

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:	§	
	§	Chapter 11
SHERIDAN HOLDING COMPANY II, LLC,	§	
et al.,	§	Case No: 19-35198 (MI)
	§	
Debtors <sup>1</sup>	§	
	§	
	§	(Jointly Administered)
	§	
	§	

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**CONFIDENTIAL RELATOR'S MOTION FOR LEAVE TO SUBMIT A REDACTED  
OPT-OUT FORM**

**THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING. REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.**

TO THE HONORABLE COURT:

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Sheridan Holding Company II, LLC (7040); Sheridan Investment Partners II GP, LLC (8298); Sheridan Investment Partners II, L.P. (9405); Sheridan Production Partners II, LLC (8034); Sheridan Production Partners II-A, L.P. (8813); Sheridan Production Partners II-B, L.P. (9232); Sheridan Production Partners II-M, L.P. (9084); SPP II-B GP, LLC (8554); and SPP II-M GP, LLC (0488). The location of the Debtors' service address is: 1360 Post Oak Blvd., Suite 2500, Houston, Texas 77056.

Movant, Relator John Doe (the “Relator”), respectfully submits this Motion For Leave to Submit a Redacted Opt-Out Form (the “Opt-Out Form”). The Opt-Out Form contains confidential identifying information concerning the Relator that is protected from public disclosure under law.

**I. BACKGROUND**

1. Relator will file a *qui tam* action under seal in a state court against certain defendants, including one or more “Released Parties” under Article I of the Debtors’ Joint Prepackaged Plan of Reorganization dated September 24, 2019, for knowingly presenting or causing to be presented a false or fraudulent claim for payment or approval; knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim; and/or making, using, or causing to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the state government, or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay or transmit money or property to the state government. Under the federal False Claims Act (“FCA”) as well as state false claims acts, including the act under which Relator’s claims will proceed, Relator’s “complaint shall be filed in camera and shall remain under seal for at least 60 days.” 31 U.S.C. § 3730(b)(2). This is “a mandatory rule the relator must follow.” *State Farm Fire & Casualty Co. v. U.S. ex rel. Rigsby*, 137 S. Ct. 436, 442 (2016). While the *qui tam* complaint is under seal, the government investigates the factual allegations and legal contentions made in the complaint, and decides whether to intervene. 31 U.S.C. § 3730(b)(2). The statutorily-imposed seal is not lifted until the government asks the Court where the *qui tam* complaint is filed to lift the seal, or the Court where the *qui tam* complaint is filed lifts the seal.

2. Relator cannot disclose the identity of the state government at issue and, therefore, cannot identify the state false claims act at issue, as doing so would necessarily disclose the identity of the state government.

3. Neither may Relator disclose the identity of Relator or the subject matter of the *qui tam* litigation.

4. Until Relator's complaint is unsealed, neither the existence of the *qui tam* action nor any facts concerning it may be disclosed without violating the statutorily mandated seal.

5. If Relator files the Opt-Out Form publicly and without redaction, Relator may be deemed in violation of the statutorily mandated seal and the applicable false claims act.

6. Relator seeks Court authorization to submit a redacted Opt-Out Form as required pursuant to the Court's Order, *inter alia*, approving solicitation procedures (ECF 53). Contemporaneously with the filing of this motion, Relator submitted a redacted version of its Opt-Out Form to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC.

## II. BASIS FOR RELIEF

7. The Court is authorized to protect entities with respect to certain confidential information. *See* 11 U.S.C. § 107(b); *see id.* § 105(a) (authorizing the Court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title").

8. Rule 9018 implements section 107(b) and provides: On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information. Fed. R. Bankr. P. 9018.

9. Because the Relator's Opt-Out Form contains confidential business and commercial information, submitting an unredacted Opt-Out Form could create a serious potential injury to the Relator, including causing Relator to violate the statutorily mandated seal, that outweighs the presumption of public access to court records. *See In re Supplement Spot, LLC*, 06-35903-H4-11, 2009 WL 2006834, at \*11 (Bankr. S.D. Tex. July 8, 2009) ("[The] bankruptcy court

‘shall,’ on request of a party in interest . . . protect an entity with respect to a trade secret or . . . commercial information.”).

10. Other courts evaluating related circumstances have observed that *qui tam* relators must seek to avoid violating the statutorily mandated seal in matters involving defendants proceeding in bankruptcy. For instance, in *In re Worldcom, Inc.*, 2006 WL 2270379, at \*5 (S.D.N.Y. Aug. 4, 2006), the Southern District of New York affirmed the Bankruptcy Court’s holding that the relator’s action was barred by the plan injunction because relator did not file a proof of claim prior to the bar date. The Court explained that relator

could have moved the Bankruptcy Court prior to the bar date to allow him to file a proof of claim under seal, thereby avoiding violating the [state false claims act] statutory seal, and since allowing [relator] to file a late proof of claim would delay the Confirmation Plan and adversely affect other claimants, it was not an abuse of discretion for the Bankruptcy Court to find that unique and extraordinary circumstances were lacking to allow [relator] to file a late proof of claim.

*Id.*

11. Pursuant to Bankruptcy Local Rule 9037-1(d), the Relator’s Opt-Out Form has been submitted to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC in redacted form. A copy of the Relator’s redacted Opt-Out Form is attached hereto as Exhibit A.

12. The Relator respectfully requests that the Court enter an order authorizing the Relator to submit the Opt-Out Form as it has been submitted to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC in redacted form.

Date: October 15, 2019

GRANT & EISENHOFER P.A.

By: Gordon Z. Novod  
Gordon Z. Novod (*pro hac vice* to be filed)  
485 Lexington Ave.  
New York, NY 10017

Tel: (646) 722-8523  
Email: gnovod@gelaw.com

*Attorneys for Relator*

**CERTIFICATE OF SERVICE**

I certify that on October 15, 2019, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, I have directed that the foregoing document be served on any person on the master service list dated as of October 9, 2019.

By: Gordon Z. Novod  
Gordon Z. Novod

**EXHIBIT A**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

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In re:	§	Chapter 11
SHERIDAN HOLDING COMPANY II, LLC, <i>et al.</i> , <sup>1</sup>	§	IMPORTANT: No chapter 11 case
Debtors.	§	has been commenced as of the date of
	§	distribution of this notice.
	§	
	§	
	§	

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**NOTICE OF (I) NON-VOTING STATUS TO HOLDERS  
OR POTENTIAL HOLDERS OF UNIMPAIRED CLAIMS  
CONCLUSIVELY PRESUMED TO ACCEPT THE PLAN  
AND HOLDERS OR POTENTIAL HOLDERS OF IMPAIRED  
CLAIMS CONCLUSIVELY PRESUMED TO REJECT THE  
PLAN, AND (II) OPPORTUNITY FOR HOLDERS OF CLAIMS  
AND INTERESTS TO OPT OUT OF THE THIRD-PARTY RELEASES**

**PLEASE TAKE NOTICE THAT** on September 15, 2019 (the “Petition Date”), Sheridan Holding Company II, LLC and its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) filed with the United States Bankruptcy Court for the Southern District of Texas (the “Court”) the *Debtors’ Joint Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [●]] (as amended, supplemented, or otherwise modified from time to time, the “Plan”) and a related disclosure statement [Docket No. [●]] (as amended, supplemented, or otherwise modified from time to time, the “Disclosure Statement”) pursuant to sections 1125 and 1126(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”). Copies of the Plan and the Disclosure Statement may be obtained upon request of the Debtors’ proposed counsel at the address specified below and are on file with the Clerk of the Court, 515 Rusk Street, Houston, Texas 77002, where they are available for review between the hours of 8:00 a.m. to 5:00 p.m., prevailing Central Time. The Plan and the Disclosure Statement also are available for inspection on the Court’s website at [www.txs.uscourts.gov](http://www.txs.uscourts.gov) or free of charge on the Debtors’ restructuring website at <https://cases.primeclerk.com/SheridanII>.<sup>2</sup>

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Sheridan Holding Company II, LLC (7040); Sheridan Investment Partners II GP, LLC (8298); Sheridan Investment Partners II, L.P. (9405); Sheridan Production Partners II, LLC (8034); Sheridan Production Partners II-A, L.P. (8813); Sheridan Production Partners II-B, L.P. (9232); Sheridan Production Partners II-M, L.P. (9084); SPP II-B GP, LLC (8554); and SPP II-M GP, LLC (0488). The location of the Debtors’ service address is: 1360 Post Oak Blvd., Suite 2500, Houston, Texas 77056.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to them in the Plan or the Disclosure Statement, as applicable. The statements contained herein are summaries of the provisions contained in the Plan and Disclosure Statement and do not purport to be precise or complete statements of all the terms and



**PLEASE TAKE FURTHER NOTICE THAT** you are a Holder or potential Holder of a Claim against or Interest in the Debtors that, due to the nature and treatment of such Claim or Interest under the Plan, *is not entitled to vote on the Plan*. Specifically, under the terms of the Plan, a Holder of a Claim in a Class that is not Impaired under the Plan and, therefore, conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or a Holder of a Claim in a Class that is Impaired under the Plan and, therefore, conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code, is *not* entitled to vote on the Plan.

**PLEASE TAKE FURTHER NOTICE THAT** if you would like to obtain a copy of the Disclosure Statement, the Plan, or related documents at no additional cost, you should contact Prime Clerk LLC, the Debtors' proposed solicitation agent in the chapter 11 cases (the "Claims and Noticing Agent"), by: (a) visiting the Debtors' restructuring website at: <https://cases.primeclerk.com/SheridanII>; (b) writing to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165; (c) emailing [sheridanballots@PrimeClerk.com](mailto:sheridanballots@PrimeClerk.com); and/or (d) calling the Debtors' restructuring hotline at 844-232-0772 (domestic toll-free) or 917-942-6394 (international toll).

Following the commencement of the Chapter 11 Cases, all pleadings filed in the cases (i) may be inspected at the office of the Clerk of the Bankruptcy Court for the Southern District of Texas, P.O. Box 61010, Houston, Texas 77208 and (ii) will also be available through the Court's electronic case filing system at <https://www.txs.uscourts.gov/page/bankruptcy-court> using a PACER password (to obtain a PACER password, go to the PACER website at <http://pacer.psc.uscourts.gov>), or on the website maintained by the Claims and Noticing Agent at <https://cases.primeclerk.com/SheridanII>.

**PLEASE TAKE FURTHER NOTICE THAT** the following provisions are included in the Plan:

**ARTICLE IX OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND ARTICLE IX.D CONTAINS THE FOLLOWING THIRD-PARTY RELEASE (THE "THIRD-PARTY RELEASE"):**

Except as otherwise expressly set forth in the Plan or the Confirmation Order, on and after the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by each Releasing Party from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the capital structure, management, ownership, or operation thereof), the Debtors' in- or out-of-court restructuring efforts, any Avoidance Actions (but excluding Avoidance Actions brought as counterclaims or defenses to Claims asserted against the Debtors),

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provisions of the Plan or documents referred therein. To the extent there is a discrepancy between the terms herein and the Plan or Disclosure Statement, the Plan or Disclosure Statement, as applicable, shall govern and control. For a more detailed description of the Plan, please refer to the Disclosure Statement.

intercompany transactions between or among a Company Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Disclosure Statement, the DIP Credit Agreement, the Exit Facilities, the Plan (including, for the avoidance of doubt, the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) relating to any of the foregoing, created or entered into in connection with the RSA, the Disclosure Statement, the Plan, the Plan Supplement, before or during the Chapter 11 Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any party of any obligations related to customary banking products, banking services or other financial accommodations (except as may be expressly amended or modified by the Plan and the Exit Facility Credit Agreements, or any other financing document under and as defined therein) or (ii) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Exit Facility Documents, or any Claim or obligation arising under the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) consensual; (b) essential to the confirmation of the Plan; (c) given in exchange for the good and valuable consideration provided by the Released Parties; (d) a good faith settlement and compromise of the Claims released by the Third-Party Release; (e) in the best interests of the Debtors and their Estates; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third-Party Release.

Definitions Related to the Third-Party Release under the Plan:

**"Released Party"** means, each of, and in each case in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) each Consenting Stakeholder; (d) each Company Party; (e) each Sheridan II Revolving Lender; (f) each Sheridan II Term Lender; (g) each DIP Lender; (h) Manager; (i) each Manager Affiliate; (j) each Agent; (k) all Holders of Interests; (l) each Exit Facility Lender; (m) each current and former Affiliate of each Entity in clause (a) through the following clause (n); and (n) each Related Party of each Entity in clause (a) through this clause (n); *provided* that in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the releases contained in Article IX.D of the Plan; or (y) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in Article IX.D of the Plan that is not resolved before Confirmation; *provided, further*, that any such Entity shall be identified by name as a non-Released Party in the Confirmation Order.

**“Releasing Parties”** means, each of, and in each case in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) each Consenting Stakeholder; (d) each Company Party; (e) each Sheridan II Revolving Lender; (f) each Sheridan II Term Lender; (g) each Sheridan II Subordinated Term Lender; (h) Manager; (i) each Manager Affiliate; (j) each Agent; (k) all Holders of Claims; (l) all Holders of Interests; (m) each DIP Lender; (n) each Exit Facility Lender; (o) each current and former Affiliate of each Entity in clause (a) through the following clause (p); and (p) each Related Party of each Entity in clause (a) through this clause (p); *provided* that in each case, an Entity shall not be a Releasing Party if it: (x) elects to opt out of the releases contained in Article IX.D of the Plan; or (y) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in Article IX.D of the Plan that is not resolved before Confirmation; *provided, further*, that any such Entity shall be identified by name as a non-Releasing Party in the Confirmation Order.

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**THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY AND TO PROVIDE YOU WITH THE ATTACHED OPT-OUT FORM WITH RESPECT TO THE RELEASES, EXCULPATION, INJUNCTION, AND THIRD-PARTY RELEASES PROVIDED IN THE PLAN. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE CLAIMS AND NOTICING AGENT.**

Houston, Texas  
September 15, 2019

*/s/ Matthew D. Cavanaugh*

Matthew D. Cavanaugh (TX Bar No. 24062656)

**JACKSON WALKER L.L.P.**

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*Proposed Co-Counsel to the Debtors  
and Debtors in Possession*

**OPTIONAL: RELEASE OPT-OUT FORM**

You are receiving this opt out form (the "Opt-Out Form") because you are or may be a Holder of a Claim or Interest that is not entitled to vote on the *Debtors' Joint Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (as amended, supplemented, or otherwise modified from time to time, the "Plan"). Holders of Claims and Interests are deemed to grant the Third-Party Release set forth in the Notice unless a Holder affirmatively opts out or files an objection to the Third-Party Release with the Court on or before the Plan Objection Deadline.

**If you believe you are a Holder of a Claim or Interest with respect to Sheridan Holding Company II, LLC or its Debtor affiliates and choose to opt out of the Third-Party Release set forth in Article IX.D of the Plan, you may submit your election to opt-out through one of the following methods: (i) completing, signing, and returning the Opt-Out Form promptly via first class mail (or in the enclosed reply envelope provided), overnight courier, or hand delivery to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165, or (ii) completing, signing, and returning the Opt-Out Form via the E-Ballot portal located at <https://cases.primeclerk.com/SheridanII>.**

**Use of Hard Copy Opt-Out Form.**

To ensure that your hard copy Opt-Out Form is counted clearly sign and return your Opt-Out Form in the enclosed pre-addressed, pre-paid envelope or via first class mail, overnight courier, or hand delivery to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165.

**THIS OPT-OUT FORM MUST BE ACTUALLY RECEIVED BY PRIME CLERK LLC (THE "CLAIMS AND NOTICING AGENT") BY OCTOBER 15, 2019, AT 4:00 P.M. PREVAILING CENTRAL TIME (THE "OPT-OUT DEADLINE"). IF THE OPT-OUT FORM IS RECEIVED AFTER THE OPT-OUT DEADLINE, IT WILL NOT BE COUNTED.**

**Item 1. Amount of Claim.**

The undersigned hereby certifies that, as of August 13, 2019 (the "Voting Record Date"), the undersigned was the Holder of either (a) Class 1 Other Secured Claims, (b) Class 2 Other Priority Claims, (c) Class 6 General Unsecured Claims, or (d) Class 9 Interests in the following aggregate amount (insert amount in box below):

Class 1 Other Secured Claims Amount \$ _____
OR
Class 2 Other Priority Claims Amount \$ _____
OR
Class 6 General Unsecured Claims Amount \$ <u>2,900,000 - \$15,000,000</u>
OR
Class 9 Interests _____ Shares

**Item 2. Important information regarding the Third-Party Release.**

Article IX.D of the Plan contains the following Third-Party Release:

Except as otherwise expressly set forth in the Plan or the Confirmation Order, on and after the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by each Releasing Party from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the capital structure, management, ownership, or operation thereof), the Debtors'



in- or out-of-court restructuring efforts, any Avoidance Actions (but excluding Avoidance Actions brought as counterclaims or defenses to Claims asserted against the Debtors), intercompany transactions between or among a Company Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Disclosure Statement, the DIP Credit Agreement, the Exit Facilities, the Plan (including, for the avoidance of doubt, the Plan Supplement), or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) relating to any of the foregoing, created or entered into in connection with the RSA, the Disclosure Statement, the Plan, the Plan Supplement, before or during the Chapter 11 Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any party of any obligations related to customary banking products, banking services or other financial accommodations (except as may be expressly amended or modified by the Plan and the Exit Facility Credit Agreements, or any other financing document under and as defined therein) or (ii) any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Exit Facility Documents, or any Claim or obligation arising under the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) consensual; (b) essential to the confirmation of the Plan; (c) given in exchange for the good and valuable consideration provided by the Released Parties; (d) a good faith settlement and compromise of the Claims released by the Third-Party Release; (e) in the best interests of the Debtors and their Estates; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third-Party Release.

Definitions Related to the Debtor Release and the Third-Party Release:

UNDER THE PLAN "**RELEASED PARTY**" MEANS, EACH OF, AND IN EACH CASE IN ITS CAPACITY AS SUCH: (A) THE DEBTORS; (B) THE REORGANIZED DEBTORS; (C) EACH CONSENTING STAKEHOLDER; (D) EACH COMPANY PARTY; (E) EACH SHERIDAN II REVOLVING LENDER; (F) EACH SHERIDAN II TERM LENDER; (G) EACH DIP LENDER; (H) MANAGER; (I) EACH MANAGER AFFILIATE; (J) EACH AGENT; (K) ALL HOLDERS OF INTERESTS; (L) EACH EXIT FACILITY LENDER; (M) EACH CURRENT AND FORMER AFFILIATE OF EACH ENTITY IN CLAUSE (A) THROUGH THE FOLLOWING CLAUSE (N); AND (N) EACH RELATED PARTY OF EACH ENTITY IN CLAUSE (A) THROUGH THIS CLAUSE (N); *PROVIDED* THAT IN EACH CASE, AN

ENTITY SHALL NOT BE A RELEASED PARTY IF IT: (X) ELECTS TO OPT OUT OF THE RELEASES CONTAINED IN ARTICLE IX.D OF THE PLAN; OR (Y) TIMELY FILES WITH THE BANKRUPTCY COURT ON THE DOCKET OF THE CHAPTER 11 CASES AN OBJECTION TO THE RELEASES CONTAINED IN ARTICLE IX.D OF THE PLAN THAT IS NOT RESOLVED BEFORE CONFIRMATION; *PROVIDED, FURTHER*, THAT ANY SUCH ENTITY SHALL BE IDENTIFIED BY NAME AS A NON-RELEASED PARTY IN THE CONFIRMATION ORDER.

UNDER THE PLAN "**RELEASING PARTIES**" MEANS, EACH OF, AND IN EACH CASE IN ITS CAPACITY AS SUCH: (A) THE DEBTORS; (B) THE REORGANIZED DEBTORS; (C) EACH CONSENTING STAKEHOLDER; (D) EACH COMPANY PARTY; (E) EACH SHERIDAN II REVOLVING LENDER; (F) EACH SHERIDAN II TERM LENDER; (G) EACH SHERIDAN II SUBORDINATED TERM LENDER; (H) MANAGER; (I) EACH MANAGER AFFILIATE; (J) EACH AGENT; (K) ALL HOLDERS OF CLAIMS; (L) ALL HOLDERS OF INTERESTS; (M) EACH DIP LENDER; (N) EACH EXIT FACILITY LENDER; (O) EACH CURRENT AND FORMER AFFILIATE OF EACH ENTITY IN CLAUSE (A) THROUGH THE FOLLOWING CLAUSE (P); AND (P) EACH RELATED PARTY OF EACH ENTITY IN CLAUSE (A) THROUGH THIS CLAUSE (P); *PROVIDED* THAT IN EACH CASE, AN ENTITY SHALL NOT BE A RELEASING PARTY IF IT: (X) ELECTS TO OPT OUT OF THE RELEASES CONTAINED IN ARTICLE IX.D OF THE PLAN; OR (Y) TIMELY FILES WITH THE BANKRUPTCY COURT ON THE DOCKET OF THE CHAPTER 11 CASES AN OBJECTION TO THE RELEASES CONTAINED IN ARTICLE IX.D OF THE PLAN THAT IS NOT RESOLVED BEFORE CONFIRMATION; *PROVIDED, FURTHER*, THAT ANY SUCH ENTITY SHALL BE IDENTIFIED BY NAME AS A NON-RELEASING PARTY IN THE CONFIRMATION ORDER.

**IMPORTANT INFORMATION REGARDING THE RELEASES:**

AS A HOLDER OF A CLAIM OR INTEREST, YOU ARE A "RELEASING PARTY" UNDER THE PLAN AND ARE DEEMED TO PROVIDE THE THIRD-PARTY RELEASE CONTAINED IN ARTICLE IX.D OF THE PLAN, AS SET FORTH ABOVE. YOU MAY CHECK THE BOX BELOW TO ELECT NOT TO GRANT THE RELEASE CONTAINED IN ARTICLE IX.D OF THE PLAN. YOU WILL NOT BE CONSIDERED A "RELEASING PARTY" UNDER THE PLAN ONLY IF (I) THE COURT DETERMINES THAT YOU HAVE THE RIGHT TO OPT OUT OF THE RELEASES AND (II) YOU (A) CHECK THE BOX BELOW AND SUBMIT THE OPT-OUT FORM BY THE OPT-OUT DEADLINE OR (B) FILE AN OBJECTION TO THE RELEASES CONTAINED IN THE PLAN WITH THE COURT PRIOR TO THE PLAN OBJECTION DEADLINE. THE ELECTION TO WITHHOLD CONSENT TO GRANT THE THIRD-PARTY RELEASE IS AT YOUR OPTION.

By checking this box, you elect to opt out of the Third-Party Releases.

**USE OF E-BALLOT OPT-OUT FORM**

You may submit your Opt-Out Form by electronic, online transmission solely through the E-Balloting Portal found on the Debtors' case information website (<https://cases.primeclerk.com/SheridanII>) and following the directions set forth on the E-Balloting Portal regarding submitting your Opt-Out Form as described more fully below.

1. Please visit <https://cases.primeclerk.com/SheridanII>.



2. Click on the "E-Ballot" section of the Debtors' website.
3. Follow the directions to submit your Opt-Out Form. If you choose to submit your Opt-Out Form via the E-Balloting Portal, you should not return a hard copy of your Opt-Out Form.

**IMPORTANT NOTE: YOU WILL NEED THE FOLLOWING INFORMATION TO RETRIEVE AND SUBMIT YOUR CUSTOMIZED OPT-OUT FORM:**

**UNIQUE E-BALLOT ID# \_\_\_\_\_**

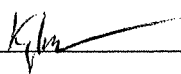
**"E-BALLOTING" IS THE SOLE MANNER IN WHICH OPT-OUT FORMS MAY BE DELIVERED VIA ELECTRONIC TRANSMISSION.**

**OPT-OUT FORMS SUBMITTED BY FACSIMILE OR EMAIL WILL NOT BE COUNTED.**

**Item 3. Certifications.**

By signing this paper Opt-Out Form, the undersigned certifies:

- (a) that, as of the Voting Record Date, either: (i) the Entity is the Holder of the Claim or Interests set forth in Item 1; or (ii) the Entity is an authorized signatory for an Entity that is a Holder of the Claim or Interests set forth in Item 1;
- (b) that the Holder has received a copy of the *Notice of (I) Non-Voting Status to Holders or Potential Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan and Holders or Potential Holders of Impaired Claims Conclusively Presumed to Reject the Plan, and (II) Opportunity for Holders of Claims and Interests to Opt Out of the Third-Party Releases* and that this Opt-Out Form is submitted pursuant to the terms and conditions set forth therein;
- (c) that the Entity has submitted the same respective election concerning the releases with respect to all Claims or Interests in a single Class set forth in Item 1; and
- (d) that no other Opt-Out Form with respect to the amount(s) of Claims or Interests identified in Item 1 have been submitted or, if any other Opt-Out Forms have been submitted with respect to such Claims or Interests, then any such earlier Opt-Out Forms are hereby revoked.

Name of Holder:	Relator
	(Print or Type)
Signature:	
Name of Signatory:	Kyle J. McGee, Esquire
	(If other than Holder)
Title:	Counsel to Relator
Address:	Grant & Eisenhofer P.A.
	123 Justison Street
	Wilmington, DE 19801
Telephone Number:	(302) 622-7000
Email:	KMcGee@gelaw.com
Date Completed:	10/15/2019

**IF YOU WISH TO OPT OUT, PLEASE COMPLETE, SIGN, AND DATE THIS OPT-OUT FORM AND RETURN PROMPTLY VIA FIRST CLASS MAIL (OR IN THE REPLY ENVELOPE PROVIDED), OVERNIGHT COURIER OR HAND DELIVERY TO:**

**Sheridan Holding Ballot Processing  
c/o Prime Clerk LLC  
One Grand Central Place  
60 East 42nd Street, Suite 1440  
New York, NY 10165**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
SHERIDAN HOLDING COMPANY II, LLC, et al.,	§	
	§	Case No: 19-35198 (MI)
Debtors <sup>2</sup>	§	
	§	
	§	(Jointly Administered)
	§	
	§	
	§	

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**[PROPOSED] ORDER GRANTING CONFIDENTIAL RELATOR’S MOTION FOR  
LEAVE TO SUBMIT A REDACTED OPT-OUT FORM**

The Court, having considered Confidential Relator’s Motion for Leave to Submit a Redacted Opt-Out Form, notice of the Motion having been adequate and appropriate under the circumstances, and after due deliberation and sufficient cause appearing therefore, hereby ORDERED that:

1. The Motion is hereby GRANTED;
2. Relator is authorized to submit the Relator’s Opt-Out Form to Sheridan Holding Ballot Processing, c/o Prime Clerk LLC in redacted form.

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<sup>2</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Sheridan Holding Company II, LLC (7040); Sheridan Investment Partners II GP, LLC (8298); Sheridan Investment Partners II, L.P. (9405); Sheridan Production Partners II, LLC (8034); Sheridan Production Partners II-A, L.P. (8813); Sheridan Production Partners II-B, L.P. (9232); Sheridan Production Partners II-M, L.P. (9084); SPP II-B GP, LLC (8554); and SPP II-M GP, LLC (0488). The location of the Debtors’ service address is: 1360 Post Oak Blvd., Suite 2500, Houston, Texas 77056.

3. The Relator is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion; and

4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Date: \_\_\_\_\_, 2019  
Houston, Texas

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HONORABLE MARVIN ISGUR  
UNITED STATES BANKRUPTCY JUDGE