

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

West Texas Resources

Form: S-1

Date Filed: 2011-12-09

Corporate Issuer CIK: 1518985
Symbol: WTXR

**U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

WEST TEXAS RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or jurisdiction of incorporation or organization)

1311
(Primary Standard Industrial Classification Code Number)

99-0365272
(I.R.S. Employer Identification No.)

**5729 Lebanon Road, Suite 144
Frisco, Texas 75034
(972) 712-1039**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Stephen E. Jones
5729 Lebanon Road, Suite 144
Frisco, Texas 75034
(972) 712-1039**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

**Copies to:
Daniel K. Donahue, Esq.
Greenberg Traurig, LLP
3161 Michelson, Suite 1000
Irvine, CA 92612
(949) 732-6500**

**Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement becomes effective.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

CALCULATION OF REGISTRATION FEE

| Title of each class of securities to be registered | Amount to be registered⁽¹⁾ | Proposed maximum offering price per share⁽²⁾ | Proposed maximum aggregate offering price⁽²⁾ | Amount of registration fee⁽²⁾ |
|-----------------------------------------------------------|----------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------|
| Common Stock, \$.001 par value per share | 762,000 shhares | \$1.00 | \$762,000 | \$87.32 |

- (1) In addition, pursuant to Rule 416 under the Securities Act of 1933, this Registration Statement includes an indeterminate number of additional shares as may be issuable as a result of stock splits or stock dividends which occur during this continuous offering.
- (2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457 under the Securities Act of 1933.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 9, 2011

PROSPECTUS

762,000 Shares

WEST TEXAS RESOURCES, INC.

Common Stock

This prospectus relates to shares of common stock of West Texas Resources, Inc. that may be offered for sale for the account of the selling stockholders identified in this prospectus. The selling stockholders will offer and sell the shares of our common stock at the price of \$1.00 per share. If and when our common stock becomes quoted on the OTC Bulletin Board, the shares owned by the selling stockholders may be sold in the over-the-counter market, or otherwise, at prices and terms then prevailing or at prices related to the then-current market price, or in negotiated transactions. Although we will incur expenses in connection with the registration of the common stock, we will not receive any of the proceeds from the sale of the shares of common stock by the selling stockholders.

Our common stock is not listed for trading on any stock exchange or stock market. Following the effectiveness of the registration statement, which this prospectus is part of, we will apply to list our common shares for quotation on the OTC Bulletin Board. There can be no assurance, however, that we will be able to list our shares on the OTC Bulletin Board or anywhere else.

We may amend or supplement this prospectus from time to time by filing amendments or supplements as required. You should read this entire prospectus and any amendments or supplements carefully before you make your investment decision.

The shares of common stock offered under this prospectus involve a high degree of risk. See "Risk Factors" beginning at page 2.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2011

TABLE OF CONTENTS

| | | | |
|---------------------------------------------------|----|-------------------------------|-----|
| Summary | 1 | Proposed Business | 15 |
| Risk Factors | 2 | Management | 21 |
| Cautionary Statement Concerning | | Principal Stockholders | 23 |
| Forward-Looking Information | 8 | Description of Securities | 24 |
| Selling Stockholders | 9 | Legal Matters | 25 |
| Plan of Distribution | 11 | Experts | 25 |
| Market for Common Equity and | | Available Information | 25 |
| Related Stockholder Matters | 13 | Index to Financial Statements | F-1 |
| Management's Discussion and Analysis of Financial | 14 | | |
| Condition and Results of Operations | | | |

We have not authorized any person to give you any supplemental information or to make any representations for us. You should not rely upon any information about our company that is not contained in this prospectus or in one of our public reports filed with the Securities and Exchange Commission ("SEC") and incorporated into this prospectus. Information contained in this prospectus or in our public reports may become stale. You should not assume that the information contained in this prospectus, any prospectus supplement or the documents incorporated by reference are accurate as of any date other than their respective dates, regardless of the time of delivery of this prospectus or of any sale of the shares. Our business, financial condition, results of operations and prospects may have changed since those dates. The selling stockholders are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted.

In this prospectus, "West Texas Resources," the "company," "we," "us," and "our" refer to West Texas Resources, Inc., a Nevada corporation.

SUMMARY

You should read this summary in conjunction with the more detailed information and financial statements appearing elsewhere in this prospectus.

Our Company

West Texas Resources, Inc. (the “company” or “we”) was incorporated under the laws of Nevada on December 9, 2010. The company was formed for the purpose of oil and gas exploration and development in North America. From inception to date, our activities have focused on the raising of capital and the investigation of oil and gas properties. As of the date of this prospectus, we have incurred no revenue. In September 2011, we acquired our initial property consisting of a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas. We intend to conduct investigations and other due diligence operations related to the acquisition of equity interests in oil and gas properties to be thereafter exploited by us in conjunction with other oil and gas producers. As of the date of this prospectus, we have not completed any investigations of any other oil and gas or natural resource properties nor have we any agreements in place concerning our acquisition of an interest in any other properties. There can be no assurance that we will be able to complete an acquisition on terms acceptable to us.

Our executive offices are located at 5729 Lebanon Road, Suite 144, Frisco, Texas 75034. Our phone number is (972) 712-1039.

The Offering

This offering relates to the offer and sale of our common stock by the selling stockholders identified in this prospectus. The selling stockholders will offer and sell the shares of our common stock at the price of \$1.00 per share. If and when our common stock becomes quoted on the OTC Bulletin Board, the shares owned by the selling stockholders may be sold at prices and terms then prevailing or at prices related to the then-current market price, or in negotiated transactions. Although we have agreed to pay the expenses related to the registration of the shares being offered, we will not receive any proceeds from the sale of the shares by the selling stockholders.

Summary Financial Information

The following summary financial data for the fiscal year ended September 30, 2011 is derived from our audited financial statements. This information is only a summary and does not provide all of the information contained in our financial statements and related notes. You should read the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 14 of this prospectus and our financial statements and related notes included elsewhere in this prospectus.

| | From Inception (December 9, 2010) through September 30, 2011 |
|--------------------------------------|---------------------------------------------------------------------------------------------|
| Statement of Operations Data: | |
| Revenue | \$ -0- |
| Net Loss | \$ (82,047) |
| | |
| Balance Sheet Data: | |
| Working capital | \$ 169,346 |
| Total assets | \$ 223,855 |
| Total liabilities | \$ -0- |
| Shareholders’ equity | \$ 223,855 |

RISK FACTORS

You should carefully consider the following risk factors before investing in our common stock. Our business and results of operations could be seriously harmed by any of the following risks. The trading price of our common stock could decline due to any of these risks, and you may lose part or all of your investment.

We are a development stage company and have limited assets and no revenues. We were only recently formed and have no revenues to date. Since our formation, we have focused on raising our initial capital and, to date, we have raised \$240,500 through our sale of 962,000 common shares at \$0.25 per share. In September 2011, we acquired our initial property consisting of a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas, however we have not acquired or developed any additional assets or operations. We are in the development stage and are subject to all risks inherent in a new venture. The likelihood of our success must be considered in light of problems, expenses, complications and delays frequently encountered in connection with the development of a new business. We do not have a significant operating history and, as a result, there is a limited amount of information about us on which to make an investment decision.

We will require additional capital in order to achieve commercial success and, if necessary, to finance future losses from operations as we endeavor to build revenue, but we do not have any commitments to obtain such capital and we cannot assure you that we will be able to obtain adequate capital as and when required. The business of oil and gas acquisition, drilling and development is capital intensive and the level of operations attainable by an oil and gas company is directly linked to and limited by the amount of available capital. As of September 30, 2011, we had total assets of \$223,855, including working capital of \$169,346. We believe that our ability to achieve commercial success and our continued growth will be dependent on our ability to access capital either through the additional sale of our equity or debt securities, bank lines of credit, project financing or cash generated from oil and gas operations. We will seek to obtain additional working capital through the sale of our securities and, subject to the successful deployment of our cash on hand, we will endeavor to obtain additional capital through bank lines of credit and project financing. However, we have no agreements or understandings with any third parties at this time for our receipt of additional working capital and we have no history of generating cash from oil and gas operations. Consequently, there can be no assurance we will be able to obtain continued access to capital as and when needed or, if so, that the terms of any available financing will be subject to commercially reasonable terms.

We were formed for the purpose of conducting the joint development of certain oil and gas properties in North America with oil and gas operators. We intend to pursue prospects in partnership with other oil and gas companies with expertise in the exploration, development and production of oil and gas properties in North America. While we intend to focus on the pursuit of opportunities in the oil and gas sector, we may also pursue the exploration and development of other natural resource properties from time to time. As of the date of this prospectus, we have acquired our initial property consisting of a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas. Drilling and development of the acreage will be conducted by an unaffiliated third-party. However, we do not have any other agreements in place concerning the acquisition of oil and gas or other natural resource properties. There can be no assurance that we will be able to complete an acquisition on terms acceptable to us.

Our management has no prior experience in operating an oil and gas business At the present time, we have two employees, our chief executive officer and our chief financial officer, Stephen Jones and John Kerr, respectively, who also serve as the sole members of our board of directors. Neither Mr. Jones nor Mr. Kerr has any prior experience in the oil and gas business other than as private investors. We intend to expand our management team and board of directors with personnel who have experience in the oil and gas business, however we have no agreements or understandings in place as of the date of this prospectus concerning the appointment of any additional personnel and there can be no assurance that we will be able to do so. Until such time, if ever, as we do, the success of our company will be dependent on the decisions and actions undertaken by Mr. Jones and Mr. Kerr.

We have limited management and staff and will be dependent for the foreseeable future upon consultants and partnering arrangements. At the present time, we have two employees, our chief executive officer and our chief financial officer, Stephen Jones and John Kerr, respectively. We have developed an operating strategy that is based on our participation in exploration prospects in North America as a non-operator for the foreseeable future. We intend to use the services of independent consultants and contractors to perform various professional services, including reservoir engineering, land, legal, environmental and tax services. We will also pursue alliances with partners in the areas of geological and geophysical services and prospect generation, evaluation and prospect leasing. As a non-operator working interest owner, we intend to rely on outside operators to drill, produce and market our natural gas and oil. While we believe that by limiting our management and employees we may be able to better control costs and retain flexibility in terms of project management, our dependence on third party consultants, service providers and operators creates a number of risks, including but not limited to:

- the possibility that such third parties may not be available to us as and when needed; and
- the risk that we may not be able to properly control the timing and quality of work conducted with respect to our projects.

Shortages or increases in costs of equipment, services and qualified personnel could delay the drilling of exploratory wells and adversely affect our future results of operations and the price of our common stock. The demand for qualified and experienced personnel to conduct field operations, geologists, geophysicists, engineers and other professionals in the oil and natural gas industry can fluctuate significantly, often in correlation with oil and natural gas prices, causing periodic shortages. Historically, there have been shortages of drilling rigs and other equipment as demand for rigs and equipment has increased along with the number of wells being drilled. These factors also cause significant increases in costs for equipment, services and personnel. Higher oil and natural gas prices generally stimulate demand and result in increased prices for drilling rigs, crews and associated supplies, equipment and services. Shortages of field personnel and equipment or price increases could significantly hinder the ability of our operating partners to conduct drilling operations, which could adversely affect our results of operations and stock price.

Our industry is highly competitive which may adversely affect our performance, including our ability to participate in ready to drill prospects in our core areas. We operate in a highly competitive environment. In addition to capital, the principal resources necessary for the exploration and production of oil and natural gas are:

- leasehold prospects under which oil and natural gas reserves may be discovered;
- drilling rigs and related equipment to explore for such reserves; and
- knowledgeable personnel to conduct all phases of oil and natural gas operations.

Numerous large, well-financed firms with large cash reserves are engaged in the acquisition of oil and gas properties in North America. Our competitors in acquisitions, development, exploration and production include major oil companies, numerous independents, individual proprietors and others. We expect competition to be intense for available target oil and gas properties. Such competition could have a material adverse affect on our financial condition and operating results, and there can be no assurance that we will be able to compete successfully against current and future competitors or that competitive pressures faced by us will not materially adversely affect our business, financial condition, and results of operations.

Drilling for and producing oil and natural gas are high risk activities with many uncertainties that could delay the anticipated drilling schedule for exploratory wells and adversely affect our future results of operations and stock price. The drilling and completion of exploratory wells are subject to numerous risks beyond our control or the control of our operating partners, including risks that could delay the proposed drilling schedules and the risk that drilling will not result in commercially viable oil and natural gas production. Drilling for oil and natural gas can be unprofitable if dry wells are drilled and if productive wells do not produce sufficient revenues to return a profit. The decisions by us and our operating partners to develop or otherwise exploit certain prospects will depend in part on the evaluation of data obtained through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations. The costs of drilling, completing and operating wells are often uncertain before drilling commences. Overruns in budgeted expenditures are common risks that can make a particular project uneconomical. There can be no assurance that an exploratory well that is successfully completed will pay out the capital costs spent to drill it. Drilling and production operations on an exploratory well may be curtailed, delayed or canceled as a result of various factors, including the following:

- delays imposed by or resulting from compliance with regulatory requirements including permitting;
- unusual or unexpected geological formations and miscalculations;
- shortages of or delays in obtaining equipment and qualified personnel;

- equipment malfunctions, failures or accidents;
- lack of available gathering facilities or delays in construction of gathering facilities;
- lack of available capacity on interconnecting transmission pipelines;
- lack of adequate electrical infrastructure;
- unexpected operational events and drilling conditions;
- pipe or cement failures and casing collapses;
- pressures, fires, blowouts, and explosions;
- lost or damaged drilling and service tools;
- loss of drilling fluid circulation;
- uncontrollable flows of oil, natural gas and natural gas liquids water or drilling fluids;
- natural disasters;
- environmental hazards, such as oil, natural gas and natural gas liquids leaks, pipeline ruptures and discharges of toxic gases or fluids;
- adverse weather conditions such as extreme cold, fires caused by extreme heat or lack of rain, and severe storms or tornadoes;
- reductions in oil, natural gas and natural gas liquids prices;
- oil and natural gas property title problems; and
- market limitations for oil, natural gas and natural gas liquids.

If any of these or other similar industry operating risks occur, we could have substantial losses. Substantial losses also may result from injury or loss of life, severe damage to or destruction of property, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. In accordance with industry practice, we intend to obtain insurance against some, but not all, of the risks described above. However, we have no such insurance at this time and we cannot assure you that any insurance obtained by us will be adequate to cover losses or liabilities.

Market conditions for oil and natural gas, and particularly volatility of prices for oil and natural gas, could adversely affect our revenue, cash flows, profitability and growth. Our project revenue, cash flows, profitability and future rate of growth depend substantially upon prevailing prices for oil and natural gas. Prices also affect the amount of cash flow available for capital expenditures and our ability to borrow money or raise additional capital. Lower prices may also make it uneconomical for us to commence or continue production levels of natural gas and crude oil. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply and demand for oil and natural gas, market uncertainty and a variety of other factors beyond our control, including:

- regional, domestic and foreign supply, and perceptions of supply, of oil, natural gas and natural gas liquids;
- the price of foreign imports;
- U.S. and worldwide political and economic conditions;
- the level of demand, and perceptions of demand, for oil, natural gas and natural gas liquids;
- weather conditions and seasonal trends;
- anticipated future prices of oil, natural gas and natural gas liquids, alternative fuels and other commodities;
- technological advances affecting energy consumption and energy supply;
- the proximity, capacity, cost and availability of pipeline infrastructure, treating, transportation and refining capacity;
- acts of force majeure;
- domestic and foreign governmental regulations and taxation;
- energy conservation and environmental measures; and
- the price and availability of alternative fuels.

For oil, from 2007 through 2010, the highest monthly NYMEX settled price was \$140.00 per Bbl and the lowest was \$41.68 per Bbl. For natural gas, from 2007 through 2010, the highest monthly NYMEX settled price was \$13.35 per MMBtu and the lowest was \$2.98 per MMBtu. In addition, the market price of oil and natural gas is generally higher in the winter months than during other months of the year due to increased demand for oil and natural gas for heating purposes during the winter season.

Lower oil and natural gas prices will reduce our revenues and may ultimately reduce the amount of oil and natural gas that is economic to produce from our oil and gas properties. As a result, our operating partners could determine during periods of low oil and natural gas prices to shut in or curtail production from any operating wells. In addition, our operating partners could determine during periods of low oil and natural gas prices to plug and abandon marginal wells that otherwise may have been allowed to continue to produce for a longer period under conditions of higher prices. Specifically, our operating partners may abandon any well or property if it reasonably believes that the well or property can no longer produce oil or natural gas in commercially economic quantities. This could result in termination of our portion of the royalty interest relating to the abandoned well or property.

Investigations of oil and gas properties do not eliminate the risks associated with the selection and the acquisition of such properties. Although we will perform a review of the oil and properties proposed to be acquired, such reviews are subject to uncertainties. It generally is not feasible to review in detail every individual property involved in an acquisition. Even a detailed review of all properties and records may not reveal existing or potential problems; nor will it permit us to become sufficiently familiar with the properties to assess fully their deficiencies and capabilities. Inspections are not always performed on every well, and potential problems, such as mechanical integrity of equipment and environmental conditions that may require significant remedial expenditures, are not necessarily observable even when an inspection is undertaken.

Our success depends upon our ability to identify and acquire oil and gas reserves that are economically recoverable. There can be no assurance that we will conduct successful exploration or development activities or acquire properties containing proved reserves.

We are subject to complex federal, state, local and other laws and regulations that could adversely affect the cost, manner or feasibility of conducting our operations or expose us to significant liabilities. Our proposed oil and natural gas exploration and production operations are subject to complex and stringent laws and regulations. In order to conduct or operations in compliance with these laws and regulations, oil and gas operators must obtain and maintain numerous permits, approvals and certificates from various federal, state and local governmental authorities. Substantial costs may be incurred by us or our operating partners in order to maintain compliance with these existing laws and regulations. Further, in light of the explosion and fire on the drilling rig Deepwater Horizon in the Gulf of Mexico, as well as recent incidents involving the release of oil and natural gas and fluids as a result of drilling activities in the United States, there has been a variety of regulatory initiatives at the federal and state level to restrict oil and natural gas drilling operations in certain locations. Any increased regulation or suspension of oil and natural gas exploration and production, or revision or reinterpretation of existing laws and regulations, that arises out of these incidents or otherwise could result in delays and higher operating costs. Such costs or significant delays could have a material adverse effect on our business, financial condition and results of operations.

Laws and regulations governing oil and natural gas exploration and production may also affect production levels. Oil and gas operators are required to comply with federal and state laws and regulations governing conservation matters, including provisions related to the unitization or pooling of the oil, natural gas and natural gas liquids properties; the establishment of maximum rates of production from wells; the spacing of wells; and the plugging and abandonment of wells. These and other laws and regulations can limit the amount of oil and natural gas operators can produce from their wells, limit the number of wells they can drill, or limit the locations at which they can conduct drilling operations, which in turn could negatively impact their business, financial condition and results of operations.

New laws or regulations, or changes to existing laws or regulations may unfavorably impact our proposed operations, could result in increased operating costs and have a material adverse effect on our financial condition and results of operations. For example, Congress is currently considering legislation that, if adopted in its proposed form, would subject companies involved in oil and natural gas exploration and production activities to, among other items, additional regulation of and restrictions on hydraulic fracturing of wells, the elimination of most U.S. federal tax incentives and deductions available to oil and natural gas exploration and production activities, and the prohibition or additional regulation of private energy commodity derivative and hedging activities.

These and other potential regulations could increase our operating costs, reduce our revenue, delay proposed operations, increase direct and third party post production costs associated with the our oil and gas properties or otherwise alter our proposed operations, which could have a material adverse effect on our financial condition, results of operations and stock price.

Our proposed operations are subject to environmental laws and regulations that could adversely affect the cost, manner or feasibility of conducting operations or result in significant costs and liabilities. Oil and natural gas exploration and production operations are subject to stringent and comprehensive federal, state and local laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. These laws and regulations may impose numerous obligations that are applicable to our proposed operations including the acquisition of a permit before conducting drilling; water withdrawal or waste disposal activities; the restriction of types, quantities and concentration of materials that can be released into the environment; the limitation or prohibition of drilling activities on certain lands lying within wilderness, wetlands and other protected areas; and the imposition of substantial liabilities for pollution resulting from operations. Numerous governmental authorities, such as the U.S. Environmental Protection Agency ("EPA") and analogous state agencies, have the power to enforce compliance with these laws and regulations and the permits issued under them, often requiring difficult and costly actions. Failure to comply with these laws and regulations may result in the assessment of administrative, civil or criminal penalties; the imposition of investigatory or remedial obligations; and the issuance of injunctions limiting or preventing some or all of our proposed operations.

There is inherent risk of incurring significant environmental costs and liabilities in the performance of our proposed operations due to the handling of petroleum hydrocarbons and wastes, because of air emissions and wastewater discharges related to our proposed operations, and as a result of historical industry operations and waste disposal practices. Under certain environmental laws and regulations, we or our operating partner could be subject to joint and several strict liability for the removal or remediation of previously released materials or property contamination regardless of whether we or our operating partner was responsible for the release or contamination or if the operations were in compliance with all applicable laws at the time those actions were taken. Private parties, including the owners of properties upon which we intend to drill wells and facilities where our petroleum hydrocarbons or wastes are taken for reclamation or disposal may also have the right to pursue legal actions to enforce compliance, as well as to seek damages for contamination even in the absence of non-compliance, with environmental laws and regulations or for personal injury or property damage. In addition, the risk of accidental spills or releases could expose us and our operating partners to significant liabilities that could have a material adverse effect on our financial condition, results of operations and stock price. Changes in environmental laws and regulations occur frequently, and any changes that result in more stringent or costly construction, drilling, water management, completion, waste handling, storage, transport, disposal or cleanup requirements could require us or our operating partners to make significant expenditures to attain and maintain compliance and may otherwise have a material adverse effect on our results of operations, financial condition or stock price.

Climate change laws and regulations restricting emissions of "greenhouse gases" could result in increased operating costs and reduced demand for the oil and natural gas while the physical effects of climate change could disrupt our proposed production and cause us or our operating partners to incur significant costs in preparing for or responding to those effects. On December 15, 2009, the EPA published its findings that emissions of carbon dioxide, methane and other greenhouse gases ("GHGs") present a danger to public health and the environment. These findings allow the agency to adopt and implement regulations that restrict emissions of GHGs under existing provisions of the federal Clean Air Act. Accordingly, the EPA has adopted regulations that require a reduction in emissions of GHGs from motor vehicles and also trigger permit review for GHG emissions from certain large stationary sources. The EPA's rules relating to emissions of GHGs from large stationary sources of emissions are currently subject to a number of political and legal challenges, but the federal courts have thus far declined to issue any injunctions to prevent EPA from implementing, or requiring state environmental agencies to implement, the rules. In addition, on October 30, 2009, the EPA published a final rule requiring the reporting of GHG emissions from specified large GHG emission sources in the United States, beginning in 2011 for emissions occurring in 2010. On November 30, 2010, the EPA published a final rule that expands its October 2009 final rule on reporting of GHG emissions to require certain owners and operators of onshore oil and natural gas production to monitor greenhouse gas emissions beginning in 2011 and to report those emissions beginning in 2012. Both houses of Congress have from time to time considered legislation to reduce emissions of GHGs and almost one-half of the states, either individually or through multi-state regional initiatives, already have begun implementing legal measures to reduce emissions of GHGs. The adoption and implementation of any regulations imposing reporting obligations on, or limiting emissions of GHGs from the equipment and operations of our operating partners could require us and our operating partners to incur costs to reduce emissions of GHGs associated with our operations or could adversely affect demand for the oil and natural gas that we produce. Finally, it should be noted that some scientists have concluded that increasing concentrations of greenhouse gases in the Earth's atmosphere may produce climate change that could have significant physical effects, such as increased frequency and severity of storms, droughts, and floods and other climatic events; if any such effects were to occur, they could have an adverse effect on our assets and operations.

Federal and state legislative and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays as well as adversely affect our results of operations, financial condition or stock price. We intend to engage in a production technique known as hydraulic fracturing, an important and common practice used to stimulate production of hydrocarbons from tight formations, such as shales. The process involves the injection of water, sand and chemicals under pressure into formations to fracture the surrounding rock and stimulate production. The process is typically regulated by state oil and gas commissions. However, the EPA recently asserted federal regulatory authority over certain hydraulic fracturing practices. At the same time, the EPA has commenced a study of the potential environmental impacts of hydraulic fracturing activities, with initial results of the study anticipated to be available by late 2012 and final results by 2014. Also, legislation has been introduced into Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the fracturing process. In addition, some states have adopted, and other states are considering adopting, regulations that could restrict hydraulic fracturing in certain circumstances. For instance, in June 2011, Texas adopted a law that requires disclosure to the Railroad Commission of Texas of the additives and other chemicals contained in hydraulic fracturing fluids used in the state, subject to certain trade secret protections. If new laws or regulations that significantly restrict or regulate hydraulic fracturing are adopted, such legal requirements could make it more difficult or costly for us or our operating partners to perform fracturing to stimulate production from our oil and gas interests and thereby affect the determination of whether a well is commercially viable. Restrictions on hydraulic fracturing could also reduce the amount of oil and natural gas we are ultimately able to produce in commercial quantities from our oil and gas interests.

No Dividends. We do not expect to pay cash dividends on our common stock in the foreseeable future.

There is no public trading market for our stock. Prior to this offering, there has been no public trading market for our common stock. While we intend to pursue the listing of our common shares for quotation on the OTCBB, there can be no assurance that we will be able to do so or that a market for our shares will develop.

The offering of up to 762,000 shares of our common stock by selling stockholders could depress our common stock price. Certain of our stockholders are offering pursuant to this prospectus up to 762,000 shares of our common stock in a secondary offering. In the event we are able to list our common shares for quotation on the OTC Bulletin Board, sales of a substantial number of shares of our common stock in the public market could adversely affect our ability to develop a market for our common shares or our ability to develop a market price of our common stock and make it more difficult for us to sell equity securities at times and prices that we determine to be appropriate.

Our common stock may be considered to be a "penny stock" and, as such, any the market for our common stock may be further limited by certain SEC rules applicable to penny stocks. To the extent the price of our common stock remains below \$5.00 per share or we have a net tangible assets of \$2,000,000 or less, our common shares will be subject to certain "penny stock" rules promulgated by the SEC. Those rules impose certain sales practice requirements on brokers who sell penny stock to persons other than established customers and accredited investors (generally institutions with assets in excess of \$5,000,000 or individuals with net worth in excess of \$1,000,000). For transactions covered by the penny stock rules, the broker must make a special suitability determination for the purchaser and receive the purchaser's written consent to the transaction prior to the sale. Furthermore, the penny stock rules generally require, among other things, that brokers engaged in secondary trading of penny stocks provide customers with written disclosure documents, monthly statements of the market value of penny stocks, disclosure of the bid and asked prices and disclosure of the compensation to the brokerage firm and disclosure of the sales person working for the brokerage firm. These rules and regulations adversely affect the ability of brokers to sell our common shares and limit the liquidity of our securities.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This prospectus and the documents to which we refer you and incorporate into this prospectus by reference contain forward-looking statements. In addition, from time to time, we or our representatives may make forward-looking statements orally or in writing. We base these forward-looking statements on our expectations and projections about future events, which we derive from the information currently available to us. Such forward-looking statements relate to future events or our future performance. You can identify forward-looking statements by those that are not historical in nature, particularly those that use terminology such as “may,” “will,” “should,” “expects,” “anticipates,” “contemplates,” “estimates,” “believes,” “plans,” “projected,” “predicts,” “potential” or “continue” or the negative of these or similar terms. In evaluating these forward-looking statements, you should consider various factors, including those described in this prospectus under the heading “Risk Factors” beginning on page 2. These and other factors may cause our actual results to differ materially from any forward-looking statement. Forward-looking statements are only predictions. The forward-looking events discussed in this prospectus, the documents to which we refer you and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties and assumptions about us.

SELLING STOCKHOLDERS

This prospectus relates to the offering and sale, from time to time, of up to 762,000 shares of our common stock, held by the stockholders named in the table below. The common shares represent securities sold by us in a private placement conducted in 2011, as described below.

None of the selling stockholders has held a position as an officer or director of the company, nor has any selling stockholder had any material relationship of any kind with us or any of our affiliates. Except as otherwise indicated in the footnotes to the table, the selling stockholders possess sole voting and investment power with respect to the shares shown, and no selling stockholder is a broker-dealer or an affiliate of a broker-dealer. All information with respect to share ownership has been furnished by the selling stockholders. The shares being offered are being registered to permit public secondary trading of the shares and each selling stockholder may offer all or part of the shares owned for resale from time to time.

From January 2011 through September 2011, we conducted the private placement sale of 962,000 shares of our common stock at the offering price of \$0.25 per share. The following table sets forth certain information known to us as of the date of this prospectus and as adjusted to reflect the sale of the shares offered hereby, with respect to the beneficial ownership of our common stock by the selling stockholders who participated in the private placement mentioned above. The share amounts under the columns "Shares Beneficially Owned Before the Offering" and "Maximum Number of Shares Offered" consist of the shares of our common stock sold by us in the private placement described above, with the exception of 200,000 common share purchased by certain affiliates of the company who agreed to withhold their shares from this registration. The share amounts under the columns "Shares Beneficially Owned after the Offering" assume all of the offered shares are sold pursuant to this prospectus.

| Name of Beneficial Owner | Shares Beneficially Owned Before the Offering | | Maximum Number of Shares Offered | Shares Beneficially Owned After the Offering ⁽¹⁾ | |
|------------------------------------------|--------------------------------------------------|------|-------------------------------------------|-------------------------------------------------------------------|-----|
| | Number | % | | Number | % |
| Jan Cecille Anderson | 200,000 | 1.5% | 100,000 | 100,000 | * |
| Dennis McCarter | 55,000 | * | 5,000 | 50,000 | * |
| Vincent McGuire | 104,000 | * | 4,000 | 100,000 | * |
| Lowell Brumley | 132,000 | 1.0% | 32,000 | 100,000 | * |
| John Freeze | 24,000 | * | 4,000 | 20,000 | * |
| Wayne Hamersly | 120,000 | * | 100,000 | 20,000 | * |
| Terry Niedecken | 2,000 | * | 2,000 | -0- | -0- |
| La Dolce Vita Trust ⁽²⁾ | 400 | * | 400 | -0- | -0- |
| Jerry Monday Family Trust ⁽³⁾ | 1,000 | * | 1,000 | -0- | -0- |
| Stevan J. Shipp | 1,000 | * | 1,000 | -0- | -0- |
| David Marion Mettauer | 400 | * | 400 | -0- | -0- |
| Timothy J. & Tanya R. Boyd | 1,000 | * | 1,000 | -0- | -0- |
| Nicholas Smith | 400 | * | 400 | -0- | -0- |
| Brett Ussery | 1,000 | * | 1,000 | -0- | -0- |
| Richard L. Faulk | 8,000 | * | 8,000 | -0- | -0- |
| Jon Unger | 4,000 | * | 4,000 | -0- | -0- |
| Michael J. Thompson LLC ⁽⁴⁾ | 2,000 | * | 2,000 | -0- | -0- |
| Ginger Barnes | 6,000 | * | 6,000 | -0- | -0- |
| Pamela Vee Plimpton | 400 | * | 400 | -0- | -0- |
| Fred Wills | 1,000 | * | 1,000 | -0- | -0- |
| Bobby J. Culpepper | 1,000 | * | 1,000 | -0- | -0- |
| Mark L. Ussery | 1,000 | * | 1,000 | -0- | -0- |
| V. Brooks Abbott | 1,000 | * | 1,000 | -0- | -0- |

| | | | | | |
|------------------------------------------------|---------|------|---------|-----|-----|
| Lane Clissold | 4,000 | * | 4,000 | -0- | -0- |
| Peter Varselona, Jr. | 2,000 | * | 2,000 | -0- | -0- |
| Mark E. Swan | 1,000 | * | 1,000 | -0- | -0- |
| James R. Price | 1,000 | * | 1,000 | -0- | -0- |
| Joe A. Lindsey | 1,000 | * | 1,000 | -0- | -0- |
| Carolyn V. Allen Rev. Trust ⁽⁵⁾ | 12,000 | * | 12,000 | -0- | -0- |
| Jeb Swan | 1,000 | * | 1,000 | -0- | -0- |
| Pinnacle Investment, LLC ⁽⁶⁾ | 1,000 | * | 1,000 | -0- | -0- |
| Northside Capital Corp. ⁽⁷⁾ | 1,000 | * | 1,000 | -0- | -0- |
| Virginia Anne Wheeler | 4,000 | * | 4,000 | -0- | -0- |
| G. Monique Saia | 2,000 | * | 2,000 | -0- | -0- |
| Dorcas Gail Garrett | 20,000 | * | 20,000 | -0- | -0- |
| James Anthony Stock | 1,000 | * | 1,000 | -0- | -0- |
| Imran F. Kaiser | 1,000 | * | 1,000 | -0- | -0- |
| Lisa Cooper | 2,000 | * | 2,000 | -0- | -0- |
| Danna Lovelace & Jerry Lovelace | 10,000 | * | 10,000 | -0- | -0- |
| C.F. Pofahl | 400 | * | 400 | -0- | -0- |
| James R. Phillips, Jr. | 1,000 | * | 1,000 | -0- | -0- |
| Larry M. Mallory | 1,000 | * | 1,000 | -0- | -0- |
| David Langley | 2,000 | * | 2,000 | -0- | -0- |
| Jim Hogue | 1,000 | * | 1,000 | -0- | -0- |
| Scott & Joell Hamersley JTWROS. ⁽⁸⁾ | 200,000 | 1.5% | 200,000 | -0- | -0- |
| John Kranz | 2,000 | * | 2,000 | -0- | -0- |
| James L. Rogers | 1,000 | * | 1,000 | -0- | -0- |
| Doyle Pennington | 1,000 | * | 1,000 | -0- | -0- |
| Elton R. Storment Trust ⁽⁹⁾ | 100,000 | * | 100,000 | -0- | -0- |
| Diane Pham | 10,000 | * | 10,000 | -0- | -0- |
| Thomas J. Neja | 1,000 | * | 1,000 | -0- | -0- |
| Thomas W. Maher | 1,000 | * | 1,000 | -0- | -0- |
| Stephen L. Fischer | 100,000 | * | 100,000 | -0- | -0- |

* Less than 1%.

(1) Assumes that all securities offered are sold.

(2) The selling stockholder indicated to us that Jerome Albert Grisaffi, Trustee of the La Dolce Vita Trust, has voting and investment power over the shares it is offering for resale.

(3) The selling stockholder indicated to us that Jerry Monday, Trustee of the Jerry Monday Family Trust, has voting and investment power over the shares it is offering for resale.

(4) The selling stockholder indicated to us that Michael Thompson, Manager of Michael J. Thompson LLC, has voting and investment power over the shares it is offering for resale.

(5) The selling stockholder indicated to us that Carolyn Allen, Trustee of the Carolyn V. Allen Rev. Trust, has voting and investment power over the shares it is offering for resale.

(6) The selling stockholder indicated to us that Shawn Langley, Manager of Pinnacle Investment, LLC, has voting and investment power over the shares it is offering for resale.

(7) The selling stockholder indicated to us that Shawn Langley, President of Northside Capital Corp., has voting and investment power over the shares it is offering for resale.

(8) The selling stockholder identified itself to us as an affiliate of a broker-dealer. It has indicated to us that it purchased the shares in the ordinary course of business, and at the time of the purchase of the shares to be resold, had no agreements or understandings, directly or indirectly, with any person to distribute the shares.

(9) The selling stockholder indicated to us that Elton Storment, Trustee of the Elton R. Storment Trust, has voting and investment power over the shares it is offering for resale.

PLAN OF DISTRIBUTION

The selling stockholders may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. The selling stockholders will offer and sell the shares of our common stock at the price of \$1.00 per share. If and when our common stock becomes quoted on the OTC Bulletin Board, the shares owned by the selling stockholders may be sold at prices and terms then prevailing or at prices related to the then-current market price, or in negotiated transactions. The selling stockholders may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares under Rule 144 under the Securities Act, if available, rather than under this prospectus.

The selling stockholders may also engage in puts and calls and other transactions in our securities or derivatives of our securities and may sell or deliver shares in connection with these trades.

Broker-dealers engaged by the selling stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved. Any profits on the resale of shares of common stock by a broker-dealer acting as principal might be deemed to be underwriting discounts or commissions under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by a selling stockholder. The selling stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the shares if liabilities are imposed on that person under the Securities Act.

The selling stockholders may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time under this prospectus after we have filed a supplement to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933 amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus and may sell the shares of common stock from time to time under this prospectus after we have filed a supplement to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933 amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

The selling stockholders and any broker-dealers or agents that are involved in selling the shares of common stock may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares of common stock purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act.

We are required to pay all fees and expenses incident to the registration of the shares of common stock. We have agreed to indemnify the selling stockholders against certain claims, damages and liabilities, including liabilities under the Securities Act.

The selling stockholders have advised us that they have not entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their shares of common stock, nor is there an underwriter or coordinating broker acting in connection with a proposed sale of shares of common stock by any selling stockholder. If we are notified by any selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of shares of common stock, if required, we will file a supplement to this prospectus. If the selling stockholders use this prospectus for any sale of the shares of common stock, they will be subject to the prospectus delivery requirements of the Securities Act.

The anti-manipulation rules of Regulation M under the Securities Exchange Act of 1934 may apply to sales of our common stock and activities of the selling stockholders.

MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our common stock is not listed for trading on any stock exchange or stock market. Following the effectiveness of the registration statement, which this prospectus is part of, we will apply to list our common shares for quotation on the OTC Bulletin Board. There can be no assurance, however, that we will be able to list our shares on the OTC Bulletin Board or anywhere else.

Holders of Record

As of December 5, 2011, there were 119 record holders of our common stock.

Dividends

We have not paid any cash dividends since our inception and do not contemplate paying dividends in the foreseeable future. It is anticipated that earnings, if any, will be retained for the operation of our business.

Equity Compensation Plan Information

We have adopted the West Texas Resources, Inc. 2011 Stock Incentive Plan providing for the grant of non-qualified stock options and incentive stock options to purchase shares of our common stock and for the grant of restricted and unrestricted share grants. We have reserved 3,000,000 shares of our common stock under the plan. All officers, directors, employees and consultants to our company are eligible to participate under the plan. The purpose of the plan is to provide eligible participants with an opportunity to acquire an ownership interest in our company.

The following table sets forth certain information as of September 30, 2011 about our stock plans under which our equity securities are authorized for issuance.

| Plan Category | (a) Number of Securities to be Issued Upon Exercise of Outstanding Options | (b) Weighted-Average Exercise Price of Outstanding Options | (c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected In Column (a)) |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by security holders | 400,00 | \$ 0.25 | 2,600,000 |
| Equity compensation plans not approved by security holders | — | — | — |
| Total | 400,000 | \$ 0.25 | 2,600,000 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

AND RESULTS OF OPERATIONS

General

On December 9, 2010, we were formed under the laws of Nevada as a wholly-owned subsidiary of Russian Resources Energy, Inc., a Texas corporation ("Russian Resources"), and then spun off to the stockholders of Russian Resources on the same date. Pursuant to the spin-off, each stockholder of Russian Resource as of December 9, 2010 received one share of our common stock for each share of common stock of Russian Resources held by such stockholder. Russian Resources no longer has any ownership of our capital stock and has no continuing obligation to provide financial, operational or organizational assistance to us.

We were formed for the purpose of oil and gas exploration and development in North America. From inception to date, our activities have focused on the raising of capital and the investigation of oil and gas properties. As of the date of this prospectus, we have incurred no revenue. In September 2011, we acquired our initial property consisting of a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas. We intend to conduct investigations and other due diligence operations related to the acquisition of equity interests in oil and gas properties to be thereafter exploited by us in conjunction with other oil and gas producers. As of the date of this prospectus, we have not completed any investigations of any other oil and gas or natural resource properties nor have we any agreements in place concerning our acquisition of an interest in any other properties. There can be no assurance that we will be able to complete an acquisition on terms acceptable to us.

Plan of Operations

As more fully described below, our plan of operations over the next 12 months is to acquire oil and natural gas interests in North America and the additional working capital necessary to acquire and development such properties.

Over the next 12 months we intend to pursue our acquisition of and participation in oil and gas properties in North America. We have developed an operating strategy that is based on our participation in exploration prospects as a non-operator for the foreseeable future. Based on that strategy, our plan of operations over the next 12 months is to pursue the acquisition of oil and natural gas interests, including prospects, leases, wells, mineral rights, working interests, royalty interests, overriding royalty interests, net profits interests, production payments, farm-ins, drill to earn arrangements, partnerships, easements, rights of way, licenses and permits throughout North America. For the foreseeable future, we intend to pursue prospects in partnership with other companies with exploration, development and production expertise. We will also pursue alliances with partners in the areas of geological and geophysical services and prospect generation, evaluation and prospect leasing.

The business of oil and gas acquisition, drilling and development is capital intensive and the level of operations attainable by an oil and gas company is directly linked to and limited by the amount of available capital. Therefore, a principal part of our plan of operations is to acquire the additional capital required to finance the acquisition of such properties and our share of the development costs. As explained under "Financial Condition" below, we will seek additional working capital through the sale of our securities and, subject to the successful deployment of our cash on hand, we will endeavor to obtain additional capital through bank lines of credit and project financing.

We intend to use the services of independent consultants and contractors to perform various professional services, including reservoir engineering, land, legal, environmental and tax services. As a non-operator working interest owner, we intend to rely on outside operators to drill, produce and market our natural gas and oil. We believe that by limiting our management and employee costs, we may be able to better control total costs and retain flexibility in terms of project management.

Financial Condition

As of September 30, 2011, we had total assets of \$223,855 and working capital of \$169,346. Our ability to achieve commercial success is dependent on our ability to obtain additional capital either through the additional sale of our equity or debt securities, bank lines of credit, project financing or cash generated from oil and gas operations. We will seek to obtain additional working capital through the sale of our securities and, subject to the successful deployment of our cash on hand, we will endeavor to obtain additional capital through bank lines of credit and project financing. However, we have no agreements or understandings with any third parties at this time for our receipt of additional working capital and we have no history of generating cash from oil and gas operations. Consequently, there can be no assurance we will be able to obtain continued access to capital as and when needed or, if so, that the terms of any available financing will be subject to commercially reasonable terms.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet financing arrangements.

PROPOSED BUSINESS

General

We were formed for the purpose of oil and gas exploration and development in North America. We intend to pursue prospects in partnership with other companies with exploration, development and production expertise. We intend to conduct investigations and other due diligence operations related to the acquisition of equity interests in oil and gas properties in North America to be thereafter exploited by us in conjunction with other oil and gas producers. While we intend to focus on oil and nature gas exploration and development, we may also pursue the development of other energy related resources such as coal. As of the date of this prospectus, we have not completed any investigations of any oil and gas properties nor have we any agreements in place concerning our acquisition of an interest in any such properties. There can be no assurance that we will be able to complete an acquisition on terms acceptable to us. As of the date of this prospectus, we have no revenues or operations and only nominal cash assets.

After identifying a suitable oil and gas property, we will prepare a development plan, including projection of drilling and other pre-production costs. We will concurrently seek additional capital in order to fund the development and exploitation of the selected property.

We may also engage, to a limited degree, in oil field related services, such as water hauling. Water hauling is an essential element of oil and gas exploration and production. Certain drilling techniques, such as hydraulic fracturing, require water to be hauled to the drill site and government regulations require that water flowing from a drill site be transported to a licensed disposal site for remediation. In August 2011, we acquired a water trailer for use in the drilling sites operated by our operating partners, however we also intend to lease the trailer out to other operators. We may also acquire additional water hauling trailers and trucks for the provision of water hauling services to third party operators. However, we do not expect that oil field services will be a substantial portion of our operations.

Our Strategy

Our objective is to become an independent energy company engaged in the acquisition, development and exploitation of oil and gas properties in North America in partnership with oil and gas producers. We will pursue strategic acquisitions of interests in oil and gas properties which fit our objectives of having proved reserves with development potential. We intend to target both new and existing fields and producing wells to be revitalized.

In our initial phase, the following are key elements of our strategy:

General due diligence review and research analysis. We will (i) survey available properties; (ii) conduct feasibility analysis, including review of existing geologic and engineering studies on the prospective properties; (iii) analyze access to pipeline and other delivery mechanisms, assess project drilling and delivery expenses and prepare timetables; and (iv) select and rank the top prospects now in the possession of other oil and gas producers.

Geological, geophysical and engineering field research. We will to utilize a recognized oil engineering firm to do the appropriate geological, geophysical and engineering analysis to provide an estimate of proven reserves on the properties as ranked, including the economics of production and field operations.

Plan of action for the second phase; raising additional capital We will prepare a development plan, including projection of drilling and other pre-production costs. We will concurrently seek additional capital in order to fund the acquisition, development and exploitation of the selected properties.

Acquisition of equity interests. Once we have completed the process described above, we will negotiate the acquisition of equity interests in the selected and reviewed oil and gas properties. We will then commence the joint development of such properties.

At the present time, we have two employees, our chief executive officer and chief financial officer, Stephen Jones and John Kerr, respectively.. We have developed an operating strategy that is based on our participation in exploration prospects as a non-operator for the foreseeable future. We intend to use the services of independent consultants and contractors to perform various professional services, including reservoir engineering, land, legal, environmental and tax services, as appropriate to carry out our operating strategy summarized above. We will also pursue alliances with partners in the areas of geological and geophysical services and prospect generation, evaluation and prospect leasing. As a non-operator working interest owner, we intend to rely on outside operators to drill, produce and market our natural gas and oil. We believe that by limiting our management and employee costs, we may be able to better control total costs and retain flexibility in terms of project management.

Oil and Gas Interests

In September 2011, we acquired our initial property consisting of a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas. The prospect contains two wells that are currently operating at a minimum level required to maintain the lease rights. The prospect will be operated by West Texas Royalties, LLC, of Plainview, Texas, an unaffiliated third-party. The current plan is to fracture stimulate one of the two wells and, subject to the performance of that well, fracture stimulate the other well and/or drill additional wells on the property. The operator intends to commence the fracture stimulation of the first well during in December 2011.

We intend to pursue the acquisition of equity interests in other oil and gas properties in North America. However, as of the date of this prospectus, we have not completed any investigations of other oil and gas properties nor do we have we any agreements in place concerning our acquisition of an interest in any such properties. There can be no assurance that we will be able to complete an acquisition on terms acceptable to us.

Reserves and Production

There are no reserve reports with respect to our initial prospect in Eastland County, Texas nor are there any producing wells on such property.

Acreage

The following tables summarize by geographic area our developed and undeveloped acreage as of September 30, 2011. The term of the undeveloped leasehold acreage ranges from three to five years.

| State | Developed ¹ | | Undeveloped ² | |
|-------|------------------------|------------------|--------------------------|------------------|
| | Gross ³ | Net ⁴ | Gross ³ | Net ⁴ |
| Texas | -- | -- | 120 | 37.5 |
| Total | -- | -- | 120 | 37.5 |

Marketing and Pricing

We will derive revenue principally from the sale of oil and natural gas. As a result, our revenues are determined, to a large degree, by prevailing prices for crude oil and natural gas. We intend to sell our oil and natural gas on the open market at prevailing market prices. The market price for oil and natural gas is dictated by supply and demand, and we cannot accurately predict or control the price we may receive for our oil and natural gas.

¹ Developed acreage is acreage spaced for or assignable to productive wells.

² Undeveloped acreage is oil and gas acreage on which wells have not been drilled or completed to a point that would permit the production of economic quantities of oil or gas regardless of whether such acreage contains proved reserves.

³ A gross acre is an acre in which a working interest is owned. The number of gross acres is the total number of acres in which a working interest is owned.

⁴ A net acre is deemed to exist when the sum of fractional ownership working interests in gross acres equals one. The number of acres is the sum of the fractional working interests owned in acres expressed as whole numbers and fractions thereof.

Price decreases would adversely affect our revenues, profits and the value of our proved reserves. Historically, the prices received for oil and natural gas have fluctuated widely. Among the factors that can cause these fluctuations are:

- The domestic and foreign supply of natural gas and oil
- Overall economic conditions
- The level of consumer product demand
- Weather conditions
- The price and availability of competitive fuels such as heating oil and coal
- Political conditions in the Middle East and other natural gas and oil producing regions
- The level of oil and natural gas imports
- Domestic and foreign governmental regulations
- Potential price controls

We may enter into hedging arrangements to reduce our exposure to decreases in the prices of oil and natural gas. Hedging arrangements may expose us to risk of significant financial loss in some circumstances including circumstances where:

- There is a change in the expected differential between the underlying price in the hedging agreement and actual prices received
- Our production and/or sales of natural gas are less than expected
- Payments owed under derivative hedging contracts typically come due prior to receipt of the hedged month's production revenue
- The other party to the hedging contract defaults on its contract obligations

In addition, hedging arrangements limit the benefit we would receive from increases in the prices for oil and natural gas. We cannot assure you that any hedging transactions we may enter into will adequately protect us from declines in the prices of oil and natural gas. On the other hand, we may choose not to engage in hedging transactions in the future. As a result, we may be more adversely affected by changes in oil and natural gas prices than our competitors who engage in hedging transactions.

Competition

The oil and gas industry is highly competitive and inherent difficulties exist for any new company seeking to enter an established field. Our proposed business will encounter numerous companies more experienced, better financed, and operationally organized to conduct acquisitions, development and exploration activities in the oil and gas industry in North America. Additionally, a small "start-up" such as the Company, with insignificant resources, is at a serious disadvantage against established competitors, including major oil companies.

Government Regulations

The following is a summary of the more significant existing environmental, health and safety laws and regulations applicable to the oil and natural gas industry and for which compliance may have a material adverse impact on the development or success of our proposed oil and gas operations.

Federal Income Tax. Federal income tax laws will significantly affect our operations. The principal provisions that will affect us are those that permit us, subject to certain limitations, to deduct as incurred, rather than to capitalize and amortize, our domestic "intangible drilling and development costs" and to claim depletion on a portion of our domestic oil and natural gas properties based on 15% of our oil and natural gas gross income from such properties (up to an aggregate of 1,000 Bbls per day of domestic crude oil and/or equivalent units of domestic natural gas).

Environmental Regulation. The exploration, development and production of oil and natural gas are subject to federal, state and local laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. These laws and regulations may, among other things, require permits to conduct drilling, water withdrawal and waste disposal operations; govern the amounts and types of substances that may be disposed or released into the environment; limit or prohibit construction or drilling activities in sensitive areas such as wetlands, wilderness areas or areas inhabited by endangered or threatened species; require investigatory and remedial actions to mitigate pollution conditions arising from oil and gas operations or attributable to former operations; and impose obligations to reclaim and abandon well sites and pits. Failure to comply with these laws and regulations may result in the assessment of sanctions, including monetary penalties, the imposition of remedial obligations and the issuance of orders enjoining operations in affected areas.

The clear trend in environmental regulation is to place more restrictions and limitations on activities that may affect the environment, and thus, any changes in environmental laws and regulations or re-interpretation of enforcement policies that result in more stringent and costly construction, drilling, water management, completion, waste handling, storage, transport, disposal, or remediation requirements or emission or discharge limits could have a material adverse effect on the development or success of our proposed oil and gas operations. Moreover, accidental releases or spills may occur in the course of our proposed oil and gas operations, and there can be no assurance that we will not incur significant costs and liabilities as a result of such releases or spills, including any third party claims for damage to property and natural resources or personal injury.

Hazardous Substances and Wastes. The Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), also known as the Superfund law and comparable state laws impose joint and several liability, without regard to fault or legality of conduct, on certain classes of persons who are considered to be responsible for the release of a "hazardous substance" into the environment. These persons include current and prior owners or operators of the site where the release occurred and entities that disposed or arranged for the disposal of the hazardous substances found at the site. Under CERCLA, these "responsible persons" may be subject to strict joint and several liability for the costs of cleaning up the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain environmental and health studies. In addition, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damage allegedly caused by the release of hazardous substances into the environment. CERCLA also authorizes the EPA and, in some instances, third parties to act in response to threats to the public health or the environment and to seek to recover from the responsible classes of persons the costs they incur. We may generate materials in the course of our proposed operations that may be regulated as hazardous substances.

We may also generate wastes that are subject to the requirements of the Resource Conservation and Recovery Act, as amended ("RCRA"), and comparable state statutes. RCRA imposes strict requirements on the generation, transportation, treatment, storage, disposal and cleanup of hazardous and non-hazardous wastes. Drilling fluids, produced waters and most of the other wastes associated with the exploration, production and development of crude oil and natural gas are currently exempt from regulation as hazardous wastes under RCRA. However, it is possible that certain oil and natural gas exploration and production wastes now classified as non-hazardous could be classified as hazardous wastes in the future. In September 2010, the Natural Resources Defense Council filed a petition with the EPA requesting them to reconsider the RCRA exemption for exploration, production, and development wastes. To date, the EPA has not taken any action on the petition. Any change in the RCRA exemption for such wastes could result in an increase in costs to manage and dispose of wastes, which could have a material adverse effect on the development or success of our proposed oil and gas operations.

Air Emissions. The Clean Air Act, as amended, and comparable state laws and regulations restrict the emission of air pollutants from many sources and also impose various monitoring and reporting requirements. These laws and regulations may require us or our operating partners to obtain pre-approval for the construction or modification of certain projects or facilities expected to produce or significantly increase air emissions, obtain and strictly comply with air permit requirements or utilize specific equipment or technologies to control emissions. Obtaining permits has the potential to delay the development of oil and natural gas projects.

Water Discharges. The Federal Water Pollution Control Act, as amended ("Clean Water Act"), and analogous state laws impose restrictions and strict controls regarding the discharge of pollutants into navigable waters. Pursuant to the Clean Water Act and analogous state laws, permits must be obtained to discharge produced waters and sand, drilling fluids, drill cuttings and other substances related to the oil and gas industry into onshore, coastal and offshore waters of the United States or state waters. Any such discharge of pollutants into regulated waters must be performed in accordance with the terms of the permit issued by EPA or the analogous state agency. Spill prevention, control and countermeasure requirements under federal law require appropriate containment berms and similar structures to help prevent the contamination of navigable waters in the event of a petroleum hydrocarbon tank spill, rupture or leak. In addition, the Clean Water Act and analogous state laws require individual permits or coverage under general permits for discharges of storm water runoff from certain types of facilities.

Climate Change. In December 2009, the EPA published its findings that emissions of carbon dioxide, methane and certain other GHGs present an endangerment to public health and the environment because emissions of such gases are, according to the EPA, contributing to warming of the earth's atmosphere and other climatic changes. These findings allow the EPA to adopt and implement regulations that restrict emissions of GHGs under existing provisions of the federal Clean Air Act. Accordingly, the EPA has adopted regulations that require a reduction in emissions of GHGs from motor vehicles and also trigger permit review for GHG emissions from certain large stationary sources. The EPA's rules relating to emissions of GHGs from large stationary sources of emissions are currently subject to a number of legal challenges, but the federal courts have thus far declined to issue any injunctions to prevent the EPA from implementing, or requiring state environmental agencies to implement, the rules. In addition, Congress has actively considered legislation to reduce emissions of GHGs and almost one-half of the states have begun taking actions to control and/or reduce emissions of GHGs, primarily through the planned development of GHG emission inventories and/or regional GHG cap and trade programs. The adoption and implementation of any regulations imposing reporting obligations on, or limiting emissions of GHG gases from, our equipment and operations could require us to incur costs to reduce emissions of GHGs associated with our proposed operations or could adversely affect demand for the oil and natural gas we produce.

Endangered Species. The federal Endangered Species Act ("ESA") restricts activities that may affect endangered or threatened species or their habitats. The designation of previously unidentified species as endangered or threatened on properties where we operate could subject us to additional costs or cause our oil and gas activities to be subject to operating restrictions or bans.

Employee Health and Safety. Our proposed operations of SandRidge are subject to a number of federal and state laws and regulations, including the federal Occupational Safety and Health Act, as amended ("OSHA"), and comparable state statutes, whose purpose is to protect the health and safety of workers. In addition, the OSHA hazard communication standard, the EPA community right-to-know regulations under Title III of the federal Superfund Amendment and Reauthorization Act and comparable state statutes require that information be maintained concerning hazardous materials used or produced in oil and gas operations and that this information be provided to employees, state and local government authorities and citizens.

State Regulation. Texas regulates the drilling for, and the production and gathering of, oil, natural gas and natural gas liquids, including requirements relating to drilling permits, the location, spacing and density of wells, unitization and pooling of interests, the method of drilling, casing and equipping of wells, the protection of fresh water sources, the orderly development of common sources of supply of oil, natural gas and natural gas liquids, the operation of wells, allowable rates of production, the use of fresh water in oil, natural gas and natural gas liquids operations, saltwater injection and disposal operations, the plugging and abandonment of wells and the restoration of surface properties, the prevention of waste of oil, natural gas and natural gas liquids resources, the protection of the correlative rights of oil, natural gas and natural gas liquids owners and, where necessary to avoid unfair, unjust or discriminatory service, the fees, terms and conditions for the gathering of natural gas. The effect of these regulations may be to limit the number of wells that our operating partners may drill, impact the locations at which our operating partners may drill wells, restrict the amounts of oil and natural gas that may be produced from wells drilled by our operating partners and increase the costs of operations.

Hydraulic Fracturing. We expect to participate in exploration and drilling projects that seek to recover oil and natural gas through the use of hydraulic fracturing. Hydraulic fracturing, which involves the injection of water, sand and chemicals under pressure into formations to fracture the surrounding rock and stimulate production, is typically regulated by state oil and gas commissions. However, the EPA recently asserted federal regulatory authority over certain hydraulic fracturing practices. At the same time, the EPA has commenced a study of the potential environmental impacts of hydraulic fracturing activities, with initial results of the study anticipated to be available by late 2012 and final results by 2014. Also for the second consecutive session, legislation has been introduced in Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the fracturing process. In addition, some states have adopted, and other states are considering adopting, regulations that could restrict hydraulic fracturing in certain circumstances. For instance, in June 2011, Texas adopted a law that requires disclosure to the Railroad Commission of Texas of the additives and other chemicals contained in hydraulic fracturing fluids used in the state, subject to certain trade secret protections. If new laws or regulations that significantly restrict hydraulic fracturing are adopted at the Texas state level, such legal requirements could make it more difficult or costly for our operating partners to perform fracturing to stimulate production in the play and thereby affect the determination of whether a well is commercially viable. In addition, if hydraulic fracturing is regulated at the federal level, fracturing activities could become subject to additional permit requirements or operational restrictions and also to associated permitting delays and potential increases in costs. Restrictions on hydraulic fracturing could also reduce the amount of oil or natural gas and natural gas liquids that our operating partners are ultimately able to produce in commercial quantities from our oil and gas properties.

Employees

As of the date of this prospectus, we have two employees, our chief executive officer and chief financial officer. For the foreseeable future, we intend to use the services of independent consultants and contractors to perform various professional services, including reservoir engineering, land, legal, environmental and tax services. We do not contemplate hiring additional staff after this private placement until a gas and oil property has been identified by us and we have commenced our due diligence review of such property.

Offices and Facilities

Our executive offices are located in 5729 Lebanon Road., Suite 144, Frisco, Texas 75034.

Litigation

There are no pending legal proceedings to which we or our properties are subject.

MANAGEMENT

Set forth below are our directors and officers.

| Name | Age | Position |
|------------------|-----|--------------------------------------------------------------|
| Stephen E. Jones | 37 | Chairman of the Board, President and Chief Executive Officer |
| John D. Kerr | 45 | Chief Financial Officer and Director |

Mr. Jones has served as our chairman of the board and president and chief executive officer since our founding on December 9, 2010. From February 2010 to December 2010, Mr. Jones also serves as president and chief executive officer of Russian Resources Energy, Inc. Mr. Jones has served as vice president of mergers and acquisitions for Newport Capital Consultants, Inc., a Bartonville, Texas based financial and management and consulting firm, since 2004. Mr. Jones holds a BSB degree in marketing from Oklahoma City University and is a certified merger & acquisition advisor.

Mr. Kerr has served as our chief financial officer and a member of our board of directors since our founding on December 9, 2010. For over the past five years, Mr. Kerr has served as the Vice President of Newport Capital Consultants, Inc.

Mr. Jones and Mr. Kerr are brothers-in law.

Executive Compensation

The following table sets forth the compensation paid by us to our chief executive officer and to all other executive officers for services rendered during the fiscal year ended September 30, 2011.

| Name and Position (a) | Year (b) | Salary (c) | Bonus (d) | Stock Awards (e) | Option Awards (f) | All Other Compensation (g) | Total (h) |
|----------------------------------------|-------------|---------------|--------------|------------------------|-------------------------|----------------------------------|--------------|
| Stephen E. Jones, President and CEO | 2011 | -- | -- | -- | -- | -- | -- |
| John D. Kerr, CFO | 2011 | -- | -- | -- | \$32,701 | -- | \$32,701 |

The dollar amounts in columns (f) reflect the value of options as of the grant date for the fiscal year ended September 30, 2011 in accordance with ASC 718, *Compensation-Stock Compensation*. Assumptions used in the calculation of these amounts are included in footnote (5) to our audited financial statements for the fiscal year ended September 30, 2011.

None of our officers will receive any compensation for their services to the company until such time as we have acquired significant additional capital or commenced significant revenue producing operations. At that time, if warranted, compensation for services rendered in the future may be determined to be appropriate, in the discretion of the board of directors.

Compensation of Directors

We have not paid any directors' fees or other compensation to our directors for their services as directors. All of our directors receive reimbursement for out-of-pocket expenses for attending board of directors meetings. We intend to appoint additional members to the board of directors, including outside or non-officer members to the board. Any future outside directors may receive an attendance fee for each meeting of the board of directors. From time to time we may also engage certain future outside members of the board of directors to perform services on our behalf and we will compensate such persons for the services which they perform.

Outstanding Equity Awards at September 30, 2011

Option Awards

| Name (a) | Number of Securities Underlying Unexercised Options (#) Exercisable (b) | Number of Securities Underlying Unexercised Options (#) Unexercisable (c) | Equity Incentive Plan Awards: | Option Exercise Price (e) | Option Expiration Date (mm/dd/yyyy) (f) |
|--------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------|-----------------------------------------|
| | | | Number of Securities Underlying Unexercised Options (#) (d) | | |
| John D. Kerr | 200,000 | -- | 200,000 | \$0.25 | 09/15/2016 |

Related Party Transactions and Director Independence

We have not entered into, nor do we currently propose to enter into, any transactions with a value of \$120,000 or more with any of our directors, officers, five percent stockholders or any of their family members or affiliates, including entities of which they are also officers or directors or in which they have a financial interest. We have, however, adopted a policy that any transactions that we might enter into with related parties will only be on terms consistent with industry standards and approved by a majority of the disinterested directors of our board.

We do not have directors at this time that are independent as such term is defined by the listing rules of the New York or American Stock Exchanges or the Nasdaq Stock Market.

Limitation of Liability of Directors and Indemnification of Directors and Officers

Nevada corporate law provides that corporations may include a provision in their certificate of formation relieving directors of monetary liability for breach of their fiduciary duty as directors, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith and which involve a breach of the director's duty to the corporation or intentional misconduct or a knowing violation of law, (iii) for unlawful payment of a dividend or unlawful stock purchase or redemption, or (iv) for any transaction from which the director derived an improper personal benefit. Our articles of incorporation provides that directors are not liable to us or our stockholders for monetary damages for breach of their fiduciary duty as directors to the fullest extent permitted by Nevada law. In addition to the foregoing, our bylaws provide that we may indemnify directors, officers, employees or agents to the fullest extent permitted by law and we have agreed to provide such indemnification to each of our directors.

The above provisions in our certificate of formation and bylaws and in the written indemnity agreements may have the effect of reducing the likelihood of derivative litigation against directors and may discourage or deter stockholders or management from bringing a lawsuit against directors for breach of their fiduciary duty, even though such an action, if successful, might otherwise have benefited us and our stockholders. However, we believe that the foregoing provisions are necessary to attract and retain qualified persons as directors.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information regarding the beneficial ownership of our common stock as of the date of this prospectus by:

- each person who is known by us to be the beneficial owner of more than five percent (5%) of our issued and outstanding shares of common stock;
- each of our directors, executive officers and nominees to become directors; and
- all directors and executive officers as a group.

| Name and Address | Number of Shares | Percentage Owned |
|-------------------------------------------------|-------------------------|-------------------------|
| Stephen E. Jones | 300,000 | 2.3% |
| John D. Kerr | 300,000 | 2.3% |
| Gary Bryant | 7,477,000 | 57.1% |
| Danilo Cacciamatta | 1,100,000 | 8.4% |
| Suzanne Bryant | 1,100,000 | 8.4% |
| Directors and executive officers as a group (2) | 600,000 | 4.6% |

In reviewing the above table, please keep in mind:

- The percentage amounts for each reported party are based on 13,106,500 common shares issued and outstanding as of the date of this prospectus.
- The address for the officers and directors is 5729 Lebanon Road, Suite 144, Frisco, Texas 75034.
- The address for the Gary and Suzanne Bryant is 980 Noble Champions Way, Bartonville, Texas 76226. Gary and Suzanne Bryant disclaim any interest in the shares held by the other.
- The address for the Danilo Cacciamatta is 1360 Temple Hills Dr., Laguna Beach, CA 92651.
- The shares for John D. Kerr include 200,000 shares underlying a presently exercisable option.

DESCRIPTION OF SECURITIES

Common Stock

We are authorized to issue 200,000,000 shares of common stock, of which, as of the date of this prospectus, 13,106,500 shares were issued and outstanding and held by 119 record holders. As of the date of this prospectus, there are no outstanding options, warrants or other securities which upon exercise or conversion entitle their holder to acquire shares of common stock, except as set forth below.

Holders of shares of common stock are entitled to one vote per share on all matters to be voted upon by the stockholders generally. The approval of proposals submitted to stockholders at a meeting other than for the election of directors requires the favorable vote of a majority of the shares voting, except in the case of certain fundamental matters (such as certain amendments to the certificate of incorporation, and certain mergers and reorganizations), in which cases Nevada law and our bylaws require the favorable vote of at least a majority of all outstanding shares. Stockholders are entitled to receive such dividends as may be declared from time to time by the board of directors out of funds legally available therefor, and in the event of liquidation, dissolution or winding up, to share ratably in all assets remaining after payment of liabilities. The holders of shares of common stock have no preemptive, conversion, subscription or cumulative voting rights.

Preferred Stock

We are authorized to issue 10,000,000 shares of preferred stock. Our board of directors is authorized to issue from time to time, without shareholder authorization, in one or more designated series or classes, any or all of the authorized but unissued shares of preferred stock with such dividend, redemption, conversion and exchange provisions as may be provided in the particular series. Any series of preferred stock may possess voting, dividend, liquidation and redemption rights superior to that of the common stock. The rights of the holders of common stock will be subject to and may be adversely affected by the rights of the holders of any preferred stock that may be issued in the future. Issuance of a new series of preferred stock, while providing desirable flexibility in connection with possible acquisition and other corporate purposes, could make it more difficult for a third party to acquire, or discourage a third party from acquiring, a majority of the outstanding voting stock of our company.

As of the date of this prospectus, no class or series of preferred stock has been designated and no shares of preferred stock are issued.

Stock Incentive Plan.

We have adopted the West Texas Resources, Inc. 2011 Stock Incentive Plan providing for the grant of non-qualified stock options and incentive stock options to purchase shares of our common stock and for the grant of restricted and unrestricted share grants. We have reserved 3,000,000 shares of our common stock under the plan. All officers, directors, employees and consultants to our company are eligible to participate under the plan. The purpose of the plan is to provide eligible participants with an opportunity to acquire an ownership interest in our company. As of the date of this prospectus, we have granted under the plan options to purchase 400,000 shares of our common stock at an exercise price of \$0.25 per share. As of the date of this prospectus, no other options or shares have been granted under the plan.

Dividends

We do not anticipate the payment of cash dividends on our common stock in the foreseeable future.

Transfer Agent

The transfer agent for our common stock is Nevada Agency and Transfer Company, 50 West Liberty Street Suite 880, Reno, Nevada.

LEGAL MATTERS

Certain legal matters with respect to the shares of common stock offered hereby will be passed upon for us by Greenberg Traurig, LLP, Irvine, California.

EXPERTS

Farber Hass Hurley, LLP has audited, as set forth in their report appearing elsewhere in this prospectus, our financial statements as of September 30, 2011 and for the fiscal years then ended. We have included our financial statements in the prospectus in reliance on Farber Hass Hurley, LLP's report, given on their authority as experts in accounting and auditing.

AVAILABLE INFORMATION

Upon the effectiveness of our registration statement on Form S-1, of which this prospectus is made part, we will be subject to the informational requirements of the Securities Exchange Act of 1934 and, in accordance therewith, will file reports, proxy statements and other information with the SEC. Our reports, proxy statements and other information filed pursuant to the Securities Exchange Act of 1934 may be inspected and copied, at prescribed rates, at the Public Reference Room maintained by the SEC at 100 F. Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a Web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the SEC's Web site is <http://www.sec.gov>.

We have filed with the SEC a registration statement on Form S-1 under the Securities Act of 1933 with respect to the common stock offered hereby. As permitted by the rules and regulations of the SEC, this prospectus, which is part of the registration statement, omits certain information, exhibits, schedules and undertakings set forth in the registration statement. Copies of the registration statement and the exhibits are on file with the SEC and may be obtained from the SEC's Web site or upon payment of the fee prescribed by the SEC, or may be examined, without charge, at the offices of the SEC set forth above. For further information, reference is made to the registration statement and its exhibits.

INDEX TO FINANCIAL STATEMENTS

| | |
|----------------------------------------------------------------------------------------------------------|-----|
| Independent Auditors' Report | F-2 |
| Balance Sheet at September 30, 2011 | F-3 |
| Statement of Operations for the period from inception (December 9, 2010) to September 30, 2011 | F-4 |
| Statement of Shareholders' Equity for the period from inception (December 9, 2010) to September 30, 2011 | F-5 |
| Statement of Cash Flows for the period from inception (December 9, 2010) to September 30, 2011 | F-6 |
| Notes to Financial Statements | F-7 |

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of West Texas Resources, Inc.

We have audited the accompanying balance sheet of West Texas Resources, Inc. (a development stage enterprise) as of September 30, 2011, and the related statement of income, stockholders' equity, and cash flows for the period beginning December 9, 2010 (date of inception) through September 30, 2011. West Texas Resources, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Texas Resources, Inc. as of September 30, 2011, and the results of its operations and its cash flows the period beginning December 9, 2010 (date of inception) through September 30, 2011 in conformity with accounting principles generally accepted in the United States of America.

Farber Hass Hurley LLP

Granada Hills, California
November 21, 2011

West Texas Resources, Inc.
(A Development Stage Company)
Balance Sheet
As of September 30, 2011

ASSETS

| | |
|------------------------------------------------------------|--------------------------|
| Current Assets | |
| Cash | \$ 169,346 |
| | <u>169,346</u> |
| Oil and Gas Properties, using successful effort accounting | 18,750 |
| Equipment - Water Truck | <u>35,759</u> |
| TOTAL ASSETS | \$ <u>223,855</u> |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | |
|----------------------------------------------------------------------------------------------------------|--------------------------|
| Liabilities | \$ - |
| Shareholders' Equity | |
| Preferred Stock, \$0.001 par value; 10,000,000 shares authorized; no shares issued and outstanding | - |
| Common stock, \$0.001 par value; 200,000,000 shares authorized; 13,106,500 shares issued and outstanding | 13,107 |
| Additional paid-in capital | 292,795 |
| Accumulated deficit | <u>(82,047)</u> |
| Total Shareholders' equity | <u>223,855</u> |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | \$ <u>223,855</u> |

See accompanying notes to these financial statements.

West Texas Resources, Inc.
(A Development Stage Company)
STATEMENTS OF OPERATIONS

| | For the Period Ended September 30, 2011 | Cumulative from Inception (December 9, 2010) to September 30, 2011 |
|------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| General and administrative expenses | \$ 82,047 | \$ 82,047 |
| Operating Loss | (82,047) | (82,047) |
| Other income - interest | - | - |
| Loss Before Income Taxes | (82,047) | (82,047) |
| Income taxes | - | - |
| Net Loss | <u>\$ (82,047)</u> | <u>\$ (82,047)</u> |
| Loss per share | | |
| Basic and diluted weighted average number of common shares outstanding | <u>12,346,770</u> | |
| Basic and diluted net loss per share | <u>\$ (0.01)</u> | |

See accompanying notes to these financial statements.

West Texas Resources, Inc.
(A Development Stage Company)
STATEMENTS OF SHAREHOLDERS' EQUITY

From Inception (December 9, 2010) to September 30, 2011

| | <u>Common Stock</u> | | <u>Option</u> | <u>Additional</u> | <u>Earnings</u> | <u>Total</u> |
|-----------------------------------|-----------------------------------|------------------|------------------------------------|----------------------------------|------------------------------------------------------------------------------------------------|-------------------|
| | <u>Number</u> <u>of Shares</u> | <u>Amount</u> | <u>Number</u> <u>of Options</u> | <u>Paid-in</u> <u>Capital</u> | <u>(Loss)</u> <u>Accumulated</u> <u>During the</u> <u>Development</u> <u>Stage</u> | |
| Initial capitalization | 12,144,500 | \$ 12,145 | - | \$ (12,145) | \$ - | \$ - |
| Issuance of common stock for cash | 962,000 | 962 | - | 239,538 | | 240,500 |
| Issuance of options for services | | | 400,000 | 65,402 | | 65,402 |
| Net loss | | | | | (82,047) | (82,047) |
| Balance, September 30, 2011 | <u>13,106,500</u> | <u>\$ 13,107</u> | <u>400,000</u> | <u>\$ 292,795</u> | <u>\$ (82,047)</u> | <u>\$ 223,855</u> |

See accompanying notes to these financial statements.

West Texas Resources, Inc.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS

| | For the Period Ended September 30, 2011 | Cumulative from Inception (December 9, 2010) to September 30, 2011 |
|--------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Cash flows from operating activities | | |
| Net loss | \$ (82,047) | \$ (82,047) |
| Adjustments to reconcile net loss to net cash from operating activities: | | |
| Stock-based compensation | 65,402 | 65,402 |
| Changes in operating assets and liabilities | - | - |
| Net cash from operating activities | <u>(16,645)</u> | <u>(16,645)</u> |
| Cash flows from investing activities | | |
| Investment - West Texas Royalties | (18,750) | (18,750) |
| Purchase of Water Truck | <u>(35,759)</u> | <u>(35,759)</u> |
| Net cash used in investing activities | <u>(54,509)</u> | <u>(54,509)</u> |
| Cash flows from financing activities | | |
| Proceeds from sale of common stock | <u>240,500</u> | <u>240,500</u> |
| Net cash from financing activities | <u>240,500</u> | <u>240,500</u> |
| Net increase (decrease) in cash | 169,346 | 169,346 |
| Cash, beginning of period | - | - |
| Cash, end of period | <u>\$ 169,346</u> | <u>\$ 169,346</u> |

See accompanying notes to these financial statements.

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

1. Organization and Summary of Significant Accounting Policies

Organization and business

Texas Resources Energy, Inc. ("TREI") was incorporated under the laws of Nevada on December 9, 2010, as a wholly-owned subsidiary of Russian Resources Energy, Inc., a Texas corporation ("RREI"), and then spun off to the shareholders of RREI on the same date. On March 31, 2011, TREI changed its name to West Texas Resources, Inc. (the "Company"). The Company intends to engage in the acquisition, exploration and development of oil and gas properties in North America. From its inception, the Company has devoted its activities to developing a business plan, raising capital and acquiring operating assets.

The Company is in the development stage, it has not generated any revenues from operations, it has no assurance of any future revenues or its ability to obtain additional capital to fund future acquisitions, or, if such funds might be available, that they will be obtainable on terms satisfactory to the Company.

Oil and gas properties

The Company uses the successful efforts method of accounting for oil and gas producing activities. Costs to acquire mineral interests in oil and gas properties, to drill and equip exploratory wells that find proved reserves, to drill and equip development wells and related asset retirement costs are capitalized. Costs to drill exploratory wells that do not find proved reserves, geological and geophysical costs, and costs of carrying and retaining unproved properties are expensed.

Unproved oil and gas properties that are individually significant are periodically assessed for impairment of value, and a loss is recognized at the time of impairment by providing an impairment allowance. Other unproved properties are amortized based on the Company's experience of successful drilling and average holding period. Capitalized costs of producing oil and gas properties, after considering estimated residual salvage values, are depreciated and depleted by the unit-of-production method.

On the sale or retirement of a complete unit of a proved property, the cost and related accumulated depreciation, depletion, and amortization are eliminated from the property accounts, and the resultant gain or loss is recognized. On the retirement or sale of a partial unit of proved property, the cost is charged to accumulated depreciation, depletion, and amortization with a resulting gain or loss recognized in income. On the sale of an entire interest in an unproved property for cash or cash equivalent, gain or loss on the sale is recognized, taking into consideration the amount of any recorded impairment if the property had been assessed individually. If a partial interest in an unproved property is sold, the amount received is treated as a reduction of the cost of the interest retained.

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

1. Organization and Summary of Significant Accounting Policies (continued)

Impairment of long-lived assets

The Company accounts for the impairment and disposition of long-lived assets in accordance with ASC 360-10-35, *Impairment or Disposal of Long-Lived Assets*. In accordance with ASC 360-10-35, long-lived assets are reviewed for events of changes in circumstances, which indicate that their carrying value may not be recoverable. The Company believes there has been no impairment of the value of such assets at September 30, 2011.

Asset retirement obligations

ASC 410-20, *Asset Retirement Obligations*, clarifies that a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and/or method of settlement. ASC 410-20 requires a liability to be recognized for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated.

Cash, cash equivalents, and other cash flow statement supplemental information

The Company considers all liquid investments with an original maturity of three months or less that are readily convertible into cash to be cash equivalents. The Company places its cash equivalents with high credit quality financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2011, the Company did not have cash balances in excess of the FDIC insurance limit. The Company performs ongoing evaluations of these institutions to limit its concentration of risk exposure. Management believes this risk is not significant due to the financial strength of the financial institutions utilized by the Company.

Furniture, fixtures and equipment

Furniture, fixtures and equipment are carried at cost depreciated using the straight-line method over their estimated useful lives. Gain or loss on retirement or sale or other disposition of these assets is included in income in the period of disposition.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

1. Organization and Summary of Significant Accounting Policies (continued)

Income taxes

The Company reports certain expenses differently for financial and tax reporting purposes and, accordingly, provides for the related deferred taxes. Income taxes are accounted for under the liability method in accordance with ASC 740, *Income Taxes*.

Basic and diluted net income (loss) per share

Basic net income (loss) per share is based upon the weighted average number of common shares outstanding. Diluted net income (loss) per share is based on the assumption that all dilutive convertible shares and stock options were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. For the year ended September 30, 2011, all common stock equivalents were anti-dilutive.

Stock –based payments

Compensation costs for all share-based awards are measured based on the grant date fair value and are recognized over the vesting period. The Company has no awards with market or performance conditions. Excess tax benefits will be recognized as an addition to additional paid-in-capital.

Fair value of financial instruments

The accounting standards regarding fair value of financial instruments and related fair value measurements defines financial instruments and requires disclosure of the fair value of financial instruments held by the Company. The Company considers the carrying amount of cash and other current assets and liabilities to approximate their fair values because of the short period of time between the origination of such instruments and their expected realization.

The Company has also adopted ASC 820-10 (formerly SFAS 157, “Fair Value Measurements”) which defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

1. Organization and Summary of Significant Accounting Policies (continued)

Fair value of financial instruments (continued)

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

As of September 30, 2011, the Company did not identify any assets or liabilities that are required to be presented on the balance sheet at fair value in accordance with ASC 820-10.

Recent Accounting Pronouncements

In May 2011, the FASB issued Accounting Standards Update 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The new guidance results in a consistent definition of fair value and common requirements for measurement of and disclosure about fair value between U.S. GAAP and International Financial Reporting Standards. While many of the amendments to U.S. GAAP are not expected to have a significant effect on practice, the new guidance changes some fair value measurement principles and disclosure requirements. This new guidance is effective for fiscal years and interim periods beginning after December 15, 2011. The Company does not expect the adoption of the standard update to have a significant impact on its financial position or results of operations.

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2011-05, Comprehensive Income (Topic 220): Presentation of Comprehensive Income, which amends current comprehensive income guidance. This accounting update eliminates the option to present the components of other comprehensive income (loss) as part of the statement of shareholders' equity. Instead, the Company must report comprehensive income (loss) in either a single continuous statement of comprehensive income (loss) which contains two sections, net income (loss) and other comprehensive income (loss), or in two separate but consecutive statements. This guidance will be effective for the Company beginning in fiscal 2013. The Company does not expect the adoption of the standard update to impact its financial position or results of operations.

2. Risks and Uncertainties

The Company is a start up company subject to the substantial business risks and uncertainties inherent to such an entity, including the potential risk of business failure.

3. Equipment

In August 2011, the Company purchased a water truck for \$35,759 cash. The Company intends to lease out the truck, which has a useful life of five years. For the period ended September 30, 2011, the Company did not record any depreciation expense because the truck had not been placed in service.

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

4. Oil and Gas Properties

West Texas Royalties

In September 2011, the Company acquired a 31.25% working interest in an exploratory oil and gas drilling prospect covering 120 acres in Eastland County, Texas, for \$18,750 cash.

5. Shareholders' Equity

The Company is authorized to issue 200,000,000 shares of common stock, par value of \$0.001, and 10,000,000 shares of preferred stock, par value of \$0.001.

Commencing on January 24, 2011, the Company began the sale of up to 2,000,000 shares of its common stock at \$.25 per share in a private placement. During fiscal 2011, the Company sold 962,000 shares for gross proceeds of \$240,500. No selling commissions were incurred with respect to these sales of stock.

As of September 30, 2011, the Company had 13,106,500 shares of common stock issued and outstanding and had not issued any of its preferred stock.

On September 15, 2011, the Company adopted the West Texas Resources, Inc. 2011 Stock Incentive Plan (the "Plan") providing for the grant of non-qualified stock options and incentive stock options to purchase its common stock and for grant of restricted and unrestricted grants. The Company has reserved 3,000,000 shares of its common stock under the Plan. All officers, directors, employees and consultants to the Company are eligible to participate under the Plan. The purpose of the Plan is to provide eligible participants with an opportunity to acquire an ownership interest in the Company.

The Company issued options to certain consultants to purchase 400,000 shares of the Company's common stock. The options vest immediately and expire on September 15, 2016. The fair value of each share-based award was estimated using the Black-Scholes option pricing model or a lattice model. The fair value of these options, determined to be \$65,402, was included in general and administrative expenses in the accompanying statement of operations.

The following assumptions were used in the fair value method calculation:

- Volatility: 83%
- Risk free rate of return: 1%
- Expected term: 5 years

The following information applies to all options outstanding at September 30, 2011:

- Weighted average exercise price: \$0.25
- Options outstanding and exercisable: 400,000
- Average remaining life: 5 years

WEST TEXAS RESOURCES, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

6. Subsequent Events

Events subsequent to September 30, 2011 have been evaluated through the date these financial statements were issued to determine whether they should be disclosed to keep the financial statements from being misleading. Management found no other subsequent events that should be disclosed.

In October 2011, the operator of the Company's Eastland County prospect began drilling and fracturing operations at the initial well. As of November 9, 2011, the drilling and casing is substantially complete and fracturing is expected to begin during the week of November 14, 2011. No revenue has yet to be derived from the wells the Company has an interest in.

In October 2011, the Company's water truck was placed in service pursuant to a lease arrangement with an unaffiliated third party. The lease requires the lessee to pay the Company \$2,500 per month plus 10% of the revenue collected by the lessee from its use or sublease of the truck. The lease is for a term of two years and the lessee has the option to purchase the truck at the end of the lease term for 75% of the Company's purchase price.

[Back Cover Page]

762,000 Shares

WEST TEXAS RESOURCES, INC.

Common Stock

Until [90 days after the effective date], 2011, all dealers effecting transactions in the registered securities, whether or not participating in this distribution, may be required to deliver a prospectus. This is in addition to the obligation of a dealer to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth estimated expenses we expect to incur in connection with the resale of the shares being registered. All such expenses are estimated except for the SEC registration fee.

| | | |
|----------------------------------------------|----|------------------|
| SEC registration fee | \$ | 87.33 |
| Printing expenses | \$ | 5,000 |
| Fees and expenses of counsel for the Company | \$ | 25,000 |
| Fees and expenses of accountants for Company | \$ | 15,000 |
| Miscellaneous | \$ | 5,000 |
| Total | \$ | <u>50,087.33</u> |

Item 14. Indemnification of Directors and Officers.

(a) Articles of Incorporation. Our Articles of Incorporation provide that to the fullest extent permitted by the Nevada General Corporation Law as the same exists or may hereafter be amended, a director of our corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

(b) Bylaws. Our Bylaws provide that we may indemnify our directors, officers, employees and other agents to the fullest extent permitted under the Nevada General Corporation Law. We have obtained liability insurance for our officers and directors.

(c) Agreement. We have entered into separate indemnification agreements with each of our directors and officers. These agreements require us, among other things, to indemnify such persons against certain liabilities that may arise by reason of their status or service as directors or officers (other than liabilities arising from actions not taken in good faith or in a manner the indemnitee believed to be opposed to the best interests of our corporation), to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified.

Item 15. Recent Sales of Unregistered Securities.

West Texas Resources, Inc. ("West Texas", "us" or "we") was formed on December 9, 2010 as the wholly-owned subsidiary of Russian Resources, Inc., a Texas corporation ("Russian Resources"). Immediately upon the formation of West Texas, Russian Resources conducted a spin-off of West Texas to the stockholders of Russian Resources by way of stock dividend. Pursuant to that stock dividend, West Texas issued a total of 14,839,500 shares ("Parent Shares") of its common stock to Russian Resources (of which 2,695,000 shares were subsequently cancelled), and then the board of directors of Russian Resources approved the distribution of the Parent Shares to the Russian Resources stockholders of record as of December 9, 2010.

The Parent Shares were issued by West Texas to Russian Resources pursuant to the exemption from registration set forth at Section 4(2) of the Securities Act of 1933 ("Securities Act"). The distribution of the Parent Shares by Russian Resources to the stockholders of Russian Resources was conducted as a stock dividend without consideration and, therefore, outside of the registration requirements of the Securities Act, however, if the distribution were subject to Section 5 of the Securities Act, the distribution would have been exempt from those registration provisions by way of the exemption offered by Section 4(1) of the Securities Act. The Parent Shares distributed by Russian Resources to its stockholders have the status of "restricted securities" as such terms is defined by Rule 144 under the Securities Act.

From December 2010 to September 10, 2011, we conducted the private placement sale of 962,000 shares of our common stock to 57 investors at the offering price of \$0.25 per share. The issuances were exempt under Section 4(2) of the Securities Act and Rule 506 there under. All of the investors were accredited investors, as such term is defined in Rule 510 under the Securities Act. The offering was conducted by management of the Company. No sales commissions or finders fees were paid by us or anyone else.

Item 16. Exhibits and Financial Statement Schedules.

- 3.1 Articles of Incorporation of the Registrant
- 3.2 Amendment to Articles of Incorporation of the Registrant
- 3.3 Bylaws of the Registrant
- 5.1 Opinion of Greenberg Traurig, LLP
- 10.1 West Texas Resources, Inc. 2011 Stock Incentive Plan
- 10.2 Lease Agreement dated August 22, 2011 between Registrant and Bay Energy Services, Inc.
- 10.3 Form of Registration Rights Agreement dated January 24, 2011 between Registrant and Selling Stockholders
- 21.1 List of Subsidiaries
- 23.1 Consent of Greenberg Traurig, LLP, filed as part of Exhibit 5.1
- 23.2 Consent of Farber Hass Hurley, LLP

Item 17. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) For determining any liability under the Securities Act, treat each post-effective amendment that contains a form of prospectus as a new registration statement for the securities offered in the registration statement, and that offering of the securities at that time as the initial bona fide offering of those securities.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described herein, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in Frisco, Texas on December 9, 2011.

WEST TEXAS RESOURCES, INC.

By: /s/ Stephen E. Jones
Stephen E. Jones, Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

| <u>Signatures</u> | <u>Title</u> | <u>Date</u> |
|-------------------------------------------------|--------------------------------------|------------------|
| <u>/s/ Stephen E. Jones</u> Stephen E. Jones | Chief Executive Officer and Director | December 9, 2011 |
| <u>/s/ John D. Kerr</u> John D. Kerr | Chief Financial Officer and Director | December 9, 2011 |



ROSS MILLER
 Secretary of State
 204 North Carson Street, Suite 4
 Carson City, Nevada 89701-4620
 (775) 684 5708
 Website: www.nvsos.gov



040101

Articles of Incorporation
 (PURSUANT TO NRS CHAPTER 78)

| | |
|------------------------------------------------------------------------------------|---------------------------------------------------|
| Filed in the office of Ross Miller Secretary of State State of Nevada | Document Number 20100915996-52 |
| | Filing Date and Time 12/09/2010 3:03 PM |
| | Entity Number E0587462010-8 |
| | |

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Name of Corporation: | Texas Resources Energy, Inc. |
| 2. Registered Agent for Service of Process: (check only one box) | <input checked="" type="checkbox"/> Commercial Registered Agent: <u>CSC Services of Nevada, Inc.</u> <small>Name</small> <input type="checkbox"/> Noncommercial Registered Agent (name and address below) OR <input type="checkbox"/> Office or Position with Entity (name and address below) Name of Noncommercial Registered Agent OR Name of Title of Office or Other Position with Entity Street Address City Nevada Zip Code Mailing Address (if different from street address) City Nevada Zip Code |
| 3. Authorized Stock: (number of shares corporation is authorized to issue) | Number of shares with par value: <u>200,000,000</u> Par value per share: \$ <u>0.001</u> Number of shares without par value: |
| 4. Names and Addresses of the Board of Directors/Trustees: (each Director/Trustee must be a natural person at least 18 years of age; attach additional page if more than two directors/trustees) | 1) <u>Stephen E. Jones</u> <small>Name</small> <u>5729 Lebanon Road, Suite 144</u> Frisco TX 75034 <small>Street Address City State Zip Code</small> 2) _____ <small>Name</small> Street Address City State Zip Code |
| 5. Purpose: (optional; see instructions) | <i>The purpose of the corporation shall be:</i> |
| 6. Name, Address and Signature of Incorporator: (attach additional page if more than one incorporator) | <u>Daniel K. Donahue, Esq., c/o Greenberg Traurig, LLP</u> <input checked="" type="checkbox"/> <small>Name Incorporator Signature</small> <u>3161 Michelson Drive, Suite 1000</u> Irvine CA 92612 <small>Address City State Zip Code</small> |
| 7. Certificate of Acceptance of Appointment of Registered Agent: | I hereby accept appointment as Registered Agent for the above named Entity. <input checked="" type="checkbox"/> CSC Services of Nevada, Inc. <small>Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity</small> By: <u>Jerome L. Suarez, AVP</u> 12/09/2010 <small>Date</small> |

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 78 Articles
 Revised: 4-10-09

**ATTACHMENT TO
ARTICLES OF INCORPORATION
OF
TEXAS RESOURCES ENERGY, INC.**

1. PERIOD OF DURATION

This corporation shall continue in existence perpetually unless sooner dissolved according to law.

2. PURPOSES AND POWERS

The purpose of this corporation is to engage in any lawful act or activity for which corporations may be organized under the laws of the State of Nevada.

3. AUTHORIZED SHARES

(a) The corporation is authorized to issue two classes of stock: Common Stock and Preferred Stock. The number of shares of Common Stock authorized to be issued is two hundred million (200,000,000), \$0.001 par value per share. The number of shares of Preferred Stock authorized to be issued is ten million (10,000,000), \$0.001 par value per share.

(b) The Preferred Stock may be divided into such number of series as the Board of Directors of the corporation may from time to time determine. The Board of Directors of the corporation is authorized to determine and alter the rights, preferences, privileges and restrictions granted to and imposed upon the Preferred Stock or any series thereof with respect to any wholly unissued class or series of the Preferred Stock, and to fix the number of shares of any series of the Preferred Stock and the designation of any such series of the Preferred Stock.

4. VOTING POWER

Except as otherwise provided in these Articles of Incorporation, each holder of Common Stock shall be entitled to one vote for each share of Common Stock held by him or her on all matters submitted to stockholders for a vote.

5. ACQUISITION OF CONTROLLING INTEREST

This corporation elects not to be governed by the terms and provisions of Sections 78.378 through 78.3793, inclusive, of the Nevada Revised Statutes, as amended, as the same may be amended, superseded, or replaced by any successor section, statute, or provision. No amendment to these Articles of Incorporation, directly or indirectly, by merger or consolidation or otherwise, having the effect of amending or repealing any of the provisions of this paragraph shall apply to or have any effect on any transaction involving acquisition of control by any person or any transaction with an interested stockholder occurring prior to such amendment or repeal.

6. COMBINATIONS WITH INTERESTED STOCKHOLDERS

This corporation elects not to be governed by the terms and provisions of Sections 78.411 through 78.444, inclusive, of the Nevada Revised Statutes, as amended, as the same may be amended, superseded, or replaced by any successor section, statute, or provision.

7. INDEMNIFICATION

This corporation may indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director, officer or employee of this corporation or any predecessor of this corporation or serves or served at any other enterprise as a director, officer or employee at the request of this corporation or any predecessor to this corporation.

Neither any amendment nor repeal of this ARTICLE VIII, nor the adoption of any provision of these Articles of Incorporation inconsistent with this ARTICLE VIII, shall eliminate or reduce the effect of this ARTICLE VIII, in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this ARTICLE VIII, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

8. LIMITATION ON LIABILITY

A director or officer of this corporation shall have no personal liability to this corporation or its stockholders for damages for breach of fiduciary duty as a director or officer, except for damages for breach of fiduciary duty resulting from (a) acts or omissions which involve intentional misconduct, fraud, or a knowing violation of law, or (b) the payment of dividends in violation of section 78.300 of the Nevada Revised Statutes, as amended, as it may from time to time be amended or any successor provision thereto.

9. AMENDMENTS

This corporation reserves the right to amend, alter, change, or repeal all or any portion of the provisions contained in these Articles of Incorporation from time to time in accordance with the laws of the State of Nevada, and all rights conferred on stockholders herein are granted subject to this reservation.

10. ADOPTION AND AMENDMENT OF BYLAWS

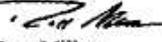
The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the Board of Directors, but the stockholders of this corporation may also alter, amend, or repeal the bylaws or adopt new bylaws. The bylaws may contain any provisions for the regulation or management of the affairs of this corporation not inconsistent with the laws of the State of Nevada now or hereafter existing.



990201



ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5788
Website: www.nvsos.gov

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Filed in the office of  Ross Miller Secretary of State State of Nevada | Document Number 20110258315-08 Filing Date and Time 04/05/2011 7:26 AM Entity Number E0587462010-8 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|

Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Texas Resources Energy, Inc.

2. The articles have been amended as follows: (provide article numbers, if available)

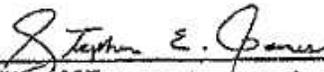
Article 1: Name of the Corporation has been amended in its entirety to change the name of the Corporation to West Texas Resources, Inc.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: **9,877,000**

4. Effective date of filing: (optional)

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X 
Signature of Officer **Stephen E. Jones, President**

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.
This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit-After
Revised: 3-6-09

BYLAWS
OF
WEST TEXAS RESOURCES, INC.

ARTICLE I
OFFICES

Section 1.01. PRINCIPAL OFFICE.

The principal office for the transaction of business of the corporation shall be fixed or may be changed by approval of a majority of the Board of Directors, and additional offices may be established and maintained at such other place or places as the Board of Directors may from time to time designate.

Section 1.02. OTHER OFFICES.

Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where the corporation is qualified to do business.

ARTICLE II
DIRECTORS - MANAGEMENT

Section 2.01. RESPONSIBILITY OF BOARD OF DIRECTORS.

Subject to the provisions of applicable law and to any limitations in the Articles of Incorporation of the corporation relating to action required to be approved by the stockholders, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 2.02. NUMBER AND QUALIFICATION OF DIRECTORS.

The number of directors that shall constitute the Board of Directors is fixed at two (2) members; provided, however, such number of directors may from time to time be increased or decreased by resolution of the Board of Directors to not less than one (1) nor more than seven (7) directors.

Section 2.03. ELECTION AND TERM OF OFFICE OF DIRECTORS.

Directors shall be elected at each annual meeting of the stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the Articles of Incorporation or these Bylaws. Each director, including a director elected to fill a vacancy, shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation, or removal.

Section 2.04. RESIGNATION AND VACANCIES.

Any director may resign at any time upon notice given in writing or by electronic transmission to the corporation. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and qualified, or until their earlier resignation or removal.

Section 2.05. REMOVAL OF DIRECTORS.

Unless otherwise restricted by statute, the Articles of Incorporation or these Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

Section 2.06. PLACE OF MEETINGS; MEETINGS BY TELEPHONE.

The Board may hold meetings, both regular and special, either within or outside the State of Nevada.

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 2.07. ORGANIZATIONAL MEETINGS.

The organizational meetings of the Board of Directors shall be held immediately following the adjournment of the annual meetings of the stockholders.

Section 2.08. OTHER REGULAR MEETINGS.

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors.

Section 2.09. SPECIAL MEETINGS; NOTICES.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairperson of the Board of Directors, the president, or any two directors.

Notice of the time and place of special meetings shall be: (i) delivered personally by hand, by courier or by telephone; (ii) sent by first-class mail, postage prepaid; (iii) sent by facsimile; or (iv) sent by electronic mail, directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the corporation's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by mail, it shall be deposited in the mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the corporation's principal executive office) nor the purpose of the meeting.

Section 2.10. BOARD ACTION BY UNANIMOUS WRITTEN CONSENT.

Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 2.11. QUORUM.

A majority of the members of the Board of Directors then in office, at a meeting duly assembled, is necessary to constitute a quorum for the transaction of business, and the action of a majority of the directors present at any meeting at which there is a quorum, when duly assembled, is valid as a corporate act. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by a majority of the required quorum for such meeting.

Section 2.12. NOTICE OF ADJOURNMENT.

Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned and held within twenty-four (24) hours, but if adjourned more than twenty-four (24) hours, notice shall be given to all directors not present at the time of the adjournment.

Section 2.13. COMPENSATION OF DIRECTORS.

The Board of Directors shall have the authority to, by resolution, to fix the sum and expense of attendance, if any, for attendance by the directors at each regular and special meeting of the Board of Directors and other compensation for the directors' services.

Section 2.14. COMMITTEES.

Committees of the Board of Directors may be appointed by resolution passed by a majority of the whole Board of Directors. Committees shall be comprised of two (2) or more members of the Board of Directors and shall have such powers of the Board of Directors as may be expressly delegated to it by resolution of the Board of Directors, except those powers expressly made non-delegable by applicable law.

Section 2.15. ADVISORY DIRECTORS.

The Board of Directors from time to time may elect one or more persons to be advisory directors who shall not by such appointment be members of the Board of Directors. Advisory directors shall be available from time to time to perform special assignments specified by the president, to attend meetings of the Board of Directors upon invitation and to furnish consultation to the Board of Directors. The period during which the title shall be held may be prescribed by the Board of Directors. If no period is prescribed, the title shall be held at the pleasure of the Board of Directors.

**ARTICLE III
OFFICERS**

Section 3.01. OFFICERS.

The officers of the corporation shall be a president, a treasurer, and a secretary. The corporation may also have, at the discretion of the Board of Directors, a chairperson of the Board of Directors, a vice chairperson of the Board of Directors, a chief executive officer, a chief financial officer, one or more vice presidents, one or more assistant vice presidents, one or more assistant treasurers, one or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these Bylaws. Any number of offices may be held by the same person.

Section 3.02. APPOINTMENT.

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3.03 or Section 3.05 of this Article, shall be appointed by the Board of Directors, and each shall hold office until he or she shall resign or shall be removed or otherwise disqualified to serve or a successor shall be elected and qualified.

Section 3.03. SUBORDINATE OFFICERS, ETC.

The Board of Directors may appoint, or empower the president to appoint, such other officers and agents as the business of the corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

Section 3.04. REMOVAL AND RESIGNATION OF OFFICERS.

Subject to the rights, if any, of any officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting of the Board of Directors, or except in case of an officer chosen by the Board of Directors by any officer upon whom such power of removal may be conferred by the Board of Directors. Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 3.05. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointment to that office.

Section 3.06. CHAIRPERSON OF THE BOARD.

The chairperson of the Board of Directors, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned by the Board of Directors or prescribed by these Bylaws. If there is no president, the chairperson of the Board of Directors shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 3.07 of this Article.

Section 3.07. PRESIDENT/CHIEF EXECUTIVE OFFICER.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairperson of the Board of Directors, the president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. He or she shall preside at all meetings of the stockholders and in the absence of the chairperson of the Board of Directors, or if there be none, at all meetings of the Board of Directors. The president shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 3.08. VICE PRESIDENT.

In the absence or disability of the president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors, or if not ranked, the vice president designated by the Board of Directors, shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to, all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or these Bylaws.

Section 3.09. SECRETARY.

The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and stockholders, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings and the proceedings thereof. The secretary shall keep, or cause to be kept, at the principal office or at the office of the corporation's transfer agent, a share register, or duplicate share register showing the names of the stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation. The secretary shall give, or cause to be given, notice of all the meetings of the stockholders and of the Board of Directors required by these Bylaws or by law to be given. He or she shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

Section 3.10. CHIEF FINANCIAL OFFICER.

The chief financial officer shall keep and maintain, or cause to be kept and maintained in accordance with generally accepted accounting principles, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, earnings (or surplus) and shares. The books of accounts shall at all reasonable times be open to inspection by any director. This officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president and directors, whenever they request it, an account of all of his or her transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

**ARTICLE IV
STOCKHOLDERS' MEETINGS**

Section 4.01. PLACE OF MEETINGS.

Meetings of stockholders shall be held at any place, within or outside the State of Nevada, designated by the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Chapter 78, §320 of the Nevada Revised Statutes, as amended.

Section 4.02. ANNUAL MEETINGS.

An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting. The corporation shall not be required to hold an annual meeting of stockholders provided that (i) the stockholders are permitted to act by written consent under the corporation's Articles of Incorporation and these Bylaws, (ii) the stockholders take action by written consent to elect directors, and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

Section 4.03. SPECIAL MEETINGS.

Unless otherwise provided in the Articles of Incorporation or these Bylaws, special meetings of the stockholders may be called at any time by the Board of Directors, the chairperson of the Board of Directors, the president, and shall be called by any such officer at the request of a majority of the Board of Directors. Except as next provided, notice shall be given as for the annual meeting. Upon receipt of a written request addressed to the chairperson of the Board of Directors, president, vice president, or secretary, mailed or delivered personally to such officer by any person (other than the Board of Directors) entitled to call a special meeting of stockholders, such officer shall cause notice to be promptly given to the stockholders entitled to vote thereat.

Section 4.04. NOTICE OF MEETINGS; REPORTS.

Notice of meetings, annual or special, shall be given in writing not less than ten (10) nor more than sixty (60) days before the date of the meeting to stockholders entitled to vote thereat. Such notices or any reports shall be given personally or by mail and shall be sent to the stockholder's address appearing on the books of the corporation, or supplied by him or her to the corporation for the purpose of the notice. The notice must state the purpose or purposes for which the meeting is called, the time when, and the place, which may be within or without the State of Nevada, where it is to be held, and the means of electronic communications, if any, by which stockholders and proxies shall be deemed to be present in person and vote. At any meetings where directors are to be elected notice shall include the names of the nominees, if any, intended at date of notice to be presented by management for election. If a stockholder supplies no address, notice shall be deemed to have been given if mailed to the place where the principal executive office of the corporation is situated, or published at least once in some newspaper of general circulation in the county of said principal office. Notice shall be deemed given at the time it is delivered personally or deposited in the mail or sent by other means of written communication. The officer giving such notice or report shall prepare and file an affidavit or declaration thereof.

When a meeting is adjourned, notice of the adjourned meeting shall be given as in case of an original meeting. Save, as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which said adjournment is taken.

Section 4.05. WAIVER OF NOTICE OR CONSENT BY ABSENT STOCKHOLDERS.

The transactions of any meeting of stockholders, however called and notice, shall be valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the stockholders entitled to vote, not present in person or by proxy, sign a written waiver of notice, or a consent to the holding of such meeting or an approval shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance shall constitute a waiver of notice, unless objection shall be made as provided in applicable law.

Section 4.06. STOCKHOLDER ACTION BY WRITTEN CONSENT.

Unless otherwise provided for under applicable law or the Articles of Incorporation, any action which may be taken at any annual or special meeting of stockholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize to take such action at a meeting at which all shares entitled to vote thereon were present and voted. Any stockholder giving a written consent, or the stockholder's proxyholders, or a transferee of the shares of a personal representative of the stockholder or their respective proxyholders, may revoke the consent by a writing received by the corporation prior to the time that written consents of the number of shares required to authorize the proposed action have been filed with the secretary of the corporation, but may not do so thereafter. Such revocation is effective upon its receipt by the secretary of the corporation.

Section 4.07. QUORUM.

The holders of a majority of the voting power, which includes the voting power that is present in person or by proxy, regardless of whether the proxy has authority to vote on all matters, constitutes a quorum for the transaction of business, except as otherwise provided by law, by the Articles of Incorporation, or these Bylaws. If, however, such majority shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person, or by proxy, shall have the power to adjourn the meeting from time to time, until the requisite amount of voting shares shall be present. At such adjourned meeting at which the requisite amount of voting shares shall be represented, any business may be transacted which might have been transacted at a meeting as originally notified. If a quorum be initially present, the stockholders may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum, if any action taken is approved by a majority of the stockholders required to initially constitute a quorum.

Section 4.08. VOTING.

When a quorum is present or represented at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall be sufficient to elect directors or to decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Articles of Incorporation, a different vote is required in which case such express provision shall govern and control the decision of such question. Each stockholder of record of the corporation shall be entitled at each meeting of stockholders to one vote for each share of stock standing in his name on the books of the corporation. Upon the demand of any stockholder, the vote for directors and the vote upon any question before the meeting shall be by ballot.

Section 4.09. PROXIES.

At any meeting of the stockholders any stockholder may be represented and vote by a proxy or proxies appointed by an instrument in writing. No proxy or power of attorney to vote shall be used to vote at a meeting of the stockholders unless it shall have been filed with the secretary of the meeting when required by the inspectors of election.

Section 4.10. ORGANIZATION.

The president, or in the absence of the president, any vice president, shall call the meeting of the stockholders to order, and shall act as chairperson of the meeting. In the absence of the president and all of the vice presidents, stockholders shall appoint a chairperson for such meeting. The secretary of the corporation shall act as secretary of all meetings of the stockholders, but in the absence of the secretary at any meeting of the stockholders, the presiding officer may appoint any person to act as secretary of the meeting.

Section 4.11. INSPECTORS OF ELECTION.

In advance of any meeting of stockholders, the Board of Directors may, if they so elect, appoint inspectors of election to act at such meeting or any adjournment thereof. If inspectors of election be not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any such meeting may, and on the request of any stockholder or his or her proxy shall, make such appointment at the meeting in which case the number of inspectors shall be either one (1) or three (3) as determined by a majority of the stockholders represented at the meeting.

**ARTICLE V
CERTIFICATES AND TRANSFER OF SHARES**

Section 5.01. CERTIFICATES FOR SHARES.

Certificates for shares shall be of such form and device as the Board of Directors may designate and shall state the name of the record holder of the shares represented thereby; its number; date of issuance; the number of shares for which it is issued; a statement of the rights, privileges preferences and restriction, if any; a statement as to the redemption or conversion, if any; a statement of liens or restrictions upon transfer or voting, if any; if the shares be assessable or, if assessments are collectible by personal action, a plain statement of such facts. All certificates shall be signed in the name of the corporation by the chairperson of the Board of Directors or vice chairperson of the Board of Directors or the president or vice president, and by the chief financial officer or an assistant treasurer or the secretary or any assistant secretary. Any or all of the signatures on the certificate may be facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on a certificate shall have ceased to be that officer, transfer agent, or registrar before that certificate is issued, it may be issued by the corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issuance.

Section 5.02. TRANSFER ON THE BOOKS.

Upon surrender to the secretary or transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 5.03. LOST OR DESTROYED CERTIFICATES.

Any person claiming a certificate of stock to be lost or destroyed shall make an affidavit or affirmation of that fact and shall, if the directors so require, give the corporation a bond of indemnity, in form and with one or more sureties satisfactory to the Board of Directors, in at least double the value of the stock represented by said certificate, whereupon a new certificate may be issued in the same tender and for the same number of shares as the one alleged to be lost or destroyed.

Section 5.04. TRANSFER AGENTS AND REGISTRARS.

The Board of Directors may appoint one or more transfer agents or transfer clerks, and one or more registrars which shall be an incorporated bank or trust company, either domestic or foreign, who shall be appointed at such times and places as the requirements of the corporation may necessitate and the Board of Directors may designate.

Section 5.05. CLOSING STOCK TRANSFER BOOKS; RECORD DATE.

In order that the corporation may determine the stockholders entitled to notice of any meeting or to vote or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect to any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days prior to the date of such meeting nor more than sixty (60) days prior to any other action. Only stockholders of record on that date are entitled to notice or vote at such a meeting. If a record date is not fixed, the record date is at the close of business on the day before the day on which first notice is given or, if notice is waived, at the close of business on the day before the meeting is held. The record date for determining stockholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is given. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later.

**ARTICLE VI
RECORDS - REPORTS - INSPECTION**

Section 6.01. RECORDS.

The corporation shall maintain, in accordance with generally accepted accounting principles, adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at its principal executive office or such place or places as designated by the Board of Directors from time to time.

Section 6.02. INSPECTION OF BOOKS AND RECORDS.

All books and records shall be open to inspection of the directors from time to time and in the manner provided under applicable law. Any person who has been a stockholder of record for at least six (6) months immediately preceding his demand, or any person holding, or thereunto authorized in writing by the holders of, at least 5 percent of all of the corporation's outstanding shares, upon at least 5 days' written demand is entitled to inspect in person or by agent or attorney, during usual business hours, the Articles of Incorporation, the Bylaws, and the stock ledger of the corporation and make copies therefrom.

Section 6.03. CERTIFICATION AND INSPECTION OF BYLAWS.

The original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the secretary, shall be kept at the corporation's registered office.

Section 6.04. CHECK, DRAFTS, ETC.

All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by the Board of Directors.

Section 6.05. CONTRACT, ETC.; HOW EXECUTED.

The Board of Directors, except as in these Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or agreement, or to pledge its credit, or to render it liable for any purpose or to any amount except as may be provided under applicable law.

**ARTICLE VII
AMENDMENTS TO BY-LAWS**

These Bylaws may be adopted, amended or repealed by the stockholders entitled to vote. However, the corporation may, in its Articles of Incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

**ARTICLE VIII
CORPORATE SEAL**

The corporation may, but need not, have a corporate seal. In the event the corporation has a seal, the seal need not be affixed for any contract, resolution or other document executed by or on behalf of the corporation to be valid and duly authorized.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01. REPRESENTATION OF SHARES IN OTHER CORPORATIONS.

Shares of other corporations standing in the name of this corporation may be voted or represented and all incidents thereto may be exercised on behalf of the corporation by the chairperson of the Board of Directors, the president or any vice president.

Section 9.02. INDEMNITY.

Subject to applicable law, the corporation may indemnify any director, officer, agent or employee as to those liabilities and on those terms and conditions as appropriate. In any event, the corporation shall have the right to purchase and maintain insurance on behalf of any such persons whether or not the corporation would have the power to indemnify such person against the liability insured against.

Section 9.03. ACCOUNTING YEAR.

The accounting year of the corporation shall be fixed by resolution of the Board of Directors.

GREENBERG TRAURIG, LLP
3161 Michelson Drive, Suite 1000
Irvine, CA 92612
(949) 732-6500

December 9, 2011

West Texas Resources, Inc.
5729 Lebanon Road, Suite 144
Frisco, Texas 75034

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel to West Texas Resources, Inc. (the "Company") in connection with the registration by the Company of 762,000 issued and outstanding shares ("Shares") of common stock, \$0.001 par value per share (the "Common Stock") of the Company, pursuant to a Registration Statement on Form S-1 filed with the Securities and Exchange Commission on December 9, 2011 (the "Registration Statement").

For purposes of rendering this opinion, we have examined originals or copies of such documents and records as we have deemed appropriate. In conducting such examination, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals and conformity to original documents of all documents submitted to us as copies.

Based upon and subject to the foregoing and the effect, if any, of the matters discussed below, after having given due regard to such issues of law as we deemed relevant, we are of the opinion that the (i) the Shares have been legally issued and are fully paid and non-assessable.

We are furnishing this opinion to the Company in connection with the Registration Statement. We hereby consent to the reference to us under the heading "Legal Matters" in the prospectus made part of the Registration Statement and to the filing of this opinion as an exhibit to the Registration.

Very truly yours,

/s/ GREENBERG TRAURIG, LLP

**WEST TEXAS RESOURCES, INC.
2011 STOCK INCENTIVE PLAN**

1. Purpose of Plan.

The purpose of West Texas Resources, Inc. 2011 Stock Incentive Plan (the "Plan") is to advance the interests of West Texas Resources, Inc. (the "Company") and its stockholders by enabling the Company to attract and retain qualified individuals through opportunities for equity participation in the Company, and to reward those individuals who contribute to the Company's achievement of its economic objectives.

2. Definitions.

The following terms will have the meanings set forth below, unless the context clearly otherwise requires:

2.1. "Board" means the Company's Board of Directors.

2.2. "Broker Exercise Notice" means a written notice pursuant to which a Participant, upon exercise of an Option, irrevocably instructs a broker or dealer to sell a sufficient number of shares or loan a sufficient amount of money to pay all or a portion of the exercise price of the Option and/or any related withholding tax obligations and remit such sums to the Company and directs the Company to deliver stock certificates to be issued upon such exercise directly to such broker or dealer or their nominee.

2.3. "Cause" means (i) dishonesty, fraud, misrepresentation, embezzlement or deliberate injury or attempted injury, in each case related to the Company or any Subsidiary, (ii) any unlawful or criminal activity of a serious nature, (iii) any intentional and deliberate breach of a duty or duties that, individually or in the aggregate, are material in relation to the Participant's overall duties, (iv) any material breach of any confidentiality or noncompete agreement entered into with the Company or any Subsidiary, or (v) with respect to a particular Participant, any other act or omission that constitutes "cause" as may be defined in any employment, consulting or similar agreement between such Participant and the Company or any Subsidiary.

2.4. "Change in Control" means an event described in Section 11.1 of the Plan.

2.5. "Code" means the Internal Revenue Code of 1986, as amended.

2.6. "Committee" means the group of individuals administering the Plan, as provided in Section 3 of the Plan.

2.7. "Common Stock" means the common stock of the Company, par value \$0.001 per share, or the number and kind of shares of stock or other securities into which such Common Stock may be changed in accordance with Section 4.3 of the Plan.

2.8. "Disability" means the disability of the Participant means the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

2.9. "Effective Date" means September 15, 2011, but no Incentive Stock Option shall be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval shall be within twelve (12) months before or after the date the Plan is adopted by the Board.

- 2.10. "Eligible Recipients" means all employees, officers and directors of the Company or any Subsidiary, and any other person or entity who has a relationship with the Company or any Subsidiary.
- 2.11. "Exchange Act" means the Securities Exchange Act of 1934, as amended.
- 2.12. "Fair Market Value" means, with respect to the Common Stock, as of any date: (i) the closing sale price of the Common Stock at the end of the regular trading session if the Common Stock is listed, admitted to unlisted trading privileges, or reported on any national securities exchange, on the NASDAQ Global Select, Global Market or Capital Market, OTC Bulletin Board, the Pink OTC Markets, or other comparable service on such date (or, if no shares were traded on such day, as of the next preceding day on which there was such a trade); or (ii) if the Common Stock is not so listed or reported, such price as the Committee determines in good faith in the exercise of its reasonable discretion.
- 2.13. "Incentive Award" means an Option, Restricted Stock Award or Performance Stock Award granted to an Eligible Recipient pursuant to the Plan.
- 2.14. "Incentive Stock Option" means a right to purchase Common Stock granted to an Eligible Recipient pursuant to Section 6 of the Plan that qualifies as an "incentive stock option" within the meaning of Section 422 of the Code.
- 2.15. "Non-Statutory Stock Option" means a right to purchase Common Stock granted to an Eligible Recipient pursuant to Section 6 of the Plan that does not qualify as an Incentive Stock Option.
- 2.16. "Option" means an Incentive Stock Option or a Non-Statutory Stock Option.
- 2.17. "Participant" means an Eligible Recipient who receives one or more Incentive Awards under the Plan.
- 2.18. "Performance Criteria" means the performance criteria that may be used by the Committee in granting Performance Stock Awards contingent upon achievement of such performance goals as the Committee may determine in its sole discretion. The Committee may select one criterion or multiple criteria for measuring performance, and the measurement may be based upon Company, Subsidiary or business unit performance, or the individual performance of the Eligible Recipient, either absolute or by relative comparison to other companies, other Eligible Recipients or any other external measure of the selected criteria.
- 2.19. "Performance Stock Awards" means an award of Common Stock granted to an Eligible Recipient pursuant to Section 8 of the Plan and which may be subject to the future achievement of Performance Criteria or be free of any performance or vesting conditions.
- 2.20. "Previously Acquired Shares" means shares of Common Stock that are already owned by the Participant or, with respect to any Incentive Award, that are to be issued upon the grant, exercise or vesting of such Incentive Award.
- 2.21. "Restricted Stock Award" means an award of Common Stock granted to an Eligible Recipient pursuant to Section 7 of the Plan that is subject to the restrictions on transferability and the risk of forfeiture imposed by the provisions of such Section 7.
- 2.22. "Securities Act" means the Securities Act of 1933, as amended.

2.23. “Subsidiary” means any entity that is directly or indirectly controlled by the Company or any entity in which the Company has a significant equity interest, as determined by the Committee.

3. Plan Administration.

3.1. The Committee. The Plan will be administered by the Board or by a committee of the Board. In the event that and for so long as the Company has a class of its equity securities registered under Section 12 of the Exchange Act, any committee administering the Plan will consist solely of two or more members of the Board who are “non-employee directors” within the meaning of Rule 16b-3 under the Exchange Act. Such a committee, if established, will act by majority approval of the members (unanimous approval with respect to action by written consent), and a majority of the members of such a committee will constitute a quorum. As used in the Plan, “Committee” will refer to the Board or to such a committee, if established. To the extent consistent with applicable corporate law of the Company’s jurisdiction of incorporation, the Committee may delegate to any officers of the Company the duties, power and authority of the Committee under the Plan pursuant to such conditions or limitations as the Committee may establish; provided, however, that only the Committee may exercise such duties, power and authority with respect to Eligible Recipients who are subject to Section 16 of the Exchange Act with respect to the Common Stock. The Committee may exercise its duties, power and authority under the Plan in its sole and absolute discretion without the consent of any Participant or other party, unless the Plan specifically provides otherwise. Each determination, interpretation or other action made or taken by the Committee pursuant to the provisions of the Plan will be conclusive and binding for all purposes and on all persons, and no member of the Committee will be liable for any action or determination made in good faith with respect to the Plan or any Incentive Award granted under the Plan.

3.2. Authority of the Committee.

(a) In accordance with and subject to the provisions of the Plan, the Committee will have the authority to determine all provisions of Incentive Awards as the Committee may deem necessary or desirable and as consistent with the terms of the Plan, including, without limitation, the following: (i) the Eligible Recipients to be selected as Participants; (ii) the nature and extent of the Incentive Awards to be made to each Participant (including the number of shares of Common Stock to be subject to each Incentive Award, any exercise price, the manner in which Incentive Awards will vest or become exercisable and whether Incentive Awards will be granted in tandem with other Incentive Awards) and the form of written agreement, if any, evidencing such Incentive Award; (iii) the time or times when Incentive Awards will be granted; (iv) the duration of each Incentive Award; and (v) the restrictions and other conditions to which the payment or vesting of Incentive Awards may be subject. In addition, the Committee will have the authority under the Plan in its sole discretion to pay the economic value of any Incentive Award in the form of cash, Common Stock or any combination of both.

(b) Subject to Section 3.2(d), below, the Committee will have the authority under the Plan to amend or modify the terms of any outstanding Incentive Award in any manner, including, without limitation, the authority to modify the number of shares or other terms and conditions of an Incentive Award, extend the term of an Incentive Award, accelerate the exercisability or vesting or otherwise terminate any restrictions relating to an Incentive Award, accept the surrender of any outstanding Incentive Award or, to the extent not previously exercised or vested, authorize the grant of new Incentive Awards in substitution for surrendered Incentive Awards; provided, however that the amended or modified terms are permitted by the Plan as then in effect and that any Participant adversely affected by such amended or modified terms has consented to such amendment or modification.

(c) In the event of (i) any reorganization, merger, consolidation, recapitalization, liquidation, reclassification, stock dividend, stock split, combination of shares, rights offering, extraordinary dividend or divestiture (including a spin-off) or any other change in corporate structure or shares; (ii) any purchase, acquisition, sale, disposition or write-down of a significant amount of assets or a significant business; (iii) any change in accounting principles or practices, tax laws or other such laws or provisions affecting reported results; or (iv) any other similar change, in each case with respect to the Company or any other entity whose performance is relevant to the grant or vesting of an Incentive Award, the Committee (or, if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) may, without the consent of any affected Participant, amend or modify the vesting criteria (including Performance Criteria) of any outstanding Incentive Award that is based in whole or in part on the financial performance of the Company (or any Subsidiary or division or other subunit thereof) or such other entity so as equitably to reflect such event, with the desired result that the criteria for evaluating such financial performance of the Company or such other entity will be substantially the same (in the sole discretion of the Committee or the board of directors of the surviving corporation) following such event as prior to such event; provided, however, that the amended or modified terms are permitted by the Plan as then in effect.

(d) Notwithstanding any other provision of this Plan other than Section 4.3, the Committee may not, without prior approval of the Company's stockholders, seek to effect any re-pricing of any previously granted, "underwater" Option by: (i) amending or modifying the terms of the Option to lower the exercise price; (ii) canceling the underwater Option and granting either (A) replacement Options having a lower exercise price; (B) Restricted Stock Awards; or (C) Performance Stock Awards in exchange; or (iii) repurchasing the underwater Options and granting new Incentive Awards under this Plan. For purposes of this Section 3.2(d) and Section 11.3, an Option will be deemed to be "underwater" at any time when the Fair Market Value of the Common Stock is less than the exercise price of the Option.

4. Shares Available for Issuance.

4.1. Maximum Number of Shares Available; Certain Restrictions on Awards. Subject to adjustment as provided in Section 4.3 of the Plan, the maximum number of shares of Common Stock that will be available for issuance under the Plan will be 3,000,000. The shares available for issuance under the Plan may, at the election of the Committee, be either treasury shares or shares authorized but unissued, and, if treasury shares are used, all references in the Plan to the issuance of shares will, for corporate law purposes, be deemed to mean the transfer of shares from treasury.

4.2. Accounting for Incentive Awards. Shares of Common Stock that are issued under the Plan or that are subject to outstanding Incentive Awards will be applied to reduce the maximum number of shares of Common Stock remaining available for issuance under the Plan; provided, however, that shares subject to an Incentive Award that lapses, expires, is forfeited (including issued shares forfeited under a Restricted Stock Award) or for any reason is terminated unexercised or unvested or is settled or paid in cash or any form other than shares of Common Stock will automatically again become available for issuance under the Plan. To the extent that the exercise price of any Option or associated tax withholding obligations are paid by tender or attestation as to ownership of Previously Acquired Shares, or to the extent that such tax withholding obligations are satisfied by withholding of shares otherwise issuable upon exercise of the Option, only the number of shares of Common Stock issued net of the number of shares tendered, attested to or withheld will be applied to reduce the maximum number of shares of Common Stock remaining available for issuance under the Plan.

4.3. Adjustments to Shares and Incentive Awards. In the event of any reorganization, merger, consolidation, recapitalization, liquidation, reclassification, stock dividend, stock split, combination of shares or any other change in the corporate structure or shares of the Company, the Committee (or, if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) will make appropriate adjustment (which determination will be conclusive) as to the number and kind of securities or other property (including cash) available for issuance or payment under the Plan and, in order to prevent dilution or enlargement of the rights of Participants, the number and kind of securities or other property (including cash) subject to outstanding Incentive Awards and the exercise price of outstanding Options.

5. Participation.

Participants in the Plan will be those Eligible Recipients who, in the judgment of the Committee, have contributed, are contributing or are expected to contribute to the achievement of economic objectives of the Company or its Subsidiaries. Eligible Recipients may be granted from time to time one or more Incentive Awards, singly or in combination or in tandem with other Incentive Awards, as may be determined by the Committee in its sole discretion. Incentive Awards will be deemed to be granted as of the date specified in the grant resolution of the Committee, which date will be the date of any related agreement with the Participant.

6. Options.

6.1. Grant. An Eligible Recipient may be granted one or more Options under the Plan, and such Options will be subject to such terms and conditions, consistent with the other provisions of the Plan, as may be determined by the Committee in its sole discretion. The Committee may designate whether an Option is to be considered an Incentive Stock Option or a Non-Statutory Stock Option. To the extent that any Incentive Stock Option granted under the Plan ceases for any reason to qualify as an "incentive stock option" for purposes of Section 422 of the Code, such Incentive Stock Option will continue to be outstanding for purposes of the Plan but will thereafter be deemed to be a Non-Statutory Stock Option.

6.2. Exercise Price. The per share price to be paid by a Participant upon exercise of an Option will be determined by the Committee in its discretion at the time of the Option grant; provided, however, that such price will not be less than (i) 100% of the Fair Market Value of one share of Common Stock on the date of grant with respect to any Option, and (ii) 110% of the Fair Market Value with respect to an Incentive Stock Option if, at the time such Incentive Stock Option is granted, the Participant owns, directly or indirectly, more than 10% of the total combined voting power of all classes of stock of the Company or any parent or subsidiary corporation of the Company.

6.3. Exercisability and Duration. An Option will become exercisable at such times and in such installments and upon such terms and conditions as may be determined by the Committee in its sole discretion at the time of grant (including without limitation (i) the achievement of one or more of the Performance Criteria and/or (ii) that the Participant remain in the continuous employ or service of the Company or a Subsidiary for a certain period); provided, however, that if the Committee does not specify the expiration date of the Option, the expiration date shall be 10 years from the date on which the Option was granted. In no case may an Option be exercisable after 10 years from its date of grant (five years from its date of grant in the case of an Incentive Stock Option if, at the time the Incentive Stock Option is granted, the Participant owns, directly or indirectly, more than 10% of the total combined voting power of all classes of stock of the Company or any parent or subsidiary corporation of the Company).

6.4. Payment of Exercise Price. The total purchase price of the shares to be purchased upon exercise of an Option will be paid entirely in cash (including check, bank draft or money order); provided, however, that the Committee, in its sole discretion and upon terms and conditions established by the Committee, may allow such payments to be made, in whole or in part, (i) by tender of a Broker Exercise Notice; (ii) by tender, or attestation as to ownership, of Previously Acquired Shares that have been held for the period of time necessary to avoid a charge to the Company's earnings for financial reporting purposes and that are otherwise acceptable to the Committee, or (iii) by net issuance whereby "in the money" Options are cancelled and the spread is applied towards the exercise of other Options, or by a combination of such methods. For purposes of such payment, Previously Acquired Shares tendered or covered by an attestation and shares of Common Stock underlying net issuance Options will be valued at their Fair Market Value on the exercise date.

6.5. Manner of Exercise. An Option may be exercised by a Participant in whole or in part from time to time, subject to the conditions contained in the Plan and in the agreement evidencing such Option, by delivery in person, by facsimile or electronic transmission or through the mail of written notice of exercise to the Company at its principal office in Frisco, Texas by paying in full the total exercise price for the shares of Common Stock to be purchased in accordance with Section 6.4 of the Plan.

7. Restricted Stock Awards.

7.1. Grant. An Eligible Recipient may be granted one or more Restricted Stock Awards under the Plan, and such Restricted Stock Awards will be subject to such terms and conditions, consistent with the other provisions of the Plan, as may be determined by the Committee in its sole discretion. The Committee may impose such restrictions or conditions, not inconsistent with the provisions of the Plan, to the vesting of such Restricted Stock Awards as it deems appropriate, including, without limitation, (i) the achievement of one or more of the Performance Criteria and/or (ii) that the Participant remains in the continuous employ or service of the Company or a Subsidiary for a certain period.

7.2. Rights as a Stockholder; Transferability. Except as provided in Sections 7.1, 7.3, 7.4 and 12.3 of the Plan, a Participant will have all voting, dividend, liquidation and other rights with respect to shares of Common Stock issued to the Participant as a Restricted Stock Award under this Section 7 upon the Participant becoming the holder of record of such shares as if such Participant were a holder of record of shares of unrestricted Common Stock.

7.3. Dividends and Distributions. Unless the Committee determines otherwise in its sole discretion (either in the agreement evidencing the Restricted Stock Award at the time of grant or at any time after the grant of the Restricted Stock Award), any dividends or distributions (other than regular quarterly cash dividends) paid with respect to shares of Common Stock subject to the unvested portion of a Restricted Stock Award will be subject to the same restrictions as the shares to which such dividends or distributions relate. The Committee will determine in its sole discretion whether any interest will be paid on such dividends or distributions.

7.4. Enforcement of Restrictions. To enforce the restrictions referred to in this Section 7, the Committee may place a legend on the stock certificates referring to such restrictions and may require the Participant, until the restrictions have lapsed, to keep the stock certificates, together with duly endorsed stock powers, in the custody of the Company or its transfer agent, or to maintain evidence of stock ownership, together with duly endorsed stock powers, in a certificateless book-entry stock account with the Company's transfer agent.

8. Performance Stock Awards.

8.1. An Eligible Recipient may be granted one or more Performance Stock Awards under the Plan, and the issuance of shares of Common Stock pursuant to such Performance Stock Awards will be subject to such terms and conditions, if any, consistent with the other provisions of the Plan, as may be determined by the Committee in its sole discretion, including, but not limited to, the achievement of one or more of the Performance Criteria.

8.2. Restrictions on Transfers. The right to receive shares of Performance Stock Awards on a deferred basis may not be sold, assigned, transferred, pledged or otherwise encumbered, other than by will or the laws of descent and distribution.

9. Effect of Termination of Employment, Service or Other Relationship

9.1. Termination Due to Death or Disability. Except as otherwise provided in an Incentive Award, in the event that the employment or other service with the Company and all Subsidiaries of a Participant who is a natural person is terminated by reason of death or Disability:

(a) All outstanding Options then held by the Participant will immediately be vested and remain exercisable for a period of six (6) months after such termination (but in no event after the expiration date of any such Option); and

(b) All Restricted Stock Awards then held by the Participant that have not vested as of such termination will be immediately be vested; and

(c) All outstanding Performance Stock Awards then held by the Participant that have not vested as of such termination will be vested.

9.2. Termination Due to Cause. In the event that the employment or other service with the Company and all Subsidiaries of a Participant who is a natural person is terminated by reason of Cause:

(a) All outstanding Options then held by the Participant will be forfeited and terminate; and

(b) All Restricted Stock Awards then held by the Participant that have not vested as of such termination will be terminated and forfeited; and

(c) All outstanding Performance Stock Awards then held by the Participant that have not vested as of such termination will be terminated and forfeited.

9.3. Termination for Reasons Other than Death, Disability or Cause Subject to Section 9.5 of the Plan, in the event that the employment or other service with the Company and all Subsidiaries of a Participant who is a natural person is terminated for any reason other than death, Disability or Cause, or a Participant, who is a natural person, in the employ of a Subsidiary and the Subsidiary ceases to be a Subsidiary of the Company (unless the Participant continues in the employ of the Company or another Subsidiary):

(a) All outstanding Options then held by the Participant will, to the extent exercisable as of such termination, remain exercisable in full for a period of three (3) months after such termination (but in no event after the expiration date of any such Option). Options not exercisable as of such termination will be forfeited and terminate; and

(b) All Restricted Stock Awards then held by the Participant that have not vested as of such termination will be terminated and forfeited; and

(c) All outstanding Performance Stock Awards then held by the Participant that have not vested as of such termination will be terminated and forfeited.

9.4. Modification of Rights Upon Termination. Notwithstanding the other provisions of this Section 9, upon a Participant's termination of employment or other service with the Company, the Committee may, in its sole discretion (which may be exercised in connection with the grant or after the date of grant, including following such termination), cause Options (or any part thereof) then held by such Participant to become or continue to become exercisable and/or remain exercisable following such termination of employment or service, and Restricted Stock Awards and Performance Stock Awards then held by such Participant may vest and/or continue to vest or become free of restrictions and conditions to issuance, as the case may be, following such termination of employment or service, in each case in the manner determined by the Committee.

9.5. Effects of Actions Constituting Cause. Notwithstanding anything in the Plan to the contrary, in the event that a Participant who is a natural person is determined by the Committee, acting in its sole discretion, to have committed any action which would constitute Cause as defined in Section 2.3, irrespective of whether such action or the Committee's determination occurs before or after termination of such Participant's employment or service with the Company or any Subsidiary, all rights of the Participant under the Plan and any agreements evidencing an Incentive Award then held by the Participant shall terminate and be forfeited without notice of any kind. The Company may defer the exercise of any Option or the vesting of any Restricted Stock Award for a period of up to ninety (90) days in order for the Committee to make any determination as to the existence of Cause.

9.6. Determination of Termination of Employment or Other Service. Unless the Committee otherwise determines in its sole discretion, the employment or other service of a Participant who is a natural person will, for purposes of the Plan, be deemed to have terminated on the date recorded on the personnel or other records of the Company or the Subsidiary for which the Participant provides employment or service, as determined by the Committee in its sole discretion based upon such records.

9.7. Termination of Relationship Between the Company and an Entity. The termination provisions of any Incentive Award granted to an Eligible Recipient that is not a natural person shall be determined by the Committee in its sole discretion and set forth in the written agreement evidencing the Incentive Award or any amendment thereto. The Committee shall be entitled to modify such termination provisions from time to time as it deems appropriate in its sole discretion.

10. Payment of Withholding Taxes.

10.1. General Rules. The Company is entitled to (a) withhold and deduct from future wages of the Participant (or from other amounts that may be due and owing to the Participant from the Company or a Subsidiary), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all federal, foreign, state and local withholding and employment-related tax requirements attributable to an Incentive Award, including, without limitation, the grant, exercise or vesting of, or payment of dividends with respect to, an Incentive Award or a disqualifying disposition of stock received upon exercise of an Incentive Stock Option, or (b) require the Participant promptly to remit the amount of such withholding to the Company before taking any action, including issuing any shares of Common Stock, with respect to an Incentive Award.

10.2. Special Rules. The Committee may, in its sole discretion and upon terms and conditions established by the Committee, permit or require a Participant to satisfy, in whole or in part, any withholding or employment-related tax obligation described in Section 10.1 of the Plan by electing to tender, or by attestation as to ownership of, Previously Acquired Shares that have been held for the period of time necessary to avoid a charge to the Company's earnings for financial reporting purposes and that are otherwise acceptable to the Committee, by delivery of a Broker Exercise Notice or a combination of such methods. For purposes of satisfying a Participant's withholding or employment-related tax obligation, Previously Acquired Shares tendered or covered by an attestation will be valued at their Fair Market Value.

11. Change in Control.

11.1. A "Change in Control" shall be deemed to have occurred if the event set forth in any one of the following paragraphs has occurred:

(a) the sale, lease, exchange or other transfer, directly or indirectly, of substantially all of the assets of the Company (in one transaction or in a series of related transactions) to any Successor;

(b) the approval by the stockholders of the Company of any plan or proposal for the liquidation or dissolution of the Company;

(c) any Successor (as defined in Section 11.2 below), other than a Bona Fide Underwriter (as defined in Section 11.2 below), becomes after the effective date of the Plan the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of (i) 25% or more, but not 50% or more, of the combined voting power of the Company's outstanding securities ordinarily having the right to vote at elections of directors, unless the transaction resulting in such ownership has been approved in advance by the Continuity Directors (as defined in Section 11.2 below), or (ii) more than 50% of the combined voting power of the Company's outstanding securities ordinarily having the right to vote at elections of directors (regardless of any approval by the Continuity Directors);

(d) a merger or consolidation to which the Company is a party if the stockholders of the Company immediately prior to effective date of such merger or consolidation have "beneficial ownership" (as defined in Rule 13d-3 under the Exchange Act), immediately following the effective date of such merger or consolidation, of securities of the surviving corporation representing (i) 50% or more, but not more than 80%, of the combined voting power of the surviving corporation's then outstanding securities ordinarily having the right to vote at elections of directors, unless such merger or consolidation has been approved in advance by the Continuity Directors, or (ii) less than 50% of the combined voting power of the surviving corporation's then outstanding securities ordinarily having the right to vote at elections of directors (regardless of any approval by the Continuity Directors); or

(e) the Continuity Directors cease for any reason to constitute at least 50% or more of the Board.

11.2. Change in Control Definitions. For purposes of this Section 11:

(a) “Continuity Directors” of the Company will mean any individuals who are members of the Board on the effective date of the Plan and any individual who subsequently becomes a member of the Board whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of the Continuity Directors (either by specific vote or by approval of the Company’s proxy statement in which such individual is named as a nominee for director without objection to such nomination).

(b) “Bona Fide Underwriter” means an entity engaged in business as an underwriter of securities that acquires securities of the Company through such entity’s participation in good faith in a firm commitment underwriting until the expiration of 40 days after the date of such acquisition.

(c) “Successor” means any individual, corporation, partnership, group, association or other “person,” as such term is used in Section 13(d) or Section 14(d) of the Exchange Act, other than the Company, any “affiliate” (as defined below) or any benefit plan(s) sponsored by the Company or any affiliate that succeeds to, or has the practical ability to control (either immediately or solely with the passage of time), the Company’s business directly, by merger, consolidation or other form of business combination, or indirectly, by purchase of the Company’s outstanding securities ordinarily having the right to vote at the election of directors or all or substantially all of its assets or otherwise. For this purpose, an “affiliate” is (i) any corporation at least a majority of whose outstanding securities ordinarily having the right to vote at elections of directors is owned directly or indirectly by the Company; (ii) any other form of business entity in which the Company, by virtue of a direct or indirect ownership interest, has the right to elect a majority of the members of such entity’s governing body or (iii) any entity that at the time of the approval of this Plan owns in excess of 25% of the Company’s common stock and its affiliates.

11.3. Events Upon a Change in Control. If a Change in Control of the Company occurs, then the Committee, if approved by the Committee in its sole discretion either in an agreement evidencing an Incentive Award at the time of grant or at any time after the grant of an Incentive Award, and without the consent of any Participant affected thereby, may determine that:

(a) some or all Participants holding outstanding Options will receive, with respect to some or all of the shares of Common Stock subject to such Options (“Option Shares”), either (i) as of the effective date of any such Change in Control, cash in an amount equal to the excess of the Fair Market Value of such Option Shares on the last business day prior to the effective date of such Change in Control over the exercise price per share of such Option Shares, (ii) immediately prior to such Change of Control, a number of shares of Common Stock having an aggregate Fair Market Value equal to the excess of the Fair Market Value of the Option Shares as of the last business day prior to the effective date of such Change in Control over the exercise price per share of such Option Shares; or (iii) any combination of cash or shares of Common Stock with the amount of each component to be determined by the Committee not inconsistent with the foregoing clauses (i) and (ii), as proportionally adjusted;

(b) (i) all Options that have been granted will become immediately exercisable in full and will remain exercisable in accordance with their terms; (ii) all Restricted Stock Awards that have been granted will become immediately fully vested and non-forfeitable; and (iii) any conditions to the issuance of shares of Common Stock pursuant to Performance Stock Awards will lapse; and

(c) any Options which, as of the effective date of any such Change in Control, are “underwater” (as defined in Section 3.2(d)) shall terminate as of the effective date of any such Change in Control; and

(d) some or all Participants holding Performance Stock Awards will receive, with respect to some or all of the shares of Common Stock subject to such Performance Stock Awards that remain subject to issuance based upon the future achievement of Performance Criteria as of the effective date of any such Change in Control of the Company, cash in an amount equal the Fair Market Value of such shares immediately prior to the effective date of such Change in Control.

11.4. Limitation on Change in Control Payments (U.S. Taxpayers Only) Notwithstanding anything in Section 11.3 of the Plan to the contrary, if, with respect to a Participant, the acceleration of the exercisability of an Option as provided in Section 11.3 or the payment of cash or shares of Common Stock in exchange for all or part of an Option as provided in Section 11.3 (which acceleration or payment could be deemed a “payment” within the meaning of Section 280G(b)(2) of the Code), together with any other “payments” that such Participant has the right to receive from the Company or any corporation that is a member of an “affiliated group” (as defined in Section 1504(a) of the Code without regard to Section 1504(b) of the Code) of which the Company is a member, would constitute a “parachute payment” (as defined in Section 280G(b)(2) of the Code), then the “payments” to such Participant pursuant to Section 11.3 of the Plan will be reduced to the largest amount as will result in no portion of such “payments” being subject to the excise tax imposed by Section 4999 of the Code; provided, however, that if a Participant is subject to a separate agreement with the Company or a Subsidiary which specifically provides that payments attributable to one or more forms of employee stock incentives or to payments made in lieu of employee stock incentives will not reduce any other payments under such agreement, even if it would constitute an excess parachute payment, or provides that the Participant will have the discretion to determine which payments will be reduced in order to avoid an excess parachute payment, then the limitations of this Section 11.4 will, to that extent, not apply.

12. Rights of Eligible Recipients and Participants: Transferability.

12.1. Employment or Service. Nothing in the Plan will interfere with or limit in any way the right of the Company or any Subsidiary to terminate the employment or service of any Eligible Recipient or Participant at any time, nor confer upon any Eligible Recipient or Participant any right to continue in the employ or service of the Company or any Subsidiary.

12.2. Rights as a Stockholder. As a holder of Incentive Awards (other than Restricted Stock Awards), a Participant will have no rights as a stockholder unless and until such Incentive Awards are exercised for, or paid in the form of, shares of Common Stock and the Participant becomes the holder of record of such shares. Except as otherwise provided in the Plan, no adjustment will be made for dividends or distributions with respect to such Incentive Awards as to which there is a record date preceding the date the Participant becomes the holder of record of such shares, except as the Committee may determine in its discretion.

12.3. Restrictions on Transfer.

(a) Except pursuant to testamentary will or the laws of descent and distribution or as otherwise expressly permitted by subsections (b) and (c) below, no right or interest of any Participant, who is a natural person, in an Incentive Award prior to the exercise (in the case of Options) or vesting (in the case of Restricted Stock Awards) of such Incentive Award will be assignable or transferable, or subjected to any lien, during the lifetime of the Participant, either voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise.

(b) A Participant who is a natural person will be entitled to designate a beneficiary to receive an Incentive Award upon such Participant's death, and in the event of such Participant's death, payment of any amounts due under the Plan will be made to, and exercise of any Options (to the extent permitted pursuant to Section 9 of the Plan) may be made by, such beneficiary. If a deceased Participant has failed to designate a beneficiary, or if a beneficiary designated by the Participant fails to survive the Participant, payment of any amounts due under the Plan will be made to, and exercise of any Options (to the extent permitted pursuant to Section 9 of the Plan) may be made by, the Participant's legal representatives, heirs and legatees. If a deceased Participant has designated a beneficiary and such beneficiary survives the Participant but dies before complete payment of all amounts due under the Plan or exercise of all exercisable Options, then such payments will be made to, and the exercise of such Options may be made by, the legal representatives, heirs and legatees of the beneficiary.

(c) Upon request by a Participant who is a natural person, the Committee may, in its sole discretion, permit a transfer of all or a portion of a Non-Statutory Stock Option, other than for value, to such Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, any person sharing such Participant's household (other than a tenant or employee), a trust in which any of the foregoing have more than fifty percent of the beneficial interests, a foundation in which any of the foregoing (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent of the voting interests. Any permitted transferee will remain subject to all the terms and conditions applicable to the Participant prior to the transfer. A permitted transfer may be conditioned upon such requirements as the Committee may, in its sole discretion, determine, including, but not limited to execution and/or delivery of appropriate acknowledgements, opinion of counsel, or other documents by the transferee.

(d) The restrictions upon transfer of any Incentive Award granted to an Eligible Recipient that is not a natural person shall be determined by the Committee in its sole discretion and set forth in the written agreement evidencing the Incentive Award or any amendment thereto. The Committee shall be entitled to modify such transfer restrictions from time to time as it deems appropriate in its sole discretion.

12.4. Non-Exclusivity of the Plan. Nothing contained in the Plan is intended to modify or rescind any previously approved compensation plans or programs of the Company or create any limitations on the power or authority of the Board to adopt such additional or other compensation arrangements as the Board may deem necessary or desirable.

13. Securities Law and Other Restrictions.

Notwithstanding any other provision of the Plan or any agreements entered into pursuant to the Plan, the Company will not be required to issue any shares of Common Stock under this Plan, and a Participant may not sell, assign, transfer or otherwise dispose of shares of Common Stock issued pursuant to Incentive Awards granted under the Plan, unless (a) there is in effect with respect to such shares a registration statement under the Securities Act and any applicable securities laws of a state or foreign jurisdiction or an exemption from such registration under the Securities Act and applicable state or foreign securities laws, and (b) there has been obtained any other consent, approval or permit from any other U.S. or foreign regulatory body which the Committee, in its sole discretion, deems necessary or advisable. The Company may condition such issuance, sale or transfer upon the receipt of any representations or agreements from the parties involved, and the placement of any legends on certificates representing shares of Common Stock, as may be deemed necessary or advisable by the Company in order to comply with such securities law or other restrictions.

14. Plan Amendment, Modification and Termination.

The Board may suspend or terminate the Plan or any portion thereof at any time, and may amend the Plan from time to time in such respects as the Board may deem advisable in order that Incentive Awards under the Plan will conform to any change in applicable laws or regulations or in any other respect the Board may deem to be in the best interests of the Company; provided, however, that no such amendments to the Plan will be effective without approval of the Company's stockholders if stockholder approval of the amendment is then required pursuant to Section 422 of the Code or the rules of any stock exchange or the NASDAQ Global Select, Global or Capital Market or similar regulatory body. No termination, suspension or amendment of the Plan may adversely affect any outstanding Incentive Award without the consent of the affected Participant; provided, however, that this sentence will not impair the right of the Committee to take whatever action it deems appropriate under Sections 3.2(c), 4.3 and 11 of the Plan.

15. Effective Date and Duration of the Plan

The Plan is effective as of the Effective Date. The Plan will terminate at midnight on September 15, 2021 and may be terminated prior to such time by Board action. No Incentive Award will be granted after termination of the Plan. Incentive Awards outstanding upon termination of the Plan may continue to be exercised, or become free of restrictions, according to their terms.

16. Miscellaneous.

16.1. Governing Law. Except to the extent expressly provided herein or in connection with other matters of corporate governance and authority (all of which shall be governed by the laws of the Company's jurisdiction of incorporation), the validity, construction, interpretation, administration and effect of the Plan and any rules, regulations and actions relating to the Plan will be governed by and construed exclusively in accordance with the laws of the State of Nevada notwithstanding the conflicts of laws principles of any jurisdictions.

16.2. Successors and Assigns. The Plan will be binding upon and inure to the benefit of the successors and permitted assigns of the Company and the Participants.

LEASE AGREEMENT

This Lease Agreement is entered into on the 22nd day of August, 2011, by and between BAY ENERGY SERVICES, INC. (herein "BAY" or "LESSEE") and WEST TEXAS RESOURCES, INC., (herein "LESSOR") to provide the terms under which BAY will lease one or more vacuum water trailers from LESSOR as follows:

1. BAY will pay LESSOR, for each trailer, Twenty-Five Hundred Dollars (\$2,500.00) plus ten percent (10%) of the gross proceeds generated by the trailer per month at \$35.00 per hour. This payment shall be paid in arrears and shall be due within five (5) days after the end of each month;
2. BAY shall operate the equipment in a fair and reasonable manner and in compliance with all governing laws, ordinances and regulations. BAY shall be solely responsible for all maintenance of the equipment and repair of any and all damage to the equipment;
3. BAY will maintain liability and collision insurance on the equipment;
4. This Lease will be for a period of two (2) years from the above date;
5. At the end of this Lease, LESSOR shall have the option, but not the obligation, to sell the equipment to BAY for seventy-five percent (75%) of the original purchase price;
6. This Lease shall only be valid for equipment that BAY has inspected and approved in its sole discretion;
7. If the equipment is purchased used, after BAY has approved the equipment as provided above, BAY shall be fully responsible for any initial repairs needed to put the equipment into service;
8. LESSOR shall not be responsible for any accidents or damages caused by BAY or its employees using the equipment covered by this Lease and BAY shall indemnify and hold harmless LESSOR from any and all such liability and damages;
9. Upon expiration or termination of this Lease, BAY shall return the equipment to LESSOR in good repair, condition and working order, ordinary wear and tear expected;
10. LESSOR shall be responsible for any and all taxes, fees, and registrations due upon or for the equipment;

LESSEE:
BAY ENERGY SERVICES, INC.

/s/ Lindsey Vinson
LINDSEY VINSON, President

LESSOR:
WEST TEXAS RESOURCES, INC.

/s/ Stephen E. Jones
STEPHEN E. JONES, President

[FORM OF] REGISTRATION RIGHTS AGREEMENT

THIS AGREEMENT (the "Agreement ") is made and entered into effective as of the 24th day of January 24 2011, by and between West Texas Resources, Inc., a Nevada corporation (the "**Company**"), and the subscribers of the Company's securities pursuant to the Confidential Private Placement Memorandum dated January 24, 2010, as supplemented on June 22, 2011 (the "**Holder**").

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Holder hereby agree as follows.

1. Definitions.

As used in this Agreement, the following terms, not previously defined, will have the meanings as set forth herein:

1.1 "Commission" means the United States Securities and Exchange Commission, and any successor thereto.

1.2 "Common Stock" means the Company's Common Stock, \$.001 par value.

1.3 "Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated from time to time thereunder.

1.4 "Person" means an individual, partnership, limited partnership, corporation, business trust, limited liability company, an association, joint stock company, a trust, unincorporated organization, joint venture or other entity of whatever nature.

1.5 "Registrable Common" means any shares of Common Stock issued to the Holder pursuant to a Subscription Agreement, including any shares of Common Stock issued as a dividend, stock split, reclassification, recapitalization or other distribution with respect to or in exchange for replacement of the preceding; provided, however, that Registrable Common will not include any shares, the sale of which has been registered pursuant to the Securities Act or which have been or could be sold to the public pursuant to Rule 144 promulgated by the Commission under the Securities Act without restriction under the volume limitations of Rule 144.

1.6 "Register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and the declaration or ordering of the effectiveness of such Registration Statement.

1.7 "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder.

1.8 "Subscription Agreement" means the Subscription Agreement executed by the Holder for the purchase of shares of Common Stock and warrants to purchase Common Stock in the private placement offering (the "Offering") pursuant to the Company's Private Placement Memorandum, dated January 24, 2011, as supplemented on June 22, 2011.

2. Registration Rights.

2.1. Subject to the limitations and requirements set forth in this Agreement, the Company will use commercially reasonable efforts to prepare and file, on or before the 45th day following the close of the Offering, a registration statement under the Securities Act on the appropriate form covering the resale of the Registrable Common, and will use commercially reasonable efforts to cause such registration statement to become effective as soon as is practicable after such filing.

2.2. The Company will not be obligated to take any action to effect any such registration, qualification or compliance pursuant to this Section in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company already is subject to service in such jurisdiction and except as may be required by the Securities Act.

2.3. If the Company furnishes to such Holder(s) a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the Board of Directors of the Company it would be seriously detrimental to the Company and its stockholders for such registration statement to be filed at such time, then the Company will have the right to defer such filing for a period ending not later than ninety (90) days from the latest filing date of such offering as required herein.

2.4. Each Holder agrees by its acquisition of Registrable Common that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3.5(ii) through (iv), such Holder will forthwith discontinue disposition of such Registrable Common under a Registration Statement until it is advised in writing (the "Advice") by the Company that the use of the applicable prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as it practicable.

2.5. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Common pursuant to a Registration Statement.

3. Registration Procedures. When the Company is required by the terms of this Agreement to effect the registration of Registrable Common under the Securities Act, the Company will:

3.1. Filing. Prepare and file with the Commission a registration statement with respect to such securities, and use commercially reasonable efforts to cause such registration statement to become and remain effective for such period as may be reasonably necessary to effect the sale of such securities, but not to exceed the lesser of (i) one year following the final closing of the Offering or (ii) until the distribution described in the registration statement has been completed.

3.2. Period of Effectiveness. Prepare and file with the Commission such amendments to such registration statement and supplements to the prospectus contained therein as may be necessary to keep such registration statement effective for the period described in Section 3.1.

3.3. Copies. Furnish to the Holders participating in such registration and, if applicable, to the underwriters of the securities being registered such reasonable number of copies of the registration statement, preliminary prospectus, final prospectus and such other documents as such underwriters may reasonably request in order to facilitate the public offering of such securities.

3.4. Blue Sky. Use its commercially reasonable efforts to register or qualify the securities covered by such registration statement under such state securities or blue sky laws of such jurisdictions as such participating Holder may reasonably request in writing within twenty (20) days following the original filing of such registration statement, except that the Company will not for any purpose be required to execute a general consent to service of process or to qualify to do business as a foreign corporation or subject itself to taxation in any jurisdiction wherein it is not so qualified or taxed.

3 . 5 . Notification. Notify the Holders of Registrable Common (which notice shall, pursuant to clauses (ii) through (iv) hereof, be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made) as promptly as reasonably possible (i) with respect to a Registration Statement or any post-effective amendment, when the same has become effective; (ii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Common; (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Common for sale in any jurisdiction; or (iv) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, prospectus or other documents so that, in the case of a Registration Statement or the prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Any and all of such information contemplated by subparagraphs (i) through (iv) shall remain confidential to each Holder until such information otherwise becomes public, unless disclosure by a Holder is required by law.

3 . 6 . Update. Prepare and promptly file with the Commission and promptly notify the Holders participating in such registration of the filing of such amendment or supplement to such registration statement or prospectus as may be necessary to correct any statements or omissions if, at the time when a prospectus relating to such securities is required to be delivered under the Securities Act, any event has occurred as the result of which any such prospectus or any other prospectus as then in effect would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

4 . Expenses. With respect to the registration requested pursuant to Section 2 hereof (except as otherwise provided in such Section) and with respect to each inclusion of Registrable Common in a registration statement pursuant to Section 2 hereof (except as otherwise provided in such Section), the Company will bear the following fees, costs and expenses: all registration, filing and FINRA fees, printing expenses, fees and disbursements of counsel and accountants for the Company, all internal Company expenses, all legal fees and disbursements and other expenses of complying with state securities or blue sky laws of any jurisdictions in which the securities to be offered are to be registered or qualified, and the premiums and other costs of policies of insurance against liability (if any) arising out of such public offering. Fees and disbursements of counsel and accountants for the selling security Holders, underwriting discounts and commissions and transfer taxes relating to the shares included in the offering by the selling security Holders, and any other expenses incurred by the selling security Holders not expressly included above, will be borne by the selling security Holders.

5. Indemnification.

5.1. Indemnification by Company. To the fullest extent permitted by law, the Company will indemnify and hold harmless each Holder which has Registrable Common included in a registration statement pursuant to the provisions hereof, its directors and officers, and any underwriter (as defined in the Securities Act) for such Holder and each Person, if any, who controls such Holder or such underwriter within the meaning of the Securities Act, from and against, and will reimburse such Holder and each such underwriter and controlling Person with respect to, any and all loss, damage and liability (collectively, "Losses") to which such Holder or any such underwriter or controlling Person may become subject under the Securities Act, state securities laws or otherwise, and the Company will pay to each such Holder, underwriter or controlling person any legal or other costs or expenses reasonably incurred by such person in connection with investigating or defending any such Loss, insofar as such Losses arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such Loss arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by such Holder, such underwriter or such controlling Person in writing specifically for use in the preparation thereof; provided, however, that the indemnity agreement in this Section 5.1 will not apply to amounts paid in settlement of any such Loss if such settlement is effected without the consent of the Company, which consent will not be unreasonably withheld, and that the foregoing indemnity obligation with respect to any preliminary prospectus or final prospectus (if such final prospectus has been amended or supplemented and such amendments or supplements have been furnished to such Holder prior to the written confirmation of the sale involved) will not inure to the benefit of any Holder on account of any Loss whatsoever arising from the sale of any Registrable Common by such Holder to any person if (A) a copy of the final prospectus (as amended or supplemented if such amendments or supplements have been furnished to such Holder prior to the written confirmation of the sale involved) has not been sent or given by or on behalf of such Holder to such person, if required by law, with or prior to the written confirmation of the sale involved, and (B) the untrue statement or alleged untrue statement or omission or alleged omission of a material fact contained in such preliminary prospectus or final prospectus from which such Loss arose was corrected in the final prospectus (as amended or supplemented if such amendments or supplements thereto have been furnished as aforesaid).

5.2. Indemnification by Holder. Each Holder which has Registrable Common included in a registration statement pursuant to the provisions hereof will severally, but not jointly, indemnify and hold harmless the Company, its directors and officers, each Person, if any, who controls the Company within the meaning of the Securities Act, any other Holder selling securities pursuant to such registration statement, any controlling Person of any such selling Holder, any underwriter and any controlling Person of any such underwriter (each, an "Indemnitee") from and against, and will reimburse any Indemnitee with respect to, any and all Losses to which such Indemnitee may become subject under the Securities Act, state securities laws or otherwise, and such Holder will pay to each Indemnitee, any legal or other costs or expenses reasonably incurred by such person in connection with investigating or defending any such Loss, insofar as such Losses are caused by any untrue or alleged untrue statement of any material fact contained in such registration statement, any prospectus contained therein or any amendment or supplement thereto, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was so made in reliance upon and in conformity with written information furnished by such Holder specifically for use in the preparation thereof; provided, however, that the foregoing indemnity obligation with respect to any preliminary prospectus or final prospectus (if such final prospectus has been amended or supplemented and such amendments or supplements have been furnished to such Indemnitee prior to the written confirmation of the sale involved) will not inure to the benefit of any Indemnitee on account of any Loss whatsoever arising from the sale of any Registrable Common by the Holder to any person if (A) a copy of the final prospectus (as amended or supplemented if such amendments or supplements have been furnished to such Indemnitee prior to the written confirmation of the sale involved) has not been sent or given by or on behalf of such Indemnitee to such person, if required by law, with or prior to the written confirmation of the sale involved, and (B) the untrue statement or alleged untrue statement or omission or alleged omission of a material fact contained in such preliminary prospectus or final prospectus from which such Loss arose was corrected in the final prospectus (as amended or supplemented if such amendments or supplements thereto have been furnished as aforesaid); provided further, however, that the obligations of each Holder under this Section 5.2 will be limited to an amount equal to the net proceeds to such Holder from the sale of Registrable Common as contemplated herein, unless such claim, loss, damage, liability or action resulted from such Holder's fraudulent misconduct.

5.3. Indemnification Procedures. Promptly after receipt by a party entitled to indemnification pursuant to this Section (each, an "Indemnified Party") of notice of the commencement of any action involving the subject matter of the foregoing indemnity provisions such Indemnified Party will, if a claim is to be made against the party obligated to provide indemnification pursuant to this section (each, an "Indemnifying Party"), promptly notify the Indemnifying Party of the commencement thereof; but the omission to provide such notice will not relieve the Indemnifying Party from any liability hereunder, except to the extent that the delay in giving, or failing to give, such notice has a material adverse effect upon the ability of the Indemnifying Party to defend against the claim. In case such action is brought against an Indemnified Party, the Indemnifying Party will have the right to participate in and, at the Indemnifying Party's option, to assume the defense thereof, singly or jointly with any other Indemnifying Party similarly notified, with counsel or reasonably satisfactory to the Indemnified Party; provided, however, that if the defendants in any action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party reasonably concludes that there may be legal defenses available to any Indemnified Parties that are different from or additional to those available to the Indemnifying Party, or if there is a conflict of interest which would prevent counsel for the Indemnifying Party from also representing the Indemnified Party, the Indemnified Party will have the right to select counsel to participate in the defense of such action on behalf of such Indemnified Party at the expense of the Indemnifying Party; provided further, however, that the Indemnifying Party will be responsible for the expenses of only one such special counsel (and one local counsel if necessary for jurisdictional purposes) selected jointly by the Indemnified Parties if there is more than one Indemnified Party. After notice from an Indemnifying Party to any Indemnified Party of such Indemnifying Party's election to assume the defense or the action, the Indemnifying Party will not be liable to such Indemnified Party pursuant to this Section 5 for any legal or other expense subsequently incurred by such Indemnified Party in connection with the defense thereof, unless (i) the Indemnified Party has employed counsel in accordance with the proviso of the preceding sentence, or (ii) the Indemnifying Party has not employed counsel satisfactory to the Indemnified Party to represent the Indemnified Party within a reasonable time after the notice of the commencement of the action, or (iii) the Indemnifying Party has authorized the employment of counsel for the Indemnified Party at the expense of the Indemnifying Party.

6. Cooperation. Any Holder whose Registrable Common are to be included in a Registration Statement either filed pursuant to a demand or as part of a Company registration agrees to cooperate with all reasonable requests by the Company necessary to effectuate the purposes of this Agreement, including by timely providing the Company with all information necessary to prepare and file a registration statement.

7. Miscellaneous.

7.1. Waivers, Amendments and Approvals. In each case in which the approval of the Holder is required by the terms of this Agreement, such requirement will be satisfied by a vote or the written action of Holders of at least a majority of the then-outstanding Registrable Common, unless a higher percentage is specifically required by the terms of this Agreement. Any term or provision of this Agreement requiring performance by or binding upon the Company or the Holders may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only by a writing signed by the Company and the Holders of at least a majority of the then-outstanding Registrable Common. Any amendment or waiver effected in accordance with this Section will be binding upon all of the Holders (including permitted assigns pursuant to Section 7.9 hereof). The waiver by a party of any breach hereof or default in payment of any amount due hereunder or default in the performance hereof will not be deemed to constitute a waiver of any other default or succeeding breach or default. Written notice of any such waiver, consent or agreement of amendment, modification or supplement will be given to the record Holder of Registrable Common who did not give written consent thereto.

7.2. Notices. All notices, requests, consents and other communications required or permitted hereunder will be in writing and will be delivered either by (i) personal delivery, (ii) registered or certified airmail, postage prepaid or (iii) facsimile, as follows:

7.2.1. to a Holder, addressed to such Holder at the address set forth in the Subscription Agreement.

7.2.2. to the Company, to:

West Texas Resources, Inc.
5729 Lebanon Road., Suite 144
Frisco, Texas 75034
Attention: Stephen E. Jones
Fax: (972) 712-1039

and such notices and other communications will for all purposes of this Agreement be treated as being effective or having been given if delivered personally, or, if sent by mail, when received. Any party may change its address for such communications by giving notice thereof to the other parties in conformity with this Section.

7.3. Entire Agreement. This Agreement, the schedules hereto, the documents referenced herein and the exhibits thereto, constitute the entire understanding and agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the parties with respect hereto and thereto. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

7.4. Other Remedies. Any and all remedies herein expressly conferred upon a party will be deemed cumulative with, and not exclusive of, any other remedy conferred hereby or by law on such party, and the exercise of any one remedy will not preclude the exercise of any other.

7.5. Delays or Omissions. Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to any party under this Agreement will impair any such right, power or remedy of such party nor will it be construed to be a waiver of any such breach or default, or an acquiescence thereto, or of a similar breach of default thereafter occurring; nor will any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party hereto of any breach or default under the Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement must be in writing and will be effective only to the extent specifically set forth in such writing.

7.6. Governing Law. This Agreement will be governed by and construed under the laws of the State of Texas, without regard to the conflict of laws principles thereof.

7 . 7 . Counterparts. This Agreement may be executed concurrently (including facsimile signatures) in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

7.8. Severability. Should any one or more of the provisions of this Agreement or of any agreement entered into pursuant to this Agreement be determined to be illegal or unenforceable, all other provisions of this Agreement and of each other agreement entered into pursuant to this Agreement, will be given effect separately from the provision or provisions determined to be illegal or unenforceable and will not be affected thereby.

7 . 9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of each Holder. The Company may not assign its rights (except by merger) or obligations hereunder without the prior written consent of at least a majority of the Holders of the then-outstanding Registrable Common. Each Holder may assign their respective rights hereunder only in connection with the transfer of all of their Registrable Common in the manner and to the Persons as permitted under the Securities Act and applicable state of foreign securities laws.

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date first written above.

WEST TEXAS RESOURCES, INC.

By: /s/ Stephen E. Jones _____
Stephen E. Jones, Chief Executive Officer

HOLDER

(Print Name)

By: _____
(Signature)

LIST OF SUBSIDIARIES

None.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this Registration Statement on Form S-1 of West Texas Resources, Inc. of our report dated November 21, 2011 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Farber Hass Hurley LLP

Granada Hills, California
December 9, 2011