

5. Attached as **Exhibit B** is a cash receipts and disbursements record for each estate bank account.

6. The deadline for filing non-governmental claims in this case was _____ and the deadline for filing governmental claims was _____. All claims of each class which will receive a distribution have been examined and any objections to the allowance of claims have been resolved. If applicable, a claims analysis, explaining why payment on any claim is not being made, is attached as **Exhibit C**.

7. The Trustee's proposed distribution is attached as **Exhibit D**.

8. Pursuant to 11 U.S.C. § 326(a), the maximum compensation allowable to the trustee is \$ _____. To the extent that additional interest is earned before case closing, the maximum compensation may increase.

The trustee has received \$ _____ as interim compensation and now requests a sum of \$ _____, for a total compensation of \$ _____². In addition, the trustee received reimbursement for reasonable and necessary expenses in the amount of \$ _____, and now requests reimbursement for expenses of \$ _____, for total expenses of \$ _____².

Pursuant to Fed R Bank P 5009, I hereby certify, under penalty of perjury, that the foregoing report is true and correct.

Date: _____ By: /s/CHRISTOPHER J. MOSER
Trustee

STATEMENT: This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

² If the estate is administratively insolvent, the dollar amounts reflected in this paragraph may be higher than the amounts listed in the Trustee's Proposed Distribution (Exhibit D).

**FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES**

Case No: 10-41568 BTR Judge: BRENDA T. RHOADES
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Date Filed (f) or Converted (c): 05/13/10 (f)
341(a) Meeting Date: 06/14/10
Claims Bar Date: 09/01/10

For Period Ending: 10/23/13

1	2	3	4	5	6
Asset Description (Scheduled and Unscheduled (u) Property)	Petition/ Unscheduled Values	Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs)	Property Formally Abandoned OA=554(a) Abandon	Sale/Funds Received by the Estate	Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1. SNB Bank of Dallas	15.00	0.00		0.00	FA
2. Oil Sales from Subsidiary Companies (u)	175,444.94	175,444.94		175,444.94	FA
INT. Post-Petition Interest Deposits (u)	Unknown	N/A		21.72	Unknown
TOTALS (Excluding Unknown Values)	\$175,459.94	\$175,444.94		\$175,466.66	\$0.00
				Gross Value of Remaining Assets	(Total Dollar Amount in Column 6)

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

Quilling, Selander, Lownds, Winslett & Moser P.C. is employed to represent the trustee. The trustee is a partner in the same firm. The Bufkin Law Firm, LP is employed as special counsel. Sheldon E. Levy, CPA is employed as an accountant. On July 8, 2010, Adv. # 10-04155 was filed. On August 24, 2010, Interim Agreed Order Authorizing Trustee to Assume Operation of Affairs of Debtor's Single Member LLC and Manage Oil and Gas Properties was entered. On Dec. 7, 2010, Order Approving Settlement was entered, item # 2. On Sept 14, 2011, Order Approving Settlement Agreement was entered, item # 2. Quilling, Selander, Lownds, Winslett & Moser P.C. will not be filing a fee application. An estate tax return is not necessary due to the debtor filing a Final 2010 tax return which was review by Sheldon E. Levy, CPA

Initial Projected Date of Final Report (TFR): 03/31/13

Current Projected Date of Final Report (TFR): 10/23/13

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Bank Name: BANK OF KANSAS CITY
Account Number / CD #: *****0880 Checking Account

Taxpayer ID No: 20-4317203
For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
			BALANCE FORWARD				0.00
06/22/12		Trsf In From BANK OF AMERICA, N.A.	INITIAL WIRE TRANSFER IN	9999-000	44,794.47		44,794.47
07/16/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		14.87	44,779.60
08/14/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		51.21	44,728.39
09/17/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		51.17	44,677.22
10/15/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		49.47	44,627.75
11/15/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		51.05	44,576.70
12/14/12		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		49.35	44,527.35
01/16/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		50.94	44,476.41
02/14/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		50.88	44,425.53
03/14/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		59.67	44,365.86
04/12/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		65.98	44,299.88
04/30/13		Bank of Kansas City	BANK SERVICE FEE	2600-000		63.75	44,236.13
05/31/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		65.74	44,170.39
06/28/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		63.53	44,106.86
07/31/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		65.55	44,041.31
08/30/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		65.45	43,975.86
09/05/13	003001	Sheldon E. Levy, CPA 6320 Southwest Blvd., Ste. 204 Ft. Worth, TX 76109	Per Order Entered on 8/28/13 Accountant's Fees			889.55	43,086.31
			Fees	3410-000			
			Expenses	3420-000			
09/30/13		BANK OF KANSAS CITY	BANK SERVICE FEE	2600-000		62.65	43,023.66

Page Subtotals 44,794.47 1,770.81

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Bank Name: BANK OF KANSAS CITY
Account Number / CD #: *****0880 Checking Account

Taxpayer ID No: 20-4317203
For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
COLUMN TOTALS					44,794.47	1,770.81	43,023.66
Less: Bank Transfers/CD's					44,794.47	0.00	
Subtotal					0.00	1,770.81	
Less: Payments to Debtors					0.00	0.00	
Net					0.00	1,770.81	

Page Subtotals 0.00 0.00

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****6752 BofA - Money Market Account

Taxpayer ID No: 20-4317203
For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
			BALANCE FORWARD				0.00
08/31/10	2	Discovery Operating, LLC 1125 Legacy Drive, Ste 210 Frisco, TX 75034	Oil Sales from Subsidiary Company	1229-000	25,079.40		25,079.40
09/07/10	2	National Energy Partners, Inc. P.O. Box 186 Giddings, TX 78942	Oil Sales from Subsidiary Company from production months of May & June 2010	1229-000	6,730.59		31,809.99
09/30/10	INT	BANK OF AMERICA, N.A.	Interest Rate 0.030	1270-000	0.69		31,810.68
10/01/10	2	DISCOVERY OPERATING, LLC 1125 LEGACY DRIVE, STE. 210 FRISCO, TX 75034	Oil Sales from Subsidiary Company	1229-000	22,060.83		53,871.51
10/07/10	2	National Energy Partners, Inc. PO Box 186 Giddings, TX 78942	Oil Sales from Subsidiary Company	1229-000	4,953.21		58,824.72
10/29/10	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	2.18		58,826.90
11/04/10	2	American Refining Group, Inc. 77 North Kendall Ave. Bradford, PA 16701	Oil Sales from Subsidiary Company	1229-000	6,617.26		65,444.16
11/08/10	2	Discovery Operating, LLC 1125 Legacy Drive, Ste. 210 Frisco, TX 75034	Oil Sales from Subsidiary Company	1229-000	20,898.24		86,342.40
11/16/10	2	National Energy Partners, Inc. PO Box 186 Giddings, TX 78942	Oil Sales from Subsidiary Company	1229-000	4,105.41		90,447.81
11/29/10	2	Wire Deposit - 11/26/10	Mediation Settlement	1229-000	85,000.00		175,447.81
11/30/10	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	4.05		175,451.86
12/07/10	000301	Mark A. Weisbart The Law Offices of Mark A. Weisbart 12770 Coit Road, Suite 541	Per Order Entered on 12/07/10 70% of Oil & Gas Production Revenue	1280-000		63,316.30	112,135.56

Page Subtotals 175,451.86 63,316.30

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
 Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
 Bank Name: BANK OF AMERICA, N.A.
 Account Number / CD #: *****6752 BofA - Money Market Account

Taxpayer ID No: 20-4317203
 For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
 Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
12/07/10	000302	Dallas, TX 75251 Richard Bufkin 3811 Turtle Creek Blvd, Ste. 1600 Dallas, TX 75219-4558	Per Order Entered on 12/7/10 Attorney's Fees			45,865.99	66,269.57
			Fees 44,179.70	3210-000			
			Expenses 1,686.29	3220-000			
12/31/10	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	4.38		66,273.95
01/31/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.050	1270-000	2.81		66,276.76
02/28/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.51		66,277.27
03/31/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.56		66,277.83
04/29/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.54		66,278.37
05/31/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.57		66,278.94
06/30/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.54		66,279.48
07/29/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.56		66,280.04
08/31/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.57		66,280.61
09/15/11	000303	Lionheart Energy LLC Attn: Linda Payne, Trustee 12770 Coit Rd., Suite 541 Dallas, TX 75251	Per Order Entered on 9/14/11 Settlement on Claims to Oil and Gas Proceeds	4210-000		7,000.00	59,280.61
09/15/11	000304	Discovery Energy, LLC Attn: Mark Weisbart, Trustee 12770 Coit Rd., Suite 541 Dallas, TX 75251	Per Order Entered on 9/14/11 Settlement on Claims to Oil and Gas Proceeds	4210-000		7,000.00	52,280.61
09/15/11	000305	Discovery Oil & Gas LLC Attn: Linda Payne, Trustee 12770 Coit Rd., Suite 541 Dallas, TX 75251	Per Order Entered on 9/14/11 Settlement on Claims to Oil and Gas Proceeds	4210-000		7,000.00	45,280.61
09/30/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.50		45,281.11
10/31/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.38		45,281.49

Page Subtotals 11.92 66,865.99

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****6752 BofA - Money Market Account

Taxpayer ID No: 20-4317203
For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
10/31/11		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		57.69	45,223.80
11/30/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.37		45,224.17
11/30/11		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		55.76	45,168.41
12/30/11	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.38		45,168.79
12/30/11		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		55.69	45,113.10
01/31/12	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.38		45,113.48
01/31/12		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		59.16	45,054.32
02/29/12	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.36		45,054.68
02/29/12		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		53.55	45,001.13
03/30/12	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.38		45,001.51
03/30/12		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		55.33	44,946.18
04/30/12	INT	BANK OF AMERICA, N.A.	INTEREST REC'D FROM BANK	1270-000	0.37		44,946.55
04/30/12		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		57.10	44,889.45
05/31/12	INT	BANK OF AMERICA, N.A.	Interest Rate 0.010	1270-000	0.38		44,889.83
05/31/12		BANK OF AMERICA, N.A.	BANK SERVICE FEE	2600-000		57.03	44,832.80
06/22/12	INT	BANK OF AMERICA, N.A.	INTEREST REC'D FROM BANK	1270-000	0.26		44,833.06
06/22/12		BANK OF AMERICA, N.A. 901 MAIN STREET 10TH FLOOR DALLAS, TX 75283	BANK FEES	2600-000		38.59	44,794.47
06/22/12		Trsf To BANK OF KANSAS CITY	FINAL TRANSFER	9999-000		44,794.47	0.00

Page Subtotals 2.88 45,284.37

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 10-41568
Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER
Bank Name: BANK OF AMERICA, N.A.
Account Number / CD #: *****6752 BofA - Money Market Account

Taxpayer ID No: 20-4317203
For Period Ending: 10/23/13

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

1	2	3	4		5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Uniform Tran. Code	Deposits (\$)	Disbursements (\$)	Account / CD Balance (\$)
			COLUMN TOTALS		175,466.66	175,466.66	0.00
			Less: Bank Transfers/CD's		0.00	44,794.47	
			Subtotal		175,466.66	130,672.19	
			Less: Payments to Debtors			0.00	
			Net		175,466.66	130,672.19	
			TOTAL - ALL ACCOUNTS		NET DEPOSITS	NET DISBURSEMENTS	ACCOUNT BALANCE
			Checking Account - *****0880		0.00	1,770.81	43,023.66
			BofA - Money Market Account - *****6752		175,466.66	130,672.19	0.00
					175,466.66	132,443.00	43,023.66
					(Excludes Account Transfers)	(Excludes Payments To Debtors)	Total Funds On Hand

Page Subtotals 0.00 0.00

EXHIBIT C
ANALYSIS OF CLAIMS REGISTER

Date: October 23, 2013

Case Number: 10-41568 Claim Class Sequence
Debtor Name: DISCOVERY RESOURCES & DEVELOPMENT,

Code #	Creditor Name & Address	Claim Class	Notes	Amount Allowed	Paid to Date	Claim Balance
001 2700-00	U.S. Bankruptcy Court 660 N. Central Expressway Ste. 300B Plano, Texas 75074	Administrative		\$500.00	\$0.00	\$500.00
999 2820-00	Texas Workforce Commission Attn: Rick Diaz 101 East 15th Street, Rm 556 Austin, TX 78778-0001	Administrative		\$243.00	\$0.00	\$243.00
999 2810-00	United States Treasury - FUTA P.O. Box 7317 Philadelphia, PA 19101 7317	Administrative		\$42.00	\$0.00	\$42.00
000001 053 5300-00	Natural Buzz Multimedia 8805 Jeffreys Street, Suite 2115 Las Vegas, NV 89123	Priority		\$0.00	\$0.00	\$0.00
000003 058 5800-00	Calcasieu Parish Sheriff & Tax Collector PO Box 1787 Lake Charles, LA 70602	Priority		\$82,828.77	\$0.00	\$82,828.77
000008 053 5300-00	William Fairhurst c/o Rob L. Wiley Stewart & Wiley, PLLC 2203 Timberloch Place, Ste 126 The Woodlands, Texas 77380	Priority		\$11,725.00	\$0.00	\$11,725.00
000009 058 5800-00	State of Delaware Division of Corporations 401 Federal Street, Ste 4 Dover, DE 19901	Priority		\$758.60	\$0.00	\$758.60
070 7100-00	Lionheart Energy LLC	Unsecured		\$150,000.00	\$0.00	\$150,000.00
070 7100-00	DISCOVERY OIL AND GAS, LLC	Unsecured		\$150,000.00	\$0.00	\$150,000.00
000001B 070 7100-00	Natural Buzz Multimedia 8805 Jeffreys Street, Suite 2115 Las Vegas, NV 89123	Unsecured		\$270.00	\$0.00	\$270.00
000002 070 7100-00	Cowles & Thompson, P.C. 901 Main Street, Suite 3900 Dallas, TX 75202	Unsecured		\$36,575.48	\$0.00	\$36,575.48
000004B 070 7100-00	Harris County, et al Linebarger Goggan Blair & Sampson LLP c/o John P. Dillman	Unsecured		\$801.54	\$0.00	\$801.54

EXHIBIT C
ANALYSIS OF CLAIMS REGISTER

Date: October 23, 2013

Case Number: 10-41568 Claim Class Sequence
Debtor Name: DISCOVERY RESOURCES & DEVELOPMENT,

Code #	Creditor Name & Address	Claim Class	Notes	Amount Allowed	Paid to Date	Claim Balance
	P.O. Box 3064 Houston, Texas 77253					
000005 070 7100-00	Morrie & Joni Reiff Family Trust 25906 Richmond Ct. Calabasas, CA 91302	Unsecured		\$75,000.00	\$0.00	\$75,000.00
000006 070 7100-00	Subsurface Consultants 10255 Richmond Avenue, Ste 300W Houston, Texas 77042	Unsecured		\$42,137.60	\$0.00	\$42,137.60
000007B 070 7100-00	Crown Drilling, Inc. c/o John T. Andrishok Breazeale, Sachse & Wilson, L.L.P. One American Place, 23rd Floor P. O. Box 3197 Baton Rouge, LA 70821-3197	Unsecured		\$2,254,452.50	\$0.00	\$2,254,452.50
000008B 070 7100-00	William Fairhurst c/o Rob L. Wiley Stewart & Wiley, PLLC 2203 Timberloch Place, Ste 126 The Woodlands, Texas 77380	Unsecured		\$120,155.20	\$0.00	\$120,155.20
000010 070 7100-00	Discovery Energy, LLC 12770 Coit Road, Suite 541 Dallas, Texas 75251	Unsecured		\$150,000.00	\$0.00	\$150,000.00
000004 050 4110-00	Harris County, et al Linebarger Goggan Blair & Sampson LLP c/o John P. Dillman P.O. Box 3064 Houston, Texas 77253	Secured		\$0.00	\$0.00	\$0.00
000007A 050 4110-00	Crown Drilling, Inc. c/o John T. Andrishok Breazeale, Sachse & Wilson, L.L.P. One American Place, 23rd Floor P. O. Box 3197 Baton Rouge, LA 70821-3197	Secured		\$0.00	\$0.00	\$0.00
Case Totals:				\$3,075,489.69	\$0.00	\$3,075,489.69

Code #: Trustee's Claim Number, Priority Code, Claim Type

TRUSTEE'S PROPOSED DISTRIBUTION

Exhibit D

Case No.: 10-41568

Case Name: DISCOVERY RESOURCES & DEVELOPMENT,

Trustee Name: CHRISTOPHER J. MOSER

Balance on hand \$

Claims of secured creditors will be paid as follows:

NONE

Applications for chapter 7 fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Trustee Fees: CHRISTOPHER J. MOSER	\$	\$	\$
Trustee Expenses: CHRISTOPHER J. MOSER	\$	\$	\$
Charges: U.S. Bankruptcy Court	\$	\$	\$
Other: United States Treasury - FUTA	\$	\$	\$
Other: Texas Workforce Commission	\$	\$	\$

Total to be paid for chapter 7 administrative expenses \$ _____

Remaining Balance \$ _____

Applications for prior chapter fees and administrative expenses have been filed as follows:

NONE

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$ _____ must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
000003	Calcasieu Parish Sheriff	\$	\$	\$
000008	William Fairhurst	\$	\$	\$
000009	State of Delaware	\$	\$	\$
AUTO	United States Treasury	\$	\$	\$
AUTO	United States Treasury	\$	\$	\$

Total to be paid to priority creditors \$ _____

Remaining Balance \$ _____

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full. The timely allowed general (unsecured) dividend is anticipated to be _____ percent, plus interest (if applicable).

Timely allowed general (unsecured) claims are as follows:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
000002	Cowles & Thompson, P.C.	\$	\$	\$
000006	Subsurface Consultants	\$	\$	\$
000007B	Crown Drilling, Inc.	\$	\$	\$
000010	Discovery Energy, LLC	\$	\$	\$
000001B	Natural Buzz Multimedia	\$	\$	\$
	Lionheart Energy LLC	\$	\$	\$
000008B	William Fairhurst	\$	\$	\$
	DISCOVERY OIL AND GAS, LLC	\$	\$	\$

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
000004B	Harris County, et al	\$	\$	\$

Total to be paid to timely general unsecured creditors \$ _____

Remaining Balance \$ _____

Tardily filed claims of general (unsecured) creditors totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be _____ percent.

Tardily filed general (unsecured) claims are as follows:

NONE

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$ _____ have been allowed and will be paid *pro rata* only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be _____ percent.

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

NONE