



Waller Lansden Dortch & Davis, LLP  
100 Congress Avenue  
Suite 1800  
Austin, TX 78701  
512.685.6400 main  
512.685.6417 fax  
wallerlaw.com

Mark C. Taylor  
512.685.6404 direct  
mark.taylor@wallerlaw.com

June 29, 2017

Honorable Dora L. Irizarry  
Chief Judge, United States District Court  
Eastern District of New York  
225 Cadman Plaza East  
Brooklyn, NY 11201

*(via ECF and Federal Express)*

Re: *SEC v. Platinum Management (NY) LLC et al*; Case No. 16-CV-06848-DLI-VMS

Dear Chief Judge Irizarry:

This Firm represents Morris D. Weiss, the Chapter 11 Trustee for Arabella Petroleum Company, LLC (“**APC**”), the Chapter 11 debtor in Case No. 15-70098-TMD-11, pending in the United States Bankruptcy Court for the Western District of Texas, Midland Division.

We submit this letter in response to the “Letter for Approval of Resignation of Receiver by Bart M. Schwartz (the “**SEC Receiver**”) [Dkt. 170], the Application for an Order to Show Cause for Entry of a Second Amended Order Appointing Receiver and Appointment of a Substitute Receiver”, and supporting documents submitted to this Court by the United States Securities & Exchange Commission (“**SEC**”) [Dkt. 173 - 176], and the SEC’s letter to the Court appearing at Dkt. 179.

This letter addresses the SEC’s request for the Court to defer a ruling on Mr. Schwartz’s motion to approve the settlement agreement entered into by and between, among other parties, the SEC Receiver, APC, and Arabella Exploration, LLC and Arabella Operating, LLC (the latter two entities referred to collectively as “**Arabella Entities**”). The Arabella Entities are themselves debtors in Chapter 11 cases pending in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division.

Over a two day period on March 27 and 28, 2017, several parties mediated various outstanding disputes by and between APC, the Arabella Entities, the Official Committee of Unsecured Creditors in the APC bankruptcy, and Mr. Schwartz as SEC Receiver. The mediation was conducted by United States Bankruptcy Judge H. Christopher Mott, who sits in the United States Bankruptcy Court for the Western District of Texas. Judge Mott was appointed as mediator by Bankruptcy Judge Tony Davis, who presides over the APC bankruptcy case.

Following good faith negotiations, the parties resolved outstanding differences, resulting in execution of a Mediation Settlement Agreement (the “**Agreement**”). The Agreement, among other things, ends protracted litigation between the parties, (including certain entities under the direction of the SEC Receiver, and provides a framework for liquidation of assets of the various

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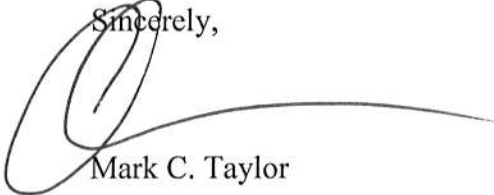
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bankruptcy estates. The Agreement was approved by in the APC bankruptcy case by Judge Tony Davis following a hearing by Order dated May 24, 2017. The Order was also approved by Bankruptcy Judge Russell Nelms in the other Arabella Entities' bankruptcy proceedings in the Northern District of Texas by Order dated May 5, 2017. The Agreement was also approved by the Cayman Island court presiding over the liquidation of another Arabella-related entity, Arabella Exploration, Inc., by order dated May 10, 2017. The Agreement was presented for approval to this Court on April 24, 2017; no objections were filed, and it is our understanding that the objection deadline has passed. Moreover, the motion reflects that the SEC had approved the settlement.

On behalf of Morris D. Weiss, the Chapter 11 Trustee for APC, we request that the SEC's request to defer approval of the be denied, that the Agreement be approved and an Order entered. There are current pending deadlines for sale of assets of both the bankruptcy cases for the Arabella Entities and APC the proceeds of which would be distributed in a manner consistent with the Agreement. The failure to timely approve the proposed settlement puts in jeopardy a multifaceted resolution to complicated legal issues, and imperils the value of what each of the Estates will receive thereunder

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a long horizontal line extending to the right.

Mark C. Taylor

MCT/tg

cc: Morris D. Weiss, Trustee (*via email*)  
Eric Taube, Firm (*via email*)