BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
CANO ENERGY CORPORATION,
Respondent.

WAIVER AND CONSENT
TO ORDER

File No. S-03268(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, hereby waives its right to a hearing with respect to this matter and hereby consents, solely for the purpose of this proceeding only, to the issuance of the Order without admitting or denying the factual findings contained in the Petition; and

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a willful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 26th day of August, 2005.

CANO ENERGY CORPORATION

By:  

(President, Peter Partain

(Type Name and Title)

State of Texas
County of Tarrant

Subscribed before me this 26th day of August, 2005.

Notary Public

My commission expires 03/02/09.