

UNITED STATES BANKRUPTCY COURT, NORTHERN DISTRICT OF TEXAS		PROOF OF CLAIM
Indicate Debtor against which you assert a claim by (Check only one Debtor per claim form.) <input type="checkbox"/> Cano Petroleum, Inc. (Case No. 12-31549) <input type="checkbox"/> Tri-Flow, Inc. (Case No. 12-31553) <input type="checkbox"/> Cano Petro of New Mexico (Case No. 12-31550) <input type="checkbox"/> W.O. Energy of Nevada, Inc (Case No. 12-31554) <input type="checkbox"/> Ladder Companies, Inc. (Case No. 12-31551) <input checked="" type="checkbox"/> W.O. Operating Company, Ltd. (Case No. 12-31556) <input type="checkbox"/> Square One Energy, Inc. (Case No. 12-31552) <input type="checkbox"/> W.O. Production Company, Ltd. (Case No. 12-31557) <input type="checkbox"/> WO Energy, Inc. (Case No. 12-31555)		
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Brett Branum Kinsey		COURT USE ONLY
Name and address where notices should be sent: Brett Branum Kinsey Austin TX 78727 4300 Everest Telephone number: 512-973-3300 email:		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: (If known) Filed on
Name and address where payment should be sent (if different from above): Telephone number: email:		<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.
1. Amount of Claim as of Date Case Filed: 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>Royalty Interest Payments</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: <u>1568</u>	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 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: Value of Property: Annual Interest Rate % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: Basis for perfection: 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). <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:

- 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: Brett Branum Kinsey

Title:

Company:

Address and telephone number (if different from notice address above): /s/ Brett Branum Kinsey 4/27/2012
(Signature) (Date)

Telephone number: e-mail:

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.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

INFORMATION

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim may also be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation of communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

DIVISION ORDER

**W. O. OPERATING, LTD.
P O BOX 960
PAMPA, TX 79066-0960**

08/09/2005

**BRETT BRANUM KINSEY
4300 EVEREST
AUSTIN, TX 78729**

Owner Number: KBB01
Type of Interest: R
Decimal Interest: 0.00630760

Property #: 1930
Property Name: WB HAILE
Effective Date: 06/01/2005
Operator:

Legal Description: Southwest Quarter (SW/4) of Section 4, Block, M-21, TCRR Co. Survey, Hutchinson County, Texas.

Production CND: N GAS: Y OIL: N PRD: N

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

The undersigned certifies the ownership of their decimal interest in production or proceeds as described above.

TERMS OF SALE: The undersigned will be paid in accordance with the division of interests as set above. The payor shall pay all parties at the price agreed to by the operator for oil and gas to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

PAYMENTS: From the effective date, payments are to be made by checks of payor, its successors or assigns, based on this division of interest, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than \$100 will be accrued before disbursement until the total amount equals \$100 or more, or December 31 of each year, whichever occurs first. Owner agrees to refund payor any amounts attributable to an interest or part of an interest that owner does not own.

**VALERO MARKETING AND SUPPLY COMPANY
DIVISION ORDER**

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187071

Owner Number: 10143977

Date: July 5, 2005

Analyst:

GONZALEZ, SANDY

**BRETT BRANUM KINSEY
4300 EVEREST
AUSTIN, TX 78727**

This Division Order reflects the transfer from Patricia Anne Haile Kinsey to Brett Branum Kinsey. Please execute these forms in accordance with the instructions for execution on the backside of these forms and return one copy.


IMPORTANT: You must provide your social security number or tax identification number. Your signature and those of two witnesses must also be provided. Your signature confirms the interest identified below to Owner #10143977, and binds you to the terms on the reverse side of this division order document effective as of 7:00 A. M. as shown below. Please return one copy of the executed division order to Valero Marketing and Supply Company, Attention: Division Order Section, PO Box 696000, San Antonio, Texas 78269-6000, (800) 475-4171. Please refer to the Instructions for Execution on the reverse side of this document.

To ensure complete information for state and federal tax reporting, please circle the appropriate response to the following:
 Are you a foreign citizen or foreign corporation? Yes/No Are you a US Citizen residing in a foreign country? Yes/No
 Are you incorporated? Yes/No Are you a tax-exempt entity? Yes/No (if yes, please provide documentation)


Brett B. Kinsey
 Owner(s) Signature

 Owner(s) Signature

 Social Security or Tax ID #


 Signature of Witness #1

 Address


 Signature of Witness #2

 City, State and Zip Code

 Voice/FAX Telephone Number

Property # / Product	Property Name	Operator Name	Interest Type	Decimal Interest	Legal Description	Effective Date	SR
960006652 OIL	HAILE	CALDWELL PRODUCTION CO	Royalty Interest	0.000589300	SECTION 4, BLOCK M21, TC&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006652 OIL	HAILE	CALDWELL PRODUCTION CO	Royalty Interest	0.002130800	SECTION 4, BLOCK M21, TC&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006653 OIL	HAILE	PAN RESOURCES, INC.	Royalty Interest	0.002543900	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	

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**VALERO MARKETING AND SUPPLY COMPANY
DIVISION ORDER**

Owner Number:10143977

Date: July 5, 2005

Property # / Product Property Name	Operator Name	Interest Type	Decimal Interest	Legal Description	Effective Date	SR
960006653 OIL HAILE	PAN RESOURCES, INC.	Royalty Interest	0.008523800	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006654 OIL HAILE A	PAN RESOURCES, INC.	Royalty Interest	0.020833300	TR 3& 5 SUBDIV; SECTIONS 14 & 15, BLOCK L, EL&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006655 OIL HAILE B	CALDWELL PRODUCTION CO	Royalty Interest	0.002543900	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006655 OIL HAILE B	CALDWELL PRODUCTION CO	Royalty Interest	0.008523800	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006656 OIL HAILE C	PAN RESOURCES, INC.	Royalty Interest	0.001696700	SECTION 13, BLOCK L, EL&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006656 OIL HAILE C	PAN RESOURCES, INC.	Royalty Interest	0.005681800	SECTION 13, BLOCK L, EL&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006656 OIL HAILE C	PAN RESOURCES, INC.	Production Payment	0.000848400	SECTION 13, BLOCK L, EL&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006656 OIL HAILE C	PAN RESOURCES, INC.	Production Payment	0.002840900	SECTION 13, BLOCK L, EL&RR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006657 OIL HAILE D	CALDWELL PRODUCTION CO	Royalty Interest	0.000848000	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960006657 OIL HAILE D	CALDWELL PRODUCTION CO	Royalty Interest	0.002841000	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960007610 OIL HAILE, W B	WO OPERATING COMPANY	Royalty Interest	0.001336600	TR 2 & 3& 4, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960007610 OIL HAILE, W B	WO OPERATING COMPANY	Royalty Interest	0.004971500	TR 2 & 3& 4, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	
960007611 OIL HAILE, W B B P LAC	CALDWELL PRODUCTION CO	Royalty Interest	0.000789000	SECTION 5, BLOCK M21, TCRR SURVEY, HUTCHINSON COUNTY, TX	06-01-2005	

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