EXHIBIT B1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE	§	
	§	CASE NO. 12-31549-bjh-11
CANO PETROLEUM, INC., ET AL	§	JOINTLY ADMINISTERED
	§	
Debtors.	§	(CHAPTER 11)

BALLOT FOR ACCEPTING OR REJECTING
JOINT PLAN OF REORGANIZATION

General Unsecured Claims (Classes A5, B5, C5, D5, E3, F5, G5, H5 and I5)

Cano Petroleum, Inc. ("Cano"), and its direct and indirect subsidiary debtors, as debtors and debtors-in-possession (collectively, the "Debtors"), are soliciting votes on their *Second Amended Joint Plan of Reorganization for the Debtors* (as amended, modified, and supplemented, the "Plan").[1] This ballot is for holders of General Unsecured Claims (Classes A5, B5, C5, D5, E3, F5, G5, H5 and I5). The accompanying *Second Amended Joint Disclosure Statement for Joint Plan of Reorganization* (as amended, modified, and supplemented, the "Disclosure Statement")[2] describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan (as Exhibit A).

Please review the Disclosure Statement, the Disclosure Statement Order, the Plan, and the Solicitation, Voting and Balloting Procedures (attached as Exhibit A to the Disclosure Statement Order) and this ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim's classification and treatment of it.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement, the Disclosure Statement Order, or the Plan, please contact the Balloting Agent at the address below. The materials may also be obtained from http://www.bmcgroup.com/cano or by written request to the Balloting Agent requesting that a paper copy of the Disclosure Statement, Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

By hand delivery or overnight mail at:
BMC Group, Inc.
Re: Cano Petroleum, Inc.
18675 Lake Drive East
Chanhassen, MN 55317

By first class mail at:
BMC Group, Inc.
Re. Cano Petroleum, Inc.
P.O. Box 3020
Chanhassen, MN 55317-3020

VOTING DEADLINE

THE VOTING DEADLINE IS JULY 6, 2012 AT 5:00 P.M. (PREVAILING CENTRAL TIME) IF THE BALLOTING AGENT DOES NOT TIMELY RECEIVE YOUR BALLOT, IT WILL NOT BE COUNTED. DO NOT FAX OR EMAIL THIS BALLOT TO THE BALLOTING AGENT; BALLOTS SENT BY FAX OR EMAIL WILL NOT BE COUNTED.

HOW TO VOTE

1. Complete Item 1, Item 2, Item 3 and Item 4.
2. Review the Certifications contained in Item 5.
3. **Sign and Date the Ballot.**
4. Return the original ballot in the enclosed pre-addressed envelope so the Balloting Agent receives it by the Voting Deadline.

[1] All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan [Dkt. No. ___.]
[2] Dkt. No. __.

Item 1. Amount of General Unsecured Claim Voted. The Creditor who executes this ballot or on whose behalf this ballot is executed holds a General Unsecured Claim against one or more of the Debtors in the amount of <<ClaimAmt>> and is entitled to vote its General Unsecured Claim in the following amount:

<<VoteAmount>>

Item 2. Debtor. The Creditor who executes this ballot holds such claim against the following Debtor:

<<CaseName>> <<CaseNumber>>

Item 3. Vote on Plan (check only one box).

☐ ACCEPT (vote FOR) the Plan

<<ACCEPTBARCODE>>

☐ REJECT (vote AGAINST) the Plan

<<REJECTBARCODE>>

Item 4. Consent to Releases in Sections 15.04 and 15.05 of the Plan

☐ **CONSENT TO RELEASES IN SECTIONS 15.04 AND 15.05 OF THE PLAN.**

Check the CONSENT TO RELEASES box if you choose to grant the Releases set forth in Section 15.04 and Section 15.05 of the Plan. Your decision to check the box and to grant the Releases described herein is voluntary. By checking the box, you agree to release any and all pre- or post-petition Claims and Causes of Actions (as defined in the Plan) you may have against the Debtors and the Released Parties (as defined in the Plan), whether or not those Claims or Causes of Action are asserted, known or unknown..

<<RELEASEBARCODE>>

Item 5. The undersigned certifies that a copy of the Disclosure Statement, the Disclosure Statement Order and the Plan have been received and reviewed by the undersigned.

<<MailLabel>>

Name of Creditor:

Social Security or Federal Tax ID No. (Optional):

Signature:

Title (If Corporation, Partnership or LLC):

Name of Signatory (If other than Creditor):

Street Address:

City, State, Zip Code:

Telephone Number:

Date Completed:

EXHIBIT B2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE	§	
	§	CASE NO. 12-31549-bjh-11
CANO PETROLEUM, INC., ET AL	§	JOINTLY ADMINISTERED
	§	
Debtors.	§	(CHAPTER 11)

BALLOT FOR ACCEPTING OR REJECTING
JOINT PLAN OF REORGANIZATION

UBE Junior Secured Claims (Classes A3, B3, C3, D3, F3, G3, H3 and I3)

Cano Petroleum, Inc. ("Cano"), and its direct and indirect subsidiary debtors, as debtors and debtors-in-possession (collectively, the "Debtors"), are soliciting votes on their *Second Amended Joint Plan of Reorganization for the Debtors* (as amended, modified, and supplemented, the "Plan").[1] This ballot is for holders of UBE Junior Secured Claims (Classes A3, B3, C3, D3, F3, G3, H3 and I3). The accompanying *Second Amended Joint Disclosure Statement for Joint Plan of Reorganization* (as amended, modified, and supplemented, the "Disclosure Statement")[2] describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan (as Exhibit A).

Please review the Disclosure Statement, the Disclosure Statement Order, the Plan, and the Solicitation, Voting and Balloting Procedures (substantially in same form as Exhibit A to the Disclosure Statement Order) and this ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim's classification and treatment of it.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement, the Disclosure Statement Order, or the Plan, please contact the Balloting Agent at the address below. The materials may also be obtained from http://www.bmcgroup.com/cano or by written request to the Balloting Agent requesting that a paper copy of the Disclosure Statement, Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

By hand delivery or overnight mail at:
BMC Group, Inc.
Re: Cano Petroleum, Inc.
18675 Lake Drive East
Chanhassen, MN 55317

By first class mail at:
BMC Group, Inc.
Re. Cano Petroleum, Inc.
P.O. Box 3020
Chanhassen, MN 55317-3020

VOTING DEADLINE

THE VOTING DEADLINE IS JULY 6, 2012 AT 5:00 P.M. (PREVAILING CENTRAL TIME) IF THE BALLOTING AGENT DOES NOT TIMELY RECEIVE YOUR BALLOT, IT WILL NOT BE COUNTED. DO NOT FAX OR EMAIL THIS BALLOT TO THE BALLOTING AGENT; BALLOTS SENT BY FAX OR EMAIL WILL NOT BE COUNTED.

HOW TO VOTE

1. Complete Item 1, Item 2, Item 3 and Item 4.
2. Review the Certifications contained in Item 5.
3. **Sign and Date the Ballot.**
4. Return the original ballot in the enclosed pre-addressed envelope so the Balloting Agent receives it by the Voting Deadline.

[1] All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan [Dkt. No. ____.]
[2] Dkt. No. __.

Item 1. Amount of UBE Junior Secured Claim Voted. The Creditor who executes this ballot or on whose behalf this ballot is executed holds a UBE Junior Secured Claim against one or more of the Debtors in the amount of <<ClaimAmt>> and is entitled to vote its UBE Junior Secured Claim in the following amount:

<<VoteAmount>>

Item 2. Debtor. The Creditor who executes this ballot holds such claim against the following Debtor:

<<CaseName>> <<CaseNumber>>

Item 3. Vote on Plan (check only one box).

☐ ACCEPT (vote FOR) the Plan

<<ACCEPTBARCODE>>

☐ REJECT (vote AGAINST) the Plan

<<REJECTBARCODE>>

Item 4. Consent to Releases in Sections 15.04 and 15.05 of the Plan

☐ **CONSENT TO RELEASES IN SECTIONS 15.04 AND 15.05 OF THE PLAN.**

Check the CONSENT TO RELEASES box if you choose to grant the Releases set forth in Section 15.04 and Section 15.05 of the Plan. Your decision to check the box and to grant the Releases described herein is voluntary. By checking the box, you agree to release any and all pre- or post-petition Claims and Causes of Actions (as defined in the Plan) you may have against the Debtors and the Released Parties (as defined in the Plan), whether or not those Claims or Causes of Action are asserted, known or unknown..

<<RELEASEBARCODE>>

Item 5. The undersigned certifies that a copy of the Disclosure Statement, the Disclosure Statement Order and the Plan have been received and reviewed by the undersigned.

<<MailLabel>>

Name of Creditor:

Social Security or Federal Tax ID No. (Optional):

Signature:

Title (If Corporation, Partnership or LLC):

Name of Signatory (If other than Creditor):

Street Address:

City, State, Zip Code:

Telephone Number:

Date Completed:

EXHIBIT B3

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE	§	
	§	CASE NO. 12-31549-bjh-11
CANO PETROLEUM, INC., ET AL	§	JOINTLY ADMINISTERED
	§	
Debtors.	§	(CHAPTER 11)

BALLOT FOR ACCEPTING OR REJECTING
JOINT PLAN OF REORGANIZATION

Senior Secured Claims (Classes A2, B2, C2, D2, F2, G2, H2 and I2)

Cano Petroleum, Inc. ("Cano"), and its direct and indirect subsidiary debtors, as debtors and debtors-in-possession (collectively, the "Debtors"), are soliciting votes on their *Second Amended Joint Plan of Reorganization for the Debtors* (as amended, modified, and supplemented, the "Plan").[1] This ballot is for holders of Senior Secured Claims (Classes A2, B2, C2, D2, F2, G2, H2 and I2). The accompanying *Second Amended Joint Disclosure Statement for Joint Plan of Reorganization* (as amended, modified, and supplemented, the "Disclosure Statement")[2] describes the Plan and contains information to assist you in deciding how to vote. The Disclosure Statement also contains a copy of the Plan (as Exhibit A).

Please review the Disclosure Statement, the Disclosure Statement Order, the Plan, and the Solicitation, Voting and Balloting Procedures (substantially in the same form as Exhibit A to the Disclosure Statement Order) and this ballot carefully before you vote. You may wish to seek legal advice concerning the Plan and your Claim's classification and treatment of it.

Questions. If you have any questions regarding this ballot or the voting procedures, or if you do not have a copy of the Disclosure Statement, the Disclosure Statement Order, or the Plan, please contact the Balloting Agent at the address below. The materials may also be obtained from http://www.bmcgroup.com/cano or by written request to the Balloting Agent requesting that a paper copy of the Disclosure Statement, Plan, and other materials included in the Solicitation Package be sent to the address specified in the request at the following address:

By hand delivery or overnight mail at:
BMC Group, Inc.
Re: Cano Petroleum, Inc.
18675 Lake Drive East
Chanhassen, MN 55317

By first class mail at:
BMC Group, Inc.
Re. Cano Petroleum, Inc.
P.O. Box 3020
Chanhassen, MN 55317-3020

VOTING DEADLINE

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HOW TO VOTE

1. Complete Item 1, Item 2, Item 3 and Item 4.
2. Review the Certifications contained in Item 5.
3. **Sign and Date the Ballot.**
4. Return the original ballot in the enclosed pre-addressed envelope so the Balloting Agent receives it by the Voting Deadline.

[1] All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan [Dkt. No. ___.]
[2] Dkt. No. __.

Item 1. Amount of Senior Secured Claim Voted. The Creditor who executes this ballot or on whose behalf this ballot is executed holds a Senior Secured Claim against one or more of the Debtors in the amount of <<ClaimAmt>> and is entitled to vote its Senior Secured Claim in the following amount:

<<VoteAmount>>

Item 2. Debtor. The Creditor who executes this ballot holds such claim against the following Debtor:

<<CaseName>> <<CaseNumber>>

Item 3. Vote on Plan (check only one box).

☐ ACCEPT (vote FOR) the Plan

<<ACCEPTBARCODE>>

☐ REJECT (vote AGAINST) the Plan

<<REJECTBARCODE>>

Item 4. Consent to Releases in Sections 15.04 and 15.05 of the Plan

☐ **CONSENT TO RELEASES IN SECTIONS 15.04 AND 15.05 OF THE PLAN.**

Check the CONSENT TO RELEASES box if you choose to grant the Releases set forth in Section 15.04 and Section 15.05 of the Plan. Your decision to check the box and to grant the Releases described herein is voluntary. By checking the box, you agree to release any and all pre- or post-petition Claims and Causes of Actions (as defined in the Plan) you may have against the Debtors and the Released Parties (as defined in the Plan), whether or not those Claims or Causes of Action are asserted, known or unknown..

<<RELEASEBARCODE>>

Item 5. The undersigned certifies that a copy of the Disclosure Statement, the Disclosure Statement Order and the Plan have been received and reviewed by the undersigned.

<<MailLabel>>

Name of Creditor:

Social Security or Federal Tax ID No. (Optional):

Signature:

Title (If Corporation, Partnership or LLC):

Name of Signatory (If other than Creditor):

Street Address:

City, State, Zip Code:

Telephone Number:

Date Completed: