

| OMB APPROVAL | |
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

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|--|---|---|---|
| 1. Name and Address of Reporting Person* <u>Ridgeback Capital Investments Ltd.</u> (Last) (First) (Middle) 430 PARK AVENUE 12TH FLOOR (Street) NEW YORK NY 10022 (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year) 11/22/2006 | 3. Issuer Name and Ticker or Trading Symbol <u>SHEFFIELD PHARMACEUTICALS INC [SFPH.OB]</u> | |
| | | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) | 5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| Common Stock | 3,713,129 ⁽¹⁾ | D | |

Table II - Derivative Securities Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|-----------------|---|----------------------------|--|--|---|
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | |
| Warrants (right to buy) | 11/22/2006 | 11/22/2011 | Common Stock | 1,856,564 ⁽¹⁾ | 0.74 | D | |

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| 1. Name and Address of Reporting Person* <u>Ridgeback Capital Investments Ltd.</u> (Last) (First) (Middle) 430 PARK AVENUE 12TH FLOOR (Street) NEW YORK NY 10022 |
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| | | |
|--|---------|----------|
| (City) | (State) | (Zip) |
| 1. Name and Address of Reporting Person* | | |
| Ridgeback Capital Management LLC | | |
| (Last) | (First) | (Middle) |
| 430 PARK AVENUE 12TH FLOOR | | |
| (Street) | | |
| NEW YORK | NY | 10022 |
| (City) | (State) | (Zip) |
| 1. Name and Address of Reporting Person* | | |
| Holman Wayne George | | |
| (Last) | (First) | (Middle) |
| 430 PARK AVENUE 12TH FLOOR | | |
| (Street) | | |
| NEW YORK | NY | 10022 |
| (City) | (State) | (Zip) |

Explanation of Responses:

1. Wayne Holman and Ridgeback Capital Management LLC ("RCM") do not own any securities directly. Pursuant to an investment management agreement, RCM maintains investment and voting power with respect to the securities held by Ridgeback Capital Investments Ltd. ("RCI"). Wayne Holman controls RCM. Both Wayne Holman and RCM disclaim beneficial ownership of any of the securities covered by this statement, except to the extent of any pecuniary interest therein.

Remarks:

[/s/ Bud Holman,](#)
[Attorney-in-Fact](#)

[11/29/2006](#)

** Signature of Reporting
Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.