



Texhoma Energy, Inc. (TXHE)

A Nevada Corporation

Quarterly Report

Prepared in accordance with
OTC Pink Basic Disclosure Guidelines

For Period ending December 31, 2014

Texhoma Energy, Inc.
24624 I-45 North, Suite 200
Spring, Texas 77386

1) The exact name of the issuer and its predecessor (if any)

The name of the Issuer is Texhoma Energy, Inc. ("Texhoma", the "Issuer", "we", or "Company"). Texhoma was originally incorporated in Nevada on September 28, 1998 as Pacific Sports Enterprises, Inc. In May 2001, we changed our name to Make Your Move, Inc. and on September 20, 2004, we changed our name to Texhoma Energy, Inc.

2) The address of the issuer's principal executive offices

The Issuer's principal executive offices are located at 24624 I-45 North, Suite 200, Spring, Texas 77386. The Issuer's telephone number is 281-719-1995.

3) Security Information

Trading Symbol: TXHE

Exact title and class of securities outstanding: Common

CUSIP: 882898307

Par or Stated Value: \$0.001

Total shares authorized: 750,000,000 as of: December 31, 2014

Total shares outstanding: 326,155,041 as of: December 31, 2014

Exact title and class of securities outstanding: Preferred

CUSIP: None

Par or Stated Value: \$0.001

Total shares authorized: 1,000,000 as of: December 31, 2014

Total shares outstanding: 51,000 as of: December 31, 2014

Madison Stock Transfer Inc.
2715 Coney Island Ave, 2nd Floor
Brooklyn, NY 11235
(718) 627-4453

Madison Stock Transfer Inc. is registered with the Securities and Exchange Commission as a transfer agent pursuant to Section 17A(c) of the Exchange Act.

List any restrictions on the transfer of security: None.

Describe any trading suspension orders issued by the SEC in the past 12 months: None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

As of October 28, 2013, the Company amended its Articles of Incorporation to authorize 750,000,000 shares of Common Stock. At the same time outstanding shares of common stock of the Company were reversed on a 1 for 1,000 basis.

4) Issuance History

On November 22, 2013 50,000,000 shares were issued to GRS Holdings, LLC in a transaction exempt from registration under Section 4(a)(2) of the Securities Act of 1933. The shares issued in this transaction are restricted securities and bear the appropriate legend.

On November 7, 2013, the Circuit Court of the Second Judicial District in and for Leon County, Florida (the "Court") entered an Order Granting Approval of Settlement Agreement and Stipulation (the "Order") in the matter titled ASC Recap, LLC ("ASC Recap") v. Texhoma Energy, Inc. The Order and the Stipulation for Settlement of Claims, dated October 23, 2013, between the Company and ASC Recap (the "Stipulation"), provides for the full and final settlement of ASC Recap's \$1,482,593.00 claim against the Company in connection with past due amounts owed to creditors in connection with attorney's fees, consulting fees, unpaid wages, and acquisition services which ASC Recap purchased from third parties pursuant to Receivable Purchase Agreements, between July 20, 2013 and September 23, 2013 (the "Claim").

Pursuant to the terms of the Order and the Stipulation, the Company has issued to ASC Recap 326,155,041 shares of common stock in partial settlement of the Claim. The shares of common stock issued to ASC Recap were exempt from registration pursuant to an exemption provided by Section 3(a)(10) of the Securities Act of 1933, as amended, as the issuance of securities was in exchange for bona fide outstanding claims, where the terms and conditions of such issuance were approved by a court after a hearing upon the fairness of such terms and conditions. The shares were issued without a restrictive legend.

On April 14, 2014, the Company executed a Subscription Agreement with the CEO and President of ASL Corp. and issued 4,000,000 common stock shares for a purchase price of \$4,000. An additional 1,000,000 shares of common stock was issued to an unrelated party for a purchase price of \$1,000. These shares were issued in transactions exempt from registration under Section 4(a)(2) of the Securities Act of 1933. The shares issued are restricted securities and bear the appropriate legend.

5) Financial Statements

The Issuer is providing the following financial statements for the most recent period ending December 31, 2014: balance sheet; statement of operations; statement of cash flows; and financial notes. These financial statements are incorporated by reference herein and attached as Exhibit 1.

6) Describe the Issuer's Business, Products and Services

Texhoma Energy, Inc. was originally formed as a Nevada corporation on September 28, 1998 as Pacific Sports Enterprises, Inc. Our business objective was to own and operate a professional basketball team that would be a member of the American Basketball Association. The American Basketball Association was not successful in organizing the league, and consequently the member teams ceased operating activities in 1999. Thereafter, we were dormant without any business operations until October 20, 2000. In May 2001, we changed our name to Make Your Move, Inc. and on September 20, 2004, we changed our name to Texhoma Energy, Inc. in connection with our change in business focus to oil and gas exploration and production.

A. A description of the issuer's business operations;

Texhoma is an oil and gas company with a long history of acquisitions and divestitures. For example, on November 5, 2004, we entered into a Sale and Purchase Agreement with Capersia Pte. Ltd., a Singapore company ("Capersia"), to acquire 40% of an oil and gas exploration license operated by Black Swan Petroleum Pty. Ltd. ("Black Swan") and its wholly owned subsidiary Black Swan Petroleum (Thailand) Limited ("Black Swan Thai"). Black Swan Thai owned the license, permits and title to a petroleum concession in the Chumphon Basin in the Gulf of Thailand, referred to as "Block B7/38" (the "Concession").

Black Swan recommenced exploration operations of the Concession and Black Swan drilled two exploration wells in February and March 2005, which proved void of commercially viable hydrocarbons. In June 2005 after completion of the exploration activities, the ventures decided to discontinue the exploration efforts in Thailand and relinquished the Concession back to the government of Thailand. On January 20, 2006 we divested our shareholding in Black Swan and Black Swan Thai.

After the exploration venture in Thailand the Board of Directors of the Company decided to shift its focus to domestic oil and gas exploration and production, with a particular focus on south Louisiana and east Texas, including near-shore Gulf of Mexico.

On February 2, 2006, we executed a Sale and Purchase Agreement (the "Clovelly SPA") with Sterling Grant Capital, Inc. pursuant to which we acquired a 5% (five percent) working interest in the Clovelly South prospect (bringing our total working interest to 11%) located in Lafourche Parish, Louisiana. As a result, the Company agreed to fund the work program for the Clovelly South project in accordance with the Joint Operating Agreement for the property. The Allain-Lebreton No. 2 well was drilled and plugged and abandoned in September 2006.

On March 15, 2006, our wholly-owned subsidiary, Texaurus Energy, Inc., which was formed in March 2006 as a Delaware corporation ("Texaurus"), entered into a Sales and Purchase Agreement with Structured Capital Corp., a Texas corporation to purchase certain oil and gas leases in Vermillion Parish, Louisiana. The 8% working interest (5.38167% net revenue interest) in the Intracoastal City field was acquired for a) two million five hundred thousand dollars (\$2,500,000) and b) the issuance of 37,500 (post 1:1,000 reverse split) shares of our common stock.

On March 28, 2006, Texaurus entered into a Securities Purchase Agreement ("Securities Purchase Agreement") with Laurus Master Fund, Ltd. ("Laurus"); a Registration Rights Agreement with Laurus; entered into a Master Security Agreement with Laurus; sold Laurus a Secured Term Note in the amount of \$8,500,000, and entered into various other agreements. Additionally, in connection with the closing, we issued Laurus a Common Stock Purchase Warrant to purchase up to 10,625 (post 1:1,000 reverse split) shares of our common stock at an exercise price of \$40.00 per share. In addition, Laurus can acquire up to 961 shares of Texaurus' common stock at an exercise price of \$0.001 per share, representing 49% of Texaurus' outstanding common stock.

On March 28, 2006, with an effective date of January 1, 2006, Texaurus closed a Sales & Purchase Agreement to purchase certain interests in the Barnes Creek gas field and the Edgerly field from Kilrush Petroleum, Inc. Texaurus paid the \$5,225,000 purchase price with proceeds received from its sale of the Secured Term Note with Laurus.

During the period through September 2011, Texhoma entered into a series of agreements with Laurus disposing of most of its oil and gas assets in satisfaction of the obligations of its then subsidiary, Texaurus, and Texhoma's corporate guarantee to Laurus for the debts of the subsidiary was released. Texaurus was divested in September 2011.

Texhoma is continuing in this tradition of acquisition and is exploring several opportunities. In furthering this pursuit, on August 5, 2014, the Company formed a wholly owned subsidiary, Texhoma Holding Company. On August 12, 2014, the Company purchased for \$8,400 a 0.016598% royalty interest in five oil wells located on the Shooter 916 lease located in Ochiltree County, Texas which have existing oil and gas production. Effective September 1, 2014, the Company purchased for \$5,600 a 0.25% overriding royalty interest in the Tonto North 390 B #3 well located in Scurry County, Texas, which has existing production.

Additionally, the Company has acquired various non-operated working interests in eight (8) wells located in Gregg and Upshur Counties, Texas. The working interest ownership interest percentages vary between .053985% and .54487%. The wells are operated by Quantum Resources Management, LLC of Houston, Texas. Combined, these wells have produced an average of approximately 280,000 cubic feet per day of natural gas and 8 barrels of oil per day over the past six (6) months.

B. Date and State (or Jurisdiction) of Incorporation: Incorporated on September 28, 1998 in Nevada.

C. The issuer's primary SIC code is 1311; there is no secondary SIC code.

D. The issuer's fiscal year end date: September 30th

E. Principal products or services, and their markets;

Historically our focus has been oil and gas exploration and production. The market for oil and gas exploration services is highly competitive, and we expect competition to intensify in the future. Numerous well- established companies are focusing significant resources on exploration and are currently competing with us for oil and gas opportunities. Additionally, there are numerous companies focusing their resources on creating fuels and/or materials which serve the same purpose as oil and gas, but are manufactured from renewable resources. Therefore, as part of the company's ongoing strategy it will evaluate and may invest in non oil and gas activities as they arise.

7) Describe the Issuer's Facilities

Not applicable.

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons.

<u>Name</u>	<u>Position</u>	<u>Share Ownership</u>
Gilbert Steedley ASC Recap (Henry Sargent)	CEO, President, Director	50 million common*/ 1,000 Series A Pre 29,380,000**

** held by GRS Holdings, LLC of which Mr. Steedley is the sole beneficiary*

*** the Company does not believe that ASC Recap is an affiliate or control person but is disclosing holdings per OTC Markets Group, Inc. requirements to list owners of 5% or more of common stock.*

B. Legal/Disciplinary History.

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None of the above numbered statements apply to the Company's sole officer and Director.

C. Beneficial Shareholders.

	<u>Name</u>	<u>Amount</u>	<u>Percent</u>
Common Stock	GRS Holdings, LLC (Gilbert Steedley)	50,000,000	15.33%

9) Third Party Providers

Legal Counsel

The Loev Law Firm, PC
6300 West Loop South, Suite 280
Bellaire, Texas 77401

Accountant or Auditor

Turner, Stone & Company, LLP
12700 Park Central Drive, Suite 1400
Dallas, Texas 75251

Other Advisor

The McGeary Law Firm, P.C.
1600 Airport Fwy., Suite 300
Bedford, Texas 76022

10) Issuer Certification

I, Gilbert Steedley, certify that:

1. I have reviewed this Quarterly Report of TEXHOMA ENERGY, INC.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: February 17, 2014

/s/ Gilbert Steedley
Gilbert Steedley

Exhibit 1

TEXHOMA ENERGY, INC. AND SUBSIDIARY
Consolidated Financial Statements as of December 31, 2014 and September 30, 2014
and for the Three Months Ended December 31, 2014 and 2013

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Texhoma Energy Inc. and Subsidiary
Consolidated Balance Sheets
December 31, 2014 and September 30, 2014

	December 31, 2014 (unaudited)	September 30, 2014
Assets		
Current assets:		
Cash	\$ 224	\$ 373
Accounts receivable	502	237
Total current assets	<u>726</u>	<u>610</u>
Property:		
Oil and gas properties at cost, successful efforts	<u>17,410</u>	<u>17,410</u>
Total Assets	<u>\$ 18,136</u>	<u>\$ 18,020</u>
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 17,897	\$ 22,740
Advances payable	161	58,162
Accrued interest	79,319	62,353
Convertible settlements payable (Note 5)	1,232,751	1,358,628
Convertible notes payable-related, net of discount of \$3,646 and \$5,208 at December 31, 2014 and September 30, 2014, respectively	21,354	19,792
Convertible notes payable, net of discount of \$85,961 and \$14,583 at December 31, 2014 and September 30, 2014, respectively	263,191	232,811
Total current liabilities	<u>1,614,673</u>	<u>1,754,485</u>
Commitments and contingencies (Note 7)		
Stockholders' Deficit:		
Preferred stock, \$0.001 par value, 1,000,000 shares authorized:		
Series A shares, \$0.001 par value, 1,000 issued and outstanding at December 31, 2014 and September 30, 2014	1	1
Series B shares, \$0.001 par value, 50,000 issued and outstanding at December 31, 2014 and September 30, 2014	50	50
Common stock, \$0.001 par value, 750,000,000 shares authorized: 326,155,041 and 105,665,041 shares issued and outstanding at December 31, 2014 and September 30, 2014, respectively	326,155	105,665
Additional paid in capital	10,975,175	10,926,071
Accumulated deficit	(12,897,918)	(12,768,252)
Total Stockholders' Deficit	<u>(1,596,537)</u>	<u>(1,736,465)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 18,136</u>	<u>\$ 18,020</u>

The accompanying notes are an integral part of these consolidated financial statements

Texhoma Energy Inc. and Subsidiary
Consolidated Statements of Operations
For the Three Months Ended December 31, 2014 and 2013

	For the Three Months Ended December 31,	
	2014 (unaudited)	2013
Revenue	\$ 415	\$ -
Cost of operations	251	-
Gross margin	165	-
Expenses:		
General and administrative	38,963	36,177
Officer and director compensation	-	-
Total operating expenses	38,963	36,177
Net operating (loss)	(38,798)	(36,177)
Other income (expense):		
Loss on debt extinguishment	(41,959)	-
Interest expense	(48,909)	(14,977)
Net (loss)	\$ (129,666)	\$ (51,154)
Weighted average number of common shares outstanding - basic and fully diluted	198,000,897	18,313,496
Net (loss) per share - basic and fully diluted	\$ (0.00)	\$ (0.00)

The accompanying notes are an integral part of these consolidated financial statements

Texhoma Energy Inc. and Subsidiary
Consolidated Statements of Cash Flows
For the Three Months Ended December 31, 2014 and 2013

	For the Three Months Ended December 31,	
	2014 (unaudited)	2013
Cash flows from operating activities		
Net (loss)	\$ (129,666)	\$ (51,154)
Adjustments to reconcile net (loss) to net cash provided by (used in) operating activities:		
Amortization of debt discounts	31,943	17,111
Loss on debt extinguishment	41,959	-
Changes in operating assets and liabilities:		
Accounts receivable	(265)	-
Accounts payable	11,515	15,464
Accrued interest	16,966	10,534
Net cash used in operating activities	<u>(27,549)</u>	<u>(8,045)</u>
Cash flows from investing activities		
Investment in oil and gas properties	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from convertible notes payable	27,400	12,333
Common stock issued for cash	-	-
Net cash provided by financing activities	<u>27,400</u>	<u>12,333</u>
Net increase (decrease) in cash	(149)	4,288
Cash - beginning	373	122
Cash - ending	<u>\$ 224</u>	<u>\$ 4,410</u>
Supplemental disclosures:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
Supplemental disclosure-		
Non-cash investing and financing activities:		
Convertible notes payable exchanged for accounts payable	\$ 74,358	\$ -
Accounts payable and accrued interest exchanged for convertible settlements payable	\$ 96,383	\$ -

The accompanying notes are an integral part of these consolidated financial statements

TEXHOMA ENERGY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and September 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying interim unaudited consolidated financial statements and footnotes of Texhoma Energy, Inc. and its subsidiary (the "Company"), have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission regarding interim financial reporting. The financial statements reflect all adjustments that are, in the opinion of management, necessary to fairly present such information. All such adjustments are of a normal recurring nature. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Company's Annual Report filed on the OTC Markets. The accompanying unaudited financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods, but are not necessarily indicative of the results for any subsequent quarter or the entire year ending September 30, 2015.

Organization and Business - Texhoma Energy, Inc. ("Texhoma" or the "Company") has been engaged in the acquisition, exploration and development of crude oil and natural gas properties. In March 2006, Texhoma incorporated a subsidiary in Delaware, Texaurus Energy, Inc. ("Texaurus") for the same purposes. During the years 2008 through 2011, the properties owned by Texaurus lost significant production and the Company negotiated foreclosure with the lender, rendering the investment in the subsidiary valueless. In September 2011, the shares of Texaurus were conveyed to an unrelated third party. The Company has limited current operations and actively seeks replacement assets. Our common stock currently trades under the symbol "TXHE" on the Over the Counter Pink Sheets ("OTC PK").

On August 5, 2014, the Company formed a wholly owned subsidiary corporation, Texhoma Holding Company ("Holding") incorporated in Texas. Holding has recently acquired several oil and gas royalty and working interests.

Principles of consolidation - The consolidated financial statements include the accounts of Texhoma Energy, Inc. and its wholly owned subsidiary, Texhoma Holding Company. All significant intercompany transactions, accounts and balances have been eliminated in consolidation.

Use of Estimates - Texhoma's financial statement preparation requires that management make estimates and assumptions which affect the reporting of assets and liabilities and the related disclosure of contingent assets and liabilities in order to report these consolidated financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

2. GOING CONCERN ISSUES

We cannot provide any assurances that the Company will be able to secure sufficient funds to satisfy the cash requirements for the next 12 months, nor that it will be successful in its endeavors to revive its oil and gas activities. The inability to secure additional funds would have a material adverse effect on the Company.

These consolidated financial statements are presented on the basis that the Company will continue as a going concern. No adjustments have been made to these consolidated financial statements to give effect to valuation adjustments that may be necessary in the event the Company is not able to continue as a going concern. The effect of those adjustments, if any, could be substantial.

TEXHOMA ENERGY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and September 30, 2014

2. GOING CONCERN ISSUES (continued)

We cannot provide any assurances that the Company will be able to secure sufficient funds to satisfy the cash requirements for the next 12 months, nor that it will be successful in its endeavors to revive its oil and gas activities. The inability to secure additional funds would have a material adverse effect on the Company.

These consolidated financial statements are presented on the basis that the Company will continue as a going concern. No adjustments have been made to these consolidated financial statements to give effect to valuation adjustments that may be necessary in the event the Company is not able to continue as a going concern. The effect of those adjustments, if any, could be substantial.

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America which contemplate continuation of the Company as a going concern. The Company has incurred \$12,897,918 in cumulative losses to date. Further, the Company has inadequate working capital to maintain or develop its operations, and is dependent upon funds from its stockholders and third party financing.

These factors raise substantial doubt about the ability of the Company to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of these uncertainties. There is no assurance that the Company will receive the necessary capital required to fund its acquisition and exploration plans.

3. STOCKHOLDERS' DEFICIT

Between October 1, 2014 and December 29, 2014, the Company issued ASC Recap (RECAP) a total of 220,490,000 shares of common stock pursuant to the October 23, 2013, Settlement Agreement and subsequent Court Order on November 7, 2013 (Note 5). The shares are being sold by ASC and 75% of the net proceeds will be used to settle the outstanding debts as ordered by the court.

4. STOCK OPTIONS AND WARRANTS

Costs attributable to the issuance of stock options and share purchase warrants are measured at fair value at the date of issuance and offset with a corresponding increase in 'Additional Paid in Capital' at the time of issuance. When the options or warrants are exercised, the receipt of consideration is an increase in stockholders' equity. There was no stock option or warrant activity during the three months ended December 31, 2014, and at December 31, 2014 no options or warrants were outstanding.

5. CONVERTIBLE SETTLEMENTS PAYABLE

On November 7, 2013, the Circuit Court of the Second Judicial Circuit for Leon County, Florida approved the October 23, 2013 Settlement Agreement, entered into between the Company and ASC Recap, LLC (RECAP) whereby a total of \$1,482,593 of outstanding debts were acquired by RECAP from various creditors in July 2013. In satisfaction of the outstanding debts acquired by RECAP, RECAP is issued shares of our common stock at a 25% discount to market ("Settlement Shares") in various tranches and from which 75% of the proceeds from the sale of these shares by RECAP will be used to satisfy the outstanding debts. The aggregate fair value amount

TEXHOMA ENERGY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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5. CONVERTIBLE SETTLEMENTS PAYABLE (continued)

associated with the issuance of these shares is estimated to be approximately \$2,075,000. The exact number of Settlement Shares to be issued pursuant to the Settlement Agreement is indeterminable, and RECAP is precluded from owning more than 9.99% of the Company's common stock at any given time. RECAP does not bear the risk of market loss. The difference between the amount of proceeds used to satisfy the outstanding debts and the fair value of the common stock shares issued will result in a loss on debt settlement.

6. NOTES PAYABLE AND CONVERTIBLE LOANS

On October 1, 2014 the Company issued convertible promissory note in the amount of \$16,358 in exchange for payments made on behalf of the Company for legal services. The note bears interest at a rate of 6% per annum, is due in one year and is convertible into common stock at a conversion price of 50% of the average closing price for the twenty days prior to conversion. Accrued interest due on the note totaled \$250 and \$0 as of December 31, 2014 and September 30, 2014, respectively.

On October 1, 2014 the Company issued convertible promissory notes totaling \$58,000 in exchange for payments made on behalf of the Company for legal services and for cash advances made to the Company from May 28, 2014 through September 22, 2014. The notes bear interest at a rate of 6% per annum and are due on various dates from May 28, 2015 through September 30, 2015 and are convertible into common stock at a conversion price of 50% of the average closing price for the twenty days prior to conversion. Accrued interest due on the notes totaled \$889 and \$0 as of December 31, 2014 and September 30, 2014, respectively.

On October 9 and 31, 2014, respectively, the Company issued a \$3,000 and \$3,500 convertible promissory note in exchange for cash advances made to the Company. The notes bear interest at a rate of 6% per annum and are due on October 9 and 31, 2015, respectively and are convertible into common stock at a conversion price of 50% of the average closing price for the twenty days prior to conversion. Accrued interest due on the notes totaled \$78 and \$0 as of December 31, 2014 and September 30, 2014, respectively.

On October 31, 2014 the Company issued a \$1,000 convertible promissory note in exchange for a cash advance made to the Company. The note bears interest at a rate of 6% per annum and is due on October 31, 2015 and is convertible into common stock at a conversion price of 50% of the average closing price for the twenty days prior to conversion. Accrued interest due on the notes totaled \$78 and \$0 as of December 31, 2014 and September 30, 2014, respectively. Accrued interest due on the notes totaled \$10 and \$0 as of December 31, 2014 and September 30, 2014, respectively.

On varying dates between November 12, 2014 and December 12, 2014, the Company issued convertible promissory notes totaling \$19,900 in exchange for cash advances made to the Company during that same period. The notes bear interest at a rate of 6% per annum and are due on various dates from November 12, 2015 through December 30, 2015 and are convertible into common stock at a conversion price of 50% of the average closing price for the twenty days prior to conversion. Accrued interest due on the notes totaled \$117 and \$0 as of December 31, 2014 and September 30, 2014, respectively.

7. COMMITMENTS AND CONTINGENCIES

The Company is not currently a defendant in any material litigation or any threatened litigation that could have a material effect on the Company's consolidated financial statements.

TEXHOMA ENERGY, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and September 30, 2014

8. SUBSEQUENT EVENTS

Between January 1, 2015 and February 17, 2015, the Company issued RECAP a total of 142,674,000 shares of common stock pursuant to the October 23, 2013, Settlement Agreement and subsequent Court Order on November 7, 2013 (Note 5). The shares will be sold by RECAP and 75% of the net proceeds will be used to settle the outstanding debts as ordered by the court.

On January 6, 2015 the Company received an advance of \$2,500 exchange for a Convertible Note Payable.