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Exhibit 99.1

Monthly Operating Report

CASE NAME: Cano Petroleum, Inc.

ACCRUAL BASIS

CASE NUMBER: 12-31549-bjh-11

JUDGE: Barabara J. Houser

UNITED STATES BANKRUPTCY COURT

NORTHERN AND EASTERN
DISTRICT OF
TEXAS

DIVISION 6

MONTHLY OPERATING REPORT

MONTH ENDING: April 30th, 2012

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

<u>/s/ John H. Homier</u>	<u>CFO</u>
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY	TITLE
<u>John H. Homier</u>	<u>5/21/2012</u>
PRINTED NAME OF RESPONSIBLE PARTY	DATE

PREPARER:

<u>/s/ Adrian Lamberti</u>	<u>Controller</u>
ORIGINAL SIGNATURE OF PREPARER	TITLE
<u>Adrian Lamberti</u>	<u>5/21/2012</u>
PRINTED NAME OF PREPARER	DATE

Monthly Operating Report

CASE NAME: Cano Petroleum, Inc.

ACCRUAL BASIS-1

CASE NUMBER: 12-31549-bjh-11

COMPARATIVE BALANCE SHEET

	SCHEDULE AMOUNT	MONTH 3/31/2012	MONTH April-12	MONTH
ASSETS				
1. UNRESTRICTED CASH(1)	\$ 697,796	\$ 469,004	\$ 141,380	
2. RESTRICTED CASH				
3. TOTAL CASH	<u>\$ 697,796</u>	<u>\$ 469,004</u>	<u>\$ 141,380</u>	<u>\$ 0</u>
4. ACCOUNTS RECEIVABLE (NET)				
5. INVENTORY				
6. NOTES RECEIVABLE				
7. PREPAID EXPENSES		\$ 908,866	\$ 1,587,434	
8. OTHER (ATTACH LIST) (2) MOR-1 Exhibit A	\$ 350,000	\$ 130,429,890	\$ 129,526,537	
9. TOTAL CURRENT ASSETS	<u>\$ 1,047,796</u>	<u>\$ 131,807,760</u>	<u>\$ 131,255,351</u>	<u>\$ 0</u>
10. PROPERTY, PLANT & EQUIPMENT	\$ 119,000	\$ 2,390,824	\$ 2,390,824	
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION		\$ 1,739,202	\$ 1,768,061	
12. NET PROPERTY, PLANT & EQUIPMENT	<u>\$ 119,000</u>	<u>\$ 651,622</u>	<u>\$ 622,763</u>	<u>\$ 0</u>
13. DUE FROM INSIDERS				
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)				
15. OTHER (ATTACH LIST)				
16. TOTAL ASSETS	<u>\$ 1,166,796</u>	<u>\$ 132,459,382</u>	<u>\$ 131,878,114</u>	<u>\$ 0</u>
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$ 29,391	\$ 97,343	
18. TAXES PAYABLE				
19. NOTES PAYABLE				
20. PROFESSIONAL FEES				
21. SECURED DEBT		\$ 118,878	\$ 152,188	
22. OTHER (ATTACH LIST)			\$ 825,000	
23. TOTAL POSTPETITION LIABILITIES		<u>\$ 148,269</u>	<u>\$ 1,074,531</u>	<u>\$ 0</u>
PREPETITION LIABILITIES				
24. SECURED DEBT (3)(4)	\$ 81,113,359	\$ 81,113,359	\$ 81,034,453	
25. PRIORITY DEBT	\$ 29,306	\$ 29,306	\$ 29,306	
26. UNSECURED DEBT	\$ 1,361,469	\$ 1,361,469	\$ 1,361,469	
27. OTHER (ATTACH LIST)				
28. TOTAL PREPETITION LIABILITIES	<u>\$ 82,504,134</u>	<u>\$ 82,504,134</u>	<u>\$ 82,425,228</u>	<u>\$ 0</u>
29. TOTAL LIABILITIES	<u>\$ 82,504,134</u>	<u>\$ 82,652,403</u>	<u>\$ 83,499,759</u>	<u>\$ 0</u>
EQUITY				
30. PREPETITION OWNERS' EQUITY		\$ 50,105,888	\$ 50,105,888	
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		\$ (298,909)	\$ (1,727,533)	
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY	<u>\$ (81,337,338)</u>	<u>\$ 49,806,979</u>	<u>\$ 48,378,355</u>	<u>\$ 0</u>
34. TOTAL LIABILITIES & OWNERS' EQUITY	<u>\$ 1,166,796</u>	<u>\$ 132,459,382</u>	<u>\$ 131,878,114</u>	<u>\$ 0</u>

(1) Cash at filing was listed as \$697,795.79, but this total did not include transactions that Bank of Texas had not posted when the balance was obtained online in the afternoon of the day of the filing, March 7th, 2012. The true cash total was \$590,434.12 and a

reconciliation of the filed balance to the actual balance follows below:

Balance per filed schedule 03/07/2012	697,795.79
Less Wire payments clearing on 3/7/2012	(65,816.00)
Less Check payments clearing on 3/7/2012	(422.49)
Less ACH payments clearing on 3/7/2012	(41,123.18)
Adjusted balance for bank at 03/07/2012	<u>\$ 590,434.12</u>

(2) Includes consolidated retainer of \$250,000 for Thompson & Knight, \$40,000 for Blackhill Partners and \$66,800.00 for other contract employees

(3) Payment of insurance prepetition balance installments.

(4) For balance sheet purposes, the secured debt for Cano Petroleum, Inc. and its subsidiaries is carried in total by Cano Petroleum, Inc.

Monthly Operating Report

ACCRUAL BASIS-2

CASE NAME: Cano Petroleum, Inc.

CASE NUMBER: 12-31549-bjh-11

INCOME STATEMENT

	<u>MONTH</u> <u>3/8/2012 to 3/31/2012</u>	<u>MONTH</u> <u>April-12</u>	<u>MONTH</u>	<u>MONTH</u>
REVENUES				
1. GROSS REVENUES	\$ 0			
2. LESS: RETURNS & DISCOUNTS				
3. NET REVENUE	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
COST OF GOODS SOLD				
4. MATERIAL				
5. DIRECT LABOR				
6. DIRECT OVERHEAD				
7. TOTAL COST OF GOODS SOLD	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
8. GROSS PROFIT	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION	\$ 20,046	\$ 52,930		
10. SELLING & MARKETING				
11. GENERAL & ADMINISTRATIVE	\$ 117,196	\$ 358,193		
12. RENT & LEASE	\$ 12,553	\$ 11,454		
13. OTHER (ATTACH LIST)				
14. TOTAL OPERATING EXPENSES	<u>\$ 149,795</u>	<u>\$ 422,577</u>	<u>\$ 0</u>	<u>\$ 0</u>
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	<u>\$ (149,795)</u>	<u>\$ (422,577)</u>	<u>\$ 0</u>	<u>\$ 0</u>
OTHER INCOME & EXPENSES				
16. NON-OPERATING INCOME (ATT. LIST)				
17. NON-OPERATING EXPENSE (ATT. LIST)				
18. INTEREST EXPENSE	\$ 118,878	\$ 152,188		
19. DEPRECIATION / DEPLETION	\$ 28,936	\$ 28,859		
20. AMORTIZATION				
21. OTHER (ATTACH LIST)				
22. NET OTHER INCOME & EXPENSES	<u>\$ 147,814</u>	<u>\$ 181,047</u>	<u>\$ 0</u>	<u>\$ 0</u>
REORGANIZATION EXPENSES				
23. PROFESSIONAL FEES (2)		\$ 825,000		
24. U.S. TRUSTEE FEES (1)	\$ 1,300			
25. OTHER (ATTACH LIST)				
26. TOTAL REORGANIZATION EXPENSES	<u>\$ 1,300</u>	<u>\$ 825,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
27. INCOME TAX				
28. NET PROFIT (LOSS)	<u>\$ (298,909)</u>	<u>\$ (1,428,624)</u>	<u>\$ 0</u>	<u>\$ 0</u>

Notes:

(1) Includes Q1 2012 Trustee Fees of \$975 for Cano Petroleum Inc. and \$325 for Tri-Flow Inc.

(2) Includes estimated expenses for Blackkill Partners of \$125,000 post petition and \$700,000 for Thompson and Knight

Monthly Operating Report

CASE NAME: Cano Petroleum, Inc.

ACCRUAL BASIS-3

CASE NUMBER: 12-31549-bjh-11

	<u>MONTH</u> <u>3/8/2012 to 3/31/2012</u>	<u>MONTH</u> <u>April-12</u>	<u>MONTH</u>	<u>QUARTER</u> <u>TOTAL</u>
CASH RECEIPTS AND DISBURSEMENTS				
1. CASH - BEGINNING OF MONTH (1)	\$ 590,434	\$ 496,004		
RECEIPTS FROM OPERATIONS				
2. CASH SALES				
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				
4. POSTPETITION				
5. TOTAL OPERATING RECEIPTS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
NON-OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)				
7. SALE OF ASSETS				
8. OTHER (ATTACH LIST)				
9. TOTAL NON-OPERATING RECEIPTS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
10. TOTAL RECEIPTS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
11. TOTAL CASH AVAILABLE	<u>\$ 590,434</u>	<u>\$ 496,004</u>	<u>\$ 0</u>	<u>\$ 0</u>
OPERATING DISBURSEMENTS				
12. NET PAYROLL	\$ 8,362	\$ 18,888		
13. PAYROLL TAXES PAID	\$ 632	\$ 1,379		
14. SALES, USE & OTHER TAXES PAID				
15. SECURED / RENTAL / LEASES	\$ 9,405	\$ 30,929		
16. UTILITIES (3)		\$ 6,914		
17. INSURANCE	\$ 39,452	\$ 39,453		
18. INVENTORY PURCHASES				
19. VEHICLE EXPENSES				
20. TRAVEL				
21. ENTERTAINMENT				
22. REPAIRS & MAINTENANCE		\$ 410		
23. SUPPLIES		\$ 750		
24. ADVERTISING				
25. OTHER (ATTACH LIST) see MOR-3 Exhibit A	\$ 36,579	\$ 255,902		
26. TOTAL OPERATING DISBURSEMENTS	<u>\$ 94,430</u>	<u>\$ 354,625</u>	<u>\$ 0</u>	<u>\$ 0</u>
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES				
28. U.S. TRUSTEE FEES				
29. OTHER (ATTACH LIST)				
30. TOTAL REORGANIZATION EXPENSES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
31. TOTAL DISBURSEMENTS	<u>\$ 94,430</u>	<u>\$ 354,625</u>	<u>\$ 0</u>	<u>\$ 0</u>
32. NET CASH FLOW	<u>\$ (94,430)</u>	<u>\$ (354,625)</u>	<u>\$ 0</u>	<u>\$ 0</u>
33. CASH - END OF MONTH (2)	<u>\$ 496,004</u>	<u>\$ 141,380</u>	<u>\$ 0</u>	<u>\$ 0</u>

Notes:

(1) Cash at filing was listed as \$697,795.79, but this total did not include transactions that Bank of Texas had not posted when the balance was obtained online in the afternoon of the day of the filing, March 7th, 2012. The true cash total was \$590,434.12 and a reconciliation of the filed balance to the actual balance follows below:

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Less Check payments clearing on 3/7/2012	(422.49)

Less ACH payments clearing on 3/7/2012	<u>(41,123.18)</u>
Adjusted balance for bank at 03/07/2012	<u><u>\$ 590,434.12</u></u>

- (2) Exclusive of cash sweep from zero balance accounts to concentration account at Cano Petroleum, Inc.
 - (3) Includes deposits of \$2,771.14 paid through approved utilities order
-

Monthly Operating Report

CASE NAME: Cano Petroleum, Inc.

ACCRUAL BASIS-4

CASE NUMBER: 12-31549-bjh-11

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
		3/8/2012 to 3/31/2012	April-12	
1. 0-30				
2. 31-60				
3. 61-90				
4. 91+				
5. TOTAL ACCOUNTS RECEIVABLE	\$ 0	\$ 0	\$ 0	\$ 0
6. AMOUNT CONSIDERED UNCOLLECTIBLE				
7. ACCOUNTS RECEIVABLE (NET)	\$ 0	\$ 0	\$ 0	\$ 0

AGING OF POSTPETITION TAXES AND PAYABLES (1)

MONTH: April-12

TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					
2. STATE					
3. LOCAL					
4. OTHER (ATTACH LIST)					
5. TOTAL TAXES PAYABLE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
6. ACCOUNTS PAYABLE	\$ 97,343				

STATUS OF POSTPETITION TAXES (1)

MONTH: April-12

	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
1. WITHHOLDING**				
2. FICA-EMPLOYEE**				
3. FICA-EMPLOYER**				
4. UNEMPLOYMENT				
5. INCOME				
6. OTHER (ATTACH LIST)				
7. TOTAL FEDERAL TAXES	\$ 0	\$ 0	\$ 0	\$ 0
STATE AND LOCAL				
8. WITHHOLDING				
9. SALES				
10. EXCISE				
11. UNEMPLOYMENT				
12. REAL PROPERTY				
13. PERSONAL PROPERTY				
14. OTHER (ATTACH LIST)				
15. TOTAL STATE & LOCAL	\$ 0	\$ 0	\$ 0	\$ 0
16. TOTAL TAXES	\$ 0	\$ 0	\$ 0	\$ 0

* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.

** Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

(1) Only taxes paid directly by Cano Petroleum, Inc. and its subsidiaries; taxes paid on their behalf by others (e.g. first purchasers and PEO — Resourcing Edge) are not shown



Monthly Operating Report**CASE NAME: Cano Petroleum, Inc.****ACCRUAL BASIS-5****CASE NUMBER: 12-31549-bjh-11**

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: April-12**BANK RECONCILIATIONS**

	<u>Account #1</u>	<u>Account #2</u>	<u>Account #3</u>	
A. BANK:	Bank of Texas N.A	Bank of Texas N.A	Bank of Texas N.A	
B. ACCOUNT NUMBER:	31012914	31013406	8094216003	
C. PURPOSE (TYPE):	Checking	Concentration	Debit Card	<u>TOTAL</u>
1. BALANCE PER BANK STATEMENT	\$ 32	\$ 2,890,916	\$ 10,000	\$ 2,900,948
2. ADD: TOTAL DEPOSITS NOT CREDITED				\$ 0
3. SUBTRACT: OUTSTANDING CHECKS	\$ 15,250			\$ 15,250
4. OTHER RECONCILING ITEMS				\$ 0
5. MONTH END BALANCE PER BOOKS (1)	<u>\$ (15,218)</u>	<u>\$ 2,890,916</u>	<u>\$ 10,000</u>	<u>\$ 2,885,698</u>
6. NUMBER OF LAST CHECK WRITTEN	1001001991	N/A	N/A	

INVESTMENT ACCOUNTS

<u>BANK, ACCOUNT NAME & NUMBER</u>	<u>DATE OF PURCHASE</u>	<u>TYPE OF INSTRUMENT</u>	<u>PURCHASE PRICE</u>	<u>CURRENT VALUE</u>
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			<u>\$ 0</u>	<u>\$ 0</u>

CASH

12. CURRENCY ON HAND	\$ 0
13. TOTAL CASH – END OF MONTH	<u>\$ 2,885,698</u>

(1) Includes effect of cash sweeps from zero balance accounts to concentration account at Cano Petroleum, Inc.

Monthly Operating Report

CASE NAME: Cano Petroleum, Inc.

ACCRUAL BASIS-6

CASE NUMBER: 12-31549-bjh-11

MONTH: April - 12

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS

NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1. John Homier	Contract Payment	\$ 52,930	\$ 72,976
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS		<u>\$ 52,930</u>	<u>\$ 72,976</u>

PROFESSIONALS

NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS		<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. Bro-Co, LLC(1)	\$ 13,363	\$ 26,725	\$ (13,363)
2. Culberson Rental & Leasing Co. Inc(2)	\$ 3,949	\$ 3,042	\$ 907
3. Key Equipment & Finance Inc	\$ 377	\$ 377	\$ 0
4. Tindall Record Storage(3)	\$ 84	\$ 168	\$ (84)
5. Pitney Bowes Global Financial	\$ 617	\$ 617	\$ 0
6. TOTAL	<u>\$ 18,390</u>	<u>\$ 30,929</u>	<u>\$ (12,540)</u>

Notes:

- \$13,362.65 rent was paid for April rent and \$13,362.65 paid for May rent, leaving credit of \$13,363.
- Normal leasing cost is \$3,949, but we paid post petition lease cost for 03/08 to 03/31/2012, leaving \$907 prepetition claim
- Paid April storage costs and May storage costs, leaving \$84 credit for prepayment

Monthly Operating Report**CASE NAME: Cano Petroleum, Inc.****ACCRUAL BASIS-7****CASE NUMBER: 12-31549-bjh-11****MONTH: April-12****QUESTIONNAIRE**

	<u>YES</u>	<u>NO</u>
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSURANCE

	<u>YES</u>	<u>NO</u>
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

<u>TYPE OF POLICY</u>	<u>CARRIER</u>	<u>PERIOD COVERED</u>	<u>PAYMENT AMOUNT & FREQUENCY</u>
General Liability Insurance	ACE American Insurance	8/16/2011 to 8/16/2012	\$ 39,452.99 paid monthly
Business Auto	ACE American Insurance	8/16/2011 to 8/16/2012	to Premium Assignment
Umbrella	ACE Property & Casualty	8/16/2011 to 8/16/2012	Corporation.
Umbrella Extension	Gotham Insurance Company	8/16/2011 to 8/16/2012	1 payment remains at
Marine Insurance	AGCS Marine Insurance Co.	8/16/2011 to 8/16/2012	4/30/2012
COW	Lloyds of London	8/16/2011 to 8/16/2012	

CASE NAME: Cano Petroleum, Inc.

CASE NUMBER: 12-31549-bjh-11

MOR-1 Exhibit A

1160000000 Intercompany Receivable/Payable Account	\$	142,333,729
1160001003 Intercompany Receivable/Payable CC 1003	\$	(8,728,718)
1160001004 Intercompany Receivable/Payable CC 1004	\$	1,751,341
1160001005 Intercompany Receivable/Payable CC 1005	\$	(7,134,051)
1160001010 Intercompany Receivable/Payable CC 1010	\$	3,635,467
1160001011 Intercompany Receivable/Payable CC 1011	\$	(2,918,781)
Intercompany Adjustment	\$	129,281
2400000000 Goodwill		101,166.00
Thomson & Knight retainer		250,302.66
Contract employee retainers		66,800.00
Blackhill Partners retainer		40,000.00
		<u>129,526,537.31</u>

CASE NAME: Cano Petroleum, Inc.

CASE NUMBER: 12-31549-bjh-11

MOR-3 Exhibit A

April Total Other Operating Expenses

255,901.87
