## IN THE UNITED STATES DISTRICT COURT

## FOR THE DISTRICT OF DELAWARE

IN RE: HERCULES OFFSHORE, INC.,	<ul> <li>Bankruptcy Case No. 14-11685 (KJC)</li> <li>BAP No. 15-54</li> </ul>
Debtors.	
STEERING GROUP OF HOLDERS OF SENIOR NOTES, THE STEERING GROUP,	
Appellant,	
٧.	C. A. No. 15-928-SLR
OFFICE OF THE UNITED STATES TRUSTEE,	
Appellee.	

## **RECOMMENDATION**

At Wilmington this 30th day of October, 2015.

WHEREAS, pursuant to paragraph 2(a) of the Procedures to Govern

Mediation of Appeals from the United States Bankruptcy Court for this District dated September 11, 2012, the court conducted an initial review, which included information from counsel, to determine the appropriateness of mediation in this matter;

WHEREAS, as a result of the above screening process, the issues involved in this case are not amenable to mediation and mediation at this stage would not be a productive exercise, a worthwhile use of judicial resources nor warrant the expense of the process.

The parties jointly request that this matter be removed from mandatory mediation. In this appeal, the Steering Group maintains that the Bankruptcy Court erred

in removing the exculpation of the Steering Group Parties from liability for certain Restructuring-Related Actions, and limiting exculpation to estate fiduciaries and modifying the Plan and the Proposed Order to remove exculpation from the Steering Group Parties. The Trustee argues to the contrary. The parties note that this appeal raises substantial issues of law not amenable to mediation and they believe that mediation would not be productive or beneficial.

THEREFORE, IT IS RECOMMENDED that, pursuant to paragraph 2(a) Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District and 28 U.S.C. § 636(b), this matter be withdrawn from the mandatory referral for mediation and proceed through the appellate process of this Court. The parties are advised of their right to file objections to this Recommendation pursuant to 28 U.S.C. § 636(b)(1)(B), FED. R. CIV. P. 72(a) and D. DEL. LR 72.1. Since the parties are in agreement regarding mandatory mediation, no objections are expected.

IT IS FURTHER RECOMMENDED at the request of the parties that the following briefing schedule be adopted:

Opening Brief of the Steering Group	December 15, 2015	
Answering Brief of the Trustee	January 29, 2016	
Reply Brief of the Steering Group	February 29, 2016.	
Local counsel are obligated to inform out-of-state counsel of this Order.		

<u>/s/ Mary Pat Thynge</u> UNITED STATES MAGISTRATE JUDGE