

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

PROOF OF CLAIM

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

- Cano Petroleum, Inc. (Case No. 12-31549)
- Cano Petro of New Mexico (Case No. 12-31550)
- Ladder Companies, Inc. (Case No. 12-31551)
- Square One Energy, Inc. (Case No. 12-31552)
- Tri-Flow, Inc. (Case No. 12-31553)
- W.O. Energy of Nevada, Inc (Case No. 12-31554)
- W.O. Operating Company, Ltd. (Case No. 12-31556)
- W.O. Production Company, Ltd. (Case No. 12-31557)
- WO Energy, Inc. (Case No. 12-31555)

POC ID: 894

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:



29747776000894

COLONIAL ROYALTIES LIMITED PARTNERSHIP  
PO BOX 3460  
BROKEN ARROW, OK 74013-3460

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MAY 04 2012

BMC GROUP

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

THIS SPACE IS FOR COURT USE ONLY

Creditor Telephone Number (918) 455-7722 email: lakewine@aol.com

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):

Filed on:

Payment Telephone Number ( ) email:

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

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.

2. BASIS FOR CLAIM: Unpaid Oil & Gas Royalties  
(See instruction #2)

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

3a. Debtor may have scheduled account as:  
(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.

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

Nature of property or right of setoff:  
Describe:

Basis for Perfection:

Real Estate  Motor Vehicle  Other Royalty Owner in various properties-sale of oil, gas, & by-products.  
Value of Property: \$ UNKNOWN

Amount of Secured Claim: \$ UNKNOWN

Amount Unsecured: \$ UNKNOWN

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

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

Amount entitled to priority: \$

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) ( ).

CANO PETROLEUM



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\* 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 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: Have not received payment detail and/or production statement indicating amount due.

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

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

**BY MAIL TO:**

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

**BY MESSENGER OR OVERNIGHT DELIVERY TO:**

BMC Group, Inc.  
Attn: Cano Petroleum, Inc. Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317

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

**8. SIGNATURE:** (See instruction #8)

Check the appropriate box.

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

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

Print Name: Robert L. Rorschach

Title: General Partner

Company: Colonial Royalties Limited Partnership

Address and telephone number (if different from notice address above):  
\_\_\_\_\_  
\_\_\_\_\_

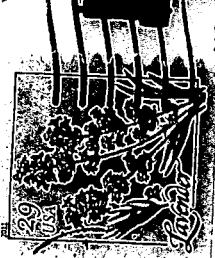
Robert L. Rorschach  
(Signature)

4/13/12  
(Date)

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

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.

COLONIAL ROYALTIES LIMITED  
P. O. Box 3460  
Broken Arrow, OK 74013-3460



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