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

In re:	Chapter 11
SHANNON WIND, LLC,	Case No. 26-90124 (ARP)
Debtor.[1]	

DECLARATION OF JOHN SHEPHERD IN SUPPORT OF (I) FINAL APPROVAL OF THE DISCLOSURE STATEMENT AND (II) CONFIRMATION OF THE PLAN

I, John Shepherd, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am the chief restructuring officer ("**CRO**") of Shannon Wind, LLC ("**Shannon Wind**" or the "**Debtor**").

2. I am over the age of 18 and authorized to submit this declaration (this "**Declaration**") on behalf of the Debtor. Currently, I am a Senior Managing Director in the Turnaround and Restructuring group at Accordion Partners, LLC ("**Accordion**"). Accordion is the financial advisor for the Debtor in this chapter 11 case.

3. I have over 30 years' worth of experience in energy private equity, corporate finance, strategy, corporate development, mergers and acquisitions and corporate restructuring. I have held numerous senior positions and served on the board of directors for several energy companies. Throughout my career, I have garnered significant transactional, advisory, and

[1] The last four digits of the Debtor's federal tax identification number are 3562. For the purpose of this chapter 11 case, the Debtor's address is 1920 McKinney Ave, Suite 950, Dallas, TX, 75201. Additional information regarding the Debtor's case can be found on the website of the Debtor's claims and noticing agent at https://www.veritaglobal.net/shannon.

management experience spanning the full spectrum of the energy industry, including oil and gas, energy infrastructure, oilfield services, power and renewable energy.

4. In my capacity as CRO of the Debtor, I am familiar with the facts and circumstances set forth herein, which, except as otherwise noted, are based on my actual knowledge as well as information and advice provided to me by the Debtor's independent contractors and certain of its professionals and advisors. I am generally familiar with the Debtor's business, financial condition, day-to-day operations, and the circumstances leading to the commencement of this chapter 11 case.

5. In my capacity as CRO of the Debtor, I have maintained active oversight of the bankruptcy process and am familiar with the terms and conditions of the *Combined Disclosure Statement and Chapter 11 Plan* [Docket No. 141] (as amended or modified from time to time, the "**Combined Disclosure Statement and Plan**")[2] submitted by the Debtor.

6. I believe, to the best of my knowledge, that the facts and circumstances set forth herein are true and correct. References to bankruptcy, the chapter 11 process, and related legal matters are based on my understanding of such in reliance on the explanation provided by counsel to the Debtor. If called upon to testify, I would testify competently to the facts set forth herein.

7. I submit this Declaration in support of final approval of the Disclosure Statement and confirmation of the Plan including all agreements and other documents set forth in certain supplements to the Plan. I have reviewed and am familiar with the Combined Plan and Disclosure Statement and the relief sought herein.

Background and Plan Summary

8. On January 25, 2026, (the "**Petition Date**"), the Debtor commenced this chapter 11 Case (the "**Chapter 11 Case**").

[2] Capitalized terms used but not otherwise defined herein have the meanings given to them in the Combined Disclosure Statement and Plan.

9. The Debtor stands poised to confirm the Plan that comes at the culmination of an orderly and efficient chapter 11 process that has resulted in a value-maximizing sale of substantially all the Debtor's assets.

10. Among other things, the Plan will facilitate: (a) the orderly distribution to creditors of the proceeds from the sale of the Debtor's assets; and (b) the wind down and dissolution of the Debtor's Estate.

11. I believe confirmation of the Plan and final approval of the Disclosure Statement is in the best interest of the Debtor and its stakeholders.

The Disclosure Statement Should be Approved

I. The Disclosure Statement Should be Approved on a Final Basis Under Section 1125 of the Bankruptcy Code.

12. I believe the Disclosure Statement contains "adequate information" for creditors to evaluate the Plan.

13. The Disclosure Statement includes a description of:

a. The key terms of the Plan;

b. The Debtor's history and business operations;

c. The Debtor's prepetition capital structure;

d. The Debtor's prepetition efforts to negotiate with creditors;

e. Certain events and relevant negotiations preceding the commencement of this Chapter 11 Case;

f. Key events during the Chapter 11 Case;

g. The Debtor's marketing efforts for the sale of assets or new equity and the Bidding Procedures Order;

h. Risk factors affecting the Plan and consummation of the Plan, and

i. Federal tax law consequences of the Plan.

14. I have read and assisted in the preparation of the Disclosure Statement. I believe that the Disclosure Statement is accurate in all manners and contains more than sufficient information to allow a creditor and interest holder to vote on the Plan.

15. Following the Bankruptcy Court's entry of the Conditional Approval and Procedures Order, I believe that the Debtor's Claims Agent solicited votes on the Plan consistent with the Bankruptcy Court-approved solicitation materials.

16. Other than negotiations regarding the Plan with the Prepetition Secured Parties, I understand that the Debtor did not solicit acceptances of the Plan from any Holder of a Claim or Interest before entry of the Conditional Approval and Procedures Order.

17. I believe that the Debtor at all times took appropriate actions in connection with the solicitation of the Plan in compliance with the Conditional Approval and Procedures Order and section 1125 of the Bankruptcy Code.

The Plan Satisfies the Requirements of Confirmation

18. I am aware of the applicable standards under which a plan may be confirmed. For the reasons detailed below, I believe the Plan satisfies the applicable Bankruptcy Code requirements for confirmation of a plan of liquidation. I have set forth the reasons for such belief below, except where such compliance is apparent on the face of the Plan, the Plan Supplement, or the related documents, or where it will be the subject of other testimony or evidence introduced at the Confirmation Hearing.

II. The Plan Complies with the Applicable Provisions of the Bankruptcy Code – Section 1129(a)(1).

19. I understand that section 1129(a)(1) of the Bankruptcy Code requires a chapter 11 plan to comply with all applicable provisions of the Bankruptcy Code. As set forth below, I believe the Plan satisfies section 1129(a)(1) of the Bankruptcy Code.

A. Proper Classification of Claims and Interests – Section 1122.

20. I understand that section 1122 of the Bankruptcy Code permits a plan that may place a claim or interest in a particular class only if such claim or interest is substantially similar to the other claims or interests of such class.

34. I believe the Plan satisfies the requirements of Section 1122 of the Bankruptcy Code because the Plan places Claims and Interests into six separate Classes: (i) Class 1 (Priority Non Tax Claims); (ii) Class 2 (Other Secured Claims); (iii) Class 3 (Prepetition Secured Obligations Claims); (iv) Class 4 (General Unsecured Claims); (v) Class 5 (510(b)Claims)[3]; and, (vi) Class 6 (Existing Equity Interests).

21. The Claims and Interests in each Class differ from the Claims and Interests in each other Class on a legal or factual basis or based on other relevant criteria.

22. I believe that the Claims or Interests in each particular Class are substantially similar to the other Claims or Interests in each such Class, as all Claims and Interests within a Class have the same or similar rights against the Debtor. The distinctions among Classes are based on valid business, factual, and legal reasons warranting separate classification of the particular Claims or Interests into the Classes created under the Plan. For example, debt and equity are separately classified and secured debt is separately classified from unsecured debt. No unfair

[3] Class 5 is vacant and, pursuant to Section 6.3 of the Plan will be eliminated for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class.

discrimination exists between or among Holders of Claims or Interests. In general, the Plan's classification scheme follows the Debtor's capital structure.

23. Accordingly, I believe the Plan fully complies with and satisfies section 1122 of the Bankruptcy Code.

B. Specification of Classes, Impairment, and Treatment – Sections 1123(a)(1)-(3).

24. I understand that sections 1123(a)(1)–(3) of the Bankruptcy Code require that a chapter 11 plan specify in detail the classification of claims or interests, whether such claims or interests are unimpaired by the Plan, and the treatment of each class of claims or interests that is impaired. Articles III and IV of the Plan specify in detail the classification of the Claims and Interests, whether such Claims and Interests are Unimpaired under the Plan, and the treatment of each Class of Claims and Interests, including those that are Impaired. Accordingly, I believe the Plan fully complies with and satisfies sections 1123(a)(1)-(3) of the Bankruptcy Code.

C. Equal Treatment of Similarly Situated Claims and Interests.

25. I understand that section 1123(a)(4) of the Bankruptcy Code requires that a chapter 11 plan provide the same treatment to each claim or interest of a particular class. I believe the Plan meets this requirement because, under Article IV of the Plan, Holders of Allowed Claims or Interests will receive either the exact same rights and treatment as all other Holders of Allowed Claims or Interests within Holders' respective Class, or the same opportunity to receive equal treatment, except as otherwise agreed to by a Holder of a particular Claim or Interest.

26. Therefore, I believe that the Plan provides for equal treatment of similarly situated Claims and Interests and fully complies with and satisfies section 1123(a)(4) of the Bankruptcy Code.

D. Means of Implementation.

27. I understand that section 1123(a)(5) of the Bankruptcy Code requires that a chapter 11 plan provide adequate means for a plan's implementation. I believe that the Plan, together with the effectuating documents included in the Plan Supplement and the Sale Documents satisfy this requirement. The Plan sets forth the means for implementation of the Plan and transactions underlying the Plan, including, among other things:

a. the general settlement of Claims and Interests (see Plan, at Article IV);

b. sources of consideration for Plan distributions (see Plan, at Article VIII);

c. the Sale Transaction (see Plan, at Article VIII);

d. the allowance and payment of Administrative Claims (see Plan, at Article II);

e. the Wind Down (see Plan, at Article VIII);

f. the creation of the Liquidation Trust (see Plan, at Article VIII);

g. the claims reconciliation process (see Plan, at Article X);

h. the preservation of Causes of Action (see Plan, at Article VIII);

i. the cancellation of existing securities, agreements, and existing security interests (see Plan, at Article VIII);

j. the effectuation of documents and further transactions (see Plan, at Article VIII); and

k. the section 1146 exemption from certain taxes and fees (see Plan, at Article VIII).

28. The precise terms governing the execution of the Plan and related transactions are set forth in greater detail in the Plan, Sale Documents, and other applicable documents included in

the Plan Supplement. As a result, it is my belief that the Plan satisfies section 1123(a)(5) of the Bankruptcy Code.

E. Prohibition of Issuance of Non-Voting Stock – Section 1123

29. Given that the Debtor is proceeding with a sale transaction, the Plan does not contemplate issuance of any equity securities, including nonvoting equity securities, and therefore complies with section 1123(a)(6).

F. Selection of Officers and Directors – Section 1123(a)(7).

30. I understand that section 1123(a)(7) of the Bankruptcy Code requires that plan provisions with respect to the manner of selection of any director, officer, or trustee, or any other successor thereto, be "consistent with the interests of creditors and equity security holders and with public policy."

31. The Plan provides that Accordion Partners, LLC will be the Plan Administrator and sole manager of the Wind Down Debtor, which is consistent with applicable state law, the Bankruptcy Code, and the interests of creditors and equity security holders and with public policy in accordance with section 1123(a)(7). Further, in accordance with the Plan and section 1129(a)(5) of the Bankruptcy Code, the Debtor has disclosed this in the Plan

G. The Plan Complies with Section 1123(b) of the Bankruptcy Code.

32. I understand that section 1123(b) of the Bankruptcy Code sets forth permissive provisions that may be incorporated into a chapter 11 plan and, as discussed in more detail below, I believe the Plan is consistent with section 1123(b) of the Bankruptcy Code.

33. It is my understanding that the Plan complies with section 1123(b)(1) of the Bankruptcy Code as Articles III and IV of the Plan classify and describe the treatment of each

impaired and unimpaired Class. All impaired and unimpaired Classes are receiving appropriate treatment under the Plan.

34. It is my understanding that the Plan complies with section 1123(b)(2) of the Bankruptcy Code as Article XI of the Plan generally provides for the rejection of all Executory Contracts and Unexpired Leases upon the Effective Date, other than those which are assumed and assigned to the Successful Bidder pursuant to the Bidding Procedures Order, Sale Order, and applicable Sale Documents, or that are otherwise listed by the Debtor for assumption on the Plan Assumed Contracts List or any Supplemental Plan Assumed Contracts list. Additionally, I have been informed that the Debtor provided non-Debtor counterparties to the Executory Contracts and Unexpired Leases with appropriate notice of the potential assumption or assumption and assignment of Executory Contracts and Unexpired Leases. Accordingly, I believe the Plan satisfies sections 1123(b)(2) and 365 of the Bankruptcy Code.

35. Finally, it is my understanding that the release, exculpation, and injunction provisions of the Plan satisfy section 1123(b)(3) of the Bankruptcy Code for the reasons set forth in greater detail below.

H. Cure of Defaults – 1123(d)

36. Article XI of the Plan provides for the satisfaction of the Cure Amounts associated with each Executory Contract or Unexpired Lease to be assumed or assumed and assigned, as applicable. Specifically, the Debtor shall pay the Cure amounts, if any, as indicated on the Cure notices distributed to the counterparties of assumed Executory Contracts and Unexpired Leases. Any disputed Cure Amount will be determined in accordance with the procedures set forth in such notice, the Bidding Procedures Order, or the Plan.

37. I understand that section 1123(d) of the Bankruptcy Code provides that "if it is

proposed in a plan to cure a default the amount necessary to cure the default shall be determined in accordance with the underlying agreement and applicable nonbankruptcy law."

38. I believe the Plan complies with section 1123(d) of the Bankruptcy Code. The Plan provides that the Debtor will pay the Cure amounts, if any, upon assumption, or assumption and assignment, of the underlying Executory Contract or Unexpired Lease.

I. The Debtor Complied with the Solicitation Requirements of the Bankruptcy Code – Section 1129(a)(2).

39. I understand that section 1129(a)(2) of the Bankruptcy Code requires that plan proponents comply with the applicable provisions of the Bankruptcy Code and, in that regard, is specifically intended to ensure compliance with the disclosure and solicitation requirements set forth in sections 1125 and 1126 of the Bankruptcy Code. Based on my review of the information provided by the Debtor's advisors, I believe that the Debtor has complied with sections 1125 and 1126 of the Bankruptcy Code, and has thus complied with section 1129(a)(2) of the Bankruptcy Code.

40. I understand that the Debtor solicited acceptances of the Plan only from the Holders of Claims and Interests in the voting classes, which are the only Classes that are Impaired and entitled to vote on the Plan. In addition, it is my understanding that the Debtor did not solicit votes to accept or reject the Plan from the Holders of Claims and Interests in the non-voting Classes, as I have been advised by counsel that the non-voting Classes are either (a) unimpaired and, therefore, deemed to have accepted the Plan or (b) impaired and presumed to have rejected the Plan.

41. I understand that holders of an impaired class of claims or interests must vote in favor of a plan by at least two-thirds in amount and more than one-half in number of the allowed claims, or interests, of such class to accept the plan. Class 3 and Class 4 are impaired under the Plan and have voted to accept the Plan. Based on the foregoing, the requirements of sections 1125

and 1126 of the Bankruptcy Code have been satisfied, and thus, the Debtor has satisfied the requirements of section 1129(a)(2) of the Bankruptcy Code.

J. The Debtor Proposed the Plan in Good Faith – Section 1129(a)(3).

42. The Plan, and all related documents were negotiated, proposed, and entered into by the Debtor and the respective parties thereto without any collusion, fraud, or attempt to take unfair advantage of any party. The Plan itself and the process leading to its formulation provides independent evidence of the Debtor's and supporting creditors' good faith, serves the public interest, and assures fair treatment of Holders of Claims and Interests. I further understand that the Plan will achieve a result consistent with the objectives and purposes of section 1129(a)(3) of the Bankruptcy Code. As such, I believe the Plan was proposed in good faith, with the legitimate and honest purpose of maximizing the value of the Debtor's Estate and maximizing the recoveries of all stakeholders

K. Payment of Professional Fees and Expenses are Subject to Bankruptcy Court Approval – Section 1129(a)(4).

43. I understand that section 1129(a)(4) of the Bankruptcy Code requires that certain fees and expenses paid by the plan proponent, a debtor, or a person receiving distributions of property under the plan, be approved by the Bankruptcy Court or remain subject to approval by the Bankruptcy Court as reasonable. The Plan provides that Professional Fee Claims incurred through the Confirmation Date and corresponding payments are subject to prior Bankruptcy Court approval and the reasonableness requirements under sections 328 or 330 of the Bankruptcy Code. Moreover, Article II of the Plan provides that all fees of retained professionals must be approved by the Court pursuant to final fee applications, to be filed no later than forty-five (45) days after the Effective Date, thereby providing an adequate period of time for interested parties to review such Professional Fee Claims.

44. Accordingly, I believe that Plan complies with the requirements of section 1129(a)(4) of the Bankruptcy Code.

L. Compliance with Governance Disclosure Requirements – Section 1129(a)(5).

45. I understand that section 1129(a)(5) of the Bankruptcy Code requires (i) that a plan proponent disclose the identity and affiliation of any individual proposed to serve as a director or officer of the debtor or a successor thereto under a chapter 11 plan, (ii) that the appointment or continuance of such officers and directors be consistent with the interests of creditors and equity security holders and with public policy, and (iii) that a plan proponent disclose the identities or affiliations of insiders to be employed or retained by the reorganized debtor as directors and officers and the nature of any compensation for such insider. The Plan provides that Accordion Partners, LLC will be the Plan Administrator and sole manager of the Wind Down Debtor, as well as trustee for the Liquidation Trust. As such, I believe the Debtor has satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

M. Government Regulatory Approval of Rate Changes – Section 1129(a)(6).

46. I understand that section 1129(a)(6) of the Bankruptcy Code permits confirmation only if any regulatory commission that has or will have jurisdiction over a debtor after confirmation has approved any rate change provided for in the plan. The Plan does not contemplate a rate change that is subject to regulatory review. Thus, I believe that section 1129(a)(6) of the Bankruptcy Code is inapplicable to the Chapter 11 Case.

N. Best Interests Test – Section 1129(a)(7).

47. I understand that section 1129(a)(7) of the Bankruptcy Code requires that any chapter 11 plan must satisfy the "best interests of creditors" test, which provides that each holder of an impaired claim or interest either (a) accept the plan or (b) receive or retain under the plan property of a value, as of the petition date, that is not less than the value such holder would receive

if the debtor was liquidated under chapter 7 of the Bankruptcy Code. Section 1129(a)(7) of the Bankruptcy Code makes clear, the best interests test applies only to holders of non-accepting impaired claims or interests.

48. Accordion prepared the Liquidation Analysis, which estimates recoveries for Holders of Claims in each Class under the Plan.[4] I personally oversaw the preparation of the Liquidation Analysis and worked closely with Accordion professionals in its development. I am familiar with the methods used and the conclusions reached in the preparation of the Liquidation Analysis.

49. Based on my involvement in the preparation of the Liquidation Analysis and my experience as a restructuring advisor, I believe that the methodology used to prepare the Liquidation Analysis is reasonable and reliable. The Liquidation Analysis was based on a variety of assumptions, which are detailed in the notes to the Liquidation Analysis, and which I believe are reasonable under the circumstances. The Liquidation Analysis represents an estimate of recovery values and percentages based upon a hypothetical liquidation if the Debtor's Chapter 11 Case were converted by the Bankruptcy Court to a proceeding under chapter 7 of the Bankruptcy Code and the chapter 7 trustee proceeded to convert the Debtor's assets into cash, which I believe is a good-faith and reasonable estimate of what creditors would recover in a hypothetical chapter 7 liquidation scenario.

50. As demonstrated by the Liquidation Analysis, I believe that upon the Effective Date, the Plan will provide all Holders of Claims or Interests with a recovery that is not less than what such Holders would receive pursuant to a liquidation of the Debtor under chapter 7 of the Bankruptcy Code. As a result, there is no question that the Plan meets the best interests test.

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[4] The Liquidation Analysis is attached as Exhibit D to the *Notice of Filing of Plan Supplement* [Docket No. 187].

O. Priority Cash Payments – Section 1129(a)(9).

51. It is my understanding that section 1129(a)(9) of the Bankruptcy Code generally requires that claims entitled to administrative priority must be repaid in full in cash or receive certain other specified treatment. The Plan contemplates that Allowed Administrative Expense Claims will be repaid in full in Cash.

52. Further, no Holders of the types of Claims specified by section 1129(a)(9) of the Bankruptcy Code are impaired under the Plan. Further, Allowed Priority Tax Claims will be paid in accordance with section 1129(a)(9)(C), consistent with sections 1129(a)(9)(A)-(C) of the Bankruptcy Code.

P. Impaired Accepting Class Claims – Section 1129(a)(10).

53. It is my understanding that section 1129(a)(10) of the Bankruptcy Code provides that, to the extent there is an impaired class of claims, at least one impaired class of claims must accept the plan "without including any acceptance of the plan by any insider," as an alternative to the requirement under section 1129(a)(8) of the Bankruptcy Code that each class of claims or interests must either accept the plan or be unimpaired under the plan. Here, Class 3 and Class 4 are impaired and have voted to accept the Plan.

54. In particular, the Prepetition Secured Obligations in Class 3 are impaired because they will not receive 100% of the asserted Claim including all recoverable interest, fees, and expenses. The Prepetition Secured Obligations are being reduced by approximately $1.5 million for payment under the Plan.

55. Accordingly, I believe the Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code.

Q. The Plan is Feasible – Section 1129(a)(11).

56. I understand that the Bankruptcy Code requires that the Bankruptcy Court find that a plan is feasible as a condition precedent to confirmation, i.e., it is not likely to be followed by liquidation or the need for further financial reorganization.

57. The Plan is feasible as it is an orderly wind-down with sufficient funding. As an initial matter, the Debtor will receive at least $129.5 million upon closing of the Sale Transaction and will have additional cash on hand at the time of closing. This cash is the primary source of funding for the Plan and the Effective Date of the Effective Date is conditioned upon the closing of the Sale Transaction

58. The Debtor's advisors have analyzed the Debtor's ability to meet its obligations to make distributions under the Plan, and I believe the Debtor will be able to fulfill those obligations based on the anticipated recoveries contemplated by the Plan. The Debtor or Plan Administrator, as applicable, shall fund certain distributions and obligations under the Plan with the Wind Down Amount in accordance with the Wind Down Budget. The Debtor sized the Wind Down Budget to fund the administration of the Wind Down under the Plan. Distributions to General Unsecured Creditors and Existing Equity Interests, if any, shall come from the Liquidation Trust Assets, including the Net Restructuring Transaction Proceeds.

59. Based on the foregoing, I believe that the Plan is feasible and satisfies section 1129(a)(11) of the Bankruptcy Code.

R. The Plan Provides for Payment of All Fees- Section 1129(a)(12).

60. On review of the Plan, I have confirmed that it includes an express provision requiring payment of all fees payable under section 1930 of title 28, in compliance with section 1129(a)(12) of the Bankruptcy Code.

S. Sections 1129(a)(13) through Sections 1129(a)(16) of the Bankruptcy Code Do Not Apply to the Plan.

61. I understand that section 1129(a)(13) of the Bankruptcy Code requires that all retiree benefits continue post-confirmation at any levels established in accordance with section 1114 of the Bankruptcy Code. The Debtor does not owe any retiree benefits and, accordingly, I believe that section 1129(a)(13) of the Bankruptcy Code is inapplicable to the Chapter 11 Case.

62. Section 1129(a)(14) of the Bankruptcy Code does not apply because the Debtor is not subject to any domestic support obligations. Section 1129(a)(15) of the Bankruptcy Code is inapplicable because the Debtor is not an "individual" as defined in the Bankruptcy Code. Section 1129(a)(16) of the Bankruptcy Code is inapplicable because the Plan does not provide for any property transfers by a corporation or trust that is not a moneyed business, commercial corporation, or trust. Thus, I believe that sections 1129(a)(14) through sections 1129(a)(16) of the Bankruptcy Code's confirmation requirements are inapplicable to the Plan.

III. The Plan Satisfies the Requirements for Confirmation of the Plan Over Nonacceptance of Impaired Classes – Section 1129(b) of the Bankruptcy Code.

63. I understand that section 1129(a)(8) of the Bankruptcy Code generally requires that each class of claims or interests must either accept a plan or be unimpaired under a plan. I also understand that section 1129(b)(1) of the Bankruptcy Code provides that, if all applicable requirements of section 1129(a) of the Bankruptcy Code are met other than section 1129(a)(8) of the Bankruptcy Code, a plan may be confirmed so long as the requirements set forth in section 1129(b) of the Bankruptcy Code are satisfied. Further, I understand that to confirm a plan that has not been accepted by all impaired classes (thereby failing to satisfy section 1129(a)(8) of the Bankruptcy Code), the plan proponent must show that the plan does not "discriminate unfairly" and is "fair and equitable" with respect to the non-accepting impaired classes.

64. I believe that the Plan satisfies section 1129(b) of the Bankruptcy Code. As noted above, Class 3 and Class 4 are impaired and voted to accept the Plan. Notwithstanding the fact that certain impaired Classes have not accepted the Plan, I believe the Plan is confirmable because, as outlined below, the Plan does not discriminate unfairly and is fair and equitable with respect to the non-accepting impaired Classes.

A. The Plan Does Not Unfairly Discriminate – Section 1129(b)(1).

65. The Plan's treatment of the non-accepting impaired Classes is proper because all similarly situated Holders of Claims and Interests of the Debtor will receive substantially similar treatment and the Plan's classification scheme rests on a legally acceptable rationale. More specifically, I understand that Claims and Interests in the non-accepting impaired Class—*i.e.*, Class 6 (Existing Equity Interests)—are not similarly situated to any other Classes, given their distinctly different legal character from all other Claims and Interests. The remaining Classes set forth in the Plan have either voted to accept the Plan or are vacant, rendering section 1129(b) inapplicable to such Classes. Accordingly, I believe that the Plan does not discriminate unfairly in contravention of section 1129(b)(1) of the Bankruptcy Code.

B. The Plan is Fair and Equitable – Section 1129(b)(2)(B)(ii).

66. I understand that a plan is "fair and equitable" with respect to an impaired class of claims or interests that rejects a plan (or is deemed to reject a plan) if it follows the "absolute priority" rule, and the absolute priority rule provides that a junior stakeholder may not receive or retain property under a plan of reorganization "on account of" its junior claims or interests unless all senior classes either (a) are paid in full or (b) vote in favor of the plan.

67. With respect to the impaired Classes that have rejected the Plan, the Plan nonetheless satisfies the absolute priority rule. Specifically, no stakeholder junior to a Class that

has rejected the Plan will receive or retain any property under the Plan on account of their claims unless the Claims in the higher priority Class is paid in full.

68. The Plan thus satisfies the absolute priority rule (and is fair and equitable) as to these rejecting Classes because, as to such Classes, there is no Class of equal priority receiving more favorable treatment, and no Class that is junior to such Classes will receive or retain any property on account of the Claims or Interests in such Class. Accordingly, I believe that the Plan satisfies the "fair and equitable" requirement of the Bankruptcy Code and that the Plan may be confirmed notwithstanding the rejecting Classes.

IV. The Principal of the Plan is not the Avoidance of Taxes as Required Under Section 1129(d) of the Bankruptcy Code.

69. I understand that section 1129(d) of the Bankruptcy Code prohibits confirmation of a chapter 11 plan if it was designed and proposed to evade taxes or the requirements of section 5 of the Securities Act of 1933, as amended. No party that is a governmental unit, or any other entity, has requested that the Bankruptcy Court decline to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933. I do not believe that the Plan was proposed for either proscribed purpose; rather, I believe that the Plan was proposed with the sincere intention to provide a framework for the Debtor's liquidation and winddown. Accordingly, I believe that the Debtor has satisfied what I understand to be the requirements of section 1129(d) of the Bankruptcy Code.

V. The Releases, Exculpations and Injunctions in the Plan are Appropriate.

A. The Debtor Release is Appropriate and in the Best Interest of the Debtor's Estate.

70. I understand that Article XIII of the Plan sets forth the releases by the Debtor (the "**Debtor Release**"). I believe the Debtor Release is appropriate, justified, in the best interests of

the stakeholders, and an integral part of the Plan. It is my understanding that the Plan release, exculpation, and injunction provisions satisfy section 1123(b)(3) of the Bankruptcy Code.

71. First, I do not believe there are any colorable claims being released that might reasonably be expected to yield any material value for its Estate.

72. Second, given the lack of colorable claims worth pursuing, the benefits that the Released Parties are providing the Debtor far outweigh any possible recoveries that the Debtor might receive from pursuing potential Claims against the Released Parties. The Released Parties, including the CRO and the Independent Manager, have made substantial and valuable contributions to the Debtor's restructuring through efforts to negotiate and implement the Plan, which maximizes and preserves the value of the Debtor for all parties in interest, and further, optimizes recoveries and provides for the best possible conclusion of this Chapter 11 Case. Similarly, the Prepetition Secured Parties have also contributed to the Debtor's restructuring efforts through consensual use of cash collateral, agreeing to reduced payments on their claims, and agreeing to the terms of the Plan, which contemplates using the proceeds of the Prepetition Secured Parties' collateral to fund distributions to General Unsecured Creditors.

73. Third, the Plan, including the Debtor Release, was negotiated by sophisticated entities that were represented by able counsel. Each of the Released Parties has provided significant consideration. The Debtor Release constitutes an integral aspect of the Debtor's negotiations with key creditor constituencies that resulted in the Plan. In reaching this result, the Released Parties have and will continue to contribute significantly in negotiating, formulating, and ultimately effectuating the Plan. The Plan provides the various Released Parties the global closure that they negotiated in exchange for, among other things, the various concessions and benefits provided under the Plan.

B. The Third-Party Release is Appropriate and Complies with the Bankruptcy Code.

74. I understand that Article XIII. of the Plan also contains a third-party release provision (the "**Third-Party Release**"). It provides that each Non-Debtor Releasing Party—including all Holders of Claims and Interests that do not specifically opt-out of their inclusion as a Releasing Party—and Related Parties shall release certain Causes of Action such parties could assert against the Debtor and the Released Parties. The provisions of the Plan, including the Third-Party Release, were negotiated as part of the Plan formulation. I believe that absent the Third-Party Release (together with the Debtor Release), the Debtor may not have been able to obtain necessary support for the Plan, including from the Prepetition Secured Parties.

75. The Third-Party Release is consensual. The Plan expressly allows any party in interest to opt out of the Third-Party Release, and all Holders of Claims and Interests received notice of their right to opt-out of such releases. The Combined Hearing Notice was sent to all parties in interest and a similar notice was published in the *Houston Chronicle, The New York Times,* and *Wichita Falls Times Record News*. The ballots were sent to all Holders of Claims and Interests entitled to vote on the Plan, in each case, clearly and unambiguously stated that the Plan contained the Third-Party Release, provided the language of the Third-Party Release, and included relevant definitions. Further, I understand that the non-voting materials sent to Holders of Claims and Interests not entitled to vote to accept or reject the Plan provided clear instructions regarding how to opt-out of the Third-Party Release and clearly stated the opt-out deadline. And entities or individuals holding Claims or Interests in a variety of Classes have indeed opted-out, demonstrating that the procedure was not confusing and easy to elect.

76. Further, the Third-Party Release was given for consideration. The consideration provided by the Released Parties inures not only to the benefit of the Debtor as described above but also inured to the benefit of various stakeholders by allowing the Chapter 11 Case to efficiently proceed and, thus, maximize the value of the Debtor's business. In exchange for the substantial contributions, concessions, and support offered by the Released Parties under the Plan, they are afforded the Third-Party Release.

77. Accordingly, I believe that the Third-Party Release is appropriate and necessary.

C. The Exculpation Provision is Appropriate and Necessary.

78. I believe that the exculpation provision in Article XIII of the Plan (the "**Exculpation Provision**") is an integral piece of the Plan.

79. The Exculpation Provision is narrowly tailored to cover the Debtor and excludes acts of bad faith, fraud, willful misconduct, or gross negligence, relates only to acts or omissions in connection with, or arising out of the Debtor's chapter 11 process.

80. Accordingly, I believe that the Bankruptcy Court should approve the Exculpation Provision.

D. The Injunction Provision is Appropriate and Necessary.

81. I believe that the injunction provision (the "**Injunction Provision**") and gatekeeping provision (the "**Gatekeeper Provision**"), in Article XIII of the Plan are also necessary parts of the Plan because they implement the settlement, release, and exculpation provisions that are critically important to the Plan, and such injunction provisions are appropriately tailored to achieve those purposes. I believe that, if the Injunction Provision and Gatekeeping Provision were disallowed, it would potentially undermine the orderly wind down of the Debtor's Estate and

distribution to creditors. As such, I believe the Injunction Provision and Gatekeeper Provision should be approved.

VI. Cause Exists to Waive the Stay of the Confirmation Order.

82. It is my understanding that certain Bankruptcy Rules provide a 14-day stay of the effectiveness of an order confirming a chapter 11 plan, the use of property, or assigning an executory contract, unless the Court orders otherwise. I understand a stay of the confirmation order will delay the Debtor's implementation of the Plan and extending the time that the Debtor must remain in chapter 11. I believe that extending the length of time that the Debtor remains in chapter 11 would only serve to increase the administrative and professional costs incurred by the Debtor's Estate to the detriment of all creditors and parties in interest. For all of these reasons, I believe the Court should grant the Debtor's request to waive the stays imposed by the Bankruptcy Rules so that the Court's order confirming the Plan may be effective immediately upon its entry.

Conclusion

83. In conclusion it is my opinion that the Plan satisfies the requirements of confirmation and should be approved.

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Dated: June 1, 2026

John Shepherd

John Shepherd
Chief Restructuring Officer
Shannon Wind, LLC