

February 10, 2006
via U.S. mail
William Scott Marshall
President, Principal Executive Officer and Principal Financial
Officer
Cascade Energy, Inc.
5151 E. Broadway, Suite 1600,
Tucson, AZ 85711

Re: Cascade Energy, Inc.
Registration Statement on Form SB-2
Filed January 12, 2006
File No. 333-130984
Form 10-QSB for the Fiscal Quarter Ended
May 31, 2005
File No. 333-115637

Dear Mr. Marshall:

We have limited our review of your filing to those issues we have addressed in our comments. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

SB-2

General

1. Please confirm that at the time of the initial filing of the registration statement, the escrow agent had released all funds held in escrow to the company in full payment of the \$3,500,000

convertible
debentures issued to Cornell Capital Partners LP.

2. Please update the financial statements and related disclosure included in the registration statement to reflect the financial results reported as of the fiscal quarter ended November 30, 2005.

Prospectus Summary, page 8

Our Business, page 8

3. Provide the historical context of your business by referencing the past business operations of the company and the recent change in orientation of the company's business focus from the hydroponics industry to the oil and gas industry.

Risk Factors, page 9

Risks Related to Some of Our Outstanding Securities, page 9

4. Please provide a risk factor that discloses the consequences to you as delineated in the security agreement and pledge and escrow agreement, should you be deemed in default with respect to the transaction documents. The risk factor should at a minimum reference that you have provided Cornell Capital Partners LP a security interest in all of your assets and in forty four million pledged shares.

5. At least three of the risk factors in this section reference the dilutive impact to shareholders in the event all of the convertible debentures are converted and the warrants exercised. Please revise to eliminate repetitive disclosure. Instead, as done on page 11 in the table, focus on providing disclosure that concisely captures the material risk to investors.

"If we issue additional shares...", page 12

6. Revise the risk factor disclosure under this heading to reference the amount of shares you currently have outstanding and the total amount of shares you could have outstanding, giving effect to the 107,512,130 shares you are registering.

Directors, Executive Officers, Promoters and Control Persons, page 25

7. Please provide the disclosure required by Item 401 of Regulation S-B with respect to the newly appointed Chief Financial Officer, Mr.

Gordon Samson as reported in a press release dated February 1, 2006.

Executive Compensation, page 41

8. We note the Form 8-K filed on January 23, 2006 in which you disclose the consulting agreements entered into by three of your directors. Revise the registration statement to include reference to the compensation you have committed to pay Messrs. Brown, Marshall and Foster. Further, please ensure you include the consulting agreements as exhibits to the registration statement with your next amendment.

Form 10-QSB

9. We note the omission of disclosure required by Items 307 and 308 of Regulation S-B in the Form 10-QSB for the fiscal quarter ended May 31, 2005. Please amend the Form 10-QSB to provide such disclosure. Ensure that you file updated certifications with your amendment.

Closing Comments

As appropriate, please amend the above filing in response to these comments. You may wish to provide us with a marked copy of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Act of 1933 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

Notwithstanding our comments, in the event the company requests

acceleration of the effective date of the pending registration statement, it should furnish a letter, at the time of such request, acknowledging that:

- * should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;

- * the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and

- * the company may not assert staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in connection with our review of your filing or in response to our comments on your filing.

We will consider a written request for acceleration of the effective date of the registration statement as confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

Please contact Mellissa Campbell Duru at (202) 551-3757 or Tangela Richter, Branch Chief, at (202) 551-3685 with any questions. Direct all correspondence to the following ZIP code: 20549-7010.

Sincerely,

Tangela S. Richter
Branch Chief

cc: via facsimile
William L. Macdonald, Esq.
Clark Wilson
(604) 687-6314 (via facsimile)

Mr. Marshall
Cascade Energy, Inc.
February 10, 2006
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-7010

DIVISION OF
CORPORATION FINANCE
MAIL STOP 7010