) of metered account(s) included in this Agreement on attachment A. The price is an indicative price until such time the Agreement is executed by signature of an authorized representative of Cirro Group, Inc. d/b/a Cirro Energy ("Cirro Energy").

A. Profile Accounts Applicable: _____ Not Applicable: X

Profile customers are subject to the verification of the correct Load Profile(s) as assigned by the Electric Reliability Council of Texas ("ERCOT"). Cirro Energy has provided prices based upon your historical annual kWh usage and estimated load factor for each point of delivery. Cirro Energy reserves the right to place you on the correct price if your actual load profile differs from the load profile as assigned by ERCOT.

B. Interval Data Recorder (IDR) Meters Applicable: _____ Not Applicable: X

For IDR metered account(s), the price for energy in Section 3. PRICE above multiplied by the actual metered usage for any billing period exceeds the monthly maximum usage by 15% or more for any interval, Cirro Energy will have the option to charge the interval meter volume of energy above the 15% threshold at the then current ERCOT balancing energy market price, plus 12% to cover expenses (e.g., line losses and ERCOT administrative fees). If your actual metered usage for any billing period is below the monthly minimum contract usage for any billing period by 20% or more for any interval, Cirro Energy will have the option to charge the minimum contract usage quantity, less 15%, multiplied by the then current ERCOT balancing energy market price for the interval, plus 12% for expenses.

This price does not include delivery fees, local distribution utility non-bypassable charges, any non-recurring fees, taxes or applicable fees and/or penalties. These charges and fees will be passed through to the customer directly with no additional mark up.

4. AGREEMENT QUANTITY

You shall purchase exclusively from Cirro Energy and Cirro Energy shall sell the full energy requirements of Customer at the points of delivery listed on attachment A during the term of this Agreement.

In the event you reduce your operations at one or more service address, you have the right to delete the quantities of electricity attributable to the reduction in operations at such points of delivery without terminating this Agreement. If you wish to exercise this option, you must notify Cirro Energy in writing at least thirty (30) calendar days before the electricity reduction begins.

5. LOCAL DISTRIBUTION UTILITY

In addition to energy, you will be charged for delivery, by the local distribution utility of electricity to your points of delivery. You agree to pay Cirro Energy the amount set out on your monthly invoice for the local distribution utility delivery charges.

6. BILLING AND PAYMENT

You will receive a monthly bill that is due and payable sixteen (16) days from the date of the bill. If your bill is not paid by the due date, you will be charged a late fee of five percent (5%) of the month's past due amount (for administrative burden and maintenance). If, in good faith, you dispute the amount of any invoice or any part thereof, you will pay such amount as you concede to be correct by the date set forth above. You must provide written notice setting forth in particular detail the disputed amount, including the calculations with respect to any errors or inaccuracies claimed. If it is subsequently determined that you owe Cirro Energy any portion of the disputed amount, you shall remit to Cirro Energy within two (2) business days following such resolution the outstanding balance plus interest. Interest will accrue on each calendar day from the due date at a rate of 1.5% per month.

7. CREDIT

Cirro Energy may research your credit history. If you cannot demonstrate satisfactory credit, we may require a deposit or letter of credit. To the extent provided by law, Cirro Energy reserves the right to refuse service due to unsatisfactory credit. After becoming a customer, should your financial viability or payment performance become unsatisfactory, Cirro Energy may require you to provide and maintain a deposit, letter of credit, or other credit assurances satisfactory to Cirro Energy as a condition of continuing service. Deposits held more than thirty (30) days will accrue interest from the date of receipt at the annual rate established by the PUCT. Upon termination or expiration of the Agreement, Cirro Energy will return the deposit with the accrued interest.

8. TAXES

You shall pay all taxes applicable to the purchase of electricity including but not limited to Gross Receipts and PUC Assessments. Please contact Cirro Energy for information regarding sales tax exemptions.

9. CUSTOMER INFORMATION

By entering into this Agreement, you hereby authorize your local distribution utility to release to Cirro Energy certain information, including your address, phone number, account numbers and historical energy usage information to provide you with service.

10. EVENT OF DEFAULT AND TERMINATION

Unless excused for force majeure events, this Agreement may be terminated by the non-defaulting party if:

- (1) The other party (defaulting party) has materially breached its obligations under this Agreement and has failed to cure all such breaches, within 10 days of receipt of written notice. Written notice shall specify in sufficient detail the nature of such breach. A material breach may include:
 - (a) The failure of either party to make any payment due pursuant to the terms of this Agreement;
 - (b) Either party is subject to bankruptcy proceeding;
 - (c) If you purchase electricity from another REP for the accounts listed in attachment A during the term of this Agreement; or
 - (d) You sell, lease, or transfer all or a portion of the property in violation of Section 11 transfer of ownership.
- (2) In the event a default remains uncured at the expiration of the ten (10) day cure period, the non-defaulting party shall have the right to accelerate all amounts owing between the parties and to liquidate and terminate this Agreement and to suspend performance.

If you cancel this Agreement before the end of the contract term, Cirro's contract damages will be based upon the average monthly energy bill for the locations listed on exhibit A multiplied by the number of remaining months in the contract term. The average monthly energy bill is your contract price per kWh multiplied by average monthly usage. Cirro will seek any and all damages it is entitled to under Texas law.

11. TRANSFER OF OWNERSHIP

If you voluntarily or involuntarily sell, lease, or otherwise transfer a portion of the premises supplied by this Agreement before the end of the term, you will continue to be responsible for the performance of this Agreement for the contract quantity, including the reduced amount of energy resulting from such transfer unless the following conditions are met:

- (1) The transferee signs a new Agreement with Cirro Energy;
- (2) The transferee's credit is approved by Cirro Energy, in its sole judgment; and
- (3) No impediment exists to the validity of a contract between Cirro Energy and transferee.

You may not assign or transfer this Agreement, in whole or in part, or any of your rights or obligations hereunder without prior consent of Cirro Energy. At the time of a transfer of ownership of the clients business, transferability of this Agreement is at the sole discretion of Cirro Energy.

12. CHANGE IN REGULATORY ASSESSMENTS

In the event that a new regulation or law shall be enacted, or there shall occur any revision in, implementation of, amendments to, or interpretations of any existing regulations or laws which in either circumstance affect approved or anticipated rates, tariffs, taxes, charges, fees, assessments, or other cost relating to administrative regulation of local distribution utility delivery charges specific to the generation, transmission or distribution of electric power and/or energy, Cirro Energy shall have the right to adjust correspondingly the amounts payable by Customer under Section 5 "Local Distribution Utility" of this Agreement. Such additional amounts will be included in subsequent invoices to Customer as applicable.

13. CHANGE IN MARKET DESIGN

Should change (s) in market design, the ERCOT ISO or any governmental authority occur, which causes or could cause Cirro Energy to incur incremental capital, operational or other costs relating to the provision of services contemplated herein, Cirro Energy shall have the option to adjust accordingly the price for energy as defined in Section 3. Price payable by Customer under this Agreement to take account of such adverse economic consequences in order to maintain the same level and quantity of energy delivery as required under this Agreement.

14. CONFIDENTIALITY

The terms of this Agreement and any other information exchanged by the parties relating to this Agreement shall not be disclosed to any person not employed or retained by the Customer or Cirro Energy, their affiliates, franchisees, attorneys, consultants or brokers, except to the extent disclosure is: (1) required by law; (2) reasonably deemed by the disclosing party to be required to be disclosed in connection with a dispute between or among the parties, or the defense of litigation or dispute; (3) otherwise permitted by written consent of the other party (4) required by lenders or guarantors to be disclosed; (5) information which must be disclosed to a third party for the purpose of effectuating transmission of Energy which is subject to this Agreement or to meet reliability council, regulatory, administrative, judicial, governmental or regulated commodity exchange requirements where necessary; or (6) of information which was or is hereafter in the public domain (except by breach of this Agreement). This provision shall not be construed to prevent either party from disclosing the fact that this Agreement exists, or the commencement, expiration and/or termination dates of this Agreement and shall expire one year after the termination date of any applicable transaction.

15. FORCE MAJEURE

Cirro Energy will endeavor in a commercially reasonable manner to provide service, but we do not guarantee a continuous supply of electrical energy. Events that are out of our control ("force majeure" events) may result in interruptions in service to you. Please be aware that Cirro Energy will not be liable for any damages whatsoever for any such interruptions in service. Cirro Energy does not produce electricity provided to you under this Agreement, nor do we transmit or distribute

electricity to you. Therefore, you agree that Cirro Energy is not liable for any damage caused by events of force majeure, including acts of god, acts of any governmental authority including the Public Utility Commission of Texas or ERCOT, accidents, strikes, labor disputes, required maintenance work, inability to access the local distribution utility system, nonperformance of the local distribution utility, damages or cuts to service lines or changes in laws, rules, regulations, practices or procedures of any governmental authority or ERCOT, or any other cause beyond the control of Cirro Energy.

16. LIMITATION OF LIABILITY

CIRRO'S LIABILITY FOR DAMAGES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES. CIRRO WILL NOT BE LIABLE TO THE CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR PENALTIES OF ANY NATURE WHICH ARE HEREBY WAIVED, WHETHER OR NOT THERE WAS ACTUAL KNOWLEDGE OF SUCH POSSIBLE DAMAGES, OR IF SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OR RESPONSIBILITY OF ANY LIABILITY OR DAMAGE. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT.

17. REPRESENTATIONS AND WARRANTIES

The electricity sold to you under this Agreement will meet the applicable local distribution utility's quality standards for such, and will be supplied from a variety of sources. Cirro Energy makes no representations or warranties, express or implied, other than those expressly set forth in this Agreement, and furthermore, Cirro Energy expressly disclaims all other warranties, expressed or implied, including warranties of merchantability and fitness for a particular purpose.

18. CHOICE OF LAW AND FORUM SELECTION CLAUSE

This Agreement shall be governed by the laws of the state of Texas, and in any lawsuit, action, or proceeding instituted by any party hereto directly arising out of or with respect to this Agreement, proper venue shall be deemed to be Collin County, Texas.

19. ATTORNEYS' FEES

If Cirro Energy initiates litigation regarding enforcement or interpretation of this Agreement and prevails, Cirro Energy's attorneys' fees and costs shall be paid by the Customer.

20. AUTHORITY

The undersigned agree that they both have authority from their respective companies to enter into this Agreement.

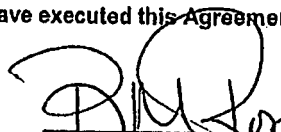
21. MISCELLANEOUS

This Agreement may be executed in multiple counterparts and with detachable signature pages each of which will be deemed an original and all of which taken together will constitute one and the same Agreement. All signatures may be by facsimile and need not be on the same counterpart.

WAIVER OF JURY TRIAL. CUSTOMER WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH CIRRO AND CUSTOMER MAY BE PARTIES, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY PERTAINING TO, THIS AGREEMENT. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTION OF PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY CUSTOMER, AND CUSTOMER HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. CUSTOMER HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF CUSTOMER'S OWN FREE WILL, AND THAT CUSTOMER HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL..

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Dated: 7/13/10


By and on behalf of Cirro Energy

Dated: 7/2/10


By and on behalf of Customer

SALES CODE 22400



ATTACHMENT A - POINTS OF DELIVERY

NAME/COMPANY NAME: CANO PETROLEUM, INC

MASTER METERED: No

DISTRIBUTION UTILITY(IES) -CHECK ALL THAT APPLY: Oncor

SERVICE REQUESTED -CHECK APPLICABLE TYPE: Move In

ESI ID Number	Service Address Number & Street	Service Address City and ZIP	Annual Energy kWh
10443720008656237	5701 FM8	Gorman, TX 76454	1044 6,000
10443720008812074	100 FM8 CR497	Desdemona, TX 76445	1044 6,000

BILLING ADDRESS (IF DIFFERENT THAN CORPORATE ADDRESS)



COMMERCIAL CONTRACT FOR SUPPLY OF ELECTRICITY ("Agreement")

NAME/COMPANY NAME: CANO PETROLEUM INC.
(REFERRED HERINAFTER AS "CUSTOMER", "YOUR" AND/OR "YOU")

TYPE OF OWNERSHIP: ☐ PARTNERSHIP ☐ SOLE PROPRIETOR/DBA (SS# required)
☒ CORPORATION ☐ LLC

Is your company a property management company? ☐ YES ☒ NO

TAX EXEMPT ☐ YES (certificate required) ☒ NO

TAX ID or SS #: 77-0635673

CONTACT NAME: MIKE RICKETTS

CORPORATE ADDRESS: 6500 N. BELT LINE ROAD

CITY: IRVING STATE: TX ZIP CODE: 75063

TELEPHONE NUMBER: 214-687-9228 FAX NUMBER: 214-687-9298

E-MAIL ADDRESS: MIKE@CANOPETRO.COM

QUOTE ID or DATE: March 4, 2011

AGREEMENT DELIVERY POINTS: See attachment A

Agreement Start Date

- ☐ - Standard Switch - Next available switch date after- _____
- ☒ - Self-Selected Switch date or Move In- 3-7-11
Non-recurring charges from your local distribution company will apply for a self-selected switch or move-in
- ☐ - Renewal - Renewal date _____

Monthly Customer Charge

The monthly administrative charge for billing and account management is \$0.00 per delivery point indicated on Attachment A.

Agreement Term

The duration of this Agreement is for a period of 15 months.

Energy Price

The price for energy is \$0.05500 per Kilowatt-hour (kWh) ("Agreement Rate").

1. AGREEMENT TERM

Your service begins on the next available meter reading date set by your local distribution utility (your typical reading date) after the Agreement Start Date on Page 1 and will continue for the term of the Agreement indicated on Page 1 under Agreement Term.

Upon the expiration of the initial term of the Agreement, a renewal contract will be agreed upon or the Customer will continue automatically on a month to month basis, until either party terminates this Agreement with thirty (30) calendar days advance written notice to the other party. If Customer continues on a month to month basis, the price for energy will be adjusted to a market based price in effect on the "Statement Date" of the billing month.

2. POINTS OF DELIVERY

The points of delivery covered by this Agreement where you receive energy (the interconnection between the local distribution utility's facilities and your facilities) are those points of energy measurement at the service address (s) listed on Attachment A.

3. PRICE

The monthly administrative charge for billing and account management is listed on page 1 and is assessed per month, per delivery point on Attachment A.

The price for energy is listed under Energy Price on Page 1 and is subject to sections (A) and (B) below if marked as applicable for the type(s) of metered account(s) included in this Agreement on attachment A. The price is an indicative price until such time the Agreement is executed by signature of an authorized representative of Cirro Group, Inc. d/b/a Cirro Energy ("Cirro Energy").

A. Profile Accounts: Applicable: _____ Not Applicable: X

Profile customers are subject to the verification of the correct Load Profile(s) as assigned by the Electric Reliability Council of Texas ("ERCOT"). Cirro Energy has provided prices based upon your historical annual kWh usage and estimated load factor for each point of delivery. Cirro Energy reserves the right to place you on the correct price if your actual load profile differs from the load profile as assigned by ERCOT.

B. Interval Data Recorder (IDR) Meters: Applicable: _____ Not Applicable: X

For IDR metered account(s), the price for energy in Section 3. PRICE above multiplied by the actual metered usage for any billing period exceeds the monthly maximum usage by 15% or more for any interval, Cirro Energy will have the option to charge the interval meter volume of energy above the 15% threshold at the then current ERCOT balancing energy market price, plus 12% to cover expenses (e.g., line losses and ERCOT administrative fees). If your actual metered usage for any billing period is below the monthly minimum contract usage for any billing period by 20% or more for any interval, Cirro Energy will have the option to charge the minimum contract usage quantity, less 15%, multiplied by the then current ERCOT balancing energy market price for the interval, plus 12% for expenses.

This price does not include delivery fees, local distribution utility non-by passable charges, any non-recurring fees, taxes or applicable fees and/or penalties. These charges and fees will be passed through to the customer directly with no additional mark up. The Energy Price as set forth on Page 1 of this Agreement shall be deemed inclusive of Reliability Unit Commitment (RUC) charges and congestion charges between an ERCOT Hub and/or Resource Node and the Customer's Load Zone as defined by ERCOT (such costs collectively referred to herein as "ERCOT Nodal Market Costs").

4. AGREEMENT QUANTITY

You shall purchase exclusively from Cirro Energy and Cirro Energy shall sell the full energy requirements of Customer at the points of delivery listed on attachment A during the term of this Agreement.

In the event you reduce your operations at one or more service address, you have the right to delete the quantities of electricity attributable to the reduction in operations at such points of delivery without terminating this Agreement. If you wish to exercise this option, you must notify Cirro Energy in writing at least thirty (30) calendar days before the electricity reduction begins.

5. LOCAL DISTRIBUTION UTILITY

In addition to energy, you will be charged for delivery, by the local distribution utility of electricity to your points of delivery. You agree to pay Cirro Energy the amount set out on your monthly invoice for the local distribution utility delivery charges.

6. BILLING AND PAYMENT

You will receive a monthly bill that is due and payable sixteen (16) days from the date of the bill. If your bill is not paid by the due date, you will be charged a late fee of five percent (5%) of the month's past due amount (for administrative burden and maintenance). If, in good faith, you dispute the amount of any invoice or any part thereof, you will pay such amount as you concede to be correct by the date set forth above. You must provide written notice setting forth in particular detail the disputed amount, including the calculations with respect to any errors or inaccuracies claimed. If it is subsequently determined that you owe Cirro Energy any portion of the disputed amount, you shall remit to Cirro Energy within two (2) business days following such resolution the outstanding balance plus interest. Interest will accrue on each calendar day from the due date at a rate of 1.5% per month.

7. CREDIT

Cirro Energy may research your credit history. If you cannot demonstrate satisfactory credit, we may require a deposit or letter of credit. To the extent provided by law, Cirro Energy reserves the right to refuse service due to unsatisfactory credit. After becoming a customer, should your financial viability or payment performance become unsatisfactory, Cirro Energy may require you to provide and maintain a deposit, letter of credit, or other credit assurances satisfactory to Cirro Energy as a condition of continuing service. Deposits held more than thirty (30) days will accrue interest from the date of receipt at the annual rate established by the PUCT. Upon termination or expiration of the Agreement, Cirro Energy will return the deposit with the accrued interest.

8. TAXES

You shall pay all taxes applicable to the purchase of electricity including but not limited to Gross Receipts and PUC Assessments. Please contact Cirro Energy for information regarding sales tax exemptions.

9. CUSTOMER INFORMATION

By entering into this Agreement, you hereby authorize your local distribution utility to release to Cirro Energy certain information, including your address, phone number, account numbers and historical energy usage information to provide you with service.

10. EVENT OF DEFAULT AND TERMINATION

Unless excused for force majeure events, this Agreement may be terminated by the non-defaulting party if:

- a. The other party (defaulting party) has materially breached its obligations under this Agreement and has failed to cure all such breaches, within 10 days of receipt of written notice. Written notice shall specify in sufficient detail the nature of such breach. A material breach may include:
 - i. The failure of either party to make any payment due pursuant to the terms of this Agreement;
 - ii. Either party is subject to bankruptcy proceeding;
 - iii. If you purchase electricity from another REP for the accounts listed in attachment A during the term of this Agreement; or
 - iv. You sell, lease, or transfer all or a portion of the property in violation of Section 11 transfer of ownership.
- b. In the event a default remains uncured at the expiration of the ten (10) day cure period, the non-defaulting party shall have the right to accelerate all amounts owing between the parties and to liquidate and terminate this Agreement and to suspend performance.

If you cancel this Agreement before the end of the contract term, Cirro's contract damages will be based upon the average monthly energy bill for the locations listed on exhibit A multiplied by the number of remaining months in the contract term. The average monthly energy bill is your contract price per kWh multiplied by average monthly usage. Cirro will seek any and all damages it is entitled to under Texas law.

11. TRANSFER OF OWNERSHIP

If you voluntarily or involuntarily sell, lease, or otherwise transfer a portion of the premises supplied by this Agreement before the end of the term, you will continue to be responsible for the performance of this Agreement for the contract quantity, including the reduced amount of energy resulting from such transfer unless the following conditions are met:

- a. The transferee signs a new Agreement with Cirro Energy;
- b. The transferee's credit is approved by Cirro Energy, in its sole judgment; and
- c. No impediment exists to the validity of a contract between Cirro Energy and transferee.

You may not assign or transfer this Agreement, in whole or in part, or any of your rights or obligations hereunder without prior consent of Cirro Energy. At the time of a transfer of ownership of the client's business, transferability of this Agreement is at the sole discretion of Cirro Energy.

12. CHANGE IN REGULATORY ASSESSMENTS

In the event that a new regulation or law shall be enacted, or there shall occur any revision in, implementation of, amendments to, or interpretations of any existing regulations or laws which in either circumstance affect approved or anticipated rates, tariffs, taxes, charges, fees, assessments, or other cost relating to administrative regulation of local distribution utility delivery charges specific to the generation, transmission or distribution of electric power and/or energy, Cirro Energy shall have the right to adjust correspondingly the amounts payable by Customer under Section 5 "Local Distribution Utility" of this Agreement. Such additional amounts will be included in subsequent invoices to Customer as applicable.

13. CHANGE IN MARKET DESIGN

Should change (s) in market design, the ERCOT ISO or any governmental authority occur, which causes or could cause Cirro Energy to incur incremental capital, operational or other costs relating to the provision of services contemplated herein, Cirro Energy shall have the option to adjust accordingly the price for energy as defined in Section 3. Price payable by Customer under this Agreement to take account of such adverse economic consequences in order to maintain the same level and quantity of energy delivery as required under this Agreement.

14. CONFIDENTIALITY

The terms of this Agreement and any other information exchanged by the parties relating to this Agreement shall not be disclosed to any person not employed or retained by the Customer or Cirro Energy, their affiliates, franchisees, attorneys, consultants or brokers, except to the extent disclosure is: (1) required by law; (2) reasonably deemed by the disclosing party to be required to be disclosed in connection with a dispute between or among the parties, or the defense of litigation or dispute; (3) otherwise permitted by written consent of the other party; (4) required by lenders or guarantors to be disclosed; (5) information which must be disclosed to a third party for the purpose of effectuating transmission of Energy which is subject to this Agreement or to meet reliability council, regulatory, administrative, judicial, governmental or regulated commodity exchange requirements where necessary; or (6) of information which was or is hereafter in the public domain (except by breach of this Agreement). This provision shall not be construed to prevent either party from disclosing the fact that this Agreement exists, or the commencement, expiration and/or termination dates of this Agreement and shall expire one year after the termination date of any applicable transaction.

15. FORCE MAJEURE

Cirro Energy will endeavor in a commercially reasonable manner to provide service, but we do not guarantee a continuous supply of electrical energy. Events that are out of our control ("force majeure" events) may result in interruptions in service to you. Please be aware that Cirro Energy will not be liable for any damages whatsoever for any such interruptions in service. Cirro Energy does not produce electricity provided to you under this Agreement, nor do we transmit or distribute electricity to you. Therefore, you agree that Cirro Energy is not liable for any damage caused by events of force majeure, including acts of god, acts of any governmental authority including the Public Utility Commission of Texas or ERCOT, accidents, strikes, labor disputes, required maintenance work, inability to access the local distribution utility system, nonperformance of the local distribution utility, damages or cuts to service lines or changes in laws, rules, regulations, practices or procedures of any governmental authority or ERCOT, or any other cause beyond the control of Cirro Energy.

16. LIMITATION OF LIABILITY

CIRRO'S LIABILITY FOR DAMAGES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES. CIRRO WILL NOT BE LIABLE TO THE CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR PENALTIES OF ANY NATURE WHICH ARE HEREBY WAIVED, WHETHER OR NOT THERE WAS ACTUAL KNOWLEDGE OF SUCH POSSIBLE DAMAGES, OR IF SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OR RESPONSIBILITY OF ANY LIABILITY OR DAMAGE. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT.

17. REPRESENTATIONS AND WARRANTIES

The electricity sold to you under this Agreement will meet the applicable local distribution utility's quality standards for such, and will be supplied from a variety of sources. Cirro Energy makes no representations or warranties, express or implied, other than those expressly set forth in this Agreement, and furthermore, Cirro Energy expressly disclaims all other warranties, expressed or implied, including warranties of merchantability and fitness for a particular purpose.

18. CHOICE OF LAW, VENUE, AND FORUM SELECTION CLAUSE

This Agreement shall be governed by the laws of the state of Texas, and in any lawsuit, action, or proceeding instituted by any party hereto directly arising out of or with respect to this Agreement, proper venue shall be deemed to be Collin County, Texas. Customer agrees that Collin County, Texas shall be the place of performance for payment under this Agreement pursuant to TEX. CIV. PRAC. & REM. CODE § 15.035(a).

19. ATTORNEYS' FEES AND COLLECTION AND ENFORCEMENT FEES

If Cirro Energy initiates litigation regarding enforcement or interpretation of this Agreement and prevails, Cirro Energy's attorneys' fees and costs shall be paid by the Customer.

If this Agreement is given by Cirro Energy to an attorney for collection, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then the Customer shall pay Cirro Energy all costs of collection and enforcement, including reasonable attorneys' fees, expenses and court costs, constable and sheriff fees, and writs of execution fees, in addition to other amounts due.

20. AUTHORITY

The undersigned agree that they both have authority from their respective companies to enter into this Agreement.

21. MISCELLANEOUS

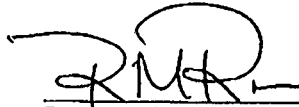
This Agreement may be executed in multiple counterparts and with detachable signature pages each of which will be deemed an original and all of which taken together will constitute one and the same Agreement. All signatures may be by facsimile and need not be on the same counterpart.

WAIVER OF JURY TRIAL. CUSTOMER WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH CIRRO AND CUSTOMER MAY BE PARTIES, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY PERTAINING TO, THIS AGREEMENT. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTION OF PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY CUSTOMER, AND CUSTOMER HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. CUSTOMER HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF CUSTOMER'S OWN FREE WILL, AND THAT CUSTOMER HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL..

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Dated:

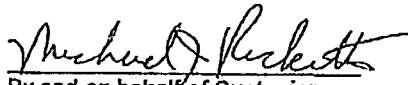
3/14/11



By and on behalf of Cirro Energy

Dated:

3/4/11



By and on behalf of Customer

SALES CODE: 1049



ATTACHMENT A - POINTS OF DELIVERY

NAME/COMPANY NAME: CANO PETROLEUM INC.

MASTER METERED Yes ☐ No ☒

DISTRIBUTION UTILITY(IES) -CHECK ALL THAT APPLY:

Oncor ☒ CenterPoint ☐ AEPC (CP&L) ☐ AEPN (WTU) ☐ TNMP ☐

SERVICE REQUESTED -CHECK APPLICABLE TYPE:

SWITCH PROVIDER ☐ MOVE IN ☒ CONTRACT RENEWAL ☐

ESI ID Number	Service Address Number & Street	Service Address City and ZIP	Annual Energy kWh
10443720007801661	200 COUNTY ROAD 508	DE LEON TX 76445	

BILLING ADDRESS (IF DIFFERENT THAN CORPORATE ADDRESS)

USE CORPORATE ADDRESS

powerful connections.
CIRRO
ENERGY

COMMERCIAL CONTRACT FOR SUPPLY OF ELECTRICITY ("Agreement")

NAME/COMPANY NAME: CANO PETROLEUM, INC (REFERRED HERINAFTER AS
"CUSTOMER", "YOUR" AND/OR "YOU")

TYPE OF OWNERSHIP:

CORPORATION

Is your company a property management company?

NO

TAX EXEMPT:

NO

TAX ID:

77-0635673

CONTACT NAME:

MR. MIKE RICKETTS

MAILING ADDRESS:

BURNETT PLAZA
801 CHERRY STREET
UNIT 25, SUITE 3200
FORT WORTH, TX 76102

TELEPHONE NUMBER: (877) 698-0900, 103 FAX NUMBER: 817-698-0796

E-MAIL ADDRESS: MIKE@CANOPETRO.COM

QUOTE ID or DATE: 6/4/09

AGREEMENT DELIVERY POINTS: See attachment A

Agreement Start Date

Your Agreement Rate will begin on the next available meter read date after Out of Cycle
meter read date.

Monthly Customer Charge

The monthly administrative charge for billing and account management is \$19.95 per
delivery point indicated on Attachment A.

Agreement Term

The duration of this Agreement is for a period of 36 months.

Energy Price

The price for energy is \$0.0701 per Kilowatt-hour (kWh) ("Agreement Rate").

1. AGREEMENT TERM

Your service begins on the next available meter reading date set by your local distribution utility (your typical reading date) after the Agreement Start Date on Page 1 and will continue for the term of the Agreement indicated on Page 1 under Agreement Term.

Upon the expiration of the initial term of the Agreement, a renewal contract will be agreed upon or the Customer will continue automatically on a month to month basis, until either party terminates this Agreement with thirty (30) calendar days advance written notice to the other party. If Customer continues on a month to month basis, the price for energy will be adjusted to a market based price in effect on the "Statement Date" of the billing month.

2. POINTS OF DELIVERY

The points of delivery covered by this Agreement where you receive energy (the interconnection between the local distribution utility's facilities and your facilities) are those points of energy measurement at the service address (s) listed on Attachment A.

3. PRICE

The monthly administrative charge for billing and account management is listed on page 1 and is assessed per month, per delivery point on Attachment A.

The price for energy is listed under Energy Price on Page 1 and is subject to sections (A) and (B) below if marked as applicable for the type(s) of metered account(s) included in this Agreement on attachment A. The price is an indicative price until such time the Agreement is executed by signature of an authorized representative of Cirro Group, Inc. d/b/a Cirro Energy ("Cirro Energy").

A. Profile Accounts Applicable: _____ Not Applicable: X

Profile customers are subject to the verification of the correct Load Profile(s) as assigned by the Electric Reliability Council of Texas ("ERCOT"). Cirro Energy has provided prices based upon your historical annual kWh usage and estimated load factor for each point of delivery. Cirro Energy reserves the right to place you on the correct price if your actual load profile differs from the load profile as assigned by ERCOT.

B. Interval Data Recorder (IDR) Meters Applicable: _____ Not Applicable: X

For IDR metered account(s), the price for energy in Section 3. PRICE above multiplied by the actual metered usage for any billing period exceeds the monthly maximum usage by 15% or more for any interval; Cirro Energy will have the option to charge the interval meter volume of energy above the 15% threshold at the then current ERCOT balancing energy market price, plus 12% to cover expenses (e.g., line losses and ERCOT administrative fees). If your actual metered usage for any billing period is below the monthly minimum contract usage for any billing period by 20% or more for any interval, Cirro Energy will have the option to charge the minimum contract usage quantity, less 15%, multiplied by the then current ERCOT balancing energy market price for the interval, plus 12% for expenses.

This price does not include delivery fees, local distribution utility non-bypassable charges, any non-recurring fees, taxes or applicable fees and/or penalties. These charges and fees will be passed through to the customer directly with no additional mark up.

4. AGREEMENT QUANTITY

You shall purchase exclusively from Cirro Energy and Cirro Energy shall sell the full energy requirements of Customer at the points of delivery listed on attachment A during the term of this Agreement.

In the event you reduce your operations at one or more service address, you have the right to delete the quantiles of electricity attributable to the reduction in operations at such points of delivery without terminating this Agreement. If you wish to exercise this option, you must notify Cirro Energy in writing at least thirty (30) calendar days before the electricity reduction begins.

5. LOCAL DISTRIBUTION UTILITY

In addition to energy, you will be charged for delivery, by the local distribution utility of electricity to your points of delivery. You agree to pay Cirro Energy the amount set out on your monthly invoice for the local distribution utility delivery charges.

6. BILLING AND PAYMENT

You will receive a monthly bill that is due and payable sixteen (16) days from the date of the bill. If your bill is not paid by the due date, you will be charged a late fee of five percent (5%) of the month's past due amount (for administrative burden and maintenance). If, in good faith, you dispute the amount of any invoice or any part thereof, you will pay such amount as you concede to be correct by the date set forth above. You must provide written notice setting forth in particular detail the disputed amount, including the calculations with respect to any errors or inaccuracies claimed. If it is subsequently determined that you owe Cirro Energy any portion of the disputed amount, you shall remit to Cirro Energy within two (2) business days following such resolution the outstanding balance plus interest. Interest will accrue on each calendar day from the due date at a rate of 1.5% per month.

7. CREDIT

Cirro Energy may research your credit history. If you cannot demonstrate satisfactory credit, we may require a deposit or letter of credit. To the extent provided by law, Cirro Energy reserves the right to refuse service due to unsatisfactory credit. After becoming a customer, should your financial viability or payment performance become unsatisfactory, Cirro Energy may require you to provide and maintain a deposit, letter of credit, or other credit assurances satisfactory to Cirro Energy as a condition of continuing service. Deposits held more than thirty (30) days will accrue interest from the date of receipt at the annual rate established by the PUCT. Upon termination or expiration of the Agreement, Cirro Energy will return the deposit with the accrued interest.

8. TAXES

You shall pay all taxes applicable to the purchase of electricity including but not limited to Gross Receipts and PUC Assessments. Please contact Cirro Energy for information regarding sales tax exemptions.

9. CUSTOMER INFORMATION

By entering into this Agreement, you hereby authorize your local distribution utility to release to Cirro Energy certain information, including your address, phone number, account numbers and historical energy usage information to provide you with service.

10. EVENT OF DEFAULT AND TERMINATION

Unless excused for force majeure events, this Agreement may be terminated by the non-defaulting party if:

- (1) The other party (defaulting party) has materially breached its obligations under this Agreement and has failed to cure all such breaches, within 10 days of receipt of written notice. Written notice shall specify in sufficient detail the nature of such breach. A material breach may include:
 - (a) The failure of either party to make any payment due pursuant to the terms of this Agreement;
 - (b) Either party is subject to bankruptcy proceeding;
 - (c) If you purchase electricity from another REP for the accounts listed in attachment A during the term of this Agreement; or
 - (d) You sell, lease, or transfer all or a portion of the property in violation of Section 11 transfer of ownership.
- (2) In the event a default remains uncured at the expiration of the ten (10) day cure period, the non-defaulting party shall have the right to accelerate all amounts owing between the parties and to liquidate and terminate this Agreement and to suspend performance.

If you cancel this Agreement before the end of the minimum term, you will be assessed a cancellation fee that is equal to your average monthly energy bill during the minimum term multiplied by the number of remaining months in the minimum term. Your average monthly energy bill is the price per kWh multiplied by average monthly usage.

11. TRANSFER OF OWNERSHIP

If you voluntarily or involuntarily sell, lease, or otherwise transfer a portion of the premises supplied by this Agreement before the end of the term, you will continue to be responsible for the performance of this Agreement for the contract quantity, including the reduced amount of energy resulting from such transfer unless the following conditions are met:

- (1) The transferee signs a new Agreement with Cirro Energy;
- (2) The transferee's credit is approved by Cirro Energy, in its sole judgment; and
- (3) No impediment exists to the validity of a contract between Cirro Energy and transferee.

You may not assign or transfer this Agreement, in whole or in part, or any of your rights or obligations hereunder without prior consent of Cirro Energy. At the time of a transfer of ownership of the client's business, transferability of this Agreement is at the sole discretion of Cirro Energy.

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In the event that a new regulation or law shall be enacted, or there shall occur any revision in, implementation of, amendments to, or interpretations of any existing regulations or laws which in either circumstance affect approved or anticipated rates, tariffs, taxes, charges, fees, assessments, or other cost relating to administrative regulation of local distribution utility delivery charges specific to the generation, transmission or distribution of electric power and/or energy, Cirro Energy shall have the right to adjust correspondingly the amounts payable by Customer under Section 5 "Local Distribution Utility" of this Agreement. Such additional amounts will be included in subsequent Invoices to Customer as applicable.

13. CHANGE IN MARKET DESIGN

Should change (s) in market design, the ERCOT ISO or any governmental authority occur, which causes or could cause Cirro Energy to incur incremental capital, operational or other costs relating to the provision of services contemplated herein, Cirro Energy shall have the option to adjust accordingly the price for energy as defined in Section 3. Price payable by Customer under this Agreement to take account of such adverse economic consequences in order to maintain the same level and quantity of energy delivery as required under this Agreement.

14. CONFIDENTIALITY

The terms of this Agreement and any other information exchanged by the parties relating to this Agreement shall not be disclosed to any person not employed or retained by the Customer or Cirro Energy, their affiliates, franchisees, attorneys, consultants or brokers, except to the extent disclosure is: (1) required by law; (2) reasonably deemed by the disclosing party to be required to be disclosed in connection with a dispute between or among the parties, or the defense of litigation or dispute; (3) otherwise permitted by written consent of the other party (4) required by lenders or guarantors to be disclosed; (5) information which must be disclosed to a third party for the purpose of effectuating transmission of Energy which is subject to this Agreement or to meet reliability council, regulatory, administrative, judicial, governmental or regulated commodity exchange requirements where necessary; or (6) of information which was or is hereafter in the public domain (except by breach of this Agreement). This provision shall not be construed to prevent either party from disclosing the fact that this Agreement exists, or the commencement, expiration and/or termination dates of this Agreement and shall expire one year after the termination date of any applicable transaction.

15. FORCE MAJEURE

Cirro Energy will endeavor in a commercially reasonable manner to provide service, but we do not guarantee a continuous supply of electrical energy. Events that are out of our control ("force majeure" events) may result in interruptions in service to you. Please be aware that Cirro Energy will not be liable for any damages whatsoever for any such interruptions in service. Cirro Energy does not produce electricity provided to you under this Agreement, nor do we transmit or distribute electricity to you. Therefore, you agree that Cirro Energy is not liable for any damage caused by events of force majeure, including acts of god, acts of any governmental authority including the Public Utility Commission of Texas or ERCOT, accidents, strikes, labor disputes, required maintenance work, inability to access the local distribution utility system, nonperformance of the local distribution utility, damages or cuts to service lines or changes in laws, rules, regulations, practices or procedures of any governmental authority or ERCOT, or any other cause beyond the control of Cirro Energy.

16. LIMITATION OF LIABILITY

CIRRO'S LIABILITY FOR DAMAGES NOT EXCUSED BY REASON OF FORCE MAJEURE OR OTHERWISE SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES.

CIRRO WILL NOT BE LIABLE TO THE CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR PENALTIES OF ANY NATURE WHICH ARE HEREBY WAIVED, WHETHER OR NOT THERE WAS ACTUAL KNOWLEDGE OF SUCH POSSIBLE DAMAGES, OR IF SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OR RESPONSIBILITY OF ANY LIABILITY OR DAMAGE. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT.

17. REPRESENTATIONS AND WARRANTIES

The electricity sold to you under this Agreement will meet the applicable local distribution utility's quality standards for such, and will be supplied from a variety of sources. Cirro Energy makes no representations or warranties, express or implied, other than those expressly set forth in this Agreement, and furthermore, Cirro Energy expressly disclaims all other warranties, expressed or implied, including warranties of merchantability and fitness for a particular purpose.

18. CHOICE OF LAW AND FORUM SELECTION CLAUSE

This Agreement shall be governed by the laws of the state of Texas, and in any lawsuit, action, or proceeding instituted by any party hereto directly arising out of or with respect to this Agreement, proper venue shall be deemed to be Collin County, Texas.

19. ATTORNEYS' FEES

If Cirro Energy initiates litigation regarding enforcement or interpretation of this Agreement and prevails, Cirro Energy's attorneys' fees and costs shall be paid by the Customer.

20. AUTHORITY

The undersigned agree that they both have authority from their respective companies to enter into this Agreement.

21. MISCELLANEOUS

This Agreement may be executed in multiple counterparts and with detachable signature pages each of which will be deemed an original and all of which taken together will constitute one and the same Agreement. All signatures may be by facsimile and need not be on the same counterpart.

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CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTION OF PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY CUSTOMER, AND CUSTOMER HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. CUSTOMER HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF CUSTOMER'S OWN FREE WILL, AND THAT CUSTOMER HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL..

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Dated: 6/4/09

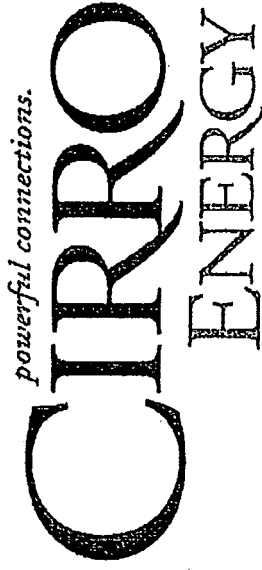
Rui Rao
By and on behalf of Cirro Energy

Dated: 6/4/09

Michael J. Richards
By and on behalf of Customer

SALES CODE _____

	ESI ID	Service Address	TDU
1	10443720001863732	200 County Road 508 Well Oil, De Leon, TX 76445	Oncor
2	10443720001862368	FM 2214, Gorman, TX 76454	Oncor
3	10443720007536797	200 County Road 508 Main, De Leon, TX 76445	Oncor
4	10443720001862616	FM 2214, Gorman, TX 76454	Oncor
5	10443720008807083	5050 Highway 8, Gorman, TX 76454- 2001	Oncor
6	10443720008856237 10443720008656237	5701 FM 8, Gorman, TX 76454	Oncor
7	10443720008656206	6902 FM 2214, Gorman, TX 76454	Oncor
8	10443720008812074	100 County Road 497, Gorman, TX 76454	Oncor
9	10443720001860694	Moore Unit DESDE, Gorman, TX 76454	Oncor
10	104437200018656299	200 County Road 499, De Leon, TX 76444-6585	Oncor
11			
12			
13			
14			
15			



ATTACHMENT A - POINTS OF DELIVERY

NAME/COMPANY NAME: CANO PETROLEUM, INC

MASTER METERED: No

DISTRIBUTION UTILITY(IES) -CHECK ALL THAT APPLY: Oncor

SERVICE REQUESTED -CHECK APPLICABLE TYPE: SWITCH PROVIDER

ESI ID Number	Service Address Number & Street	Service Address City and ZIP	Annual Energy kWh
10443720001863 732	200 County Road 508 Well Oil	De Leon, TX 76445	
10443720001862 368	FM 2214	Gorman, TX 76454	
10443720007536 797	200 County Road 508 Main	De Leon, TX 76445	
10443720001862 616	FM 2214	Gorman, TX 76454	

10443720008807 083	5050 Highway 8	Gorman, TX 76454-2001	
10443720008856 237	5701 FM 8	Gorman, TX 76454	
10443720008656 206	6902 FM 2214	Gorman, TX 76454	
10443720008812 074	100 County Road 497	Gorman, TX 76454	
10443720001860 694	Moore Unit DESDE	Gorman, TX 76454	
10443720001865 6298	200 County Road 499	De Leon, TX 76444-6585	

Per agent Email - attach'd.

EST IS 10443720008656299 - 200 County Rd 499

fe

Gorman Tx 76454

	ESI ID	Service Address	TDU
1	10443720001863732	200 County Road 508 Well Oil, De Leon, TX 76445	Oncor
2	10443720001862368	FM 2214, Gorman, TX 76454	Oncor
3	10443720007536797	200 County Road 508 Main, De Leon, TX 76445	Oncor
4	10443720001862616	FM 2214, Gorman, TX 76454	Oncor
5	10443720008807083	5050 Highway 8, Gorman, TX 76454- 2001	Oncor
6	10443720008856237	5701 FM 8, Gorman, TX 76454	Oncor
7	10443720008656206	6902 FM 2214, Gorman, TX 76454	Oncor
8	10443720008812074	100 County Road 497, Gorman, TX 76454	Oncor
9	10443720001860694	Moore Unit DESDE, Gorman, TX 76454	Oncor
10	104437200018656299	200 County Road 499, De Leon, TX 76444-6585	Oncor
11			
12			
13			
14			
15			



STATEMENT

On the go? Now you can access your online account through your smartphone or tablet with our new mobile website.

PUC License # 10034
P.O. Box 700608
Dallas, TX 75370-0608
visit our website at: www.cirroenergy.com
email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Statement Number: 5833150
Statement Date: 5/01/2012
167262-3

Customer Name
Service Address

CANO PETROLEUM INC
200 COUNTY ROAD 508 WELL OIL
DE LEON TX 76445-1677

BILLING SUMMARY

Previous Electric Balance	\$479.11
Payments Received	<u>\$0.00</u>
	\$479.11 Balance Forward
Uncollectible Balance	-\$263.04 Total Adjustments
Balance Forward	\$479.11
Total Adjustments	-\$263.04
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$216.07

For questions about your account or service please contact Cirro Energy at (800) 692-4778

Monday through Friday 7:30 a.m. to 8 p.m.
Saturday 8 a.m. to 5 p.m.

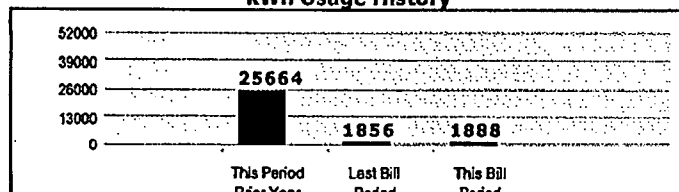
For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720001863732 OD

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7138.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$ _____
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$216.07**
Account Number: 167262-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

0000016726230000000216079

EXHIBIT "C"



STATEMENT

PUC License # 10034
P.O. Box 700608
Dallas, TX 75370-0608
visit our website at: www.cirroenergy.com
email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Statement Number: 5833151
Statement Date: 5/01/2012
167263-3

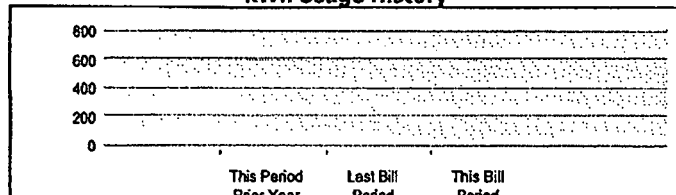
Customer Name
Service Address

CANO PETROLEUM INC
FM 2214
GORMAN TX 76454

BILLING SUMMARY

Previous Electric Balance	\$47.79
Payments Received	<u>\$0.00</u>
	\$47.79 Balance Forward
Late Payment Penalty	\$0.18
Uncollectible Balance	<u>-\$25.28</u>
	-\$25.10 Total Adjustments
Balance Forward	\$47.79
Total Adjustments	-\$25.10
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$22.69

kWh Usage History



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For questions about your account or service please contact Cirro Energy at (800) 692-4776

Monday through Friday 7:30 a.m. to 8 p.m.
Saturday 8 a.m. to 5 p.m.

For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720001862368 OD

Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$

Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$22.69**
Account Number: 167263-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment

Assistance Program

\$

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

0000016726330000000022699



STATEMENT

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email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Statement Number: 5833152
Statement Date: 5/01/2012
167264-3

Customer Name
Service Address

CANO PETROLEUM INC
200 COUNTY ROAD 508 MAIN
DE LEON TX 76445-1677

BILLING SUMMARY

Previous Electric Balance	\$185.11
Payments Received	<u>\$0.00</u>
	\$185.11 Balance Forward
Late Payment Penalty	\$0.61
Uncollectible Balance	<u>-\$111.04</u>
	-\$110.43 Total Adjustments
Balance Forward	\$185.11
Total Adjustments	-\$110.43
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$74.68

For questions about your account or service please contact Cirro Energy at (800) 692-4776

Monday through Friday 7:30 a.m. to 8 p.m.
Saturday 8 a.m. to 5 p.m.

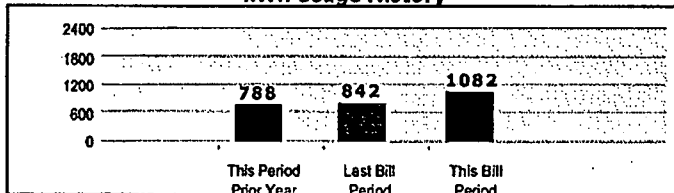
For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720007536797 OD

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-938-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-938-7138.

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PAYMENT COUPON

AMOUNT PAID: \$
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$74.68**
Account Number: 167264-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

0000016726430000000074686



STATEMENT

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email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Statement Number: 5833153
Statement Date: 5/01/2012
167268-3

Customer Name
Service Address

CANO PETROLEUM INC
FM 2214 HWY
GORMAN TX 76454

BILLING SUMMARY

Previous Electric Balance	\$3.32
Payments Received	<u>\$0.00</u>
	\$3.32 Balance Forward
Uncollectible Balance	-\$19.76 Total Adjustments
Balance Forward	\$3.32
Total Adjustments	-\$19.76
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	-\$16.44

For questions about your account or service please contact Cirro Energy at (800) 692-4776

Monday through Friday 7:30 a.m. to 8 p.m.
Saturday 8 a.m. to 5 p.m.

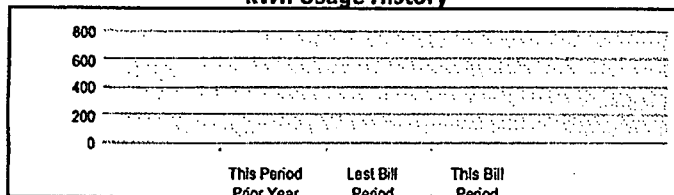
For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720001862616 OD

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$ _____
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **-\$16.44**
Account Number 167268-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

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00000167268300000000000000



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ACCOUNT SUMMARY

Account Number

Statement Number: 5833154
Statement Date: 5/01/2012
167269-3

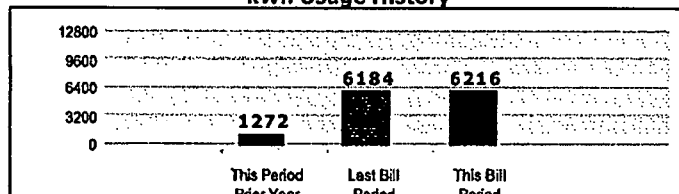
Customer Name
Service Address

CANO PETROLEUM INC
5050 HIGHWAY 8
GORMAN TX 76454-2001

BILLING SUMMARY

Previous Electric Balance	\$599.76
Payments Received	<u>\$0.00</u>
	\$599.76 Balance Forward
Uncollectible Balance	-\$329.60 Total Adjustments
Balance Forward	\$599.76
Total Adjustments	-\$329.60
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$270.16

kWh Usage History



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Saturday 8 a.m. to 5 p.m.

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Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720008807083 OD

Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-938-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-938-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$270.16**
Account Number 167269-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

0000016726930000000270169



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email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Statement Number: 5833155
Statement Date: 5/01/2012
167272-3

Customer Name
Service Address

CANO PETROLEUM INC
MOORE UNIT DESDEMONA
GORMAN TX 76454

BILLING SUMMARY

Previous Electric Balance	\$547.19
Payments Received	<u>\$0.00</u>
	\$547.19 Balance Forward
Late Payment Penalty	\$1.90
Uncollectible Balance	<u>-\$258.72</u>
	-\$256.82 Total Adjustments
Balance Forward	\$547.19
Total Adjustments	-\$256.82
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	<u>\$290.37</u>

For questions about your account or service please contact Cirro Energy at (800) 692-4776

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Saturday 8 a.m. to 5 p.m.

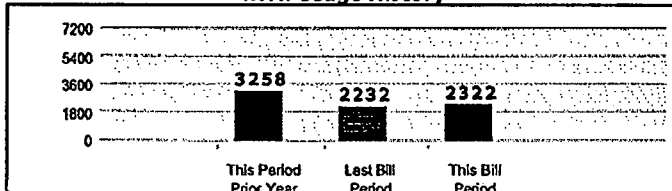
For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720001860694 OD

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$ _____
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$290.37**
Account Number: 167272-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

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0000016727230000000290370



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email us at: service@cirroenergy.com

ACCOUNT SUMMARY

Account Number

Customer Name
Service Address

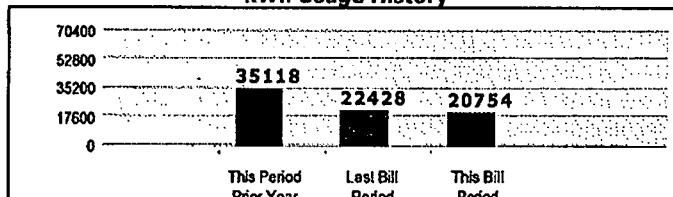
Statement Number: 5833157
Statement Date: 5/01/2012
225639-3

CANO PETROLEUM INC
100 COUNTY ROAD 497
GORMAN TX 76454

BILLING SUMMARY

Previous Electric Balance	\$2,029.42
Payments Received	<u>\$0.00</u>
	\$2,029.42 Balance Forward
Uncollectible Balance	-\$1,240.80 Total Adjustments
Balance Forward	\$2,029.42
Total Adjustments	-\$1,240.80
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$788.62

kWh Usage History



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Saturday 8 a.m. to 5 p.m.

For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720008812074 OD

Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-762-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$ _____
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
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P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$788.62**
Account Number: 225639-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

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ACCOUNT SUMMARY

Account Number

Statement Number: 5833158
Statement Date: 5/01/2012
225640-3

Customer Name
Service Address

CANO PETROLEUM INC
5701 HIGHWAY 8
GORMAN TX 76454-2011

BILLING SUMMARY

Previous Electric Balance	-\$335.89
Payments Received	<u>\$0.00</u>
	-\$335.89 Balance Forward
Uncollectible Balance	-\$308.96 Total Adjustments
Balance Forward	-\$335.89
Total Adjustments	-\$308.96
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	-\$644.85

For questions about your account or service please contact Cirro Energy at (800) 692-4776

Monday through Friday 7:30 a.m. to 6 p.m.
Saturday 8 a.m. to 5 p.m.

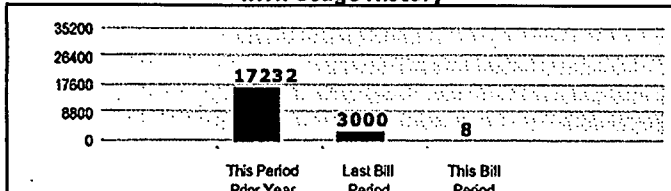
For power outages or emergencies call
Oncor Electric Delivery at
(888)313 4747

CURRENT CHARGES

CURRENT ELECTRIC CHARGES **\$0.00**

Rate Class: BUSINESS
ESI ID: 10443720008656237 OD

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-936-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-936-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$ _____
Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **-\$644.85**
Account Number: 225640-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

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00000225640300000000000003



STATEMENT

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ACCOUNT SUMMARY

Account Number

Statement Number: 5833159

Statement Date: 5/01/2012

259228-3

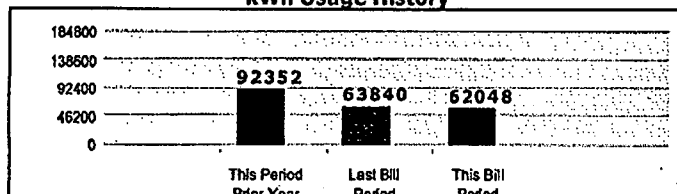
Customer Name
Service Address

CANO PETROLEUM INC
200 COUNTY ROAD 508
DE LEON TX 76445-1677

BILLING SUMMARY

Previous Electric Balance	\$5,367.33
Payments Received	<u>\$0.00</u>
	\$5,367.33 Balance Forward
Late Payment Penalty	\$26.05
Uncollectible Balance	<u>-\$2,740.96</u>
	-\$2,714.91 Total Adjustments
Balance Forward	\$5,367.33
Total Adjustments	<u>-\$2,714.91</u>
Current Electric Charges	<u>\$0.00</u>
Balance Due by 5/18/2012	\$2,652.42

kWh Usage History



Average price you paid this month is 0.00 cents per kWh. If you feel your bill is incorrect, please contact Cirro Energy at our toll free number or e-mail us at service@cirroenergy.com and a representative will work with you to resolve any billing disputes. If we fail to resolve your dispute, you may file a complaint with the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, 512-938-7120 or toll free in Texas at 888-782-8477. Hearing and speech impaired individuals with text telephones (TTY) may contact the commission at 512-938-7136.

Please detach coupon and return with your payment. DO NOT SEND CASH.



PAYMENT COUPON

AMOUNT PAID: \$

Please write your ACCOUNT number on your check.

MAIL PAYMENT TO:
CIRRO ENERGY
P.O. BOX 660004
DALLAS, TX 75266-0004

CANO PETROLEUM INC
6500 N BELT LINE ROAD STE 200
IRVING TX 75063

Amount Due: **\$2,652.42**
Account Number: 259228-3
Current Bill Past Due After: 5/18/2012

☐ Contribution for Bill Payment Assistance Program

Cirro Energy is pleased to offer the bill payment assistance program, which helps pay the electric bills of people in need. This program is funded by contributions from our customers.

0000025922830000002652421



Writer's Direct Dial:
(214) 752-2222, ext. 122

Writer's E-mail Address:
nmohammed@curtislaw.net

May 2, 2012

Via FedEx Overnight #798353163887

BMC Group, Inc.
Re: Cano Petroleum, Inc.
18675 Lake Drive East
Chanhassen, MN 55317

Re: *In re Cano Petroleum, Inc., et al.*; Case No. 12-31549

Dear Claims Agent:

Enclosed is Cirro Group, Inc.'s Proof of Claim, including Exhibits A, B, and C, for filing in the above-referenced case. Please file the Proof of Claim in the above-referenced case and return a file-stamped copy in the envelope provided.

If you have any questions or concerns regarding the Proof of Claim, please contact attorney Jason M. Katz at (214) 752-2222.

Sincerely,

A handwritten signature in black ink that reads "Nayeem Mohammed" followed by a stylized flourish or initial.

Nayeem Mohammed

Enclosures

cc: Firm

From: (214) 752-2222
 Jason Katz
 Curtis Castillo PC
 901 Main Street
 Suite 6515
 Dallas, TX 75202

Origin ID: RBDA



Ship Date: 02MAY12
 ActWgt: 1.0 LB
 CAD: 103266504/NET3250

Delivery Address Bar Code



SHIP TO: (952) 404-5700

BILL SENDER

BMC Group, Inc.
 18675 Lake Dr E
 Re: Cano Petroleum Inc
 Chanhassen, MN 55317

Ref # Cirro-Cano Petroleum
 Invoice #
 PO #
 Dept #

THU - 03 MAY A1
 PRIORITY OVERNIGHT

TRK# 7983 5316 3887

0201

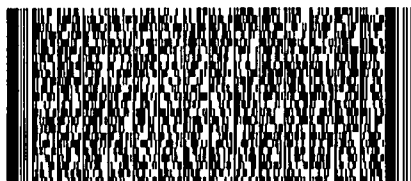
RES

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512G361A4/A278

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MAY 03 2012

BMC GROUP

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2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

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