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

In re:	§	Chapter 11
COBALT INTERNATIONAL ENERGY, INC., *et al.*,[1]	§	Case No. 17-36709 (MI)
Debtors.	§	(Joint Administration Requested)
COBALT INTERNATIONAL ENERGY, INC., *et al.*,	§	Adv. Proc. No. 17-03457 (MI)
Plaintiffs,	§	
v.	§	
GAMCO GLOBAL GOLD, NATURAL RESOURCES & INCOME TRUST, GAMCO NATURAL RESOURCES, GOLD & INCOME TRUST, ST. LUCIE COUNTY FIRE DISTRICT FIREFIGHTERS' PENSION TRUST FUND, FIRE AND POLICE RETIREE HEALTH CARE FUND, SAN ANTONIO, SJUNDE AP-FONDEN, and UNIVERSAL INVESTMENT GESELLSCHAFT M.B.H.,	§	
Defendants.	§	

DEBTORS' MOTION TO STAY OR, IN THE ALTERNATIVE, FOR INJUNCTIVE RELIEF ENJOINING, PROSECUTION OF CERTAIN PENDING LITIGATION AGAINST NON-DEBTOR DEFENDANTS AND MEMORANDUM OF LAW IN SUPPORT THEREOF

[1] The Debtors and the last four digits of each Debtor's federal tax identification number are: Cobalt International Energy, Inc. (1169); Cobalt International Energy GP, LLC (7374); Cobalt International Energy, L.P. (2411); Cobalt GOM LLC (7188); Cobalt GOM # 1 LLC (7262); and Cobalt GOM # 2 LLC (7316).

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INTRODUCTION

Pursuant to 11 U.S.C. § 362 and 11 U.S.C. § 105, the Debtors in the above-captioned matter seek to stay or enjoin the continued prosecution of a class action lawsuit brought against the Debtor Cobalt International Energy, Inc. ("Cobalt") and certain Non-Debtor Defendants, including current and former directors and officers of Cobalt, for alleged violations of the federal securities laws (the "Securities Litigation").[2] The Securities Litigation should be stayed or enjoined as to the Non-Debtor Defendants for at least three reasons: ***first***, the continued prosecution of the Securities Litigation would harm the Debtors' estate by exposing it to indemnification obligations; ***second***, the Securities Litigation would distract key personnel integral to these bankruptcy proceedings (including, *inter alia*, Debtor Cobalt's General Counsel, and its Senior Vice President ***leading*** the proposed sale process) from their bankruptcy-related responsibilities, including responsibilities for the proposed sale process; and, ***third***, the continued lawsuit would prejudice Debtor Cobalt's opportunity and ability to defend itself in the Securities Litigation once the automatic stay is lifted as to Cobalt. In short, the continuation of the Securities Litigation against the Non-Debtor Defendants will materially interfere with the Debtors' ability to navigate successfully and efficiently the proposed sale process and these bankruptcy proceedings. Accordingly, this Court should grant Debtors' motion and order the relief requested herein.

FACTUAL BACKGROUND

1. Cobalt is an independent offshore oil and gas exploration and production company with operations in the United States Gulf of Mexico and off the coasts of the Republic of Angola and

[2] The "Non-Debtor Defendants" are defined *infra* at ¶ 6.

the Gabonese Republic in West Africa. Cobalt's assets in Angola, and its representations about those assets in public statements, are the subject of the Securities Litigation.

I. THE SECURITIES LITIGATION

2. The Securities Litigation pends in the United States District Court for the Southern District of Texas (Case No. 4:14-cv-03428). On March 15, 2017, the Securities Litigation Plaintiffs filed their Second Consolidated Amended Class Action Complaint (the "Second CAC").[3] The Second CAC asserts violations of federal securities laws based on, *inter alia*, alleged misrepresentations and omissions in Cobalt's Securities and Exchange Commission filings and other public disclosures, primarily regarding compliance with the United States Foreign Corrupt Practices Act with respect to Cobalt's Angola operations, and with the performance of certain prospective wells off the coast of Angola.

3. In particular, the Second CAC asserts, on behalf of purchasers of Cobalt securities between March 1, 2011 and November 3, 2014, claims for:

(a) Violations of Section 10(b) of the Exchange Act and Rule 10b-5 against Cobalt, Joseph Bryant (former CEO and Chairman of the Board of Cobalt), James Farnsworth (former Chief Exploration Officer), and John Wilkirson (former Chief Financial Officer and Executive Vice President of Cobalt);[4]

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[3] Ex. 1, *In re Cobalt Int'l Energy, Inc. Secs. Litig.*, (Lead Case No. 4:14-cv-3428, S.D. Tex.) Docket No. 200, Second Consolidated Amended Class Action Complaint for Violations of the Federal Securities Laws. The "Securities Litigation Plaintiffs" are GAMCO Global Gold, Natural Resources & Income Trust, GAMCO Natural Resources, Gold & Income Trust, St. Lucie County Fire District Firefighters' Pension Trust Fund, Fire and Police Retiree Health Care Fund, San Antonio, Sjunde AP-Fonden, and Universal Investment Gesellschaft m.b.H.

[4] *Id.*, ¶¶ 23-26 (identifying Bryant, Wilkirson, and Farnsworth as the so-called "Executive Defendants"), ¶¶ 270-78.

(b) Violations of Section 20(a) of the Exchange Act against Bryant, Farnsworth, and Wilkirson;[5]

(c) Violations of Section 20A of the Exchange Act against certain entities that allegedly exercised control over Cobalt during the alleged class period (so-called "Controlling Entity Defendants");[6]

(d) Violations of Section 11 of the Securities Act against Cobalt, 12 current and former directors of Cobalt's board (so-called "Director Defendants"), and certain investment banks that were underwriters of offerings of Cobalt securities (so-called "Underwriter Defendants");[7]

(e) Violations of Section 15 of the Securities Act against Bryant, Farnsworth, Wilkirson, Goldman Sachs, the Director Defendants, and the Controlling Entity Defendants;[8] and

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5 *Id.*, ¶¶ 23-26, 279-81.

6 *Id.*, ¶¶ 282-338. The so-called Controlling Entity Defendants named are: Goldman Sachs Group, Inc.; Riverstone Holdings LLC; The Carlyle Group; First Reserve Corporation; and KERN Partners Ltd. *Id.*, ¶ 43. Effective January 1, 2016, KERN Partners Ltd. changed its name to ACM Ltd.

7 *Id.*, ¶¶ 339-57. The current and former directors named as the so-called Director Defendants are: Peter R. Coneway, Henry Cornell, Jack E. Golden, N. John Lancaster, Jon A. Marshall, Kenneth W. Moore, J. Hardy Murchison, Kenneth A. Pontarelli, Myles W. Scoggins, D. Jeff van Steenbergen, William P. Utt, and Martin H. Young. *Id.*, ¶ 34. Although Plaintiffs do not name Michael G. France and Scott L. Lebovitz in the "Parties" section of the Second CAC, *see id.*, they are referenced in later paragraphs and are identified as defendants on the docket for the Securities Litigation. *See, e.g.*, *id.*, ¶¶ 345, 361; Ex. 2, Docket Sheet for Securities Litigation. To the extent France and Lebovitz are defendants in the Securities Litigation, they also are "Director Defendants."

The so-called Underwriter Defendants named are: Goldman, Sachs & Co.; Morgan Stanley & Co. LLC; Credit Suisse Securities (USA) LLC; Citigroup Global Markets Inc.; J.P. Morgan Securities LLC; Tudor, Pickering, Holt & Co. Securities, Inc.; Deutsche Bank Securities Inc.; RBC Capital Markets, LLC; UBS Securities LLC; Howard Weil Incorporated; Stifel, Nicolaus & Company, Incorporated; Capital One Southcoast, Inc.; and Lazard Capital Markets LLC. Ex. 1, ¶ 28.

8 *Id.*, ¶¶ 23-26, 34, 43-44, 358-65.

(f) Violations of Section 12(a)(2) of the Securities Act against the Underwriter Defendants.[9]

4. The Second CAC seeks damages, including compensatory damages against all defendants, jointly and severally, for all damages sustained as a result of the wrongdoing alleged.[10]

5. Discovery in this case is ongoing and presently in the midst of heavy deposition discovery. Expert discovery and summary judgment briefing are expected to follow within the next six months.

6. Bryant, Farnsworth, Wilkirson, the so-called Controlling Entity Defendants, the so-called Director Defendants, and the so-called Underwriter Defendants are collectively referred to herein as the "Non-Debtor Defendants."

II. THE DEBTORS' INDEMNIFICATION OBLIGATIONS

7. The Debtors have indemnification obligations to each of the Non-Debtor Defendants.[11] The potential claims under the indemnities are significant. For instance, for November 2017 alone, the Debtors incurred over $2.5 million.

8. **Duty to Indemnify Current Officers and Directors.** Pursuant to its Amended and Restated Certificate of Incorporation, Debtor Cobalt is obligated to indemnify "[e]ach person . . . who was or is a party or is threatened to be made a party to, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, ***by reasons of the fact that such person is or was a director or***

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[9] *Id.*, ¶¶ 28, 366-76.

[10] *Id.*, p. 135.

[11] Debtor Cobalt may not be obligated to indemnify Non-Debtor Defendants for the alleged violations of Section 20A of the Exchange Act.

principal officer [of Cobalt]."[12] Moreover, this right to indemnification "shall also include the right to be paid by [Cobalt] the expenses (***including attorneys' fees***) incurred in connection with any such proceeding in advance of its final disposition."[13] Consequently, Cobalt must indemnify Bryant (former CEO and Chairman), Farnsworth (former Chief Exploration Officer), Wilkirson (former CFO and Executive Vice President), and the Director Defendants in their defense against and for damages awarded against them in the Securities Litigation. Cobalt also has indemnification obligations to Bryant, Wilkirson, and Farnsworth pursuant to its December 2009 Registration Rights Agreement.[14]

9. **Duty to Indemnify Controlling Entity Defendants.** Debtor Cobalt is also obligated to indemnify the so-called Controlling Entity Defendants (Goldman Sachs Group, Inc.; Riverstone Holdings LLC; The Carlyle Group; First Reserve Corporation; and KERN Partners Ltd.) and their affiliated entities in the Securities Litigation pursuant to its December 15, 2009 Registration Rights Agreement.[15] Specifically, section 2.9(a) of that agreement states that Cobalt shall indemnify certain "Holders":

> In the event of any registration and/or offering of any securities of the Company under the Securities Act pursuant to this Article 2, [Cobalt] will, and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its directors, officers, fiduciaries, employees, stockholders, members or general and limited partners . . . , and each Person, if any, who controls such Holder . . . within the meaning of the Securities Act or Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, actions or

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[12] Ex. 3, Cobalt Amended and Restated Certificate of Incorporation, Article 7, § 2 (December 2009) (emphasis added); *see also* Ex. 4, Cobalt Second Amended and Restated Certification of Incorporation, Article 7, § 2 (May 2017).

[13] Ex. 3, Article 7, § 2 (emphasis added); *see also* Ex. 4, Article 7, § 2.

[14] Ex. 5, December 15, 2009 Registration Rights Agreement, § 2.9(a), A-1.

[15] Ex. 5, December 15, 2009 Registration Rights Agreement.

> proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with [Cobalt's] consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively "Claims"), insofar as such Claims arise out of or are based upon
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> (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading,
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> (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary or final prospectus or any amendment or supplement thereto . . . or the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, or
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> (iii) any untrue statement or alleged untrue statement of material fact in the information conveyed by [Cobalt] to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, . . . and [Cobalt] will reimburse such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred[.][16]

10. The agreement, in turn, defines "Holders" as including "the GSCP Entities, the First Reserve Entities, the C/R Entities, the KERN Entities, Management or any transferee of Registrable Securities to whom any Person who is a party to this Agreement shall Assign any rights hereunder."[17] The agreement states in its preamble that the GSCP Entities, First Reserve Entities, C/R Entities, and KERN Entities are listed in Schedule A to the agreement. Schedule A to the agreement defines the indemnified parties to include, *inter alia*, GS Capital Partners VI

[16] *Id.*, § 2.9(a).

[17] *Id.*, § 1 ("Certain Definitions").

Parallel, L.P.; Riverstone Energy Coinvestment III, L.P.; Carlyle Energy Coinvestment III, L.P.; C/R Energy III Cobalt Partnership, L.P.; Carlyle/Riverstone Global Energy and Power Fund III, L.P.; C/R Energy Coinvestment II, L.P.; C/R Cobalt Investment Partnership, L.P.; First Reserve Fund XI, L.P.; FR XI Onshore AIV L.P.; KERN Cobalt Co-Invest Partners AP LP—each of which is a defendant in the Securities Litigation.[18]

11. **Duty to Indemnify Controlling Entity Defendants.** Pursuant to section 2.9(a), Cobalt must indemnify the so-called Controlling Entity Defendants Goldman Sachs Group, Inc.; Riverstone Holdings LLC; The Carlyle Group; First Reserve Corporation; and KERN Partners Ltd. under the agreement, as well.[19]

12. **Duty to Indemnify Underwriter Defendants.** Pursuant to Debtor Cobalt's February 23, 2012 Common Stock Underwriting Agreement, Cobalt must indemnify so-called Underwriter Defendants Goldman, Sachs & Co.; Credit Suisse Securities (USA) LLC; Citigroup Global Markets Inc.; J.P. Morgan Securities LLC; Tudor, Pickering, Holt & Co. Securities, Inc.; Deutsche Bank Securities Inc.; RBC Capital Markets, LLC; UBS Securities LLC; Howard Weil Incorporated; Stifel, Nicolaus & Company, Incorporated; and Capital One Southcoast, Inc. In particular, that agreement requires Debtor Cobalt to indemnify these Non-Debtors Defendants:

> against any and all losses, claims, damages or liabilities, joint or several, to which [they] may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or

[18] *Id.* at A-1; *see also* Ex. 2.

[19] Ex. 5, § 2.9(a).

> necessary to make the statements therein not misleading, and will reimburse [them] for any legal or other expenses reasonably incurred by [them] in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever . . . in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred[.][20]

13. Debtor Cobalt must also indemnify so-called Underwriter Defendant Morgan Stanley & Co. LLC for the same pursuant to its December 11, 2012 2.625% Convertible Senior Notes due 2019 Underwriting Agreement[21] and its January 15, 2013 Common Stock Underwriting Agreement.[22] Pursuant to these agreements, Cobalt also owes further indemnity obligations to so-called Underwriter Defendants Goldman, Sachs & Co. and Citigroup Global Markets Inc., respectively.[23]

14. Finally, Debtor Cobalt must indemnify so-called Underwriter Defendant Lazard Capital Markets LLC for the same pursuant to its May 8, 2014 3.125% Convertible Senior Notes due 2024 Underwriting Agreement. Pursuant to this agreement, Cobalt also must indemnify so-called Underwriter Defendants Goldman, Sachs & Co.; RBC Capital Markets, LLC; Credit Suisse Securities (USA) LLC; and Citigroup Global Markets, Inc.[24]

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[20] Ex. 6, February 23, 2012 Common Stock Underwriting Agreement, § 8(a), B-1.

[21] Ex. 7, December 11, 2012 2.635% Convertible Senior Notes due 2019 Underwriting Agreement, § 8(a), A-1.

[22] Ex. 8, January 15, 2013 Common Stock Underwriting Agreement, § 8(a), B-1.

[23] Cobalt also must indemnify so-called Underwriter Defendant Citigroup Global Markets Inc. pursuant to its May 7, 2013 Common Stock Underwriting Agreement. Ex. 9, May 7, 2013 Common Stock Underwriting Agreement, § 8(a), B-1.

[24] Ex. 10, May 8, 2014 3.125% Convertible Senior Notes due 2024 Underwriting Agreement, § 8(a), A-1.

ARGUMENT

15. The automatic stay is "one of the fundamental debtor protections provided by the bankruptcy laws." *See In re Halo Wireless, Inc.*, 684 F.3d 581, 586 (5th Cir. 2012); *see also Midlantic Nat'l Bank* v. *N.J. Dep't of Envtl. Prot.*, 474 U.S. 494, 503 (1986). Its purpose is to "give the debtor a 'breathing spell' from his creditors, and also, to protect creditors by preventing a race for the debtor's assets." *In re Commonwealth Oil Refining Co., Inc.*, 805 F.2d 1175, 1182 (5th Cir. 1986) (internal citations omitted).

16. While the Securities Litigation is clearly stayed as to the Debtors under 11 U.S.C. § 362(a)(1) and (3), the circumstances of this case demand that the stay apply to the Non-Debtor Defendants, as well. *See, e.g.*, *In re HSM Kennewick, L.P.*, 347 B.R. 569, 571 (Bankr. N.D. Tex. 2006) ("Section 362(a)(3) implements a stay of any action, whether against the debtor ***or third parties***, that seeks to obtain or exercise control over the property of the debtor." (citing *In re MortgageAmerica Corp.*, 714 F.2d 1266, 1273 (5th Cir. 1983)) (emphasis added)); *Reliant Energy Servs., Inc. v. Enron Canada Corp.*, 291 B.R. 687, 692 (S.D. Tex. 2003) (recognizing that the automatic stay applies to a third party where there is an "identity of interest" between the debtor and the third party), *rev'd in part, vacated in part*, 349 F.3d 816 (5th Cir. 2003).

17. Independently, this Court has the authority under 11 U.S.C. § 105(a) to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code]." 11 U.S.C. § 105(a). Thus, this Court may enjoin a pending suit where, as here, "the nondebtor and the debtor enjoy such an identity of interests that the suit against the nondebtor is essentially a suit against the debtor." *See In re Zale Corp.*, 62 F.3d 746, 761 (5th Cir. 1995). The Debtors respectfully submit that this Court should exercise this authority here.

I. THE SECURITIES LITIGATION SHOULD BE STAYED PURSUANT TO SECTION 362(a).

18. Section 362(a) protects estate assets by automatically staying any action "to recover a claim against the debtor" or "to exercise control over property of the estate." 11 U.S.C. § 362(a)(1), (3); *see also A.H. Robins Co., Inc. v. Piccinin*, 788 F.2d 994, 1002 (4th Cir. 1986) (section 362(a)(3) "directs stays of any action, ***whether against the debtor or third-parties***, to obtain possession or to exercise control over property of the debtor" (emphasis in original)). The Securities Litigation against the Non-Debtor Defendants will adversely impact property of the Debtors' estate by depleting or diluting assets potentially available for creditor recoveries and, thus, should be stayed pursuant to section 362(a).

19. ***First***, the Securities Litigation has triggered the Debtors' various indemnification obligations. This Court may, therefore, stay proceedings against the Non-Debtor Defendants because "there is such identity between the debtor and the third-party defendant that the debtor may be said to be the real party defendant and that a judgment against the third-party defendant will in effect be a judgment or finding against the debtor." *Reliant Energy Servs., Inc. v. Enron Canada Corp.*, 349 F.3d 816, 825 (5th Cir. 2003) (internal quotation omitted); *Arnold v. Garlock, Inc.*, 278 F.3d 426, 436 (5th Cir. 2001) (adopting exception from *A.H. Robins Co.*, 788 F.2d at 999).

20. In particular, Debtor Cobalt's indemnification obligations create an identity of interests between it and substantially all of the jointly liable 56 Non-Debtor Defendants such that the automatic stay should be extended. *See Reliant Energy Servs., Inc.*, 349 F.3d 825; *Nat'l Oilwell Varco, L.P. v. Mud King Prod., Inc.*, 2013 WL 1948766, at *2 (S.D. Tex. May 9, 2013) (recognizing that the automatic stay "should extend" where a formal or contractual relationship makes a judgment against the non-debtor a finding against the debtor (internal quotation omitted));

Beran v. World Telemetry, Inc., 747 F. Supp. 2d 719, 723 (S.D. Tex. 2010) (recognizing that, in the Fifth Circuit, the automatic stay should be extended "when there is a formal or contractual relationship between the debtor and nondebtors such that a judgment against one would in effect be a judgment against the other").

21. Specifically, the indemnified Non-Debtor Defendants will have claims against the Debtors' estate for their defense costs and damages related to the Securities Litigation. These claims render judgment against the indemnified Non-Debtor Defendants a judgment against the Debtors.[25]

22. Under these circumstances, declining to apply the automatic stay to Non-Debtor Defendants indemnified by the Debtor "would defeat the very purpose of the statute," intended to provide the Debtors with repose from litigation and its associated costs and distractions. *See A.H. Robins Co.*, 788 F.2d at 999.

23. Additionally, to satisfy these indemnification obligations, the Debtors will need to pursue insurance coverage under applicable insurance policies. Since the applicable insurance carriers have denied their coverage obligations under these policies, Debtors also will need to pursue litigation and expenses necessary to enforce coverage, exposing the Debtors to potentially costly insurance litigation, further depleting the resources of the estate. Only through an extension of the automatic stay would the Debtors be protected from the exposure, costs, and distractions associated with this prepetition litigation.

[25] Nothing contained herein is intended or shall be construed as: (a) an admission that any prepetition claim against Debtors is valid; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claims; or (d) a waiver of the Debtors' or other party in interest's rights under the Bankruptcy Code or any other applicable law.

24. ***Second***, if the Securities Litigation continues against the Non-Debtor Defendants, the Debtors will continue to face burdensome discovery. Further, individual directors and officers, whose full attention to these chapter 11 proceedings, particularly the proposed sale process, is critical, would be distracted by ongoing discovery and by other proceedings in the Securities Litigation, including preparation for summary judgment and then for trial. Indeed, the case is currently in the midst of heavy deposition discovery, with upcoming director depositions and those of other Cobalt personnel (even seeking the deposition of the General Counsel and the Senior Vice President ***leading*** the proposed sale process), whose attention Cobalt needs focused entirely on the multitude of issues facing the Debtors in this restructuring and proposed sale process. *See, e.g.*, *In re Calpine Corp.*, 354 B.R. 45, 50 (Bankr. S.D.N.Y. 2006) (extending automatic stay to non-debtors where "continuation of the case w[ould] distract key personnel" from their chapter 11 obligations).

25. A stay of the Securities Litigation would allow Cobalt's directors and officers to focus on their primary responsibility to the Debtors' stakeholders and shepherd the Debtors through these chapter 11 proceedings and the proposed sale process.

26. ***Third***, allowing the Securities Litigation to proceed against the Non-Debtor Defendants while claims against Debtor Cobalt are stayed risks prejudicing Cobalt. Testimony in depositions in which Cobalt does not participate may create an incomplete record of evidence with respect to Cobalt's defenses. Even more problematic, any substantive ruling as to the Non-Debtor Defendants will, as a practical matter, be the law of the case, operative as to all parties, including Cobalt. Simply put, it is unlikely the District Court would depart from a ruling against Non-Debtor Defendants if Cobalt later attempts to present its position on the same or a similar issue. Thus, the continuation of the Securities Litigation could adversely impact Cobalt's ability later to defend

itself against claims in that litigation.[26] Bankruptcy courts recognize the need to halt litigation against non-debtor defendants where, as here, that litigation might disadvantage the debtor in future proceedings. *See, e.g.*, *In re Calpine Corp.*, 354 B.R. at 50 (noting that if the litigation at issue advanced without the debtor, "issues regarding [the debtor's] liability, its defenses and any damages that may be awarded, will be determined in [its] absence, exposing [the debtor] to a significant risk of collateral estoppel, stare decisis and evidentiary prejudice"); *In re Lion Capital Grp.*, 44 B.R. 690, 703-04 (Bankr. S.D.N.Y. 1984) (recognizing "the risk of collateral estoppel, the consequent drain on the debtor's resources through having to monitor . . . other actions, and the risk that testimony by employees or agents might be subsequently employed against the debtor would irreparably injure the estate[] and thus warranted the issuance of a stay" (emphasis added)).

27. In short, allowing the Securities Litigation to continue would not only expose the Debtors to indemnification obligations and require the Debtors to expend resources on litigation against insurance carriers, but also distract from the Debtors' efforts to successfully and expeditiously move through these bankruptcy proceedings and the proposed sale process. Accordingly, this Court should order the automatic stay extended to cover all defendants in the Securities Litigation pursuant to 11 U.S.C. §§ 362(a)(1) and 362(a)(3).

II. THE SECURITIES LITIGATION SHOULD BE ENJOINED PURSUANT TO SECTION 105.

28. Separately and independently, the Court should stay or enjoin the Securities Litigation pursuant to 11 U.S.C. § 105. *See In re S.I. Acquisition, Inc.*, 817 F.2d 1142, 1146 n.3 (5th Cir. 1987) ("Section 105 does empower the bankruptcy court to stay proceedings against nonbankrupt entities."). Courts in this Circuit recognize that a section 105 injunction to stay

[26] And should Cobalt participate in the Securities Litigation to avoid such outcomes, this would defeat the Congressional intent of the automatic stay.

lawsuits against non-debtors is necessary if, for example, allowing the litigation to advance is essentially a suit against the debtor. *See In re Zale Corp.*, 62 F.3d at 761; *see also* 11 U.S.C. § 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"). A section 105 injunction is thus necessary here.

29. A movant requesting injunctive relief under § 105(a) must establish the traditional four-part test for an injunction: (1) a substantial likelihood of irreparable injury absent an injunction; (2) a substantial likelihood of success on the merits; (3) balance of the equities favoring the movant; and (4) a demonstration that the injunction would serve the public interest. *See, e.g.*, *In re Commonwealth Oil Ref. Co., Inc.*, 805 F.2d at 1188–89 (citations omitted); *see also In re FiberTower Network Servs. Corp.*, 482 B.R. 169, 182 (Bankr. N.D. Tex. 2012). Each of these elements decisively favors an injunction against the Securities Litigation in this matter.

A. Allowing the Securities Litigation to Proceed Will Pose a Substantial Likelihood of Irreparable Injury.

30. ***First***, continuation of the Securities Litigation likely will cause irreparable injury by (1) triggering the Debtors' continued indemnification obligations to almost all of the Non-Debtor Defendants, for which, if incurred, the Debtors will have no recourse to reverse their impact, and (2) depleting estate resources to enforce insurance coverage to fulfill those obligations. *See Reliant Energy Servs., Inc.*, 349 F.3d at 825; *Arnold*, 278 F.3d at 436; *Nat'l Oilwell Varco, L.P.*, 2013 WL 1948766, at *2; *Beran*, 747 F. Supp. 2d at 723; *see also A.H. Robins Co., Inc.*, 788 F.2d at 1002. The Securities Litigation thus risks irreparable injury to the Debtors and warrants enjoining the litigation pursuant to Section 105(a).

31. ***Second***, permitting the Securities Litigation to continue further invites a likelihood of irreparable injury because its continuation will undermine chapter 11's scheme by distracting

key personnel from their obligations in these chapter 11 proceedings. *See, e.g.*, *In re Calpine Corp.*, 354 B.R. at 50. The Securities Litigation will impose discovery and litigation tasks on Debtor Cobalt's current directors and officers while they must be focused on steering the Debtors through these chapter 11 proceedings and proposed sale process, risking further injury to the Debtors and counseling in favor of enjoining the Securities Litigation. *See, e.g.*, *In re Continental Airlines*, 177 B.R. 475, 481 (D. Del. 1993) (staying securities class actions based in part on distraction to key personnel).

32. ***Third***, allowing the Securities Litigation to proceed against the Non-Debtor Defendants likely will cause irreparable injury to Debtor Cobalt by prejudicing Cobalt in that litigation. Any substantive ruling as to the Non-Debtor Defendants could adversely impact Cobalt's opportunity and ability to defend itself against the Securities Litigation. That prejudice may not only result in an adverse judgment against Cobalt for damages, but also punish Cobalt for taking advantage of the automatic stay to which it is entitled as it focuses on its chapter 11 responsibilities and the proposed sale process. *See In re Calpine Corp.*, 354 B.R. at 50; *In re Lion Capital Grp.*, 44 B.R. at 703-04. This, too, would constitute irreparable injury.

B. The Remaining Elements for an Injunction Are Readily Satisfied.

33. The additional elements necessary for an injunction—namely, the reasonable likelihood of success on the merits of the Debtors' claims in this adversary proceeding, a balance of equities favoring the Debtors, and a benefit to the the public interest—are readily satisfied here.

34. Courts in this circuit have explained that the focus of this "substantial likelihood" element depends on "the purpose of the requested injunction." *In re FiberTower Network Servs. Corp.*, 482 B.R. at 182 (quoting Collier on Bankruptcy ¶ 105.03[1][a] (16th ed. 2012)). They have explained that the crux of that inquiry is "whether this court is authorized and likely to grant the requested relief." *Id.* at 183. Here, for the reasons set forth above, the Debtors are likely to prevail

on the merits of their request for declaratory relief and for an injunction until completion of the Debtors' sale and restructuring process. There is no question that this Court is authorized to grant such relief on these bases. *See* 11 U.S.C. § 105(a); *In re S.I. Acquisition, Inc.*, 817 F.2d at 1146 n.3; *In re Zale Corp.*, 62 F.3d at 761.

35. The likelihood of irreparable harm to the Debtors from the continuation of the Securities Litigation far outweighs any risk of harm to the Securities Litigation Plaintiffs should the Court enjoin the Securities Litigation until completion of the Debtors' sale and restructuring process. The Securities Litigation Plaintiffs will suffer no material harm, as they would be free to pursue their claims against the Non-Debtor Defendants at that time. *See, e.g.*, *In re Am. Film Techs., Inc.*, 175 B.R. 847, 849 (Bankr. D. Del. 1994) (weighing this factor in favor of enjoining the litigation where non-debtor plaintiff was "not being asked to forego his prosecution against the individual defendants, only to delay it").

36. The injunctive relief sought will serve the public interest by promoting the Debtors' speedy and successful conclusion of these bankruptcy proceedings and proposed sale process—a benefit to all constituencies—and will advance the objective of the automatic stay.

37. Based on the foregoing, the Debtors respectfully request an injunction under 11 U.S.C. § 105 to enjoin the Securities Litigation until completion of the Debtors' sale and restructuring process.

CONCLUSION

For the foregoing reasons, this Court should grant Debtors' motion and order that the Securities Litigation is stayed pursuant to 11 U.S.C. § 362 until completion of the Debtors' sale and restructuring process, and/or enjoin the prosecution of the Securities Litigation against the

Non-Debtor Defendants pursuant to 11 U.S.C. § 105 until completion of the Debtors' sale and restructuring process.

Houston, Texas
Dated: December 14, 2017

/s/ Zack A. Clement

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-and-

James H.M. Sprayregen, P.C. (*pro hac vice* admission pending)
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Proposed Co-Counsel to the Debtors and Debtors in Possession

CERTIFICATE OF SERVICE

I certify that on December 14, 2017, 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.

/s/ Zack A. Clement
Zack A. Clement

VERIFICATION

I, Jeffrey A. Starzec, hereby verify, pursuant to 28 U.S.C. § 1746, that I am Executive Vice President and General Counsel of the Debtor Cobalt International Energy, Inc., that in that capacity I am familiar with the business operations of the Debtors and the books and records of the Debtors, that I have read the allegations set forth above in the Motion, and that to the best of my information and belief, such representations are true and accurate. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Jeffrey A. Starzec

Exhibit 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE COBALT INTERNATIONAL ENERGY, INC. SECURITIES LITIGATION	Lead Case No. 4:14-cv-3428 **CLASS ACTION** JURY TRIAL DEMANDED

SECOND CONSOLIDATED AMENDED CLASS ACTION COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS

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Lead Plaintiffs, GAMCO Global Gold, Natural Resources & Income Trust and GAMCO Natural Resources, Gold & Income Trust (together, "Lead Plaintiffs") and additional Plaintiffs St. Lucie County Fire District Firefighters' Pension Trust Fund ("St. Lucie FF"), Fire and Police Retiree Health Care Fund, San Antonio ("San Antonio Health"), Sjunde AP-Fonden ("AP7"), and Universal Investment Gesellschaft m.b.H. ("Universal") (the "Additional Plaintiffs"; collectively, with Lead Plaintiffs, the "Plaintiffs"), bring this action pursuant to Sections 10(b), 20(a) and 20A of the Securities Exchange Act of 1934 (the "Exchange Act") and Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 (the "Securities Act") on behalf of themselves and all other persons or entities who purchased or otherwise acquired securities of Cobalt International Energy, Inc. ("Cobalt" or the "Company") in the open market or pursuant or traceable to the Offerings during the period from March 1, 2011 through November 3, 2014, inclusive (the "Class Period") and were damaged thereby (the "Class").[1]

Plaintiffs allege the following based upon personal knowledge as to themselves and their own acts and upon information and belief as to all other matters. Plaintiffs' information and belief are based on the ongoing independent investigation of their undersigned counsel. This investigation includes a review and analysis of: (i) Cobalt's public filings with the Securities and Exchange Commission (the "SEC"); (ii) research reports by securities and financial analysts; (iii) transcripts of Cobalt's conference calls with analysts and investors; (iv) presentations, press releases, and reports; (v) news and media reports concerning the Company and other facts related to this action; (vi) data reflecting the pricing of Cobalt securities; (vii) consultations with relevant experts; (viii) information provided by former Cobalt employees; and (ix) other material and data

[1] "Offerings" refers to: (i) the registered public offerings of stock on February 23, 2012, January 16, 2013 and May 8, 2013; (ii) the registered public offering of Cobalt 2.625% Convertible Senior Notes due 2019 on December 11, 2012; and (iii) the registered public offering of Cobalt 3.125% Convertible Senior Notes due 2024 on May 8, 2014.

concerning the Company, as identified herein. Counsel's investigation into the factual allegations continues, and many of the relevant facts are known only by the Defendants or are exclusively within their custody or control. Lead Plaintiffs believe that substantial additional evidentiary support is likely to exist for the allegations set forth herein after a reasonable opportunity for further investigation or discovery.

I. INTRODUCTION

1. Cobalt is a Houston-based oil and gas exploration company focused primarily on off-shore drilling in Angola. Angola is ranked by monitoring groups and transparency indexes as one of the most corrupt countries in the world, due in large part to exploitation by its state-run oil company, Sonangol. In October 2009, Cobalt – led by its Chief Executive Officer ("CEO"), Joseph Bryant ("Bryant") – announced that it would be developing Angola's lucrative oil fields pursuant to a partnership with Sonangol and two other entities, Nazaki and Alper (the "Partnership"). Cobalt emphasized the rich oil fields involved, the strength of the Partnership and the quality of its partners, repeatedly telling investors that it had "world class … partners" and "[p]artnerships with leading global deepwater operators."

2. Both before and during the Class Period, Cobalt denied allegations that two of its partners – Nazaki and Alper – were secretly owned and controlled by the head of Sonangol, Manuel Vicente, as well as two other senior Angolan government officials, General Kopelipa and General Dino. These allegations first arose in May 2010, when journalists at Global Witness reported that "many observers believe that [Nazaki and Alper] are used as fronts by top Angolan officials to enrich themselves privately." If true, these allegations meant that Cobalt used sham partners in Angola and that the Company may have violated the Foreign Corrupt Practices Act of 1977

("FCPA"), which prohibits funneling money to foreign officials in order to secure a business advantage.

3. Cobalt vehemently denied the allegations raised by Global Witness, as well as later reports indicating that the three top Angolan governmental officials – Vicente, Kopelipa, and Dino – were the true owners of Nazaki and Alper. On March 1, 2011, the first day of the Class Period, Cobalt filed its 2010 Form 10-K with the SEC claiming ignorance of any "connection between senior Angolan government officials and Nazaki," which Cobalt represented was "a full paying member of the contractor group for Blocks 9 and 21" in Angola. Cobalt continued to make similar representations throughout the Class Period, repeatedly assuring investors that it had conducted an "extensive investigation" and "extensive due diligence" into its Angolan partners and that Cobalt's "activities in Angola [] complied with all laws, including the FCPA."

4. Contrary to the Company's repeated representations, on April 15, 2012, the *Financial Times* published two reports that Nazaki was, in fact, owned by Vicente, Kopelipa, and Dino. Indeed, Vicente, Kopelipa, and Dino admitted their ownership interests to the *Financial Times*. The reports further noted that Nazaki's basic organizational documents confirmed these admissions. In response to this news, the price of Cobalt's common stock shares fell by over 7%, erasing nearly $800 million of market capitalization. The United States Department of Justice ("DOJ") and the SEC launched criminal and civil investigations, respectively, into Cobalt's relationship with Nazaki and Alper. The DOJ's criminal probe remains ongoing.

5. Nonetheless, during the Class Period, Cobalt steadfastly denied the information set forth in the *Financial Times* reports and emphasized the strength of its partners and the legitimacy of its Angolan operations. Unknown to investors, however, Cobalt internally knew that its representations about its partners were false. Cobalt's former Chief Financial Officer and

Executive Vice President from June 2009 to June 2010, at the time that Cobalt entered into the Partnership, explained that Nazaki and Alper were "absolutely not" "world class" partners of Cobalt, and both Bryant and the former CFO believed the two companies were not going to add any value to the partnership. As the Angolan government would ultimately admit in August 2014, when it announced that it had expelled Nazaki from the Partnership, Cobalt's partner lacked "competence and financial capacity."

6. It was well known inside the Company that the Partnership was, contrary to Cobalt's statements, funneling profits to senior Angolan officials through the front companies Nazaki and Alper. A former Cobalt Shorebase Foreman from February 2013 to June 2014 stated that he was aware that Nazaki was owned by three senior-level Angolan officials, as "[w]e all knew that. My second or third day there, I learned this." He continued that it was "common knowledge" at Cobalt that Nazaki was owned by the three senior Angolan officials and that, if anyone questioned that inside Cobalt, they were told "[t]hat's just the way you do business around here." In addition, Nazaki's registration documents, which were available to Cobalt during its purported "due diligence," showed that Vicente, Kopelipa, and Dino formed Nazaki using the same frontmen that they had used for numerous other shell companies in Angola, with Nazaki's office registered at the same address used for nearly 40 other shell companies owned by the three Angolan government officials.

7. Additional facts have further confirmed that Cobalt's "partners" were nothing more than sham entities used to pay off Angolan officials to secure oil sites. The Angolan government has terminated Nazaki's and Alper's interests in the Partnership, with their interests reverting to Sonangol. In doing so, the Angolan government stated that Nazaki did not have "proven competence and financial capacity" to hold the blocks and that it repeatedly had not met its

"economic and financial commitments." And while the Angolan government issued its decrees expelling Alper in March 2014, Cobalt still identified Alper as its partner in an SEC filing as late as May 2014, i.e., more than a month after Alper was no longer Cobalt's partner. As *Forbes* concluded in a recent report looking back at Cobalt's Partnership, it is "hard to believe that Cobalt did not know a complex opaque partnership deal arranged by a corrupt government would probably channel money to members of that government."

8. Cobalt also represented to the public in December 2011 that it was obligated to make certain "social" payments to the Angolan government as a term of its contractual agreement. These payments, according to Cobalt, went to fund, among other things, the Sonangol Research and Technology Center, which was supposed to be an Angolan "social project" benefitting Angolan residents. On August 5, 2014, however, it was disclosed that the supposed recipient of Cobalt's "social payments" – the Sonangol Research and Technology Center – did not exist. An extensive investigation by journalists at Global Witness revealed that nobody at Cobalt, Sonangol, BP, the Norwegian oil company Statoil, or "well-placed industry insiders" could confirm the existence of the Sonangol Research and Technology Center.

9. In addition to falsely claiming legitimate partners and ignorance of any "connection between senior Angolan government officials and Nazaki" and funneling payments to the Angolan government, Cobalt also misrepresented the high oil content of its Angolan wells, which Cobalt claimed were "oil-focused" and "high impact." In this regard, Cobalt repeatedly touted the Company's success in two particular Angolan wells, Lontra and Loengo. For instance, the Company repeatedly represented that its Lontra well was a "massive," "super-size," and "oil-focused" well and, similarly, that its Loengo well was "large and oil focused." According to the Company, these two highly anticipated prospects were "key" to Cobalt's success in Angola.

10. Cobalt's representations about its oil wells, as with its representations about its partners, were false, misleading and omitted material facts. Unknown to investors at the time, Sonangol insisted that Cobalt withhold facts about its oil wells. For example, according to Cobalt's Chief Information Officer ("CIO") from June 2012 to April 2014, Defendants knew "fairly early on" that they had hit a gaseous hydrocarbon column at Lontra, but delayed disclosing that information to investors because Sonangol required Cobalt to "sit on information," including information regarding Lontra. The former CIO stated that this requirement that Cobalt delay releasing information to investors was "openly talked about" at the Company, including during an executive meeting. The former CIO also stated that there was "not even a question" that Loengo was not a good prospect and that there was "not even a remote chance" of success on the Loengo well, with the former CIO's supposition that Cobalt was "forced" to take Block 9, where it drilled Loengo, to satisfy the wishes of Angola's state-owned Sonangol.

11. By concealing the truth, Cobalt was able to raise over $6 billion through numerous offerings of Cobalt common stock and debt. Through these securities offerings, Company insiders – including Defendant Bryant – collected tens of millions of dollars in insider stock sales, and Cobalt's private equity backers, including Goldman Sachs, The Carlyle Group, and Riverstone Holdings, made billions of dollars more.

12. Investors have gradually learned the truth about the Partnership and the Company's Angolan wells. On December 1, 2013, it was disclosed that the Company's highly-touted Lontra well had, in fact, a large amount of gas that Cobalt did not have the rights to sell. On August 5, 2014, news reports disclosed that the Company's payments to the Angolan government for a research and technology center, which totaled hundreds of millions of dollars, went to a center that, in fact, did not exist. Also on August 5, Cobalt disclosed that it had received a Wells Notice

from the SEC, signifying an elevation of the regulators' investigation based on additional evidence and leading analysts to focus on the potential implications of the DOJ's ongoing criminal investigation. Finally, on November 4, 2014, investors learned that the Loengo well – which Cobalt had touted as a "large structure" in a zone in which Cobalt supposedly knew there was "certainly" oil – was in fact a "dry hole" with no oil. These revelations collectively caused the Company's stock to plummet, wiping out over $3.2 billion in market capitalization. Investors who purchased Cobalt's securities at artificially inflated prices during the Class Period have suffered substantial losses from Defendants' violations of the federal securities laws.

13. The prices of the Company's securities have not recovered, with the Company's stock currently trading at $10.54, or 71.1% below its peak during the Class Period.

II. JURISDICTION AND VENUE

14. This Court has jurisdiction over the subject matter of this action pursuant to Section 27 of the Exchange Act, 15 U.S.C. § 78aa, and Section 22 of the Securities Act, 15 U.S.C. § 77v. In addition, because this is a civil action arising under the laws of the United States, this Court has jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1337.

15. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act, 15 U.S.C. § 78aa. Many of the acts and transactions that constitute violations of law complained of herein, including the dissemination to the public of untrue statements of material facts, occurred in this District.

16. In connection with the acts alleged herein, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to the mails, interstate telephone communications, and the facilities of a national securities exchange.

III. PARTIES

A. Plaintiffs

17. Lead Plaintiffs GAMCO Global Gold, Natural Resources & Income Trust and GAMCO Natural Resources, Gold & Income Trust (the "Funds") are closed-end management investment companies headquartered in Rye, New York. As set forth in the attached Certification, the Funds purchased Cobalt securities during the Class Period and were damaged thereby.

18. Additional Plaintiff St. Lucie FF is a pension fund headquartered in St. Lucie, Florida, for the benefit of current and former firefighters of the St. Lucie County Fire District and their families. As set forth in the attached Certification, St. Lucie FF purchased Cobalt securities during the Class Period and was damaged thereby.

19. Additional Plaintiff San Antonio Health is the plan sponsor for the health plan of retired firefighters and police officers for the City of San Antonio, Texas. As set forth in the attached Certification, San Antonio Health purchased Cobalt securities during the Class Period and was damaged thereby.

20. Additional Plaintiff AP7 is part of the Swedish national pension system and is located in Stockholm, Sweden. AP7 manages approximately $18 billion in premium pension assets on behalf of more than 6 million Swedish investors. As set forth in the attached Certification, AP7 purchased Cobalt securities during the Class Period and was damaged thereby.

21. Additional Plaintiff Universal Investment Gesellschaft m.b.H. is an investment company based in Frankfurt, Germany, that manages assets of approximately $206 billion. As set forth in the attached Certification, Universal purchased Cobalt securities during the Class Period and was damaged thereby.

B. The Corporate Defendant

22. Defendant Cobalt International Energy, Inc. is a Delaware corporation with its principal executive offices at 920 Memorial City Way, Suite 100, Houston, Texas 77024. Cobalt was founded in 2005 and went public in December 2009. The Company's common stock trades on the New York Stock Exchange ("NYSE") under the ticker symbol "CIE." As of November 4, 2014, there were over 412 million shares of Cobalt common stock outstanding. Defendant Cobalt is named in Count I (violations of Section 10(b) of the Exchange Act) and Count IV (violations of Section 11 of the Securities Act).

C. The Executive Defendants

23. Defendant Bryant has served as Cobalt's Chairman of the Board and CEO from November 2005 to the present. Defendant Bryant signed the Company's materially misstated public filings, including the Cobalt Registration Statements and Prospectuses filed with the SEC on January 4, 2011 and December 30, 2013, and made other materially false and misleading statements to investors, as set forth below. Defendant Bryant is named in Count I (violations of Section 10(b) of the Exchange Act), Count II (violations of Section 20(a) of the Exchange Act), Count IV (violations of Section 11 of the Securities Act), and Count V (violations of Section 15 of the Securities Act).

24. Defendant James W. Farnsworth ("Farnsworth") has served as Cobalt's Chief Exploration Officer from November 2005 to the present. Defendant Farnsworth made materially false and misleading statements to investors, as set forth below. Defendant Farnsworth is named in Count I (violations of Section 10(b) of the Exchange Act), Count II (violations of Section 20(a) of the Exchange Act), and Count V (violations of Section 15 of the Securities Act).

25. Defendant John P. Wilkirson ("Wilkirson") has served as Cobalt's Chief Financial Officer and Executive Vice President from June 2010 to the present. Defendant Wilkirson signed

the Company's materially misstated Registration Statements and Prospectuses filed with the SEC on January 4, 2011 and December 30, 2013, as well as other Cobalt public filings in which materially false and misleading statements were made to investors. Defendant Wilkirson is named in Count I (violations of Section 10(b) of the Exchange Act), Count II (violations of Section 20(a) of the Exchange Act), Count IV (violations of Section 11 of the Securities Act), and Count V (violations of Section 15 of the Securities Act).

26. Defendants Bryant, Farnsworth and Wilkirson are collectively referred to herein as the "Executive Defendants."

D. The Securities Act Defendants

27. Plaintiffs in this action bring claims under both the Securities Act and the Exchange Act. The Securities Act imposes strict liability for untrue statements or omissions of material fact in a registration statement used to offer securities. Strict liability is imposed on, among others, the signatories of the registration statement, the directors of the company issuing the securities, and the underwriters of the offering. Claims brought under the Securities Act do not require a showing of fraud, scienter, reliance, or causation. The following Defendants are named as Defendants in this action for Plaintiffs' claims under the Securities Act:

1. The Underwriter Defendants

28. The following investment banks were underwriters of offerings of Cobalt securities issued by way of registration statements that contained materially untrue and misleading statements and omitted material facts: Goldman, Sachs & Co. ("Goldman Sachs"), Morgan Stanley & Co. LLC ("Morgan Stanley"), Credit Suisse Securities (USA) LLC ("Credit Suisse"), Citigroup Global Markets Inc. ("CGMI"), J.P. Morgan Securities LLC ("J.P. Morgan"), Tudor, Pickering, Holt & Co. Securities, Inc. ("Tudor"), Deutsche Bank Securities Inc. ("Deutsche Bank"), RBC Capital Markets, LLC ("RBC"), UBS Securities LLC ("UBS"), Howard Weil

Incorporated ("Howard Weil"), Stifel, Nicolaus & Company, Incorporated ("Stifel Nicolaus"), Capital One Southcoast, Inc. ("Capital One"), and Lazard Capital Markets LLC ("Lazard") (collectively, the "Underwriter Defendants"). The Underwriter Defendants are named in Count IV (violations of Section 11 of the Securities Act) and Count VI (violations of Section 12(a)(2) of the Securities Act).

29. Each of the Underwriter Defendants, with the exception of Lazard, served as underwriters of the Cobalt February 23, 2012 Stock Offering.

30. Underwriter Defendants Goldman Sachs and Morgan Stanley also served as underwriters of the Cobalt December 12, 2012 Bond Offering.

31. Underwriter Defendants Morgan Stanley and CGMI also served as underwriters of the Cobalt January 15, 2013 Stock Offering.

32. Underwriter Defendant CGMI also served as an underwriter of the Cobalt May 8, 2013 Stock Offering.

33. Underwriter Defendants Goldman Sachs, Credit Suisse, CGMI, RBC, and Lazard also served as underwriters of the Cobalt May 8, 2014 Bond Offering.

2. The Director Defendants

34. The following defendants were directors of Cobalt's Board of Directors and signatories of registration statements that contained materially untrue and misleading statements and omitted material facts: Defendants Peter R. Coneway ("Coneway"), Henry Cornell ("Cornell"), Jack E. Golden ("Golden"), N. John Lancaster ("Lancaster"), Jon A. Marshall ("Marshall"), Kenneth W. Moore ("Moore"), J. Hardy Murchison ("Murchison"), Kenneth A. Pontarelli ("Pontarelli"), Myles W. Scoggins ("Scoggins"), D. Jeff van Steenbergen ("van Steenbergen"), William P. Utt ("Utt"), and Martin H. Young, Jr. ("Young") (collectively, the

"Director Defendants"). The Director Defendants are named in Count IV (violations of Section 11 of the Securities Act) and Count V (violations of Section 15 of the Securities Act).

35. Director Defendants Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young signed the Company's Registration Statements and Prospectuses filed with the SEC on January 4, 2011, which contained materially untrue and misleading statements and omitted material facts.

36. Director Defendants Coneway, Golden, Marshall, Moore, Scoggins, van Steenbergen, Utt, and Young signed the Company's Registration Statements and Prospectuses filed with the SEC on December 30, 2013, which contained materially untrue and misleading statements and omitted material facts.

3. The Controlling Entity Defendants

37. As Cobalt has admitted in its public filings during the Class Period, it was a "controlled company" as that term is defined in Section 303A of the NYSE Listed Company Manual. The following Defendants exercised control over Cobalt within this meaning during the Class Period:

38. Defendant Goldman Sachs Group, Inc. is a global investment banking, securities and investment management firm that exercised control over Cobalt via its financing of Cobalt and significant stock ownership in the Company. In addition, two of its Managing Directors also served on the Cobalt Board of Directors while they were simultaneously Managing Directors at Goldman Sachs. Affiliates of Defendants Goldman Sachs Group, Inc. and Goldman Sachs are the general partner, managing limited partner or managing partner of limited partnerships that owned at least 74.8 million shares of Cobalt stock (19.09% of the Company) as of March 22, 2012. Defendant Goldman Sachs Group, Inc. is named in Counts III (violations of Section 20A of the Exchange Act) and V (violations of Section 15 of the Securities Act).

39. Defendant Riverstone Holdings LLC ("Riverstone") is an energy and power-related private investment fund founded in the year 2000 and led by David M. Leuschen (a former Partner and Managing Director at Goldman Sachs and the Founder and Head of the Goldman Sachs Global Energy & Power Group) and Pierre F. Lapeyre, Jr. (a former Managing Director of Goldman Sachs). Riverstone exercised control over Cobalt, and owned Cobalt shares through its affiliate funds C/R [i.e., Carlyle/Riverstone] Energy GP II, LLC ("GP II") and C/R Energy GP III, LLC ("GP III").[2] Riverstone also exercised control over Cobalt via its financing of Cobalt and significant stock ownership in the Company, as well as the fact that two of its Managing Directors – Defendants Coneway and Lancaster – served on the Cobalt Board of Directors while they were Managing Directors of Riverstone. Defendant Riverstone is named in Counts III (violations of Section 20A of the Exchange Act) and V (violations of Section 15 of the Securities Act).

40. Defendant The Carlyle Group ("Carlyle") is a global alternative asset manager based in Washington, D.C. Carlyle exercised control over Cobalt, and owned Cobalt shares through its affiliate funds GP II and GP III.[3] Defendants Riverstone and Carlyle acted jointly with respect to their control of Cobalt, including as it pertains to the appointment of Cobalt Board members, such as Defendants Coneway and Lancaster. As of March 22, 2012, Carlyle/Riverstone affiliate funds owned over 74.8 million shares of Cobalt stock (19.09% of the Company). Defendant Carlyle is named in Counts III (violations of Section 20A of the Exchange Act) and V (violations of Section 15 of the Securities Act).

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[2] GP II and GP III were managed by a managing board whose members included Riverstone Founders Pierre F. Lapeyre, Jr. and David M. Leuschen, Riverstone Partners Lord Browne of Madingley and Andrew W. Ward, and Riverstone Managing Directors Michael B. Hoffman and Defendant Lancaster, as well as the Carlyle executives listed in footnote 3.

[3] GP II and GP III were managed during the Class Period by a managing board whose members included Carlyle Chairman and Co-Founder Daniel A. D'Aniello and Carlyle Managing Director and Board member Edward J. Mathias, as well as the Riverstone executives listed in footnote 2.

41. Defendant First Reserve Corporation ("First Reserve") is a global energy-related private equity and infrastructure investment firm based in Greenwich, Connecticut. During the Class Period, First Reserve exercised control over Cobalt via its significant stock ownership of the Company through its affiliate funds. First Reserve also exercised control over Cobalt by having two of its Managing Directors, and a First Reserve consultant and former Managing Director, serve on the Cobalt Board of Directors while they were Managing Directors, and a consultant, respectively, at First Reserve. As of March 22, 2012, First Reserve's affiliate funds owned over 74.2 million shares of Cobalt stock (18.92% of the Company). Defendant First Reserve is named in Counts III (violations of Section 20A of the Exchange Act) and V (violations of Section 15 of the Securities Act).

42. Defendant KERN Partners Ltd. ("KERN") is an energy-related private equity firm based in Calgary, Alberta, Canada. KERN exercised control over Cobalt via its significant stock ownership of the Company during the Class Period through its affiliate fund, as well as the fact that its Co-Founder and Managing Partner, Defendant van Steenbergen, served on the Cobalt Board of Directors while he was a Managing Partner at KERN. As of March 22, 2012, KERN funds owned over 32 million shares of Cobalt stock (8.17% of the Company). Defendant KERN is named in Counts III (violations of Section 20A of the Exchange Act) and V (violations of Section 15 of the Securities Act).

43. Defendants Goldman Sachs Group, Inc., Riverstone, Carlyle, First Reserve and KERN are collectively referred to herein as the "Controlling Entity Defendants."

44. The Executive Defendants, Goldman Sachs, the Director Defendants, and the Controlling Entity Defendants are collectively referred to herein as the "Control Person Defendants."

IV. SUMMARY OF THE ACTION

A. Overview of Cobalt

45. Cobalt is an oil and gas exploration company located in Houston, Texas. Cobalt was formed in 2005 by Goldman Sachs and Riverstone, an investment firm that two former Goldman Sachs executives started with $500 million in seed funding. The Cobalt investor group, which was joined by Canada's KERN Partners Ltd. and Cobalt's management, received an additional $350 million private equity commitment from the First Reserve Corporation in November 2007. As Cobalt has acknowledged in its SEC filings, these investment firms exercised "control" over the Company through, among other things, their ownership of 50% of the Company's stock, their membership on the Company's board of directors, and their right to appoint 7 of Cobalt's 12 directors. Under these investment firms' control, Cobalt went public and became listed on the NYSE in December 2009.

46. Cobalt describes itself as an "independent" oil and gas exploration company. "Independent" oil companies operate independently of governmental control and must compete to obtain permission from governments to drill for oil or gas on government lands. In contrast, "national oil companies" have relationships with particular governments and often have preferred rights to the underlying oil. National oil companies include, for instance, Sonangol (which is owned by the Angolan government), Petrobras (which is largely owned by the Brazilian government), Pemex (which is owned by the Mexican government) and Gazprom (which is owned by the Russian government).

47. "Independent" oil companies offer investors the assurance of staff integrity and limited political interference in technical decisions, whereas "national oil companies" such as Sonangol are known or suspected to have close relationships to government officials. Independent oil companies also offer greater transparency in their investment policies through, among other

things, public reporting of financial data. Studies of the oil industry show that "revenue tends to decrease with an increase in government controls."[4]

48. Cobalt is small in size and has limited experience relative to other oil and gas companies, like BP and ExxonMobil. In 2007, when Cobalt negotiated for contract rights to oil wells in Angola, Cobalt had only 35 employees located in just one Houston office, and the Company has since grown in size only modestly. Meanwhile, its competitors have decades more experience, as well as large and sophisticated enterprises. For instance, BP, which has been involved in the industry since 1908, had 97,600 employees in more than 100 countries in 2007, while ExxonMobil, which had begun with an oil discovery in 1859, had 80,800 employees in over 50 countries.

49. Oil and gas exploration has been a highly competitive field for more than a century, as independent oil and gas producers vie for the rights to drill on state-owned lands and in state-owned waters worldwide. Relative to its competitors, Cobalt was at a significant disadvantage to win the rights to drill on these lands due to its small size and inexperience. In its filings with the SEC, Cobalt recognized its disadvantage, stating that "[t]he oil and gas industry, including the acquisition of exploratory acreage in . . . offshore West Africa, is intensely competitive" and "highly competitive in all aspects." Cobalt admitted it "operate[d] in a highly competitive environment for acquiring exploratory acreage" and that "[m]any of [Cobalt's] competitors possess and employ financial, technical and personnel resources substantially greater than [Cobalt's], which can be particularly important in the areas in which we operate." As Cobalt's CEO, Defendant Bryant, acknowledged in an interview discussed in a July 2013 E&Y article entitled

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[4] Stacy L. Eller, *Empirical Evidence on the Operational Efficiency of National Oil Companies*, The James A. Baker III Institute for Public Policy, Rice University (March 2007), 26.

"Cobalt International Energy," in stark contrast to its competitors, "[w]e were literally going from my garage to competing with the biggest companies in the world."

B. Angola's Rich Oil Fields And The Role Of Sonangol

50. Oil production from large offshore reserves in Angola began in 1968. To capitalize on its rich oil resources, the Angolan government created in 1976 the Sociedade Nacional de Combustíveis de Angola – Empresa Pública ("Sonangol"), which is an Angolan government-owned oil company charged with exploring and extracting oil from the country's soils and deep-waters.

51. Sonangol lacks the expertise to extract Angolan offshore oils efficiently and at an affordable price. Accordingly, over the past decades, it has formed partnerships with "oil majors," such as BP, Statoil, and ExxonMobil. BP has been in Angola for approximately 40 years, Statoil for almost 20 years, and ExxonMobil since the mid-Nineties. These companies have partnered with Sonangol to drill Angola's offshore reserves. Through these partnerships, Angola has drilled billions of gallons of oil, and brought in billions of dollars. Today, Angola is one of the largest exporters of oil in the world, with oil accounting for approximately 98% of its exports and 75% of its national income.

52. In 1999, the President of Angola appointed Manuel Domingos Vicente to serve as the head of Sonangol. Vicente remained the head of Sonangol for over a decade, departing only when he assumed the position of Minister of State of Economic Cooperation in 2012. In September 2012, Vicente became Vice President of Angola. As a top Angolan official, Vicente has for years been a member of the "Futungo," a group of families that run Sonangol and Angola. Other members of the Futungo include General Manuel Helder Vieira Dias Junior, also known as "General Kopelipa" (who, as head of the Military and the chief of the Security Intelligence Bureau of the Presidency, is widely regarded as the most powerful man in Angola aside from the President

of Angola), and Leopoldino Fragoso do Nascimento, also known as "General Dino" (who, as the former head of communications for the President's Office, travelled extensively with Vicente, before becoming General Kopelipa's special advisor).

53. Under Vicente, Sonangol served as a vehicle to enrich the Futungo privately through corrupt partnerships. As noted by the Open Society Initiative for Southern Africa, aside from the Angolan Presidency, "Sonangol is the most economically and politically important institution in Angola," with billions of dollars in oil rents passing through Sonangol and "doled out to feed the vast patronage system that helps the presidency and party maintain political power."

54. The nexus between Sonangol and the Angolan government, the method for assigning private oil sector work, and Angola's relaxed procurement regulations, together provide for a secretive and complex system that is ripe for corruption. As reported by author and *Financial Times* journalist Tom Burgis, "Sonangol awarded itself stakes in oil ventures operated by foreign companies and used the revenues to push its tentacles into every corner of the domestic economy."

55. Investigative journalist Rafael Marques de Morais, among others, has documented how the trio of Vicente, General Kopelipa, and General Dino amassed vast private fortunes through Sonangol, including by receiving personal benefits when approving Sonangol's contracts with international oil companies. Vicente, Kopelipa, and Dino have been widely criticized for sharing extensive interests in various sectors of the Angolan economy through their joint ownership of nearly 40 different companies – all of which use the same business address. According to an August 2014 *Forbes* article, "virtually everything in Angola is owned directly or indirectly by the Presidential clique – the [President's] family, . . . Manuel Vicente, the Head of Military Intelligence General Manuel Helder Vieira Dias Junior (who goes by the nickname Kopelipa) and General

Leopoldino Fragoso do Nascimento, usually known as Dino." These three Angolan officials, *Forbes* explained, "hunt as a pack."

56. The actions of Sonangol and the trio of Vicente, Kopelipa, and Dino were emblematic of government-sanctioned corruption in Angola. In 2011, the non-governmental organization Transparency International ranked Angola 168th out of 178 countries in its annual corruption perceptions index. The U.S. State Department's 2008 Human Rights Report described corruption in Angola as "widespread" and noted "there were no public investigations or prosecutions of government officials during the year." The State Department also identified serious transparency concerns related to Angola's state-run Sonangol.

57. Defendant Bryant has a long history of working in Angola and, as confirmed by Cobalt's former Chief Financial Officer ("CFO") and Executive Vice President from 2006 to October 2008,[5] made multiple trips to the country while CEO of Cobalt. Prior to Cobalt's founding, Bryant lived in Angola and established close relationships with many of the important figures at Sonangol, including the most powerful Sonangol representative, Vicente. As financial commentators have observed, Bryant first developed a close relationship with Vicente during his tenure at Amoco in 1998. Tom Burgis of the *Financial Times* explained how Bryant "cultivated the Futungo" and "made himself an inner-circle oilman" through his work as the head of BP's Angolan operations. As Vicente noted in a 2012 interview, he knew Bryant "very well" as a result of their many years of working together.

[5] Cobalt's CFO and Executive Vice President of Cobalt from 2006 to October 2008, referred to herein, was responsible for all aspects of Cobalt's financial management, strategic planning and budgeting. When Cobalt hired him as its CFO, Bryant stated publicly that part of this CFO's role was to "carry out [Cobalt's] strategic, financial and operating goals." This CFO has more than 40 years in the energy industry, including extensive engineering and finance experience in oil exploration and production.

C. Cobalt Enters Angola

58. In October 2007, Sonangol asked pre-qualified companies to submit proposals by December 2007 for oil concessions as part of Angola's 2007-2008 Licensing Round, including for Blocks 9 and 21. The recipient of the licenses for Blocks 9 and 21 would receive the rights to extract oil, but any gas extracted from Angolan soils would remain the property of Angola. To the surprise of Cobalt's competitors and industry experts, Cobalt secured the licenses for Blocks 9 and 21. In fact, as Cobalt later announced, it had already obtained rights to Blocks 9 and 21 in Angola one month before Sonangol's Licensing Round was even scheduled to commence and three months before Sonangol's deadline for oil companies to submit proposals. According to the Company's former CFO from 2006 through October 2008 (*see* ¶57 n.5), Cobalt's CEO Bryant was involved in its negotiations and agreements in Angola. As commentators have explained, in obtaining rights to Blocks 9 and 21, Cobalt and Bryant circumvented the procedures set forth in Angola's Petroleum Activities Law (Law No. 10/04) and corresponding regulations regarding the "compulsory public tendering" process provided for "regulating in an ethical and transparent way competition between firms that legitimately intend to associate with the National Concessionaire."[6] The Company's former CFO from 2006 through October 2008 acknowledged that it is "very unusual for a startup company to get a toehold in a country like Angola; it's usually dominated by international oil companies competing for those things."

59. In order to begin drilling for Angolan oil in Blocks 9 and 21, Cobalt needed to negotiate and enter into Risk Services Agreements ("RSAs") with Sonangol and obtain approval of them from the Angolan government. During the negotiations of the RSAs, Sonangol required

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[6] *See, e.g.*, Decree No. 48/06 on the Rules and Procedures for Public Tender for the acquisition of a License of Association with the National Concessionary Authority.

that the Partnership include two additional entities, Nazaki and Alper. Cobalt stated that the Angolan government designated Alper as a partner "to help develop and build Angola's local expertise in the oil and gas business" and that Cobalt was required to "initially finance Alper's costs related to Blocks 9 and 21." Nazaki was purportedly "a full paying member of the [Partnership]."

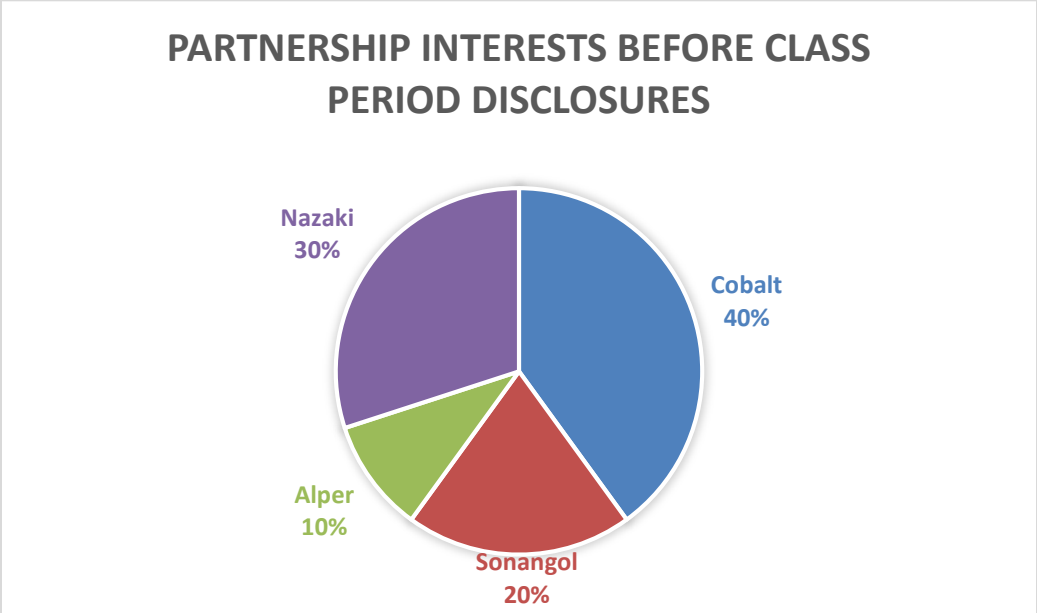
60. As Cobalt would later say, however, it had never heard of Nazaki before "July 2008 as part of Concession Decrees approved by the Angolan Council of Ministers." Nor had it ever heard of Alper until Sonangol identified the entity in October 2008. Nevertheless, Cobalt agreed to proceed with a Partnership with Sonangol, Nazaki and Alper for Blocks 9 and 21. The RSAs for Blocks 9 and 21, which Cobalt filed with the SEC, were signed by Vicente on behalf of Sonangol, Zandre Campos on behalf of Nazaki, and Alberto da Fonseca Abrantes and Antonio do Nascimento Pegado on behalf of Alper.

61. Cobalt's CFO and Executive Vice President from June 2009 to June 2010[7] described how Cobalt internally discussed Nazaki and Alper in numerous meetings of Cobalt executives between June 2009 and June 2010, with these meetings including the former CFO and Bryant. Cobalt's former CFO stated that Cobalt executives from "Bryant on down" articulated concerns in those meetings about not needing Nazaki and Alper, and stated that the last thing Cobalt wanted was to have more people who had a say in the project. According to Cobalt's former CFO, it was common knowledge and the belief of everyone at the office, that Nazaki and Alper were not going to bring a lot to the table; Bryant and the former CFO believed the two companies

[7] Cobalt's CFO and Executive Vice President from June 2009 to June 2010, referred to herein, was one of the Company's top executives, and spoke with Bryant on a daily basis regarding matters of strategic concern, including Cobalt's operations in Angola. According to Cobalt, this CFO had more than 30 years of experience in the energy industry as of 2009.

were not going to add any value to the partnership; and they were "absolutely not" world class partners. Cobalt's former CFO further stated, however, that "[o]bviously Cobalt was going to do the deal" with Sonangol for Blocks 9 and 21 because such a deal represented "huge economics" to Cobalt. Cobalt's former CFO stated that Cobalt would have wanted an 80-100% interest – rather than the 40% interest it obtained – in the Partnership, but the Angolan government "called the shots." "The main objective was to do what Sonangol required us to do," and Cobalt "didn't have control beyond that," the former CFO explained. The former CFO further noted that, when Sonangol says here are your partners, the response is "okay, we'll have these partners" – the Partnership was a "*fait accompli*."

62. On December 16, 2009, Cobalt announced the initial public offering of its stock on the NYSE, through which it raised over $850 million from shareholders. In connection with its IPO, Cobalt told its investors that it had signed the RSAs with Sonangol, Nazaki, and Alper. The Company's offering documents further told investors Cobalt held a 40% interest in the Partnership; Nazaki held a 30% interest; Sonangol held a 20% interest; and Alper held a 10% interest.



63. From the outset of the Partnership, Cobalt was internally aware of the true owners of Nazaki through different sources, including documents available to Cobalt in Angola. Nazaki's registration documents from 2007 and 2010 showed that Nazaki had the same address that the trio of senior Angolan officials, Vicente, Kopelipa, and Dino, had used to set up almost 40 companies: Rua Luís Mota Feo 3-2º, apartment 5, Ingombota, Luanda, Angola. Reviewing Nazaki's registration documents is a basic task of any due diligence investigation into whether Nazaki had connections to senior Angolan government officials.[8]

64. Nazaki's registration documents that were available to Cobalt reflected the entity's ties to Angolan governmental officials in other ways as well. For instance, the documents identified Nazaki's five shareholders, the most prominent of which was Grupo Aquattro Internacional S.A., which held 99.96% of Nazaki and was solely owned by the trio of Vicente, Kopelipa, and Dino. Grupo Aquattro has been reported as the trio's vehicle for owning a "business empire," including Grupo Aquattro's similar 99.96% stake in the company Zahara.[9]

65. The other four Nazaki shareholders identified in its registration documents were also Angolan governmental officials. These four officials were connected to General Kopelipa, who (as noted above at ¶¶52, 64) was a shareholder of Grupo Aquattro, the head of the Military, and the chief of the Security Intelligence Bureau of the Presidency. These four officials were (i) Colonel Joao Manuel Ingles, a senior Angolan official and Kopelipa's logistics officer, regarded as the "figurehead" of the trio of Vicente, Kopelipa, and Dino;[10] (ii) Domingos Manuel Ingles, Kopelipa's private business assistant and the brother of Colonel Joao Manuel Ingles; (iii) Colonel

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[8] *See, e.g.*, Mayer Brown, "Guidelines for Due Diligence Checklist"; Gabriel Colwell, *Practical Guide On How To Conduct FCPA Due Diligence*.

[9] Maka Angola, *Kero: Manuel Vicente Goes Shopping with State Money*, January 25, 2012.

[10] Club-K, *Assistente de "Kopelipa" compra Mercedes por meio milhao de dolares*, January 22, 2013.

Jose Manuel Domingos, Kopelipa's chief of staff; and (iv) Colonel Belchior Inocencio Chilembo, Kopelipa's advisor. In addition to being Angolan government officials connected to Kopelipa, these four individuals also had a history of corrupt association with Vicente, Kopelipa, and Dino. The trio had used the same four frontmen and ownership structure (with Vicente, Kopelipa, and Dino owning approximately 99.96% of the stock, and the four frontmen owning the remainder) in at least two prior companies they established on December 27, 2007: (i) Delta Imobiliaria – Sociedade de Promocao, Gestao e Mediacao S.A., which ultimately made news regarding allegations of corruption involving the Angolan housing project of Kilamba; and (ii) TV Zimbo, which made news involving a TV broadcasting scandal.

66. In addition to the Nazaki registration documents, the RSAs themselves indicated to Cobalt a connection between Nazaki and Vicente, Kopelipa, and Dino. While Vicente signed the documents for Sonangol, the signatory for Nazaki was Zandre Campos, who is also known as Zandre Eudenio de Campos Finda. Vicente, Kopelipa, and Dino were closely affiliated with Zandre Campos, who has been described as their "henchman."[11] As commentators have observed, Campos "is always on hand when General Dino is involved and represents him in a number of firms."[12]

67. Campos was connected to Vicente, Kopelipa, and Dino in other publicized instances of corruption. One of their front companies, Portmill, was headquartered at the Nazaki address and owned by Campos.[13] Portmill was a subsidiary of Grupo Aquattro (the 99.96% owner of Nazaki) and became embroiled in an international corruption affair in 2009, when Portmill

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[11] Maka Angola, *Trafigura and the Angolan Presidential Mafia*, January 5, 2013.

[12] The Berne Declaration, *Trafigura's Business in Angola*, February 2013.

[13] *Id.*; Angodiaspora, *Portugal reabre queixa-crime contra "Kopelipa" e Manuel Vicente*, April 2013.

bought 24% of the shares in BESA from Banco Espirito Santo (Portugal), apparently with funds from Kopelipa.[14] Given the appearance of money laundering, Portuguese authorities launched a criminal investigation.[15]

68. Zandre Campos was also connected to the trio through the company Cochan S.A. In 2014, it was reported that General Dino – one of Nazaki's shareholders through his ownership stake in Grupo Aquattro – profited through shell companies regarding a contract to which the principal signatories were Sonangol and the multinational company Trafigura.[16] One of the shell companies through which Dino profited was a local Angola company, Cochan S.A. Cochan S.A. was partly owned by Zandre Campos and had the same address as Nazaki.[17]

69. Alper's registration documents, which were also available to Cobalt through its "due diligence," reflected that entity's ties to Angolan governmental officials, as well. The Alper registration document listed Alper's shareholders as Alberto da Fonseca Abrantes and Antonio do Nascimento Pegado. These two individuals each held the government positions of "Administrator of Concessions" and "Member Of The Operating Committee" on oil exploration blocks in Angola.

70. Private due diligence conducted at the time of the Partnership's formation also revealed that Nazaki was controlled by the trio. For example, the corporate intelligence company Control Risks and a due diligence investigator determined in the first half of 2010 that Nazaki was controlled by Kopelipa.[18] In addition, a U.S. lawyer who investigated Nazaki in 2008 had been

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[14] South African Foreign Policy Initiative, *Angola: The next VP and the legalization of corruption*, June 25, 2012; Maka Angola, *Corruption in Angola: An Impediment to Democracy*, 2011.

[15] Angodiaspora, *Portugal reabre queixa-crime contra "Kopelipa" e Manuel Vicente*, April 2013.

[16] Foreign Policy, *The 750 Million Dollar Man: How a Swiss commodities giant used shell companies to make an Angolan general three-quarters of a billion dollars richer*, February 13, 2014.

[17] Maka Angola, *Trafigura and the Angolan Presidential Mafia*, January 5, 2013.

[18] TOM BURGIS, THE LOOTING MACHINE, at 16-17.

told that, contrary to Cobalt's representations, Nazaki was controlled by Vicente and other officials.[19]

71. Company insiders at Cobalt have confirmed that, contrary to Cobalt's public statements, it was well known by Cobalt that Nazaki was owned by senior Angolan government officials, namely, Vicente, Kopelipa, and Dino. A Cobalt Shorebase Foreman from February 2013 to June 2014[20] stated that it was "common knowledge" and "[w]e all knew that. My second or third day there, I learned this." The Shorebase Foreman recalled that the "first thing" that he thought when he heard about the relationship was "FCPA violations." As noted above, the FCPA makes it a crime for a company that has operations in the United States to pay or offer money or anything of value to any person while knowing that all or some of it will be offered, given, or promised, directly or indirectly, to a foreign official, in order to induce that foreign official to act or omit actions, to influence the foreign official, or to secure any improper advantage in order to assist in obtaining or obtaining business. According to Cobalt's Shorebase Foreman from February 2013 to June 2014, when Cobalt employees questioned Cobalt's relationship with Nazaki and Alper, they were told "[t]hat's just the way you do business around here."

72. Cobalt's Chief Information Officer from June 2012 to April 2014[21] also recalled how Cobalt's Deputy Director in Angola, Antonio Vieira, was "pretty adamant" that there was "no

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[19] *Id.*

[20] Cobalt's Shorebase Foreman from February 2013 to June 2014, referred to herein, worked for Cobalt in Luanda, Angola starting in mid-April 2013, including in the Cobalt offices in Luanda. He reported to Shorebase Supervisor John Reiter.

[21] Cobalt's Chief Information Officer (CIO) from June 2012 to April 2014, referred to herein, reported directly to Defendant John Wilkirson. This former CIO led office build-outs in Angola and supported three deepwater drilling operations in Africa and Gulf of Mexico. He had over 30 years of experience in engineering, management and capital projects experience in the oil and gas industry by the time of his tenure at Cobalt. He went to Angola several times during his employment at Cobalt, where he stayed at Cobalt's set of apartments. As CIO, he was responsible for all Information Systems for the Company and served on all Operations and Management teams.

way" Cobalt executives did not know that Vicente, Kopelipa, and Dino had government ties. The former CIO explained that Vieira was Cobalt's second-in-charge in Angola when the country manager was out. Cobalt's former CIO further stated that Vieira was a facilitator or an interface between the Company, Sonangol, and the Angolan government and was the person Cobalt needed to have connections.

73. Through their day-to-day dealings with the Partnership, Cobalt's employees also knew that Nazaki and Alper were sham entities, owned and controlled by Angolan officials. A former Cobalt driver coordinator in Angola identified numerous and lengthy meetings between Cobalt executives and Nazaki's owners: Vicente, Kopelipa, and Dino. The former driver coordinator stated that beginning in 2011, he drove Cobalt executives, including Defendant Bryant, Cobalt's Senior Vice President and Country Manager for Angola, Richard Smith, Cobalt's General Manager in Angola, Michael Drennon, Company consultants John Kennedy and Kevin Curry, and others, to over 20 separate meetings to meet with Vicente, Kopelipa, and Dino together. The former driver coordinator explained that most of the time the Cobalt representatives who met with Vicente, Kopelipa, and Dino were Drennon and Smith, and Defendant Bryant also met with Vicente, Kopelipa, and Dino. The meetings lasted, the former driver coordinator explained, between three and five hours each and took place on the 17th floor of the China International Fund building – a floor that Nazaki had rented – on the street named "Rua Primeiro Congresso do MPLA." The former driver coordinator understood that Vicente, Kopelipa, and Dino owned Nazaki, and that these were meetings between Cobalt and Nazaki. The former driver coordinator further understood that these meetings started in 2010 and continued through the closing of contracts regarding Blocks 9 and 21.

74. In addition, according to an executive administrative assistant for Cobalt's West Africa division from April 2010 to March 2015,[22] Nazaki representatives did not attend Partnership meetings in Houston, even when requested. Nor did they call into Partnership meetings when they did not attend in person. As the former Cobalt executive administrative assistant explained, Nazaki representatives stopped attending meetings in Houston by no later than late 2011, and Alper representatives stopped attending meetings in Houston by mid-2012. The former Cobalt executive administrative assistant further explained that, in contrast to Nazaki and Alper, Sonangol showed up at every scheduled Houston meeting. In addition, according to the former Cobalt executive administrative assistant, neither Nazaki nor Alper had access to the file sharing system to which Cobalt uploaded meeting minutes and to which Sonangol had access.

D. Cobalt Denies Early Concerns About Its "Partners"

75. In 2010, reports surfaced that Cobalt's partners, Nazaki and Alper, were controlled by Angolan government officials. On May 20, 2010, in a report titled "Goldman Sachs backs Angolan oil deal despite corruption risks," journalists at Global Witness discussed how "many observers believe that [Nazaki and Alper] are used as fronts by top Angolan officials to enrich themselves privately." The report pointed out that "Alper and Nazaki are obscure companies with no visible industry track record."

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[22] Cobalt's executive administrative assistant for the Company's West Africa division from April 2010 to March 2015, referred to herein, reported to Michael Drennon, who was Executive Vice President and General Manager Angola from April 2010 through her tenure. For the first two years of her employment at Cobalt, the assistant also reported to Richard Smith. Smith was Cobalt's Country Manager for Angola and also Vice President, International Business Development, Commercial and Finance from September 2010 until October 2011; then, subsequent to an internal Cobalt investigation (discussed at ¶¶83-91), was reassigned as Vice President, Investor Relations, Compliance and Risk Management from December 2012 until November 2013; and then returned as Senior Vice President and President of Cobalt Angola from November 2013 to September 2014. As the executive assistant for Drennon throughout her tenure, and for Smith during her first two years at Cobalt, the assistant's job responsibilities included completing administrative paperwork, filings, answering phone messages, intraoffice errands, securing visas, immunization and anti-malarial medications for representatives across the entire Company, scheduling meetings and making travel arrangements for Drennon and Smith.

76. Cobalt publicly responded to the Global Witness report that same day, denying the allegations and assuring investors that "we have devoted considerable resources towards mitigating the specific risks identified in the statements that you have included in your letter." Nevertheless, Cobalt refused to identify the true owners of Nazaki and Alper on the grounds that doing so would supposedly "involve selective disclosure of non-public company information and, in some cases, to do so would also be a breach of the confidentiality provisions of agreements by which [Cobalt] are bound."

77. Two months later, on July 30, 2010, the investigative journalist de Morais published a report in *Maka Angola* on corruption in Angola, which indicated that three top Angolan officials may be the true owners of Nazaki. The report suggested the true owners may be Vicente, Kopelipa, and Dino. The report explained how, "[t]hrough their company Nazaki, the trio established a partnership with Sonangol and Cobalt" to extract oil from Blocks 9 and 21 in Angola, and further detailed other instances in which the same three officials – Vicente, Kopelipa, and Dino – used additional fronts to profit privately from government contracts with foreign companies.

78. De Morais' report meant that Nazaki and Alper were front companies and that Cobalt was in violation of anti-corruption laws in the United States and Angola. As explained above (*see* ¶71), in the United States, the FCPA makes it a crime for a company that has operations in the United States to funnel money to foreign officials in order to secure a business advantage or influence the officials. In addition, as detailed in de Morais' report, Cobalt's business dealings, if true, violated Angolan law as well. As de Morais explained, Angolan law prohibits "influence peddling in terms of the Conventions Against Corruption of the African Union (article 4, 1, f) and the United Nations (article 18 a, b) as well as the [Southern African Development Community] Protocol Against Corruption (article 3, 1, f), all of which define influence peddling as an act of

corruption [and are] incorporated into Angolan law[,] transgression of [which] was made punishable by article 321 of the Angolan Penal Code." Furthermore, de Morais' report, if true, showed that through Vicente's involvement in Sonangol, Nazaki, and Alper, he effectively controlled three partners in the Partnership (*i.e.*, Sonangol, Nazaki, and Alper) and owned 60% of the Partnership.

E. Cobalt Continues To Assure Investors That Its Partners Are Legitimate

79. The Class Period begins on March 1, 2011, when Cobalt filed its 2010 Form 10-K, which was signed by Defendants Bryant and Wilkirson. In its 2010 Form 10-K, Cobalt denied knowledge "of a connection between senior Angolan government officials and Nazaki," which Cobalt represented was "a full paying member of the contractor group for Blocks 9 and 21." Cobalt reassured investors that, "last year we were made aware of allegations" of that connection, which the Company stated it was "continuing to look into."

80. Ten days later, on March 11, 2011, Cobalt disclosed in a Form 8-K that the SEC had made informal requests to Cobalt regarding allegations of a connection between Nazaki and senior Angolan government officials. In making this announcement, Cobalt reassured investors that it had conducted "extensive due diligence" into Nazaki and Alper and that "its activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act." Cobalt's filing nowhere acknowledged a relationship between its partners and the Angolan government or that its "partners" were mere shell entities; instead, it continued to stress that Cobalt was one of four legitimate partners in the Partnership.

81. The Company capitalized on the reassuring effects of its representations and its rising stock price, which increased by over 127% between March 1, 2011 and February 20, 2012. For example, on April 11, 2011, the Company initiated a secondary public offering of 35.65 million shares of public stock. The offering materials incorporated by reference the Company's statements

discussed in ¶¶129, 132, including its statement in the 2010 Form 10-K denying knowledge "of a connection between senior Angolan government officials and Nazaki."

82. In November 2011, the SEC informed Cobalt that it had recommended a formal order of investigation of Cobalt for possible violations of the FCPA focused on the connection between Nazaki and senior Angolan government officials. Cobalt, however, touted its ongoing Angolan projects. For instance, on December 20, 2011, Cobalt announced that it had finalized a Production Sharing Contract ("PSC") with Sonangol for Block 20. As with Blocks 9 and 21, Cobalt would have a 40% working interest to sell any oil drilled in Block 20, but would not have any contractual rights to sell natural gas. Bryant stated that "Cobalt is extremely pleased to be awarded operatorship of Block 20," which was part of Cobalt's "pre-eminent Pre-salt portfolio in West Africa" and "the most sought after block by industry in the Pre-salt Bid Round."[23] The Company further noted that, pursuant to the Block 20 PSC, Cobalt was required to pay over $314 million to the Angolan government "for social projects such as the Sonangol Research and Technology Center."

F. Cobalt's Board Requires Management To Conduct An Internal Investigation That Shows A History Of Bribes In Angola By A Senior Cobalt Executive

83. The Company's former Chief Information Officer (see ¶72 n.21) has explained how Cobalt's Board of Directors required the Company to conduct an investigation in late 2011 and 2012 centering on Cobalt's activities in Angola and, in particular, on the activities in Angola of Cobalt's Country Manager, Richard Smith, who was one of Bryant's direct reports. The

[23] The "pre-salt" geological layer exists on the continental shelves (such as the continental shelf in offshore Angola) and refers to the layer of the Earth lying below a salt layer that formed millennia ago. The pre-salt layer contains oil trapped by the salt above it.

investigation was focused on a large sum of money Smith spent in Angola that Smith "couldn't account for."

84. According to the Company's former CIO, Smith openly bragged to the former CIO and other Cobalt employees about his connections in the Angolan government. Cobalt's former CIO understood these connections to the Angolan government to be Smith's value to Cobalt. Smith was involved in the negotiations with Sonangol representatives for Blocks 9 and 21. According to what the former Cobalt CIO learned from Cobalt employees, including Cobalt's Business Services Manager in Angola, Chris Gordy, Smith met with Angolan officials at the time of the RSA negotiations with Sonangol leading up to the February 2010 execution of the RSAs. The CIO explained that Smith would have been the "guy to stir up that business" as the business development manager in Angola, and there was "no question" the negotiations involved Vicente from Sonangol.

85. Cobalt's former CIO explained how Smith began staying in Angola for longer stretches from 2009 until the time of Cobalt's internal investigation (discussed below), but Smith never stayed in Cobalt's apartments in Luanda. Angolan investigative journalist de Morais explained that "Cobalt's manager" in Angola was living in a house owned by Vicente and paying "beyond" $30,000 to $40,000 in monthly rent as "bribes."

86. The former Cobalt CIO was also informed by Gordy that, after the SEC announced its investigation in late 2011, Gordy's driver took Smith and a trusted Cobalt consultant named Kennedy to meetings with, among others, the "Nazaki guy" who was "one of the military owners" and believed to be Kopelipa. Kennedy, like Smith, was well-connected in Angola and someone upon whom Bryant relied. According to the former CIO, Bryant and Kennedy traveled together to Angola more than once "to negotiate payments."

87. Cobalt's executive administrative assistant for its West Africa division from April 2010 to March 2015 (*see* ¶74 n.22) similarly described how Cobalt conducted an internal investigation, which involved a series of meetings with Smith and Cobalt's attorneys in a large conference room at Cobalt's headquarters in Houston next to where the executive administrative assistant worked. According to the executive administrative assistant, Smith met with Cobalt's General Counsel, Jeff Starzec, and three outside attorneys behind closed doors.

88. Another Cobalt senior administrative assistant in Cobalt's human resources department from November 2009 to August 2013[24] stated that the investigation lasted months and that Cobalt kept the investigation quiet, even though Cobalt executives were involved, including Defendant Bryant, Chief Operating Officer and Executive Vice President Van Whitfield, and the General Manager in Angola, Michael Drennon. This former senior administrative assistant stated that many of the executive secretaries had to make copies of expense reports in response to the investigation.

89. The former Cobalt senior administrative assistant understood that it was discovered through the course of Cobalt's internal investigation that Smith had bribed an Angolan official with whom Cobalt had been working to develop business in Angola. She explained that, when word spread within the Company of what Smith had done, "everything hit the fan" and Company executives travelled to Angola with increased frequency. She confirmed that around 2011/2012,

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[24] Cobalt's senior administrative assistant in Cobalt's human resources department from November 2009 to August 2013, referred to herein, was involved in Cobalt's human resources processes for keeping records of employees in Angola. She also worked closely with the executive administrative assistants in the Company, including Defendant Bryant's assistant Debbie Jackson, Van Whitfield's assistant Sydney Contillo, and the executive administrative assistant for Cobalt's West Africa division from April 2010 to March 2015 (*see* ¶74 n.22). She heard from Jackson and Contillo information regarding the Company's internal investigation in late 2011 and 2012 into potential bribes to Angolan officials and how Richard Smith was found to have given or authorized those bribes. In 2012, as part of Cobalt's internal investigation, the senior administrative assistant had to locate, collect and deliver to Cobalt's legal department personnel files and records on Cobalt's officers and executive assistants.

Bryant and a lot of the senior management went to Angola for a week or two at a time in relation to the investigation.

90. According to the senior administrative assistant, after the investigation, Smith was recalled from Angola to Houston. Cobalt's former CIO from June 2012 to April 2014 (*see* ¶72 n.21) similarly stated that, following the investigation meetings, Smith got "yanked out of Angola" and was put in another role as Cobalt's Investor Relations manager. According to the senior administrative assistant, Drennon, Cobalt's general manger in Angola, was sent to clean up the mess. According to her, Drennon only made the issues in Angola worse in the Company's eyes, and was pushed aside and eventually out of the Company.

91. Smith, however, ultimately returned to a high-level role in Angola, serving as Cobalt's Senior Vice President and President of Cobalt Angola from November 2013 to September 2014 and Cobalt's Senior Vice President since September 2014. The senior administrative assistant stated that employees thought Smith's return to Angola was crazy. According to the former Cobalt CIO, Smith was valuable to Cobalt because Smith "got stuff done with Sonangol," a fact that made Bryant a "big supporter" and was "common knowledge" within Cobalt. The CIO recalled that when Cobalt appointed Smith as Cobalt's "ethics officer" in 2013 it was "a big joke within Cobalt; *this* is the ethics officer?" The CIO stated that Cobalt was the "most unethical company I have ever worked for, hands down."

G. Additional Questions Arise About Cobalt's Partners, And Cobalt's Insiders Sell Their Shares

92. On January 6, 2012, de Morais filed a criminal complaint with Angola's Office of the Attorney General against the directors of Cobalt, Defendant Bryant, and the owners of Nazaki: Vicente, Kopelipa, and Dino. The criminal complaint accused Cobalt of influence peddling and active corruption of leaders in violation of Angola's Criminal Code. The complaint alleged that

three top government officials – Vicente, Kopelipa, and Dino – each owned 33.32% stakes in Nazaki. The complaint asked that these three officials be "investigated for evidence of having committed crimes of illicit enrichment . . . through the[ir] receipt of shares in the business," noting that Vicente and Kopelipa had powerful roles in the granting of the RSAs for Blocks 9 and 21 to Cobalt. The complaint also alleged that Vicente had "decision-making powers for granting contracts" involving Sonangol, and that Kopelipa exercised "considerable influence over the President of the Republic, who, as the head of the Executive, grants the final approval for petroleum block concessions." The complaint further alleged that Cobalt had failed to comply with Angolan law in obtaining its licenses for Blocks 9 and 21 by not complying with the mandatory public tendering process.

93. While Cobalt continued to deny the allegations in de Morais' complaint and any relationship between its partners and the Angolan government, it was forced to disclose on February 21, 2012, that United States regulators and the DOJ had commenced formal investigations concerning Nazaki's connections to senior Angolan government officials. Cobalt, however, continued to mislead investors about its sham partners, the true owners of Nazaki and the government officials' interests in the Partnership. In its 2011 Form 10-K, Cobalt told investors that Cobalt was still "unfamiliar" with the owners of Nazaki and stressed that it had "conducted an extensive investigation into these allegations and believe[s] that [its] activities in Angola have complied with all laws, including the FCPA." At the same time, Cobalt continued to tout its Partnership in Angola, which put it in a "pre-eminent position in offshore Angola." It also highlighted for investors its Lontra and Loengo wells as "high impact," a description that it defined as "the prospects in [Cobalt's] asset portfolio which we believe have the highest possibility of containing the largest amounts of oil in commercially viable quantities."

94. On the same day that Cobalt filed its 2011 Form 10-K, February 21, 2012, Cobalt announced a securities offering, which it completed two days later, selling 59.8 million shares of its common stock for approximately $1.67 billion. Through this offering, the Company's directors and its original investors significantly reduced their stakes in the Company, with Goldman Sachs and Cobalt's other insiders unloading their shares worth over $1.1 billion. Defendant Bryant also sold over 862,500 personal shares of Cobalt as part of the offering, collecting over $24 million in personal proceeds.

H. The *Financial Times* Identifies The True Owners Of Nazaki And Alper, Which Cobalt Continues To Deny

95. On April 15, 2012, the *Financial Times* published two reports titled "Angola Officials Held Hidden Oil Stakes" and "Spotlight Falls On Cobalt's Angola Partner." The reports revealed for the first time that Vicente and Kopelipa admitted that they, along with Dino, were the true owners of Nazaki. The reports stated that "Manuel Vicente, who was the head of state-owned Sonangol until his appointment in January as minister of state for economic co-ordination, and General Manuel Hélder Vieira Dias Júnior, known as Kopelipa, the head of the presidency's military bureau, confirmed their holdings in Nazaki in near-identical letters" provided to the *Financial Times*. The reports further detailed how Vicente and Kopelipa admitted that "Leopoldino Fragoso do Nascimento, known as General Dino, a former head of communications in the presidency, held shares too" and that Vicente and Kopelipa had stated that all three Angolan officials "held their interests in Nazaki through [the company] Aquattro Internacional." In support of these admissions, the *Financial Times* cited two Nazaki company registration documents from 2007 and 2010 that it had obtained, which showed that the Angolan officials' ownership of Nazaki stretched back to before the start of the Class Period.

96. The *Financial Times* also pointed to "a further connection between Nazaki and the three [Angolan] officials through Jose Domingos Manuel," who was not only Nazaki's manager, but also a shareholder in a different Angolan oil company "alongside Mr. Vicente, General Kopelipa, and General Dino." The report concluded that these revelations "raise[d] questions about [Cobalt's] compliance with US anti-corruption laws, which makes it a crime to pay or offer anything of value to foreign officials to win business."

97. In response to these disclosures, the price of Cobalt's shares fell the next trading day by over 7%, erasing nearly $800 million of market capitalization. Analysts were surprised by these revelations, particularly in light of Cobalt's repeated denials and claims of ignorance of any "connection between senior Angolan government officials and Nazaki." For example, on April 17, 2012, Credit Suisse published an analyst report emphasizing that "FCPA violations are serious and can lead to fines of up to twice the economic gain/avoided loss with the largest fine so far being $450 [million]."

98. Notwithstanding the *Financial Times* report, Cobalt continued reassuring investors that the allegations about the Partnership were baseless. For example, in an immediate and direct response to the allegations set forth in the *Financial Times* reports, on April 15, 2012 (i.e., the same day as *Financial Times* issued its report), Cobalt stated publicly that it "strongly refuted any allegations of wrongdoing" and that it had conducted "rigorous due diligence" on this issue as part of "extensive investigations" beginning in 2007. During an investor conference call for the first quarter of 2012, Defendant Bryant likewise stated that "[t]ransparency is a primary focus at Cobalt," and "[w]e have spent significant human and financial resources to ensure that the appropriate compliance was undertaken as relates to the contracts and agreements we have in place with our Angola partners." Bryant further stated that "[o]ur compliance efforts began in 2007"

and "never end," adding that "[w]e are confident of this process and that we have done everything we can do."

99. These remarks assuaged analysts' concerns. In its April 17, 2012 report, Morgan Stanley explained that it felt reassured by the Company's representations in its "previous two 10-Ks," Cobalt's "deni[al]" of the *Financial Times*'s report, and Cobalt's statements that it had "done its own investigation in connection with counsel into its Angola operations." Based on the Company's reassurances, the analysts rejected any concerns about the Partnership, which could materialize through either of the regulatory investigations to which the Company was subject. A report issued by J.P.Morgan analysts two days later similarly concluded that the "FCPA issue" would "likely go[] away" given Defendants' reassurances that Cobalt had "no knowledge of Angolan government officials' involvement with Nazaki."

100. On June 1, 2012, the journalist Ana Silva published a report confirming the *Financial Times* report. Specifically, Silva reported how, during a press conference, "Vicente . . . admitted that Cobalt had violated U.S. anti-corruption laws by partnering with a company whose triumvirate of stakeholders holds the reins on Angola's political and economic power." Vicente announced during the press conference that, in continuing to conduct business in Angola, Cobalt was, in his words, "disregarding the rules" in the United States. Vicente also criticized due diligence by companies such as Cobalt on their Angolan partners, saying that such due diligence was "practically to the point of self-parody." Silva pointed out that "Cobalt's partnership with Nazaki is . . . [a] case[] of flagrant corruption" and rejected Cobalt's representations that it was ignorant of who owned Nazaki, pointing out that Cobalt and Nazaki "share[d] offices in [the city of] Luanda."

101. Despite Vicente's remarks, Cobalt continued to affirm the propriety of its business dealings in Angola, including in response to an inquiry from the SEC. On September 13, 2012, the SEC wrote a letter to Cobalt regarding the Company's 2011 Form 10-K. The SEC requested that Cobalt expand its disclosures regarding Cobalt's reported "social payment obligations," which included the Sonangol Research and Technology Center. According to the SEC, "it should be clear why these obligations are appropriately differentiated as social." In response, Cobalt added two references to the Sonangol Research and Technology Center in each of its 2012 and 2013 Forms 10-K, in which it characterized the Center as a "social project[]." It was only years later, in August 2014, when it was finally revealed that the "Sonangol Research and Technology Center" did not (and still does not) exist.

I. Cobalt Deflects Attention From Its "Partners" By Touting Its Wells While Selling More Securities

102. In addition to denying reports that its "partners" were sham entities and owned by senior Angolan government officials, Defendants misrepresented the purportedly high oil content in their offshore wells in Angola. Defendants first focused investors' attention on the Lontra prospect in Block 20 in offshore Angola. Throughout 2011 and 2012, Defendants repeatedly stated that the Lontra well was "oil-focused." In an investor conference call on October 30, 2012, Bryant told investors that 3-D seismic analysis showed that the Lontra site is "a very large pre-salt structure, significantly larger than Cameia" – which was a large, successful oil well in Angola. Bryant also emphasized the importance of Block 20 on October 30, 2012, stating that Lontra was part of Cobalt's "all-star lineup of top-tier global exploration prospects, as measured by any standard or in any portfolio." In a November 2012 presentation to investors, Cobalt again highlighted Lontra as part of its "rich drilling program."

103. Defendants followed these statements by initiating large offerings of stock and bonds to investors. On December 12, 2012, within weeks of Bryant's statements on October 30, 2012, Cobalt issued $1.38 billion worth of convertible senior notes. On January 15, 2013, Cobalt announced another public offering, this time of 40 million shares of Cobalt common stock offered by selling stockholders. As part of this offering, Defendants continued to highlight Cobalt's Lontra well, stating in the offering materials that it and Loengo (discussed below) were "large [and] oil-focused." The materials provided to investors in connection with each of Cobalt's offerings during the Class Period also repeated Defendants' representations that Cobalt was "unfamiliar with Nazaki" and continued to claim ignorance of "a connection between senior Angolan government officials and Nazaki."

104. Defendants' statements touting the Lontra site continued in 2013. In a February 26, 2013 press release issued by Cobalt, the Company recognized that "a great deal of attention" was being paid to Lontra, which it reiterated to investors was a "massive" prospect. During a February 26, 2013 investor conference call, Bryant told investors that Cobalt had determined that "Lontra could be several times the size of a Cameia" based on its "all hands on deck strategy there to get the earliest data." Bryant singled out Lontra as particularly important and lucrative for Cobalt, stating that, out of all of the prospects Cobalt was testing this year, only Lontra could be larger than Cameia and listed Lontra as one of "four of the world's most anticipated wells." In presentations to investors on February 5, 2013, March 19, 2013, May 21, 2013, June 3, 2013, and August 28, 2013, Cobalt repeatedly stated that "3D seismic [analysis] has confirmed Lontra as a 'super-size' prospect" and described the amount of oil in the Lontra well as having "[g]reater than billion barrel potential."

105. Analysts focused on Cobalt's characterizations of the Lontra site. For instance, Deutsche Bank reminded investors to "keep your eyes on the prize," the "super-size Lontra prospect … with well over a billion barrel potential." On May 29, 2013, Bloomberg similarly reported that "Cobalt, which is part-owned by Goldman Sachs Group Inc., First Reserve Corp., Riverstone Holdings LLC, Carlyle Group LP and KERN Partners Ltd., [] plans to develop the 'super-size' Lontra prospect in Block 20, which it has described as the 'largest four-way structure in the Kwanza Basin.'"

106. Defendants again followed their statements touting the value of the Lontra well with further securities offerings to investors. On May 7, 2013, Cobalt announced that affiliates of Goldman Sachs, First Reserve, Carlyle, and KERN would be selling 50 million shares of Cobalt common stock to investors. As part of this offering, Cobalt reiterated that its Lontra and Loengo wells were "large [and] oil-focused." Regarding the Nazaki relationship, Defendants again reassured investors that they had "conducted an extensive investigation" into "allegations of a connection between senior Angolan government officials and … Nazaki" and that Defendants' "activities in Angola have complied with all laws, including the FCPA." In investor presentations dated September 2013, October 2013, and December 2013, Cobalt continued to tout its "world class . . . partners" and "partnerships with leading global deepwater operators" in Angola.

107. During an investor conference call on October 29, 2013, Defendants further highlighted Cobalt's Lontra well and their Angolan Partnership. Defendant Farnsworth, Cobalt's Chief Exploration Officer, stated that Cobalt had acquired a new survey of Block 20, "which has been extremely high quality." Farnsworth also stated that Lontra was "a significant discovery" and that tests had revealed that "we found a very good quality reservoir at Lontra" that was of such high quality that Cobalt was "encourage[d] for the entire block [20]." Farnsworth concluded that

Lontra "is an oil field plus a very complex gas field." When asked by a Credit Suisse analyst for "a little about how you are thinking about gas to oil ratios that you have seen, and how it might impact your view of the [Lontra] development," Farnsworth assured investors that "we know there is oil in this structure" and "this is not the big gas field" that Cobalt could not monetize.

J. Cobalt Is Forced To Disclose The Truth About Its Lontra "Oil" Well

108. The Company was ultimately required to disclose the truth about its supposed "super-size" Lontra well. On December 1, 2013, the Company announced that, instead of an "oil-focused" site, Lontra "contain[ed] more gas than [Cobalt's] pre-drill estimates." This was a serious problem for Cobalt because, as discussed above, the Company only had rights to oil, not gas.

109. Defendants' disclosure that Lontra contained more gas than previously disclosed surprised analysts, who had expected the "Manhattan-sized structure" to be a key oil-filled well for the Company, and resulted in a decline in the price of Cobalt shares. Analysts at J.P.Morgan noted that Cobalt "management [had] previously characterize[ed] Lontra as an oil field" first, "plus a very complex gas field," and that the December 1, 2013 disclosure is "below investors' expectations." J.P.Morgan analysts further noted that, in light of the new disclosure and the fact that the Lontra "PSC contract does not include gas rights," "investors likely will question the partners' ability to commercialize the discovery, given the high natural gas content and [Cobalt's] vagueness about potential commercial options."

110. In its December 2, 2013 report, UBS also noted that Lontra was "gassier than expected" by analysts and that the site's resources were now evaluated as "well below" prior estimates. Analysts at Credit Suisse similarly downgraded Cobalt's stock on December 3, 2013, reducing its estimation of Lontra's contribution to Cobalt's stock price by over 60% on reduced "volumes" and "liquids." Analysts at Morgan Stanley stated on December 3, 2013 that "a smaller,

gassier Lontra (Cobalt's largest prospect) drove investor capitulation," prompting Morgan Stanley to remove Cobalt from its "Best Ideas list." Cobalt's December 1, 2013 disclosure caused its stock price to decline over the following two trading days nearly 21.2%, eliminating over $1.9 billion in market capitalization.

111. Unknown to investors at the time, Cobalt knew well before its disclosures in December 2013 that Lontra held a higher gas content than represented. Cobalt's CIO from June 2012 to April 2014 (*see* ¶72 n.21) explained that, before the Company disclosed in December 2013 that the Lontra well had a high gas content, it had information supporting such a conclusion. He explained that Cobalt knew "fairly early on" that it had hit a gaseous hydrocarbon column at Lontra, but delayed disclosing that information to investors. According to the CIO, Sonangol required Cobalt to "sit on information," including information regarding Angolan wells such as the Lontra well. He stated that this requirement that Cobalt sit on information before releasing it to investors was "openly talked about" at Cobalt. The CIO stated that there were emails going back and forth between Sonangol and Cobalt executives about this, and the one time when Cobalt disclosed something without Sonangol's approval, Cobalt "got in real trouble." The former CIO explained that Cobalt sat on the information regarding the Lontra well "a lot longer than they normally would."

112. Given the length of time that Cobalt was sitting on information about Lontra, Cobalt executive Van Whitfield expressed internally that Cobalt had obligations to its investors. However, Cobalt's former CIO heard in an executive meeting – which was attended by the CIO, Defendant Farnsworth, Executive Vice President for Execution and Appraisal James Painter, Van Whitfield, Vice President for Government and Public Affairs Lynne Hackedorn, and Mike Drennon, among

others – that the Company decided to delay disclosure. Cobalt's former CIO stated that the "call to disclose would have been made by" Bryant.

K. With Lontra Exposed, Cobalt Focuses On Its Loengo Well And Sells More Securities

113. Following the Lontra well disclosure, Cobalt emphasized the importance of its Loengo well in Block 9 off the coast of Angola. For example, during an investor conference call on February 27, 2014, analyst John Malone from Mizuho Securities asked Defendant Farnsworth whether "reservoir quality [was] still an open question" in Block 9. Defendant Farnsworth responded by distinguishing Block 9 as particularly reliable. He stated that, based on "a new 3-D survey over the block," it was "much to [Farnsworth's] delight" that Cobalt "found quite a large structure, which we think has a 250- to 500 million-barrel potential. That's what's called Loengo . . . [which was] certainly in a block that we know there's oil in it."

114. Cobalt again emphasized its Loengo well in Cobalt's Form 10-Q for the first quarter of 2014, filed on May 1, 2014. In the Form 10-Q, Cobalt did not modify the "250- to 500 million-barrel" estimate that it had previously given for Loengo's oil content, even after, according to the Form 10-Q, "Loengo was mapped using our 3-D seismic data."

115. Less than a week after these statements, on May 7, 2014, Cobalt announced to investors an offering of $1.3 billion in convertible senior notes. The offering materials for these notes reiterated Cobalt's statements promoting its Loengo well in its Form 10-Q for the first quarter of 2014. The offering materials also included further assurances from Defendants that Cobalt had conducted an "extensive investigation" to ensure that Nazaki, its "partner" in the Loengo project, was not connected to senior Angolan government officials.

116. Cobalt continued to emphasize the supposedly high oil content in its Loengo well in mid-2014. For example, during an investor conference call on August 5, 2014, Bryant specified

that Loengo was a "750 million-barrel" prospect. Unknown to investors at the time, and as stated by the former CIO, there was "not even a question" that Loengo was not a good prospect and that there was "not even a remote chance" of success on the Loengo well, with the former CIO's supposition that Cobalt was "forced" to take Block 9, where it drilled Loengo, to satisfy Angola's state-owned Sonangol.

L. The SEC Escalates Its Investigation, Cobalt's "Social Payments" Are Revealed To Be For A Project That Does Not Exist, And Angola Removes Nazaki And Alper

117. As noted above, Cobalt represented to investors in its December 2011 and September 2012 filings with the SEC that the "social payments" it made to the Angolan government in connection with Block 20 and the Lontra well were legitimate. Over half of Cobalt's $607.5 million in "social payments" for Block 20 went to fund the Sonangol Research and Technology Center, which was supposed to be an Angolan "social project" benefitting Angolan residents. However, on August 5, 2014, it was disclosed that Cobalt's "social payments" for the Sonangol Research and Technology Center went to a research and technology center that did not exist. An extensive investigation by journalists at Global Witness revealed that, in response to questioning from Global Witness, neither Cobalt, Sonangol, BP, the Norwegian oil company Statoil, nor "well-placed industry insiders" could confirm the existence of the Sonangol Research and Technology Center.

118. Global Witness's August 5, 2014 report also published a letter from Cobalt dated May 14, 2014. In that letter, Cobalt stated that it apparently "monitor[ed] the progress of [its] social contributions in Angola," which purportedly were "for the betterment of the country of Angola and its citizens." Cobalt rejected, however, Global Witness's request "to provide any information that confirms that Sonangol Research and Technology Center exists," instead telling Global Witness that "these inquiries are more appropriately directed to Sonangol." Sonangol also

did not confirm the existence of the Sonangol Research and Technology Center. As summarized in an article published on the Angola News Network on August 5, 2014, payments of millions of dollars "for a research center that doesn't exist is an outrage for [] shareholders whose money seems to have evaporated."

119. Bloomberg also reported on August 5, 2014 that, in addition to the revelations regarding the Sonangol Research and Technology Center and an ongoing DOJ investigation, "the U.S. SEC made a preliminary determination for an enforcement action against the company." Cobalt had received a Wells Notice from the SEC "related to the investigation [the SEC] has been conducting relating to Cobalt's operations in Angola, and the allegations of Angolan government official ownership of Nazaki Oil and Gas." Cobalt confirmed these reports in a press release, in which it stated that the SEC's Enforcement Division had "recommend[ed] that the SEC institute an enforcement action against the Company, alleging violations of certain federal securities laws."[25] In response to the August 5, 2014 disclosures, the price of Cobalt securities fell by nearly 11%, erasing hundreds of millions of dollars more in market capitalization.

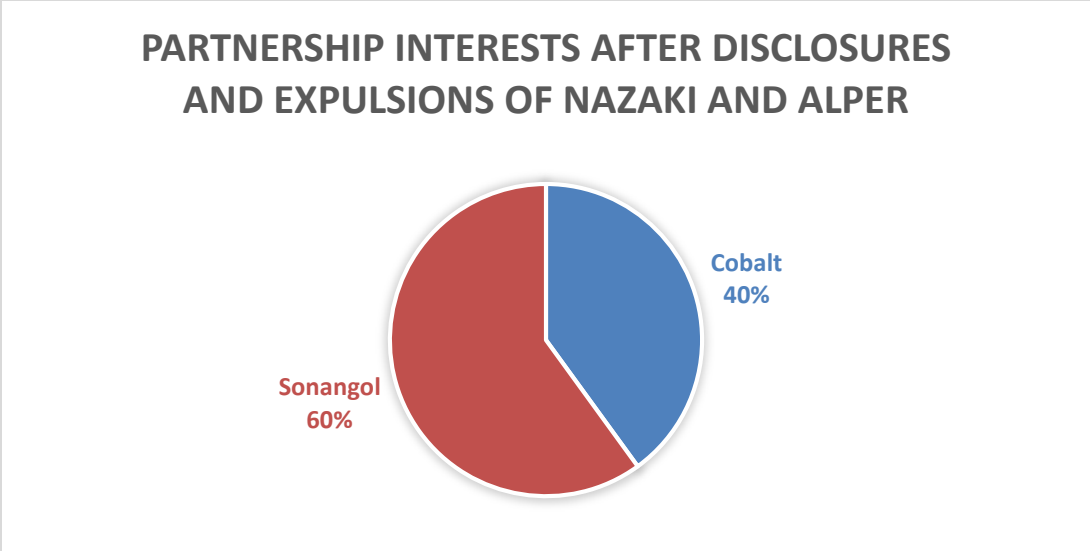
120. Financial commentators were surprised by the disclosures regarding the Sonangol Research and Technology Center and the regulators' continued investigations. The SEC's Wells Notice meant that the regulators, including the DOJ, had evidence of the Company's violations of the FCPA. For example, on August 6, 2014, Credit Suisse analysts remarked on the regulators' investigation that "[t]he DOJ is the real driver given criminal fines are the danger. [Cobalt] appears to be discounting a 60+% probability of criminal conviction." In a report one week later, Credit Suisse again emphasized that the criminal provisions of the FCPA, enforced by the DOJ, "have the

[25] Following the close of the Class Period, Cobalt disclosed that the DOJ investigation was ongoing as of February 23, 2015.

most bite – up to '2x the economic gain,'" while the "historical SEC-only FCPA fines (i.e. no DOJ involvement) have been low." In its August 18, 2014 report, *Quartz* noted that, while "[t]here is supposed to be a research center in Angola, funded by foreign oil companies in exchange for access to some of the country's estimated 9.1 billion barrels of oil reserves," "it's not clear that the center exists, or where the $175 million paid so far to build it wound up."

121. Financial commentators at *Forbes* similarly emphasized that Cobalt's relationship with Nazaki was a clear sign of corruption, stating on August 17, 2014 that "Cobalt must have known that involvement of state officials was likely: at the time, it was extremely difficult to do business in Angola without the involvement of members of the ruling elite – the dos Santos family, its close associates and senior military figures." As *Forbes* explained "it [was] hard to believe that Cobalt did not know a complex opaque partnership deal arranged by a corrupt government would probably channel money to members of that government." It further stated that, "[i]f the only way a company can develop business links with a country is by means of bribery and corruption, then if the potential returns are large enough, bribery and corruption is what the company will do."

122. On August 26, 2014, on the heels of the August 5, 2014 disclosures, it was announced that Angola had terminated Nazaki's Partnership with Cobalt on Blocks 9 and 21 and transferred Nazaki's working interest to a subsidiary of Sonangol. On the following day, Cobalt stated that it had "received documentation confirming that Nazaki . . . and Alper . . . are no longer members of the contractor group of Blocks 9 and 21 offshore Angola" and that as a result, Cobalt "no longer ha[d] any relationship with Nazaki or Alper." As part of the expulsion of Nazaki and Alper from the Partnership, Sonangol assumed their ownership interests, and thus maintained a 60% majority ownership interest, with Cobalt retaining its 40% interest.



123. J.P.Morgan analysts obtained the expulsion decrees and noted that Cobalt's announcement was severely delayed. J.P.Morgan analysts pointed out that, while "Alper's partnership interest in Blocks 9 and 21 had been terminated five months earlier, on or around March 25, 2014," Cobalt's Form 10-Q for the first quarter of 2014, filed on May 1, 2014, had misrepresented Alper's working interest in the Partnership at that time. The May 1, 2014 filing stated that Alper still had a 10% interest that Cobalt was carrying when, in fact, they had no interest at the time. The analysts further revealed something Cobalt's August 27, 2014 announcement did not: the government decrees ejecting Nazaki from the Partnership "declare[d] that Nazaki does not have 'proven competence and financial capacity' to hold the blocks and that it repeatedly had not met its 'economic and financial commitments.'" The decrees stated that Nazaki had demonstrated that it "did not possess the legal requirements to be associated with the National Concessionary" and that its repeated failure to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership. J.P.Morgan analysts noted how it was "curious" that it took years to admit that Nazaki did not have "the competence or financial capacity to be a genuine partner" with Cobalt.

124. On November 4, 2014, Cobalt also revealed that, contrary to Cobalt's descriptions of Loengo as "large," "oil-focused" and "high impact," the Loengo well in fact lacked oil. Cobalt's Form 10-Q filed on November 4 stated that "the Loengo #1 exploration well . . . did not encounter commercial hydrocarbons" and that "[t]he well has subsequently been plugged and abandoned." Cobalt dubbed the Loengo well a "noncommercial exploration well in Angola" and reported that the Loengo well resulted in a "dry hole expense and impairment" of $35.2 million.

125. While Cobalt claimed that it was surprised that Loengo was a "dry hole," the Company's former Chief Information Officer (*see* ¶72 n.21) has explained how Cobalt knew before 2014 that Loengo was not a good prospect. He stated that there was "not even a question" that Loengo was not a good prospect and that there was "not even a remote chance" of success on the Loengo well. Analysts responded harshly to the Company's additional disclosure about its Loengo well. On November 4, 2014, Brean Capital analysts issued a report about the "dry hole" and summarized how Cobalt's disappointing results were "led by unsuccessful drilling efforts at the Loengo #1 pre-salt prospect, giving rise to a[n unanticipated] $55MM impairment charge." In another report that day, Deutsche Bank analysts also called Loengo a "dry hole" and remarked that the Loengo disclosure was "[n]ot the data point the market was looking for."

126. Shareholders also suffered when the truth about the Loengo well was revealed. On November 4, the price of Cobalt's stock fell an additional 11.5% on high-volume trading.

V. VIOLATIONS OF THE EXCHANGE ACT

A. Defendants' Material Misstatements And Omissions In Violation Of The Exchange Act

127. Defendants made materially false and misleading statements and/or omissions of material fact during the Class Period in violation of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. Among other things, Defendants falsely and

misleadingly represented to investors that: (i) Nazaki and Alper were legitimate "partners" in the Partnership; (ii) despite its own "extensive due diligence" and "extensive investigations" into that Partnership, Cobalt was unaware of the underlying facts concerning the true nature of Nazaki and Alper, which had created a significant threat of regulatory action; (iii) Cobalt was likewise unaware of any improper connection between Angolan government officials and Nazaki and Alper; (iv) Cobalt's payments for the Sonangol Research and Technology Center were legitimate "social payments"; (v) Alper remained a member of the Partnership well after March 25, 2014; and (vi) the Company had two "key" "oil-focused" wells in Lontra and Loengo, which were significant discoveries for the Company in Angola.

128. As further explained below, Defendants' representations were materially false and misleading and omitted material facts when made, including that: (i) Nazaki and Alper were, in fact, controlled by Angolan government officials; (ii) far from a "fully paying" and beneficial partner, Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola; (iii) the Sonangol Research and Technology Center for which "customary" social payments were purportedly made does not (and never did) exist; (iv) the Company's Board of Directors ordered the Company to conduct an internal investigation into the activities of Cobalt's Senior Vice President and Country Manager for Angola in response to concerns over a large sum of money spent in Angola that he "couldn't account for," which led to his removal from his post in Angola; (v) Cobalt's "key" Lontra and Loengo wells were not, in fact, "oil-focused" – Lontra contained less oil (and far more gas) than Cobalt had represented, and Loengo was nothing more than a "dry hole," which the Company would later be forced to abandon; and (vi) Sonangol requested, and Cobalt agreed, to delay making timely disclosures of adverse

information to investors about its Angolan wells, including the existence of lower amounts of oil at Lontra than Cobalt had stated, and no oil at Loengo.

1. Defendants' Materially False And Misleading Statements And Omissions In 2011

a) 2010 Form 10-K

129. On the first day of the Class Period, March 1, 2011, Cobalt filed with the SEC its Form 10-K for the year ended December 31, 2010. The 2010 Form 10-K was signed by Defendants Bryant and Wilkirson, among others, and represented that Cobalt's "familiarity with [Nazaki and Alper] is limited" and that "last year we were made aware of allegations, that we are continuing to look into, of a connection between senior Angolan government officials and Nazaki (a full paying member of the contractor group for Blocks 9 and 21)."

130. The statements in ¶129 were materially false and misleading when made. Contrary to Defendants' statements that they had "limited" familiarity with Nazaki and Alper, that Nazaki was "a full paying member," and that Defendants knew only of "allegations . . . of a connection between senior Angolan government officials and Nazaki," Defendants knew, or were reckless in not knowing, that Nazaki and Alper were in fact owned by Angolan government officials.

131. The statements in ¶129 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; and (iv) Nazaki's and Alper's connections to the Angolan government created a significant risk of FCPA violations and regulatory action.

132. The 2010 Form 10-K also represented that "[a]ll of our prospects are oil-focused." This statement was materially false and misleading, and omitted material facts when made. Cobalt's Lontra and Loengo wells were not "oil-focused"; rather, as Cobalt admitted, Lontra held a higher gas content than represented, and Loengo was a "dry hole." The statement also omitted that Sonangol required, and Cobalt agreed, to delay providing to investors adverse information regarding its Angolan wells.

b) The March 11, 2011 Form 8-K

133. On March 11, 2011, Cobalt filed a Form 8-K that noted that the SEC made informal requests to Cobalt seeking information regarding the Partnership. In response, Cobalt stated that it "conducted extensive due diligence with respect to Nazaki [and] Alper" and that Cobalt's "diligence efforts . . . continue." Cobalt further stated that "Nazaki is a full paying member of the [Partnership]" and that it "believes its activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act," and "takes compliance with the FCPA and other laws very seriously and has devoted considerable resources toward such compliance."

134. The statements in ¶133 were materially false and misleading when made. Among other things, a basic review of Nazaki's registration documents showed Nazaki and Alper were shell companies for Angolan government officials.

135. The statements in ¶133 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; (iv) Nazaki's and Alper's connections to the Angolan government posed a significant risk of FCPA

violations and regulatory action; and (v) Defendants did not reasonably believe that their "activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act."

c) April 2011 Offering Materials

136. On April 11, 2011, Cobalt initiated a public offering of 35.65 million shares of common stock. In connection with the Offering, the Company issued and filed with the SEC a Prospectus Supplement and accompanying Prospectus, on April 12, 2011 (the "April 2011 Offering Materials"). The April 2011 Offering Materials incorporated by reference the statements in ¶¶129, 132 from the 2010 Form 10-K, which were materially false and misleading and omitted material facts, for the reasons described above in ¶¶130-32.

d) December 20, 2011 Form 8-K

137. On December 20, 2011, Cobalt filed a Form 8-K with the SEC announcing the execution of a PSC governing the Company's oil exploration and drilling activities in Angolan Block 20. The Form 8-K stated that, under the PSC, Cobalt was obligated to pay $314 million for "social projects" in Angola, including "the Sonangol Research and Technology Center." The Form 8-K also stated that Cobalt, Sonangol and "certain other parties" had executed RSAs for Blocks 9 and 21.

138. The statements in ¶137 were materially false and misleading when made. The referenced payments were not "social project" payments made to fund "the Sonangol Research and Technology Center," which did not exist. In addition, the statements in ¶137 omitted material facts, including that: (i) the Sonangol Research and Technology Center did not exist; (ii) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (iii) Cobalt's payments to Angolan government officials created a significant risk of FCPA violations and regulatory action.

2. Defendants' Materially False And Misleading Statements And Omissions In 2012

a) 2011 Form 10-K

139. On February 21, 2012, Cobalt filed with the SEC its Form 10-K for the year ended December 31, 2011 (the "2011 Form 10-K"), which was signed by Defendants Bryant and Wilkirson, among others. In the 2011 Form 10-K, Cobalt again represented that it had "limited" familiarity with Nazaki and Alper. The Company also represented that it had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola being investigated by the SEC and DOJ] and believe that our activities in Angola have complied with all laws, including the FCPA." Cobalt further represented that Nazaki was "a full paying member of the [Partnership]."

140. The statements in ¶139 were materially false and misleading when made. Among other things, Nazaki's and Alper's foundational documents revealed that they were owned by Angolan government officials.

141. The statements in ¶139 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; (iv) Defendants did not reasonably believe that their "activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act"; (v) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for

Angola; and (vi) Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

142. The 2011 Form 10-K also stated that Cobalt had made contributions for "social projects," including "the Sonangol Research and Technology Center," and that it was obligated to pay approximately $337 million for these purported "social projects" in Angola.

143. The statements in ¶142 were materially false and misleading when made. Cobalt's payments were not "social payment obligations" or "social project" payments made to fund "the Sonangol Research and Technology Center," which did not exist. These statements also omitted material facts when made, including that (i) the Sonangol Research and Technology Center did not exist; (ii) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (iii) Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

144. The 2011 Form 10-K also repeated the same statements referenced above in ¶132 regarding Cobalt's purportedly "oil-focused" Angolan oil well prospects. The 10-K also represented that Cobalt was developing "high impact" prospects in Angola. These statements were materially false and misleading when made and omitted material facts. Cobalt's Lontra and Loengo wells were not "high impact" or "oil-focused," and Cobalt was forced to disclose facts showing that Lontra held a higher gas content than represented, and Loengo was a "dry hole." Cobalt also acknowledged the SEC's concern that the "characterization of the [Angolan] prospects as 'high impact' appears to be without the requisite degree of support" by discontinuing the Company's use of that term in later Forms 10-Q and 10-K filed with the SEC.

145. The statements in ¶144 concerning its Lontra and Loengo wells also omitted material facts when made, including that (i) Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

b) February 2012 Offering Materials

146. On February 23, 2012, Cobalt and certain selling shareholders of Cobalt common stock conducted a public offering of 59.8 million shares of Cobalt common stock. In connection with the Offering, the Company issued and filed with the SEC a Prospectus Supplement, and accompanying Prospectus, on February 24, 2012 (together with the other materials listed in ¶225 n.26, the "February 2012 Offering Materials"). The February 2012 Offering Materials incorporated by reference the statements in the 2011 Form 10-K set forth in ¶¶139, 142, which were materially false and misleading and omitted material facts, for the reasons described above in ¶¶140-41, 143.

147. The February 2012 Offering Materials also incorporated by reference the statements in the 2011 Form 10-K referenced in ¶144, and further stated that the Lontra and Loengo wells were "large, oil-focused high impact wells." These statements were materially false and misleading and omitted material facts, for the reasons described above in ¶¶144-45.

c) April 16, 2012 Press Release

148. On April 16, 2012, Cobalt issued a press release denying the *Financial Times* reports (*see* ¶95) that three government officials – Vicente, Kopelipa and Dino – held interests in Nazaki. In its press release, Cobalt stated that it "began its investigation into its Angola business relationships in 2007" and "Cobalt has based its decisions and actions on the results of these extensive investigations and will continue to maintain rigorous due diligence in all of its worldwide activities."

149. The statements in ¶148 were materially false and misleading when made. Cobalt's assertions that it had begun conducting an "investigation into its Angola business relationships in 2007" and "based its decisions and actions on the results of these extensive investigations" were materially false and misleading when made because, among other things, Nazaki's and Alper's foundational documents revealed that they were owned by Angolan government officials.

150. The statements in ¶148 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; (iv) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (v) Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

d) First Quarter 2012 Form 10-Q And Earnings Call

151. On May 1, 2012, Cobalt issued its Form 10-Q for the quarter ended March 31, 2012 (the "First Quarter 2012 Form 10-Q"). The First Quarter 2012 Form 10-Q incorporated by reference the same statements concerning Cobalt's Partnership set forth in ¶139 above, including that Cobalt: (i) had "limited" familiarity with Nazaki and Alper; (ii) had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA; and that (iii) Nazaki was "a full paying member of the [Partnership]." The Form 10-Q also misleadingly described Cobalt's oil prospect inventory in Angola as "high impact," and stated that "[a]ll of our prospects are oil-

focused." These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶¶140-41, 144-45 above.

152. Also on May 1, 2012, Cobalt conducted an earnings conference call in connection with the First Quarter 2012 Form 10-Q. During the call, Defendant Bryant stated that:

> Transparency is a primary focus at Cobalt and frankly we cannot operate without it. We have spent significant human and financial resources to ensure that the appropriate compliance was undertaken as relates to the contracts and agreements we have in place with our Angola partners. Our compliance efforts began in 2007 . . . . We are confident of this process and that we have done everything we can do. . . . Our compliance efforts never end, and we intend to continue our efforts in this same vein.

153. The statements in ¶152 were materially false and misleading when made. Contrary to Defendant Bryant's statement, Cobalt had not "ensure[d] that the appropriate compliance was undertaken as relates to the contracts and agreements we have in place with our Angola partners" because Cobalt's business partners Nazaki and Alper were owned by Angolan governmental officials. Bryant's statements that the Company's "compliance efforts began in 2007," "we have done everything we can do," and "[o]ur compliance efforts never end" were materially misleading when made because, among other things, Nazaki's and Alper's foundational documents revealed they were owned by Angolan government officials.

154. The statements in ¶152 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; (iv) Defendants did not reasonably believe that their "activities in Angola have complied with all

laws, including the Foreign Corrupt Practices Act"; (v) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (vi) Cobalt's payments to Angolan government officials created a significant risk of FCPA violations and regulatory action.

e) Second Quarter 2012 Form 10-Q

155. On July 31, 2012, Cobalt issued its Form 10-Q for the second quarter ending on June 30, 2012 (the "Second Quarter 2012 Form 10-Q"). The Second Quarter 2012 Form 10-Q incorporated by reference the same statements concerning Cobalt's Partnership set forth in ¶139 above. The Form 10-Q also misleadingly described Cobalt's oil prospect inventory in Angola as "high impact," and stated that "[a]ll of our prospects are oil-focused." These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶¶140-41, 144-45 above.

f) Third Quarter 2012 Form 10-Q And Related Earnings Call

156. On October 30, 2012, Cobalt issued its Form 10-Q for the third quarter ending on September 30, 2012 (the "Third Quarter 2012 Form 10-Q"). The Third Quarter 2012 Form 10-Q incorporated by reference the same statements concerning Cobalt's Partnership set forth in ¶139 above, including that Cobalt: (i) had "limited" familiarity with Nazaki and Alper; (ii) had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and that (iii) Nazaki was "a full paying member of the [Partnership]." These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶¶140-41 above.

157. During an investor conference call on October 30, 2012, to discuss Cobalt's quarterly results, Defendant Bryant stated that "[i]n Block 20, we have recently completed our new 3-D seismic over the Lontra prospect, and I'm happy to tell you that the prospect appears to be a very large pre-salt structure, significantly larger than Cameia, for example." Bryant stated Lontra was part of Cobalt's "all-star lineup of top-tier global exploration projects, as measured by any standard or in any portfolio."

158. The statements in ¶157 were materially false and misleading, and omitted material facts when made, including that (i) Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells, including Lontra; and (ii) Cobalt knew that the Lontra well had a high gas content well before December 2013, but delayed in disclosing that information to investors at the insistence of Sonangol.

g) December 2012 Offering Materials

159. On December 12, 2012, Cobalt issued to investors $1.38 billion worth of convertible senior notes due 2019 pursuant to a Prospectus Supplement filed with the SEC, and pursuant to the January 4, 2011 Registration Statement (together with the other materials listed in ¶234 n.27, the "December 2012 Offering Materials"). The December 12, 2012 Offering Materials incorporated by reference Cobalt's (i) 2011 Form 10-K and (ii) 2012 Forms 10-Q, which contained the same statements set forth in ¶¶139, 142, and 144. These statements were materially false and misleading and omitted material facts when made for the reasons set forth in ¶¶140-41, 143-45 above.

3. Defendants' Materially False And Misleading Statements And Omissions In 2013

a) January 2013 Offering Materials

160. On January 16, 2013, Cobalt selling shareholders offered 40 million shares of Cobalt common stock to investors pursuant to a Prospectus Supplement, and accompanying Prospectus, and pursuant to the January 4, 2011 Registration Statement (together with the other materials listed in ¶244 n.28, the "January 2013 Offering Materials"). The January 2013 Offering Materials incorporated by reference Cobalt's (i) 2011 Form 10-K and (ii) 2012 Forms 10-Q, which contained the same statements set forth in ¶¶139, 142, and 144 above. These statements were materially false and misleading and omitted material facts when made for the reasons set forth in ¶¶140-41, 143-45 above.

b) February 5, 2013 Investor Presentation

161. On February 5, 2013, Cobalt held an investor presentation. The presentation slides described the potential amount of oil in Cobalt's Lontra prospect as "Greater than [a] Billion" barrels by mid-2013. The presentation slides further described the Lontra well as being "In A League Of Its Own" and stated that "3D seismic [analysis] has confirmed Lontra as a 'super-size' prospect." Another slide from the presentation, titled "2013: Exceptional Exposure to High Impact Exploration and Development" listed Lontra as a "high impact" oil well for 2013. These statements were materially false and misleading because rather than being a "high impact" well with a billion barrel potential, Lontra contained a significant quantity of unmarketable gas. These statements also omitted material facts when made, including that Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells, including Lontra.

c) 2012 Form 10-K And Related Statements

162. On February 26, 2013, Cobalt filed with the SEC its Form 10-K for the year ended December 31, 2012 (the "2012 Form 10-K"). The 2012 Form 10-K was signed by Defendants Bryant and Wilkirson, among others. The 2012 Form 10-K contained the same materially false and misleading statements set forth in ¶139, including that Cobalt: (i) had "limited" familiarity with Nazaki and Alper; (ii) had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and that (iii) Nazaki was "a full paying member of the [Partnership]." These statements were materially false and misleading and omitted material facts when made for the reasons set forth in ¶¶140-41 above.

163. The 2012 Form 10-K also stated that "[o]ur oil-focused exploration efforts target pre-salt horizons on Blocks 9, 20 and 21 offshore Angola." On February 26, 2013, Cobalt also issued a press release on Form 8-K in which Defendant Farnsworth stated that "every well we drill this year in Angola . . . will be significant." During an investor conference call on February 26, 2013, and in response to an analyst's question, Bryant further stated that Cobalt had determined that "Lontra could be several times the size of a Cameia" based on its "all hands on deck strategy there to get the earliest data" and "everybody" was focused on finishing up the Lontra analysis. Bryant stated that Lontra was one of "four of the world's most anticipated wells." These statements were materially false and misleading when made because Cobalt's Lontra well was not "oil-focused" or "significant" and the Company was forced to disclose facts showing that Lontra held a higher gas content than represented. These statements also omitted material facts when made, including that Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells.

164. The 2012 Form 10-K also stated that Cobalt had certain "social payment obligations" under the contracts for Blocks 9, 20 and 21, including its contributions for "social projects such as the Sonangol Research and Technology Center." Cobalt further stated that it was obligated to pay approximately $337 million for these purported "social projects" in Angola. These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶143.

d) First, Second, and Third Quarter 2013 Forms 10-Q

165. On April 30, 2013, July 30, 2013, and October 29, 2013, Cobalt filed its Forms 10-Q for the first, second, and third quarters of 2013, respectively (the "2013 Forms 10-Q"). Each of the 2013 Forms 10-Q incorporated by reference the same materially false and misleading statements set forth in ¶162 above, including that Cobalt: (i) had "limited" familiarity with Nazaki and Alper; (ii) had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and that (iii) Nazaki was "a full paying member of the [Partnership]." These statements were materially false and misleading, and omitted material facts when made for the reasons set forth in ¶¶140-41.

166. Each of the 2013 Forms 10-Q also falsely stated that "[a]ll of the Company's prospects are oil-focused." In addition, Cobalt's Form 10-Q for the third quarter of 2013 stated that "the Lontra #1 exploratory well had reached total depth and the drilling and evaluation results confirm an oil and gas discovery." These statements were materially false and misleading when made. Cobalt's Lontra and Loengo wells were not "oil-focused," and Cobalt was forced to disclose facts showing that Lontra held a higher gas content than represented, and Loengo was a "dry hole." These statements also omitted material facts when made, including that Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells.

e) March 19, 2013, May 21, 2013, June 4, 2013, And August 28, 2013 Investor Presentations

167. On March 19, 2013, May 21, 2013, June 4, 2013, and August 28, 2013, Cobalt held investor presentations in which the Company made the same statements referenced in ¶161. These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶161.

f) May 2013 Offering Materials

168. On May 8, 2013, certain Cobalt selling shareholders offered to investors 50 million shares of Cobalt common stock pursuant to Cobalt's Prospectus Supplement and accompanying Prospectus (together with the other materials listed in ¶249 n.29, the "May 2013 Offering Materials").

169. The May 2013 Offering Materials were issued pursuant to the January 4, 2011 Registration Statement, and incorporated by reference Cobalt's (i) 2012 Form 10-K; (ii) First Quarter 2013 Form 10-Q; and (iii) February 26, 2013 Form 8-K. Those filings contained the same material misstatements identified above at ¶¶162-64. These statements which were incorporated by reference in the May 2013 Offering Materials were materially false and misleading, and omitted material facts when made, for the same reasons set forth in ¶¶140-41, 143, and 163 above.

g) September 10, 2013, October 29, 2013, And December 3, 2013 Investor Presentations

170. In investor presentations dated September 10, 2013, October 29, 2013, and December 3, 2013, Cobalt stated that it had "world class . . . partners" in Angola, and that it had engaged in "partnerships with leading global deepwater operators" in the country. These statements were materially false and misleading because Defendants knew, or were reckless in not knowing, that (i) Nazaki lacked the "competence and financial capacity" to be a legitimate partner

in Cobalt's oil exploration activities in Angola and (ii) neither Nazaki nor Alper were "leading global deepwater operators" in Angola.

171. The statements in ¶170 also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate partner in Cobalt's oil exploration activities in Angola and "did not possess the legal requirements to be associated with the National Concessionary"; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments related to its payment of the costs associated with the operations of the Partnership; and (iv) Nazaki's and Alper's connections to the Angolan government posed a significant risk of FCPA violations and regulatory action.

h) October 29, 2013 Form 8-K and Related Statements

172. In a press release filed on Form 8-K with the SEC on October 29, 2013, Defendant Bryant stated that "it's clear" that Lontra had "been successful in finding and delineating new hydrocarbon resources in the Angolan Pre-salt. This is a remarkable and highly unusual start to the exploration of such an immense new basin."

173. During an investor conference call also on October 29, 2013 in connection with Cobalt's Form 10-Q for the third quarter of 2013, Defendant Farnsworth stated that Cobalt had acquired a new survey of Block 20, "which has been extremely high quality." Farnsworth stated that Lontra "is an oil field plus a very complex gas field." When asked by a Credit Suisse analyst for "a little about how you are thinking about gas to oil ratios that you have seen, and how it might impact your view of the [Lontra] development," Farnsworth assured investors that "we know there is oil in this structure" and "this is not the big gas field" that Cobalt could not monetize. Defendant Bryant stated that "we found a very good quality reservoir at Lontra, which encourages us for the entire block [Block 20]. . . ."

174. These statements were materially false and misleading, and omitted material facts when made, including that (i) Sonangol required, and Cobalt agreed, to delay providing adverse information regarding its Angolan wells, including Lontra; and (ii) Cobalt knew that the Lontra well had a high gas content well before December 2013, but delayed in disclosing that information to investors at the insistence of Sonangol.

i) December 2013 Registration Statement

175. On December 30, 2013, Cobalt filed with the SEC a Form S-3 "shelf" Registration Statement and Prospectus (the "December 30, 2013 Registration Statement") that allowed the Company to make subsequent securities offerings. This Registration Statement was signed by Defendants Bryant and Wilkirson, among others. The December 30, 2013 Registration Statement incorporated Cobalt's (i) 2012 Form 10-K and (ii) 2013 Forms 10-Q by reference, and contained the same materially false statements and omissions identified in ¶¶162-64, including: (i) that Cobalt had "limited" familiarity with Nazaki and Alper; (ii) that Cobalt had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; (iii) that Nazaki was "a full paying member of the [Partnership]"; (iv) that "[o]ur oil-focused exploration efforts target pre-salt horizons on Blocks 9, 20 and 21 offshore Angola."; (v) that Cobalt had certain "social payment obligations" under the contracts for Blocks 9, 20 and 21, including its contributions for "social projects such as the Sonangol Research and Technology Center; and (vi) that Cobalt was obligated to pay approximately $337 million for these purported "social projects" in Angola These statements were materially false and misleading, and omitted material facts when made, for the reasons set forth in ¶¶140-41 and 143 above.

4. Defendants' Materially False And Misleading Statements And Omissions In 2014

a) The 2013 Form 10-K and Related Statements

176. On February 27, 2014, Cobalt filed with the SEC its Form 10-K for the year ended December 31, 2013 (the "2013 Form 10-K"). The 2013 Form 10-K was signed by Defendants Bryant and Wilkirson, among others. The 2013 Form 10-K contained the same materially false and misleading statements set forth in ¶¶139 and 162, including that Cobalt: (i) had "limited" familiarity with Nazaki and Alper; (ii) had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and that (iii) Nazaki was "a full paying member of the [Partnership]." These statements were materially false and misleading and omitted material facts when made for the reasons set forth in ¶¶140-41 above.

177. The 2013 Form 10-K further stated that Cobalt had certain "social payment obligations" under the contracts for Blocks 9, 20 and 21, including its contributions for "social projects such as the Sonangol Research and Technology Center." Cobalt also stated that it was obligated to pay approximately $337 million for these purported "social projects" in Angola. These statements were materially false and misleading, and omitted material facts when made, for the reasons stated in ¶143.

178. Also on February 27, 2014, Cobalt held an investor conference call. During the call, analyst John Malone from Mizuho Securities asked whether "reservoir quality [was] still an open question there" in Block 9 (one of the two blocks, along with Block 21, involved in the Partnership). Defendant Farnsworth responded by distinguishing Block 9 as particularly reliable. He stated that, based on "a new 3-D survey over the block" that Cobalt "required," it was "much to [Farnsworth's] delight" that Cobalt "found quite a large structure, which we think has a 250- to

500 million-barrel potential. That's what's called Loengo . . . . [which was] certainly in a block that we know there's oil in it."

179. The statements in ¶178 were materially false and misleading, and omitted material facts when made. As Cobalt disclosed just eight months later, the Loengo well was a dry hole with no oil. The statements in ¶178 also omitted that: (i) Sonangol required, and Cobalt agreed, to delay providing to investors adverse information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

b) The First Quarter 2014 Form 10-Q

180. On May 1, 2014, Cobalt issued its Form 10-Q for the quarter ended March 31, 2014 (the "First Quarter 2014 Form 10-Q"). The First Quarter 2014 Form 10-Q incorporated by reference the same materially false and misleading statements set forth in ¶176 above. In the Form 10-Q, Cobalt did not modify the "250- to 500 million barrel" estimate that it had previously given for Loengo's oil content. These statements were materially false and misleading and omitted material facts when made for the reasons set forth in ¶¶140-41 and 179 above.

181. Additionally, the First Quarter 2014 Form 10-Q included an "Operational Highlights" section which described Cobalt's various drilling projects in Angola and enumerated the Company's partners for each project. With respect to Cobalt's Cameia and Loengo wells, Cobalt stated that Alper had a "10% working interest." This statement was materially false and misleading, and omitted material facts when made. As of March 25, 2014, Alper no longer had a working interest in either project.

c) The May 2014 Offering Materials

182. On May 8, 2014, Cobalt issued to investors $1.3 billion worth of convertible senior notes due 2024 pursuant to, among other filings, a Prospectus Supplement filed with the SEC on May 9, 2014 (together with the other materials listed in ¶255 n.30, the "May 2014 Offering

Materials"). The May 2014 Offering Materials were issued pursuant to the December 30, 2013 Registration Statement, and incorporated Cobalt's (i) 2013 Form 10-K and (ii) First Quarter 2014 Form 10-Q by reference.

183. Through this incorporation by reference, the May 2014 Prospectus contained the same materially false statements and omissions identified in ¶¶176-77 and 181, including: (i) that Cobalt had "limited" familiarity with Nazaki and Alper; (ii) that Cobalt had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; (iii) that Nazaki was "a full paying member of the [Partnership]"; (iv) that "[o]ur oil-focused exploration efforts target pre-salt horizons on Blocks 9, 20 and 21 offshore Angola"; (v) that Cobalt had certain "social payment obligations" under the contracts for Blocks 9, 20 and 21, including its contributions for "social projects such as the Sonangol Research and Technology Center; (vi) that Cobalt was obligated to pay approximately $337 million for these purported "social projects" in Angola; and (v) that Alper had a "10% working interest" in the Partnership. These statements were materially false and misleading, and omitted material facts when made, for the reasons set forth in ¶¶140-41, 143, and 181 above.

d) Second Quarter 2014 Form 10-Q and Related Statements

184. On August 5, 2014, Cobalt held an investor conference call in connection with its Second Quarter 2014 results. During the call, Bryant specified that Loengo was a "750 million-barrel" prospect. These statements were materially false and misleading, and omitted material facts when made, because Cobalt knew that there was "not even a question" that Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well. In fact,

Cobalt was "forced" to take Block 9, where it drilled Loengo, to satisfy Angola's state-owned Sonangol.

185. On August 6, 2014, Cobalt filed its Form 10-Q for the second quarter of 2014 with the SEC (the "Second Quarter 2014 Form 10-Q"). In the Form 10-Q, Cobalt did not modify the "250- to 500 million-barrel" estimate that Cobalt had previously given (¶178) for Loengo's oil content, even after, according to the Form 10-Q, "Loengo was mapped using our 3-D seismic data." Nor did the Form 10-Q modify the 750 million barrel estimate for Loengo stated by Bryant the day before. These statements were materially false and misleading, and omitted material facts when made. As Cobalt disclosed just three months later, the Loengo well was a dry hole with no oil. These statements also omitted that: (i) Sonangol required, and Cobalt agreed, to delay providing to investors adverse information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

B. Additional Allegations of Defendants' Scienter

186. As alleged herein, numerous facts, in addition to those discussed above, raise a strong inference that Defendants knew or were reckless in disregarding the true facts concerning Cobalt's operations in Angola. Because scienter is not an element of Plaintiffs' claims under the Securities Act, the allegations set forth in this section pertain only to Plaintiffs' claims under the Exchange Act.

187. *The Executive Defendants repeatedly denied specific accusations that Nazaki had a connection with the Angolan government, and repeatedly touted the quality of the Lontra and Loengo wells, assuring investors that they knew what they were speaking about.* Accusations were made both before and throughout the Class Period that Cobalt's "partners" were, in fact, sham entities owned by Angolan government officials, including in a Global Witness report in 2010 and in a criminal complaint and *Financial Times* articles in 2012. Defendants repeatedly denied all

allegations of any connection between Nazaki and senior Angolan government officials due to their supposed "extensive investigation," "extensive due diligence," and their expenditure of "significant human and financial resources to ensure that the appropriate compliance was undertaken." In addition, Bryant stated that "[o]ur compliance efforts began in 2007," and "never end," adding that Cobalt had done "everything we can do." Furthermore, as explained above (*see* ¶¶102-04, 106-07), Defendants repeatedly spoke about the oil content in the Lontra and Loengo wells, making specific comparisons to other Cobalt wells and providing specific figures regarding the wells' oil content. Defendants' false representations repeated over a period of years that Cobalt was investigating Nazaki and found no connection to any Angolan officials, and with respect to the quality of the Lontra and Loengo wells, support a strong inference that Defendants acted with scienter.

188. *It was widely known within Cobalt that Nazaki was owned by senior Angolan officials*. Several former Cobalt employees explained that the Company and its executives knew during the Class Period that Nazaki was owned by senior Angolan officials. For instance, Cobalt's Shorebase Foreman from February 2013 to June 2014 (see ¶71 n.20) stated that it was "common knowledge" at Cobalt that Nazaki was owned by three senior-level Angolan officials, explaining that "We all knew that. My second or third day there, I learned this." Further, according to the Shorebase Foreman, when Cobalt employees questioned that relationship, they were told "[t]hat's just the way you do business around here." The Company's former CIO (*see* ¶72 n.21) also explained that Cobalt's Deputy Director in Angola, Antonio Vieira, was "pretty adamant" that there was "no way" Cobalt executives did not know that Vicente, Kopelipa, and Dino had government ties. In addition, a former Cobalt chauffeur in Angola – who understood that Vicente, Kopelipa, and Dino owned Nazaki – explained that, beginning in 2011, he drove Cobalt executives including

Defendant Bryant, Richard Smith, Michael Drennon, John Kennedy, Kevin Curry, and others to over 20 separate meetings to meet with Vicente, Kopelipa, and Dino together, with these meetings happening before and after the closing of the contracts regarding the Blocks 9 and 21 and occurring on a floor of a building that Nazaki had rented.

189. When Cobalt refused to identify the true owners of Nazaki and Alper, it was not because Cobalt did not know their identity, but instead on the grounds that doing so would supposedly "involve selective disclosure of non-public company information and, in some cases, to do so would also be a breach of the confidentiality provisions of agreements by which [Cobalt] are bound." The widespread knowledge inside Cobalt of Nazaki's ownership by senior Angolan officials, and the Company's response to employees recognizing that fact, are further indicia of Defendants' scienter.

190. *The Executive Defendants had access to information showing that the Angolan governmental officials owned Nazaki and Alper*. As the Partnership's operator and one of the partners, and with offices, extensive contacts, and various employees located in Angola, the Company had access to various sources of information regarding the connection between Nazaki, Alper, and senior Angolan officials. For instance, Cobalt had access to the basic corporate records for Nazaki and Alper. As discussed above at ¶¶63-70, those documents showed that Nazaki and Alper were owned by Angolan governmental officials. In addition, Cobalt had a long-standing relationship with Vicente, one of the owners of Nazaki and the head of one of Cobalt's partners, Sonangol. When the *Financial Times* asked Vicente whether he owned Nazaki, he said he did. Further, Vicente announced during a press conference in 2012 that, in continuing to conduct business in Angola, Cobalt was "disregarding the rules" in the United States. The fact that Defendants had access to records and people who readily revealed the true owners of Nazaki and

Alper shows that Defendants knew, or were reckless in not knowing, those individuals' ownership interest.

191. *Nazaki's and Alper's failures to comply with their responsibilities under the RSAs further demonstrated that they were sham entities.* The RSAs for Blocks 9 and 21 required Nazaki and Alper to take certain actions. These entities, along with Cobalt and Sonangol, were required to collectively coordinate and supervise the activities of exploration, appraisal, development, and production, "which constitute[d] the object of the" Partnership. Among other things, they were obligated to establish an Operating Committee, which was to meet regularly to make operational and other decisions on Blocks 9 and 21. However, as discussed above, Nazaki representatives stopped attending meetings in Houston by no later than late 2011, and Alper representatives stopped attending meetings in Houston by mid-2012. Nazaki and Alper were also not given access to Partnership documents. That Cobalt continued to represent that these entities were legitimate partners, notwithstanding the facts showing otherwise, is evidence of scienter.

192. *Cobalt's Board of Directors insisted that the Company conduct an internal investigation of missing funds in Angola, leading to the demotion of Cobalt's Angola Country Manager.* Multiple former Cobalt employees have explained that Cobalt conducted a bribery investigation in late 2011 and 2012. According to the Company's former CIO, the Cobalt Board of Directors insisted that Cobalt conduct the investigation. As discussed above in ¶¶83-91, the bribery investigation, which centered on Bryant's direct report – Cobalt's Senior Vice President and Country Manager for Angola, Richard Smith – focused on a large sum of money Smith spent in Angola that was "missing" and that Smith "couldn't account for." The former CIO explained that Smith, who was involved in the negotiations with Sonangol representatives for Blocks 9 and 21, openly bragged to him and other Cobalt employees about his connections in the Angolan

government. Angolan journalist de Morais has stated that Cobalt's Country Manager – who was Smith until late 2011 – was living in a house owned by Vicente, and paying "beyond" $30,000 to $40,000 in monthly rent as "bribes." Cobalt's senior administrative assistant in Cobalt's human resources department from November 2009 to August 2013 (*see* ¶88 n.24) similarly understood that it was discovered through the course of Cobalt's internal investigation that Smith had bribed an Angolan official with whom Cobalt had been working to develop business in Angola, yet Smith was not fired. The Executive Defendants knew, or were reckless in not knowing, through the findings of the Board's investigation, and any other things, that their statements to investors about their business practices in Angola were false and omitted material facts.

193. *The Company discussed the delay of disclosing the truth about its wells at the insistence of Sonangol*. Former Cobalt employees have revealed how executives were aware that Cobalt was intentionally delaying release of the disclosure that Lontra held a higher gas content than represented, and that Bryant ultimately decided when to release that information. The Company's former CIO (*see* ¶72 n.21) stated Sonangol required Cobalt to "sit on information" prior to releasing it to investors regarding Angolan wells and it was a dynamic that was "openly talked about" at Cobalt. The former CIO stated that there were emails going back and forth between Sonangol and Cobalt executives about this, and that one time when Cobalt disclosed something without Sonangol's approval, Cobalt "got in real trouble." According to Cobalt's former CIO, Cobalt sat on the information regarding the Lontra well "a lot longer than they normally would."

194. *Cobalt's operations in Angola were "core" operations for the Company.* Cobalt is a small company, with only approximately 35 employees. As Cobalt's Chief Financial Officer and Executive Vice President from June 2009 to June 2010 (*see* ¶61 n.7) has explained, Angola was a

key part of Cobalt's strategy and the Company laid out its Angolan strategy for banks and investors, and said that Angola was one of the Company's two core operations. Cobalt's top officers, the Executive Defendants, controlled the Company's day-to-day operations and were informed of and responsible for monitoring important developments concerning Angola. Indeed, throughout the Class Period, these Defendants were among those responsible for making specific communications to analysts and the press in response to specific questions concerning the Company's operations in Angola, the value of the Company's wells and prospects and the nature of the Company's Partnership. Moreover, as explained by Cobalt's Chief Financial Officer and Executive Vice President from June 2009 to June 2010 (*see* ¶61 n.7), Bryant was "a very hands-on manager; he was very involved in all the details of the Gulf of Mexico [and] Angola." In addition, as Cobalt has stated, because it has "a very small employee base compared to [its] competitors . . . each of [its] executives assumes greater responsibilities than they otherwise would" while working elsewhere.

195. That Angola was a "core" operation for Cobalt is corroborated by the Company's repeated statements in its filings with the SEC, which stated that the Company had a "focus" in offshore Angola and highlighted the importance of its Angolan wells by describing them as, for instance, "world class" and "high impact." In addition, while Cobalt has not yet reported any revenues from its operations in Angola, during the Class Period Cobalt attributed as much as 46% of its operating costs and expenses to its West Africa operations. The importance of the Partnership and the offshore Angolan wells to the Company's bottom line further raises a strong inference that the Executive Defendants knew, or were reckless in not knowing, that their representations about the Partnership and its Angolan operations were false and omitted material facts.

196. *Bryant's extensive experience in Angola and personal connections to senior Angolan officials raise a strong inference of scienter.* Bryant had a long-standing connection to senior Angolan officials, including Vicente, which enabled Cobalt to obtain the rights to explore and drill in the Angolan Blocks 9, 20, and 21. Prior to Cobalt's inception, Bryant had lived in Angola and established close relationships with many of the important figures at Sonangol, including the most powerful Sonangol representative: Vicente. As explained by Cobalt's Chief Financial Officer and Executive Vice President from June 2009 to June 2010 (*see* ¶61 n.7), Bryant was the Cobalt employee with the longest relationships in Angola and Bryant's "in-country experience with [BP] in working with Sonangol gave him the ability [ ] to sell Cobalt's expertise to [Sonangol]." Meanwhile, Vicente has admitted – when asked – that he knew Bryant "very well." Accordingly, Bryant knew or was reckless in not knowing that Vicente, Kopelipa and Dino, owned, and would profit from, Nazaki's stake in the Partnership.

197. *Cobalt delayed five months in disclosing that the Angolan government had terminated Alper's interest in the Partnership.* Although the Angolan decree terminating Alper's interest in the Partnership was effective March 25, 2014, Cobalt's Form 10-Q for the first quarter of 2014, filed on May 1, 2014, had stated that Alper still had a 10% interest that Cobalt was carrying, and Cobalt did not disclose Alper's termination until August 27, 2014. In addition, in Cobalt's August 27, 2014 disclosure of Nazaki's interest in the Partnership, Cobalt omitted that the government decrees ejecting Nazaki from the Partnership declared that Nazaki did not have "proven competence and financial capacity" to hold the blocks and that it repeatedly had not met its "economic and financial commitments." Furthermore, all of Alper's and Nazaki's interests in the Partnership reverted to Sonangol, which was owned by the Angolan government. As analysts at J.P. Morgan noted, it was "curious" that it took years to admit that Nazaki did not have "the

competence or financial capacity to be a genuine partner" with Cobalt. Cobalt's failures to timely disclose the Angolan government's takeover of its partners, Nazaki's lack of "competence and financial capacity," and Nazaki's failures to meet its economic and financial commitments, are further strong indicia of the Executive Defendants' scienter.

C. Loss Causation

198. Because loss causation is not an element of Plaintiffs' claims under the Securities Act, the allegations set forth in this section pertain only to Plaintiffs' claims under the Exchange Act. In connection with Plaintiffs' Exchange Act claims, Defendants' misrepresentations and omissions of material fact alleged above in Section V.A. artificially inflated the price of Cobalt's securities during the Class Period.

199. The artificial inflation created by Defendants' alleged misrepresentations and omissions was removed from the prices of Cobalt common stock, 2019 Bonds, and 2024 Bonds in direct response to information revealed in the disclosures alleged in this Section, through which facts that partially corrected Defendants' prior misrepresentations and omissions of material fact were revealed and/or the risks concealed by such misrepresented and omitted material facts partially materialized.

200. On April 15, 2012, after the NYSE closed for trading, the *Financial Times* issued articles entitled "Spotlight falls on Cobalt's Angola partner" and "Angola officials held hidden oil stakes." These articles stated that "Mr. Vicente and Manuel Hélder Vieira Dias Júnior, head of the military bureau in the presidency and known as General Kopelipa, confirmed to the FT last week that they had held shares in Nazaki. They said Leopoldino Fragoso do Nascimento, known as General Dino, a former head of communications in the presidency, held shares too." According to the *Financial Times*, Vicente and Kopelipa further stated that "their interests and those of General Leopoldino Fragoso do Nascimento were held through Grupo Aquattro Internacional. Aquattro is

named as a Nazaki shareholder in two company documents from 2007 and 2010 obtained by the FT."

201. Following these revelations, the price of Cobalt common stock tumbled over 11% at the start of trading on April 16, 2012. During the trading day, however, Cobalt issued a press release denying the allegations and refuting the truthfulness of the information set forth in the *Financial Times* articles. The Company's immediate denial of wrongdoing contained the decline in Cobalt's stock price. For example, analysts at J.P.Morgan stated on April 19, 2012 that based upon Defendants' representations, "Cobalt appears to have made no payments to Nazaki." The report further stated that J.P. Morgan's analysts believed the issue would "likely go[] away."

202. Following Defendants' denials, as set forth above in Section V.A., Defendants continued to make positive statements about Cobalt's Angolan oil wells from April 2012 through late 2013. Then, on Sunday, December 1, 2013, Cobalt issued a press release reporting that the previously represented "massive" and "oil-focused" Lontra well, in fact, contained "more gas than [Cobalt's] pre-drill estimates" and was only economically viable for condensate/oil sales. As a result of this partial disclosure, the Company announced that it was temporarily abandoning Lontra.

203. The market was surprised by these disclosures. For example, J.P. Morgan issued a December 2, 2013 report stating that "investors likely will question the partners' ability to commercialize the discovery, given the high natural gas content [of the Lontra exploration] and the vagueness about potential commercial options." In response to the Company's December 1, 2013 disclosures about Lontra, Cobalt's stock price declined by approximately 21.2% (or $4.72 per share) from a close of $22.23 per share on November 29, 2013, to close at $17.51 per share on December 3, 2013, on heavier than usual trading volume of more than 35.4 million shares.

204. These disclosures, however, did not fully reveal the misrepresented and concealed facts and risks concerning the value and prospects of the Company's Angolan wells. Instead, Cobalt directed investors' attention to the Company's Loengo oil well. Based upon the Company's positive representations, investors were led to believe that the impact of the Lontra failure on Cobalt's financial condition would not be significant. For example, analysts at Credit Suisse reported on December 3, 2013 that Cobalt "still has plenty of inventory running room in Angola," while Morgan Stanley reported on December 3, 2013 that Cobalt was "Down Not Out" given that "[l]arge, high-impact prospects remain and are being drilled in 2014," including Loengo.

205. On August 5, 2014, additional facts were disclosed that corrected Cobalt's representations throughout the Class Period about the Partnership and its supposedly legitimate "social payments." Specifically, *Bloomberg* reported that Cobalt's "social payments" included substantial funding for an Angolan research center that did not exist.

206. Also on August 5, 2014, Cobalt disclosed that the SEC's Enforcement Division had "recommend[ed] that the SEC institute an enforcement action against the Company, alleging violations of certain federal securities laws." In this regard, the Company revealed that it had received a Wells Notice from the SEC "related to the investigation [the SEC] has been conducting relating to Cobalt's operations in Angola, and the allegations of Angolan government official ownership of Nazaki." Cobalt further announced that as part of the SEC's potential enforcement action, the agency may seek remedies that include monetary penalties.

207. In direct response to the August 5, 2014 disclosures concerning Cobalt's alleged illicit payments to Angolan officials, the prices of Cobalt securities fell dramatically. Cobalt's common stock price declined by $1.75 per share, or more than 11%, from a close of $15.97 per

share on August 4, 2014, to close at $14.22 per share on August 5, 2014, on heavier than usual trading volume of more than 17 million shares.

208. In the wake of the August 5, 2014 disclosures, Credit Suisse reported on August 14, 2014, that it was the ongoing DOJ action that was the "wildcard" for Cobalt. Explaining that the market could not know the extent of the DOJ's investigation until "the SEC processes [Cobalt's] response to the [Wells] Notice (e.g. potentially next year)," the analyst explained that FCPA fines were typically larger when coming from the DOJ and directed investors to the DOJ's resolutions and "Principles of Prosecution" set forth in *A Resource Guide to the U.S. Foreign Corrupt Practices Act* (available at http://www.justice.gov/criminal/fraud/fcpa/guide.pdf), which differ from those of the SEC's civil investigation. The DOJ investigation is ongoing.

209. The risks concealed by Defendants' materially false and misleading statements and omissions of material fact concerning the Company's Angolan wells materialized on November 4, 2014. At the beginning of trading that day, the Company announced that the "oil-focused" "very large prospect of Loengo" was nothing more than "a dry hole" devoid of any commercial hydrocarbons, and that Loengo had been "plugged and abandoned." Cobalt further disclosed a $55 million impairment charge related to Loengo. The Company further admitted that Loengo had been the "primary target in Block 9" and that Cobalt had not yet identified what, if any, were the next prospects in Block 9.

210. Following the news about Loengo and Cobalt's negatively impacted financial results, Brean Capital, LLC reported on November 4, 2014 that "[t]he negative result was led by unsuccessful drilling efforts at the Loengo #1 pre-salt prospect, giving rise to a $55MM impairment charge that we had not anticipated, and higher-than-expected other exploration

expenses of $38MM compared to our estimates of $10MM." UBS similarly reported on November 4, 2014, that "Disappointing Loengo Results Hurt Already Discounted Shares."

211. In direct response to the November 4, 2014 disclosures, the price of Cobalt's common securities declined in value. The price of the Company's common stock declined by 11.5% from $11.38 per share at the close of trading on November 3, 2014, to $10.07 per share at the close of trading on November 4, 2014 on heavier than usual trading volume of more than 15 million shares.

212. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the damages suffered by Plaintiffs and other Class members. Had Defendants disclosed complete, accurate, and truthful information concerning these matters during the Class Period, Plaintiffs and other Class members would not have purchased or otherwise acquired Cobalt's securities, or would not have purchased or otherwise acquired these securities at the artificially inflated prices that they paid. It was also entirely foreseeable to Defendants that misrepresenting and concealing these material facts from the public would artificially inflate the price of Cobalt securities and that the ultimate disclosure of this information, and/or the materialization of the risks concealed by Defendants' material misstatements and omissions, would cause the price of Cobalt securities to decline.

213. The economic loss, i.e., damages, suffered by Plaintiffs and other Class members directly resulted from Defendants' materially false and misleading statements and omissions of material fact, which artificially inflated the price of the Company's securities when the truth was revealed and/or the risks previously concealed by Defendants' material misstatements and omissions materialized. As a result of the previously misrepresented and concealed material information and risks that were disclosed on April 15, 2012, December 1, 2013, August 5, 2014

and November 4, 2014, and the corresponding substantial decline in the price of Cobalt securities as the market absorbed this information, Plaintiffs and other Class members have suffered economic loss.

D. Presumption of Reliance

214. Because reliance is not an element of Plaintiffs' claims under the Securities Act, the allegations set forth in this section pertain only to Plaintiffs' claims under the Exchange Act. At all relevant times, the market for Cobalt's common stock was efficient for the following reasons, among others:

(a) Cobalt's stock met the requirements for listing, and was listed and actively traded on the New York Stock Exchange, a highly efficient and automated market;

(b) As a regulated issuer, Cobalt filed periodic reports with the SEC and the New York Stock Exchange;

(c) Cobalt regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

(d) Cobalt was followed by numerous securities analysts employed by major brokerage firms, including Credit Suisse and Brean Capital, LLC, and who wrote reports which were distributed to those brokerage firms' sales force and certain customers. Each of these reports was publicly available and entered the public market place.

215. As a result of the foregoing, the market for Cobalt's common stock reasonably promptly digested current information regarding Cobalt from all publicly available sources and reflected such information in the price of Cobalt's common stock. All purchasers of Cobalt common stock during the Class Period suffered similar injury through their purchase of Cobalt common stock at artificially inflated prices, and a presumption of reliance applies.

216. A Class-wide presumption of reliance is also appropriate in this action under the United States Supreme Court holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S.

128 (1972), because the claims asserted herein against Defendants are predicated upon omissions of material fact for which there is a duty to disclose.

VI. VIOLATIONS OF THE SECURITIES ACT

217. Plaintiffs' claims under the Securities Act do not sound in fraud and Plaintiffs expressly disavow and disclaim any allegations of fraud, scheme or intentional conduct as part of their claims under the Securities Act. Any allegations of fraud, fraudulent conduct, or motive are specifically disclaimed from the following allegations for the purposes of Plaintiffs' claims under the Securities Act, which do not have scienter, fraudulent intent or motive as required elements. To the extent that these allegations incorporate factual allegations elsewhere in this Complaint, those allegations are incorporated only to the extent that such allegations do not allege fraud, scienter, or intent of the Defendants to defraud Plaintiffs or members of the Class.

218. As alleged below, Cobalt and other Defendants made a series of materially untrue statements and omissions of material facts in Cobalt's registration statements, prospectuses and prospectus supplements in connection with the Company's five securities Offerings during the Class Period, and in the Company's public filings incorporated by reference into and therefore deemed part of the registration statements, prospectuses and prospectus supplements for the Offerings.

219. Defendants' untrue statements of material fact included, among other things, that: (i) Nazaki and Alper were legitimate "partners" in the Partnership; (ii) despite its own "extensive due diligence" and "extensive investigations" into that Partnership, Cobalt was unaware of the underlying facts concerning the true nature of Nazaki and Alper, which had created a significant risk of regulatory action; (iii) Cobalt was likewise unaware of any improper connection between Angolan government officials and Nazaki and Alper; (iv) Cobalt's payments for the Sonangol

Research and Technology Center were legitimate "social payments"; (v) Alper remained a member of the Partnership well after March 25, 2014; and (vi) the Company had two "key" "oil-focused" wells in Lontra and Loengo, which would be significant discoveries for the Company in Angola.

220. Defendants' representations were untrue and omitted material facts when made, including that: (i) Nazaki and Alper were, in fact, controlled by Angolan government officials; (ii) far from a "fully paying" and beneficial partner, Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola; (iii) the Sonangol Research and Technology Center for which "customary" social payments were purportedly made does not (and never did) exist; (iv) the Company's Board of Directors ordered the Company to conduct an internal investigation into the activities of Cobalt's Senior Vice President and Country Manager for Angola in response to concerns over a large sum of money spent in Angola that he "couldn't account for," which led to his removal from his post in Angola; (v) Cobalt's "key" Lontra and Loengo wells were not, in fact, "oil-focused" – Lontra contained less oil (and far more gas) than Cobalt had represented and Loengo was nothing more than a "dry hole," which the Company would later be forced to abandon; and (vi) Sonangol requested, and Cobalt agreed, to delay making timely disclosures of adverse information to investors about its Angolan wells, including the existence of lower amounts of oil at Lontra than Cobalt had stated, and no oil at Loengo.

A. The February 2012 Common Stock Offering

221. On February 23, 2012, Cobalt and certain selling shareholders of Cobalt common stock offered to investors 59.8 million shares of Cobalt common stock (including a 7.8 million over-allotment option granted to the underwriters) at a price of $28.00 per share (the "February 2012 Common Stock Offering"). The underwriters of the February 2012 Common Stock Offering

were Goldman Sachs, Morgan Stanley, Credit Suisse, CGMI, J.P. Morgan, Tudor, Deutsche Bank, RBC, UBS, Howard Weil, Stifel Nicolaus, and Capital One.

222. In the February 2012 Common Stock Offering, Cobalt offered at least 18.1 million shares of Cobalt common stock for sale, and the following selling shareholders sold at least the number of shares of Cobalt common stock identified below:

The Carlyle/Riverstone Funds	11,907,228
The First Reserve Funds	11,799,154
The Goldman Sachs Group, Inc.	11,908,050
The KERN Fund	5,095,298
Joseph H. Bryant	862,500
James H. Painter	32,770
Van P. Whitfield	100,000
Jack E. Golden	45,000

223. The February 2012 Common Stock Offering was conducted pursuant to the "shelf" Registration Statement and Prospectus filed with the SEC on Form S-3 on January 4, 2011 (the "January 2011 Registration Statement and Prospectus"). The January 2011 Registration Statement and Prospectus was signed by Defendants Bryant, Wilkirson, Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young, each of whom was a Director of Cobalt.

224. The January 2011 Registration Statement and Prospectus characterized "information incorporated by reference [as] an important part of th[e] prospectus." The January 2011 Registration Statement and Prospectus expressly incorporated by reference, among other Cobalt public filings, the Company's (i) Annual Report on Form 10-K for the year ended December 31, 2009, (ii) Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010, June 30,

2010 and September 30, 2010, and (iii) Current Reports on Form 8-K dated January 29, 2010, February 24, 2010, May 4, 2010, May 12, 2010, May 24, 2010 and June 16, 2010 (collectively, "Cobalt's 2010 Section 13(a) Filings").

225. The January 2011 Registration Statement stated that information Cobalt later filed with the SEC would "automatically update and supersede this information." It also incorporated "all documents subsequently filed with the SEC pursuant to Section 13(a) . . . of the Securities Exchange Act of 1934, as amended, prior to the termination of the offering under th[e] prospectus." Accordingly, documents Cobalt thereafter publicly filed with the SEC pursuant to Section 13(a), including its subsequent annual reports on Forms 10-K, quarterly reports on Forms 10-Q, and current reports on Forms 8-K, updated and superseded Cobalt's 2010 Section 13(a) Filings and became part of the January 2011 Registration Statement and Prospectus and the February 2012 Offering Materials.[26]

226. The February 2012 Offering Materials therefore incorporated by reference Cobalt's (i) 2010 Form 10-K; (ii) March 11, 2011 Form 8-K; (iii) December 20, 2011 Form 8-K; and (iv) 2011 Form 10-K. Through the incorporation by reference of these filings, the February 2012 Offering Materials contained untrue statements and omissions of material fact concerning Cobalt's Angolan operations, including that: (i) Cobalt had "limited" familiarity with its Angolan partners Nazaki and Alper; (ii) Cobalt knew only of "allegations . . .of a connection between senior Angolan government officials and Nazaki"; (iii) Nazaki was a "full paying member of the contractor group for Blocks 9 and 21"; (iv) Cobalt had "conducted an extensive investigation into the[] allegations

[26] The January 4, 2011 Registration Statement; Cobalt's Preliminary Prospectus Supplement Subject to Completion, and accompanying Prospectus, filed with the SEC on February 21, 2012; and Cobalt's Prospectus Supplement, and accompanying Prospectus, filed with the SEC on February 24, 2012, as well as Cobalt's public filings incorporated by reference therein, are referred to collectively herein as the "February 2012 Offering Materials."

[concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and (v) Cobalt had paid millions in purported "social payment obligations" to fund "social projects" in Angola, including the Sonangol Research and Technology Center.

227. These statements were untrue because (i) contrary to Defendants' statements that they had "limited" familiarity with Nazaki and Alper, and that Defendants knew only of "allegations . . . of a connection between senior Angolan government officials and Nazaki," that entity was in fact owned by Angolan government officials; (ii) Nazaki's and Alper's foundational documents revealed that they were owned by Angolan government officials; and (iii) Cobalt's payments were not "social payment obligations" or "social project" payments to fund the Sonangol Research and Technology Center, but rather illegitimate payments made in exchange for Cobalt's access to Blocks 9, 20, and 21.

228. These statements also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments for the costs associated with the operations of the Partnership; (iv) Nazaki's and Alper's connections to the Angolan government posed a significant risk of FCPA violations and regulatory action; (v) Defendants did not reasonably believe that their "activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act"; (vi) the Sonangol Research and Technology Center did not exist; (vii) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (viii)

Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

229. Through the incorporation by reference of the (i) 2010 Form 10-K; (ii) March 11, 2011 Form 8-K; (iii) December 20, 2011 Form 8-K; and (iv) 2011 Form 10-K, the February 2012 Offering Materials also contained untrue statements and omissions of material fact concerning Cobalt's Angolan wells, including that: (i) "[a]ll of [Cobalt's] prospects are oil-focused"; and (ii) Cobalt "continue[d] to mature high impact prospects in [its] portfolio for upcoming exploratory drilling in . . .the deepwater offshore Angola." The February 2012 Offering Materials further stated that the Lontra and Loengo wells were "large, oil-focused high impact wells."

230. The statements identified in ¶229 were untrue because (i) Cobalt's Lontra and Loengo wells were not "high impact" or "oil-focused," and Cobalt was forced to disclose facts showing that Lontra held a higher gas content than represented, and Loengo was a "dry hole"; and (ii) Cobalt acknowledged the SEC's concern that the "characterization of the [Angolan] prospects as 'high impact' appears to be without the requisite degree of support" by discontinuing the Company's use of that term in later Forms 10-Q and 10-K filed with the SEC.

231. The statements identified in ¶229 also omitted material facts when made, including that: (i) Sonangol required Cobalt to "sit on" information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

B. <u>The December 2012 Bond Offering</u>

232. On December 12, 2012, Cobalt issued to investors $1.38 billion worth of convertible senior notes due 2019 (including a $180 million over-allotment granted to the

underwriters) (the "December 2012 Bond Offering"). The underwriters for Cobalt's December 12, 2012 Bond Offering were Defendants Goldman Sachs and Morgan Stanley.

233. The December 2012 Bond Offering was conducted pursuant to the January 2011 Registration Statement and Prospectus signed by Defendants Bryant, Wilkirson, Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young.

234. In connection with the December 2012 Bond Offering, Cobalt also filed with the SEC the December 2012 Offering Materials.[27] The December 2012 Offering Materials characterized "information incorporated by reference [as] an important part of th[e] prospectus." The December 2012 Offering Materials also expressly incorporated by reference, among other Cobalt public filings, the Company's (i) 2011 Form 10-K and (ii) 2012 Forms 10-Q, which became part of the January 2011 Registration Statement and December 2012 Offering Materials.

235. Through the incorporation by reference of the (i) 2011 Form 10-K; and (ii) 2012 Forms 10-Q, the December 2012 Offering Materials contained untrue statements and omissions of material fact concerning Cobalt's Angolan operations, including that (a) Cobalt had "limited" familiarity with its Angolan partners Nazaki and Alper; (b) Cobalt knew only of "allegations . . .of a connection between senior Angolan government officials and Nazaki"; (c) Nazaki was a "full paying member of the contractor group for Blocks 9 and 21"; (d) Cobalt had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . . complied with all laws, including the FCPA"; and (e) Cobalt had

[27] The January 4, 2011 Registration Statement; Cobalt's Preliminary Prospectus Supplement Subject to Completion, and accompanying Prospectus, filed with the SEC on December 11, 2012; and Cobalt's Prospectus Supplement, and accompanying Prospectus, filed with the SEC on December 13, 2012, as well as Cobalt's public filings incorporated by reference therein, are referred to collectively herein as the "December 2012 Offering Materials."

paid millions in purported "social payment obligations" to fund "social projects" in Angola, including the Sonangol Research and Technology Center.

236. These statements were untrue because (i) contrary to Defendants' statements that they had "limited" familiarity with Nazaki and Alper, and that Defendants knew only of "allegations … of a connection between senior Angolan government officials and Nazaki," that entity was in fact owned by Angolan government officials; (ii) Nazaki's and Alper's foundational documents revealed that they were owned by Angolan government officials; and (iii) Cobalt's payments were not "social payment obligations" or "social project" payments to fund the Sonangol Research and Technology Center, but rather illegitimate payments made in exchange for Cobalt's access to Blocks 9, 20, and 21.

237. These statements also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments for the costs associated with the operations of the Partnership; (iv) Nazaki's and Alper's connections to the Angolan government posed a significant risk of FCPA violations and regulatory action; (v) Defendants did not reasonably believe that their "activities in Angola have complied with all laws, including the Foreign Corrupt Practices Act"; (vi) the Sonangol Research and Technology Center did not exist; (vii) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (viii) Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

238. Through the incorporation by reference of the (i) 2011 Form 10-K and (ii) 2012 Forms 10-Q, the December 2012 Offering Materials also contained untrue statements and omissions of material fact concerning Cobalt's Angolan wells, including that (a) "[a]ll of [Cobalt's] prospects are oil-focused"; and (b) Cobalt "continue[d] to mature high impact prospects in [its] portfolio for upcoming exploratory drilling in . . . the deepwater offshore Angola."

239. The statements identified in ¶238 were untrue because (i) Cobalt's Lontra and Loengo wells were not "high impact" or "oil-focused," and Cobalt was forced to disclose facts showing that Lontra held a higher gas content than represented, and Loengo was a "dry hole"; and (ii) Cobalt acknowledged the SEC's concern that the "characterization of the [Angolan] prospects as 'high impact' appears to be without the requisite support" by discontinuing the Company's use of that term in later Forms 10-Q and 10-K filed with the SEC.

240. The statements identified in ¶238 also omitted material facts when made, including that (i) Sonangol required Cobalt to "sit on" information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

C. The January 2013 Common Stock Offering

241. On January 16, 2013, certain Cobalt selling shareholders conducted a common stock offering pursuant to which they collectively offered to investors 40 million shares of Cobalt common stock at a price of $25.15 per share (the "January 2013 Common Stock Offering"). The underwriters of the January 2013 Common Stock Offering were Defendants Morgan Stanley and CGMI.

242. In the January 2013 Common Stock Offering, the following selling shareholders sold at least the identified number of shares of Cobalt common stock:

The Carlyle/Riverstone Funds	13,049,550
The First Reserve Funds	10,000,000
The Goldman Sachs Group, Inc.	13,050,450
The KERN Fund	3,900,000

243. The January 2013 Common Stock Offering was conducted pursuant to the January 2011 Registration Statement and Prospectus signed by Defendants Bryant, Wilkirson, Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young.

244. In connection with the January 2013 Common Stock Offering, Cobalt also filed with the SEC the January 2013 Offering Materials.[28] The January 2013 Offering Materials characterized "information incorporated by reference [as] an important part of th[e] prospectus." The January 2013 Offering Materials also expressly incorporated by reference, among other Cobalt public filings, the Company's (i) 2011 Form 10-K, and (ii) 2012 Forms 10-Q, which became part of the January 2011 Registration Statement and January 2013 Offering Materials.

245. Through the incorporation by reference of the (i) 2011 Form 10-K and (ii) 2012 Forms 10-Q, the January 2013 Offering Materials contained the untrue statements and omissions of material fact identified in ¶¶235 and 238 concerning Cobalt's Angolan operations and the quality of Cobalt's Angolan wells. These statements identified in ¶¶235 and 238 were untrue and omitted material facts when made for the reasons set forth in ¶¶236-37 and 239-40.

[28] The January 4, 2011 Registration Statement; Cobalt's Preliminary Prospectus Supplement Subject to Completion, and accompanying Prospectus, filed with the SEC on January 16, 2013; and Cobalt's Prospectus Supplement, and accompanying Prospectus, filed with the SEC on January 17, 2013, as well as Cobalt's public filings incorporated by reference therein, are referred to collectively herein as the "January 2013 Offering Materials."

D. The May 2013 Common Stock Offering

246. On May 8, 2013, certain Cobalt selling shareholders conducted a common stock offering pursuant to which they collectively offered to investors 50.0 million shares of Cobalt common stock (including a 7.5 million over-allotment option granted to the underwriters) at a price of $26.62 per share (the "May 2013 Common Stock Offering"). The underwriter of the May 2013 Offering was CGMI.

247. In the May 2013 Common Stock Offering, the following selling shareholders sold at least the identified number of shares of Cobalt common stock:

The Carlyle/Riverstone Funds	15,083,328
The First Reserve Funds	15,832,304
The Goldman Sachs Group, Inc.	15,084,368
The KERN Fund	4,000,000

248. The May 2013 Common Stock Offering was conducted pursuant to the January 2011 Registration Statement and Prospectus signed by Defendants Bryant, Wilkirson, Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young.

249. In connection with the May 2013 Common Stock Offering, Cobalt also filed with the SEC the May 2013 Offering Materials.[29] The May 2013 Offering Materials characterized "information incorporated by reference [as] an important part of th[e] prospectus." The May 2013

[29] The January 4, 2011 Registration Statement; Cobalt's Free Writing Prospectus filed with the SEC on May 7, 2013; Cobalt's Preliminary Prospectus Supplement Subject to Completion, and accompanying prospectus, filed with the SEC on May 8, 2013; and Cobalt's Prospectus Supplement, and accompanying Prospectus, filed with the SEC on May 9, 2013, as well as Cobalt's public filings incorporated by reference therein, are referred to collectively herein as the "May 2013 Offering Materials."

Offering Materials also expressly incorporated by reference, among other Cobalt public filings, the Company's (i) 2012 Form 10-K, and (ii) First Quarter 2013 Form 10-Q. Cobalt's Form 8-K filed on February 26, 2013 was also incorporated by reference in the May 2013 Offering Materials. These SEC filings all became part of the January 2011 Registration Statement and May 2013 Offering Materials.

250. Through the incorporation by reference of the (i) 2012 Form 10-K and (ii) First Quarter 2013 Form 10-Q, the May 2013 Offering Materials contained the untrue statements and omissions of material fact identified in ¶235 about Cobalt's Angolan operations. These statements identified in ¶235 were untrue and omitted material facts when made for the reasons set forth in ¶¶236-37.

251. Additionally, the May 2013 Offering Materials stated that "[a]ll of [Cobalt's] prospects are oil-focused." The May 2013 Offering Materials also incorporated by reference the February 26, 2013 Form 8-K, wherein Defendant Farnsworth stated that "every well we drill this year in Angola . . . will be significant." These statements were untrue because Cobalt's Lontra and Loengo wells were not "oil-focused" or "significant," and Cobalt was forced to disclose facts showing that Lontra held a higher gas content than represented, and Loengo was a "dry hole." These statements also omitted material facts when made, including that (i) Sonangol required Cobalt to "sit on" information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

E. The May 2014 Bond Offering

252. On May 8, 2014, Cobalt issued to investors $1.3 billion worth of convertible senior notes due 2024 (including a $150 million over-allotment granted to the underwriters) (the "May

2014 Bond Offering"). The underwriters for Cobalt's May 2014 Bond Offering were Defendants Goldman Sachs, RBC, Credit Suisse, CGMI, and Lazard.

253. The May 2014 Bond Offering was conducted pursuant to another "shelf" Registration Statement and Prospectus that Cobalt filed with the SEC on December 30, 2013 (the "December 2013 Registration Statement and Prospectus"), which was signed by Cobalt Directors Bryant, Wilkirson, Coneway, Golden, Marshall, Moore, Scoggins, van Steenbergen, Utt, and Young.

254. The December 2013 Registration Statement and Prospectus characterized "information incorporated by reference [as] an important part of th[e] prospectus." The December 2013 Registration Statement and Prospectus also expressly incorporated by reference, among other Cobalt public filings, the Company's (i) 2012 Form 10-K and (ii) 2013 Forms 10-Q.

255. In connection with the May 2014 Bond Offering, Cobalt also filed with the SEC the May 2014 Offering Materials.[30] The May 2014 Offering Materials also characterized "information incorporated by reference [as] an important part of th[e] prospectus." The May 2014 Offering Materials expressly incorporated by reference, among other Cobalt public filings, the Company's (i) 2013 Form 10-K and (ii) First Quarter 2014 Form 10-Q, which became part of the December 2013 Registration Statement and May 2014 Offering Materials.

256. Through the incorporation by reference of the 2013 Form 10-K, the May 2014 Offering Materials contained untrue statements and omissions of material fact concerning Cobalt's

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[30] The December 30, 2013 Registration Statement; Cobalt's Preliminary Prospectus Supplement Subject to Completion, and accompanying Prospectus, filed with the SEC on May 7, 2014; and Cobalt's Prospectus Supplement, and accompanying Prospectus, filed with the SEC on May 9, 2014, as well as Cobalt's public filings incorporated by reference therein, are referred to collectively herein as the "May 2014 Offering Materials" (together with the February 2012 Offering Materials, the December 2012 Offering Materials, the January 2013 Offering Materials, and the May 2013 Offering Materials, the "Offering Materials").

Angolan operations, including that (i) Cobalt had "limited" familiarity with its Angolan partners Nazaki and Alper; (ii) Cobalt knew only of "allegations . . .of a connection between senior Angolan government officials and Nazaki"; (iii) Nazaki was a "full paying member of the contractor group for Blocks 9 and 21"; (iv) Cobalt had "conducted an extensive investigation into the[] allegations [concerning its operations in Angola] and believe[d] that [its] activities in Angola . . .complied with all laws, including the FCPA"; and (v) Cobalt had paid millions in purported "social payment obligations" to fund "social projects" in Angola, including the Sonangol Research and Technology Center.

257. These statements were untrue because (i) contrary to Defendants' statements that they had "limited" familiarity with Nazaki and Alper, and that Defendants knew only of "allegations … of a connection between senior Angolan government officials and Nazaki," that entity was in fact owned by Angolan government officials; (ii) Nazaki's and Alper's foundational documents revealed that they were owned by Angolan government officials; and (iii) Cobalt's payments were not "social payment obligations" or "social project" payments to fund the Sonangol Research and Technology Center, but rather illegitimate payments made in exchange for Cobalt's access to Blocks 9, 20, and 21.

258. These statements also omitted material facts when made, including that (i) Nazaki and Alper were owned by Angolan government officials; (ii) Nazaki lacked the "competence and financial capacity" to be a legitimate business partner in Cobalt's oil exploration activities in Angola; (iii) Nazaki had repeatedly failed to comply with its economic and financial commitments for the costs associated with the operations of the Partnership; (iv) Nazaki's and Alper's connections to the Angolan government posed a significant risk of FCPA violations and regulatory action; (v) Defendants did not reasonably believe that their "activities in Angola have complied

with all laws, including the Foreign Corrupt Practices Act"; (vi) the Sonangol Research and Technology Center did not exist; (vii) Cobalt made improper payments to Angolan government officials and large sums of money could not be accounted for, which led to a Board investigation and the removal of Cobalt's Senior Vice President and Country Manager for Angola; and (viii) Cobalt's payments to Angolan government officials posed a significant risk of FCPA violations and regulatory action.

259. The May 2014 Offering Materials further stated that "our oil-focused below-salt exploration efforts have been successful. . . ." This statement was untrue because Cobalt's Loengo well was not "oil-focused" or "successful," and Cobalt was forced to disclose facts showing that Loengo was a "dry hole." These statements also omitted material facts when made, including that: (i) Sonangol required Cobalt to "sit on" information regarding its Angolan wells; and (ii) Loengo was not a good prospect and there was "not even a remote chance" of success on the Loengo well.

260. The First Quarter 2014 Form 10-Q incorporated by reference in the May 2014 Offering Materials also included an "Operational Highlights" section which described Cobalt's various drilling projects in Angola and enumerated the Company's partners for each project. With respect to Cobalt's Cameia and Loengo wells, Cobalt stated that Alper had a "10% working interest." This statement was untrue and omitted material facts when made. As of March 25, 2014, Alper no longer had a working interest in either project.

VII. INAPPLICABILITY OF THE STATUTORY SAFE HARBOR AND BESPEAKS CAUTION DOCTRINE

261. The statutory safe harbor or bespeaks caution doctrine applicable to forward-looking statements under certain circumstances does not apply to any of the false and misleading statements pleaded in this Complaint. None of the statements complained of herein was a forward-looking statement. Rather, they were historical statements or statements of purportedly current

facts and conditions at the time the statements were made, including statements about Cobalt's current and historical Partnership, its payments for the Sonangol Research and Technology Center, and its Lontra and Loengo wells.

262. To the extent that any of the false and misleading statements alleged herein can be construed as forward-looking, those statements were not accompanied by meaningful cautionary language identifying important facts that could cause actual results to differ materially from those in the statements. As set forth above in detail, then-existing facts contradicted Defendants' statements regarding Cobalt's Partnership and the Lontra and Loengo wells, among others. Given the then-existing facts contradicting Defendants' statements, any generalized risk disclosures made by Cobalt were not sufficient to insulate Defendants from liability for their materially false and misleading statements.

263. To the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those statements was made, the particular speaker knew that the particular forward-looking statement was false, and the false forward-looking statement was authorized and approved by an executive officer of Cobalt who knew that the statement was false when made.

VIII. CLASS ACTION ALLEGATIONS

264. This securities class action is brought on behalf of purchasers of Cobalt's securities between March 1, 2011 and November 3, 2014, inclusive (the "Class Period"), including persons who purchased or otherwise acquired: (i) Cobalt securities on the open market; (ii) Cobalt's common stock pursuant and/or traceable to registered public offerings conducted on or about February 23, 2012, January 16, 2013 and May 8, 2013 (the "Stock Offerings"); and/or (iii) Cobalt's

2.625% Convertible Senior Notes due 2019, pursuant and/or traceable to the registered public offering conducted on or about December 12, 2012, and/or Cobalt 3.125% Convertible Senior Notes due 2024, pursuant and/or traceable to the registered public offering conducted on or about May 8, 2014 (the "Bond Offerings"; collectively with the Stock Offerings, the "Offerings") (the "Class"). Excluded from the Class are Defendants and their families, directors, and officers of Cobalt and their families and affiliates.

265. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. Cobalt has more than 412 million shares of common stock outstanding, owned by hundreds or thousands of investors.

266. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

a) Whether Defendants violated the Securities Act;

b) Whether Defendants violated the Exchange Act;

c) Whether Defendants misrepresented material facts;

d) Whether Defendants' statements omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

e) Whether Defendants knew or recklessly disregarded that their statements and/or omissions were false and misleading;

f) Whether the prices of Cobalt's securities were artificially inflated;

g) Whether Defendants' conduct caused the members of the Class to sustain damages; and

h) The extent of damage sustained by Class members and the appropriate measure of damages.

267. Plaintiffs' claims are typical of those of the Class because Plaintiffs and the Class sustained damages from Defendants' wrongful conduct.

268. Plaintiffs will adequately protect the interests of the Class and have retained counsel experienced in class action securities litigation. Plaintiffs have no interests which conflict with those of the Class.

269. A class action is superior to other available methods for the fair and efficient adjudication of this controversy

IX. CLAIMS FOR RELIEF

COUNT I

For Violations Of Section 10(b) Of The Exchange Act And Rule 10b-5 Against Cobalt And The Executive Defendants

270. Plaintiffs repeat and reallege each and every allegation contained above (other than disclaimers of fraud claims) as if fully set forth herein.

271. During the Class Period, Cobalt and the Executive Defendants carried out a plan, scheme, and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiffs and other Class members, as alleged herein; and (ii) cause Plaintiffs and other members of the Class to purchase Cobalt securities at artificially inflated prices.

272. Cobalt and the Executive Defendants: (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Cobalt's securities in violation of Section

10(b) of the Exchange Act, 15 U.S.C. §§ 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5.

273. Cobalt and the Executive Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about the Company's financial well-being, operation and prospects.

274. During the Class Period, Cobalt and the Executive Defendants made the false statements specified above, which they knew or recklessly disregarded to be false or misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

275. Cobalt and the Executive Defendants had actual knowledge of the misrepresentations and omissions of material fact set forth herein, or recklessly disregarded the true facts that were available to them. Cobalt and the Executive Defendants engaged in this misconduct to conceal Cobalt's true condition from the investing public and to support the artificially inflated prices of the Company's securities.

276. Plaintiffs and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Cobalt's securities. Plaintiffs and the Class would not have purchased the Company's securities at the prices they paid, or at all, had they been aware that the market prices for Cobalt's securities had been artificially inflated by Cobalt and the Executive Defendants' fraudulent course of conduct.

277. As a direct and proximate result of Cobalt and the Executive Defendants' wrongful conduct, Plaintiffs and the other members of the Class suffered economic loss and damages in

connection with their respective purchases of the Company's securities during the Class Period as the prior artificial inflation in the price of Cobalt's securities was removed over time.

278. By virtue of the foregoing, Cobalt and the Executive Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

COUNT II

For Violations Of Section 20(a) Of The Exchange Act Against The Executive Defendants

279. Plaintiffs repeat, incorporate, and reallege each and every allegation set forth above (other than disclaimers of fraud claims) as if fully set forth herein.

280. As alleged above, Cobalt and the Executive Defendants each violated Section 10(b) and Rule 10b-5 thereunder by their acts and omissions as alleged in this Complaint.

281. The Executive Defendants acted as controlling persons of Cobalt within the meaning of Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a). By virtue of their high-level positions, participation in and/or awareness of the Company's operations, direct involvement in the day-to-day operations of the Company, and/or intimate knowledge of the Company's actual performance, and their power to control the materially false and misleading public statements about Cobalt during the Class Period, the Executive Defendants had the power and ability to control the actions of Cobalt and its employees. By reason of such conduct, the Executive Defendants are liable pursuant to Section 20(a) of the Exchange Act.

COUNT III

For Violations Of Section 20A Of The Exchange Act Against The Controlling Entity Defendants

282. Plaintiffs repeat, incorporate, and reallege each and every allegation set forth above (other than disclaimers of fraud claims) as if fully set forth herein. As set forth in the paragraphs above, and as further set forth below, the Controlling Entity Defendants each committed

underlying violations of Section 10(b) and Rule 10b-5 thereunder by selling Cobalt common stock while in possession of material nonpublic information about the Company's Angolan operations, and, consequently, are liable to contemporaneous purchasers of that stock under Section 20A of the Exchange Act. *See* 15 U.S.C § 78t-1(a).

283. Each of the Controlling Entity Defendants, through their designees to Cobalt's Board of Directors and through direct communications from Cobalt and the Executive Defendants (together, the "Cobalt Defendants"), possessed material nonpublic information at the times they sold shares in the: (i) February 2012 Common Stock Offering; (ii) January 2013 Common Stock Offering; and (iii) May 2013 Common Stock Offering (the "Common Stock Offerings"). Moreover, Controlling Entity Defendant Goldman Sachs Group, Inc. ("Goldman Sachs Group") sold shares in the secondary market throughout 2014. In total, the Controlling Entity Defendants collectively sold 130,709,730 shares in the Common Stock Offerings for ***$3.470 billion***, and Goldman Sachs Group sold an additional 30,925,522 shares in 2014 for another $544.5 million. Each of the Controlling Entity Defendants' profits far exceeded each Controlling Entity Defendant's capital contribution to create Cobalt. Indeed, internally, Goldman Sachs Group estimated that, by liquidating its Cobalt common stock holdings during this period, it made more than 4.2x its initial investment in Cobalt.

284. Material nonpublic information known to the Controlling Entity Defendants at the times of their Cobalt common stock sales included among other things that:

- At the time of the February 2012 Common Stock Offering, the Controlling Entity Defendants knew, among other things, that Sonangol awarded Blocks 9 and 21 to Cobalt outside the normal bid process in Angola, the assignment of the Angolan partners including Nazaki was a condition of Cobalt's being awarded Block 9 and 21, Nazaki was 99.96% owned by Vicente, Kopelipa, and Dino (all Angolan government officials), and Cobalt had significant resultant exposure to investigation and prosecution by U.S.

and Angolan authorities, including under the FCPA and money laundering statutes, all contrary to the Cobalt Defendants' public statements; and

- In addition to the above nonpublic information concerning Nazaki's ownership and Cobalt's attendant exposure to regulatory and criminal actions, at the time of the January 2013 and May 2013 Common Stock Offerings, and throughout the period of Goldman Sachs Group's 2014 secondary market sales, the Controlling Entity Defendants also knew that Cobalt's Loengo well had limited commercial viability, leading to the Cobalt Defendants discussing an exit strategy to recover sunk costs from Block 9 (*Loengo was Cobalt's only prospect in Block 9*), which conflicted with the Cobalt Defendants' prior and ongoing public statements about the Loengo well.

285. Simply put, the Controlling Entity Defendants created and controlled Cobalt, possessed nonpublic knowledge about Cobalt's operations in Angola that they knew or recklessly disregarded would cause the Company's share price to fall when publicly disclosed, and used the Common Stock Offerings and secondary market sales to unload significant portions of their holdings at inflated prices before the nonpublic information was revealed. In fact, by selling into the $10-plus per share price increase that occurred prior to the Common Stock Offerings in 2012 and 2013, the Controlling Entity Defendants were able to sell at prices from $25.15 to $28.00 per share, as opposed to the $10.07 per share closing price on November 5, 2014, following the final corrective disclosures related to the chain of material nonpublic information at issue here (*i.e.*, Cobalt's admission that Loengo was a "dry hole").

286. Due to the Controlling Entity Defendants' conduct in selling shares while in possession of material nonpublic information, which is a violation of Section 10(b) and Rule 10b-5 thereunder, the Controlling Entity Defendants are liable under Section 20A of the Exchange Act to all Class members who purchased Cobalt's common stock at inflated prices contemporaneously with sales by the Controlling Entity Defendants, including:

(i) Plaintiff Universal, which purchased contemporaneously with the February 2012 Common Stock Offering;

(ii) Lead Plaintiff GAMCO Global Gold, Natural Resources & Income Trust ("GAMCO Global"), which purchased contemporaneously with the January 2013 Common Stock Offering;

(iii) Lead Plaintiffs GAMCO Global and GAMCO Natural Resources, Gold & Income Trust ("GAMCO Natural"), and Plaintiff AP7, each of which purchased contemporaneously with the May 2013 Common Stock Offering; and

(iv) Plaintiff Universal, which purchased contemporaneously with at least one Goldman Sachs Group sale in 2014.

Moreover, upon information and belief based on, among other things, the fact the Controlling Entity Defendants sold more than 161 million shares during the Class Period to the investing public, thousands of other Class Members also purchased shares contemporaneously with the Controlling Entity Defendants' Class Period sales.

A. The Controlling Entity Defendants Designated Cobalt Board Members and Received Material Nonpublic Information from their Designees

287. In connection with Cobalt's December 2009 IPO, Cobalt and the Controlling Entity Defendants (or their affiliated entities) entered into a Stockholders Agreement that, among other things, entitled the Controlling Entity Defendants to designate and maintain a majority of Cobalt's Board of Directors, including two by Goldman Sachs entities, two by Carlyle/Riverstone, two by First Reserve (n/k/a FRC Founders Corporation), and one by KERN (n/k/a ACM Ltd.).[31] Pursuant to their rights under the Stockholders Agreement, the Controlling Entity Defendants each designated at least one Cobalt Board member from prior to the beginning of the Class Period until after the May 2013 Common Stock Offering. Specifically,

(i) Defendants Lebovitz and Pontarelli were Managing Directors of Defendant Goldman Sachs Group and its designees to the Cobalt Board from before

[31] *See* Cobalt 2011 Form 10-K at Ex. 9.1, § 3.1(a).

the Class Period until their resignations on May 28, 2013 and January 28, 2014, respectively;

(ii) Defendants Lancaster and Coneway were Managing Directors of Defendant Riverstone and its designees to the Cobalt Board from before the Class Period until their resignations on May 8, 2013 and January 28, 2014, respectively;

(iii) Defendants France and Moore were Managing Directors of Defendant First Reserve (n/k/a FRC Founders Corporation) and its designees to the Cobalt Board from before the Class Period until May 28, 2013 and through the end of the Class Period, respectively; and

(iv) Defendant van Steenbergen was the Co-Founder and Managing Partner of Defendant KERN (n/k/a ACM Ltd.) and its designee to the Cobalt Board during the entire Class Period.

In addition, prior to the Class Period, the Controlling Entity Defendants' Board designees included Defendant Henry Cornell (Goldman Sachs Group's Vice-Chairman, and Managing Director in its Merchant Banking Division), Defendant J. Hardy Murchison (a Managing Director at First Reserve), and Gregory Beard (a founder and Managing Director at Riverstone).

288. Through these designees (and through direct communications with the Company), the Controlling Entity Defendants were entitled to and did receive material nonpublic information,[32] and, as discussed below, possessed such material nonpublic information at the times they reaped billions of dollars in proceeds from selling their Cobalt shares at artificially inflated prices to Plaintiffs and other unsuspecting Class members.

[32] The Stockholders Agreement expressly provided that "the Directors designated by the [Controlling Entity Defendants] may share confidential, nonpublic information about the Company with the [Controlling Entity Defendants] and their respective affiliates." (*Id*. at § 3.3(a)).

B. The Controlling Entity Defendants Sold Cobalt Common Stock While in Possession of Material Nonpublic Information

1. The Controlling Entity Defendants Possessed Material Nonpublic Information About Angolan Officials' Ownership of Nazaki and Its Potential Consequences for Cobalt at the Time of the February 2012 Common Stock Offering

289. Prior to the February 2012 Common Stock Offering (and beyond), the Controlling Entity Defendants knew, among other things, that: (i) Sonangol awarded Cobalt the contracts for Blocks 9 and 21 outside the normal Angolan bid process; (ii) the involvement of Nazaki as a partner in Blocks 9 and 21 was a condition to Cobalt receiving the contracts for Blocks 9 and 21; (iii) Nazaki would share in the profits from any oil produced in Blocks 9 and 21; (iv) Nazaki was 99.96% owned by Messrs. Vicente, Kopelipa, and Dino, through their 100% ownership of Grupo Aquattro; and (v) as a result of these and other facts, Cobalt had substantial exposure to U.S. and Angolan criminal and regulatory actions, including under the FCPA and money laundering statutes.

290. The Controlling Entity Defendants learned these facts through: (i) Board meetings beginning prior to Cobalt's December 2009 IPO; (ii) direct communications with the Cobalt Defendants, including emails and telephonic meetings; (iii) presentations and reports from Cobalt's law firms and consultants, including those Cobalt retained to investigate Cobalt's Angolan partners; and (iv) reports from well-known international investigative firms, including Navigant Consulting ("Navigant"), retained by Cobalt and its lawyers to investigate Cobalt's Angolan partners.

291. For example, in November 2010, the Controlling Entity Defendants were told that Navigant had found and reported that Nazaki was owned by Angolan government officials. Specifically, Navigant concluded that Kopelipa, Vicente, and Dino were each 33.3% owners of Grupo Aquattro, the company that owned 99.96% of Nazaki, as explained above, and that Kopelipa was the Minister of Military Affairs in the Office of the President, Vicente was the Chairman and

CEO of state-owned Sonangol, and Dino was the Head of Communications in the Presidency. Navigant's findings were later confirmed by Vicente himself.

292. Notably, during this period, the Controlling Entity Defendants also knew, and were told by Cobalt's counsel during Board meetings in 2010, that – if Navigant was correct that Nazaki was owned by Angolan government officials – it was likely that the SEC and DOJ would (and ultimately did) investigate Cobalt and that there was potential that the SEC and DOJ could conclude that Cobalt was illegally providing something of value to Nazaki through the Angolan partnership. Moreover, the Controlling Entity Defendants knew that, apart from Cobalt's exposure to the FCPA, money laundering and other criminal liability under U.S. law, ownership of Nazaki by Angolan governmental officials could (and ultimately did) expose Cobalt to Angolan criminal liability.

293. The Cobalt Defendants did not reach out to the SEC on these matters or disclose these material nonpublic facts to investors. Nor did the Controlling Entity Defendants, as they should have, direct the Cobalt Defendants to do so. In particular, recognizing the importance of the material nonpublic information contained in the Navigant Report and elsewhere, Cobalt and the Controlling Entity Defendants never disclosed the information contained in the Navigant Report to the SEC at ***any time*** during its multi-year investigation of Cobalt's relationship with its Angolan partners. Indeed, the contents of the Navigant Report were not disclosed to Plaintiffs until over 18 months ***after*** this litigation began. Moreover, as discussed below, when the *Financial Times* published an article in April 2012 reporting on Nazaki's ownership by Angolan government officials, the Cobalt Defendants made vigorous countervailing statements claiming that the reporting was "demonstrably false."

294. On March 1, 2011, Cobalt filed its Form 10-K for the year ending December 31, 2010 (which commenced the Class Period), disclosing only that it was "aware of allegations . . . of a connection between senior Angolan government officials and Nazaki." In response to the Form 10-K, on March 9, 2011, the SEC contacted Cobalt by telephone informally requesting information "seeking to understand the nature of Cobalt's relationships with the members of the contractor group for Blocks 9 and 21 offshore Angola as disclosed in the Annual Report."

295. Cobalt's Form 8-K disclosure following notice of an "informal" SEC inquiry in March of 2011 stands in stark contrast to its failure to file a Form 8-K or otherwise advise investors when Cobalt learned eight months later on November 11, 2011, that the SEC's "informal inquiry" had become a "formal order of investigation" of the Company's relationship with Nazaki and Nazaki's ownership by Angolan government officials.

296. Instead of causing Cobalt to disclose to investors the formal investigation, complete, accurate, and truthful facts about Nazaki, and Cobalt's irregular receipt of Blocks 9 and 21 outside the Angolan bid process, the Controlling Entity Defendants collectively determined to permit the Cobalt Defendants to publicly maintain the fiction that the partnership with Nazaki did not expose the Company to criminal and regulatory action. This was all done while Cobalt issued positive announcements that caused a run up of approximately $20 in Cobalt's per share price and enabled the Controlling Entity Defendants to unload over $1.13 billion of their Cobalt common stock holdings at inflated prices.

297. For example, on January 5, 2012, approximately six weeks before the February 2012 Common Stock Offering – and almost 2 months after commencement of the still undisclosed SEC formal investigation – Defendant Lancaster sent an internal email at Riverstone stating that "we'll need to start reviewing our shareholder agreement at Cobalt as I hope to gently steer the

group to taking some liquidity if we're able to put out an additionional [sic] positive release sometime soon." Likewise, in an internal email on January 11, 2012, Defendant Lancaster stated "I agree we should de-risk our position." In an internal Goldman Sachs Group email, Henry Cornell, who had been a Board member until April 2011, said ***"let's distribute it all and call it a day."***

298. On January 6, 2012, the Angolan anti-corruption activist de Morais filed a complaint with the Angolan Attorney General against, among others, the "Directors and Representatives" of Cobalt and Defendant Bryant alleging that Messrs. Vicente, Kopelipa and Dino owned 99% of Nazaki and accusing Cobalt of colluding with the trio to violate Angolan anticorruption laws. The Angolan complaint confirmed what the Board knew prior to the beginning of the Class Period, that Cobalt had exposure to Angolan criminal actions as a result of its activities with respect to Blocks 9 and 21. Cobalt did not publicly disclose the Angolan criminal complaint.

299. Avoiding disclosure of adverse information about Cobalt's Angolan operations in advance of the February 2012 Common Stock Offering was openly discussed between the Company and Controlling Entity Defendants. On February 21, 2012, prompted by an inquiry made to both Riverstone and to Lynne Hackedorn (Cobalt's Vice President for Government and Corporate Affairs), by Tom Burgis at the *Financial Times* concerning Nazaki, new Cobalt General Counsel Jeffrey Starzec (who replaced Samuel Gillespie on January 1, 2012) sent an email agreeing with Riverstone's refusal to comment on Nazaki given the upcoming offering:

> I agree with the no comment stance. Given that we have historically not commented on open matters and that we are in the middle of an offering, the company plans to continue not to comment. . . . I spoke with [Hackedorn] and she has received a call from the [Financial Times] – and had no comment.

300. In fact, the Cobalt Defendants' and Controlling Entity Defendants' desire to minimize adverse information in advance of the offering extended to Cobalt's Form 10-K for 2011 issued on the same day as the offering. In the 2011 Form 10-K, the Company belatedly made only a passing-single-sentence reference to the formal SEC investigation buried in the "Risk Factors" section on page 50 of the 264-page document ("in November 2011, a formal order of investigation was issued by the SEC related to our operations in Angola."). It was not discussed in the "Legal Proceedings" section of the Form 10-K, or in the "Business" section despite inclusion in that section of far more mundane details concerning Cobalt's Angolan operations. And nowhere did Cobalt discuss or explain the more than four-month delay in disclosing the formal investigation, why there was only a buried passing reference, or why Cobalt failed to file an 8-K, though these issues were discussed internally between and among the Defendants and Cobalt's counsel.[33]

301. Indeed, although the *Financial Times* did notice and publish an article about the formal investigation, Cobalt's attempt to bury the announcement was noted by industry insiders. For example, in an email to a director at Citigroup Global Markets (an Underwriter for the February 2012 Common Stock Offering), a former Director in Citigroup's global energy investment banking group who had become director of business development at a Brazilian E&P company noted that "it was [v]ery slippery of their lawyers burying that in a risk factor in the 10-K," and described it as "[f]inding a shank in a haystack …." The Citigroup Director responded that he "didn't hear much from buyside regarding the FCPA disclosure. You might be right – people may not have seen it."

[33] For example, according to an internal UBS email (UBS was an underwriter for the February 2012 offering) dated February 17, 2012, in a call with UBS, among others, a few days before the February 2012 Common Stock Offering, the Company revealed the existence of formal investigation and that the "10-k will disclose the topic . . . because company didn't want to file an 8-k."

302. The same day that Cobalt issued its Form 10-K, the Company announced the February 2012 Common Stock Offering and issued a prospectus supplement. Tellingly, while the February 21, 2012 (and subsequent February 23, 2012) prospectus supplement incorporated by reference the Form 10-K (and prior SEC filings), it did not provide any update addressing the material nonpublic information regarding Nazaki's ownership or the SEC investigation.[34]

303. On February 23, 2012, Cobalt commenced the offering. In the offering, while in possession of the material nonpublic information contrary to Cobalt's public statements concerning the ownership of Nazaki and attendant exposure to regulatory and criminal actions, the Controlling Entity Defendants sold 40,709,730 shares of Cobalt common stock at $28.00 per share for in excess of $1.139 ***billion***:

The Carlyle/Riverstone Funds	11,907,228	$333,402,384
The First Reserve Funds	11,799,154	$330,376,312
The Goldman Sachs Group	11,908,050	$333,425,400
The KERN Fund	5,095,298	$142,668,344
Total	**40,709,730**	**$1,139,872,440**

304. The Controlling Entity Defendants' timing took full advantage of the fact that during the two months immediately preceding the February 2012 Common Stock Offering, Cobalt's common share price had run up from $9.11 per share at the close of trading on November 23, 2011 to $29.09 per share at the close on February 23, 2012.

305. Contemporaneously with the Controlling Entity Defendants' sales, on February 24, 2012, Plaintiff Universal purchased 9,500 shares of Cobalt common stock at the $28.00 offering

[34] And neither document revealed that China Sonangol had withdrawn from its partnership with Cobalt and British Petroleum in connection with the Angola Block 20 deal announced in December 2011.

price. (*See* ECF No. 74-1 pp. 5, 7.) Upon information and belief, thousands of other Class members also purchased shares contemporaneously with the Controlling Entity Defendants' February 23, 2012 sales. As alleged in this Complaint, at the time of the Controlling Entity Defendants' sales and the purchases by Plaintiff Universal and the other Class members, the price of Cobalt's common stock was artificially inflated by the Cobalt Defendants' material misstatements and omissions.

2. The Controlling Entity Defendants Possessed Material NonPublic Information About Nazaki and the Loengo Well at the Time of the January 2013 and May 2013 Common Stock Offerings

a) Nazaki

306. On April 15, 2012, the *Financial Times* published two articles indicating that Messrs. Vicente, Kopelipa, and Dino each held ownership interests in Nazaki through their shares in Grupo Aquattro. Cobalt vigorously denied the statements in the *Financial Times* article by issuing a press release the following day which "strongly refuted any allegations of wrong doing." In the press release, Cobalt further stated that the *Financial Times* report contained "egregious, demonstrably false allegations" and that Cobalt "once again stood behind its principles of full compliance with all laws in all jurisdictions in which it operates."

307. Cobalt and its counsel at V&E continued to deny the allegations in the *Financial Times* article throughout May 2012. For example, during a meeting on May 3, 2012, Cobalt's counsel at V&E, Michael Goldberg, told *Financial Times* journalist Tom Burgis that "the due diligence investigation never picked up an indication, was never told by anyone, that Vicente, Kopelipa and Dino had interests in Aquattro." This statement, of course, was inconsistent with what was communicated to V&E, OM&M, Cobalt, and the Controlling Entity Defendants and later confirmed by Vicente. Navigant's conclusions about ownership of Nazaki by Angolan government

officials confirmed early reports by Cobalt's other investigative firm Control Risks, which had ***also*** originally reported in early 2010 that three "sources have indicated that there may be a connection between Nazaki and General Kolipa [sic], who serves in several official positions. At least one source has suggested that Dino Nasimento [sic] recently acquired Nazaki shares [that] may be held for the General."

b) Loengo

308. In addition to possessing nonpublic knowledge about Nazaki and permitting vigorous public denials by Cobalt regarding the substance of that knowledge leading up to the January 2013 and May 2013 Common Stock Offerings, the Controlling Entity Defendants also received material nonpublic information no later than October 2012 that Block 9 (in which the Loengo well was Cobalt's only prospect) had questionable commercial viability and Cobalt was discussing exit strategies for the block to recover sunk costs, undisclosed facts that belied Cobalt's public statements about the Loengo well.

309. On September 26, 2012, the Operating Committee for Block 9 held a meeting in Miami, Florida, attended by Mike Drennon, Cobalt's General Manager for Angola, among others. The meeting opened with a discussion on the "status of prospect maturation on the large Loengo structure," and, more specifically, how the Loengo structure (Cobalt's only prospect in Block 9) was of questionable commercial viability:

> Currently, the Loengo prospect carries a lot of risk. Preliminary evaluation indicates a thin reservoir that may only have reservoir quality on the flanks of the structure due to the type of deposition. As a result, Loengo has ***questionable commerciality*** with this current interpretation.

(Emphasis added). The minutes of the meeting further reveal the committee discussed that "further maturation of Loengo to get it to drill ready" would require Cobalt to take drastic steps, including: (i) to execute a potential "well trade" with another E&P company drilling in the area (i.e., the well

was such a poor prospect they would seek to trade it); (ii) to "incorporate [the other well's] results into Loengo analysis" (to skew its potential); and/or (iii) "hazard work, geologic and economic justification" (to provide justification for drilling).

310. Less than a month later, at its October 25, 2012 meeting, the Board was informed about the Loengo well's questionable commercial viability. At that meeting, Mr. Drennon, who rarely attended Board meetings, told the Board that Loengo and Block 9 had low relative potential and that Cobalt should develop an exit plan to recover sunk costs. These were damning conclusions about the Loengo well, which was Cobalt's only prospect in Block 9.

311. Put another way, no later than October 2012, the Board was aware (including the Controlling Entity Defendants' designees) of the need for a strategy to exit Block 9 and to recover sunk costs as much as possible. Notably, Cobalt's desire for an exit strategy is consistent with the account of Cobalt's former CIO, who (as discussed in ¶116) acknowledged that there was "not even a question" that Loengo was not a good prospect, "not even a remote chance" of success on the Loengo well, and expressed his belief that Cobalt was "forced" to take Block 9 and drill Loengo to satisfy Angola's state-owned Sonangol.

312. Moreover, minutes of a September 2013 meeting of the Block 9 Operating Committee support the former CIO's assertion that Cobalt was interested in Block 9 and Loengo only insofar as it gave them access to Blocks 20 and 21. During the meeting, which was attended by representatives of Sonangol and Cobalt, including Antonio Vieira, Deputy General Manager of Cobalt Angola, the Vice Chairman of the Operations Committee from Sonangol acknowledged the arrangement for the blocks was a package deal and complained about Cobalt's delay in drilling Block 9/Loengo: "The Block was granted for the drilling of 3 blocks, ***but it has become apparent***

that Cobalt is not in fact interested in this Block. It is only interested in Blocks 20 and 21 where there are greater prospects, giving the impression that 9/09 is the "***red-headed stepchild***."

313. Significantly, upon learning that the Loengo well had limited commercial viability and Cobalt was discussing an exit strategy from Block 9 (along with its nonpublic knowledge concerning Nazaki), the Board did not, as it should have, direct the Company to disclose the truth about the Loengo well. Instead, the Controlling Entity Defendants again focused on unloading a portion of their significant Cobalt common stock holdings. For example, on January 15, 2013, Cobalt issued its prospectus supplement for the January 2013 Common Stock Offering which, remarkably, continued to list Loengo as among Cobalt's "large, oil-focused wells" in spite of the fact that approximately ten weeks earlier the Board received information about Loengo's limited viability and Cobalt's intent to pursue an exit strategy.

314. On January 16, 2013, while in possession of material nonpublic information contrary to Cobalt's public statements concerning the ownership of Nazaki, Cobalt's FCPA exposure, and the commercial viability of the Loengo well, the Controlling Entity Defendants sold 40,000,000 shares of Cobalt common stock at $25.15 per share for $1.0 billion:

The Carlyle/Riverstone Funds	13,049,550	$326,238,750
The First Reserve Funds	10,000,000	$250,000,000
The Goldman Sachs Group	13,050,450	$326,261,250
The KERN Fund	3,900,000	$97,500,000
Total	**40,000,000**	**$1,000,000,000**

315. Contemporaneously with the Controlling Entity Defendants' sales, on January 16, 2013, Lead Plaintiff GAMCO Global purchased 40,000 shares of Cobalt common stock at the $25.15 offering price. (*See* ECF No. 72 p. 121). Upon information and belief, thousands of other Class members also purchased shares contemporaneously with the Controlling Entity Defendants'

January 16, 2013 sales. As alleged in this Complaint, at the time of the Controlling Entity Defendants' sales and Lead Plaintiff GAMCO Global's and the other Class members' purchases, the price of Cobalt common stock was inflated by the Cobalt Defendants' material misstatements and omissions.

316. The Controlling Entity Defendants' focus on selling Cobalt common stock at prices inflated by undisclosed facts about the Company continued following the January 2013 Common Stock Offering. For example, on March 15, 2013, Defendants Pontarelli (Goldman Sachs Group), Lancaster (Riverstone), Moore (First Reserve), and France (First Reserve) exchanged emails about the possibility of "selling down" additional shares of Cobalt and inquiring about the "window" for doing so. Defendant Lancaster forwarded the email string to Riverstone founders Pierre Lapeyre and David Leuschen, and Defendant Coneway, stating that "[Goldman Sachs] is eager to sell more if we have a window next week." Leuschen responded with his opinion that Riverstone should sell and Lapeyre responded to "Distribute the stock!!!"

317. Similarly, on March 20, 2013, Defendant Coneway (Riverstone) sent an email to Defendant Lancaster (Riverstone) indicating that Leuschen and Lapeyre were interested in decreasing Riverstone's exposure to Cobalt. Defendant Coneway stated that he would "report on options (or lack thereof) for an immediate secondary [offering]" and that they be "prepared to hit a secondary window in the next few weeks should there be one."

318. On March 26, 2013, Defendant Coneway sent an email to Defendant Lancaster, Leuschen and Lapeyre concerning a "30-minute conversation with Joe Bryant on a number of subjects, but principally on the topic of projected available windows that might be available for secondaries" (stock offerings).

319. On May 8, 2013, the Controlling Entity Defendants found their window to unload more stock. On that day, while in possession of material nonpublic information contrary to Cobalt's public statements concerning the ownership of Nazaki and the Loengo well, the Controlling Entity Defendants sold 50,000,000 shares of Cobalt common stock at $26.62 per share for in excess of $1.330 billion:

The Carlyle/Riverstone Funds	15,083,328	$401,518,191
The First Reserve Funds	15,832,304	$421,455,932
The Goldman Sachs Group	15,084,368	$401,545,876
The KERN Fund	4,000,000	$106,480,000
Total	**50,000,000**	**$1,330,999,999**

320. Contemporaneously with the Controlling Entity Defendants' sales, on May 8, 2013, Lead Plaintiff GAMCO Global purchased 400,000 shares of Cobalt common stock (*see* ECF No. 72 p. 121), Lead Plaintiff GAMCO Natural purchased 50,000 shares of Cobalt common stock (*see* ECF No. 72 p. 125), and Plaintiff AP7 purchased 22,910 shares of Cobalt common stock (*see* ECF No. 72 p. 132). Upon information and belief, thousands of other Class members also purchased shares contemporaneously with the Controlling Entity Defendants' May 8, 2013 sales. As alleged in this Complaint, at the time of the Controlling Entity Defendants' sales and purchases by Lead Plaintiff GAMCO Global, Lead Plaintiff GAMCO Natural, Plaintiff AP7, and the other Class members, the price of Cobalt common stock was inflated by the Cobalt Defendants' material misstatements and omissions.

321. In total, while in possession of material nonpublic information contrary to Cobalt's public statements concerning the ownership of Nazaki, Cobalt's attendant FCPA exposure, and/or the Loengo well, each of the Controlling Entity Defendants, except for KERN, sold more than half of their Cobalt common stock for more than $1.0 billion each:

The Carlyle/Riverstone Funds	53.48%	$1,061,159,325
The First Reserve Funds	50.73%	$1,001,832,244
The Goldman Sachs Group	53.48%	$1,061,232,526
The KERN Fund	40.57%	$346,698,344

322. The sales, and the profits thereon, far exceeded each Controlling Entity Defendant's initial respective investment to create the Company.

C. Goldman Sachs Group Sold 30.9 Million Shares in the Secondary Market in 2014 for $544.5 Million While in Possession of Material Nonpublic Information About Nazaki and the Loengo Well

323. On December 1, 2013, Cobalt issued a press release acknowledging that its Lontra well in Block 21 contained "more gas than [Cobalt's] pre-drill estimates" and that the Company was temporarily abandoning the well. Cobalt did not disclose any of the other material nonpublic information driving the Controlling Entities' stock sales, including that Loengo was not commercially viable and the fact that Vicente himself had confirmed Navigant's conclusion that Nazaki was owned by Angolan officials. The Lontra news caused Cobalt's stock price to tumble 21.2% (or $4.72 per share) from a close of $22.23 per share on November 29, 2013, to close at $17.51 per share on December 3, 2013. No doubt recognizing that the decline would have been even more dramatic if the market had also learned the truth about Nazaki and Loengo, Goldman Sachs Group almost immediately launched a plan to sell the remainder to its Cobalt stock before the truth about Nazaki's ownership and the Loengo well's limited commercial viability became public.

324. In February 2014, Defendants Pontarelli and Lebovitz contacted Defendant Credit Suisse (which was also an Underwriter of the February 2012 Common Stock Offering) on behalf of Goldman Sachs Group to set up a Section 10b5-1 plan in order to sell its remaining Cobalt common stock – a technique widely used by officers and directors of public companies to sell

stock according to the parameters of the affirmative defense to illegal insider trading.[35] According to internal Credit Suisse emails, Goldman Sachs Group's 10b5-1 plan, which would commence in April 2014, was created to "dribble their shares" into the market.

325. In a January investor presentation that same month, Cobalt touted Loengo as a 200+ million barrel prospect. Likewise, during an investor conference call on February 27, 2014, Defendant Farnsworth touted Loengo as a "quite a large structure, which we think has a 250- to 500 million-barrel potential." Moreover, Farnsworth described Loengo as "in a block that we know there's oil in it." Remarkably, this is the same block – Block 9 – from which Cobalt had discussed developing an exit strategy and Sonangol had complained Cobalt was treating like a "redheaded stepchild."

326. By the time of Cobalt's Analyst Day Presentation on June 4, 2014, Cobalt was describing Block 9 as a 750 million to 1.3 billion barrel prospect. This statement, like the others, was directly contrary to the Cobalt Defendants' prior conclusions regarding the low commercial viability of Loengo/Block 9 that the Controlling Entity Defendants had known since 2012, and were made without the benefit of a single Loengo test well that would justify the Cobalt Defendants' public statements that Loengo was up to a 1.3 billion barrel prospect so drastically contradicting their initial conclusions about Loengo's low potential. Cobalt's September 2, 2014 investor presentation also described Loengo as "750 – 1,300 MMBO resource potential," again standing in stark contrast to the fact that the Cobalt and Controlling Entity Defendants knew no

[35] Where, as here, Goldman Sachs Group entered into the 10b5-1 plan during the Class Period and while already in possession of material nonpublic information, the fact that it putatively sold shares pursuant to such a plan is irrelevant. *See*, *e.g.*, *Cent. Laborers' Pension Fund v. Integrated Elec. Servs. Inc.*, 497 F.3d 546, 554 (5th Cir. 2007) ("[Plaintiff] convincingly suggests that the attempt to use the 10b5-1 as a non-suspicious explanation is flawed because, *inter alia,* [Defendant] entered into the Plan during the Class Period").

later than October 2012 that Loengo had limited commercial viability, and, before Cobalt began drilling a test well that internal documents reveal it was drilling only to please Sonangol.

327. Goldman Sachs Group commenced "dribbling their shares" into the market through the 10b5-1 plan on April 29, 2014, when it sold 300,000 shares for $5,423,537. Its sales continued on virtually every trading day up to and including July 25, 2014, by which time Goldman Sachs Group had sold 26,975,023 shares in 2014 for $486,684,822:

Trade Date	Shares	Proceeds
4/29/2014	300,001	$5,423,538
4/30/2014	300,001	$5,382,709
5/1/2014	300,001	$5,668,663
5/2/2014	300,001	$5,814,251
5/5/2014	300,001	$5,709,253
5/6/2014	300,001	$5,663,893
5/7/2014	300,001	$5,567,145
5/8/2014	300,001	$5,211,172
5/9/2014	300,001	$5,138,843
5/12/2014	300,001	$5,257,971
5/13/2014	300,001	$5,286,081
5/14/2014	300,001	$5,342,359
5/15/2014	300,001	$5,198,572
5/16/2014	300,001	$5,133,563
5/19/2014	300,001	$5,182,462
5/20/2014	300,001	$5,147,423
5/21/2014	300,001	$5,223,412
5/22/2014	300,001	$5,294,960
5/23/2014	300,001	$5,359,789
5/27/2014	300,001	$5,423,928
5/28/2014	300,001	$5,404,518
5/29/2014	300,001	$5,481,617
5/30/2014	300,001	$5,494,967
6/2/2014	300,001	$5,430,018
6/3/2014	300,001	$5,514,136
6/4/2014	300,001	$5,551,246
6/5/2014	75,000	$1,370,662
6/5/2014	9,500,000	$174,466,486
6/9/2014	300,001	$5,515,846

Trade Date	Shares	Proceeds
6/12/2014	300,000	$5,562,507
6/13/2014	340,900	$6,278,966
6/16/2014	300,000	$5,562,507
6/17/2014	300,000	$5,644,615
6/18/2014	300,000	$5,604,716
6/19/2014	300,000	$5,610,686
6/20/2014	280,000	$5,281,271
6/23/2014	300,000	$5,611,076
6/24/2014	300,000	$5,518,438
6/25/2014	200,000	$3,631,660
6/26/2014	250,000	$4,474,526
6/27/2014	469,999	$8,479,534
6/30/2014	300,000	$5,471,189
7/1/2014	300,000	$5,481,839
7/2/2014	300,000	$5,415,330
7/3/2014	230,000	$4,164,012
7/7/2014	300,000	$5,308,292
7/8/2014	370,000	$6,368,077
7/9/2014	300,000	$5,229,484
7/10/2014	300,000	$5,109,127
7/11/2014	250,000	$4,212,407
7/14/2014	300,000	$5,033,798
7/15/2014	300,000	$4,952,440
7/16/2014	300,000	$4,950,430
7/17/2014	75,000	$1,241,710
7/18/2014	149,997	$2,469,151
7/21/2014	225,000	$3,710,460
7/22/2014	300,000	$4,970,470
7/23/2014	300,000	$5,009,019

Trade Date	Shares	Proceeds
6/10/2014	225,000	$4,130,481
6/11/2014	334,100	$6,176,036

Trade Date	Shares	Proceeds
7/24/2014	300,000	$5,041,238
7/25/2014	200,000	$3,319,846
Total	**26,975,023**	**$486,684,822**

328. Contemporaneously with Goldman Sachs Group's last sale in July 2014, on July 31, 2014, Plaintiff Universal purchased 2,092 shares of Cobalt common stock (*see* ECF No. 74-1 p. 8). On information and belief, thousands of other Class members also purchased shares contemporaneously with sales by Goldman Sachs Group from April 29, 2014 to July 25, 2014.

329. On July 15, 2014, Defendant Bryant emailed the Board (by this point, Goldman Sachs Group no longer had a designee on the Board) concerning the fact that Goldman Sachs Group was flooding the market with shares: "It looks to us, based on the data that we have access to, that GS is liquidating their CIE position. Over the past few months, we believe that they have sold over 20 million shares. Last week, they may have been selling about 500K per day. At this point this is somewhat of an informed guess, but clearly someone wants out of the stock pretty bad right now . . .." Defendant Moore (First Reserve) responded that "I have calls in to Ken [Pontarelli] which he hasn't returned which is unusual."

330. On August 5, 2014, Cobalt disclosed that the SEC's Enforcement Division had "recommend[ed] that the SEC institute an enforcement action against the Company, alleging violations of certain federal securities laws," and that it had received a Wells Notice from the SEC "related to the investigation [the SEC] has been conducting relating to Cobalt's operations in Angola, and the allegations of Angolan government official ownership of Nazaki." As a result, Cobalt's common stock price declined by more than 11% to close at $14.22 per share.

331. The truth about the Loengo well remained nonpublic and, almost immediately, Defendants Pontarelli and Lebovitz set about to sell Goldman Sachs Group's remaining shares.

332. Specifically, on or about August 25, 2014, Defendants Pontarelli and Lebovitz, along with a Goldman Sachs Group associate, prepared a memorandum "asking for approval from the [Goldman Sachs Group] investment committee to lower our selling threshold for Cobalt International Energy ("Cobalt") from $16.50 to $14.00 per share." The memorandum discussed Cobalt's recent announcement concerning the SEC Wells Notice, and stated that "the share price of Cobalt has fallen below our 10b5-1 program floor price threshold of $16.50 to approximately $14.00-15.00 per share." Defendants Pontarelli and Lebovitz "recommend[ed] lowering our floor price threshold to $14.00 per share through a 10b5-1 program amendment and ***liquidating our remaining investment***" (emphasis in original). To be clear, at the time they made this recommendation, Defendants Pontarelli and Lebovitz knew what the public did not, that the Loengo well had limited commercial viability.

333. The memorandum also revealed the remarkable profits realized by Goldman Sachs Group and its affiliates from Cobalt. Since Goldman Sachs Group had commenced selling shares in the February 2012 Common Stock Offering through its July 2014 sales, the company had sold 67 million shares for $1.538 billion, "representing 4.2x realized MOIC" (multiple on invested capital) to that point. In other words, as of July 2014, Goldman Sachs Group had already realized a 420% return on its Cobalt investment.

334. The request by Defendants Pontarelli and Lebovitz to amend the 10b5-1 plan to lower the selling threshold evidently worked. On September 8, 2014, Goldman Sachs Group began selling shares again, this time in the $14.00-15.00 per share range, and sold shares on every trading day until September 30, 2014. At that point Goldman Sachs Group owned less than 1% of Cobalt. All told, in September 2014 alone, before the news about Loengo being a "dry hole" became public

approximately one month later, Goldman Sachs Group sold 3,950,499 shares for another $57,870,727:

Trade Date	Shares	Proceeds
9/8/2014	370,000	$5,523,534
9/9/2014	300,000	$4,497,650
9/10/2014	425,000	$6,326,622
9/11/2014	400,000	$6,037,506
9/12/2014	200,000	$2,978,914
9/15/2014	250,000	$3,690,793
9/16/2014	200,000	$2,959,774
9/17/2014	200,000	$2,968,754
9/18/2014	275,000	$4,072,247
9/19/2014	200,000	$2,933,795
9/22/2014	125,000	$1,772,498
9/23/2014	200,000	$2,824,157
9/24/2014	200,000	$2,805,658
9/25/2014	134,999	$1,884,895
9/26/2014	180,000	$2,514,904
9/29/2014	270,500	$3,799,737
9/30/2014	20,000	$279,286
Total	**3,950,499**	**$57,870,727**

335. On information and belief, members of the Class purchased shares of Cobalt common stock contemporaneously with each sale by Goldman Sachs Group from September 8, 2014 to September 30, 2014.

336. On November 4, 2014, Cobalt finally revealed the truth about Loengo. At the beginning of trading that day, the Company announced that Loengo was "a dry hole" that had been "plugged and abandoned." Cobalt further disclosed a $55 million impairment charge related to Loengo. In other words, drilling the well to satisfy Sonangol had cost the Company $55 million. In response to the November 4, 2014 disclosures, the price of Cobalt's common securities declined by 11.5% from $11.38 per share at the close of trading on November 3, 2014, to $10.07 per share at the close of trading on November 4, 2014.

* * *

337. Section 20A of the Exchange Act provides that "[a]ny person who violates any provision of this chapter or the rules or regulations thereunder by purchasing or selling a security while in possession of material nonpublic information shall be liable in an action . . . to any person who, contemporaneously with the purchase or sale of securities that is the subject of such violation, has purchased (where such violation is based on a sale of securities) or sold (where such violation is based on a purchase of securities) securities of the same class."

338. As set forth above, the Controlling Entity Defendants each committed underlying violations of Section 10(b) and Rule 10b-5 thereunder, by their acts and omissions as alleged in this Complaint. Specifically, the Controlling Entity Defendants violated Section 10(b) and Rule 10b-5 thereunder by selling Cobalt common stock while in possession of material nonpublic information on Nazaki's ownership, Cobalt's attendant exposure to regulatory and criminal actions, and Loengo's limited commercial viability. Consequently, the Controlling Entity Defendants are liable pursuant to Section 20A of the Exchange Act to any Plaintiff or other Class member who purchased common stock contemporaneously with the Controlling Entity Defendants' sales in the Common Stock Offerings or Goldman Sachs Group's 2014 secondary market sales.

COUNT IV

For Violations Of Section 11 Of The Securities Act Against Cobalt, The Director Defendants And The Underwriter Defendants

339. Plaintiffs repeat and reallege ¶¶217-60 as if fully set forth herein only to the extent, that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct by the Defendants to defraud Plaintiffs or members of the Class. This Section 11 claim does not sound in fraud and Plaintiffs expressly disavow and disclaim any allegations of fraud, scheme, motive,

scienter or intentional conduct as part of this claim, which does not have scienter or fraudulent intent as required elements. To the extent that these allegations incorporate factual allegations elsewhere in this Complaint, those allegations are incorporated only to the extent that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct to defraud Plaintiffs or members of the class. This count is predicated upon Defendants' liability for making untrue statements and omissions of material fact in the Registration Statements.

340. This claim is brought against Cobalt and the Director and Underwriter Defendants pursuant to Section 11 of the Securities Act, 15 U.S.C. § 77k, on behalf of all proposed Class members who purchased or otherwise acquired Cobalt's common stock or convertible notes in or traceable to the Registration Statements for the Offerings, and were damaged thereby.

341. At the time of each Offering, the applicable Registration Statement for each Offering, contained untrue statements of material fact, omitted to state facts necessary to make the statements made therein not misleading, and failed to disclose required material information, as set forth above in Section VI.

342. Cobalt is the issuer of the common stock and convertible notes sold pursuant to the January 4, 2011 Registration Statement and is the issuer of the convertible notes sold pursuant to the December 30, 2013 Registration Statement. The January 4, 2011 Registration Statement and the December 30, 2013 Registration Statement are referred to collectively herein as the "Registration Statements." As the issuer of such stock and bonds, Cobalt is strictly liable to Plaintiffs and the other members of the Class who purchased common stock and/or bonds in or traceable to the Offerings for the materially untrue statements and omissions that appeared in or were omitted from the Registration Statements and Offering Materials.

343. The following Director Defendants were the signatories of the untrue and misleading January 4, 2011 Registration Statement as directors of Cobalt and are liable for the Offerings made pursuant to such Registration Statement: Bryant, Wilkirson, Coneway, Cornell, Golden, Lancaster, Marshall, Moore, Murchison, Pontarelli, Scoggins, van Steenbergen, and Young.

344. The following Director Defendants were the signatories of the untrue and misleading December 30, 2013 Registration Statement as directors of Cobalt and are liable for the Offerings made pursuant to such Registration Statement: Bryant, Wilkirson, Coneway, Golden, Marshall, Moore, Scoggins, van Steenbergen, Utt, and Young.

345. Director Defendants Lebovitz and France were members of the Cobalt Board of Directors at the time of the filing of the Prospectus Supplements with respect to which liability is asserted in this action for the Offerings (other than the May 8, 2014 Bond Offering, as both Lebovitz and France resigned from the Cobalt Board of Directors on May 28, 2013).

346. Each of the Director Defendants is unable to establish an affirmative defense based on a reasonable and diligent investigation of the statements contained in the Registration Statements. These Defendants did not make a reasonable investigation or possess reasonable grounds to believe that the statements contained in the Registration Statements were true and not misleading, and that there were no omissions of any material fact. Accordingly, these Defendants acted negligently, and are liable to Plaintiffs and the other members of the Class who purchased or otherwise acquired the Cobalt common stock and convertible notes in or traceable to the Offerings.

347. The underwriters of the February 23, 2012 Cobalt Stock Offering were Defendants Goldman Sachs, Morgan Stanley, Credit Suisse, CGMI, J.P. Morgan, Tudor, Deutsche Bank, RBC, UBS, Howard Weil, Stifel Nicolaus, and Capital One.

348. The underwriters of the December 12, 2012 Cobalt Bond Offering were Defendants Goldman Sachs and Morgan Stanley.

349. The underwriters of the January 16, 2013 Cobalt Stock Offering were Defendants Morgan Stanley and CGMI.

350. The underwriter of the May 8, 2013 Cobalt Stock Offering was Defendant CGMI.

351. The underwriters of the May 8, 2014 Cobalt Bond Offering were Defendants Goldman Sachs, RBC, Credit Suisse, CGMI, and Lazard.

352. Each of the Underwriter Defendants is unable to establish an affirmative defense based on a reasonable and diligent investigation of the statements contained in the Registration Statements. The Underwriter Defendants did not make a reasonable investigation or possess reasonable grounds to believe that the statements contained in the Offering Materials were true and not misleading, and that there were no omissions of any material fact. Accordingly, the Underwriter Defendants acted negligently, and are liable to Plaintiffs and the other members of the Class who purchased or otherwise acquired the common stock and convertible notes in or traceable to the Offerings.

353. Plaintiffs and other members of the Class purchased Cobalt common stock and/or convertible notes issued under or traceable to the Registration Statements.

354. Plaintiffs and members of the Class did not know, or in the exercise of reasonable diligence could not have known, of the untrue statements and omissions of material fact contained in the Registration Statements when they purchased or otherwise acquired the common stock and/or convertible notes of Cobalt.

355. Plaintiffs and other members of the Class who purchased the common stock and/or convertible notes pursuant to the Registration Statements suffered substantial damages as a result

of the untrue statements and omissions of material facts in the Registration Statements, as they either sold these shares at prices below the Offering prices or still held shares as of November 30, 2014, when the prices and trading value of the common stock and convertible notes were below the Offering prices and values.

356. This claim is brought within the applicable statute of limitations. Throughout the Class Period, Defendants concealed the truth about Nazaki's owners, Cobalt's investigation regarding Nazaki's owners, and the Lontra and Loengo wells.

357. By reason of the foregoing, the Defendants named in this Count have violated Section 11 of the Securities Act.

COUNT V

For Violations Of Section 15 Of The Securities Act
Against The Control Person Defendants

358. Plaintiffs repeat and reallege ¶¶217-60 as if fully set forth herein only to the extent, that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct by the Defendants to defraud Plaintiffs or members of the Class. This Section 11 claim does not sound in fraud and Plaintiffs expressly disavow and disclaim any allegations of fraud, scheme, motive, scienter or intentional conduct as part of this claim, which does not have scienter or fraudulent intent as required elements. To the extent that these allegations incorporate factual allegations elsewhere in this Complaint, those allegations are incorporated only to the extent that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct to defraud Plaintiffs or members of the class. This count is predicated upon Defendants' liability for making false and materially misleading statements in the Offering Materials.

359. This Count is asserted against the Control Person Defendants for violations of Section 15 of the Securities Act, 15 U.S.C. § 77o, on behalf of all members of the Class who

purchased or otherwise acquired Cobalt common stock and/or convertible notes issued pursuant to the Registration Statements.

360. At all relevant times, these Defendants were controlling persons of the Company within the meaning of Section 15 of the Securities Act. Defendant Bryant, at the time of the filing of the Registration Statements and the Offerings, served as Chairman of the Board of Directors and CEO. Defendant Farnsworth, at the time of the filing of the Registration Statements and the Offerings, served as Cobalt's Chief Exploration Officer. Defendant Wilkirson, at the time of the filing of the Registration Statements and the Offerings, served as Cobalt's CFO. The Cobalt Board of Directors approved the Offerings and reviewed and approved the Registration Statements and Prospectuses at the time that each Director Defendant was a member of the Board. The Controlling Entity Defendants exercised control over Cobalt through their financing of the Company, significant share ownership of the Company during the Class Period and having their own senior executives, and executives over which they exercise control, on the Cobalt Board during the Class Period.

361. Defendant Goldman Sachs and the Controlling Entity Defendants were also controlling persons of their agents on the Cobalt Board of Directors because they were the employers of these individuals and controlled the manner in which these individuals voted as Cobalt Directors. Specifically:

a) Defendant Pontarelli was a Managing Director and agent of Goldman Sachs and a member of the Cobalt Board at the same time he signed the January 4, 2011 Registration Statement, and at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, and May 8, 2013 securities offerings.

c) Defendant Lebovitz was a Managing Director and agent of Goldman Sachs and a member of the Cobalt Board at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, and May 8, 2013 securities offerings.

d) Defendant Coneway was a Managing Director and agent of Riverstone and a member of the Cobalt Board at the same time he signed the January 4, 2011 and December 30, 2013 Registration Statements, and at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, and May 8, 2013 securities offerings.

e) Defendant Lancaster was a Managing Director and agent of Riverstone and a member of the Cobalt Board at the same time he signed the January 4, 2011 Registration Statement, and at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, and May 8, 2013 securities offerings.

f) Defendant Moore was a Managing Director and agent of First Reserve and a member of the Cobalt Board at the same time he signed the January 4, 2011 and December 30, 2013 Registration Statements, and at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, May 8, 2013, and May 8, 2014 securities offerings.

g) Defendant Murchison was a consultant, former Managing Partner, and agent of First Reserve and a member of the Cobalt Board at the same time he signed the January 4, 2011 Registration Statement.

h) Defendant France was a Managing Director and agent of First Reserve and a member of the Cobalt Board at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, and May 8, 2013 securities offerings.

i) Defendant van Steenbergen was the Co-Founder and Managing Partner of Defendant KERN and a member of the Cobalt Board at the same time he signed the January 4, 2011 and December 30, 2013 Registration Statements, and at the time of the Company's February 23, 2012, December 12, 2012, January 16, 2013, May 8, 2013, and May 8, 2014 securities offerings.

362. By reason of their control over Cobalt Board members Pontarelli, Lebovitz, Coneway, Lancaster, Moore, Murchison, France and van Steenbergen, Defendant Goldman Sachs and the Controlling Entity Defendants were able to: (i) gain access to all Cobalt reports, agendas and other information available to Pontarelli, Lebovitz, Coneway, Lancaster, Moore, Murchison, France and van Steenbergen as members of the Cobalt Board of Directors; (ii) participate in the preparation and dissemination of the materially misstated Offering Materials through Pontarelli,

Lebovitz, Coneway, Lancaster, Moore, Murchison, France and van Steenbergen; and (iii) otherwise exercise control over Cobalt's public filings and Offerings.

363. The Director Defendants and Goldman Sachs Group, Inc., prior to and at the time of the IPO, participated in the operation and management of the Company, and conducted and participated, directly and indirectly, in the conduct of Cobalt's business affairs, including the Offerings.

364. As officers and/or directors of a company engaging in offerings of its securities, the Director Defendants had a duty to disseminate accurate and truthful information with respect to Cobalt's business, financial condition and results of operations. These Defendants participated in the preparation and dissemination of the Registration Statements and Prospectuses, and otherwise participated in the process necessary to conduct the Offerings. Because of their positions of control and authority as senior officers and/or directors of Cobalt, these Defendants were able to, and did, control the contents of the Registration Statements and Prospectuses, which contained materially untrue information and failed to disclose material facts.

365. By reason of the aforementioned conduct, the Control Person Defendants are liable under Section 15 of the Securities Act jointly and severally with and to the same extent as Cobalt and Director Defendants Pontarelli, Lebovitz, Coneway, Lancaster, Moore, Murchison, France and van Steenbergen are liable under Section 11 of the Securities Act, to Plaintiffs and members of the Class who purchased or otherwise acquired common stock and/or convertible notes issued pursuant to the Registration Statements.

COUNT VI

For Violations Of Section 12(a)(2) Of The Securities Act Against The Underwriter Defendants

366. Plaintiffs repeat and reallege ¶¶217-60 as if fully set forth herein only to the extent, that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct by the Defendants to defraud Plaintiffs or members of the Class. This Section 12 claim does not sound in fraud and Plaintiffs expressly disavow and disclaim any allegations of fraud, scheme, motive, scienter or intentional conduct as part of this claim, which does not have scienter or fraudulent intent as required elements. To the extent that these allegations incorporate factual allegations elsewhere in this Complaint, those allegations are incorporated only to the extent that such allegations do not allege fraud, scheme, motive, scienter or intentional conduct to defraud Plaintiffs or members of the class. This count is predicated upon Defendants' liability for making false and materially misleading statements in the Offering Materials.

367. This claim is brought pursuant to Section 12(a)(2) of the Securities Act, 15 U.S.C. § 77l(a)(2), on behalf of Plaintiffs and all other members of the Class who purchased Cobalt common stock and/or convertible notes in the Offerings, against the Underwriter Defendants.

368. Each of the Underwriter Defendants was a seller, offeror, and/or solicitor of sales of the common stock and/or convertible notes offered pursuant to the Registration Statements and their corresponding Prospectuses in or traceable to the Offerings.

369. The Underwriter Defendants sold Cobalt common stock and/or convertible notes pursuant to the Prospectuses directly to Plaintiffs and/or members of the Class.

370. The Underwriter Defendants transferred title to Cobalt stock and convertible notes to Plaintiffs and/or members of the Class who purchased such securities in the Offerings, and transferred title of such Cobalt securities to other underwriters and/or broker-dealers that sold those

securities as agents for the Underwriter Defendants. The Underwriter Defendants also solicited the purchase of Cobalt stock and convertible notes in the Offerings by Plaintiffs and/or members of the Class who purchased in the Offerings by means of the Prospectuses, motivated at least in part by the desire to serve the Underwriter Defendants' own financial interests and the interests of Cobalt, including but not limited to earning commissions on the sale of Cobalt stock and convertible notes in the Offerings.

371. The Prospectuses contained untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, as set forth more fully above in Section VI.

372. Plaintiffs and/or members of the Class who purchased Cobalt stock and/or convertible notes from the Underwriter Defendants and/or their duly authorized agents in the Offerings made such purchases pursuant to the materially untrue and misleading Prospectuses, and did not know, or in the exercise of reasonable diligence could not have known, of the untruths and omissions contained therein.

373. Plaintiffs and/or members of the Class who purchased the Cobalt stock and/or convertible notes in the Offerings from the Underwriter Defendants and/or their duly authorized agents pursuant to the Prospectuses suffered substantial damages as a result of the untrue statements and omissions of material facts therein, as they either sold these shares at prices below the Offering prices or still held such securities as of the date of this Complaint, when the prices and trading value of the common stock and convertible notes are below the Offering prices.

374. Plaintiffs and/or members of the Class who purchased the Cobalt common stock and/or convertible notes pursuant to the Prospectuses and still hold those securities have sustained substantial damages as a result of the untrue statements of material facts and omissions contained

therein, for which they hereby elect to rescind and tender their common stock to the Underwriter Defendants in return for the consideration paid with interest. Those members of the Class who have already sold their stock and/or convertible notes acquired in the Offerings pursuant to the materially untrue and misleading Registration Statements and Prospectuses are entitled to damages from the Underwriter Defendants.

375. This claim is brought within the applicable statute of limitations. Throughout the Class Period, Defendants concealed the truth about Nazaki's owners, Cobalt's investigation regarding Nazaki's owners, and the Lontra and Loengo wells.

376. By virtue of the foregoing, the Underwriter Defendants violated Section 12(a)(2) of the Securities Act.

X. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows:

A. Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of Plaintiffs and other Class members against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding Plaintiffs and the Class their reasonable costs and expenses incurred in this action, including attorneys' fees and expert fees; and

D. Awarding such equitable/injunctive or other further relief (including, but not limited to, rescission) as the Court may deem just and proper.

XI. JURY DEMAND

377. Plaintiffs hereby demand a trial by jury.

DATED: March 15, 2017

Respectfully submitted,

AJAMIE LLP

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CERTIFICATION

I, David Goldman, on behalf of GAMCO Global Gold, Natural Resources & Income Trust ("GGN"), hereby certify, as to the claims asserted under the federal securities laws, that:

1. I am General Counsel of Gabelli Funds, LLC, and am authorized to execute this Certification on behalf of GGN. I have reviewed the Consolidated Amended Class Action Complaint filed in this matter. GGN has authorized the filing of the Consolidated Amended Class Action Complaint.

2. GGN did not purchase the securities that are the subject of this action at the direction of counsel or in order to participate in any action arising under the federal securities laws.

3. GGN has been appointed to serve as Lead Plaintiff on behalf of the Class.

4. GGN's transactions in Cobalt International Energy Inc. securities during the Class Period are set forth in the chart attached hereto.

5. GGN has not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification.

6. GGN will not accept any payment for serving as a representative party on behalf of the Class beyond GGN's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the Class, as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 29th day of April 2015.

David Goldman
General Counsel
Gabelli Funds, LLC

GAMCO Global Gold, Natural Resources & Income Trust

GAMCO Global Gold, Natural Resources & Income Trust
Transactions in Cobalt International Energy, Inc. ("CIE")

Cobalt Common Stock, CUSIP 19075F106

Transaction	Date	Shares	Price
Purchase	3/15/2012	250,000	30.4633
Purchase	4/17/2012	100,000	27.7000
Purchase	1/16/2013	40,000	25.1500
Purchase	5/8/2013	400,000	26.9445
Purchase	12/17/2013	2,500	22.5000
Purchase	12/18/2013	11,000	22.5014
Purchase	12/19/2013	68,700	22.5002
Purchase	12/19/2013	8,200	20.0018
Purchase	12/30/2013	2,500	20.0060
Purchase	12/30/2013	5,000	22.5030
Purchase	1/7/2014	7,500	22.5000
Purchase	1/15/2014	12,500	20.0012
Purchase	1/17/2014	76,800	20.0002
Purchase	1/17/2014	105,300	22.5001
Sale	7/19/2013	(40,000)	27.4990

GAMCO Global Gold, Natural Resources & Income Trust
Transactions in Cobalt International Energy, Inc. ("CIE")

Options

Description	Transaction	Date	Contracts	Price
CIE 07/12 C 35	Sale	3/15/2012	(2,500)	2.6462
CIE 07/12 C 35	Purchase	6/29/2012	2,500	0.2240
CIE 10/12 P 20	Sale	4/19/2012	(2,000)	1.5854
CIE 10/12 P 20	Expiration	10/19/2012	2,000	0.0000
CIE 10/12 C 30	Sale	6/29/2012	(2,500)	2.0907
CIE 10/12 C 30	Expiration	10/19/2012	2,500	0.0000
CIE 10/12 C 35	Sale	4/17/2012	(1,000)	2.3897
CIE 10/12 C 35	Purchase	10/2/2012	1,000	0.0603
CIE 11/12 C 27.5	Sale	10/2/2012	(1,000)	0.2397
CIE 11/12 C 27.5	Expiration	11/16/2012	1,000	0.0000
CIE 12/12 C 25	Sale	11/19/2012	(1,000)	0.1997
CIE 12/12 C 25	Purchase	12/6/2012	1,000	3.7076
CIE 01/13 P 20	Sale	8/31/2012	(4,000)	2.1897
CIE 01/13 P 20	Expiration	1/18/2013	4,000	0.0000
CIE 01/13 C 27.5	Sale	10/19/2012	(2,500)	0.6347
CIE 01/13 C 27.5	Purchase	12/12/2012	2,500	0.7703
CIE 03/13 P 22.5	Sale	12/12/2012	(2,500)	1.3347
CIE 03/13 P 22.5	Expiration	3/15/2013	2,500	0.0000
CIE 03/13 C 30	Sale	12/6/2012	(1,000)	2.3457
CIE 03/13 C 30	Purchase	2/19/2013	1,000	0.1153
CIE 04/13 P 20	Sale	10/19/2012	(3,000)	2.1947
CIE 04/13 P 20	Expiration	4/19/2013	3,000	0.0000
CIE 07/13 C 25	Sale	1/16/2013	(400)	3.2021
CIE 07/13 C 25	Purchase	4/30/2013	400	4.1704
CIE 07/13 C 27.5	Sale	4/30/2013	(400)	2.4296
CIE 07/13 C 27.5	Expiration	7/19/2013	400	0.0000
CIE 07/13 C 30	Sale	2/19/2013	(1,000)	1.0945
CIE 07/13 C 30	Expiration	7/19/2013	1,000	0.0000
CIE 10/13 C 27.5	Sale	5/8/2013	(4,000)	2.8765
CIE 10/13 C 27.5	Expiration	10/18/2013	4,000	0.0000

GAMCO Global Gold, Natural Resources & Income Trust
Transactions in Cobalt International Energy, Inc. ("CIE")

Options

Description	Transaction	Date	Contracts	Price
CIE 10/13 C 30	Sale	3/11/2013	(600)	2.3696
CIE 10/13 C 30	Expiration	10/18/2013	600	0.0000
CIE 10/13 C 32.5	Sale	7/19/2013	(1,000)	1.7447
CIE 10/13 C 32.5	Purchase	10/14/2013	1,000	0.1654
CIE 11/13 C 30	Sale	10/14/2013	(1,000)	0.9096
CIE 11/13 C 30	Expiration	11/15/2013	1,000	0.0000
CIE 01/14 P 20	Sale	8/19/2013	(1,000)	1.3396
CIE 01/14 P 20	Exercised	12/19/2013	82	0.0000
CIE 01/14 P 20	Exercised	12/30/2013	25	0.0000
CIE 01/14 P 20	Exercised	1/15/2014	125	0.0000
CIE 01/14 P 20	Exercised	1/17/2014	768	0.0000
CIE 01/14 P 22.5	Sale	5/8/2013	(2,000)	2.0396
CIE 01/14 P 22.5	Exercised	12/17/2013	25	0.0000
CIE 01/14 P 22.5	Exercised	12/18/2013	110	0.0000
CIE 01/14 P 22.5	Exercised	12/19/2013	687	0.0000
CIE 01/14 P 22.5	Exercised	12/30/2013	50	0.0000
CIE 01/14 P 22.5	Exercised	1/7/2014	75	0.0000
CIE 01/14 P 22.5	Exercised	1/17/2014	1,053	0.0000
CIE 01/14 C 30	Sale	4/26/2013	(1,900)	3.7695
CIE 01/14 C 30	Expiration	1/17/2014	1,900	0.0000
CIE 02/14 C 27.5	Sale	10/18/2013	(2,500)	1.4646
CIE 02/14 C 27.5	Expiration	2/21/2014	2,500	0.0000
CIE 03/14 C 27.5	Sale	11/15/2013	(1,000)	1.0796
CIE 03/14 C 27.5	Expiration	3/21/2014	1,000	0.0000
CIE 04/14 C 30	Sale	10/18/2013	(2,100)	1.2322
CIE 04/14 C 30	Expiration	4/17/2014	2,100	0.0000
CIE 07/14 C 20	Sale	4/17/2014	(2,100)	0.5396
CIE 07/14 C 20	Expiration	7/17/2014	2,100	0.0000

CERTIFICATION

I, David Goldman, on behalf of GAMCO Natural Resources, Gold & Income Trust ("GNT"), hereby certify, as to the claims asserted under the federal securities laws, that:

1. I am the General Counsel of Gabelli Funds, LLC, and am authorized to execute this Certification on behalf of GNT. I have reviewed the Consolidated Amended Class Action Complaint filed in this matter. GNT has authorized the filing of the Consolidated Amended Class Action Complaint.

2. GNT did not purchase the securities that are the subject of this action at the direction of counsel or in order to participate in any action arising under the federal securities laws.

3. GNT has been appointed to serve as Lead Plaintiff on behalf of the Class.

4. GNT's transactions in Cobalt International Energy Inc. securities during the Class Period are set forth in the chart attached hereto.

5. GNT has not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification.

6. GNT will not accept any payment for serving as a representative party on behalf of the Class beyond GNT's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the Class, as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 29th day of April 2015.

David Goldman
General Counsel
Gabelli Funds, LLC

GAMCO Natural Resources, Gold & Income Trust

GAMCO Natural Resources, Gold & Income Trust (GNT)
Transactions in Cobalt International Energy, Inc. ("CIE")

Cobalt Common Stock, CUSIP 19075F106

Transaction	Date	Shares	Price
Purchase	5/8/2013	50,000	26.9445
Purchase	10/14/2013	100,000	23.7200

Options

Description	Transaction	Date	Contracts	Price
CIE 10/13 C 27.5	Sale	5/8/2013	(500)	2.8765
CIE 10/13 C 27.5	Expiration	10/18/2013	500	0.0000
CIE 02/14 C 27.5	Sale	10/18/2013	(500)	1.4646
CIE 02/14 C 27.5	Expiration	2/21/2014	500	0.0000
CIE 04/14 C 27.5	Sale	10/14/2013	(1,000)	2.2846
CIE 04/14 C 27.5	Expiration	4/17/2014	1,000	0.0000
CIE 07/14 C 20	Sale	4/17/2014	(1,000)	0.5396
CIE 07/14 C 20	Expiration	7/17/2014	1,000	0.0000

CERTIFICATION PURSUANT TO
THE FEDERAL SECURITIES LAWS

I, Ron Parrish, on behalf of St. Lucie County Fire District Firefighters' Pension Trust Fund ("St. Lucie FF"), hereby certify, as to the claims asserted under the federal securities laws, that:

1. I am the Chairman of the Board of Trustees of St. Lucie FF. I have reviewed the consolidated complaint and authorize its filing.

2. St. Lucie FF did not purchase the securities that are the subject of this action at the direction of counsel or in order to participate in any action arising under the federal securities laws.

3. St. Lucie FF is willing to serve as a representative party on behalf of the Class, including providing testimony at deposition and trial, if necessary.

4. St. Lucie FF's transactions in the Cobalt International Energy, Inc. securities that are the subject of this action are set forth in the chart attached hereto.

5. St. Lucie FF has not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification, other than in this action.

6. St. Lucie FF will not accept any payment for serving as a representative party on behalf of the Class beyond St. Lucie FF's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the Class, as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28 day of April, 2015.

Ronald K. Parrish

Ron Parrish
Chairman
St. Lucie County Fire District Firefighters' Pension Trust Fund

St. Lucie County Fire District Firefighters' Pension Trust Fund
Transactions in Cobalt International Energy, Inc.

Cobalt 2⅝ Convertible Senior Notes Due 12/01/19, CUSIP 19075FAA4

Transaction	Date	Face Value	Price (% of Par)
Purchase	12/12/2012	48,000	99.2500
Purchase	12/12/2012	36,000	99.2500
Purchase	1/16/2013	36,000	103.8106
Purchase	3/8/2013	4,000	106.0000
Purchase	3/21/2013	8,000	109.7000
Purchase	3/21/2013	8,000	110.0455
Purchase	4/4/2013	9,000	109.6252
Purchase	4/15/2013	8,000	109.1875
Purchase	4/19/2013	15,000	108.2588
Purchase	5/1/2013	8,000	111.3125
Purchase	5/8/2013	5,000	111.9375
Purchase	5/8/2013	6,000	111.9700
Purchase	8/1/2013	24,000	113.3767
Purchase	8/19/2013	11,000	105.0052
Sale	12/12/2012	(6,000)	102.0625
Sale	12/12/2012	(7,000)	101.0000
Sale	4/17/2013	(11,000)	108.4560
Sale	11/21/2013	(14,000)	100.2500
Sale	12/19/2013	(35,000)	82.1900
Sale	12/19/2013	(7,000)	82.5000
Sale	12/19/2013	(27,000)	83.1522
Sale	1/9/2014	(58,000)	89.0227
Sale	2/4/2014	(15,000)	88.2500
Sale	3/11/2014	(23,000)	94.0000
Sale	3/14/2014	(23,000)	94.2500

Cobalt 3⅛ Convertible Senior Notes due 05/15/24, CUSIP 19075FAB2

Transaction	Date	Face Value	Price (% of Par)
Purchase	5/8/2014	10,000	100.0000
Purchase	5/8/2014	9,000	100.0000
Purchase	5/8/2014	60,000	103.8214
Purchase	6/23/2014	10,000	109.3463
Purchase	6/27/2014	9,000	107.0830
Purchase	7/7/2014	14,000	106.2040
Sale	10/10/2014	(19,000)	74.8706
Sale	10/14/2014	(24,000)	70.6270

CERTIFICATION PURSUANT TO
THE FEDERAL SECURITIES LAWS

I, James Bounds, on behalf of Fire and Police Retiree Health Care Fund, San Antonio ("San Antonio Health"), hereby certify, as to the claims asserted under the federal securities laws, that:

1. I am the Executive Director of San Antonio Health. I have reviewed the consolidated complaint and authorize its filing.

2. San Antonio Health did not purchase the securities that are the subject of this action at the direction of counsel or in order to participate in any action arising under the federal securities laws.

3. San Antonio Health is willing to serve as a representative party on behalf of the Class, including providing testimony at deposition and trial, if necessary.

4. San Antonio Health's transactions in the Cobalt International Energy, Inc. securities that are the subject of this action are set forth in the chart attached hereto.

5. San Antonio Health has not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification, other than in this action.

6. San Antonio Health will not accept any payment for serving as a representative party on behalf of the Class beyond San Antonio Health's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the Class, as ordered or approved by the Court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28 day of April, 2015.

James Bounds
Executive Director
Fire and Police Retiree Health Care Fund, San Antonio

Fire and Police Retiree Health Care Fund, San Antonio
Transactions in Cobalt International Energy, Inc.

Transaction	Date	Shares	Price
Purchase	3/26/2013	1,850	27.7728
Purchase	12/9/2013	4,175	17.0018
Sale	8/6/2014	(6,025)	14.0306

CERTIFICATION

Sjunde AP-Fonden ("AP7" or "Plaintiff"),[1] declares, as to the claims asserted in this action under the federal securities laws that:

1. Plaintiff did not purchase any of the securities that are the subject of this action at the direction of Plaintiff's counsel or in order to participate in any private action.

2. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

3. Plaintiff's Class Period purchase and sale transactions in the Cobalt International Energy, Inc. securities that are the subject of this action are identified in the attached Schedule A.

4. AP7 has full power and authority to bring suit to recover for its investment losses.

5. Plaintiff has reviewed the facts and allegations of a complaint filed in this action, including those set forth in the complaint filed with this Certification.

6. I, Richard Gröttheim, Chief Executive Officer of AP7, am authorized to make legal decisions on behalf of AP7.

7. Plaintiff intends to actively monitor and vigorously pursue this action for the benefit of the Class.

8. Plaintiff will endeavor to provide fair and adequate representation and work directly with the efforts of Class counsel to ensure that the largest recovery for the Class consistent with good faith and meritorious judgment is obtained.

9. AP7 is currently serving as a representative party for a class action filed under the federal securities laws during the three years prior to the date of this certification in *United Union of*

[1] AP7 is acting on behalf of the AP7 Equity Fund in this litigation. All references to "Sjunde AP-Fonden" or "AP7" in this litigation, including herein, are to AP7 acting on behalf of the AP7 Equity Fund.

Roofers, Waterproofers & Allied Workers Local No. 8 v. Ocwen Financial Corporation, et al., No. 14-81057 (S.D. Fla.) ("*United Union*"), and *In re JPMorgan Chase & Company Securities Litigation*, No. 12-3852 (S.D.N.Y.).

10. AP7 has sought to serve (and either withdrew its motion or was not appointed) as a representative party for a class action filed under the federal securities laws during the three years prior to the date of this Certification in *In re Cobalt International Energy, Inc. Securities Litigation*, No. 14-3428 (S.D. Tex.), *Ciraulu v. American Realty Capital Properties, Inc., et al.*, No. 14-8659 (S.D.N.Y.), *In re Genworth Financial, Inc. Securities Litigation*, No. 14-682 (E.D. Va.) and *Elm Tree Investment L.P. v. Ocwen Financial Corporation, et al.*, No. 1:14-cv-61 (D.V.I.) (transferred to the U.S. District Court for the Southern District of Florida for consolidated and/or coordinated proceedings with *United Union*).

11. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the Court.

I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct.

Executed this 30 day of April, 2015.

Sjunde AP-Fonden

By: _____
Richard Gröttheim
Chief Executive Officer

SCHEDULE A

Security	Buy/Sell	Date	Quantity	Price
Com Stk	Buy	2/29/2012	33,100	$30.05
Com Stk	Buy	3/9/2012	11,800	$29.92
Com Stk	Buy	3/22/2012	44,200	$30.66
Com Stk	Buy	11/30/2012	8,831	$23.32
Com Stk	Buy	12/10/2012	7,600	$27.71
Com Stk	Buy	1/11/2013	3,899	$26.65
Com Stk	Buy	1/16/2013	15,268	$24.84
Com Stk	Buy	1/31/2013	9,582	$24.21
Com Stk	Buy	2/7/2013	15,600	$24.69
Com Stk	Buy	5/8/2013	22,910	$26.70
Com Stk	Buy	5/14/2013	2,050	$27.14
Com Stk	Buy	5/17/2013	20,700	$27.42
Com Stk	Buy	12/9/2013	18,370	$16.99

PLAINTIFF'S CERTIFICATION
PURSUANT TO FEDERAL SECURITIES LAWS

The undersigned, Bernd Vorbeck and Frank Schröder, on behalf of Universal Investment Gesellschaft mbH ("Universal"), for account of its funds listed in Schedule A (the "Funds"), declare the following as to the claims asserted, or to be asserted, under the federal securities laws:

1. We have reviewed a complaint against Cobalt International Energy, Inc. ("Cobalt") and designate Motley Rice LLC as counsel for Universal in this action for all purposes.

2. We are duly authorized to institute legal action on behalf of Universal and the Funds, including litigation against Cobalt and any other defendants.

3. Universal did not purchase or sell the security that is the subject of this litigation at the direction of plaintiff's counsel or in order to participate in any private action under the federal securities laws.

4. Universal is willing to serve as a representative plaintiff and understands that a representative plaintiff is a party who acts on behalf of other class members in directing the action, and whose duties may include testifying at deposition and trial. Universal also understands that, as a representative plaintiff in this action, it will be subject to the jurisdiction of the Court and will be bound by all rulings by the Court, including rulings regarding any judgments.

5. Universal will not accept any payment for serving as a representative party beyond its *pro rata* share of any recovery, except reasonable costs and expenses, such as lost wages and travel expenses, directly related to the class representation, as ordered or approved by the Court.

6. Universal has not sought to serve as a lead plaintiff or representative party on behalf of a class in any action under the federal securities laws filed during the three-year period preceding the date of this Certification, except as detailed below:

City of Taylor Police and Fire Retirement System v. The Western Union Company, 13-cv-03325 (D. Colo. 2013);

In re Conn's, Inc. Securities Litigation, 14-cv-00548 (S.D. Tex. 2014); and

In re Cobalt International Energy, Inc. Securities Litigation, 14-cv-03428 (S.D. Tex. 2014).

7. Universal understands that this is not a claim form, and that its ability to share in any recovery as a member of the class is unaffected by its decision to serve as a representative party.

8. Attached hereto as Schedule A is a complete listing of all transactions the Funds made during the Class Period in the security that is the subject of this litigation. Universal will provide records of those transactions upon request.

3a.

9. Universal is also represented and counseled in this matter by its attorney, Deborah M. Sturman of Sturman LLC.

We declare under penalty of perjury, under the laws of the United States of America, that the foregoing is true and correct to the best of our knowledge, information and belief.

Executed this 19 day of June, 2015.

For Universal Investment Gesellschaft mbH:

Bernd Vorbeck
Managing Director

Frank Schröder
Legal / Compliance

BW

Schedule A

Cobalt International Energy, Inc. (NYSE: CIE)
Class Period: 03/01/11 - 11/03/14

Universal-Investment		Date	Shares	Price
ISIN: US19075F1066				
040900-040904				
	Purchases:	01/25/13	10,000	$24.5454
	Sales:	06/11/13	10,000	$25.7914
170800-170802				
	Purchases:	01/16/14	4,986	$16.4600
171400-171403				
	Purchases:	04/29/11	1,300	$13.9981
	Sales:	04/30/12	1,300	$26.7612
173800-173810				
	Purchases:	05/10/13	2,577	$13.6068
		10/31/13	5,292	$23.4249
182900-182903				
	Purchases:	01/23/13	3,329	$24.3597
		06/27/13	1,400	$26.7100
246300-246303				
	Purchases:	01/15/14	1,900	$16.3092
260700-260722				
	Purchases:	01/10/13	10,000	$26.5850
	Sales:	01/22/13	10,000	$24.2947
305700-305701				
	Purchases:	01/10/13	60,000	$26.5447

Sales:	06/04/13	35,000	$25.7896
	06/11/13	25,000	$25.5755

321200-321204

Purchases:	04/20/11	1,740	$13.5300
	12/20/11	2,000	$12.4656
	12/20/11	1,800	$13.6748
	02/24/12	4,000	$28.0000
	04/10/12	1,500	$28.9712
	04/16/12	1,300	$25.4849
	04/16/12	3,700	$25.3962
	08/09/12	1,110	$21.5597
	08/13/12	1,200	$20.2500
	08/31/12	1,850	$22.3982
	09/21/12	3,920	$24.6387
	09/24/12	1,960	$22.8731
	10/12/12	2,080	$20.5797
	10/15/12	950	$20.1400
	10/15/12	1,200	$20.7967
	01/18/13	1,600	$24.5944
	01/22/13	1,430	$24.3047
	01/22/13	1,100	$24.2772
	01/23/13	790	$24.4199
	02/05/13	2,800	$24.4364
	02/22/13	1,000	$23.8708
	02/26/13	1,970	$23.0773
	04/03/13	2,110	$27.1875
	04/04/13	900	$27.1669
	04/04/13	750	$27.1999
	05/24/13	1,775	$26.4063
	05/30/13	1,300	$26.1800
	05/30/13	490	$26.3097
	05/31/13	1,830	$25.9825
	06/11/13	1,870	$25.6787
	06/19/13	2,740	$26.7178
	09/27/13	900	$25.1702
	09/30/13	1,070	$24.8924
	10/04/13	2,000	$24.5598
	10/08/13	2,160	$22.5571
	10/17/13	2,160	$22.9369
	10/22/13	2,250	$22.7588
	11/01/13	1,100	$22.9192
	11/04/13	1,140	$22.9966
	11/07/13	1,100	$21.9918
	11/07/13	1,220	$22.2475
	11/20/13	1,300	$21.6870
	11/26/13	1,080	$22.4328

		12/02/13	1,200	$19.2720
		12/26/13	1,500	$16.2616
		12/27/13	2,300	$16.3130
		01/10/14	2,000	$15.9907
		01/14/14	1,500	$16.1093
		01/22/14	1,400	$16.8389
		01/24/14	1,400	$17.1641
		02/07/14	5,800	$16.3890
		02/10/14	3,700	$16.5059
		02/11/14	2,000	$17.0382
	Sales:	11/01/11	4,730	$9.3080
		01/20/12	1,670	$20.0609
		02/09/12	1,510	$23.9920
		07/18/12	3,400	$23.7640
		08/23/12	1,740	$22.5700
		10/09/12	1,100	$21.9234
		10/17/12	1,200	$20.9600
		01/15/13	2,060	$26.7500
		03/14/13	2,210	$26.6613
		03/19/13	2,500	$25.7900
		05/09/13	2,300	$26.6100
		07/08/13	2,200	$27.9991
		07/09/13	900	$28.0000
		07/09/13	800	$28.0039
		07/09/13	740	$28.0000
		07/09/13	2,300	$27.9668
		07/17/13	2,060	$28.2700
		09/19/13	2,000	$25.7079
		05/30/14	2,070	$18.4900
		06/17/14	3,240	$18.7100
		09/16/14	4,730	$14.7900
		09/26/14	2,480	$13.9972
		11/03/14	2,200	$11.5801
321200-321216				
	Purchases:	01/10/13	10,000	$26.5850
	Sales:	05/09/13	10,000	$26.7660
323900-323901				
	Purchases:	02/29/12	1,159	$30.0600

328800-328804				
	Purchases:	04/05/12	2,600	$30.4300
		06/19/13	2,789	$26.7354
328800-328806				
	Purchases:	12/21/11	2,500	$14.4091
		01/10/12	3,000	$17.2918
		02/24/12	5,500	$28.0000
		06/13/12	1,200	$21.8565
		06/13/12	3,600	$21.9939
		08/09/12	4,900	$21.5597
		08/13/12	3,200	$20.2500
		09/24/12	4,800	$22.8731
	Sales:	12/07/11	3,400	$10.5126
		12/08/11	2,400	$10.1085
		12/09/11	2,500	$10.3845
		12/09/11	1,900	$10.4806
		12/19/11	2,300	$10.5003
		12/20/11	7,700	$12.5752
		01/05/12	1,500	$16.0251
		01/05/12	5,500	$16.2016
		01/05/12	1,500	$16.2000
		01/06/12	2,700	$16.0448
		01/10/12	2,000	$17.1644
		01/10/12	300	$17.3900
		01/25/12	300	$20.2289
		01/25/12	16,900	$19.9659
		01/30/12	5,200	$19.9342
		02/02/12	16,400	$20.1047
		02/03/12	1,200	$20.6637
		02/03/12	2,950	$20.7934
		03/20/12	6,100	$31.5600
		07/10/12	8,000	$24.9339
		10/10/12	42,850	$21.6962
374700-374701				
	Purchases:	01/10/13	75,000	$26.5850
	Sales:	06/11/13	75,000	$25.5387
377600-377602				
	Purchases:	04/17/13	900	$26.8000

378600-378602

Purchases:	07/31/14	2,092	$15.9039
	08/01/14	4,983	$15.8245
	08/04/14	4,845	$15.7955
	08/05/14	17,482	$14.3026
	08/20/14	1,715	$14.7512
	08/21/14	6,335	$14.8724
	08/22/14	2,540	$14.8909
	10/29/14	13,551	$11.4596
	10/30/14	13,551	$11.2868

378600-378604

Purchases:	03/31/14	11,900	$18.3200

308400-308401

Purchases:	01/10/13	15,000	$26.5447
Sales:	06/11/13	15,000	$25.5755

ISIN: US19075FAB22
274400-274401

Purchases:	05/13/14	2,000,000	$105.6250
Sales:	07/17/14	2,000,000	$100.5000

Exhibit 2

APPEAL,LEAD

U.S. District Court
SOUTHERN DISTRICT OF TEXAS (Houston)
CIVIL DOCKET FOR CASE #: 4:14-cv-03428

IN RE: COBALT INTERNATIONAL ENERGY, INC. SECURITIES LITIGATION
Assigned to: Judge Nancy F. Atlas
Related Case: 4:14-cv-03488
Cause: 15:77 Securities Fraud

Date Filed: 11/30/2014
Jury Demand: Both
Nature of Suit: 850 Securities/Commodities
Jurisdiction: Federal Question

Plaintiff

St. Lucie County Fire District Firefighters' Pension Trust Fund

represented by **David R Stickney**
Bernstein Litowitz et al
12481 High Bluff Dr
Ste 300
San Diego, CA 92130
858-793-0070
Fax: 858-793-0323
Email: davids@blbglaw.com
ATTORNEY TO BE NOTICED

Plaintiff

Fire and Police Retiree Health Care Fund, San Antonio
on behalf of themselves and all others similarly situated

represented by **Gerald T Drought**
Martin & Drought PC
300 Convent St.
Ste. 2500
San Antonio, TX 78205
210-227-7591
Fax: 210-227-7924
Email: gdrought@mdtlaw.com
ATTORNEY TO BE NOTICED

Plaintiff

Universal Investment Gesellschaft m.b.h.

represented by **Matthew Christopher Matheny**
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Ronald L. Oran , Jr
(See above for address)
LEAD ATTORNEY

Defendant

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Scott Musoff
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Defendant

Credit Suisse Securities (USA) LLC represented by **Charles W Schwartz**
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Defendant

Citigroup Global Markets Inc. represented by **Charles W Schwartz**
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Noelle M Reed
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J.P. Morgan Securities LLC represented by **Charles W Schwartz**
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Defendant

Tudor, Pickering, Holt & Co. represented by **Charles W Schwartz**

Securities, Inc.		(See above for address) *TERMINATED: 12/31/2015* *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED* **Jay B. Kasner** (See above for address) *LEAD ATTORNEY* *PRO HAC VICE* *ATTORNEY TO BE NOTICED* **Noelle M Reed** (See above for address) *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED* **Scott Musoff** (See above for address) *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED*
Defendant		
Deutsche Bank Securities Inc.	represented by	**Charles W Schwartz** (See above for address) *TERMINATED: 12/31/2015* *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED* **Jay B. Kasner** (See above for address) *LEAD ATTORNEY* *PRO HAC VICE* *ATTORNEY TO BE NOTICED* **Noelle M Reed** (See above for address) *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED* **Scott Musoff** (See above for address) *LEAD ATTORNEY* *ATTORNEY TO BE NOTICED*
Defendant		
RBC Capital Markets, LLC	represented by	**Charles W Schwartz** (See above for address) *TERMINATED: 12/31/2015*

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Defendant

UBS Securities LLC represented by **Charles W Schwartz**
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Defendant

Howard Weil Incorporated represented by **Charles W Schwartz**
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Defendant

Stifel, Nicolaus & Company, Incorporated represented by **Charles W Schwartz**
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Defendant

Capital One Southcoast, Inc. represented by **Charles W Schwartz**
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Defendant

Lazard Capital Markets LLC represented by **Charles W Schwartz**
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Defendant

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Cecilia A Glass
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Garrett Ordower
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TERMINATED: 04/19/2017
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KBC Asset Management NV represented by **Matthew Christopher Matheny**
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Movant

Equity-League Pension Trust Fund represented by **Allan Brent Diamond**

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Date Filed	#	Docket Text
11/30/2014	1	COMPLAINT against All Defendants (Filing fee $ 400 receipt number 0541-14115165) filed by Fire and Police Retiree Health Care Fund, San Antonio. (Attachments: # 1 Exhibit A, # 2 Exhibit B, # 3 Civil Cover Sheet)(Drought, Gerald) (Entered: 11/30/2014)
11/30/2014	2	Request for Issuance of Summons as to All Defendants, filed. (Attachments: # 1 Request for Issuance of Summons, # 2 Request for Issuance of Summons, # 3 Request for Issuance of Summons, # 4 Request for Issuance of Summons, # 5 Request for Issuance of Summons, # 6 Request for Issuance of Summons, # 7 Request for Issuance of Summons, # 8 Request for Summons, # 9 Request for Summons, # 10 Request for Issuance of Summons, # 11 Request for Issuance of Summons, # 12 Request for Issuance of Summons, # 13 Request for Issuance of Summons, # 14 Request for Issuance of Summons, # 15 Request for Issuance of Summons, # 16 Request for Issuance of Summons, # 17 Request for Issuance of Summons, # 18 Request for Issuance of Summons, # 19 Request for Issuance of Summons, # 20 Request for Issuance of Summons, # 21 Request for Issuance of Summons, # 22 Request for Issuance of Summons, # 23 Request for Issuance of Summons, # 24 Request for Issuance of Summons, # 25 Request for Issuance of Summons, # 26 Request for Issuance of Summons, # 27 Request for Issuance of Summons, # 28 Request for Issuance of Summons, # 29 Request for Issuance of Summons, # 30 Request for Issuance of Summons, # 31 Request for Issuance of Summons, # 32 Request for Issuance of Summons, # 33 Request for Issuance of Summons, # 34 Request for Issuance of Summons, # 35 Request for Issuance of Summons, # 36 Request for Issuance of Summons, # 37 Request for Issuance of Summons, # 38 Request for Issuance of Summons, # 39 Request for Issuance of Summons, # 40 Request for Issuance of Summons, # 41 Request for Issuance of Summons, # 42 Request for Issuance of Summons, # 43 Request for Issuance of Summons, # 44 Request for Issuance of Summons, # 45 Request for Issuance of Summons, # 46 Request for Issuance of Summons, # 47 Request for Issuance of Summons, # 48 Request for Issuance of Summons, # 49 Request for Issuance of Summons, # 50 Request for Issuance of Summons, # 51 Request for Issuance of Summons, # 52 Request for Issurance of Summons, # 53 Request for Issuance of Summons)(Drought, Gerald) (Entered: 11/30/2014)

Exhibit 3

State of Delaware
Secretary of State
Division of Corporations
Delivered 09:15 AM 12/18/2009
FILED 09:15 AM 12/18/2009
SRV 091114709 - 4725016 FILE

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

COBALT INTERNATIONAL ENERGY, INC.

The original name of the corporation is Cobalt International Energy, Inc. The original certificate of incorporation of the corporation was filed with the Secretary of State of the State of Delaware on August 27, 2009. This Amended and Restated Certificate of Incorporation, which both restates and integrates and further amends the provisions of the corporation's certificate of incorporation, was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware.

The certificate of incorporation of the corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE 1
NAME

The name of the corporation is Cobalt International Energy, Inc. (the "**Corporation**").

ARTICLE 2
REGISTERED OFFICE AND AGENT

The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE 3
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended ("**Delaware Law**").

ARTICLE 4
CAPITAL STOCK

Section 1. *Authorized Capital Stock.* The total number of shares of stock which the Corporation shall have authority to issue is 2,200,000,000, consisting of 2,000,000,000 shares of common stock, par value $0.01 per share (the "**Common Stock**"), and 200,000,000 shares of preferred stock, par value $0.01 per share (the "**Preferred Stock**").

Section 2. *Preferred Stock.* The Board of Directors is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more series of Preferred Stock and to fix the designations, powers, preferences and relative, participating, optional or other rights, if any, and the qualifications, limitations or restrictions thereof, if any, with respect to each such series of Preferred Stock and the number of shares constituting each such series, and to increase or decrease the number of shares of any such series to the extent permitted by Delaware Law.

ARTICLE 5
BOARD OF DIRECTORS

Section 1. *Power of the Board of Directors.* The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. *Number of Directors.* Subject to the terms of any series of Preferred Stock entitled to separately elect directors, the Board of Directors shall consist of not less than 5 nor more than 15 directors, with the exact number of directors to be determined from time to time solely by resolution adopted by the affirmative vote of a majority of the entire Board of Directors.

Section 3. *Election of Directors.* (a) Until the Effective Date, all of the directors will be elected annually at the annual meeting of stockholders.

(b) From and after the Effective Date, except as otherwise provided in the terms of any series of Preferred Stock entitled to separately elect directors, the directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. Each director shall serve for a term ending on the date of the third annual meeting of stockholders next following the annual meeting at which such director was elected; *provided* that directors initially designated as Class I directors shall serve for a term ending on the date of the first annual meeting following such Effective Date, directors initially designated as Class II directors shall serve for a term ending on the second annual meeting following such Effective Date, and directors initially designated as Class III directors shall serve for a term ending on the date of the

third annual meeting following such Effective Date. Immediately following the Effective Date, the Board of Directors is authorized to designate the members of the Board then in office as Class I directors, Class II directors or Class III directors. In making such designation, the Board of Directors shall equalize, as nearly as possible, the number of directors in each class. In the event of any change in the number of directors, the Board of Directors shall apportion any newly created directorships among, or reduce the number of directorships in, such class or classes as shall equalize, as nearly as possible, the number of directors in each class. In no event will a decrease in the number of directors shorten the term of any incumbent director.

(c) Each director shall hold office until such director's successor shall have been duly elected and qualified or until such director's earlier death, resignation or removal and, in the case of a classified board, for a term that shall coincide with the term of the class to which such director shall have been elected.

(d) There shall be no cumulative voting in the election of directors.

Section 4. *Vacancies*. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled solely by a majority of the directors then in office (although less than a quorum) or by the sole remaining director. Subject to the terms of any series of Preferred Stock entitled to separately elect directors, whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by this certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. If there are no directors in office, then an election of directors may be held in accordance with Delaware Law. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of other vacancies.

Section 5. *Removal*. (a) Until the Effective Date, any director may be removed from office, with or without cause, by the affirmative vote of the holders of not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class.

(b) From and after the Effective Date, no director may be removed from office by the stockholders except for cause with the affirmative vote of the holders of not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class.

(c) Notwithstanding the foregoing, whenever the holder of one or more classes or series of Preferred Stock shall have the right, voting separately as

a class or series, to elect directors, the election, term of office, filling of vacancies, removal and other features of such directorships shall be governed by the terms of the resolution or resolutions adopted by the Board of Directors pursuant to Article 4 applicable thereto, and such directors so elected shall not be subject to the provisions of this Article 5 unless otherwise provided therein.

ARTICLE 6
STOCKHOLDERS

Section 1. *Action by Written Consent of Stockholders.* (a) Until the Effective Date, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken (i) by a vote of stockholders at a meeting of stockholders duly noticed and called in accordance with Delaware Law or (ii) without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding capital stock of the Corporation having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) From and after the Effective Date, any action required or permitted to be taken at any annual or special meeting of stockholders may only be taken upon a vote of stockholders at an annual or special meeting of stockholders duly noticed and called in accordance with the Corporation's bylaws and Delaware Law and may not be taken by written consent of stockholders without a meeting.

Section 2. *Special Meetings of Stockholders.* Special meetings of stockholders may be called only by the Board or Directors or the Chairman of the Board; *provided that*, until the Effective Date, special meetings of stockholders will also be called by the Secretary of the Corporation at the request of the holders of a majority of the outstanding shares of Common Stock.

ARTICLE 7
LIMITATIONS ON LIABILITY AND INDEMNIFICATION

Section 1. *Limited Liability.* A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by Delaware Law.

Section 2. *Right to Indemnification.* (a) Each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or principal officer (as defined in the Corporation's bylaws) of the Corporation shall

be indemnified and held harmless by the Corporation to the fullest extent permitted by Delaware Law; *provided*, that the Corporation shall not be obligated to indemnify (or advance) expenses to such a director or principal officer with respect to a proceeding (or part thereof) initiated by such director or principal officer (other than a proceeding to enforce the rights granted under this Article 7) unless the Board of Directors approved the initiation of such proceeding (or part thereof). The right to indemnification conferred in this Article 7 shall also include the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in connection with any such proceeding in advance of its final disposition to the fullest extent authorized by Delaware Law. The right to indemnification conferred in this Article 7 shall be a contract right.

(b) The Corporation may, by action of its Board of Directors, provide rights to indemnification and to advancement of expenses to such other officers, employees and agents of the Corporation to such extent and to such effect as the Board of Directors shall determine to be appropriate and authorized by Delaware Law.

Section 3. *Insurance*. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under Delaware Law.

Section 4. *Nonexclusivity of Rights*. The rights and authority conferred in this Article 7 shall not be exclusive of any other right which any person may otherwise have or hereafter acquire.

Section 5. *Preservation of Rights*. Neither the amendment nor repeal of this Article 7, nor the adoption of any provision of this certificate of incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

ARTICLE 8
CORPORATE OPPORTUNITIES

To the fullest extent permitted by applicable law, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to

participate in, business opportunities that are from time to time presented to any of the Sponsors or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Corporation and its subsidiaries) (each, a "**Specified Party**"), even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty to communicate or offer such business opportunity to the Corporation and, to the fullest extent permitted by applicable law, shall not be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries. Notwithstanding the foregoing, a Specified Party who is a director or officer of the Corporation and who is offered a business opportunity in his or her capacity as a director or officer of the Corporation (a "**Directed Opportunity**") shall be obligated to communicate such Directed Opportunity to the Corporation, *provided, however*, that all of the protections of this Article 8 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including, without limitation, the ability of the Specified Parties to pursue or acquire such Directed Opportunity or to direct such Directed Opportunity to another person.

Neither the amendment nor repeal of this Article 8, nor the adoption of any provision of this certificate of incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

If any provision or provisions of this Article 8 shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article 8 (including, without limitation, each portion of any paragraph of this Article 8 containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Article 8 (including, without limitation, each such portion of any paragraph of this Article 8 containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

This Article 8 shall not limit any protections or defenses available to, or indemnification rights of, any director or officer of the Corporation under this certificate of incorporation or applicable law.

Any person or entity purchasing or otherwise acquiring any interest in any securities of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article 8.

ARTICLE 9
MISCELLANEOUS

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation and for the further definition of the powers of the Corporation and of its directors and stockholders:

(a) The directors shall have the concurrent power with the stockholders to adopt, amend or repeal the bylaws of the Corporation.

(b) Elections of directors need not be by written ballot unless the bylaws of the Corporation so provide.

(c) The Corporation elects not to be governed by Section 203 of the Delaware Law, and the restrictions contained in Section 203 shall not apply to the Corporation, until the first date on which the Sponsors and their affiliates no longer beneficially own at least 25% of the outstanding shares of Common Stock of the Corporation. From and after such date, the Corporation shall be governed by Section 203 so long as Section 203 by its terms would apply to the Corporation.

For so long as that certain Stockholders Agreement, dated as of December 15, 2009, by and among the Corporation and the Sponsors, as amended from time to time (the "**Stockholders Agreement**"), is in effect, the provisions of the Stockholders Agreement shall be incorporated by reference into the relevant provisions hereof, and such provisions shall be interpreted and applied in a manner consistent with the terms of the Stockholders Agreement.

As used herein, the following terms shall have the following meanings:

"**Carlyle/Riverstone**" shall mean Riverstone Energy Coinvestment III, L.P., C/R Cobalt Investment Partnership, L.P., C/R Energy Coinvestment II, L.P., C/R Energy III Cobalt Partnership, L.P., Carlyle/Riverstone Global Energy and Power Fund III, L.P. and Carlyle Energy Coinvestment III, L.P. collectively.

"**GSCP**" shall mean GSCP V Cobalt Holdings, LLC, GSCP V Offshore Cobalt Holdings, LLC, GS Capital Partners V Institutional, L.P., GSCP V GmbH Cobalt Holdings, LLC, GSCP VI Cobalt Holdings, LLC, GSCP VI Offshore

Cobalt Holdings, LLC, GS Capital Partners VI Parallel, L.P. and GSCP VI GmbH Cobalt Holdings, LLC, collectively.

"**First Reserve**" shall mean First Reserve Fund XI, L.P. and FR XI Onshore AIV, L.P , collectively.

"**KERN**" shall mean KERN Cobalt Co-Invest Partners AP LP.

"**Effective Date**" shall mean the first date on which the Sponsors and their affiliates no longer beneficially own more than 50% of the outstanding shares of Common Stock of the Corporation or the Corporation no longer qualifies as a "controlled company" under Section 303A of the New York Stock Exchange Listed Company Manual as in effect on December 15, 2009.

"**Sponsors**" means Carlyle/Riverstone, GSCP, First Reserve and KERN.

ARTICLE 10
AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right from time to time to amend this certificate of incorporation in any manner permitted by Delaware Law, and all rights and powers conferred upon stockholders, directors and officers herein are granted subject to this reservation.

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Certificate of Incorporation this 18th day of December, 2009.

COBALT INTERNATIONAL ENERGY, INC.

By: _____

Name: Samuel H. Gillespie

Title: Executive Vice President

Exhibit 4

SECOND AMENDED AND

RESTATED CERTIFICATE OF

INCORPORATION OF

COBALT INTERNATIONAL ENERGY, INC.

The original name of the corporation is Cobalt International Energy, Inc. The original certificate of incorporation of the corporation was filed with the Secretary of State of the State of Delaware on August 27, 2009. This Second Amended and Restated Certificate of Incorporation, which both restates and integrates and further amends the provisions of the corporation's certificate of incorporation, was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware.

The certificate of incorporation of the corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE 1
NAME

The name of the corporation is Cobalt International Energy, Inc. (the "**Corporation**").

ARTICLE 2
REGISTERED OFFICE AND AGENT

The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE 3
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended ("**Delaware Law**").

ARTICLE 4
CAPITAL STOCK

Section 1. *Authorized Capital Stock.* The total number of shares of stock which the Corporation shall have authority to issue is 2,200,000,000, consisting of 2,000,000,000 shares of common stock, par value $0.01 per share (the "**Common Stock**"), and 200,000,000 shares of preferred stock, par value $0.01 per share (the "**Preferred Stock**").

Section 2. *Preferred Stock.* The Board of Directors is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more series of Preferred Stock and to fix the designations, powers, preferences and relative, participating, optional or other rights, if any, and the qualifications, limitations or restrictions thereof, if any, with respect to each such series of Preferred Stock and the number of shares constituting each such series, and to increase or decrease the number of shares of any such series to the extent permitted by Delaware Law.

ARTICLE 5
BOARD OF DIRECTORS

Section 1. *Power of the Board of Directors*. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. *Number of Directors*. Subject to the terms of any series of Preferred Stock entitled to separately elect directors, the Board of Directors shall consist of not less than 5 nor more than 15 directors, with the exact number of directors to be determined from time to time solely by resolution adopted by the affirmative vote of a majority of the entire Board of Directors.

Section 3. *Election of Directors*.

(a) Except as otherwise provided in the terms of any series of Preferred Stock entitled to separately elect directors, the directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. Each director shall serve for a term ending on the date of the third annual meeting of stockholders next following the annual meeting at which such director was elected. Commencing at the annual meeting of stockholders to be held in 2017 (each annual meeting of stockholders, an "**Annual Meeting**"), subject to the special rights of holders of any series of Preferred Stock to elect additional directors, the directors of the Corporation shall be elected annually and shall hold office until the next Annual Meeting and until his or her successor shall be elected and qualified, or his or her death, resignation, retirement, disqualification or removal from office. Notwithstanding the foregoing, any director in office at the 2017 Annual Meeting whose term expires at the 2018 Annual Meeting or the 2019 Annual Meeting (each such director, a "**Continuing Classified Director**"), shall continue to hold office until the end of the term for which such director was elected and until his or her successor shall be elected and

qualified, or his or her death, resignation, retirement, disqualification or removal from office. In the event of any increase or decrease in the authorized number of directors, each Continuing Classified Director then serving shall nevertheless continue as a Continuing Classified Director until the expiration of his or her term or his or her death, resignation, retirement, disqualification or removal from office. In no event shall a decrease in the number of directors remove or shorten the term of any incumbent director.

(b) Each director shall hold office until such director's successor shall have been duly elected and qualified or until such director's earlier death, resignation or removal and, in the case of a classified board, for a term that shall coincide with the term of the class to which such director shall have been elected.

(c) There shall be no cumulative voting in the election of directors.

Section 4. *Vacancies*. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled solely by a majority of the directors then in office (although less than a quorum) or by the sole remaining director. Subject to the terms of any series of Preferred Stock entitled to separately elect directors, whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by this certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. If there are no directors in office, then an election of directors may be held in accordance with Delaware Law. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of other vacancies.

Section 5. *Removal*. (a) Until the 2017 Annual Meeting, no director may be removed from office by the stockholders except for cause with the affirmative vote of the holders of not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class.

(b) Following the 2017 Annual Meeting, any director may be removed from office, with or without cause, by the affirmative vote of the holders of not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class; *provided, that* any Continuing Classified Directors may only be removed for cause with the affirmative vote of the holders of not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class, until the end of the term for which such Continuing Classified Director was elected.

(c) Notwithstanding the foregoing, whenever the holder of one or more classes or series of Preferred Stock shall have the right, voting separately as a class or series, to elect directors, the election, term of office, filling of vacancies, removal and other features of such directorships shall be governed by the terms of

the resolution or resolutions adopted by the Board of Directors pursuant to Article 4 applicable thereto, and such directors so elected shall not be subject to the provisions of this Article 5 unless otherwise provided therein.

ARTICLE 6
STOCKHOLDERS

Section 1. *Action by Written Consent of Stockholders*. (a) Until the Effective Date, any action required or permitted to be taken at any annual or special meeting of stockholders may be taken (i) by a vote of stockholders at a meeting of stockholders duly noticed and called in accordance with Delaware Law or (ii) without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding capital stock of the Corporation having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) From and after the Effective Date, any action required or permitted to be taken at any annual or special meeting of stockholders may only be taken upon a vote of stockholders at an annual or special meeting of stockholders duly noticed and called in accordance with the Corporation's bylaws and Delaware Law and may not be taken by written consent of stockholders without a meeting.

Section 2. *Special Meetings of Stockholders*. Special meetings of stockholders may be called only by the Board of Directors or the Chairman of the Board; *provided that*, until the Effective Date, special meetings of stockholders will also be called by the Secretary of the Corporation at the request of the holders of a majority of the outstanding shares of Common Stock.

ARTICLE 7
LIMITATIONS ON LIABILITY AND INDEMNIFICATION

Section 1. *Limited Liability*. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by Delaware Law.

Section 2. *Right to Indemnification*. (a) Each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or principal officer (as defined in the Corporation's bylaws) of the Corporation shall be indemnified and held harmless by the Corporation to the fullest extent permitted by Delaware Law; *provided*, that the Corporation shall not be obligated to indemnify (or advance) expenses to such a director or principal officer with respect to a proceeding (or part thereof) initiated by such director or principal officer (other than a proceeding to enforce the rights granted under this Article 7) unless the Board of Directors approved the initiation of such proceeding (or part

thereof). The right to indemnification conferred in this Article 7 shall also include the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in connection with any such proceeding in advance of its final disposition to the fullest extent authorized by Delaware Law. The right to indemnification conferred in this Article 7 shall be a contract right.

(b) The Corporation may, by action of its Board of Directors, provide rights to indemnification and to advancement of expenses to such other officers, employees and agents of the Corporation to such extent and to such effect as the Board of Directors shall determine to be appropriate and authorized by Delaware Law.

Section 3. *Insurance*. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under Delaware Law.

Section 4. *Nonexclusivity of Rights*. The rights and authority conferred in this Article 7 shall not be exclusive of any other right which any person may otherwise have or hereafter acquire.

Section 5. *Preservation of Rights*. Neither the amendment nor repeal of this Article 7, nor the adoption of any provision of this certificate of incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

ARTICLE 8
CORPORATE OPPORTUNITIES

To the fullest extent permitted by applicable law, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any of the Sponsors or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Corporation and its subsidiaries) (each, a "**Specified Party**"), even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty to communicate or offer such business opportunity to the Corporation and, to the fullest extent permitted by applicable law, shall not be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the

fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries. Notwithstanding the foregoing, a Specified Party who is a director or officer of the Corporation and who is offered a business opportunity in his or her capacity as a director or officer of the Corporation (a "**Directed Opportunity**") shall be obligated to communicate such Directed Opportunity to the Corporation, *provided*, *however*, that all of the protections of this Article 8 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including, without limitation, the ability of the Specified Parties to pursue or acquire such Directed Opportunity or to direct such Directed Opportunity to another person.

Neither the amendment nor repeal of this Article 8, nor the adoption of any provision of this certificate of incorporation or the bylaws of the Corporation, nor, to the fullest extent permitted by Delaware Law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

If any provision or provisions of this Article 8 shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article 8 (including, without limitation, each portion of any paragraph of this Article 8 containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Article 8 (including, without limitation, each such portion of any paragraph of this Article 8 containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

This Article 8 shall not limit any protections or defenses available to, or indemnification rights of, any director or officer of the Corporation under this certificate of incorporation or applicable law.

Any person or entity purchasing or otherwise acquiring any interest in any securities of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article 8.

ARTICLE 9
MISCELLANEOUS

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation and for the further definition of the powers of the Corporation and of its directors and stockholders:

(a) The directors shall have the concurrent power with the stockholders to adopt, amend or repeal the bylaws of the Corporation.

(b) Elections of directors need not be by written ballot unless the bylaws of the Corporation so provide.

(c) The Corporation elects not to be governed by Section 203 of the Delaware Law, and the restrictions contained in Section 203 shall not apply to the Corporation, until the first date on which the Sponsors and their affiliates no longer beneficially own at least 25% of the outstanding shares of Common Stock of the Corporation. From and after such date, the Corporation shall be governed by Section 203 so long as Section 203 by its terms would apply to the Corporation.

For so long as that certain Stockholders Agreement, dated as of December 15, 2009, by and among the Corporation and the Sponsors, as amended from time to time (the "**Stockholders Agreement**"), is in effect, the provisions of the Stockholders Agreement shall be incorporated by reference into the relevant provisions hereof, and such provisions shall be interpreted and applied in a manner consistent with the terms of the Stockholders Agreement.

As used herein, the following terms shall have the following meanings:

"**Carlyle/Riverstone**" shall mean Riverstone Energy Coinvestment III, L.P., C/R Cobalt Investment Partnership, L.P., C/R Energy Coinvestment II, L.P., C/R Energy III Cobalt Partnership, L.P., Carlyle/Riverstone Global Energy and Power Fund III, L.P. and Carlyle Energy Coinvestment III, L.P. collectively.

"**GSCP**" shall mean GSCP V Cobalt Holdings, LLC, GSCP V Offshore Cobalt Holdings, LLC, GS Capital Partners V Institutional, L.P., GSCP V GmbH Cobalt Holdings, LLC, GSCP VI Cobalt Holdings, LLC, GSCP VI Offshore Cobalt Holdings, LLC, GS Capital Partners VI Parallel, L.P. and GSCP VI GmbH Cobalt Holdings, LLC, collectively.

"**First Reserve**" shall mean First Reserve Fund XI, L.P. and FR XI Onshore AIV, L.P , collectively.

"**KERN**" shall mean KERN Cobalt Co-Invest Partners AP LP.

"**Effective Date**" shall mean the first date on which the Sponsors and their affiliates no longer beneficially own more than 50% of the outstanding shares of Common Stock of the Corporation or the Corporation no longer qualifies as a "controlled company" under Section 303A of the New York Stock Exchange Listed Company Manual as in effect on December 15, 2009.

"**Sponsors**" means Carlyle/Riverstone, GSCP, First Reserve and KERN.

ARTICLE 10
AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right from time to time to amend this certificate of incorporation in any manner permitted by Delaware Law, and all rights and powers conferred upon stockholders, directors and officers herein are granted subject to this reservation.

IN WITNESS WHEREOF, the undersigned has executed this Second Amended and Restated Certificate of Incorporation this 2nd day of May, 2017.

COBALT INTERNATIONAL ENERGY, INC.

By: /s/ Jeffrey A. Starzec
Name: Jeffrey A. Starzec
Title: Executive Vice President and General Counsel

Exhibit 5

EXECUTION COPY

REGISTRATION RIGHTS AGREEMENT

by and among

the Persons listed on Schedule A hereto under the heading GSCP,

the Persons listed on Schedule A hereto under the heading C/R,

the Persons listed on Schedule A hereto under the heading FIRST RESERVE,

the Persons listed on Schedule A hereto under the heading KERN,

the Persons listed on Schedule A hereto under the heading MANAGEMENT

and

COBALT INTERNATIONAL ENERGY, INC.

Dated as of December 15, 2009

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This REGISTRATION RIGHTS AGREEMENT is made as of December 15, 2009, by and among Cobalt International Energy, Inc., a Delaware corporation ("Cobalt" or the "Company"), the Persons listed on Schedule A hereto under the heading GSCP (each a "GSCP Entity" and collectively, "GSCP"), the Persons listed on Schedule A hereto under the heading C/R (each a "C/R Entity" and collectively, "C/R"), the Persons listed on Schedule A hereto under the heading First Reserve (each a "First Reserve Entity" and collectively, "First Reserve"), the Persons listed on Schedule A hereto under the heading KERN (each a "KERN Entity" and collectively, "KERN") and the Persons listed on Schedule A hereto under the heading Management ("Management").

1. Certain Definitions. As used herein, the following terms shall have the following meanings:

"Additional Piggyback Rights" has the meaning set forth in Section 2.2(c).

"Affiliate" means, with respect to any Person, any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise; provided, however, that, for purposes hereof, neither the Company nor any Person controlled by the Company shall be deemed to be an Affiliate of any Holder.

"Agreement" means this Registration Rights Agreement, as this agreement may be amended, modified, supplemented or restated from time to time after the date hereof.

"Assign" means to directly or indirectly sell, transfer, assign, distribute, exchange, pledge, hypothecate, mortgage, grant a security interest in, encumber or otherwise dispose of Registrable Securities, whether voluntarily or by operation of law, including by way of a merger. "Assignor," "Assignee," "Assigning" and "Assignment" have meanings corresponding to the foregoing.

"automatic shelf registration statement" has the meaning set forth in Section 2.4.

"Board" means the Board of Directors of the Company.

"Business Day" shall mean any day ending at 11:59 p.m. (Eastern Time) other than a Saturday or Sunday or a day on which banks are required or authorized to close in the City of New York.

"Claims" has the meaning set forth in Section 2.9(a).

"Common Equity" means the common stock of the Company and any and all securities of any kind whatsoever of the Company which may be issued after the date hereof in respect of, or in exchange for, such shares of common stock of the Company pursuant to a merger, consolidation, stock split, stock dividend or recapitalization of the Company or otherwise.

"Common Equity Equivalents" means all options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any

event or contingency and without regard to any vesting or other conditions to which such securities may be subject) shares of Common Equity or other equity securities of the Company (including, without limitation, any note or debt security convertible into or exchangeable for Common Equity or other equity securities of the Company).

"Company" means Cobalt International Energy, Inc., any Subsidiary of Cobalt International Energy, Inc. and any successor to Cobalt International Energy, Inc.

"C/R" has the meaning set forth in the preamble.

"C/R Entity" has the meaning set forth in the preamble and any subsequent Holder who is Assigned all, but not less than all, of such C/R Entity's Registrable Securities in a single transaction in accordance with Section 4.5.

"Demand Exercise Notice" has the meaning set forth in Section 2.1(a).

"Demand Registration" has the meaning set forth in Section 2.1(a).

"Demand Registration Request" has the meaning set forth in Section 2.1(a).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Expenses" means any and all fees and expenses incident to the Company's performance of or compliance with Article 2, including, without limitation: (i) SEC, stock exchange or FINRA registration and filing fees and all listing fees and fees with respect to the inclusion of securities on the New York Stock Exchange or on any other securities market on which the Common Equity is listed or quoted, (ii) fees and expenses of compliance with state securities or "blue sky" laws and in connection with the preparation of a "blue sky" survey, including, without limitation, reasonable fees and expenses of outside "blue sky" counsel, (iii) printing and copying expenses, (iv) messenger and delivery expenses, (v) expenses incurred in connection with any road show, (vi) fees and disbursements of counsel for the Company, (vii) with respect to each registration, the fees and disbursements of one counsel for the Participating Holder(s) (selected by the Majority Participating Holders), (viii) fees and disbursements of all independent public accountants (including the expenses of any audit and/or "cold comfort" letter and updates thereof) and fees and expenses of other Persons, including special experts, retained by the Company, (ix) fees and expenses payable to a Qualified Independent Underwriter, (x) any other fees and disbursements of underwriters, if any, customarily paid by issuers or sellers of securities and (xi) expenses for securities law liability insurance and, if any, rating agency fees.

"FINRA" means the Financial Industry Regulatory Authority.

"First Reserve" has the meaning set forth in the preamble.

"First Reserve Entity" has the meaning set forth in the preamble and any subsequent Holder who is Assigned all, but not less than all, of such First Reserve Entity's Registrable Securities in a single transaction in accordance with Section 4.5.

"GSCP" has the meaning set forth in the preamble.

"GSCP Entity" has the meaning set forth in the preamble and any subsequent Holder who is Assigned all, but not less than all, of such GSCP Entity's Registrable Securities in a single transaction in accordance with Section 4.5.

"Holder" or "Holders" means the GSCP Entities, the First Reserve Entities, the C/R Entities, the KERN Entities, Management or any transferee of Registrable Securities to whom any Person who is a party to this Agreement shall Assign any rights hereunder in accordance with Section 4.5.

"Initiating Holder(s)" has the meaning set forth in Section 2.1(a).

"IPO" means the first underwritten public offering of the common stock of the Company to the general public pursuant to a registration statement filed with the SEC.

"KERN" has the meaning set forth in the preamble.

"KERN Entity" has the meaning set forth in the preamble and any subsequent Holder who is Assigned all, but not less than all, of such KERN Entity's Registrable Securities in a single transaction in accordance with Section 4.5.

"Litigation" means any action, proceeding or investigation in any court or before any governmental authority.

"Lock-Up Agreement" means any agreement between the Company, or any of its Affiliates, and any member of Management that provides for restrictions on the transfer of Registrable Securities held by such member of Management.

"Majority Participating Holders" means Participating Holders holding more than 50% of the Registrable Securities proposed to be included in any registration or offering of Registrable Securities by such Participating Holders pursuant to Section 2.1 or Section 2.2.

"Management" has the meaning set forth in the preamble.

"Manager" has the meaning set forth in Section 2.1(c).

"NASD" means the National Association of Securities Dealers, Inc.

"Participating Holders" means all Holders of Registrable Securities which are proposed to be included in any registration or offering of Registrable Securities pursuant to Section 2.1 or Section 2.2.

"Partner Distribution" has the meaning set forth in Section 2.1(b)(ii).

"Person" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or agency or other entity of any kind or nature.

"Piggyback Shares" has the meaning set forth in Section 2.3(a)(iv).

"Qualified Independent Underwriter" means a "qualified independent underwriter" within the meaning of NASD Conduct Rule 2720.

"Registrable Securities" means (a) any shares of Common Equity held by the Holders at any time (including those held as a result of the conversion or exercise of Common Equity Equivalents) and (b) any shares of Common Equity issued or issuable, directly or indirectly in exchange for or with respect to the Common Equity referenced in clause (a) above by way of stock dividend, stock split or combination of shares or in connection with a reclassification, recapitalization, merger, share exchange, consolidation or other reorganization. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such securities shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, or (B) such securities shall have been sold (other than in a privately negotiated sale) in compliance with the requirements of Rule 144 under the Securities Act, as such Rule 144 may be amended (or any successor provision thereto).

"Rule 144" and "Rule 144A" have the meaning set forth in Section 4.2.

"SEC" means the Securities and Exchange Commission.

"Section 2.3(a) Sale Number" has the meaning set forth in Section 2.3(a).

"Section 2.3(b) Sale Number" has the meaning set forth in Section 2.3(b).

"Section 2.3(c) Sale Number" has the meaning set forth in Section 2.3(c).

"Securities Act" means the Securities Act of 1933, as amended.

"Stockholders Agreement" means the Stockholders Agreement, dated as of the date hereof, 2009, by and among the Company and the other parties thereto.

"Sponsors" means the GSCP Entities, the First Reserve Entities, the C/R Entities, and the KERN Entities.

"Subsidiary" means any direct or indirect subsidiary of the Company on the date hereof and any direct or indirect subsidiary of the Company organized or acquired after the date hereof, including Cobalt International Energy, L.P.

"Valid Business Reason" has the meaning set forth in Section 2.1(a)(v).

"WKSI" has the meaning set forth in Section 2.4.

2. Registration Rights.

2.1. Demand Registrations.

(a) If the Company shall receive from any of C/R, GSCP, First Reserve, or KERN, at any time after six (6) months after the closing of the IPO, a written request that the Company file

a registration statement with respect to Registrable Securities (a "Demand Registration Request," and the registration so requested is referred to herein as a "Demand Registration," and the sender(s) of such request or any similar request pursuant to this Agreement shall be known as the "Initiating Holder(s)"), then the Company shall, within five (5) days of the receipt thereof, give written notice (the "Demand Exercise Notice") of such request to all Holders, and subject to the limitations of this Section 2.1, use its reasonable best efforts to effect, as soon as practicable, the registration under the 1933 Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 thereunder if so requested and if the Company is then eligible to use such a registration) of all Registrable Securities that the Holders request to be registered. The Company shall not be obligated to take any action to effect any Demand Registration:

(i) after it has effected a total of twelve (12) Demand Registrations pursuant to this Section 2.1, and such registrations have been declared or ordered effective. None of C/R acting individually, GSCP acting individually, First Reserve acting individually or KERN acting individually may make more than three (3) Demand Registration Requests, which registrations have been declared or ordered effective;

(ii) within three (3) months after a Demand Registration pursuant to this Section 2.1 that has been declared or ordered effective;

(iii) during the period starting with the date fifteen (15) days prior to its good faith estimate of the date of filing of, and ending on a date ninety (90) days after the effective date of, a Company initiated registration (other than a registration relating solely to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or to a Commission Rule 145 transaction), provided that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective;

(iv) where the anticipated offering price, net of any underwriting discounts or commissions, is equal to or less than $25,000,000;

(v) if the Company shall furnish to such Holders a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the Board, any registration of Registrable Securities should not be made or continued (or sales under a shelf registration statement should be suspended) because (i) such registration (or continued sales under a shelf registration statement) would materially interfere with a material financing, acquisition, corporate reorganization or merger or other material transaction or event involving the Company or any of its subsidiaries or (ii) the Company is in possession of material non-public information, the disclosure of which has been determined by the Board to not be in the Company's best interests (in either case, a "Valid Business Reason"), then (x) the Company may postpone filing a registration statement relating to a Demand Registration Request or suspend sales under an existing shelf registration statement until five (5) Business Days after such Valid Business Reason no longer exists, but in no event for more than sixty (60) days after the date the Board determines a Valid Business Reason exists and (y) in case a registration statement has been filed relating to a Demand Registration Request, if the Valid Business Reason has not resulted from actions taken by the Company, the Company may cause such registration statement to be withdrawn and its effectiveness terminated or may postpone amending or supplementing such registration statement until five (5) Business Days after such Valid Business Reason no

longer exists, but in no event for more than sixty (60) days after the date the Board determines a Valid Business Reason exists; and the Company shall give written notice to the Participating Holders of its determination to postpone or withdraw a registration statement or suspend sales under a shelf registration statement and of the fact that the Valid Business Reason for such postponement, withdrawal or suspension no longer exists, in each case, promptly after the occurrence thereof; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12) month period; or

(vi) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

If the Company shall give any notice of postponement, withdrawal or suspension of any registration statement pursuant to clause 2.1(a)(v), the Company shall not, during the period of postponement, withdrawal or suspension, register any Common Equity, other than pursuant to a registration statement on Form S-4 or S-8 (or an equivalent registration form then in effect). Each Holder of Registrable Securities agrees that, upon receipt of any notice from the Company that the Company has determined to withdraw any registration statement pursuant to clause (iii) above, such Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the prospectus covering such Registrable Securities that was in effect at the time of receipt of such notice. If the Company shall have withdrawn or prematurely terminated a registration statement filed pursuant to a Demand Registration (whether pursuant to clause 2.1(a)(v) or as a result of any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court), the Company shall not be considered to have effected an effective registration for the purposes of this Agreement until the Company shall have filed a new registration statement covering the Registrable Securities covered by the withdrawn registration statement and such registration statement shall have been declared effective and shall not have been withdrawn. If the Company shall give any notice of withdrawal or postponement of a registration statement, the Company shall, not later than five (5) Business Days after the Valid Business Reason that caused such withdrawal or postponement no longer exists (but in no event later than sixty (60) days after the date of the postponement or withdrawal), use its reasonable best efforts to effect the registration under the Securities Act of the Registrable Securities covered by the withdrawn or postponed registration statement in accordance with Section 2.1 (unless the Initiating Holders shall have withdrawn such request, in which case the Company shall not be considered to have effected an effective registration for the purposes of this Agreement), and such registration shall not be withdrawn or postponed pursuant to clause 2.1(a)(v).

(b)

(i) The Company, subject to Sections 2.3 and 2.6, shall include in a Demand Registration (x) the Registrable Securities of the Initiating Holders and (y) the Registrable Securities of any other Holder of Registrable Securities, which shall have made a written request to the Company for inclusion in such registration pursuant to Section 2.2 (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such

Participating Holder) within thirty (30) days after the receipt of the Demand Exercise Notice (or fifteen (15) days if, at the request of the Initiating Holders, the Company states in such written notice or gives telephonic notice to all Holders, with written confirmation to follow promptly thereafter, that such registration will be on a Form S-3).

(ii) The Company shall, as expeditiously as possible, but subject to the limitations set forth in this Section 2.1, use its reasonable best efforts to (x) effect such registration under the Securities Act (including, without limitation, by means of a shelf registration pursuant to Rule 415 under the Securities Act if so requested and if the Company is then eligible to use such a registration) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with such intended method of distribution, including a distribution to, and resale by, the members or partners of a Holder (a "Partner Distribution") and (y) if requested by the Majority Participating Holders, obtain acceleration of the effective date of the registration statement relating to such registration.

(iii) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Holder seeking to effect a Partner Distribution, file any prospectus supplement or post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such Holder if such disclosure or language was not included in the initial registration statement, or revise such disclosure or language if deemed necessary or advisable by such Holder, including filing a prospectus supplement naming the Holders, partners, members and shareholders to the extent required by law, to effect such Partner Distribution.

(c) In connection with any Demand Registration, the Majority Participating Holders shall have the right to designate the lead managing underwriter (any lead managing underwriter for the purposes of this Agreement, the "Manager") in connection with such registration and each other managing underwriter for such registration, in each case subject to consent of the Company, not be unreasonably withheld.

(d) If so requested by the Initiating Holder(s), the Company (together with all Holders proposing to distribute their securities through such underwriting) shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company in its sole discretion.

(e) Any Holder that intends to sell Registrable Securities by means of a shelf registration pursuant to Rule 415 thereunder, shall give the Company 2 (two) days notice of any such sale.

2.2. Piggyback Registrations.

(a) If, at any time or from time to time the Company will register or commence an offering of any of its securities for its own account or otherwise (other than pursuant to registrations on Form S-4 or Form S-8 or any similar successor forms thereto) (including but not limited to the registrations or offerings pursuant to Section 2.1), the Company will:

(i) promptly give to each Holder written notice thereof (in any event within five (5) Business Days); and

(ii) include in such registration and in any underwriting involved therein (if any), all the Registrable Securities specified in a written request or requests, made within twenty (20) days after mailing or personal delivery of such written notice from the Company, by any of the Holders, except as set forth in Sections 2.2(b) and 2.2(f), with the securities which the Company at the time proposes to register or sell to permit the sale or other disposition by the Holders (in accordance with the intended method of distribution thereof) of the Registrable Securities to be so registered or sold, including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the registration statement filed by the Company or the prospectus related thereto. There is no limitation on the number of such piggyback registrations pursuant to the preceding sentence which the Company is obligated to effect. No registration of Registrable Securities effected under this Section 2.2(a) shall relieve the Company of its obligations to effect Demand Registrations under Section 2.1 hereof.

(b) If the registration in this Section 2.2 involves an underwritten offering, the right of any Holder to include its Registrable Securities in a registration or offering pursuant to this Section 2.2 shall be conditioned upon such Holder's participation in the underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company.

(c) The Company, subject to Sections 2.3 and 2.6, may elect to include in any registration statement and offering pursuant to demand registration rights by any Person, (i) authorized but unissued shares of Common Equity or shares of Common Equity held by the Company as treasury shares and (ii) any other shares of Common Equity which are requested to be included in such registration pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof and which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement ("Additional Piggyback Rights"); provided, however, that such inclusion shall be permitted only to the extent that it is pursuant to, and subject to, the terms of the underwriting agreement or arrangements, if any, entered into by the Initiating Holders.

(d) If, at any time after giving written notice of its intention to register or sell any equity securities and prior to the effective date of the registration statement filed in connection with such registration or sale of such equity securities, the Company shall determine for any reason not to register or sell or to delay registration or sale of such equity securities, the Company may, at its election, give written notice of such determination to all Holders of record of Registrable Securities and (i) in the case of a determination not to register or sell, shall be relieved of its obligation to register or sell any Registrable Securities in connection with such abandoned registration or sale, without prejudice, however, to the rights of Holders under Section 2.1, and (ii) in the case of a determination to delay such registration or sale of its equity securities, shall be permitted to delay the registration or sale of such Registrable Securities for the same period as the delay in registering such other equity securities.

(e) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Holder (including to effect a Partner Distribution), file any prospectus

supplement or post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such Holder if such disclosure or language was not included in the initial registration statement, or revise such disclosure or language if deemed necessary or advisable by such Holder including filing a prospectus supplement naming the Holders, partners, members and shareholders to the extent required by law.

(f) Notwithstanding anything in this Agreement to the contrary, the rights of each member of Management set forth in this Agreement are subject to any Lock-Up Agreement that such member of Management has entered into with the Company.

2.3. Allocation of Securities Included in Registration Statement or Offering.

(a) Notwithstanding any other provision of this Agreement, in connection with an underwritten offering initiated by Demand Registration Request, if the Manager advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten (such number, the "Section 2.3(a) Sale Number") within a price range acceptable to the Majority Participating Holders, the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the Company shall use its reasonable best efforts to include in such registration or offering, as applicable, the number of shares of Registrable Securities in the registration and underwriting as follows:

(i) first, all Registrable Securities requested to be included in such registration or offering by the Holders thereof (including pursuant to the exercise of piggyback rights pursuant to Section 2.2); provided, however, that if such number of Registrable Securities exceeds the Section 2.3(a) Sale Number, the number of such Registrable Securities (not to exceed the Section 2.3(a) Sale Number) to be included in such registration shall be allocated among all such Holders requesting inclusion thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing of the registration statement or the time of the offering, as applicable;

(ii) second, if by the withdrawal of Registrable Securities by a Participating Holder, a greater number of Registrable Securities held by other Holders, may be included in such registration or offering (up to the Section 2.3(a) Sale Number), then the Company shall offer to all Holders who have included Registrable Securities in the registration or offering the right to include additional Registrable Securities in the same proportions as set forth in 2.3(a)(i).

(iii) third, to the extent that the number of Registrable Securities to be included pursuant to clause (i) and (ii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, and if the underwriter so agrees, any securities that the Company proposes to register or sell, up to the Section 2.3(a) Sale Number; and

(iv) fourth, to the extent that the number of securities to be included pursuant to clauses (i), (ii) and (iii) of this Section 2.3(a) is less than the Section 2.3(a) Sale Number, the remaining securities to be included in such registration or offering shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration or offering

pursuant to the exercise of Additional Piggyback Rights ("Piggyback Shares"), based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(a) Sale Number.

Notwithstanding anything in this Section 2.3(a) to the contrary, no employee shareholder of the Company, other than a member of Management, will be entitled to include Registrable Securities in a registration requested pursuant to Section 2.1 to the extent the Manager of such offering shall determine in good faith that the participation of such employee shareholder would adversely affect the marketability of the securities being sold by the Initiating Holder(s) in such registration.

(b) Notwithstanding any other provision of this Agreement, in a registration involving an underwritten offering on behalf of the Company, which was initiated by the Company, if the Manager determines that marketing factors require a limitation of the number of shares to be underwritten (such number, the "Section 2.3(b) Sale Number") the Company shall so advise all Holders whose securities would otherwise be registered and underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated as follows:

(i) first, all equity securities that the Company proposes to register for its own account;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested for inclusion in such registration by Holders pursuant to Section 2.2 up to the Section 2.3(b) Sale Number; and;

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(b) is less than the Section 2.3(b) Sale Number, the remaining securities to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(b) Sale Number.

(c) If any registration pursuant to Section 2.2 involves an underwritten offering that was initially requested by any Person(s) other than a Holder to whom the Company has granted registration rights which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement and the Manager (as selected by the Company or such other Person) shall advise the Company that, in its view, the number of securities requested to be included in such registration exceeds the number (the "Section 2.3(c) Sale Number") that can be sold in an orderly manner in such registration within a price range acceptable to the Company, the Company shall include shares in such registration as follows:

(i) first, the shares requested to be included in such registration shall be allocated on a pro rata basis among such Person(s) requesting the registration and all Holders requesting that Registrable Securities be included in such registration pursuant to the exercise of piggyback rights pursuant to Section 2.2, based on the aggregate number of securities or Registrable Securities, as applicable, then owned by each of the foregoing requesting inclusion in relation to the aggregate number of securities or Registrable Securities, as applicable, owned by all such Holders and Persons requesting inclusion, up to the Section 2.3(c) Sale Number;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 2.3(c) Sale Number; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 2.3(c) is less than the Section 2.3(c) Sale Number, the remaining shares to be included in such registration shall be allocated to shares the Company proposes to register for its own account, up to the Section 2.3(c) Sale Number.

(d) If any Holder of Registrable Securities disapproves of the terms of the underwriting, or if, as a result of the proration provisions set forth in clauses (a), (b) or (c) of this Section 2.3, any Holder shall not be entitled to include all Registrable Securities in a registration or offering that such Holder has requested be included, such Holder may elect to withdraw such Holder's request to include Registrable Securities in such registration or offering or may reduce the number requested to be included; provided, however, that (x) such request must be made in writing, to the Company, Manager and, if applicable, the Initiating Holder(s), prior to the execution of the underwriting agreement with respect to such registration and (y) such withdrawal or reduction shall be irrevocable and, after making such withdrawal or reduction, such Holder shall no longer have any right to include such withdrawn Registrable Securities in the registration as to which such withdrawal or reduction was made to the extent of the Registrable Securities so withdrawn or reduced.

2.4. Registration Procedures. If and whenever the Company is required by the provisions of this Agreement to use its reasonable best efforts to effect or cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company shall, as expeditiously as possible (but, in any event, within sixty (60) days after a Demand Registration Request in the case of Section 2.4(a) below), in connection with the Registration of the Registrable Securities and, where applicable, a takedown off of a shelf registration statement:

(a) prepare and file with the SEC a registration statement on an appropriate registration form of the SEC for the disposition of such Registrable Securities in accordance with the intended method of disposition thereof (including, without limitation, a Partner Distribution), which registration form (i) shall be selected by the Company and (ii) shall, in the case of a shelf registration, be available for the sale of the Registrable Securities by the selling Holders thereof

and such registration statement shall comply as to form in all material respects with the requirements of the applicable registration form and include all financial statements required by the SEC to be filed therewith, and the Company shall use its reasonable best efforts to cause such registration statement to become effective and remain continuously effective from the date such registration statement is declared effective until the earliest to occur (i) the first date as of which all of the Registrable Securities included in the registration statement have been sold or (ii) a period of ninety (90) days in the case of an underwritten offering effected pursuant to a registration statement other than a shelf registration statement and a period of three years in the case of a shelf registration statement (provided, however, that before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or state "blue sky" laws of any jurisdiction, or any free writing prospectus related thereto, the Company will furnish to one counsel for the Holders participating in the planned offering (selected by the Majority Participating Holders) and to one counsel for the Manager, if any, copies of all such documents proposed to be filed (including all exhibits thereto), which documents will be subject to the reasonable review and reasonable comment of such counsel (provided that the Company shall be under no obligation to make any changes suggested by the Holders), and the Company shall not file any registration statement or amendment thereto, any prospectus or supplement thereto or any free writing prospectus related thereto to which the Majority Participating Holders or the underwriters, if any, shall reasonably object);

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective for the period set forth in Section 2.4(a) and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Securities covered by such registration statement in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement (and, in connection with any shelf registration statement, file one or more prospectus supplements covering Registrable Securities upon the request of one or more Holders wishing to offer or sell Registrable Securities whether in an underwritten offering or otherwise);

(c) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the Manager of such offering;

(d) furnish, without charge, to each Participating Holder and each underwriter, if any, of the securities covered by such registration statement such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and each free writing prospectus utilized in connection therewith, in each case, in conformity with the requirements of the Securities Act, and other documents, as such seller and underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable law of each such registration statement (or amendment or post-effective amendment thereto) and each such prospectus (or preliminary prospectus or supplement thereto) or free writing prospectus by each such Participating Holder and the underwriters, if any,

in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(e) use its reasonable best efforts to register or qualify the Registrable Securities covered by such registration statement under such other securities or state "blue sky" laws of such jurisdictions as any sellers of Registrable Securities or any managing underwriter, if any, shall reasonably request in writing, and do any and all other acts and things which may be reasonably necessary or advisable to enable such sellers or underwriter, if any, to consummate the disposition of the Registrable Securities in such jurisdictions (including keeping such registration or qualification in effect for so long as such registration statement remains in effect), except that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it would not, but for the requirements of this paragraph (e), be required to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(f) promptly notify each Participating Holder and each managing underwriter, if any: (i) when the registration statement, any pre-effective amendment, the prospectus or any prospectus supplement related thereto, any post-effective amendment to the registration statement or any free writing prospectus has been filed and, with respect to the registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the SEC or state securities authority for amendments or supplements to the registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the securities or state "blue sky" laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) of the existence of any fact of which the Company becomes aware which results in the registration statement or any amendment thereto, the prospectus related thereto or any supplement thereto, any document incorporated therein by reference, any free writing prospectus or the information conveyed to any purchaser at the time of sale to such purchaser containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading; and (vi) if at any time the representations and warranties contemplated by any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct in all material respects; and, if the notification relates to an event described in clause (v), the Company shall promptly prepare and furnish to each such seller and each underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made not misleading;

(g) comply (and continue to comply) with all applicable rules and regulations of the SEC (including, without limitation, maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) in accordance with the Exchange Act), and make generally available to its security holders, as soon as reasonably practicable after the effective date of the

registration statement (and in any event within forty-five (45) days, or ninety (90) days if it is a fiscal year, after the end of such twelve (12) month period described hereafter), an earnings statement (which need not be audited) covering the period of at least twelve (12) consecutive months beginning with the first day of the Company's first calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(h) (i) (A) cause all such Registrable Securities covered by such registration statement to be listed on the principal securities exchange on which similar securities issued by the Company are then listed (if any), if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (B) if no similar securities are then so listed, to cause all such Registrable Securities to be listed on a national securities exchange and, without limiting the generality of the foregoing, take all actions that may be required by the Company as the issuer of such Registrable Securities in order to facilitate the managing underwriter's arranging for the registration of at least two market makers as such with respect to such shares with FINRA, and (ii) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(i) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(j) enter into such customary agreements (including, if applicable, an underwriting agreement) and take such other actions as the Majority Participating Holders or the underwriters shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (it being understood that the Holders of the Registrable Securities which are to be distributed by any underwriters shall be parties to any such underwriting agreement and may, at their option, require that the Company make to and for the benefit of such Holders the representations, warranties and covenants of the Company which are being made to and for the benefit of such underwriters);

(k) use its reasonable best efforts (i) to obtain an opinion from the Company's counsel and a "cold comfort" letter and updates thereof from the Company's independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement, in each case, in customary form and covering such matters as are customarily covered by such opinions and "cold comfort" letters (including, in the case of such "cold comfort" letter, events subsequent to the date of such financial statements) delivered to underwriters in underwritten public offerings, which opinion and letter shall be dated the dates such opinions and "cold comfort" letters are customarily dated and otherwise reasonably satisfactory to the underwriters, if any, and to the Majority Participating Holders, and (ii) furnish to each Holder participating in the offering and to each underwriter, if any, a copy of such opinion and letter addressed to such underwriter;

(l) deliver promptly to counsel for each Participating Holder and to each managing underwriter, if any, copies of all correspondence between the SEC and the Company, its counsel or auditors and all memoranda relating to discussions with the SEC or its staff with respect to the

registration statement, and, upon receipt of such confidentiality agreements as the Company may reasonably request, make reasonably available for inspection by counsel for each Participating Holder, by counsel for any underwriter, participating in any disposition to be effected pursuant to such registration statement and by any accountant or other agent retained by any Participating Holder or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such counsel for a Participating Holder, counsel for an underwriter, accountant or agent in connection with such registration statement;

(m) use its reasonable best efforts to obtain the prompt withdrawal of any order suspending the effectiveness of the registration statement, or the prompt lifting of any suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction;

(n) provide a CUSIP number for all Registrable Securities, not later than the effective date of the registration statement;

(o) use its best efforts to make available its employees and personnel for participation in "road shows" and other marketing efforts and otherwise provide reasonable assistance to the underwriters (taking into account the needs of the Company's businesses and the requirements of the marketing process) in marketing the Registrable Securities in any underwritten offering;

(p) prior to the filing of any document which is to be incorporated by reference into the registration statement or the prospectus (after the initial filing of such registration statement), and prior to the filing of any free writing prospectus, provide copies of such document to counsel for each Participating Holder and to each managing underwriter, if any, and make the Company's representatives reasonably available for discussion of such document and make such changes in such document concerning the Participating Holders prior to the filing thereof as counsel for the Participating Holders or underwriters may reasonably request;

(q) furnish to counsel for each Participating Holder and to each managing underwriter, without charge, at least one signed copy of the registration statement and any post-effective amendments or supplements thereto, including financial statements and schedules, all documents incorporated therein by reference, the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and all exhibits (including those incorporated by reference) and any free writing prospectus utilized in connection therewith;

(r) cooperate with the Participating Holders and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement at least three (3) Business Days prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Participating Holders at least three (3) Business Days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(s) cooperate with any due diligence investigation by any Manager, underwriter or Participating Holder and make available such documents and records of the Company and its Subsidiaries that they reasonably request (which, in the case of the Participating Holder, may be subject to the execution by the Participating Holder of a customary confidentiality agreement in a form which is reasonably satisfactory to the Company);

(t) take no direct or indirect action prohibited by Regulation M under the Exchange Act; provided, however, that to the extent that any prohibition is applicable to the Company, the Company will take such action as is necessary and feasible to make any such prohibition inapplicable;

(u) use its reasonable best efforts to cause the Registrable Securities covered by the applicable registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Participating Holders or the underwriters, if any, to consummate the disposition of such Registrable Securities;

(v) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities;

(w) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration covered by Section 2.1 or 2.2 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(x) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the SEC such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a "WKSI") at the time any Demand Registration Request is submitted to the Company, and such Demand Registration Request requests that the Company file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an "automatic shelf registration statement") on Form S-3, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which the Registrable Securities remain Registrable Securities. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Company shall refile a new automatic shelf

registration statement covering the Registrable Securities. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Holders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2.1, 2.2, or 2.4 that each Participating Holder shall furnish to the Company such information regarding themselves, the Registrable Securities held by them, and the intended method of disposition of such securities as the Company may from time to time reasonably request provided that such information is necessary for the Company to consummate such registration and shall be used only in connection with such registration.

If any such registration statement or comparable statement under state "blue sky" laws refers to any Holder by name or otherwise as the Holder of any securities of the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such Holder and the Company, to the effect that the holding by such Holder of such securities is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state "blue sky" or securities law then in force, the deletion of the reference to such Holder.

2.5. Registration Expenses. All Expenses incurred in connection with any registration, filing, qualification or compliance pursuant to Article 2 shall be borne by the Company, whether or not a registration statement becomes effective. All underwriting discounts and all selling commissions relating to securities registered by the Holders shall be borne by the holders of such securities pro rata in accordance with the number of shares sold in the offering by such Participating Holder.

2.6. Certain Limitations on Registration Rights. In the case of any registration under Section 2.1 pursuant to an underwritten offering, or, in the case of a registration under Section 2.2, all securities to be included in such registration shall be subject to the underwriting agreement and no Person may participate in such registration or offering unless such Person (i) agrees to sell such Person's securities on the basis provided therein and completes and executes all reasonable questionnaires, and other documents (including custody agreements and powers of attorney) which must be executed in connection therewith; provided, however, that all such

documents shall be consistent with the provisions hereof and (ii) provides such other information to the Company or the underwriter as may be necessary to register such Person's securities.

2.7. Limitations on Sale or Distribution of Other Securities.

(a) Each Holder agrees, (i) to the extent requested in writing by a managing underwriter, if any, of any registration effected pursuant to Section 2.1, not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144 under the Securities Act, any Common Equity, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering) during the time period reasonably requested by the managing underwriter, not to exceed ninety (90) days (and the Company hereby also so agrees (except that the Company may effect any sale or distribution of any such securities pursuant to a registration on Form S-4 (if reasonably acceptable to such managing underwriter) or Form S-8, or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Common Equity Equivalent), to use its reasonable best efforts to cause each holder of any equity security or any security convertible into or exchangeable or exercisable for any equity security of the Company purchased from the Company at any time other than in a public offering so to agree), and (ii) to the extent requested in writing by a managing underwriter of any underwritten public offering effected by the Company for its own account, not to sell any Common Equity (other than as part of such underwritten public offering) during the time period reasonably requested by the managing underwriter, which period shall not exceed ninety (90) days.

(b) The Company hereby agrees that, if it shall previously have received a request for registration pursuant to Section 2.1 or 2.2, and if such previous registration shall not have been withdrawn or abandoned, the Company shall not sell, transfer, or otherwise dispose of, any Common Equity, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering, a registration on Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Common Equity Equivalent), until a period of ninety (90) days shall have elapsed from the effective date of such previous registration; and the Company shall (i) so provide in any registration rights agreements hereafter entered into with respect to any of its securities and (ii) use its reasonable best efforts to cause each holder of any equity security or any security convertible into or exchangeable or exercisable for any equity security of the Company purchased from the Company at any time other than in a public offering to so agree.

2.8. No Required Sale. Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Holder to sell any Registrable Securities pursuant to any effective registration statement.

2.9. Indemnification.

(a) In the event of any registration and/or offering of any securities of the Company under the Securities Act pursuant to this Article 2, the Company will, and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its

directors, officers, fiduciaries, employees, stockholders, members or general and limited partners (and the directors, officers, fiduciaries, employees, stockholders, members or general and limited partners thereof), any underwriter (as defined in the Securities Act) for such Holder and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively, "Claims"), insofar as such Claims arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary or final prospectus or any amendment or supplement thereto, together with the documents incorporated by reference therein, or any free writing prospectus utilized in connection therewith, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed by the Company to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, or (iv) any violation by the Company of any federal, state or common law rule or regulation applicable to the Company and relating to action required of or inaction by the Company in connection with any such registration, and the Company will reimburse any such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; provided, however, that the Company shall not be liable to any such indemnified party in any such case to the extent such Claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in such registration statement or amendment thereof or supplement thereto or in any such prospectus or any preliminary or final prospectus or free writing prospectus in reliance upon and in conformity with written information furnished to the Company by or on behalf of such indemnified party specifically for use therein. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such seller.

(b) Each Participating Holder shall, severally and not jointly, indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a) of this Section 2.9) to the extent permitted by law the Company, its officers and directors, each Person controlling the Company within the meaning of the Securities Act, each underwriter (within the meaning of the 1933 Act) of the Company's securities covered by such a registration statement, any Person who controls such underwriter, and any other Holder selling securities in such registration statement and each of its directors, officers, partners or agents or any Person who controls such Holder with respect to any untrue statement or alleged untrue statement of any material fact in, or omission or alleged omission of any material fact from, such registration statement, any preliminary or final prospectus contained therein, or any amendment or

supplement thereto, or any free writing prospectus utilized in connection therewith, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company or its representatives by or on behalf of such Participating Holder, specifically for use therein and reimburse such indemnified party for any legal or other expenses reasonably incurred in connection with investigating or defending any such Claim as such expenses are incurred; provided, however, that the aggregate amount which any such Participating Holder shall be required to pay pursuant to this Section 2.9(b) and Sections 2.9(c) and (e) shall in no case be greater than the amount of the net proceeds actually received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim. The Company and each Participating Holder hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such Participating Holders to the contrary, for all purposes of this Agreement, the only information furnished or to be furnished to the Company for use in any such registration statement, preliminary or final prospectus or amendment or supplement thereto or any free writing prospectus are statements specifically relating to (a) the beneficial ownership of shares of Common Equity by such Participating Holder and its Affiliates and (b) the name and address of such Participating Holder. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such Holder.

(c) Indemnification similar to that specified in the preceding paragraphs (a) and (b) of this Section 2.9 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any applicable securities and state "blue sky" laws.

(d) Any Person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 2.9, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 2.9, except to the extent the indemnifying party is materially and actually prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Article 2. In case any action or proceeding is brought against an indemnified party, the indemnifying party shall be entitled to (x) participate in such action or proceeding and (y), unless, in the reasonable opinion of outside counsel to the indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume the defense thereof jointly with any other indemnifying party similarly notified, with counsel reasonably satisfactory to such indemnified party. The indemnifying party shall promptly notify the indemnified party of its decision to assume the defense of such action or proceeding. If, and after, the indemnified party has received such notice from the indemnifying party, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense of such action or proceeding other than reasonable costs of investigation; provided, however, that (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within twenty (20) days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; or (ii) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party

reasonably shall have concluded that there may be one or more legal or equitable defenses available to such indemnified party which are not available to the indemnifying party or which may conflict with those available to another indemnified party with respect to such Claim; or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one firm of counsel for all indemnified parties in each jurisdiction, except to the extent any indemnified party or parties reasonably shall have made a conclusion described in clause (ii) or (iii) above) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim), unless such settlement or compromise (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party. The indemnity obligations contained in Sections 2.9(a) and 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the indemnified party which consent shall not be unreasonably withheld.

(e) If for any reason the foregoing indemnity is held by a court of competent jurisdiction to be unavailable to an indemnified party under Sections 2.9(a), (b) or (c), then each applicable indemnifying party shall contribute to the amount paid or payable to such indemnified party as a result of any Claim in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, with respect to such Claim as well as any other relevant equitable considerations. The relative fault shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. If, however, the allocation provided in the second preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults but also the relative benefits of the indemnifying party and the indemnified party as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if any contribution pursuant to this Section 2.9(e) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentences of this Section 2.9(e). The amount paid or payable in respect of any Claim shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Notwithstanding anything in this Section 2.9(e) to the contrary, no indemnifying party (other than the Company) shall be required pursuant to this Section 2.9(e) to contribute any amount greater than the amount of the net proceeds actually received by such indemnifying party upon the sale of the Registrable Securities

pursuant to the registration statement giving rise to such Claim, less the amount of any indemnification payment made by such indemnifying party pursuant to Sections 2.9(b) and (c).

(f) The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract and shall remain operative and in full force and effect regardless of any investigation made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party and the completion of any offering of Registrable Securities in a registration statement. In the event one or more Holders effect a Partner Distribution pursuant to a registration statement in which the name of partners, members or shareholders who receive a distribution are named in a prospectus supplement or registration statement, the partners, members or shareholders so named shall be entitled to indemnification and contribution by the Company to the same extent as a Holder hereunder.

(g) The indemnification and contribution required by this Section 2.9 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred; provided, however, that the recipient thereof hereby undertakes to repay such payments if and to the extent it shall be determined by a court of competent jurisdiction that such recipient is not entitled to such payment hereunder.

3. Underwritten Offerings.

3.1. Requested Underwritten Offerings. If the Initiating Holders request an underwritten offering pursuant to a registration under Section 2.1 (pursuant to a request for a registration statement to be filed in connection with a specific underwritten offering or a request for a shelf takedown in the form of an underwritten offering), the Company shall enter into a customary underwriting agreement with the underwriters. Such underwriting agreement shall (i) be satisfactory in form and substance to the Majority Participating Holders, (ii) contain terms not inconsistent with the provisions of this Agreement and (iii) contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities and contribution agreements on substantially the same terms as those contained herein. Any Participating Holder shall be a party to such underwriting agreement and may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; provided, however, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement

shall be limited to the amount of the net proceeds received by such Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

3.2. Piggyback Underwritten Offerings. In the case of a registration pursuant to Section 2.2 which involves an underwritten offering, the Company shall enter into an underwriting agreement in connection therewith and all of the Participating Holders' Registrable Securities to be included in such registration shall be subject to such underwriting agreement. Any Participating Holder may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; provided, however, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Participating Holder, its ownership of and title to the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder.

4. General.

4.1. Adjustments Affecting Registrable Securities. The Company agrees that it shall not effect or permit to occur any combination or subdivision of shares of Common Equity which would adversely affect the ability of any Holder of any Registrable Securities to include such Registrable Securities in any registration or offering contemplated by this Agreement or the marketability of such Registrable Securities in any such registration or offering. The Company agrees that it will take all reasonable steps necessary to effect a subdivision of shares of Common Equity if in the reasonable judgment of (a) the Majority Participating Holders or (b) the managing underwriter for the offering in respect of such Demand Registration Request, such subdivision would enhance the marketability of the Registrable Securities. Each Holder agrees to vote all of its shares of capital stock in a manner, and to take all other actions necessary, to permit the Company to carry out the intent of the preceding sentence including, without limitation, voting in favor of an amendment to the Company's organizational documents in order to increase the number of authorized shares of capital stock of the Company. In any event, the provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for or in substitution of, Registrable Securities and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

4.2. Rule 144 and Rule 144A. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of the Common Equity or Common Equity Equivalents, the Company covenants that (i) so long as it remains subject to the reporting provisions of the Exchange Act, it will timely file the reports required to be filed by it under the Securities Act or the Exchange Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 under the Securities Act, as such Rule may be amended ("Rule 144")) or, if the Company is not required to file such reports, it will, upon the request of any Holder, make publicly available other information so long as necessary to permit sales by such Holder under Rule 144, Rule 144A under the Securities Act, as such Rule may be amended ("Rule 144A"), or any similar rules or regulations hereafter adopted by the SEC, and (ii) it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144, (B) Rule 144A or (C) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company and such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

4.3. Amendments and Waivers. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Sponsors holding a majority of the Registrable Securities then held by all Sponsors; provided that any amendment or waiver that results in a non-pro rata material adverse effect on the rights of Management vis-à-vis the rights of the Sponsors under this Agreement will require the written consent of Management holding a majority of the Registrable Securities then held by all Management. Any amendment or waiver effected in accordance with this Section 4.3 shall be binding upon each Holder and the Company. Any waiver of any breach or default by any other party of any of the terms of this Agreement effected in accordance with this Section 4.3 shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the parties hereto or from any failure by any party to assert its or his or her rights hereunder on any occasion or series of occasions.

4.4. Notices. Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections and other communications authorized or required to be given pursuant to this Agreement shall be in writing and shall be given, made or delivered (and shall be deemed to have been duly given, made or delivered upon receipt) by personal hand-delivery, by facsimile transmission, by electronic mail, by mailing the same in a sealed envelope, registered first-class mail, postage prepaid, return receipt requested, or by air courier guaranteeing overnight delivery, addressed to the Company at the address set forth below

or to the applicable Holder at the address indicated on Schedule A hereto (or at such other address for a Holder as shall be specified by like notice):

(i) If to the Company, to:

Cobalt International Energy, Inc.
Two Post Oak Central
1980 Post Oak Blvd., Suite 1200
Houston, TX 77056
Attention: Joseph H. Bryant
Facsimile No.: (713) 579-9184
E-mail: joe.bryant@cobaltintl.com

with copies to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Christopher Mayer
Richard D. Truesdell, Jr.
Facsimile No.: (212) 701-5338
(212) 701-5674
E-mail:chris.mayer@davispolk.com
richard.truesdell@davispolk.com

4.5. Successors and Assigns. A Holder may Assign his rights in this Agreement without the Company's consent to an Assignee of Registrable Securities which (i) is with respect to any Holder, the spouse, parent, sibling, child, step-child or grandchild of such Holder, or the spouse thereof and any trust, limited liability company, limited partnership, private foundation or other estate planning vehicle for such Holder or for the benefit of any of the foregoing or other persons pursuant to the laws of descent and distribution, or (ii) is a legatee, executor or other fiduciary pursuant to a last will and testament of the Holder or pursuant to the terms of any trust which take effect upon the death of the Holder. Furthermore, any Holder may Assign its rights in this Agreement without the Company's prior written consent to any party; provided that such Assignment occurs in connection with the transfer of all, but not less than all, of such Holder's Registrable Securities in a single transaction (to the extent such transfer is otherwise permissible). Any Assignment shall be conditioned upon prior written notice to the Company or identifying the name and address of such Assignee and any other material information as to the identity of such Assignee as may be reasonably requested, and Schedule A hereto shall be updated to reflect such Assignment. Notwithstanding anything to the contrary contained in this Section 4.5, any Holder may elect to transfer all or a portion of its Registrable Securities to any third party (to the extent such transfer is otherwise permissible) without Assigning its rights hereunder with respect thereto, provided that in any such event all rights under this Agreement with respect to the Registrable Securities so transferred shall cease and terminate. This Agreement may not be Assigned by the Company, without the prior written consent of the Sponsors holding a majority of the Registrable Securities held by all Sponsors.

4.6. Limitations on Subsequent Registration Rights. From and after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public, the Company may, without the prior written consent of the Holders, enter into any agreement with any holder or prospective holder of any securities of the Company which provides such holder or prospective holder of securities of the Company comparable, but not more favorable or conflicting, information and registration rights granted to the Holders hereby.

4.7. Goldman, Sachs & Co. and Affiliates. Notwithstanding anything in this Agreement, none of the provisions of this Agreement shall in any way limit Goldman, Sachs & Co. or any of its Affiliates (other than any GSCP Entity as expressly set forth in this Agreement) from engaging in any brokerage, investment advisory, financial advisory, anti-raid advisory, principaling, merger advisory, financing, asset management, trading, market making, arbitrage, investment activity and other similar activities conducted in the ordinary course of their business.

4.8. Entire Agreement. This Agreement, the Stockholders Agreement and the other agreements referenced herein and therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof, and supersede any prior agreement or understanding among them with respect to the matters referred to herein.

4.9. Governing Law; Waiver of Jury Trial; Jurisdiction.

(a) Governing Law. This Agreement is governed by and will be construed in accordance with the laws of the State of New York, excluding any conflict-of-laws rule or principle (whether of New York or any other jurisdiction) that might refer the governance or the construction of this Agreement to the law of another jurisdiction.

(b) Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES HERETO IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. The Company or any Holder may file an original counterpart or a copy of this Section 4.9(b) with any court as written evidence of the consent of any of the parties hereto to the waiver of their rights to trial by jury.

(c) Jurisdiction. Each of the parties hereto (i) consents to submit itself to the personal jurisdiction of the courts of the State of New York located in the county and city of New York in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the courts of the State of New York located in the county and city of New York and (iv) to the fullest extent permitted by law, consents to service being made through the notice procedures set forth in Section 4.4. Each party hereto hereby agrees that, to the fullest extent permitted by law, service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 4.4 shall be effective service of process for any suit or proceeding in connection with this Agreement or the transactions contemplated hereby

4.10. Interpretation; Construction.

(a) The table of contents and headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

4.11. Counterparts. This Agreement may be executed in any number of separate counterparts each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

4.12. Severability. In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be construed by limiting it so as to be valid, legal and enforceable to the maximum extent provided by law and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

4.13. Specific Performance. It is hereby agreed and acknowledged that it will be impossible to measure the money damages that would be suffered if the parties fail to comply with any of the obligations imposed on them by this Agreement and that, in the event of any such failure, an aggrieved party will be irreparably damaged and will not have an adequate remedy at law. Each party hereto shall, therefore, be entitled (in addition to any other remedy to which such party may be entitled at law or in equity) to injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law.

4.14. Further Assurances. Each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

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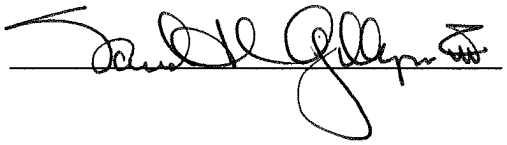
COMPANY

COBALT INTERNATIONAL ENERGY, INC.

By: 

SPONSORS:

C/R COBALT INVESTMENT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P., its general partner

By: C/R ENERGY GP II, LLC, its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

C/R ENERGY COINVESTMENT II, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P., its general partner

By: C/R ENERGY GP II, LLC, its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

RIVERSTONE ENERGY COINVESTMENT III, L.P.

By: RIVERSTONE COINVESTMENT GP, LLC

By: RIVERSTONE HOLDINGS, LLC

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.
its sole member

By: _____
Name:
Title:

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.
its sole member

By: _____
Name: Daniel A. D'Aniello
Title: Managing Director

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name: Pierre F. Lapeyre, Jr.
Title: Authorized Person

GSCP V COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS V FUND, L.P.,
its sole member

By: GSCP V ADVISORS, L.L.C.,
its general partner

By: _____
Name: Ken Pasternak
Title: Managing Director

GSCP V OFFSHORE COBALT HOLDINGS, LLC

By: GSCP V OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.,
its general partner

By: GSCP V OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Ken Pasternak
Title: Managing Director

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.,

By: GS ADVISORS V, L.L.C.,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

GSCP V GMBH COBALT HOLDINGS, LLC

By: GSCP V GmbH Cobalt Holdings, L.P.,
its sole member

By: GSCP V GmbH Cobalt Holdings,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

GSCP VI COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS VI FUND, L.P.,
its sole member

By: GSCP VI ADVISORS, L.L.C.,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

GSCP VI OFFSHORE COBALT HOLDINGS, LLC

By: GSCP VI OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS VI OFFSHORE FUND, L.P.,
its general partner

By: GSCP VI OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

GS CAPITAL PARTNERS VI PARALLEL, L.P.,

By: GS ADVISORS VI, L.L.C.,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

GSCP VI GMBH COBALT HOLDINGS, LLC

By: GSCP VI GmbH Cobalt Holdings, L.P.,
its sole member

By: GSCP VI GmbH Cobalt Holdings,
its general partner

By: _____
Name: Ken Pontarelli
Title: Managing Director

KERN COBALT CO-INVEST PARTNERS AP LP

By: KERN Cobalt Group Management Ltd.,
its general partner

By: _____
Name:
Title:

[*Signature page to the Registration Rights Agreement*]

FIRST RESERVE FUND XI, L.P.

By: First Reserve GP XI, L.P.,
its general partner

By: First Reserve GP XI, Inc.,
its general partner

By: _____
Name: Kenneth W. Moore
Title: Managing Director

FR XI ONSHORE AIV, L.P.

By: First Reserve GP XI, L.P.,
its general partner

By: First Reserve GP XI, Inc.,
its general partner

By: _____
Name: Kenneth W. Moore
Title: Managing Director

MANAGEMENT:

Joseph H. Bryant

Samuel H. Gillespie, III

James W. Farnsworth

James H. Painter

Van P. Whitfield

Richard A. Smith

John P. Wilkirson

Rodney L. Gray

[Signature page to the Registration Rights Agreement]

MANAGEMENT:

Joseph H. Bryant

Samuel H. Gillespie, III

James W. Farnsworth

James H. Painter

Van P. Whitfield

Richard A. Smith

John P. Wilkirson

Rodney L. Gray

[Signature page to the Registration Rights Agreement]

Schedule A

GSCP

GSCP V Cobalt Holdings, LLC	85 Broad St, 10th Floor New York, NY 10004 Attn: Ken Pontarelli
GSCP V Offshore Cobalt Holdings, LLC	
GS Capital Partners V Institutional, L.P.	
GSCP V GmbH Cobalt Holdings, LLC	
GSCP VI Cobalt Holdings, LLC	
GSCP VI Offshore Cobalt Holdings, LLC	
GS Capital Partners VI Parallel, L.P.	
GSCP VI GmbH Cobalt Holdings, LLC	

C/R

Riverstone Energy Coinvestment III, L.P.	c/o Riverstone Holdings LLC 712 Fifth Avenue, 51st Floor New York, NY 10019 Attn: Greg Beard
Carlyle Energy Coinvestment III, L.P.	
C/R Energy III Cobalt Partnership, L.P.	
Carlyle/Riverstone Global Energy and Power Fund III, L.P.	
C/R Energy Coinvestment II, L.P.	
C/R Cobalt Investment Partnership, L.P.	

First Reserve

First Reserve Fund XI, L.P.	c/o First Reserve Corporation One Lafayette Place Greenwich, CT 06830 Attn: Alan G. Schwartz
FR XI Onshore AIV L.P.	

KERN

KERN Cobalt Co-Invest Partners AP LP	100 Doll Block 116-8th Avenue Calagary, Alberta, Canada T26 0K4 Attn: Jeff van Steenbergen

Management

Joseph H. Bryant	c/o Cobalt International Energy, L.P. Two Post Oak Central 1980 Post Oak Blvd., Suite 1200 Houston, TX 77056
Samuel H. Gillespie, III	
James W. Farnsworth	
James H. Painter	
Van P. Whitfield	
Richard A. Smith	
John P. Wilkirson	

Rodney L. Gray	

Exhibit 6

Execution Copy

52,000,000 Shares

COBALT INTERNATIONAL ENERGY, INC.

Common Stock

UNDERWRITING AGREEMENT

February 23, 2012

GOLDMAN, SACHS & CO.
MORGAN STANLEY & CO. LLC
CREDIT SUISSE SECURITIES (USA) LLC
CITIGROUP GLOBAL MARKETS INC.
J.P. MORGAN SECURITIES LLC
As Representatives of the Several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Dear Sirs:

1. *Introductory*. Cobalt International Energy, Inc., a Delaware corporation ("**Company"**), agrees with the several Underwriters named in Schedule B hereto ("**Underwriters**") to issue and sell to the several Underwriters 15,700,000 shares of its common stock, par value $0.01 per share, of the Company ("**Securities**"), and the institutional stockholders listed in Schedule A-1 hereto (the "**Institutional Selling Stockholders**") and the individual stockholders listed in Schedule A-2 hereto (the "**Management Selling Stockholders**" and, together with the Institutional Selling Stockholders, the "**Selling Stockholders**") agree severally with the Underwriters to sell to the several Underwriters an aggregate of 36,300,000 shares of the Securities as specified on Schedule B hereto (such shares to be issued and sold by the Company, together with the shares to be sold by the Selling Stockholders, "**Firm Securities**"). The Company and the Selling Stockholders also agree to sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than 7,800,000 additional shares ("**Optional Securities**") of the Securities as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**".

2. *Representations and Warranties of the Company and the Selling Stockholders*. (i) The Company represents and warrants to, and agrees with, the several Underwriters and each of the Selling Stockholders that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-3 (No. 333-171536), including a related prospectus or prospectuses, covering the registration of the Offered Securities under the Act, which has become effective. "**Registration Statement**" at any particular time means such registration statement in the form then filed with the Commission, including any amendment thereto, any document incorporated by reference therein and all 430B Information and all 430C Information with respect to such registration statement, that in any case has not been superseded or modified. "**Registration Statement**" without reference to a time means the Registration Statement as of the Effective Time. For purposes of this definition, 430B Information shall be considered to be included in the Registration Statement as of the time specified in Rule 430B.

For purposes of this Agreement:

"**430B Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430B(e) or retroactively deemed to be a part of the Registration Statement pursuant to Rule 430B(f).

"**430C Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means 8:00 p.m. (Eastern time) on the date of this Agreement.

"**Closing Date**" has the meaning defined in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Effective Time**" of the Registration Statement relating to the Offered Securities means the time of the first contract of sale for the Offered Securities.

"**Exchange Act**" means the Securities Exchange Act of 1934.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430B Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule C to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

"**Renewal Deadline**" means the third anniversary of the initial effective time of the Registration Statement.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus relating to the Offered Securities that is included in the Registration Statement immediately prior to that time, including all 430B Information and all 430C Information with respect to the Registration Statement. For purposes of the foregoing definition, 430B Information shall be considered to be included in the Statutory Prospectus only as of the actual time that form of prospectus (including a prospectus supplement) is filed with the Commission pursuant to Rule 424(b) and not retroactively.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements.* (i)(A) At the time the Registration Statement initially became effective, (B) at the time of each amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether by post-effective amendment, incorporated report or form of prospectus), (C) at the Effective Time relating to the Offered Securities and (D) on the Closing Date, the Registration Statement conformed and will conform in all material respects to the requirements of the Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii)(A) on its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act and the Rules and Regulations, and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any

Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described in Section 8(c) hereof.

(c) *Automatic Shelf Registration Statement.* (i) Well-Known Seasoned Issuer Status. (A) At the time of initial filing of the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Offered Securities in reliance on the exemption of Rule 163, the Company was a "well known seasoned issuer" as defined in Rule 405, including not having been an "ineligible issuer" as defined in Rule 405.

(ii) Effectiveness of Automatic Shelf Registration Statement. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405. If immediately prior to the Renewal Deadline (as hereinafter defined), any of the Offered Securities remain unsold by the Underwriters, the Company will prior to the Renewal Deadline file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Offered Securities, in a form satisfactory to the Lead Underwriter, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the expired registration statement relating to the Offered Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(iii) *Eligibility to Use Automatic Shelf Registration Form.* The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to use of the automatic shelf registration statement form. If at any time when Offered Securities remain unsold by the Underwriters the Company receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (i) promptly notify the Representatives, (ii) promptly file a new registration statement or post-effective amendment on the proper form relating to the Offered Securities, in a form satisfactory to the Representatives, (iii) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable, and (iv) promptly notify the Representatives of such effectiveness. The Company will take all other action reasonably necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(iv) *Filing Fees.* The Company has paid or shall pay the required Commission filing fees relating to the Offered Securities within the time required by Rule 456(b)(1) without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r).

(d) *Ineligible Issuer Status.* At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (x) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement

be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(e) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, if any, the preliminary prospectus supplement, dated February 21, 2012, including the base prospectus, dated January 4, 2011 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule C to this Agreement, which supplements or amends the preliminary prospectus supplement, to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(f) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies Goldman, Sachs & Co. ("**Goldman Sachs**") as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, at a time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify Goldman Sachs and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(g) *Good Standing of the Company*. The Company has been duly organized, formed or incorporated, as the case may be, and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be duly qualified or in good standing as a foreign corporation would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(h) *Subsidiaries.* Each subsidiary of the Company has been duly incorporated or organized and is an existing corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation or organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except as would not, individually or in the aggregate, result in a Material Adverse Effect; all of the issued and outstanding capital

stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects. Cobalt International Energy, L.P., Cobalt International Energy Overseas Ltd., Cobalt International Energy Angola Ltd., CIE Angola Block 9 Ltd., CIE Angola Block 20 Ltd., CIE Angola Block 21 Ltd., Cobalt International Energy Gabon Ltd. and CIE Gabon Diaba Ltd, are the only subsidiaries of the Company that own any assets (other than nominal assets) or conduct any business.

(i) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the Company have been duly authorized; the authorized equity capitalization of the Company is as set forth in the General Disclosure Package; all outstanding shares of capital stock of the Company are, and, when the Offered Securities have been delivered and paid for in accordance with this Agreement on each Closing Date, such Offered Securities to be issued and sold by the Company will have been, validly issued, fully paid and nonassessable, will conform to the information in the General Disclosure Package and to the description of such Offered Securities contained in the Final Prospectus; the stockholders of the Company have no preemptive rights with respect to the Securities; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder.

(j) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(k) *Registration Rights.* Except as disclosed in the General Disclosure Package and except as have been waived prior to or on the date of this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**registration rights**").

(l) *Listing.* The Offered Securities have been approved for listing on The New York Stock Exchange, subject, in the case of the Offered Securities to be sold by the Company, to notice of issuance.

(m) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering, issuance and sale of the Offered Securities by the Company, except (a) such as have been obtained, or made and such as may be required under state securities laws, or (b) as may be required by the rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(n) *Title to Property*. Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have (i) legal, valid and defensible title to the interests in the oil and natural gas properties described in the Registration Statement, the General Disclosure Package and the Final Prospectus, title investigations having been carried out by the Company and each of its subsidiaries in accordance with the general practice in the oil and gas industry and (ii) good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or currently proposed to be made thereof by them.

(o) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of this Agreement, and the issuance and sale of the Offered Securities will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any

property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject, except, in the case of clause (iii), where any such breach, violation or default would not, individually or in the aggregate, result in a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(p) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. Except as disclosed in the General Disclosure Package, there are no orders, writs, judgments, injunctions, decrees, determinations or awards against the Company or any of its subsidiaries by any court or government agency that are material to the Company and its subsidiaries, considered as one enterprise.

(q) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(r) *Possession of Licenses and Permits.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by them and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(s) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(t) [Reserved.]

(u) *Environmental Laws.* Except as disclosed in the General Disclosure Package, (a)(i) neither the Company nor any of its subsidiaries is in violation of, or has any liability under, any applicable federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances, to the protection or restoration of the environment or natural resources (including biota), to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (ii) neither the Company nor any of its subsidiaries owns, occupies, operates or uses any real property contaminated with Hazardous Substances, (iii) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (iv) neither the Company nor any of its subsidiaries is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site or any formerly owned or occupied real property, (v) neither the Company nor any of its subsidiaries is subject to any claim by any governmental agency or governmental body or person relating to applicable Environmental Laws or Hazardous Substances, and (vi) to the knowledge of the Company, the Company and its subsidiaries have received and are in compliance with all, and have no liability under any,

permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their respective businesses; except in each case covered by clauses (i) – (vi) such as would not individually or in the aggregate have a Material Adverse Effect; (b) to the knowledge of the Company there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would have a Material Adverse Effect; (c) to the knowledge of the Company there are no requirements proposed for adoption or implementation under any Environmental Law that would reasonably be expected to have a Material Adverse Effect; and (d) except as disclosed in the General Disclosure Package, the Company has reasonably concluded that the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations, products and financial condition of the Company and its subsidiaries will not, singly or in the aggregate, have a Material Adverse Effect. For purposes of this subsection "**Hazardous Substances**" means (A) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and mold, and (B) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under applicable Environmental Laws.

(v) *Accurate Disclosure.* The statements in the General Disclosure Package and the Final Prospectus under the headings of the preliminary prospectus supplement "Material U.S. Federal Tax Considerations for Non-U.S. Holders", and "Description of Capital Stock", under the heading of the Company's annual report on Form 10-K for the year ended December 31, 2011 "Business—Environmental Matters and Regulation", and under the heading of the Company's proxy statement for the 2011 annual meeting "Certain Relationships and Related Transactions", insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, and subject to the assumptions, conditions and limitations set forth therein are accurate in all material respects and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(w) *Absence of Manipulation*. The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(x) [Reserved.]

(y) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with the Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with authorization of management and directors, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles and to maintain accountability for assets, (iii) records are maintained that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (iv) unauthorized acquisitions, use or dispositions of the Company's assets that could have a material effect on the consolidated financial statements are prevented or timely detected and (v) the interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement is materially accurate in all respects. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(z) *Absence of Accounting Issues.* Except as set forth in the General Disclosure Package, no member of the Audit Committee has informed the Company that the Audit Committee is reviewing or investigating, or that the Company's independent auditors or its internal auditors have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(aa) *Litigation*. Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including, to the best of the Company's knowledge, any inquiries or investigations threatened by any court or governmental agency or body, domestic or foreign) against the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or, to the Company's knowledge, contemplated.

(bb) *Financial Statements.* The financial statements included in the Registration Statement and the General Disclosure Package present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in the Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(cc) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(dd) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(ee) *Ratings.* The Company does not have any debt securities rated by a "nationally recognized statistical rating agency" as that term is defined for purposes of Section 3(a)(62) of the Exchange Act.

(ff) [Reserved].

(gg) *Anti-corruption Laws; Money Laundering Laws; Sanctions.* Except as disclosed in the General Disclosure Package, each of the Company, its subsidiaries, and to the Company's knowledge, its affiliates and any of their respective officers, directors, supervisors, managers, agents, employees, and any other persons acting on its behalf, is not aware of, has not taken, and will not take any action, directly or indirectly, including its participation in the offering, that violates the following laws, has instituted and

maintains policies and procedures designed to ensure continued compliance with each of the following laws, and has maintained, and will continue to maintain, books and records as required by, and that ensure continued compliance with, each of the following laws: (a) anti-corruption laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977 or any other law, rule or regulation of similar purpose and scope, (b) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code section 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (c) laws and regulations imposing U.S. economic sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, and the Syria Accountability and Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder.

(hh) *Taxes.* The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(ii) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are customary for the industry or geographic location in which they participate; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except in each case as set forth in or contemplated in the General Disclosure Package.

(jj) *Independent Petroleum Engineers.* DeGolyer and MacNaughton ("**D&M**"), who has delivered the letter referenced to in Section 7(j) hereof (the "**D&M Letter**"), was, as of the date(s) of the reports referenced in such letter, and is, as of the date hereof, an independent engineering firm with respect to the Company.

(kk) *Information Underlying D&M Reports.* The factual information underlying the estimates of the Company's oil and natural gas resources, which was supplied by the Company to D&M for the purposes of preparing the resource reports and estimates of the Company and preparing the D&M Letter, including, without limitation, costs of operation and development and agreements relating to current and future operations and future sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices; other than intervening market commodity price fluctuations, and except as disclosed in the General Disclosure Package, the Company is not aware of any facts or circumstances that would result in a material adverse change in the estimates of the Company's oil and natural gas resources, or the present value of future net cash flows therefrom, as reflected in the reports referenced in the D&M Letter; the Company has

no reason to believe that as of the dates indicated in the Registration Statement, the General Disclosure Package and the Final Prospectus such resources have materially declined or decreased since the dates of the reports referenced in the D&M Letter.

(ll) *Auditor Independence.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(mm) *OFAC.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not, to its knowledge, directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(nn) *XBRL Language*. The interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ii) Each Selling Stockholder severally represents and warrants to, and agrees with, the several Underwriters that:

(a) *Title to Securities.* Such Selling Stockholder (x) has, and immediately prior to each Closing Date (as defined in Section 3 hereof) will have, (i) valid and unencumbered title to the Offered Securities to be delivered by such Selling Stockholder on such Closing Date or (ii) a valid "security entitlement" (within the meaning of Section 8-501 of the Uniform Commercial Code as in effect in the State of New York (the "**New York UCC**") in respect of such Offered Securities, and (y) has full right, power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Offered Securities (or security entitlements in respect of such Offered Securities) to be delivered by such Selling Stockholder on such Closing Date hereunder free and clear of all liens, encumbrances, equities or claims, except for any liens, encumbrances, equities or claims arising under this Agreement.

(b) *Delivery, DTC.* Upon payment for the Offered Securities to be sold by such Selling Stockholder, delivery of certificates representing such Offered Securities, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), together with a valid indorsement of such certificates to DTC or in blank, registration of such Offered Securities in the name of Cede or such other nominee and the crediting by book entry of such Offered Securities on the books of DTC to securities accounts (within the meaning of Section 8-501 of New York UCC) of the Underwriters (assuming that neither DTC nor any such Underwriter has notice of any "adverse claim" (within the meaning of Section 8-105 of the New York UCC) to such Offered Securities or any security entitlement in respect thereof), (i) DTC shall be a "protected purchaser" of such Offered Securities within the meaning of Section 8-303 of the New York UCC, (ii) under Section 8-501 of the New York UCC, the Underwriters will acquire a valid security entitlement (within the meaning of Section 8-102 of the New York UCC) in respect of such Offered Securities, and (iii) to the extent governed by the provisions of Section 8-502 of the New York UCC, no action based on an "adverse claim" (as defined in Section 8-102 of the New York UCC) to such Offered Securities may be asserted against the Underwriters with respect to such security entitlement; it being understood that for purposes of this representation, such Selling Stockholder may assume that when such payment, delivery and crediting occur, (A) such Offered Securities will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with the Company's certificate of incorporation, bylaws and applicable law, (B) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the New York UCC and (C) appropriate book entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the New York UCC.

(c) *Absence of Further Requirements*. No consent, approval, authorization or order of, or filing with, any person (including any governmental agency or body or any court) is required to be obtained or made by such Selling Stockholder for the consummation of the transactions contemplated by the custody agreement to be entered into by and among the Custodian and the Management Selling Stockholders (the "**Custody Agreement**") or this Agreement in connection with the offering and sale of the Offered Securities sold by such Selling Stockholder, except (A) such as have been obtained and made under the Act and (B) such as may be required under the Exchange Act or the rules and regulations thereunder, foreign or state securities laws (including "Blue Sky" laws) or the rules and regulations of FINRA or The New York Stock Exchange.

(d) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance by the Management Selling Stockholders of the Custody Agreement and by the Selling Stockholders of this Agreement and the consummation of the transactions therein and herein contemplated will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of such Selling Stockholder pursuant to any (A) statute, any rule, regulation or order of any governmental agency or body or any court having jurisdiction over such Selling Stockholder or any of its properties, (B) any agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the properties of such Selling Stockholder is subject, or (C) the charter or by-laws or analogous constituent documents of such Selling Stockholder that is not a natural person, except in the case of clauses (A) and (B) above, for such violations that would not, individually or in the aggregate, have a material adverse effect on the ability of such Selling Stockholder to perform its obligations hereunder; *provided* that no representation or warranty is made in this paragraph (d) with respect to the antifraud provisions of the federal or state securities laws.

(e) *Custody Agreement and Power of Attorney*. Each of the Custody Agreements with respect to a Management Selling Stockholder and each of the powers of attorney appointing Joseph H. Bryant as attorney-in-fact of each Management Selling Stockholder (other than Joseph H. Bryant) (each, a "**Power of Attorney**") has been duly authorized, executed and delivered by such Management Selling Stockholder and shall constitute valid and legally binding obligations of such Management Selling Stockholder enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(f) *Selling Stockholder Information*. (A) On its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, *however*, that such representation and warranty made in this subsection (f) applies only to statements or omissions made in reliance upon and in conformity with the Selling Stockholder Information. As used in this Agreement, the "**Selling Stockholder Information**" means information relating to a Selling Stockholder furnished in writing by or on behalf of such Selling Stockholder expressly for use in the Registration Statement, the General Disclosure Package or the Final Prospectus, it being understood and agreed that the only Selling Stockholder Information so furnished by such Selling Stockholder consists solely of the name and address of such Selling Stockholder, the number of shares owned and the number of shares proposed to be sold by such Selling Stockholder, and the information about such Selling Stockholder appearing in the text corresponding to the footnote adjacent to such Selling Stockholder's name on pages S-15 to and including S-17 under the caption "Principal and Selling Stockholders" in the General Disclosure Package and the Final Prospectus or any amendments or supplements thereto.

(g) [Reserved.]

(h) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Stockholder.

(i) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between such Selling Stockholder and any person that would give rise to a valid

claim against such Selling Stockholder or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(j) *Absence of Manipulation*. Such Selling Stockholder has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company and each Selling Stockholder agree, severally and not jointly, to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and each Selling Stockholder, at a purchase price of $27.16 per share, that number of shares of Firm Securities obtained by multiplying 15,700,000 Firm Securities, in the case of the Company, and the number of Firm Securities set forth opposite the name of such Selling Stockholder in Schedules A-1 and A-2 hereto, in the case of a Selling Stockholder, in each case by a fraction the numerator of which is the number of Firm Securities set forth opposite the name of such Underwriter in Schedule B hereto and the denominator of which is the total number of Firm Securities.

Certificates in negotiable form for the Offered Securities to be sold by the Management Selling Stockholders hereunder have been placed in custody, for delivery under this Agreement, under Custody Agreements made with Continental Stock Transfer & Trust Company, as custodian ("**Custodian**").

The Company, the Institutional Selling Stockholders and the Custodian (on behalf of the Management Selling Stockholders) will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price in Federal (same day) funds by official bank check or checks or wire transfer to an account at a bank acceptable to the Representatives drawn to the order of "Cobalt International Energy, Inc.", in the case of 15,700,000 shares of Firm Securities sold by the Company, and to accounts specified by the Selling Stockholders to the Representatives at least forty-eight hours in advance, in the case of 36,300,000 shares of Firm Securities sold by the Selling Stockholders, in each case at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, at 9:00 A.M., New York time, on February 29, 2012, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**". For purposes of Rule 15c6-1 under the Exchange Act, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the offering. The Firm Securities so to be delivered or evidence of their issuance will be made available for checking at the above office of Davis Polk & Wardwell LLP at least 24 hours prior to the First Closing Date.

In addition, upon written notice from the Representatives given to the Company and the Selling Stockholders from time to time not more than 30 days subsequent to the date of the Final Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the purchase price per Security to be paid for the Firm Securities. The Company and the Selling Stockholders agree, severally and not jointly, to sell to the Underwriters the respective numbers of shares of Optional Securities obtained by multiplying the number of Optional Securities specified in such notice by a fraction the numerator of which is 2,350,000, in the case of the Company, and the number of shares set forth opposite the names of such Selling Stockholders in Schedules A-1 and A-2 hereto under the caption "Number of Optional Securities to be Sold", in the case of the Selling Stockholders, the denominator of which is the total number of Optional Securities. Such Optional Securities shall be purchased from the Company and each Selling Stockholder for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company and the Selling Stockholders.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives but shall be not later than five full business days after written notice of election to purchase Optional Securities is given. The Company, the Institutional Selling Stockholders and the Custodian (on behalf of the Management Selling Stockholders) will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives, against payment of the purchase price therefor in Federal (same day) funds by official bank check or checks or wire transfer to an account at a bank acceptable to the Representatives drawn to the order of "Cobalt International Energy, Inc.", in the case of 2,350,000 shares of Optional Securities sold by the Company, and to accounts specified by the Selling Stockholders to the Representatives at least forty-eight hours in advance, in the case of 5,450,000 shares of Optional Securities sold by the Selling Stockholders, at the above office of Davis Polk & Wardwell LLP. The Optional Securities being purchased on each Optional Closing Date or evidence of their issuance will be made available for checking at the above office of Davis Polk & Wardwell LLP at a reasonable time in advance of such Optional Closing Date.

Without limiting the applicability of Section 3 hereof or any other provision of this Agreement, with respect to any Underwriter who is or is affiliated with any person or entity engaged to act as an investment adviser on behalf of a client who has a direct or indirect interest in the Offered Securities being sold by a Selling Stockholder (an "**Affiliated Underwriter**"), the Offered Securities being sold to the Affiliated Underwriter shall not include any shares of Offered Securities attributable to such client (with any such shares instead being allocated and sold to the other Underwriters) and, accordingly, the fees or other amounts received by the Affiliated Underwriter in connection with the transactions contemplated hereby shall not be deemed to include any fees or other amounts attributable to such client (and, if there is any unsold allotment in the offering at the First Closing Date, such unsold allotment in respect of shares of Offered Securities attributable to such client shall be allocated solely to Underwriters not affiliated with such client and an equivalent number of Offered Securities in such unsold allotment that are not attributable to such client, to the extent available, shall be allocated to the Affiliated Underwriter).

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company and the Selling Stockholders*. The Company agrees with the several Underwriters and the Selling Stockholders that:

(a) *Filing of Prospectuses.* The Company has filed or will file each Statutory Prospectus (including the Final Prospectus) pursuant to and in accordance with Rule 424(b)(2) (or, if applicable and consented to by the Representatives, subparagraph (5)) not later than the second business day following the earlier of the date it is first used or the execution and delivery of this Agreement. The Company has complied and will comply with Rule 433.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without providing the Representatives a reasonable opportunity to consent (other than by filing documents under the Exchange Act that are incorporated by reference therein; *provided* that in the case of filing documents under the Exchange Act that are incorporated by reference, the Representatives shall previously have been furnished a copy of the proposed amendment (or supplementation); and the Company will also advise the Representatives promptly of (i) the filing and effectiveness of any amendment or supplementation of the Registration Statement or any Statutory Prospectus, (ii) any request by the Commission or its staff for any amendment to the Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iii) the institution by the Commission of any stop order proceedings in respect of the Registration Statement or the threatening of any proceeding for that purpose, and (iv) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its reasonable best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Underwriters and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than 16 months after the date of this Agreement, the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the date of this Agreement and satisfying the provisions of Section 11(a) and Rule 158 under the Act.

(e) *Furnishing of Prospectuses.* The Company will furnish to each of the Representatives signed copies of the Registration Statement including all exhibits, each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement. All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will cooperate with the Representatives for the qualification of the Offered Securities for sale under the laws of such states and other jurisdictions as the Representatives designate and to continue such qualifications in effect so long as required for the distribution; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) *Reporting Requirements.* During the period of three years hereafter, the Company will furnish to the Representatives and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and, (ii) for a period one year hereafter, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval system ("**EDGAR**"), it is not required to furnish such reports or statements to the Underwriters.

(h) *Payment of Expenses.* The Company agrees with the several Underwriters that the Company will pay all expenses incident to the performance of the obligations of the Company and the Selling Stockholders, as the case may be, under this Agreement, including but not limited to any filing fees and other expenses (including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, costs and expenses related to the review by FINRA of the Offered Securities (including filing fees and the fees and expenses of counsel for the Underwriters relating to such review), costs and expenses relating to investor presentations or any "road show" in connection with the offering and sale of the Offered Securities including, without limitation, any travel expenses of the Company's officers and employees and any other expenses of the Company including 50% of the costs of

chartering airplanes, fees and expenses incident to listing the Offered Securities on The New York Stock Exchange and other national and foreign exchanges, fees and expenses in connection with the registration of the Offered Securities under the Exchange Act and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and for expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. Each Selling Stockholder agrees with the several Underwriters that such Selling Stockholder will pay or cause to be paid all transfer taxes on the sale by such Selling Stockholder of the Offered Securities to the Underwriters. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, fees and expenses of their counsel.

(i) *Use of Proceeds.* The Company will use the net proceeds received in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and, except as disclosed in the General Disclosure Package, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(j) *Absence of Manipulation.* The Company and the Selling Stockholders will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(k) *Restriction on Sale of Securities.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to the Securities or any securities convertible into or exchangeable or exercisable for any Securities ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives. The Lock-Up Period will commence on the date hereof and continue for 90 days after the date hereof or such earlier date that the Representatives consent to in writing. The restrictions set forth in this Section 5(k) shall not apply to: (A) the sale of Offered Securities to the Underwriters; (B) grants of employee or non-employee director stock options or restricted stock or restricted stock units in the ordinary course of business and in accordance with the terms of a stock plan existing on the Closing Date and described in the General Disclosure Package; (C) the issuance of Securities upon the exercise of an option or warrant or the conversion of a security granted under employee or non-employee director stock plans existing on or otherwise outstanding on the Closing Date and described in the General Disclosure Package; (D) the filing of a registration statement on Form S-8 relating to the offering of securities in accordance with the terms of a stock plan in effect on the Closing Date and described in the General Disclosure Package; or (E) the registration of Securities pursuant to the terms of registration rights granted in connection with the Company's initial public offering.

6. *Free Writing Prospectuses*. The Company and the Selling Stockholders represent and agree that, unless they obtain the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company and the Selling Stockholders herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company and the Selling Stockholders of their obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter*. The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Ernst & Young LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance acceptable to the Representatives.

(b) *Filing of Prospectuses.* The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iii) any suspension or material limitation of trading in securities generally on The New York Stock Exchange, or any setting of minimum or maximum prices for trading on such exchange; (iv) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (v) any banking moratorium declared by any U.S. federal or New York authorities; (vi) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (vii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinions of Counsel for the Company and the Management Selling Stockholders.* The Representatives shall have received (i) an opinion and 10b-5 letter, each dated the Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company and special counsel for the Management Selling Stockholders, in the form of Schedule D-1 hereto, (ii) an opinion, dated the Closing Date, of Graves, Dougherty, Hearon & Moody, P.C., special Texas counsel for Veer Eagles Partners, Ltd., in the form of Schedule D-2, (iii) an opinion, dated the Closing Date, of Blazier, Christensen, Bigelow & Virr, P.C., special Texas counsel for the Janet Golden & Jack Golden Trust 1 and the Janet Golden & Jack Golden Trust 2, in the form of Schedule D-3 hereto and (iv) an opinion, dated the Closing Date, of Appleby, Cayman Islands counsel for the Company, in the form of Schedule E hereto.

(e) *Opinions of Counsel for the Institutional Selling Stockholders.* (1) The Representatives shall have received an opinion, dated such Closing Date, of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Institutional Selling Stockholders consisting of The Goldman Sachs Group, Inc. Funds, in the form of Schedule F-1 hereto, (2) the Representatives shall have received an opinion, dated such Closing Date, of Latham & Watkins LLP, counsel for the Institutional Selling Stockholders consisting of the Carlyle/Riverstone Funds, in the form of Schedule F-2 hereto, (3) the Representatives shall have received an opinion, dated such Closing Date, of Simpson Thacher & Bartlett LLP, counsel for the Institutional Selling Stockholders consisting of the First Reserve Funds, in the form of Schedule F-3 hereto and (4) the Representatives shall have received opinions, dated such Closing Date, of Fried, Frank, Harris, Shriver &

Jacobson LLP and Stikeman Elliot LLP, counsel for the Institutional Selling Stockholders consisting of the KERN Funds, in the form of Schedule F-4 hereto.

(f) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company and the Selling Stockholders shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) *Officer's Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: the representations and warranties of the Company in this Agreement are true and correct; the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; and, subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(h) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup letters from each of the persons listed in Schedule G hereto.

(i) *Tax Reporting.* The Custodian will deliver to the Representatives a letter stating that it will deliver, if and to the extent required by law, to each Selling Stockholder a United States Treasury Department Form 1099 (or other applicable form or statement specified by the United States Treasury Department regulations in lieu thereof) on or before January 31 of the year following the date of this Agreement.

(j) *D&M Letter.* The Representatives shall have received a letter, dated the date hereof of D&M, in the form of Schedule H hereto.

(k) *Delivery of W-9/W-8.* Each Selling Stockholder shall have delivered to the Representatives, prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

The Company and the Selling Stockholders will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution.* (a) *Indemnification of Underwriters by Company.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred;

provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (c) below.

(b) *Indemnification of Underwriters by Selling Stockholders.* The Selling Stockholders, severally and not jointly, will indemnify and hold harmless each Indemnified Party against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, provided that such untrue statement or alleged untrue statement or omission or alleged omission has been made in reliance upon and in conformity with the Selling Stockholder Information with respect to that Selling Stockholder, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to the above as such expenses are incurred; *provided*, *however*, that the liability under this subsection of each Selling Stockholder shall be limited to an amount equal to the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) to such Selling Stockholder from the sale of Offered Securities sold by such Selling Stockholder.

(c) *Indemnification of Company and Selling Stockholders.* Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and each Selling Stockholder (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, or other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at any time, any Statutory Prospectus at any time, the Final Prospectus or any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the fourth paragraph under the caption "Underwriting".

(d) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a), (b) or (c) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a), (b) or (c) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a), (b) or (c) above. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense

thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(e) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a), (b) or (c) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a), (b) or (c) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) from the offering received by the Company and the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, the Selling Stockholders or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (e). Notwithstanding the provisions of this subsection (e), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this subsection (e), no Selling Stockholder shall be required to contribute pursuant to this subsection (e), (1) unless such Selling Stockholder would have had indemnification obligations pursuant to subsection (b) above or (2) any amount in excess of the amount by which such Selling Stockholder's aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement exceeds the amount of any damages which such Selling Stockholder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (e) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (e) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(e). No Selling Stockholder shall have any liability under subsection (b) of this Section 8 and this subsection (e), in the aggregate, in excess of such Selling Stockholder's aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement.

9. *Default of Underwriters.* If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate number of shares of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing

Date, Goldman Sachs may make arrangements satisfactory to the Company and the Selling Stockholders for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate number of shares of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to Goldman Sachs, the Company and the Selling Stockholders for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter, the Company or the Selling Stockholders, except as provided in Section 10 (provided that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *Survival of Certain Representations and Obligations*. The respective indemnities, agreements, representations, warranties and other statements of the Selling Stockholders, the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, any Selling Stockholders, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 hereof, the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company, the Selling Stockholders and the Underwriters pursuant to Section 8 hereof shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

11. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representatives, c/o Goldman, Sachs & Co., 200 West Street, New York, N.Y. 10282, with a copy to Shearman & Sterling LLP, 599 Lexington Avenue, New York, N.Y. 10022, Attention: David J. Beveridge, Esq., or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Cobalt International Energy, Inc., Two Post Oak Central, 1980 Post Oak Boulevard, Suite 1200, Houston, Texas 77056, Attention: General Counsel, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, N.Y. 10017, Attention: Richard D. Truesdell, Jr., Esq., or, if sent to any Institutional Selling Stockholder will be mailed, delivered or telegraphed and confirmed to them at its address set forth in Schedule A-1 hereto, with a copy to Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, N.Y. 10004, Attention: Michael A. Levitt, Esq., or, if sent to any Management Selling Stockholder will be mailed, delivered or telegraphed and confirmed to them at their attention at the Company's address set forth above, with a copy to Davis Polk & Wardwell LLP, at its address listed above, Attention: Richard D. Truesdell, Jr., Esq.; *provided, however*, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

12. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective personal representatives and successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

13. *Representation*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters. In accordance with the Powers of Attorney, Joseph H. Bryant will act as attorney-in-fact for the Management Selling Stockholders (other than himself, where he will act in his individual capacity) in connection with such transactions, and any amendment, waiver or modification to this Agreement taken on behalf of the Management Selling Stockholders by Joseph H. Bryant, in his capacity as attorney-in-fact for the Management Selling Stockholders, will be binding upon all the Management Selling Stockholders.

14. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

15. *Absence of Fiduciary Relationship.* The Company and the Selling Stockholders acknowledge and agree that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as underwriters in connection with the sale of the Offered Securities and that no fiduciary, advisory or agency relationship between the Company or the Selling Stockholders, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company or the Selling Stockholders on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by the Company and the Selling Stockholders following discussions and arms-length negotiations with the Representatives and the Company and the Selling Stockholders are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company and the Selling Stockholders have been advised that the Representatives and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and the Selling Stockholders and that the Representatives have no obligation to disclose such interests and transactions to the Company and the Selling Stockholders by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver.* The Company and the Selling Stockholders waive, to the fullest extent permitted by law, any claims they may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Representatives shall have no liability (whether direct or indirect) to the Company or the Selling Stockholders in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

16. *Patriot Act Notice.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

17. *Applicable Law.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Selling Stockholders, the Company and the several Underwriters in accordance with its terms.

Very truly yours,

COBALT INTERNATIONAL ENERGY, INC.

By: _____

Name: Joseph H. Bryant
Title: Chairman and Chief Executive Officer

By: _____
Joseph H. Bryant, as a Selling Stockholder

JAMES H. PAINTER

By: _____
Joseph H. Bryant, as attorney in fact

VAN P. WHITFIELD

By: _____
Joseph H. Bryant, as attorney in fact

VEER EAGLES PARTNERS LTD.

By: _____
Joseph H. Bryant, as attorney in fact

JACK E. GOLDEN

By: _____
Joseph H. Bryant, as attorney in fact

JANET GOLDEN & JACK GOLDEN TRUST 1

By: _____
Joseph H. Bryant, as attorney in fact

JANET GOLDEN & JACK GOLDEN TRUST 2

By: _____
Joseph H. Bryant, as attorney in fact

GSCP V COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS V FUND, L.P.,
its sole member

By: GSCP V ADVISORS, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GSCP V OFFSHORE COBALT HOLDINGS, LLC

By: GSCP V OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.,
its general partner

By: GSCP V OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.

By: GS ADVISORS V, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GSCP V GMBH COBALT HOLDINGS, LLC

By: GSCP V GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP V GMBH COBALT HOLDINGS,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GSCP VI COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS VI FUND, L.P.,
its sole member

By: GSCP VI ADVISORS, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GSCP VI OFFSHORE COBALT HOLDINGS, LLC

By: GSCP VI OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS VI OFFSHORE FUND, L.P.,
its general partner

By: GSCP VI OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GS CAPITAL PARTNERS VI PARALLEL, L.P.

By: GS ADVISORS VI, L.L.C.,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

GSCP VI GMBH COBALT HOLDINGS, LLC

By: GSCP VI GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP VI GMBH COBALT HOLDINGS,
its general partner

By: _____
Name: Kenneth Pontarelli
Title: Vice President

C/R COBALT INVESTMENT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

C/R ENERGY COINVESTMENT II, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

RIVERSTONE ENERGY COINVESTMENT III, L.P.

By: RIVERSTONE COINVESTMENT GP, LLC,
its general partner

By: RIVERSTONE HOLDINGS, LLC,
its sole member

By: _____
Name:
Title:

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.,
its sole member

By: _____
Name:
Title:

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.,
its sole member

By: _____
Name: David M. Rubenstein
Title: Authorized Person

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

KERN COBALT CO-INVEST PARTNERS AP LP

By: KERN COBALT GROUP MANAGEMENT LTD.,
its general partner

By: _____
Name: Jeff van Steenbergen
Title: Director

FIRST RESERVE FUND XI, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name: Jennifer C. Zarrilli
Title: Managing Director, CFO

FR XI ONSHORE AIV, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name: Jennifer C. Zarrilli
Title: Managing Director, CFO

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: Goldman, Sachs, Co.
(Goldman, Sachs & Co.)

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: _____
(Goldman, Sachs & Co.)

MORGAN STANLEY & CO. LLC

By: _____
Name: Ashley MacNeill
Title: Vice President

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: _____
(Goldman, Sachs & Co.)

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name: Robert Hendricks
Title: Director

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: _____
(Goldman, Sachs & Co.)

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name: Tammy Jackson
Title: Vice President

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: _____
(Goldman, Sachs & Co.)

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: _____
Name: Yaw Asamoah-Duodu
Title: Managing Director

Acting on behalf of themselves and as the Representatives of the several Underwriters.

SCHEDULE A-1

Institutional Selling Stockholder	Number of Firm Securities to be Sold	Number of Optional Securities to be Sold
GSCP V Cobalt Holdings, LLC	3,377,943	509,407
GSCP V Offshore Cobalt Holdings, LLC	1,744,904	263,138
GS Capital Partners V Institutional, L.P.	1,158,343	174,683
GSCP V GmbH Cobalt Holdings, LLC	133,924	20,196
GSCP VI Cobalt Holdings, LLC	1,835,645	276,822
GSCP VI Offshore Cobalt Holdings, LLC	1,526,824	230,251
GS Capital Partners VI Parallel, L.P.	504,771	76,122
GSCP VI GmbH Cobalt Holdings, LLC	65,239	9,838
C/R Cobalt Investment Partnership, L.P.	3,785,212	570,824
C/R Energy Coinvestment II, L.P.	353,540	53,315
Riverstone Energy Coinvestment III, L.P.	171,746	25,900
Carlyle Energy Coinvestment III, L.P.	37,317	5,628
C/R Energy III Cobalt Partnership, L.P.	1,806,406	272,413
Carlyle/Riverstone Global Energy and Power Fund III, L.P.	4,192,658	632,269
First Reserve Fund XI, L.P.	7,684,746	1,158,889
FR XI Onshore AIV, L.P.	2,568,221	387,298
KERN Cobalt Co-Invest Partners AP LP	4,427,599	667,699
Total	35,375,038	5,334,692

SCHEDULE A-2

Management Selling Stockholder	Number of Firm Securities to be Sold	Number of Optional Securities to be Sold
Joseph H. Bryant	750,000	112,500
James H. Painter	29,962	2,808
Van P. Whitfield	40,000	0
Veer Eagles Partner Ltd.	60,000	0
Jack E. Golden	35,000	0
Janet Golden & Jack Golden Trust 1	5,000	0
Janet Golden & Jack Golden Trust 2	5,000	0
Total	924,962	115,308

Seller	Number of Firm Securities to be Sold	Number of Optional Securities to be Sold
Institutional Selling Stockholders	35,375,038	5,334,692
Management Selling Stockholders	924,962	115,308
Selling Stockholders Total	36,300,000	5,450,000
Company	15,700,000	2,350,000
Total	52,000,000	7,800,000

SCHEDULE B

Underwriter	Number of Firm Securities to be Purchased
Goldman, Sachs & Co.	14,430,000
Morgan Stanley & Co. LLC	11,830,000
Credit Suisse Securities (USA) LLC	9,620,000
Citigroup Global Markets Inc.	3,900,000
J.P. Morgan Securities LLC	3,900,000
Tudor, Pickering, Holt & Co. Securities, Inc.	1,957,800
Deutsche Bank Securities Inc.	1,468,480
RBC Capital Markets, LLC.	1,468,480
UBS Securities LLC	1,468,480
Howard Weil Incorporated.	978,640
Stifel, Nicolaus & Company, Incorporated	489,060
Capital One Southcoast, Inc.	489,060
Total	52,000,000

SCHEDULE C

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"General Use Issuer Free Writing Prospectus" includes each of the following documents:

None.

2. Other Information Included in the General Disclosure Package

The following information, conveyed orally, is also included in the General Disclosure Package:

Public Offering Price: $28.00

Number of Shares Sold: 52,000,000

SCHEDULE D-1

FORM OF DAVIS POLK & WARDWELL LLP OPINION AND 10B5-1 LETTER

New York **Paris**
Menlo Park **Madrid**
Washington DC **Tokyo**
São Paulo **Beijing**
London **Hong Kong**

Davis Polk

Davis Polk & Wardwell LLP 212 450 4000 tel
450 Lexington Avenue 212 701 5800 fax
New York, NY 10017

February [29], 2012

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC

As Representatives of the Several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Ladies and Gentlemen:

We have acted as special counsel for Cobalt International Energy, Inc., a Delaware corporation (the "**Company**"), in connection with the Underwriting Agreement dated February [23], 2012 (the "**Underwriting Agreement**") with you and the other several Underwriters named in Schedule B thereto and the selling stockholders named in Schedule A-1 and A-2 thereto (the "**Selling Stockholders**"), under which you and such other Underwriters have severally agreed to purchase from the Company and the Selling Stockholders an aggregate of [•] shares (the "**Shares**") of common stock, par value $0.01 per share, of the Company, of which [•] shares are to be issued and sold by the Company and [•] shares are to be sold by the Selling Stockholders. [The Shares include [•] shares of common stock, par value $0.01 per share, purchased pursuant to the option provided for by the Underwriting Agreement.]

We have also acted as (i) special counsel for Joseph H. Bryant, James H. Painter, Van P. Whitfield and Jack E. Golden (together, the "**Management Individual Selling Stockholders**"), and (ii) special New York counsel for (A) Veer Eagles Partners, Ltd., a Texas limited partnership, and (B) the trustee of the Janet Golden and Jack Golden Trust 1, a trust governed by and administrated under Texas law, and the trustee of the Janet Golden and Jack Golden Trust 2, a trust governed by and administrated under Texas law (together, the "**Management Trustee Selling Stockholders**", and together with Veer Eagles Partners, Ltd., the "**Management Entity**

Selling Stockholders"), in connection with the Underwriting Agreement, under which such parties are included as certain of the Selling Stockholders. All references to the Management Trustee Selling Stockholders herein are to such persons in their fiduciary capacity and not individually. The Management Individual Selling Stockholders and the Management Entity Selling Stockholders are together referred to herein as the "**Management Selling Stockholders**."

We have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated February 21, 2012 relating to the Shares, and the prospectus supplement dated February 23, 2012 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement became effective under the Act upon the filing of the registration statement with the Commission on January 4, 2011 pursuant to Rule 462(e). The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, as amended and supplemented by the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

In rendering the opinions expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all documents filed with or submitted to the Commission through its Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system (except for required EDGAR formatting changes) conform to the versions of such documents reviewed by us prior to such formatting, (iv) all signatures on all documents that we reviewed are genuine, (v) all natural persons executing documents had and have the legal capacity to do so, (vi) all statements in certificates of public officials and officers of the Company that we reviewed were and are accurate and (vii) all representations made by the Company as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, we are of the opinion that:

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has corporate power and authority to issue the Shares to be sold by the Company, to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. Assuming that the Power of Attorney of each Management Entity Selling Stockholder has been duly authorized, executed and delivered by such Management Entity Selling Stockholder insofar as Texas law is concerned, the Underwriting Agreement has been duly executed and delivered either by or on behalf of each Management Selling Stockholder.

4. The Custody Agreement and the Power of Attorney of each Management Individual Selling Stockholder (to the extent executed by each Management Individual Selling Stockholder) has been duly executed and delivered by such Management Individual Selling Stockholder and, assuming that the Custody Agreement and the Power of Attorney of each Management Entity Selling Stockholder has been duly authorized, executed and delivered by such Management Entity Selling Stockholder insofar as Texas law is concerned, the Custody Agreement and the Power of Attorney of each Management Selling Stockholder (to the extent executed by each Management Selling Stockholder) is a valid and binding agreement of such Management Selling Stockholder, enforceable in accordance with its terms, subject to (i) applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, and (ii) in the case of each Management Trustee Selling Stockholder, concepts of reasonableness, prudence and fairness as applied to the conduct of trustees; provided that we express no opinion as to the validity, binding effect or enforceability of the first paragraph of Section 2 of each such Power of Attorney and the sixth paragraph of each such Custody Agreement.

5. The Shares to be sold by the Company have been duly authorized and, when issued and delivered to and paid for by the Underwriters pursuant to the Underwriting Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares is not subject to any preemptive rights pursuant to the General Corporation Law of the State of Delaware, the certificate of incorporation or by-laws of the Company or any agreement governed by the laws of the State of New York that is an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

6. The Company is not, and after giving effect to the offering and sale of the Shares and the application of the proceeds to the Company thereof as described in the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

7. The Company's authorized equity capitalization is as set forth in the Disclosure Package and the Prospectus. Except as disclosed in the Prospectus or except as have been waived prior to the date hereof, there are no contracts, agreements or understandings to our knowledge between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in any securities being registered pursuant to any registration statement filed by the Company under the Act; provided that we express no opinion as to the rights of Rodney L. Gray under the registration rights agreement dated December 15, 2009 by and among the Company and the other signatories thereto.

8. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Underwriting Agreement will not contravene (i) any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, provided that we express no opinion as to federal or state securities laws, or (ii) the certificate of incorporation or by-laws of the Company.

9. The execution and delivery by each Management Selling Stockholder of, and the performance by each Management Selling Stockholder of its obligations under, the Underwriting Agreement will not contravene any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to individuals, limited partnerships and trustees of common law private trusts, as applicable, in relation to transactions of the type contemplated by the Underwriting Agreement, provided that we express no opinion as to federal or state securities laws.

10. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, is required for the execution, delivery and performance by the Company of its obligations under the Underwriting Agreement, except such as have been obtained and such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

11. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to individuals, limited partnerships and trustees of common law private trusts, as applicable, in relation to transactions of the type contemplated by the Underwriting Agreement is required for the execution, delivery and performance by each Management Selling Stockholder of its obligations under the Underwriting Agreement, except such as have been obtained and such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

12. Upon payment for the Shares to be sold by each Management Individual Selling Stockholder to each of the several Underwriters as provided in the Underwriting Agreement, the delivery of such Shares to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), the registration of such Shares in the name of Cede or such other nominee and the crediting of such Shares on the records of DTC to security accounts in the name of such Underwriter (assuming that neither DTC nor such Underwriter has notice of any adverse claim (as such phrase is defined in Section 8-105 of the Uniform Commercial Code as in effect in the State of New York (the "**UCC**")) to such Shares or any security entitlement in respect thereof), (A) DTC shall be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the UCC, (B) under Section 8-501 of the UCC, such Underwriter will acquire a security entitlement in respect of such Shares and (C) to the extent governed by Article 8 of the UCC, no action based on any "adverse claim" (as defined in Section 8-102 of the UCC) to such Shares may be asserted against such Underwriter; it being understood that for purposes of this opinion, we have assumed that when such payment, delivery and crediting occur, (x) such Shares will have been registered in the name of Cede or such other nominee as may be designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC and (z) appropriate entries to the securities account or accounts in the name of such Underwriter on the records of DTC will have been made pursuant to the UCC.

In rendering the opinion in paragraphs 3 and 4 above, we have assumed that each party to the Custody Agreement and the Power of Attorney of each Management Selling Stockholder (to the extent executed by each Management Selling Stockholder) (the "**Documents**") has been duly incorporated, formed or organized, as the case may be, and is validly existing and in good standing under the laws of the jurisdiction of its incorporation, formation or organization, to the extent applicable. In addition, we have assumed that (i) the execution, delivery and performance by each party thereto of the Documents of each Management Selling Stockholder (to the extent executed by each Management Selling Stockholder) to which it is a party, (a) are, to the extent applicable, within its corporate or other powers, (b) do not contravene, or constitute a default

under, to the extent applicable, the certificate of incorporation or bylaws or other constitutive documents of such party, (c) require no action by or in respect of, or filing with, any governmental body, agency or official and (d) do not contravene, or constitute a default under, any provision of applicable law or regulation or any judgment, injunction, order or decree or any agreement or other instrument binding upon such party, provided that with respect to each of sub-clauses (a), (b), (c) and (d) above we make no such assumption to the extent that we have specifically opined as to such matters with respect to each Management Selling Stockholder, and (ii) each Document is a valid, binding and enforceable agreement of each party thereto (other than as expressly covered above in respect of each Management Selling Stockholder).

In rendering our opinions in paragraphs 3, 4, 9, 11 and 12 above, we have assumed without independent verification that, in addition to the other assumptions identified in this opinion, at all relevant times, (i) each Management Individual Selling Stockholder and Management Trustee Selling Stockholder is competent and has the legal capacity to sign the Documents of such Management Individual Selling Stockholder or Management Trustee Selling Stockholder, as the case may be, and to engage in the transactions contemplated by the Documents of such Management Individual Selling Stockholder or Management Trustee Selling Stockholder, as the case may be, and the Underwriting Agreement, (ii) each Management Individual Selling Stockholder and Management Trustee Selling Stockholder is not the subject of any bankruptcy, receivership, reorganization or other insolvency proceeding, (iii) each Management Individual Selling Stockholder and Management Trustee Selling Stockholder is the owner of record of the Shares being transferred by such Management Individual Selling Stockholder or Management Trustee Selling Stockholder, as the case may be, under the same name as executed and shown on the Documents for that such Management Individual Selling Stockholder or Management Trustee Selling Stockholder, as the case may be, and (iv) the genuineness of all signatures contained on the signature pages of the Documents of each Management Individual Selling Stockholder and Management Trustee Selling Stockholder and that such signatures establish and verify the identity of the natural person or group of natural persons that executed such Documents.

We have considered the statements included in the Prospectus under the caption “Description of Capital Stock” insofar as they summarize provisions of the certificate of incorporation and by-laws of the Company (however, no opinion is being expressed on the number of shares of capital stock outstanding). In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption “Material U.S. Federal Tax Considerations for Non-U.S. Holders,” insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

We are members of the Bar of the State of New York, and the foregoing opinion is limited to the laws of the State of New York, the federal laws of the United States of America and the General Corporation Law of the State of Delaware, except that we express no opinion as to any law, rule or regulation that is applicable to the Company, the Underwriting Agreement, the Custody Agreements, the Powers of Attorney, the Shares or such transactions solely because such law, rule or regulation is part of a regulatory regime applicable to any party to the Underwriting

Agreement or any of its affiliates due to the specific assets or business of such party or such affiliate.

This opinion is rendered solely to you and the other several Underwriters in connection with the Underwriting Agreement. This opinion may not be relied upon by you for any other purpose or relied upon by any other person (including any person acquiring Shares from the several Underwriters) or furnished to any other person without our prior written consent.

Very truly yours,

New York
Menlo Park
Washington DC
São Paulo
London
Paris
Madrid
Tokyo
Beijing
Hong Kong

Davis Polk

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017

212 450 4000 tel
212 701 5800 fax

February [29], 2012

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC

As Representatives of the Several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Ladies and Gentlemen:

We have acted as special counsel for Cobalt International Energy, Inc., a Delaware corporation (the "**Company**"), in connection with the Underwriting Agreement dated February [23], 2012 (the "**Underwriting Agreement**") with you and the other several Underwriters named in Schedule B thereto and the selling stockholders named in Schedule A-1 and A-2 thereto (the "**Selling Stockholders**") under which you and such other Underwriters have severally agreed to purchase from the Company and the Selling Stockholders an aggregate of [•] shares (the "**Shares**") of common stock, par value $0.01 per share, of the Company, of which [•] shares are to be issued and sold by the Company and [•] shares are to be sold by the Selling Stockholders. [The Shares include [•] shares of common stock, par value $0.01 per share, purchased pursuant to the option provided for by the Underwriting Agreement.]

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated February 21, 2012 (the "**Preliminary Prospectus Supplement**") relating to the Shares, and the prospectus supplement dated February [23], 2012 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration**

Statement," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, as amended and supplemented by the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

We have, without independent inquiry or investigation, assumed that all documents filed with or submitted to the Commission through its Electronic Data Gathering, Analysis and Retrieval ("**EDGAR**") system (except for required EDGAR formatting changes) conform to the versions of such documents reviewed by us prior to such formatting.

The primary purpose of our professional engagement was not to establish or confirm factual matters or financial, accounting or quantitative information. Furthermore, many determinations involved in the preparation of the Registration Statement, the Disclosure Package and the Prospectus are of a wholly or partially non-legal character or relate to legal matters outside the scope of our opinion separately delivered to you today in respect of certain matters under the laws of the State of New York, the federal laws of the United States of America and the General Corporation Law of the State of Delaware. As a result, we are not passing upon, and do not assume any responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package and the Prospectus, and we have not ourselves checked the accuracy, completeness or fairness of, or otherwise verified, the information furnished in such documents (except to the extent expressly set forth in our opinion letter separately delivered to you today as to statements included in the Prospectus under the captions "Description of Capital Stock" and "Material U.S. Federal Tax Considerations for Non-U.S. Holders"). However, in the course of our acting as counsel to the Company in connection with the preparation of the Registration Statement, the Disclosure Package and the Prospectus, we have generally reviewed and discussed with your representatives and your counsel and with certain officers and employees of, and independent public accountants for, the Company the information furnished, whether or not subject to our check and verification. We have also reviewed and relied upon certain corporate records and documents, letters from counsel and accountants and oral and written statements of officers and other representatives of the Company and others as to the existence and consequence of certain factual and other matters.

On the basis of the information gained in the course of the performance of the services rendered above, but without independent check or verification except as stated above:

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that, insofar as relevant to the offering of the Shares:

(a) on the date of the Underwriting Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at [•] P.M. New York City time on February 23, 2012, the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of the date of the Underwriting Agreement or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In providing this letter to you and the other several Underwriters, we have not been called to pass upon, and we express no view regarding, the financial statements or financial schedules or other financial or accounting data included in the Registration Statement, the Disclosure Package or the Prospectus. In addition, we express no view as to the conveyance of the Disclosure Package or the information contained therein to investors.

This letter is delivered solely to you and the other several Underwriters in connection with the Underwriting Agreement. This letter may not be relied upon by you for any other purpose or relied upon by any other person (including any person acquiring Shares from the several Underwriters) or furnished to any other person without our prior written consent.

Very truly yours,

SCHEDULE D-2

FORM OF OPINION OF GRAVES, DOUGHERTY, HEARON & MOODY, P.C., SPECIAL TEXAS COUNSEL FOR VEER EAGLES PARTNERS, LTD.

_____, 2012

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
As Representatives of the several Underwriters
named in Schedule B to the Underwriting
Agreement referred to below

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282

Re: [●] Shares of Common Stock of Cobalt International Energy, Inc.

Ladies and Gentlemen:
We have acted as special counsel for Veer Eagles Partners, Ltd., a Texas limited partnership (the "***Selling Stockholder***"), in connection with the purchase from the Selling Stockholder by the several underwriters named in Schedule B (collectively, the "***Underwriters***") to the Underwriting Agreement (as defined below) of [●] shares (the "***Shares***") of common stock, par value $0.01 per share, of Cobalt International Energy, Inc., a Delaware corporation (the "***Company***"), pursuant to the Underwriting Agreement, dated as of [●], 2012 (the "***Underwriting Agreement***"), by and among the Company, the Selling Stockholder, the other selling stockholders named in Schedule A-1 and Schedule A-2 thereto, and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, acting as representatives of the several Underwriters (the "***Representatives***"). This letter is furnished to the Representatives with respect to the Selling Stockholder pursuant to Section 7(d) of the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Selling Stockholder entered into a Power of Attorney, dated [●], 2012 (the "***Power of Attorney***") and a Custody Agreement, dated as of [●], 2012 (the "***Custody Agreement***"), with Continental Stock Transfer & Trust Company (the "***Custodian***"). Except as otherwise defined herein, terms used in this letter but not otherwise defined herein are used as defined in the Underwriting Agreement.

In connection with the opinions and views expressed herein, we have examined such documents, records and matters of law as we have deemed relevant or necessary for purposes of such opinions and views. Based on the foregoing, and subject to the further limitations, qualifications and assumptions set forth herein, we are of the opinion that:

1. Upon payment for the Shares to be sold by the Selling Stockholder to each of the several Underwriters as provided in the Underwriting Agreement, the delivery of such Shares to Cede & Co. ("***Cede***") or such other nominee as may be designated by The Depository Trust Company ("***DTC***"), the registration of such Shares in the name of Cede or such other nominee and the crediting of such Shares on the records of DTC to security accounts in the name of such Underwriter (assuming that neither DTC nor such Underwriter has "notice of any adverse claim" (as such phrase is defined in Section 8-105 of the Uniform Commercial Code as in effect in the State of New York on the date hereof (the "***New York UCC***")) to such Shares or any security entitlement in respect thereof), (a) DTC shall be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the New York UCC, (b) under Section 8-501 of the New York UCC, such Underwriter will acquire a security entitlement in respect of such Shares and (c) to the extent governed by Article 8 of the New York UCC, no action based on any "adverse claim" (as defined in Section 8-102 of the New York UCC) to such Shares may be asserted against such Underwriter; it being understood that for purposes of this opinion, we have assumed that when such payment, delivery and crediting occur, (x) such Shares will have been registered in the name of Cede or such other nominee as may be designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the New York UCC and (z) appropriate entries to the securities account or accounts in the name of such Underwriter on the records of DTC will have been made pursuant to the New York UCC.

2. No consent, approval, authorization or order of, or filing with any Texas governmental agency or body or any Texas court is required to be obtained or made by the Selling Stockholder for the consummation of the transactions contemplated by the Custody Agreement or the Underwriting Agreement in connection with the offering and sale of the Shares sold by the Selling Stockholder, except such as have been obtained and made under the Securities Act of 1933, as amended, and such as may be required under state securities laws.

3. The execution, delivery and performance of the Custody Agreement and the Underwriting Agreement and the consummation of the transactions therein contemplated will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Selling Stockholder pursuant to, any Texas statute, any rule, regulation or order of any Texas governmental agency or body or any Texas court having jurisdiction over the Selling Stockholder or any of its properties, or the certificate of formation or Agreement of Limited Partnership of the Selling Stockholder (provided, however, that we express no opinion with respect to any breach, violation or default not readily ascertainable from the face of any such statute, rule, regulation, order, certificate or agreement).

4. The Power of Attorney, Custody Agreement and Underwriting Agreement have been duly authorized by all necessary partnership action of, and duly executed and delivered by, the Selling Stockholder.

The opinions and views set forth above are subject to the following limitations, qualifications and assumptions:

For purposes of this opinion, we have not reviewed any court docket or documents other than the Underwriting Agreement, Power of Attorney, Custody Agreement and Agreement of Limited Partnership of the Selling Stockholder. In particular, we have not reviewed any document (other than the Underwriting Agreement, Power of Attorney, Custody Agreement and Agreement of Limited Partnership of the Selling Stockholder) that is referred to in or incorporated by reference into any document reviewed by us. We have conducted no independent factual investigation of our own but rather have relied solely upon the Underwriting Agreement, Power of Attorney, Custody Agreement and Agreement of Limited Partnership of the Selling Stockholder, the statements and information set forth therein, the qualifications set forth herein and the additional matters recited or assumed herein, all of which we have assumed, as to matters of fact not inconsistent with our knowledge, to be true, correct, complete and accurate in all material respects. We expressly assume that there exists no provision in any document that we have not reviewed that is inconsistent with the opinions stated herein.

We have assumed, for purposes of the opinions and views expressed herein, (a) that all signatures on documents examined by us are genuine, (b) the legal capacity under all applicable laws and regulations, of all natural persons signing each of said documents as or on behalf of the parties thereto, (c) all documents submitted to us as originals are authentic, (d) that all documents submitted to us as copies conform with the originals of those documents, (e) that such documents, in the forms submitted to us for our review, have not been and will not be, on or before the date of this opinion, altered or amended in any respect material to our opinions as expressed herein, (f) except as expressly opined herein, that each of the Underwriting Agreement, Custody Agreement and Power of Attorney will be executed and delivered by the parties thereto substantially in the same form reviewed by us, (g) except as expressly opined herein, the due authorization, execution and delivery by the parties thereto of the Underwriting Agreement and Custody Agreement, and (h) that, to the extent the Underwriting Agreement or Custody Agreement purport to constitute agreements of parties other than the Selling Stockholder, such agreements constitute valid, binding and enforceable obligations of such other parties.

As to facts material to the opinions and assumptions expressed herein, we have, with your consent, relied upon oral or written statements and representations of officers and other representatives of the Company, the Selling Stockholder and others, including the representations and warranties of the parties to the Underwriting Agreement, the Power of Attorney and the Custody Agreement. We have not independently verified such matters.

Moreover, we note that as special counsel to the Selling Stockholder, our representation of the Selling Stockholder is necessarily limited to such specific and discrete matters referred to us from time to time by representatives of the Selling Stockholder. Accordingly, we do not have and you should not infer from our representation of the Selling

Stockholder in this particular instance that we have any knowledge of the Selling Stockholder's affairs or transactions other than as expressly set forth in this opinion letter.

The opinions and views expressed herein are limited to the laws of the State of Texas, including the Texas Business Organizations Code, and the New York UCC, as described below, in each case as currently in effect, and we express no opinion or view as to the effect of the laws of any other jurisdiction on the opinions and views expressed herein. With your permission, we have based our opinions set forth in paragraph 1 exclusively upon our review of Article 8 of the New York UCC as set forth in the CCH Secured Transactions Guide without regard to judicial interpretations thereof or any regulations promulgated thereunder or any other laws of the State of New York. Our opinions and views are limited to those expressly set forth herein, and we express no opinion or view by implication.

This letter is furnished by us to the Representatives solely for the benefit of the Underwriters and solely with respect to the purchase of the Shares from the Selling Stockholder by the Underwriters, upon the understanding that we are not hereby assuming any professional responsibility to any other person whatsoever, and that this letter is not to be used, circulated, quoted or otherwise referred to for any other purpose. This opinion letter is limited to the matters expressly stated herein and no opinions may be inferred or implied beyond the matters expressly stated herein. We undertake no, and hereby disclaim any, obligation or responsibility to update or supplement this opinion in response to subsequent changes in the law or other future events.

Very truly yours,

GRAVES, DOUGHERTY, HEARON & MOODY
A Professional Corporation

SCHEDULE D-3

FORM OF OPINION OF BLAZIER, CHRISTENSEN, BIGELOW & VIRR, P.C., SPECIAL TEXAS COUNSEL FOR THE JANET GOLDEN AND JACK GOLDEN TRUST 1 AND THE JANET GOLDEN AND JACK GOLDEN TRUST 2

BLAZIER CHRISTENSEN BIGELOW & VIRR

A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS

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JOHN C. BLAZIER
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JUSTIN M. WELCH
TREVOR G. GREEN
JEREMY A. ROYAL
JULIE K. PLOWMAN
PAUL K. BROWDER

* BOARD CERTIFIED-ADMINISTRATIVE LAW, TEXAS BOARD OF LEGAL SPECIALIZATION
** BOARD CERTIFIED-TAX LAW, TEXAS BOARD OF LEGAL SPECIALIZATION

writer's direct e-mail: tvirr@blazierlaw.com

FEBRUARY 29, 2012

GOLDMAN, SACHS & CO.
MORGAN STANLEY & CO. LLC
CREDIT SUISSE SECURITIES (USA) LLC
CITIGROUP GLOBAL MARKETS INC.
J.P. MORGAN SECURITIES LLC
AS REPRESENTATIVES OF THE SEVERAL UNDERWRITERS,
C/O GOLDMAN, SACHS& CO.,
200 WEST STREET,
NEW YORK, N.Y. 10282

RE: ***AUTHORITY OF TRUSTEE JACK EMITT GOLDEN***
THE JANET GOLDEN AND JACK GOLDEN TRUST 1
THE JANET GOLDEN AND JACK GOLDEN TRUST 2

DEAR LADIES AND GENTLEMEN:

We have acted as legal counsel for **THE JANET GOLDEN AND JACK GOLDEN TRUST 1** a/k/a **THE JOSHUA EMITT GOLDEN IRREVOCABLE TRUST** and **THE JANET GOLDEN & JACK GOLDEN TRUST 2** a/k/a **THE AMANDA ELIZABETH ESSIG IRREVOCABLE TRUST** (each as "Trust" and together, The "Trusts"). We are giving this legal opinion regarding the authority of Jack Emitt Golden in his capacity as Trustee of these two trusts.

The history of these Trusts is set out hereinafter. Jack Emitt Golden and his wife, Janet Elizabeth Golden ("Grantors"), residents of Texas, created these irrevocable trusts for their son, **JOSHUA EMITT GOLDEN**, and their daughter, **AMANDA ELIZABETH ESSIG**. Written trust agreements were executed (the "Trust Documents"). Grantors named Jack Emitt Golden as the Trustee of both Trusts, and he is serving as the Trustee. The Trust Documents contain identical provisions regarding the authority of the Trustee.

Each Trust gives the Trustee all Powers granted to Trustee by common law or any statute, including every power granted to Trustee by the Texas Property Code, Title 9, Trusts, or any future amendment thereof which serves to increase the extent of the Powers granted to the Trustee. In addition, each Trust specifically grants the Trustee the authority to sell or exchange any property, which may from time to time become part of the Trust Estate at public, private sale, or otherwise for cash or other consideration and upon such terms and conditions as the Trustee shall deem advisable, and to transfer and convey the same free of all trusts. We are advised that the Trusts have agreed to each sell [●] shares (collectively, the "Offered Securities") of common stock, par value $0.01 per share (the "Common Stock"), of Cobalt International Energy, Inc., a Delaware corporation (the "Company"), in connection with the Company's offering of Common Stock. The Offered Securities are being offered to the public pursuant to the underwriting agreement, dated February [23], 2012 (the "Underwriting Agreement"), among the Company, the selling stockholders named in Schedules A-1 and A-2 thereto (including the Trusts), and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., and J.P. Morgan Securities LLC, as representatives of the several Underwriters named in Schedule B thereto. In order to facilitate such sale, each Trust has granted a power of attorney to Mr. Joseph H. Bryant, as attorney-in-fact (the "Power of Attorney") and entered a custody agreement with Continental Stock Transfer and Trust Company, as custodian (the "Custody Agreement"). This opinion is being delivered to you at the Trusts' request pursuant to Section 7(d)(1) of the Underwriting Agreement. All capitalized terms used herein that are defined in, or by reference in, the Underwriting Agreement have the meanings assigned to such terms therein, or by reference therein, unless otherwise defined herein. With this brief background, we represent the following:

1. ***Title to Securities.*** Each Trust had valid and unencumbered title to the Offered Securities delivered by such Trust on the Closing Date and has full right, power and authority to sell, assign, transfer and deliver the Offered Securities delivered by such Trust on the Closing Date; and the several Underwriters have acquired valid and unencumbered title to the Offered Securities purchased by them from such Trust on the Closing Date.

2. ***Absence of Further Requirements.*** No consent, approval, authorization or order of, or filing with any Texas governmental agency or body or any Texas court is required to be obtained or made by either Trust for the consummation of the transactions contemplated by the Custody Agreement or the Underwriting Agreement in connection with the offering and sale of the Offered Securities sold by such Trust, except such as have been obtained and made under the Securities Act of 1933, as amended, and such as may be required under state securities laws.

3. ***Absence of Defaults and Conflicts Resulting from Transaction.*** The execution, delivery and performance of the Custody Agreement and the Underwriting Agreement and the consummation of the transactions therein contemplated will not result in a breach or violation of

any of the terms and provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of either Trust pursuant to, any Texas statute, any rule, regulation or order of any governmental agency or body or any Texas court having jurisdiction over such Trust or any of its properties, or the Trust Documents of such Trust.

4. ***Custody Agreement, Power of Attorney and Underwriting Agreement.*** The Power of Attorney, Custody Agreement and Underwriting Agreement have been duly authorized, executed and delivered by each Trust.

Our opinion expressed above is limited to the laws of the State of Texas.

This opinion is given for the benefit of Trusts in connection with the authority of Trustee to transfer legal title to securities and execute documents related thereto.

Yours very truly,

Blazier, Christensen, Bigelow & Virr, P.C.

_____

By: Thomas F. Virr

SCHEDULE E

FORM OF APPLEBY OPINION

DRAFT APPLEBY LEGAL OPINION
SUBJECT TO OPINION COMMITTEE REVIEW

e-mail:
sbanks@applebyglobal.com
direct dial:
Tel +1 345 814 2720
Fax +1 345 949 4901

your ref:

Goldman, Sachs & Co.
Morgan Stanley & Co. Incorporated
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC,
c/o Goldman, Sachs & Co.
200 West Street
28th Floor
New York, New York, 10282

appleby ref:
SB/318987.0005

By Courier and Email

[*] February 2012

as representatives (the "**Representatives**") of the several underwriters listed in the Second Schedule hereto (the "**Underwriters**").

Dear Sirs
Cobalt International Energy Overseas Ltd.
Cobalt International Energy Angola Ltd.
CIE Angola Block 9 Ltd.
CIE Angola Block 20 Ltd.
CIE Angola Block 21 Ltd.
Cobalt International Energy Gabon Ltd.
CIE Gabon Diaba Ltd. (each, a "Subsidiary" and together, the "Subsidiaries")

This opinion as to Cayman Islands law is addressed to you in connection with a follow-on public offering of up to [●] common shares (inclusive of over-allotment options), (the "Shares") of Cobalt International Energy, Inc. (the "Company") and the underwriting agreement by and between the Company and the Underwriters in respect of the Shares (the "Underwriting Agreement"). The Company has requested that we provide this opinion to the Representatives which is required pursuant to Section 7(d) of the Underwriting Agreement.

For the purposes of this opinion we have examined and relied upon the documents listed, and in some cases defined, in the First Schedule to this opinion (the "**Documents**"). Unless otherwise defined herein, capitalised terms have the meanings assigned to them in the First Schedule.

Assumptions

In stating our opinion we have assumed:

a. the authenticity, accuracy and completeness of all the Documents submitted to us and other documents examined by us as originals (including all signatures, initials and seals appearing thereon) and the conformity to such original documents of all the Documents submitted to us and other such documents examined by us that are not originals;

b. that each of the Documents and other such documents which was received by us by electronic means is complete, intact and in conformity with the transmission as sent;

c. the genuineness of all signatures on the Documents;

d. the authority, capacity and power of each of the persons signing the Documents; and

e. that any representation, warranty or statement of fact or law, other than as to the laws of Cayman Islands, made in any of the Documents is true, accurate and complete.

Opinion

Based upon and subject to the foregoing and subject to the reservations set out below and to any matters not disclosed to us, we are of the opinion that:

1. Each Subsidiary is an exempted company duly incorporated with limited liability and existing under the laws of the Cayman Islands. Each Subsidiary possesses the capacity to sue and be sued in its own name and is in good standing under the laws of the Cayman Islands.

2. Based solely on the Register of Members of each Subsidiary, all of the issued and outstanding shares of each Subsidiary have been duly authorized and validly issued and are fully paid and non-assessable; and

3. Based solely on the Register of Mortgages and Charges and the Register of Members of each Subsidiary, all of the issued shares of each Subsidiary are owned free from liens and encumbrances by such entities as set out in the Register of Members of each Subsidiary.

Reservations

We have the following reservations:

a. We express no opinion as to any law other than Cayman Islands law and none of the opinions expressed herein relates to compliance with or matters governed by the laws of any jurisdiction except the Cayman Islands. This opinion is limited to Cayman Islands law as applied by the Courts of the Cayman Islands at the date hereof.

b. The Registry of Companies in the Cayman Islands is not public in the sense that copies of the Constitutional Documents and information on directors and shareholders is not publicly available. We have therefore obtained the corporate documents specified in the First Schedule hereto and relied exclusively on the Officer's Certificate for the verification of such corporate information.

c. The Litigation Searches may not be conclusive and it should be noted that the Register of Writs and Other Originating Process and Register of Appeals (together the "**Court Registers**") do not reveal:

(i) details of matters which have been lodged for filing or registration which as a matter of best practice of the Clerk of Courts Office would have or should have been disclosed on the Court Registers, but for whatever reason have not actually been filed or registered or are not disclosed or which, notwithstanding filing or registration, at the date and time the search is concluded are for whatever reason not disclosed or do not appear on the Court Registers;

(ii) details of matters which should have been lodged for filing or registration at the Clerk of Courts Office but have not been lodged for filing or registration at the date the search is concluded;

(iii) whether an application to the Grand Court for a winding-up petition or for the appointment of a receiver or manager has been prepared but not yet been presented or has been presented but does not appear in the Court Registers at the date and time the search is concluded;

(iv) whether any arbitration or administrative proceedings are pending or whether any proceedings are threatened, or whether any arbitrator has been appointed; or

(v) whether a receiver or manager has been appointed privately pursuant to the provisions of a debenture or other security.

We have not enquired as to whether there has been any change since the time and date of the Litigation Search.

d. In paragraph 1 above, the term "good standing" means that each Subsidiary has received a Certificate of Good Standing from the Registrar of Companies which means that it has filed its annual return and paid its annual fees as required to date, failing which might make it liable to be struck off the Register of Companies and thereby cease to exist under the laws of the Cayman Islands.

Disclosure

This opinion is addressed to you solely for your benefit and is neither to be transmitted to any other person, nor relied upon by any other person or for any other purpose nor quoted or referred to in any public document nor filed with any governmental agency or person, without our prior written consent, except as may be required by law or regulatory authority. Further, this opinion speaks as of its date and is strictly limited to the matters stated herein and we assume no obligation to review or update this opinion if applicable law or the existing facts or circumstances should change.

This opinion is governed by and is to be construed in accordance with Cayman Islands law. It is given on the basis that it will not give rise to any legal proceedings with respect thereto in any jurisdiction other than the Cayman Islands.

Yours faithfully

_____

Appleby (Cayman) Ltd.

FIRST SCHEDULE

1. Certified copies of the Certificate of Incorporation and Memorandum and Articles of Association of each Subsidiary (collectively referred to as the "**Constitutional Documents**") as issued by or registered with the Registrar of Companies in the Cayman Islands with all amendments.

2. A certificate of good standing dated [*] February 2012 issued by the Registrar of Companies in respect of each Subsidiary.

3. A copy of the register of directors and officers in respect of the each Subsidiary.

4. A copy of the register of members in respect of each Subsidiary.

5. A copy of the register of mortgages and charges in respect of each Subsidiary.

6. The entries and filings shown in respect of each Subsidiary in the Grand Court Cause Book maintained at the Clerk of the Courts Office in George Town, Cayman Islands, as revealed by a search at 10:00am on [*] February 2012 for the period of one year preceding such search in respect of each Subsidiary ("**Litigation Search**").

7. An officer's certificate in respect of each Subsidiary ("**Officer's Certificate**") dated [*] February 2012 and signed by a Director of each Subsidiary.

SECOND SCHEDULE

The Underwriters

- Goldman, Sachs & Co.
- Morgan Stanley & Co. Incorporated
- Credit Suisse Securities (USA) LLC
- Citigroup Global Markets Inc.
- J.P. Morgan Securities LLC
- Tudor, Pickering, Holt & Co. Securities, Inc.
- Deutsche Bank Securities Inc.
- RBC Capital Markets, LLC
- UBS Securities LLC
- Howard Weil Incorporated
- Stifel, Nicolaus & Company, Incorporated
- Capital One Southcoast, Inc.

SCHEDULE F-1

FORM OF OPINION OF FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP, COUNSEL FOR THE GOLDMAN SACHS GROUP, INC.

February [●], 2012

GOLDMAN, SACHS & CO.
MORGAN STANLEY & CO. LLC
CREDIT SUISSE SECURITIES (USA) LLC
CITIGROUP GLOBAL MARKETS INC.
J.P. MORGAN SECURITIES LLC
As Representatives of the Several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Ladies and Gentlemen:

We have acted as special counsel to the entities named in Schedule I hereto (each a "Selling Stockholder" and, collectively, the "Selling Stockholders") in connection with the offering by each Selling Stockholder of that number of shares of common stock, par value $0.01 per share (the "Common Stock"), of Cobalt International Energy, Inc., a Delaware corporation (the "Company"), set forth opposite its name in Schedule I hereto (collectively, the "Shares"), in connection with the Company's offering of Common Stock.

The Shares are being offered to the public pursuant to the underwriting agreement, dated as of February [●], 2012 (the "Underwriting Agreement"), among the Company, the selling stockholders named in Schedules A-1 and A-2 thereto (including the Selling Stockholders), and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., and J.P. Morgan Securities LLC, as representatives of the several Underwriters named in Schedule B thereto. This opinion is being delivered to you at the Selling Stockholders' request pursuant to Section 7(e)(1) of the Underwriting Agreement. All capitalized terms used herein that are defined in, or by reference in, the Underwriting Agreement have the meanings assigned to such terms therein, or by reference therein, unless otherwise defined herein. With your permission, all assumptions and statements of reliance herein have been made without any independent investigation or verification on our part, and we express no opinion with respect to the subject matter or accuracy of such assumptions or items relied upon.

In connection with this opinion, we have (i) investigated such questions of law, (ii) examined the originals or certified, conformed, facsimile, electronic or reproduction copies of such agreements, instruments, documents and records of each Selling Stockholder, such certificates of public officials and such other documents, including, without limitation, an executed copy of the Underwriting Agreement, and (iii) received such information from officers

and representatives of each Selling Stockholder and others as we have deemed necessary or appropriate for the purposes of this opinion.

In all such examinations, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of original and certified documents and the conformity to original or certified documents of all copies submitted to us as conformed, facsimile, electronic or reproduction copies. As to various questions of fact relevant to the opinions expressed herein, we have relied upon, and assume the accuracy of, the representations and warranties contained in the Underwriting Agreement and certificates and oral or written statements and other information of or from public officials, officers or representatives of each Selling Stockholder and others, including, but not limited to, the statements made in the certificates attached hereto as Annex A (the "Officer's Certificates"), and assume compliance on the part of all parties to the Underwriting Agreement with their respective covenants and agreements contained therein.

To the extent it may be relevant to the opinions expressed herein, we have assumed that (i) the parties to the Underwriting Agreement (other than the Selling Stockholders) are validly existing and in good standing under the laws of their respective jurisdictions of organization, (ii) the parties to the Underwriting Agreement (other than the Selling Stockholders) have the power and authority to execute and deliver the Underwriting Agreement, to perform their obligations thereunder and to consummate the transactions contemplated thereby, (iii) the Underwriting Agreement has been duly authorized, executed and delivered by all of the parties thereto (other than the Selling Stockholders), (iv) such parties will comply with all of their obligations under the Underwriting Agreement and all laws applicable thereto, and (v) insofar as the general partner or sole member of (x) a Selling Stockholder or (y) the general partner or sole member of a Selling Stockholder is organized under the laws of a jurisdiction other than the State of New York or the State of Delaware, all actions of such general partner or sole member have been duly authorized.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that:

The Underwriting Agreement has been duly authorized, executed and delivered by each of the Selling Stockholders.

The execution and delivery by each Selling Stockholder and the performance by each Selling Stockholder of its obligations under the Underwriting Agreement will not (a) result in a breach of any of the terms or provisions of, or constitute a default under, any agreement or other instrument identified to us in the applicable Officer's Certificate, (b) violate the provisions of the certificate of limited partnership or limited partnership agreement, or the certificate of formation or limited liability company agreement, as applicable, of such Selling Stockholder, (c) violate any U.S. federal or New York State statute, rule or regulation, or the Delaware Revised Uniform Limited Partnership Act or the Delaware Limited Liability Company Act, as applicable, or (d) contravene any judgment, order or decree of any governmental body, agency or court having jurisdiction over such Selling Stockholder identified to us in the applicable Officer's Certificate, except, in the case of subsections (a), (c) and (d) of this paragraph 2, for such breaches, violations or defaults that would not, individually or in the aggregate, materially adversely affect

the ability of such Selling Stockholder to perform its obligations under the Underwriting Agreement or to consummate the transactions contemplated thereby.

No consent, approval, authorization, or order of or qualification with any governmental agency or body of the United States of America, the State of New York or the State of Delaware applying or interpreting the Delaware Revised Uniform Limited Partnership Act or the Delaware Limited Liability Company Act, as applicable, is required to be obtained or made by any of the Selling Stockholders for the performance of its obligations under the Underwriting Agreement, or for the sale and delivery of the Shares to be sold by each Selling Stockholder, except as may be required under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or the rules and regulations promulgated thereunder, foreign or state securities laws (including Blue Sky laws) or the rules and regulations of the Financial Industry Regulatory Authority ("FINRA") or the New York Stock Exchange in connection with the purchase and distribution of such Shares by the Underwriters, and except for such consents, approvals, authorizations, orders or qualifications, the failure to obtain or make would not, individually or in the aggregate, materially adversely affect the ability of such Selling Stockholder to perform its obligations under the Underwriting Agreement.

Upon (i) payment for the Shares to be sold by the Selling Stockholders pursuant to the Underwriting Agreement, (ii) delivery of certificates representing such Shares, as directed by the Underwriters, to Cede & Co. ("Cede") or such other nominee as may be designated by The Depository Trust Company ("DTC"), together with a valid indorsement of such certificates to DTC or in blank, (iii) registration of such Shares in the name of Cede or such other nominee by the Company and (iv) DTC indicating by book entry on its records that such Shares have been credited to the securities accounts of the Underwriters, (A) DTC will be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the Uniform Commercial Code of the State of New York in effect on the date hereof (the "UCC"), (B) under Section 8-501 of the UCC, the Underwriters will acquire a valid security entitlement (as defined in Section 8-102 of the UCC) in respect of such Shares, and (C) under Section 8-502 of the UCC, no action based on any "adverse claim" (as defined in Section 8-102 of the UCC) to such Shares may be asserted against the Underwriters with respect to such security entitlement (having assumed for purposes of our opinions in this paragraph 4 that when such payment, delivery, registration and crediting occur, (x) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC, (z) none of DTC or the Underwriters have "notice of an adverse claim" (as defined in Section 8-105 of the UCC) to the Shares, and (aa) appropriate book entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the UCC).

The opinions set forth above are subject to the following qualifications:

A. With respect to the opinions expressed in paragraph 2 above: (i) we have made no independent investigation as to whether the agreements or instruments identified to us in the Officer's Certificates which are governed by the laws of any jurisdiction other than the State of New York will be enforced as written under the laws of such jurisdiction; and (ii) we express no opinion with respect to any breach or violation of, or default under, any agreement or instrument

(x) not readily ascertainable from the face of such document, (y) arising under or based upon any cross-default provisions insofar as such breach, violation or default relates to a default under a document which is not identified to us in the Officer's Certificates or (z) arising under or based upon any covenant of a financial or numerical nature or which requires arithmetic computation.

B. With respect to the opinions expressed in paragraphs 2(c), 2(d) and 3 above, our opinions are limited to our review of only those statutes, rules, regulations, consents, approvals, authorizations or orders that, in our experience, are normally applicable to public offerings of securities of the type contemplated by the Underwriting Agreement, excluding laws, regulations, consents, approvals, authorizations, or orders, that are applicable to a Selling Stockholder solely because of its specific status (including regulatory status), other than its status as a selling stockholder.

C. The opinions expressed in paragraph 4 above are limited to Article 8 of the UCC. Terms used in paragraph 4 and this paragraph C that are defined in Article 8 of the UCC, and not otherwise defined herein, have the meanings assigned to such terms therein. With respect to the opinion expressed in paragraph 4 above, we have assumed that duly executed transfer instructions have been provided for the Shares to be delivered to Cede (or its nominee) and not to any other person or entity.

D. The opinions expressed above are subject to the effect of, and we express no opinions herein as to, the application of the securities or Blue Sky laws of any state of the United States, the antifraud or disclosure laws and rules under federal or state securities laws and the rules of FINRA and other self-regulatory agencies.

E. We express no opinion as to whether any Selling Stockholder is required on or subsequent to the date hereof to make any filings with the Securities and Exchange Commission pursuant to Sections 13 or 16 of the Exchange Act.

F. References in this letter to a Selling Stockholder refer to such Selling Stockholder solely in its capacity as a selling stockholder and not in any other capacity.

G. We make no statement herein with respect to any tax matters, including the tax effect of the transaction on the Selling Stockholders.

The opinions expressed herein are limited to the federal laws of the United States of America, the laws of the State of New York and, to the extent relevant, the Delaware Revised Uniform Limited Partnership Act or the Delaware Limited Liability Company Act, as applicable, each as currently in effect, and no opinion is expressed with respect to any other laws or any effect that such other laws may have on the opinions expressed herein. The opinions expressed herein are limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein. The opinions expressed herein are given as of the date hereof, and we undertake no obligation to supplement this letter if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein or for any other reason.

The opinions expressed herein are solely for the benefit of the Underwriters in connection with the Underwriting Agreement and may not be relied upon in any manner or for any purpose

by any other person or entity (including by any person or entity that acquires Shares from you) and may not be quoted in whole or in part without our prior written consent. In addition, this letter and its benefits are not assignable, without our prior written consent, to any person or entity that acquires Shares from you.

Very truly yours,

{DRAFT}

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP

Schedule I

Selling Stockholder	Jurisdiction	Shares of Common Stock
GSCP V Cobalt Holdings, LLC	Delaware	[●]
GSCP V Offshore Cobalt Holdings, LLC	Delaware	[●]
GS Capital Partners V Institutional, L.P.	Delaware	[●]
GSCP V GmbH Cobalt Holdings, LLC	Delaware	[●]
GSCP VI Cobalt Holdings, LLC	Delaware	[●]
GSCP VI Offshore Cobalt Holdings, LLC	Delaware	[●]
GS Capital Partners VI Parallel, L.P.	Delaware	[●]
GSCP VI GmbH Cobalt Holdings, LLC	Delaware	[●]

Annex A

[Officer's Certificates]

Officer's Certificate

The undersigned officer of [●], which is the [general partner][sole member] of [●] (the "Selling Stockholder"), hereby certifies, in the undersigned's capacity as such, in connection with the legal opinion, dated the date hereof, of Fried, Frank, Harris, Shriver & Jacobson LLP, special counsel to the Selling Stockholder, to be delivered pursuant to Section 7(e)(1) of the underwriting agreement, dated February [●], 2012 (the "Underwriting Agreement"), among Cobalt International Energy, Inc., a Delaware corporation (the "Company"), the selling stockholders named therein (including the Selling Stockholder) and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., and J.P. Morgan Securities LLC, as representatives of the several underwriters named in Schedule [B] thereto (all capitalized terms used herein that are defined in the Underwriting Agreement have the meanings assigned to such terms therein unless defined herein):

1. Attached as Schedule A hereto is a list of material agreements and other material instruments to which the Selling Stockholder is a party or that are otherwise binding upon or applicable to the Selling Stockholder or to which any of its respective properties or assets is subject and which, in any such case, was entered into by such Selling Stockholder in connection with its investment in the Company.

2. The Selling Stockholder has performed all of the obligations on the part of such Selling Stockholder required to be performed under all of the foregoing agreements and other instruments. A true and complete copy of each of the foregoing agreements and other instruments has heretofore been furnished to Fried, Frank, Harris, Shriver & Jacobson LLP.

3. No proceeding is pending in any jurisdiction for the merger, consolidation, dissolution, liquidation, termination, change of jurisdiction of organization or change of name of the Selling Stockholder and the Selling Stockholder has not filed any certificate or order of dissolution.

4. Attached as Schedule B hereto is a list of all material judgments, orders or decrees of any governmental body, agency or court having jurisdiction over such Selling Stockholder or any of its properties.

5. This Certificate may be relied upon by Fried, Frank, Harris, Shriver & Jacobson LLP in connection with the delivery of its opinion pursuant to the Underwriting Agreement.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this ____ day of February, 2012.

_____

Name:
Title:

Schedule A

1. Registration Rights Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the other parties named therein.

2. Stockholders Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the stockholders named therein.

3. Tag-Along Agreement, dated as of December 15, 2009, by and among the stockholders named therein.

Schedule B

[None.]

SCHEDULE F-2

FORM OF OPINION OF LATHAM & WATKINS LLP, COUNSEL FOR CARLYLE/RIVERSTONE FUNDS

February [29], 2012

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
as Representatives of the several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Re: Cobalt International Energy, Inc.

Ladies and Gentlemen:

We have acted as special counsel to the Riverstone and Carlyle Selling Stockholders (as defined below) in connection with the sale to you (the "***Underwriters***") by the Riverstone and Carlyle Selling Stockholders of [●] shares (the "***Shares***") of common stock of Cobalt International Energy, Inc., a Delaware corporation (the "***Company***"), par value $0.01 per share (the "***Common Stock***"), pursuant to a registration statement on Form S-3 under the Securities Act of 1933, as amended (the "***Act***"), filed with the Securities and Exchange Commission (the "***Commission***") on January 4, 2011 (Registration No. 333-171536) (as so filed and as amended, the "***Registration Statement***"), a preliminary prospectus dated February 21, 2012, filed with the Commission pursuant to Rule 424(b) under the Act (the "***Preliminary Prospectus***") and a prospectus supplement dated February [23], 2012 (the "***Prospectus Supplement***," and together with the Preliminary Prospectus, the "***Prospectus***"), and an underwriting agreement dated February [23], 2012 among you, the selling stockholders named on Schedule A-1 thereto and the Company (the "***Underwriting Agreement***"). This letter is being delivered to you pursuant to Section 7(e) of the Underwriting Agreement.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter, except where a specific fact confirmation procedure is stated to have been performed (in which case we have with your consent performed the stated procedure). We have examined, among other things, the following:

(a) the Underwriting Agreement, the Registration Statement and the Prospectus;

(b) (i) the Stockholders Agreement, dated as of Stockholders Agreement, dated December 15, 2009, by and among the Company and the stockholders that are or become signatories thereto (the "***Stockholders Agreement***"), and (ii) the Registration Rights Agreement, dated December 15, 2009, among the Company and the parties that are signatory

thereto (the "***Registration Rights Agreement***" and, together with the Stockholders Agreement, the "***Specified Agreements***"); and

(c) the certificate of limited partnership and limited partnership agreement (the "***Governing Documents***") of each of Carlyle/Riverstone Global Energy and Power Fund III, L.P., C/R Energy III Cobalt Partnership, L.P., Riverstone Energy Coinvestment III, L.P., Carlyle Energy Coinvestment III, L.P., C/R Cobalt Investment Partnership, L.P. and C/R Energy Coinvestment II, L.P. (collectively, the "***Riverstone and Carlyle Selling Stockholders***"), which, with your consent, we have assumed are each (i) a valid and binding agreement of the parties thereto, enforceable in accordance with the plain meaning of its terms, (ii) in full force and effect, and (iii) the entire agreement of the parties pertaining to the subject matter thereof.

Except as otherwise stated herein, as to factual matters, we have, with your consent, relied upon the foregoing and upon oral or written statements and representations of officers and other representatives of the Company and others, including the representations and warranties of the Company and the Riverstone and Carlyle Selling Stockholders in the Underwriting Agreement. We have not independently verified such factual matters.

Except as otherwise stated herein, we are opining as to the effect on the subject transaction only of the federal laws of the United States, the internal laws of the State of New York, and in numbered paragraphs 1 and 2 of this letter, the Delaware Revised Uniform Limited Partnership Act (the "***DRULPA***"), and we express no opinion with respect to the applicability thereto, or the effect thereon, of the laws of any other jurisdiction or, in the case of Delaware, any other laws, or as to any matters of municipal law or the laws of any local agencies within any state. Except as otherwise stated herein, our opinions are based upon our consideration of only those statutes, rules and regulations which, in our experience, are normally applicable to registered public offerings of common stock. Various matters concerning the Common Stock of the Company are addressed in the opinions of Davis Polk & Wardwell LLP and Appleby, which have been separately provided to you. We express no opinion with respect to those matters herein, and to the extent elements of those opinions are necessary to the conclusions expressed herein, we have, with your consent, assumed such matters.

Subject to the foregoing and the other matters set forth herein, as of the date hereof:

1. The execution, delivery and performance of the Underwriting Agreement have been duly authorized by all necessary limited partnership action of the Riverstone and Carlyle Selling Stockholders, and the Underwriting Agreement has been duly executed and delivered by the Riverstone and Carlyle Selling Stockholders.

2. The execution and delivery of the Underwriting Agreement and sale of the Shares by the Carlyle and Riverstone Selling Stockholders to you and the other Underwriters pursuant to the Underwriting Agreement do not on the date hereof:

(i) violate the Governing Documents;

(ii) result in the breach of or a default under any of the Specified Agreements;

(iii) violate any federal or New York statute, rule or regulation applicable to the Carlyle and Riverstone Selling Stockholders or the DRULPA; or

(iv) require any consents, approvals, or authorizations to be obtained by the Carlyle and Riverstone Selling Stockholders from, or any registrations, declarations or filings to be made by the Carlyle and Riverstone Selling Stockholders with, any governmental authority under any federal or New York statute, rule or regulation applicable to the Carlyle and Riverstone Selling Stockholders or the DRULPA on or prior to the date hereof that have not been obtained or made.

3. Upon indication by book entry that the Shares listed on Schedule A-1 to the Underwriting Agreement (the "***Securities***") have been credited to a securities account maintained by you at the Depository Trust Company ("***DTC***") and payment therefor in accordance with the Underwriting Agreement, you will acquire a security entitlement with respect to such Securities and, under the NY UCC, an action based on an adverse claim to the Securities, whether framed in conversion, replevin, constructive trust, equitable lien or other theory may not be asserted against you.

We have assumed that you do not have "notice" of any "adverse claim" (within the meaning of Sections 8-105 of the NY UCC) to the Securities.

Our opinion in paragraph 3 is limited to Article 8 of the NY UCC and such opinions do not address laws other than Article 8 of the NY UCC or what law governs whether an adverse claim can be asserted against you.

We have assumed that each of the Securities is a "security" as defined in Section 8-102(a)(15) of the NY UCC and that any certificates evidencing the same are "certificated securities" as defined in Section 8-102(a)(4) of the NY UCC.

We have assumed that DTC is a "clearing corporation" for purposes of Section 8-102(a)(14) of the NY UCC.

To the extent any securities intermediary which acts as a clearing corporation or maintains securities accounts with respect to the Securities maintains any "financial asset" (as defined in Section 8-102(a)(9) of the NY UCC) in a clearing corporation pursuant to Section 8-111 of the NY UCC, the rules of such clearing corporation may affect the rights of such securities intermediaries and your ownership interest;

We call to your attention that pursuant to Section 8-511(b) and 8-511(c) of the NY UCC, claims of creditors of any securities intermediary or clearing corporation may be given priority to the extent set forth therein. In addition, if at any time DTC does not have sufficient securities to satisfy claims of all of its entitlement holders with respect thereto, then all holders will share pro rata in the securities then held by DTC.

We have assumed that the Securities have been registered in the name of DTC or its agent and have not been specially indorsed to any other person.

We express no opinion as to the rights of DTC in any Shares and we call to your attention that actions taken by DTC such as the failure to maintain sufficient Shares to satisfy the claims of all of its entitlement holders may adversely affect the interests of its entitlement holders including you.

We have assumed that the agreement that governs the securities account to which the Securities have been credited provides that the law of the State of New York is the securities intermediary's jurisdiction for purposes of the Article 8 of the NY UCC.

Our opinions are subject to: (i) the effect of bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or other similar laws relating to or affecting the rights and remedies of creditors; and (ii) the effect of general principles of equity, whether considered in a proceeding in equity or at law (including the possible unavailability of specific performance or injunctive relief), concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought. We express no opinion or confirmation as to federal or state securities laws, tax laws, antitrust or trade regulation laws, insolvency or fraudulent transfer laws, antifraud laws, compliance with fiduciary duty requirements, FINRA rules or stock exchange rules (without limiting other laws excluded by customary practice).

Insofar as our opinions require interpretation of the Specified Agreements, with your consent, (i) we have assumed that courts of competent jurisdiction would enforce such agreements in accordance with their plain meaning, (ii) to the extent that any questions of legality or legal construction have arisen in connection with our review, we have applied the laws of the State of New York and the DRULPA in resolving such questions, although certain of the Specified Agreements may be governed by other laws which differ from the laws of the State of New York and the DRULPA, (iii) we express no opinion with respect to any breach or default under a Specified Agreement that would occur only upon the happening of a contingency, and (iv) we express no opinion with respect to any matters which would require us to perform a mathematical calculation or make a financial or accounting determination.

This letter is furnished only to you in your capacity as Representatives of the several Underwriters in their capacity as underwriters under the Underwriting Agreement and is solely for the benefit of the Underwriters in connection with the transactions referenced in the first paragraph. This letter may not be relied upon by you for any other purpose, or furnished to, assigned to, quoted to, or relied upon by any other person, firm or other entity for any purpose (including any person, firm or other entity that acquires Shares or any interest therein from you) without our prior written consent, which may be granted or withheld in our sole discretion.

Very truly yours,

SCHEDULE F-3

FORM OF OPINIONS OF SIMPSON, THACHER & BARTLETT LLP, COUNSEL FOR THE FIRST RESERVE FUNDS

February 29, 2012

Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
J.P. Morgan Securities LLC
Citigroup Global Markets Inc.
and the other several
Underwriters named in Schedule B
to the Underwriting Agreement
referred to below
c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282

Ladies and Gentlemen:

We have acted as counsel to First Reserve Fund XI, L.P., a Delaware limited partnership ("First Reserve Fund XI"), and FR XI Onshore AIV, L.P., a Delaware limited partnership ("FR XI Onshore" and, together with First Reserve Fund XI, the "Selling Stockholders"), in connection with the purchase by you of an aggregate of 52,000,000 shares of Common Stock, par value $0.01 per share (the "Shares") of Cobalt International Energy, Inc., a Delaware corporation (the "Company"), from the Company and the Selling Stockholders pursuant to the Underwriting Agreement dated February 23, 2012 among you, the Company and the Selling Stockholders (the "Underwriting Agreement").

We have examined the Registration Statement on Form S-3ASR (File No. 333-171536) (the "Registration Statement") filed by the Company under the Securities Act of 1933, as amended (the "Securities Act"); the Company's prospectus, dated January 4, 2011, included in the Registration Statement, as supplemented by the prospectus supplement, dated February 23, 2012, filed by the Company pursuant to Rule 424(b) of the rules and regulations of the Securities

and Exchange Commission (the "Commission") under the Securities Act, which pursuant to Form S-3 incorporates by reference the Company's Annual Report on Form 10-K for the year ended December 31, 2011; the Company's preliminary prospectus supplement, dated February 21, 2012, filed by the Company pursuant to Rule 424(b) of the rules and regulations of the Commission under the Securities Act; and the Underwriting Agreement. In addition, we have examined, and have relied as to matters of fact upon, the documents delivered to you at the closing and upon originals, or duplicates or certified or conformed copies, of such records, agreements, documents and other instruments and such certificates or comparable documents of public officials and of officers and representatives of the Company and the Selling Shareholders and have made such other investigations, as we have deemed relevant and necessary in connection with the opinions hereinafter set forth.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies and the authenticity of the originals of such latter documents.

In addition, in connection with our opinion set forth in paragraph 2 below, we have assumed that (i) The Depository Trust Company ("DTC") is a "securities intermediary" as defined in Section 8-102 of the Uniform Commercial Code as in effect in the State of New York (the "New York UCC"), and the State of New York is the "securities intermediary's jurisdiction" of DTC for purposes of Section 8-110 of the New York UCC, (ii) the Shares are registered in the name of DTC or its nominee, and DTC or another person on behalf of DTC maintains possession of certificates representing the Shares, (iii) DTC indicates by book entries on its books that security entitlements with respect to the Shares have been credited to the Underwriters' securities accounts and (iv) the Underwriters are purchasing the Shares without notice of any adverse claim (within the meaning of the New York UCC).

Based upon the foregoing, and subject to the qualifications, assumptions and limitations stated herein, we are of the opinion that:

1. The Shares to be sold by the Selling Stockholders have been duly authorized by the Company and are validly issued, fully paid and non-assessable.

2. The Selling Stockholders have full partnership power, right and authority to sell the Shares.

3. Upon the payment and transfer contemplated by the Underwriting Agreement, the Underwriters will acquire a security entitlement with respect to the Shares to be sold by the Selling Stockholders and no action based on an adverse claim may be asserted against the Underwriters with respect to such security entitlement.

4. The Underwriting Agreement has been duly authorized, executed and delivered by the Selling Stockholders.

5. The sale of the Shares by the Selling Stockholders and the compliance by the Selling Stockholders with all of the provisions of the Underwriting Agreement will not breach or result in a default under any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument identified on Schedule A hereto furnished to us by the Selling Stockholders and which each Selling Stockholder has represented lists all material agreements and instruments to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property or assets of such Selling Stockholder is subject, nor will such action violate the Certificate of Limited Partnership or Limited Partnership Agreement of either Selling Stockholder or any federal or New York State statute, the Delaware Revised Uniform Limited Partnership Act or any rule or regulation that has been issued pursuant to any federal or New York State statute, the Delaware Revised Uniform Limited Partnership Act or any order known to us issued pursuant to any federal or New York State statute, the Delaware Revised Uniform Limited Partnership Act by any court or governmental agency or body having jurisdiction over either Selling Stockholder or any of its properties.

6. No consent, approval, authorization, order, registration or qualification of or with any federal or New York governmental agency or body or any Delaware governmental agency or body acting pursuant to the Delaware Revised Uniform Limited Partnership Act or, to our knowledge, any federal or New York court or any Delaware court acting pursuant to the Delaware Revised Uniform Limited Partnership Act is required for the sale of the Shares by the Selling Stockholders and the compliance by the Selling Stockholders with all of the provisions of the Underwriting Agreement, except for the registration under the Securities Act and the Exchange Act of the Shares, and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters.

We do not express any opinion herein concerning any law other than the law of the State of New York, the federal law of the United States and the Delaware Revised Uniform Limited Partnership Act.

This opinion letter is rendered to you in connection with the above-described transaction. This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent.

Very truly yours,

SIMPSON THACHER & BARTLETT LLP

SCHEDULE A

LIST OF AGREEMENTS

1. Registration Rights Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the other parties named therein.

2. Stockholders Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the stockholders named therein.

3. Tag-Along Agreement, dated as of December 15, 2009, by and among the stockholders named therein.

SCHEDULE F-4

FORM OF OPINIONS OF FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP AND STIKEMAN ELLIOT LLP, COUNSEL FOR THE KERN FUNDS

February [●], 2012

GOLDMAN, SACHS & CO.
MORGAN STANLEY & CO. LLC
CREDIT SUISSE SECURITIES (USA) LLC
CITIGROUP GLOBAL MARKETS INC.
J.P. MORGAN SECURITIES LLC
As Representatives of the Several Underwriters,
c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Ladies and Gentlemen:

We have acted as special counsel to KERN Cobalt Co-Invest Partners AP LP, a Delaware limited partnership (the "Selling Stockholder"), in connection with the offering by the Selling Stockholder of [●] shares (the "Shares") of common stock, par value $0.01 per share (the "Common Stock"), of Cobalt International Energy, Inc., a Delaware corporation (the "Company"), in connection with the Company's offering of Common Stock.

The Shares are being offered to the public pursuant to the underwriting agreement, dated as of February [●], 2012 (the "Underwriting Agreement"), among the Company, the selling stockholders named in Schedules A-1 and A-2 thereto (including the Selling Stockholder), and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., and J.P. Morgan Securities LLC, as representatives of the several Underwriters named in Schedule B thereto. This opinion is being delivered to you at the Selling Stockholder's request pursuant to Section 7(e)(4) of the Underwriting Agreement. All capitalized terms used herein that are defined in, or by reference in, the Underwriting Agreement have the meanings assigned to such terms therein, or by reference therein, unless otherwise defined herein. With your permission, all assumptions and statements of reliance herein have been made without any independent investigation or verification on our part, and we express no opinion with respect to the subject matter or accuracy of such assumptions or items relied upon.

In connection with this opinion, we have (i) investigated such questions of law, (ii) examined the originals or certified, conformed, facsimile, electronic or reproduction copies of such agreements, instruments, documents and records of the Selling Stockholder, such certificates of public officials and such other documents, including, without limitation, an executed copy of the Underwriting Agreement, and (iii) received such information from officers

and representatives of the Selling Stockholder and others as we have deemed necessary or appropriate for the purposes of this opinion.

In all such examinations, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of original and certified documents and the conformity to original or certified documents of all copies submitted to us as conformed, facsimile, electronic or reproduction copies. As to various questions of fact relevant to the opinions expressed herein, we have relied upon, and assume the accuracy of, the representations and warranties contained in the Underwriting Agreement and certificates and oral or written statements and other information of or from public officials, officers or representatives of the Selling Stockholder and others, including, but not limited to, the statements made in the certificate attached hereto as Annex A (the "Officer's Certificate"), and assume compliance on the part of all parties to the Underwriting Agreement with their respective covenants and agreements contained therein.

To the extent it may be relevant to the opinions expressed herein, we have assumed that (i) the parties to the Underwriting Agreement (other than the Selling Stockholder) are validly existing and in good standing under the laws of their respective jurisdictions of organization, (ii) the parties to the Underwriting Agreement (other than the Selling Stockholder) have the power and authority to execute and deliver the Underwriting Agreement, to perform their obligations thereunder and to consummate the transactions contemplated thereby, (iii) the Underwriting Agreement has been duly authorized, executed and delivered by all of the parties thereto (other than the Selling Stockholder), (iv) such parties will comply with all of their obligations under the Underwriting Agreement and all laws applicable thereto, and (v) insofar as the general partner of the Selling Stockholder is organized under the laws of a jurisdiction other than the State of New York or the State of Delaware, all actions of such general partner have been duly authorized.

In addition, we note that Section 4.4(b)(xiii) of the Amended and Restated Limited Partnership Agreement of the Selling Stockholder requires the prior consent (each, a "Consent") of all limited partners of the Selling Stockholder (collectively, the "Limited Partners") for any sale or transfer of Common Stock or other securities held by the Selling Stockholder. Therefore, to the extent it may be relevant to the opinions expressed herein, we have assumed that (i) all of the Limited Partners not organized in the State of Delaware (the "Non-Delaware Limited Partners") are validly existing and in good standing under the laws of their respective jurisdictions of organization, (ii) all of the Non-Delaware Limited Partners have the power and authority to execute and deliver their respective Consents, and (iii) each Consent of the Non-Delaware Limited Partners was duly authorized, executed and delivered by each such Non-Delaware Limited Partner and constitutes a valid and binding obligation of each such Non-Delaware Limited Partner, enforceable against each such Non-Delaware Limited Partner in accordance with its terms.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that:

The Underwriting Agreement has been duly authorized, executed and delivered by the Selling Stockholder.

The execution and delivery by the Selling Stockholder and the performance by the Selling Stockholder of its obligations under the Underwriting Agreement will not (a) result in a breach of any of the terms or provisions of, or constitute a default under, any agreement or other instrument identified to us in the Officer's Certificate, (b) violate the provisions of the certificate of limited partnership or the Amended and Restated Limited Partnership Agreement of the Selling Stockholder, (c) violate any U.S. federal or New York State statute, rule or regulation, or the Delaware Revised Uniform Limited Partnership Act, or (d) contravene any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Selling Stockholder identified to us in the Officer's Certificate, except, in the case of subsections (a), (c) and (d) of this paragraph 2, for such breaches, violations or defaults that would not, individually or in the aggregate, materially adversely affect the ability of the Selling Stockholder to perform its obligations under the Underwriting Agreement or to consummate the transactions contemplated thereby.

No consent, approval, authorization, or order of or qualification with any governmental agency or body of the United States of America, the State of New York or the State of Delaware applying or interpreting the Delaware Revised Uniform Limited Partnership Act is required to be obtained or made by the Selling Stockholder for the performance of its obligations under the Underwriting Agreement, or for the sale and delivery of the Shares to be sold by the Selling Stockholder, except as may be required under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or the rules and regulations promulgated thereunder, foreign or state securities laws (including Blue Sky laws) or the rules and regulations of the Financial Industry Regulatory Authority ("FINRA") or the New York Stock Exchange in connection with the purchase and distribution of such Shares by the Underwriters, and except for such consents, approvals, authorizations, orders or qualifications, the failure to obtain or make would not, individually or in the aggregate, materially adversely affect the ability of the Selling Stockholder to perform its obligations under the Underwriting Agreement.

Upon (i) payment for the Shares to be sold by the Selling Stockholder pursuant to the Underwriting Agreement, (ii) delivery of certificates representing such Shares, as directed by the Underwriters, to Cede & Co. ("Cede") or such other nominee as may be designated by The Depository Trust Company ("DTC"), together with a valid indorsement of such certificates to DTC or in blank, (iii) registration of such Shares in the name of Cede or such other nominee by the Company and (iv) DTC indicating by book entry on its records that such Shares have been credited to the securities accounts of the Underwriters, (A) DTC will be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the Uniform Commercial Code of the State of New York in effect on the date hereof (the "UCC"), (B) under Section 8-501 of the UCC, the Underwriters will acquire a valid security entitlement (as defined in Section 8-102 of the UCC) in respect of such Shares, and (C) under Section 8-502 of the UCC, no action based on any "adverse claim" (as defined in Section 8-102 of the UCC) to such Shares may be asserted against the Underwriters with respect to such security entitlement (having assumed for purposes of our opinions in this paragraph 4 that when such payment, delivery, registration and crediting occur, (x) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC, (z) none of DTC or the

Underwriters have "notice of an adverse claim" (as defined in Section 8-105 of the UCC) to the Shares, and (aa) appropriate book entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the UCC).

The opinions set forth above are subject to the following qualifications:

A. With respect to the opinions expressed in paragraph 2 above: (i) we have made no independent investigation as to whether the agreements or instruments identified to us in the Officer's Certificate which are governed by the laws of any jurisdiction other than the State of New York will be enforced as written under the laws of such jurisdiction; and (ii) we express no opinion with respect to any breach or violation of, or default under, any agreement or instrument (x) not readily ascertainable from the face of such document, (y) arising under or based upon any cross-default provisions insofar as such breach, violation or default relates to a default under a document which is not identified to us in the Officer's Certificate or (z) arising under or based upon any covenant of a financial or numerical nature or which requires arithmetic computation.

B. With respect to the opinions expressed in paragraphs 2(c), 2(d) and 3 above, our opinions are limited to our review of only those statutes, rules, regulations, consents, approvals, authorizations or orders that, in our experience, are normally applicable to public offerings of securities of the type contemplated by the Underwriting Agreement, excluding laws, regulations, consents, approvals, authorizations, or orders, that are applicable to the Selling Stockholder solely because of its specific status (including regulatory status), other than its status as a selling stockholder.

C. The opinions expressed in paragraph 4 above are limited to Article 8 of the UCC. Terms used in paragraph 4 and this paragraph C that are defined in Article 8 of the UCC, and not otherwise defined herein, have the meanings assigned to such terms therein. With respect to the opinion expressed in paragraph 4 above, we have assumed that duly executed transfer instructions have been provided for the Shares to be delivered to Cede (or its nominee) and not to any other person or entity.

D. The opinions expressed above are subject to the effect of, and we express no opinions herein as to, the application of the securities or Blue Sky laws of any state of the United States, the antifraud or disclosure laws and rules under federal or state securities laws and the rules of FINRA and other self-regulatory agencies.

E. We express no opinion as to whether the Selling Stockholder is required on or subsequent to the date hereof to make any filings with the Securities and Exchange Commission pursuant to Sections 13 or 16 of the Exchange Act.

F. References in this letter to the Selling Stockholder refer to the Selling Stockholder solely in its capacity as a selling stockholder and not in any other capacity.

G. We make no statement herein with respect to any tax matters, including the tax effect of the transaction on the Selling Stockholder.

The opinions expressed herein are limited to the federal laws of the United States of America, the laws of the State of New York and, to the extent relevant, the Delaware Revised

Uniform Limited Partnership Act, each as currently in effect, and no opinion is expressed with respect to any other laws or any effect that such other laws may have on the opinions expressed herein. The opinions expressed herein are limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein. The opinions expressed herein are given as of the date hereof, and we undertake no obligation to supplement this letter if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein or for any other reason.

The opinions expressed herein are solely for the benefit of the Underwriters in connection with the Underwriting Agreement and may not be relied upon in any manner or for any purpose by any other person or entity (including by any person or entity that acquires Shares from you) and may not be quoted in whole or in part without our prior written consent. In addition, this letter and its benefits are not assignable, without our prior written consent, to any person or entity that acquires Shares from you.

Very truly yours,

{DRAFT}

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP

Annex A

[Officer's Certificate]

Officer's Certificate

The undersigned officer of KERN Cobalt Group Management Ltd., which is the general partner of KERN Cobalt Co-Invest Partners AP LP, a Delaware limited partnership (the "Selling Stockholder"), hereby certifies, in the undersigned's capacity as such, in connection with the legal opinion, dated the date hereof, of Fried, Frank, Harris, Shriver & Jacobson LLP, special counsel to the Selling Stockholder, to be delivered pursuant to Section 7(e)(4) of the underwriting agreement, dated February [●], 2012 (the "Underwriting Agreement"), among Cobalt International Energy, Inc., a Delaware corporation (the "Company"), the selling stockholders named therein (including the Selling Stockholder) and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., and J.P. Morgan Securities LLC, as representatives of the several underwriters named in Schedule B thereto (all capitalized terms used herein that are defined in the Underwriting Agreement have the meanings assigned to such terms therein unless defined herein):

1. Attached as Schedule A hereto is a list of material agreements and other material instruments to which the Selling Stockholder is a party or that are otherwise binding upon or applicable to the Selling Stockholder or to which any of its respective properties or assets is subject and which, in any such case, was entered into by such Selling Stockholder in connection with its investment in the Company.

2. The Selling Stockholder has performed all of the obligations on the part of such Selling Stockholder required to be performed under all of the foregoing agreements and other instruments. A true and complete copy of each of the foregoing agreements and other instruments has heretofore been furnished to Fried, Frank, Harris, Shriver & Jacobson LLP.

3. No proceeding is pending in any jurisdiction for the merger, consolidation, dissolution, liquidation, termination, change of jurisdiction of organization or change of name of the Selling Stockholder and the Selling Stockholder has not filed any certificate or order of dissolution.

4. Attached as Schedule B hereto is a list of all material judgments, orders or decrees of any governmental body, agency or court having jurisdiction over the Selling Stockholder or any of its properties.

5. This Certificate may be relied upon by Fried, Frank, Harris, Shriver & Jacobson LLP in connection with the delivery of its opinion pursuant to the Underwriting Agreement.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the undersigned has hereunto set the undersigned's hand as of this ____ day of February, 2012.

KERN Cobalt Group Management Ltd.

By: _____
Name:
Title:

Schedule A

1. Registration Rights Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the other parties named therein.

2. Stockholders Agreement, dated as of December 15, 2009, by and among Cobalt International Energy, Inc. and the stockholders named therein.

3. Tag-Along Agreement, dated as of December 15, 2009, by and among the stockholders named therein.

Schedule B

[None.]

February **[•]**, 2012
Goldman, Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC

As Representatives of the Several Underwriters,

c/o Goldman, Sachs & Co.,
200 West Street,
New York, N.Y. 10282

Ladies and Gentlemen:

We have acted as special Alberta counsel to KERN Cobalt Co-Invest Partners AP LP (the "**Selling Stockholder**") in connection with the offering by the Selling Stockholder of **[●]** shares of common stock, $0.01 par value (collectively, the "**Shares**"), of Cobalt International Energy, Inc., a Delaware corporation (the "**Company**"), upon receipt by the several Underwriters named in Schedule B to the underwriting agreement, dated February **[23]**, 2012, among the Company, the selling stockholders named in Schedules A-1 and A-2 thereto (including the Selling Stockholder) and Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, as representatives of the several Underwriters named in Schedule B thereto (the "**Underwriting Agreement**").

The Shares are being offered to the public pursuant to the Underwriting Agreement. This opinion is delivered to you at the Selling Stockholder's request pursuant to Section 7(e) of the Underwriting Agreement. All capitalized terms used herein that are defined in, or by reference in, the Underwriting Agreement have the meanings assigned to such terms therein, or by reference therein, unless otherwise defined herein. With your permission, all assumptions and statements of reliance herein have been made without any independent investigation or verification on our part, and we express no opinion with respect to the subject matter or accuracy of such assumptions or items relied upon.

In connection with this opinion, we have i. investigated such questions of law, ii. examined the originals or certified, conformed, facsimile, electronic or reproduction copies of such agreements, instruments, documents and records of the Selling Stockholder, such certificates of public officials and such other documents, including, without limitation, an executed copy of the Underwriting Agreement, and iii. received such information from officers and representatives of the Selling Stockholder and others as we have deemed necessary or appropriate for the purposes of this opinion.

In all such examinations, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of original and certified documents and the conformity to original or certified documents of all copies submitted to us as conformed, facsimile, electronic or reproduction copies. As to various questions of fact relevant to the

opinions expressed herein, we have relied upon, and assume the accuracy of, the representations and warranties contained in the Underwriting Agreement and certificates and oral or written statements and other information of or from public officials, officers or representatives of the General Partner (as that term is defined below) and others, including, but not limited to, the statements made in the certificate attached hereto as Annex A (the "**Officer's Certificate**"), and assume compliance on the part of all parties to the Underwriting Agreement with their respective covenants and agreements contained therein.

To the extent it may be relevant to the opinions expressed herein, we have assumed that (i) the parties to the Underwriting Agreement are validly existing and in good standing under the laws of their respective jurisdictions of organization, (ii) the parties to the Underwriting Agreement have the power and authority to execute and deliver the Underwriting Agreement, to perform their obligations thereunder and to consummate the transactions contemplated thereby, (iii) the Underwriting Agreement has been duly authorized, executed and delivered by all of the parties thereto, and (iv) such parties will comply with all of their obligations under the Underwriting Agreement and all laws applicable thereto.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that:

1. The Underwriting Agreement has been duly authorized, executed and delivered by KERN Cobalt Group Management Ltd., for, and in its capacity as general partner of, the Selling Stockholder (in such capacity, KERN Cobalt Group Management Ltd. is referred to herein as the "**General Partner**").

2. The execution and delivery by the General Partner and the performance by the General Partner of the obligations of the Selling Stockholder under the Underwriting Agreement will not (a) result in a breach of any of the terms or provisions of, or constitute a default under, any agreement or other instrument identified to us in the Officer's Certificate, (b) violate the provisions of the articles of incorporation or bylaws of the General Partner, (c) violate any laws of the Province of Alberta or the federal laws of Canada applicable therein, or (d) contravene any judgment, order or decree of any governmental body, agency or court having jurisdiction over the General Partner identified to us in the Officer's Certificate, except, in the case of subsections (a), (c) and (d) of this paragraph 1, for such breaches, violations or defaults that would not, individually or in the aggregate, materially adversely affect the ability of the General Partner to perform the obligations of the Selling Stockholder under the Underwriting Agreement or to consummate the transactions contemplated thereby.

3. No consent, approval, authorization, or order of or qualification with any governmental agency or body of Canada or the Province of Alberta is required to be obtained or made by the General Partner or the Selling Stockholder for the performance of the obligations of the Selling Stockholder under the Underwriting Agreement, or for the sale and delivery of the Shares to be sold by the Selling Stockholder, except as may be required under the *Securities Act* (Alberta) in connection with the distribution of such Shares by the Underwriters, and except for such consents, approvals, authorizations, orders or qualifications, the failure to obtain or make would not, individually or in the aggregate,

materially adversely affect the ability of the General Partner to perform the obligations of the Selling Stockholder under the Underwriting Agreement.

The opinions set forth above are subject to the following qualifications:

A. With respect to the opinions expressed in paragraph 1 above: (i) we have made no independent investigation as to whether the agreements or instruments identified to us in the Officer's Certificate which are governed by the laws of any jurisdiction other than the Province of Alberta will be enforced as written under the laws of such jurisdiction; and (ii) we express no opinion with respect to any breach or violation of, or default under, any agreement or instrument (x) not readily ascertainable from the face of such document, (y) arising under or based upon any cross-default provisions insofar as such breach, violation or default relates to a default under a document which is not identified to us in the Officer's Certificate or (z) arising under or based upon any covenant of a financial or numerical nature or which requires arithmetic computation.

B. With respect to the opinions expressed in paragraphs 2(c), 2(d) and 3 above, our opinions are limited to our review of only those statutes, rules, regulations, consents, approvals, authorizations or orders that, in our experience, are normally applicable to public offerings of securities of the type contemplated by the Underwriting Agreement excluding laws, regulations, consents, approvals, authorizations, or orders, that are applicable to the Selling Stockholder or any of its partners solely because of its specific status (including regulatory status), other than the status of the Selling Stockholder as a selling stockholder.

C. The opinions expressed above are subject to the effect of, and we express no opinions herein as to, the application of the securities laws of the Province of Alberta and the rules of the Alberta Securities Commission and other self-regulatory agencies.

D. We express no opinion as to whether the Selling Stockholder is required on or subsequent to the date hereof to make any filings with any governmental authority.

E. References in this letter to the Selling Stockholder refer to such Selling Stockholder solely in its capacity as a selling stockholder and not in any other capacity.

F. We make no statement herein with respect to any tax matters, including the tax effect of the transaction on the Selling Stockholder.

The opinions expressed herein are limited to the laws of the Province of Alberta and the federal laws of Canada applicable therein, each as currently in effect, and no opinion is expressed with respect to any other laws or any effect that such other laws may have on the opinions expressed herein. The opinions expressed herein are limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein. The opinions expressed herein are given as of the date hereof, and we undertake no obligation to supplement this letter if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein after the date hereof or for any other reason.

The opinions expressed herein are solely for the benefit of the Underwriters in connection with the Underwriting Agreement and may not be relied upon in any manner or for any purpose by any other person or entity (including by any person or entity that acquires Shares from you) and may not be quoted in whole or in part without our prior written consent. In addition, this letter and its benefits are not assignable, without our prior written consent, to any person or entity that acquires Shares from you.

Very truly yours,

SCHEDULE G

LIST OF PERSONS SUBJECT TO LOCK-UP AGREEMENTS PURSUANT TO SECTION 7(h)

Management (and affiliated selling entities, as applicable)

Joseph H. Bryant
Michael D. Drennon
James W. Farnsworth
Jeffery A. Starzec
Lynne L. Hackedorn
James H. Painter
Richard A. Smith
Van P. Whitfield
Veer Eagles Partners, Ltd.
John P. Wilkirson

Directors (and affiliated selling entities, as applicable)

Peter R. Coneway
Michael G. France
Jack E. Golden
Janet Golden & Jack Golden Trust 1
Janet Golden & Jack Golden Trust 2
N. John Lancaster
Scott L. Lebowitz
Jon A. Marshall
Kenneth W. Moore
Kenneth A. Pontarelli
Myles W. Scoggins
D. Jeff van Steenbergen
Martin H. Young, Jr.

Financial Sponsors

C/R Cobalt Investment Partnership, L.P.

C/R Energy III Cobalt Partnership, L.P.

Riverstone Energy Coinvestment III, L.P.

Carlyle/Riverstone Global Energy and Power Fund III, L.P.

C/R Energy Coinvestment II, L.P.

Carlyle Energy Coinvestment III, L.P.

First Reserve Fund XI, L.P.

FR XI Onshore AIV, L.P.

GSCP VI Offshore Cobalt Holdings, LLC

GSCP V Cobalt Holdings, LLC

GSCP V GMBH Cobalt Holdings, LLC

GS Capital Partners V Institutional, L.P.

GSCP V Offshore Cobalt Holdings, LLC

GS Capital Partners VI Parallel, L.P.

GSCP VI Cobalt Holdings, LLC

GSCP VI GMBH Cobalt Holdings, LLC

KERN Cobalt Co-Invest Partners AP L.P.

SCHEDULE H

DEGOLYER AND MACNAUGHTON LETTER

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

February 23, 2012

Goldman Sachs & Co.
Morgan Stanley & Co. LLC
Credit Suisse Securities (USA) LLC
Citigroup Global Markets Inc.
J.P. Morgan Securities LLC

As Representatives of the Several Underwriters,
c/o Goldman Sachs & Co.
200 West Street
New York, NY 10282

Dear Sirs:

This letter, which is written at the request of Cobalt International Energy, Inc. (Cobalt), is being delivered to the Underwriters pursuant to the terms of an underwriting agreement between Cobalt and the Underwriters and certain selling stockholders referred to herein relating to the public offering of shares of common stock, par value $0.01 per share, of Cobalt (the Securities), which are being offered by Cobalt and the selling stockholders pursuant to the Prospectus Supplement and accompanying prospectus dated February 21, 2012 (the Prospectus).

Our report as of December 31, 2010, on the prospective resources of Cobalt presented our conclusions regarding our estimates of the prospective resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Prospective Resources Report"). Our report as of December 31, 2010, on the Block 20 prospective resources of Cobalt presented our conclusions regarding our estimates of the prospective resources attributable to Block 20 interests of Cobalt as of December 31, 2010 (such report, the "Block 20 Prospective Resources Report"). Our report as of December 31, 2010, on the contingent resources presented our

conclusions regarding our estimates of the contingent resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Contingent Resources Report"). Our report as of December 31, 2010, on the reserves of Cobalt presented our conclusions regarding our estimates of the reserves attributable to the interests of Cobalt as of December 31, 2010 (such report, the "Reserves Report"). The Prospective Resources Report, the Block 20 Prospective Resources Report, the Contingent Resources Report, and the Reserves Report collectively are referred to herein as the "D&M Reports."

In connection with the foregoing, we hereby inform you as follows:

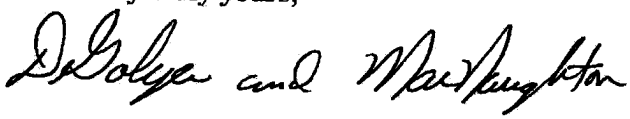
1. As of the date of this letter and as of the date of the D&M Reports, we are and were independent reserves engineers with respect to Cobalt. Neither we, nor to our knowledge, any of our employees, officers or directors, own interests in the oil and gas properties included in the D&M Reports. We have not been employed by Cobalt on a contingent basis.

2. The estimates of Cobalt's prospective and contingent resources contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made in accordance with the Petroleum Resources Management System approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The estimates of Cobalt's reserves contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made as of December 31, 2010 in accordance with the regulations promulgated by the United States Securities and Exchange Commission.

3. The document attached hereto as Schedule A is a true, correct, and complete copy of our Prospective Resources Report. The document attached hereto as Schedule B is a true, correct, and complete copy of our Block 20 Prospective Resources Report. The document attached hereto as Schedule C is a true, correct, and complete copy of our Contingent Resources Report. The document attached hereto as Schedule D is a true, correct, and complete copy of our Reserves Report.

This letter has been prepared at the request of Cobalt and it has represented that this letter is solely for the information of the addressees and to assist the Underwriters in conducting and documenting their investigation of the affairs of Cobalt in connection with the offering of the securities covered by the Prospectus, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of securities, nor is it to be filed with or referred to in whole or in part in the Prospectus or any other document, except that reference may be made to it in the underwriting agreement or in any list of closing documents pertaining to the offering of the securities covered by the Prospectus.

Very truly yours,



DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

Exhibit 7

EXECUTION VERSION

$1,200,000,000

COBALT INTERNATIONAL ENERGY, INC.

2.625% Convertible Senior Notes due 2019

UNDERWRITING AGREEMENT

December 11, 2012

MORGAN STANLEY & CO. LLC
1585 Broadway
New York, New York 10036

GOLDMAN, SACHS & CO.
200 West Street,
New York, New York 10282

As Representatives of the Several Underwriters

Dear Sirs:

1. *Introductory*. Cobalt International Energy, Inc., a Delaware corporation ("**Company**"), agrees with the several underwriters named in Schedule A hereto (the "**Underwriters**"), subject to the terms and conditions stated herein, to issue and sell to the several Underwriters $1,200,000,000 aggregate principal amount (the "**Firm Securities**") of its 2.625% Convertible Senior Notes due 2019 (the "**Securities**") and also proposes to grant to the Underwriters an option, exercisable by the Representatives in accordance with Section 3 hereof, to purchase up to an additional $180,000,000 aggregate principal amount ("**Optional Securities**") of Securities, all to be issued under a senior indenture to be dated as of December 17, 2012 (the "**Base Indenture**"), as amended and supplemented by a first supplemental indenture thereto to be dated as of December 17, 2012 establishing the form and terms of the Securities pursuant to Sections 2.01 and 2.03 of the Base Indenture (the "**Supplemental Indenture**," and the Base Indenture as so supplemented, the "**Indenture**") between the Company and Wells Fargo Bank, National Association, as trustee (the "**Trustee**"). The Firm Securities and the Optional Securities which the Underwriters through the Representatives may elect to purchase pursuant to Section 3 hereof are herein collectively called the "**Offered Securities**". If the only firms listed in Schedule A hereto are the Representatives, then the terms "Underwriters" and "Representatives" as used herein shall each be deemed to refer to such firms.

2. *Representations and Warranties of the Company*. The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-3 (No. 333-171536), including a related prospectus or prospectuses, covering the registration of the Offered Securities under the Act, which has become effective. "**Registration Statement**" at any particular time means such registration statement in the form then filed with the Commission, including any amendment thereto, any document incorporated by reference therein and all 430B Information and all 430C Information with respect to such registration statement, that in any case has not been superseded or modified. "**Registration Statement**" without reference to a time means the Registration Statement as of the Effective Time. For purposes of this definition, 430B Information shall be considered to be included in the Registration Statement as of the time specified in Rule 430B.

For purposes of this Agreement:

"**430B Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430B(e) or retroactively deemed to be a part of the Registration Statement pursuant to Rule 430B(f).

"**430C Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means 7:30 a.m. (Eastern time) on December 12, 2012.

"**Closing Date**" has the meaning set forth in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Common Stock**" means the common stock, par value $0.01 per share, of the Company.

"**Effective Time**" of the Registration Statement relating to the Offered Securities means the time of the first contract of sale for the Offered Securities.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430B Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule B to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

"**Renewal Deadline**" means the third anniversary of the initial effective time of the Registration Statement.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Trust Indenture Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus relating to the Offered Securities that is included in the Registration Statement immediately prior to that time, including all 430B Information and all 430C Information with respect to the Registration Statement. For purposes of the foregoing definition, 430B Information shall be considered to be included in the Statutory Prospectus only as of the actual time that form of prospectus (including a prospectus supplement) is filed with the Commission pursuant to Rule 424(b) and not retroactively.

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended.

"**Underlying Shares**" means the shares of Common Stock, if any, into which the Offered Securities are convertible.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements*. (i)(A) At the time the Registration Statement initially became effective, (B) at the time of each amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether by post-effective amendment, incorporated report or form of prospectus), (C) at the Effective Time relating to the Offered Securities and (D) on the Closing Date, the Registration Statement conformed and will conform in all material respects to the requirements of the Act, the Trust Indenture Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii)(A) on its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act, the Trust Indenture Act and the Rules and Regulations, and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described in Section 8(b) hereof.

(c) *Automatic Shelf Registration Statement.*

(i) *Well-Known Seasoned Issuer Status*. (A) At the time of initial filing of the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Offered Securities in reliance on the exemption of Rule 163, the Company was a "well known seasoned issuer" as defined in Rule 405, including not having been an "ineligible issuer" as defined in Rule 405.

(ii) *Effectiveness of Automatic Shelf Registration Statement*. The Registration Statement is an "automatic shelf registration statement", as defined in Rule 405. If immediately prior to the Renewal Deadline, any of the Offered Securities remain unsold by the Underwriters, the Company will prior to the Renewal Deadline, if it has not already done so and is eligible to do so, file a new automatic shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the expired registration statement relating to the Offered Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(iii) *Eligibility to Use Automatic Shelf Registration Form.* The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to use of the automatic shelf registration statement form. If at any time when Offered Securities remain unsold by the Underwriters the Company receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (A) promptly notify the Representatives, (B) promptly file a new registration statement or post-effective amendment on the proper form relating to the Offered Securities, in a form satisfactory to the Representatives, (C) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable and (D) promptly notify the Representatives of such effectiveness. The Company will take all other action reasonably necessary or appropriate to permit the public offering and sale of the

Offered Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(iv) *Filing Fees*. The Company has paid or shall pay the required Commission filing fees relating to the Offered Securities within the time required by Rule 456(b)(1) without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r).

(d) *Ineligible Issuer Status.* (i) At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities and (ii) on the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (A) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (B) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(e) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, if any, the preliminary prospectus supplement, dated December 11, 2012, including the base prospectus, dated January 4, 2011 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule B to this Agreement, which supplements or amends the preliminary prospectus supplement, to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(f) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, at a time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(g) *Good Standing of the Company.* The Company has been duly organized, formed or incorporated, as the case may be, and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be duly qualified or in good standing as a foreign corporation would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(h) *Subsidiaries.* Each subsidiary of the Company has been duly incorporated or organized and is an existing corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation or organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except as would not, individually or in the aggregate, result in a Material Adverse Effect; all of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects. Cobalt International Energy, L.P., Cobalt International Energy Overseas Ltd., Cobalt International Energy Angola Ltd., CIE Angola Block 9 Ltd., CIE Angola Block 20 Ltd., CIE Angola Block 21 Ltd., Cobalt International Energy Gabon Ltd. and CIE Gabon Diaba Ltd, are the only subsidiaries of the Company that own any assets (other than nominal assets) or conduct any business.

(i) *Indenture; Security Interests*. The Indenture has been duly qualified under the Trust Indenture Act; the Indenture has been duly and validly authorized by the Company; when the Indenture has been executed and delivered by the Company, the Indenture will have been duly executed and delivered by the Company and, assuming due authorization by the Trustee of the Indenture, will constitute a valid and legally binding obligation of the Company, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles; and the Indenture will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus.

(j) *Offered Securities*. The Offered Securities have been duly and validly authorized by the Company; and when Offered Securities are delivered by the Company and paid for by the Underwriters in accordance with the terms of this Agreement on the relevant Closing Date for such Offered Securities, such Offered Securities will have been duly executed, authenticated, issued and delivered by the Company and, assuming authentication of such Offered Securities by the Trustee in accordance with the Indenture, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles, and will be convertible in accordance with the terms of the Indenture; and the Offered Securities will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus.

(k) *Underlying* Shares. The maximum number of Underlying Shares initially issuable upon conversion of the Offered Securities (including the maximum number of shares of Common Stock that may be issued upon conversion of the Offered Securities in connection with a make-whole fundamental change, assuming the Company elects to issue and deliver solely shares of Common Stock in respect of all such conversions) (the "**Maximum Number of Underlying Shares**") have been duly authorized and reserved for issuance upon such conversion and, when issued upon conversion of the Offered Securities in accordance with the terms of the Indenture, will be validly issued, fully paid and nonassessable; the Underlying Shares conform in all material respects to the description thereof contained in the General Disclosure Package and in the Final Prospectus; the outstanding shares of Common Stock have been duly

authorized and validly issued, are fully paid and nonassessable, will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to the Offered Securities or the Underlying Shares.

(l) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(m) *Registration Rights.* Except as disclosed in the General Disclosure Package and except as have been waived prior to or on the date of this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**registration rights**").

(n) *Listing.* The Maximum Number of Underlying Shares have been approved for listing on The New York Stock Exchange, subject to notice of issuance.

(o) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering, issuance and sale of the Offered Securities by the Company, except (i) such as have been obtained, or made and such as may be required under state securities laws, or (ii) as may be required by the rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(p) *Title to Property.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have (i) legal, valid and defensible title to the interests in the oil and natural gas properties described in the Registration Statement, the General Disclosure Package and the Final Prospectus, title investigations having been carried out by the Company and each of its subsidiaries in accordance with the general practice in the oil and gas industry and (ii) good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or currently proposed to be made thereof by them.

(q) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of this Agreement and the Indenture, the issuance and sale of the Offered Securities and the Underlying Shares issuable upon conversion thereof, and compliance with the terms and provisions thereof will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject, except, in the case of clause (iii), where any such breach, violation or default would not, individually or in the aggregate, result in a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to

require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(r) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. Except as disclosed in the General Disclosure Package, there are no orders, writs, judgments, injunctions, decrees, determinations or awards against the Company or any of its subsidiaries by any court or government agency that are material to the Company and its subsidiaries, considered as one enterprise.

(s) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(t) *Possession of Licenses and Permits.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by them and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(u) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(v) *Environmental Laws.* Except as disclosed in the General Disclosure Package, (i)(A) neither the Company nor any of its subsidiaries is in violation of, or has any liability under, any applicable federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances, to the protection or restoration of the environment or natural resources (including biota), to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (B) neither the Company nor any of its subsidiaries owns, occupies, operates or uses any real property contaminated with Hazardous Substances, (C) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (D) neither the Company nor any of its subsidiaries is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site or any formerly owned or occupied real property, (E) neither the Company nor any of its subsidiaries is subject to any claim by any governmental agency or governmental body or person relating to applicable Environmental Laws or Hazardous Substances, and (F) to the knowledge of the Company, the Company and its subsidiaries have received and are in compliance with all, and have no liability under any, permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their respective businesses; except in each case covered by clauses (A) – (F) such as would not individually or in the aggregate have a Material Adverse Effect; (ii) to the knowledge of the Company there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would have a Material Adverse Effect; (iii) to the knowledge of the Company there are no requirements proposed for adoption or implementation under any Environmental Law that would reasonably be expected to have a Material Adverse Effect; and (iv) except as disclosed in the General Disclosure Package, the Company has reasonably concluded that the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations, products and financial condition of the Company and its subsidiaries will not, singly or in the aggregate, have a Material Adverse Effect. For purposes of this

subsection "**Hazardous Substances**" means (1) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and mold, and (2) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under applicable Environmental Laws.

(w) *Accurate Disclosure.* The statements in (i) the General Disclosure Package and the Final Prospectus under the headings "U.S. Federal Income Tax Considerations", "Description of Notes" and "Description of Capital Stock", (ii) the Company's annual report on Form 10-K for the year ended December 31, 2011 under the heading "Business—Environmental Matters and Regulation", and (iii) the Company's proxy statement for its 2012 annual meeting under the heading "Corporate Governance—Certain Relationships and Related Transactions", in each case, insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, and subject to the assumptions, conditions and limitations set forth therein are accurate in all material respects and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(x) *Absence of Manipulation.* The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(y) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with the Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with authorization of management and directors, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles and to maintain accountability for assets, (iii) records are maintained that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (iv) unauthorized acquisitions, use or dispositions of the Company's assets that could have a material effect on the consolidated financial statements are prevented or timely detected and (v) the interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement is materially accurate in all respects. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(z) *Absence of Accounting Issues.* Except as set forth in the General Disclosure Package, no member of the Audit Committee has informed the Company that the Audit Committee is reviewing or investigating, or that the Company's independent auditors or its internal auditors have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(aa) *Litigation*. Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including, to the best of the Company's knowledge, any inquiries or investigations threatened by any court or governmental agency or body, domestic or foreign) against the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect,

or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement or the Indenture, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or, to the Company's knowledge, contemplated.

(bb) *Financial Statements.* The financial statements included in the Registration Statement and the General Disclosure Package present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in the Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(cc) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(dd) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(ee) *Anti-corruption Laws; Money Laundering Laws; Sanctions.* Except as disclosed in the General Disclosure Package, each of the Company, its subsidiaries, and to the Company's knowledge, its affiliates and any of their respective officers, directors, supervisors, managers, agents, employees, and any other persons acting on its behalf, is not aware of, has not taken, and will not take any action, directly or indirectly, including its participation in the offering, that violates the following laws, has instituted and maintains policies and procedures designed to ensure continued compliance with each of the following laws, and has maintained, and will continue to maintain, books and records as required by, and that ensure continued compliance with, each of the following laws: (i) anti-corruption laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977 or any other law, rule or regulation of similar purpose and scope, (ii) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code section 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (iii) laws and regulations imposing U.S. economic sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, and the Syria Accountability and

Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder.

(ff) *Taxes.* The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(gg) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are customary for the industry or geographic location in which they participate; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except in each case as set forth in or contemplated in the General Disclosure Package.

(hh) *Independent Petroleum Engineers.* DeGolyer and MacNaughton ("**D&M**"), who has delivered the letter referenced to in Section 7(h) hereof (the "**D&M Letter**"), was, as of the date(s) of the reports referenced in such letter, and is, as of the date hereof, an independent engineering firm with respect to the Company.

(ii) *Information Underlying D&M Reports.* The factual information underlying the estimates of the Company's oil and natural gas resources, which was supplied by the Company to D&M for the purposes of preparing the resource reports and estimates of the Company and preparing the D&M Letter, including, without limitation, costs of operation and development and agreements relating to current and future operations and future sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices; other than intervening market commodity price fluctuations, and except as disclosed in the General Disclosure Package, the Company is not aware of any facts or circumstances that would result in a material adverse change in the estimates of the Company's oil and natural gas resources, or the present value of future net cash flows therefrom, as reflected in the reports referenced in the D&M Letter; the Company has no reason to believe that as of the dates indicated in the Registration Statement, the General Disclosure Package and the Final Prospectus such resources have materially declined or decreased since the dates of the reports referenced in the D&M Letter (other than, in all cases, updates to previous reports prepared by D&M and disclosed to the Representatives).

(jj) *Auditor Independence.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(kk) *OFAC.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not, to its knowledge, directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such

proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(ll) *XBRL Language*. The interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of 97.75% of the principal amount thereof, plus accrued and unpaid interest from December 17, 2012 to the First Closing Date (as hereinafter defined), the Firm Securities set forth opposite the name of such Underwriter in Schedule A hereto.

The Company will deliver against payment of the purchase price the Firm Securities to be offered and sold by the Underwriters in the form of one or more permanent global securities in registered form without interest coupons (the "**Global Securities**") which will be deposited with the Trustee as custodian for The Depository Trust Company ("**DTC**") and registered in the name of Cede & Co., as nominee for DTC. Payment for the Firm Securities shall be made by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank designated by the Company and acceptable to the Representatives at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 at 9:00 A.M., New York time, on December 17, 2012, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**", against delivery to the Trustee as custodian for DTC of the Global Securities representing all of the Firm Securities. The Global Securities will be made available for checking at the above office of Davis Polk & Wardwell LLP at least 24 hours prior to the First Closing Date.

In addition, upon not less than two business days' written notice from the Representatives given to the Company from time to time, the Underwriters may purchase all or less than all of the Optional Securities within a period of 13 days beginning with, and including, the First Closing Date, at a purchase price of 97.75% of the principal amount thereof, plus accrued and unpaid interest from December 17, 2012 to the related Optional Closing Date. The Company agrees to sell to the Underwriters the principal amount of Optional Securities specified in such notice and the Underwriters agree severally and not jointly, to purchase such Optional Securities. Such Optional Securities shall be purchased from the Company for the account of each Underwriter in the same proportion as the principal amount of Firm Securities set forth opposite such Underwriter's name in Schedule A hereto bears to the total principal amount of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives on behalf of the several Underwriters but shall not be later than seven full business days after written notice of election to purchase Optional Securities is given. Payment for the Optional Securities being purchased on each Optional Closing Date and to be offered and sold by the Underwriters shall be made by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank designated by the Company and acceptable to the Representatives at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 at 9:00 A.M., New York time, on such Optional Closing Date against delivery to the Trustee of the Global Securities representing all of the Optional Securities being purchased on such Optional Closing Date.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company*. The Company agrees with the several Underwriters that:

(a) *Filing of Prospectuses.* The Company has filed or will file each Statutory Prospectus (including the Final Prospectus) pursuant to and in accordance with Rule 424(b)(2) (or, if applicable and consented to by the Representatives, subparagraph (5)) not later than the second business day following the earlier of the date it is first used or the execution and delivery of this Agreement. The Company has complied and will comply with Rule 433.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without providing the Representatives a reasonable opportunity to consent (other than by filing documents under the Exchange Act that are incorporated by reference therein); *provided* that in the case of filing documents under the Exchange Act that are incorporated by reference prior to the termination or conclusion of the offering of the Offered Securities (the "**Cut-Off Date**"), the Representatives shall previously have been furnished a copy of the proposed amendment (or supplementation); and the Company will also advise the Representatives promptly of (i) the filing and effectiveness of any amendment or supplementation of the Registration Statement or any Statutory Prospectus prior to the Cut-Off Date, (ii) any request by the Commission or its staff prior to the Cut-Off Date for any amendment to the Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iii) the institution by the Commission prior to the Cut-Off Date of any stop order proceedings in respect of the Registration Statement or the threatening of any proceeding for that purpose and (iv) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its reasonable best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Underwriters and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than 16 months after the date of this Agreement, the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the date of this Agreement and satisfying the provisions of Section 11(a) and Rule 158 under the Act.

(e) *Furnishing of Prospectuses.* The Company will furnish to the Representatives signed copies of the Registration Statement including all exhibits, each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement (unless otherwise agreed by the Representatives). All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will cooperate with the Representatives for the qualification of the Offered Securities for sale and the determination of their eligibility for investment under the laws of such states and other jurisdictions as the Representatives designate and to continue such qualifications in effect so long as required for the distribution; *provided*, *however*, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) *Reporting Requirements.* During the period of three years hereafter, the Company will furnish to the Representatives and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) for a period one year hereafter, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval (EDGAR) system, it is not required to furnish such reports or statements to the Underwriters.

(h) *Payment of Expenses.* The Company agrees with the several Underwriters that the Company will pay all expenses incidental to the performance of the obligations of the Company under this Agreement and the Indenture, including but not limited to, (i) the fees and expenses of the Trustee and its professional advisers, (ii) any filing fees and other expenses (including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, (iii) fees and expenses incident to listing the Underlying Shares on The New York Stock Exchange and other national and foreign exchanges and (iv) fees and expenses in connection with the registration of the Offered Securities under the Exchange Act and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, fees and expenses of their counsel.

(i) *Use of Proceeds.* The Company will use the net proceeds received in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and, except as disclosed in the General Disclosure Package, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(j) *Absence of Manipulation.* The Company will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(k) *Restriction on Sale of Securities.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to any shares of Common Stock or any securities convertible into or exchangeable or exercisable for any shares of Common Stock ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives. The Lock-Up Period will

commence on the date hereof and continue for 30 days after the date hereof or such earlier date that the Representatives consent to in writing. The restrictions set forth in this Section 5(k) shall not apply to: (A) the sale of the Offered Securities to the Underwriters; (B) the issuance of any Underlying Shares upon conversion of the Offered Securities; (C) grants of employee or non-employee director stock options or restricted stock or restricted stock units in the ordinary course of business and in accordance with the terms of a stock plan existing on the Closing Date and described in the General Disclosure Package; (D) the issuance of shares of Common Stock upon the exercise of an option or warrant or the conversion of a security granted under employee or non-employee director stock plans existing on or otherwise outstanding on the Closing Date and described in the General Disclosure Package; (E) the filing of a registration statement on Form S-8 relating to the offering of securities in accordance with the terms of a stock plan in effect on the Closing Date and described in the General Disclosure Package; or (F) the registration of shares of Common Stock pursuant to the terms of registration rights granted in connection with the Company's initial public offering.

(l) *Underlying Shares*. The Company will reserve and keep available at all times, free of pre-emptive rights, shares of Common Stock for the purpose of enabling the Company to satisfy all obligations to issue Underlying Shares upon conversion of the Offered Securities. The Company will use all reasonable best efforts to maintain the listing of the Maximum Number of Underlying Shares on The New York Stock Exchange for so long as any Offered Securities are outstanding.

(m) *Conversion Rate*. Between the date hereof and the First Closing Date, the Company will not do or authorize any act or thing that would result in an adjustment of the conversion rate (as defined in the General Disclosure Package) of the Securities.

6. *Free Writing Prospectuses; Term Sheets*. (a) The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus", as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "**Permitted Free Writing Prospectus**". The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus", as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping.

(b) The Company will prepare a final term sheet relating to the Offered Securities, containing only information that describes the final terms of the Offered Securities and otherwise in a form consented to by the Representatives, and will file such final term sheet within the period required by Rule 433(d)(5)(ii) following the date such final terms have been established for all classes of the offering of the Offered Securities. Any such final term sheet is an Issuer Free Writing Prospectus and a Permitted Free Writing Prospectus for purposes of this Agreement. The Company consents to the use by any Underwriter of any free writing prospectus that (i) contains only (A) information describing the preliminary terms of the Offered Securities or their offering or (B) information that describes the final terms of the Offered Securities or their offering and that is included in or is subsequently included in the Final Prospectus or (ii) does not contain any material information about the Company or its securities that was provided by or on behalf of the Company, it being understood and agreed that the Company shall not be responsible to any Underwriter for any liability arising from any inaccuracy in such free writing prospectus referred to in clause (i) or (ii) that results from an inconsistency with the information in the General Disclosure Package or the Final Prospectus.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter.* The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Ernst & Young LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance acceptable to the Representatives.

(b) *Filing of Prospectuses.* The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iii) any suspension or material limitation of trading in securities generally on The New York Stock Exchange, or any setting of minimum or maximum prices for trading on such exchange; (iv) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (v) any banking moratorium declared by any U.S. federal or New York authorities; (vi) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (vii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinions of Counsel for the Company.* The Representatives shall have received an opinion and 10b-5 letter, each dated the Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company, in the form of Schedule C hereto.

(e) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) *Officers' Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: (i) the representations and warranties of the Company in this Agreement are true and correct; (ii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; and (iv) subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(g) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup letters from each of the persons listed in Schedule D hereto.

(h) *D&M Letter*. The Representatives shall have received a letter, dated the date hereof of D&M, in the form of Schedule E hereto.

(i) *Exchange Listing*. The Maximum Number of Underlying Shares shall have been approved for listing on The New York Stock Exchange.

The Company will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution*. (a) *Indemnification of Underwriters.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; *provided*, *however*, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

(b) *Indemnification of Company*. Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at any time, any Statutory Prospectus at any time, the Final Prospectus or any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the fourth paragraph under the caption "Underwriting (Conflicts of Interest)" and the description of stabilizing transactions, overallotment transactions, syndicate transactions and penalty bids under the caption "Underwriting (Conflicts of Interest)—Pricing Stabilization, Short Positions and Penalty Bids".

(c) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section or Section 10 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a) or (b) above or Section 10, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above or Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above or Section 10. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section or Section 10, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) from the offering received by the Company bear to the total underwriting discounts and commissions received by the Underwriters from the Company under this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(d).

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate principal

amount of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total principal amount of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate principal amount of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total principal amount of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 11 (*provided* that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *Qualified Independent Underwriter*. The Company hereby confirms that at its request Morgan Stanley & Co. LLC has without compensation acted as "qualified independent underwriter" (in such capacity, the "**QIU**") within the meaning of Rule 2720 of the Conduct Rules of FINRA in connection with the offering of the Offered Securities. The Company will indemnify and hold harmless the QIU, its directors, officers, employees and agents and each person, if any, who controls the QIU within the meaning of Section 15 of the Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which the QIU may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon the QIU's acting (or alleged failing to act) as such "qualified independent underwriter" and will reimburse the QIU for any legal or other expenses reasonably incurred by the QIU in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred.

11. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 hereof, the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company and the Underwriters pursuant to Section 8 and Section 10 shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

12. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: David Oakes, and Goldman, Sachs & Co., 200 West Street, New York, N.Y. 10282, with a copy to Shearman & Sterling LLP, 599 Lexington Avenue, New York, N.Y. 10022, Attention: Robert Evans III, Esq., or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Cobalt International Energy, Inc., Cobalt Center, 920 Memorial City Way, Suite 100, Houston, Texas 77024, Attention: Associate General Counsel and Secretary, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, N.Y. 10017, Attention: Richard D. Truesdell, Jr., Esq.; *provided*, *however*, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

13. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective personal representatives and successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

14. *Representation*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters.

15. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

16. *Absence of Fiduciary Relationship.* The Company acknowledges and agrees that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as underwriters in connection with the sale of the Offered Securities and that no fiduciary, advisory or agency relationship between the Company, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by the Company following discussions and arms-length negotiations with the Representatives and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company has been advised that the Representatives and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that the Representatives have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver*. The Company waives, to the fullest extent permitted by law, any claims it may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Representatives shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

17. *Patriot Act Notice*. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. ***Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.**

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

[*Remainder of page intentionally left blank*]

If the foregoing is in accordance with the Representative's understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Company and the several Underwriters in accordance with its terms.

Very truly yours,

COBALT INTERNATIONAL ENERGY, INC.

By: _____

Name: Joseph H. Bryant
Title: Chairman and Chief Executive Officer

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

MORGAN STANLEY & CO. LLC

By: _____
Name: O. DAVID OAKES
Title: MANAGING DIRECTOR

GOLDMAN, SACHS & CO.

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

GOLDMAN, SACHS & CO.

By: Adam T. Greene
Name: Adam T. Greene
Title: Vice Pres. Jnt

Acting on behalf of themselves and as the Representatives of the several Underwriters.

SCHEDULE A

Underwriter	**Principal Amount of Firm Securities to be Purchased**
Morgan Stanley & Co. LLC	$ 600,000,000
Goldman, Sachs & Co.	600,000,000
Total.....	$ 1,200,000,000

SCHEDULE B

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"**General Use Issuer Free Writing Prospectus**" includes each of the following documents:

A. Final pricing term sheet, dated December 12, 2012, a copy of which is attached hereto as Schedule F

2. Other Information Included in the General Disclosure Package

The following information is also included in the General Disclosure Package:

Price to the public: Price per $1,000 principal amount of the Offered Securities paid by each applicable investor.

SCHEDULE C

FORM OF DAVIS POLK & WARDWELL LLP OPINION AND 10B5-1 LETTER

I. Form of Davis Polk & Wardwell LLP Opinion

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated December 11, 2012 relating to the Securities (the "**Preliminary Prospectus Supplement**"), the free writing prospectus set forth in Schedule B to the Underwriting Agreement and the prospectus supplement dated December [__], 2012 relating to the Securities (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement became effective under the Act and the Indenture qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), upon the filing of the registration statement with the Commission on January 4, 2011 pursuant to Rule 462(e). The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule B to the Underwriting Agreement, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Securities (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Securities under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has corporate power and authority to issue the Securities, to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Indenture has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that we express no opinion as to the (w) enforceability of any waiver of rights under any usury or stay law, (x) validity, legally binding effect or enforceability of Section [__] of the Supplemental Indenture or any related provision in the Securities that requires or relates to adjustments to the conversion rate at a rate or in an amount that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture and (y) validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Securities to the extent determined to constitute unearned interest.

3. The Securities have been duly authorized and when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to the Underwriting Agreement, will be valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws

affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, and will be entitled to the benefits of the Indenture pursuant to which such Securities are to be issued, provided that we express no opinion as to the (w) enforceability of any waiver of rights under any usury or stay law, (x) validity, legally binding effect or enforceability of any provision in the Securities that requires or relates to adjustments to the conversion rate at a rate or in an amount that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture and (y) validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Securities to the extent determined to constitute unearned interest.

4. The Securities are convertible into cash and/or shares of Underlying Securities in accordance with the terms of the Indenture; the Underlying Securities initially issuable upon conversion of the Securities have been duly authorized and reserved and, when issued upon conversion of the Securities in accordance with the terms of the Securities, will be validly issued, fully paid and non-assessable; and the issuance of the Underlying Securities is not subject to any preemptive rights pursuant to the General Corporation Law of the State of Delaware, the certificate of incorporation or by-laws of the Company or any agreement governed by the laws of the State of New York that is an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

5. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

6. The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

7. The Company's authorized equity capitalization is as set forth in the Disclosure Package and the Prospectus. Except as disclosed in the Prospectus or except as have been waived prior to the date hereof, there are no contracts, agreements or understandings to our knowledge between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in any securities being registered pursuant to any registration statement filed by the Company under the Act.

8. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Indenture, the Securities and the Underwriting Agreement (collectively, the "**Documents**") will not contravene (i) any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Documents, or the General Corporation Law of the State of Delaware, provided that we express no opinion as to federal or state securities laws, or (ii) the certificate of incorporation or by-laws of the Company.

9. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Documents, or the General Corporation Law of the State of Delaware, is required for the execution, delivery and performance by the Company of its

obligations under the Documents, except such as have been obtained and such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

We have considered the statements included in the Prospectus under the captions "Description of Debt Securities," "Description of Notes" and "Description of Capital Stock" insofar as they summarize provisions of the Indenture, the Securities, and the certificate of incorporation and by-laws of the Company (however, no opinion is being expressed on the number of shares of capital stock outstanding). In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption "U.S. Federal Income Tax Considerations," insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

II. Form of Davis Polk & Wardwell LLP 10b5-1 Letter

We have participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated December 11, 2012 (the "**Preliminary Prospectus Supplement**") relating to the Securities, the free writing prospectus set forth in Schedule B to the Underwriting Agreement and the prospectus supplement dated December [__], 2012 relating to the Securities (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule B to the Underwriting Agreement for the Securities are hereinafter referred to as the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Securities (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Securities under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that, insofar as relevant to the offering of the Securities:

(a) on the date of the Underwriting Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at [__] [A/P].M. New York City time on December 12, 2012, the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of the date of the Underwriting Agreement or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

SCHEDULE D

LIST OF PERSONS SUBJECT TO LOCK-UP AGREEMENTS PURSUANT TO SECTION 7(g)

Management (and affiliated selling entities, as applicable)

Joseph H. Bryant
Michael D. Drennon
James W. Farnsworth
Jeffery A. Starzec
Lynne L. Hackedorn
James H. Painter
Richard A. Smith
Van P. Whitfield
John P. Wilkirson

Directors (and affiliated selling entities, as applicable)

Peter R. Coneway
Michael G. France
Jack E. Golden
N. John Lancaster
Scott L. Lebowitz
Jon A. Marshall
Kenneth W. Moore
Kenneth A. Pontarelli
Myles W. Scoggins
D. Jeff van Steenbergen
Martin H. Young, Jr.

Financial Sponsors

C/R Cobalt Investment Partnership, L.P.
C/R Energy III Cobalt Partnership, L.P.
Riverstone Energy Coinvestment III, L.P.
Carlyle/Riverstone Global Energy and Power Fund III, L.P.
C/R Energy Coinvestment II, L.P.
Carlyle Energy Coinvestment III, L.P.
First Reserve Fund XI, L.P.
FR XI Onshore AIV, L.P.
GSCP VI Offshore Cobalt Holdings, LLC
GSCP V Cobalt Holdings, LLC
GSCP V GMBH Cobalt Holdings, LLC
GS Capital Partners V Institutional, L.P.
GSCP VI GMBH Cobalt Holdings, LLC
GSCP VI Cobalt Holdings, LLC
GS Capital Partners VI Parallel, L.P.
GSCP V Offshore Cobalt Holdings, LLC
KERN Cobalt Co-Invest Partners AP L.P.

SCHEDULE E

D&M LETTER

[*follows*]

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

December 11, 2012

To the Representative of the Several Underwriters named in Schedule A to the underwriting agreement referred to below:

Dear Sirs:

This letter, which is written at the request of Cobalt International Energy, Inc. ("Cobalt"), is being delivered to the Underwriters (as defined below) pursuant to the terms of an underwriting agreement between Cobalt and the Underwriters named in Schedule A thereto (the "Underwriters") relating to the public offering by Cobalt of its Convertible Senior Notes due 2019 (the "Securities"), convertible in cash, shares of common stock, par value $0.01 per share, of Cobalt ("Common Stock") or a combination of cash and shares of Common Stock, at Cobalt's election, which are being offered by Cobalt pursuant to the prospectus supplement dated December 11, 2012 and the accompanying prospectus dated January 4, 2011 (collectively, the "Prospectus").

Our "Report as of December 31, 2010, on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Various OCS Blocks in the Gulf of Mexico Offshore the United States and Various Offshore License Areas Angola and Gabon, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Prospective Resources Report"). Our "Report as of December 31, 2010, on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Offshore License Block 20 Angola, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to Block 20 interests of Cobalt as of December 31, 2010 (such report, the "Block 20 Prospective Resources Report"). Our "Report as of December 31, 2010, on the Contingent Resources owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the contingent resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Contingent Resources Report"). Our "Appraisal Report as of December 31,

2010, on Reserves owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the reserves attributable to the interests of Cobalt as of December 31, 2010 (such report, the "Reserves Report"). The Prospective Resources Report, the Block 20 Prospective Resources Report, the Contingent Resources Report, and the Reserves Report collectively are referred to herein as the "D&M Reports."

In connection with the foregoing, we hereby inform you as follows:

1. As of the date of this letter and as of the date of the D&M Reports, we are and were independent reserves engineers with respect to Cobalt. Neither we, nor to our knowledge, any of our employees, officers or directors, own interests in the oil and gas properties included in the D&M Reports. We have not been employed by Cobalt on a contingent basis.

2. The estimates of Cobalt's prospective and contingent resources contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made in accordance with the Petroleum Resources Management System approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The estimates of Cobalt's reserves contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made as of December 31, 2010 in accordance with the regulations promulgated by the United States Securities and Exchange Commission.

3. The document attached hereto as Schedule A is a true, correct, and complete copy of our Prospective Resources Report. The document attached hereto as Schedule B is a true, correct, and complete copy of our Block 20 Prospective Resources Report. The document attached hereto as Schedule C is a true, correct, and complete copy of our Contingent Resources Report. The document attached hereto as Schedule D is a true, correct, and complete copy of our Reserves Report.

This letter has been prepared at the request of Cobalt and it has represented that this letter is solely for the information of the addressees and to assist the Underwriters in conducting and documenting their investigation of the affairs of Cobalt in connection with the offering of the securities covered by the Prospectus, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of securities, nor is it to be filed with or referred to in whole or in part in the Prospectus or any other document, except that reference may be made to it in the underwriting agreement or in any list of closing documents pertaining to the offering of the securities covered by the Prospectus.

Very truly yours,

DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

SCHEDULE F

PRICING TERM SHEET

[*follows*]

Pricing Term Sheet
Dated December 11, 2012

Issuer Free Writing Prospectus
Filed Pursuant to Rule 433
Registration Statement No. 333-171536
Supplementing the Preliminary
Prospectus Supplement dated December 11, 2012
(To Prospectus dated January 4, 2011)

Cobalt International Energy, Inc.

2.625% Convertible Senior Notes due 2019

*The information in this pricing term sheet relates to Cobalt International Energy, Inc.'s offering of its 2.625% Convertible Senior Notes due 2019 (the "**Offering**") and should be read together with the preliminary prospectus supplement dated December 11, 2012 relating to the Offering (the "**Preliminary Prospectus Supplement**") and the accompanying prospectus dated January 4, 2011, including the documents incorporated by reference therein, each filed pursuant to Rule 424(b) under the Securities Act of 1933, as amended, and relating to the Registration Statement No. 333-171536. Terms used herein but not defined herein shall have the respective meanings as set forth in the Preliminary Prospectus Supplement. All references to dollar amounts are references to U.S. dollars.*

Issuer:	Cobalt International Energy, Inc. ("**Cobalt**")
Ticker / Exchange:	CIE / The New York Stock Exchange ("**NYSE**")
Notes:	2.625% Convertible Senior Notes due 2019 (the "**Notes**")
Aggregate principal amount offered (excluding the underwriters' over-allotment option):	$1,200,000,000
Offering price:	The underwriters propose to offer the Notes from time to time for sale in one or more negotiated transactions or otherwise, at market prices prevailing at the time of the sale, at prices related to the market prices at the time of the sale, or at negotiated prices.
Underwriters' over-allotment option:	$180,000,000 aggregate principal amount of Notes
Interest:	The Notes will bear interest at a rate equal to 2.625% per annum from December 17, 2012
Interest payment dates:	June 1 and December 1 of each year, beginning on June 1, 2013
Maturity date:	December 1, 2019
NYSE last reported sale price on December 11, 2012:	$27.45 per share of Cobalt common stock
Conversion premium:	Approximately 30% above the NYSE last reported sale price on December 11, 2012
Initial conversion price:	Approximately $35.68 per share of common stock
Initial conversion rate:	28.0230 shares of common stock per $1,000 principal amount of Notes
Underwriters:	Morgan Stanley & Co. LLC Goldman, Sachs & Co.

CUSIP/ISIN:	19075FAA4 / US19075FAA49
Fundamental Change:	If Cobalt undergoes a ‘‘fundamental change’’ (as defined in the Preliminary Prospectus Supplement under “Description of Notes—Fundamental Change Permits Holders to Require Us to Repurchase Notes”), subject to certain conditions, holders of the Notes may require Cobalt to repurchase for cash all or part of their Notes in principal amounts of $1,000 or an integral multiple thereof. The fundamental change repurchase price will be equal to 100% of the principal amount of Notes to be repurchased, *plus* accrued and unpaid interest to, but excluding, the fundamental change repurchase date. See “Description of Notes—Fundamental Change Permits Holders to Require Us to Repurchase Notes” in the Preliminary Prospectus Supplement.
Use of proceeds:	Cobalt expects to receive net proceeds from the Offering of approximately $1,172,000,000 (or approximately $1,347,950,000 if the underwriters exercise their over-allotment option in full), after deducting the underwriting discounts and commissions and estimated offering expenses payable by Cobalt. Cobalt intends to use the net proceeds to it from the Offering to fund its capital expenditures and for general corporate purposes.
Adjustment to conversion rate upon a make-whole fundamental change:	The table below sets forth the number of additional shares, if any, of common stock to be added to the conversion rate per $1,000 principal amount of Notes that are converted in connection with a “make-whole fundamental change” as described in the Preliminary Prospectus Supplement, based on the stock price and effective date of the make-whole fundamental change.

	Stock Price										
Effective Date	**$27.45**	**$30.00**	**$35.68**	**$40.00**	**$45.00**	**$50.00**	**$75.00**	**$100.00**	**$125.00**	**$150.00**	**$200.00**
December 17, 2012	8.4069	8.0133	5.7700	4.6729	3.7849	3.1566	1.6681	1.0952	0.7840	0.5860	0.3504
December 1, 2013	8.4069	7.8821	5.5408	4.4175	3.5257	2.9075	1.5052	0.9901	0.7127	0.5357	0.3235
December 1, 2014	8.4069	7.6851	5.2270	4.0766	3.1863	2.5869	1.3056	0.8634	0.6266	0.4746	0.2907
December 1, 2015	8.4069	7.4018	4.8180	3.6463	2.7700	2.2028	1.0830	0.7240	0.5314	0.4065	0.2538
December 1, 2016	8.4069	6.9925	4.2739	3.0939	2.2548	1.7426	0.8403	0.5734	0.4273	0.3313	0.2126
December 1, 2017	8.4069	6.4462	3.5556	2.3854	1.6220	1.2024	0.5855	0.4130	0.3142	0.2486	0.1668
December 1, 2018	8.4069	5.7587	2.5599	1.4384	0.8441	0.5941	0.3266	0.2421	0.1916	0.1579	0.1159
December 1, 2019	8.4069	5.3103	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact stock prices and effective dates may not be set forth in the table above, in which case:

- If the stock price is between two stock prices in the table or the effective date is between two effective dates in the table, the number of additional shares will be determined by a straight-line interpolation between the number of additional shares set forth for the higher and lower stock prices and the earlier and later effective dates, as applicable, based on a 365-day year.

- If the stock price is greater than $200 per share (subject to adjustment in the same manner as the stock prices set forth in the column headings of the table above), no additional shares will be added to the conversion rate.

- If the stock price is less than $27.45 per share (subject to adjustment in the same manner as the stock prices set forth in the column headings of the table above), no additional shares will be added to the conversion

rate.

Notwithstanding the foregoing, in no event will the conversion rate per $1,000 principal amount of Notes exceed 36.4299 shares of common stock, subject to adjustment in the same manner as the conversion rate as set forth under "Description of Notes—Conversion Rights—Conversion Rate Adjustments" in the Preliminary Prospectus Supplement.

Cobalt has filed a registration statement (including the Preliminary Prospectus Supplement dated December 11, 2012 and the accompanying prospectus dated January 4, 2011) with the Securities and Exchange Commission, or SEC, for the Offering to which this communication relates. Before you invest, you should read the Preliminary Prospectus Supplement, the accompanying prospectus in that registration statement and documents incorporated by reference therein which Cobalt has filed with the SEC for more complete information about Cobalt and the Offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies may be obtained from Morgan Stanley & Co. LLC, Attn: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014, by calling (866) 718-1649 or by emailing prospectus@morganstanley.com, or from Goldman, Sachs & Co., Attn: Prospectus Department, 200 West Street, New York, NY 10282, by calling 1-866-471-2526 or by emailing prospectus-ny@ny.email.gs.com.

This communication should be read in conjunction with the Preliminary Prospectus Supplement dated December 11, 2012 and the accompanying prospectus, dated January 4, 2011. The information in this communication supersedes the information in the Preliminary Prospectus Supplement and the accompanying prospectus to the extent inconsistent with the information in such Preliminary Prospectus Supplement and accompanying prospectus. Terms used but not defined herein have the meanings given in the Preliminary Prospectus Supplement.

ANY DISCLAIMERS OR OTHER NOTICES THAT MAY APPEAR BELOW ARE NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMERS OR OTHER NOTICES WERE AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT VIA BLOOMBERG OR ANOTHER EMAIL SYSTEM.

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Exhibit 8

EXECUTION VERSION

40,000,000 Shares

COBALT INTERNATIONAL ENERGY, INC.

Common Stock

UNDERWRITING AGREEMENT

January 15, 2013

MORGAN STANLEY & CO. LLC
CITIGROUP GLOBAL MARKETS INC.

As Representatives of the Several Underwriters

Dear Sirs:

1. *Introductory*. The stockholders listed in Schedule A hereto (the "**Selling Stockholders**") agree severally to sell to the several Underwriters named in Schedule B hereto ("**Underwriters**") an aggregate of 40,000,000 outstanding shares (the "**Firm Securities**") of common stock, par value $0.01 per share (the "**Securities**"), of Cobalt International Energy, Inc., a Delaware corporation (the "**Company**"), and the Selling Stockholders also propose to sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than 6,000,000 additional outstanding shares ("**Optional Securities**") of the Securities as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**". If the only firms listed in Schedule B hereto are the Representatives, then the terms "Underwriters" and "Representatives" as used herein shall each be deemed to refer to such firms.

2. *Representations and Warranties of the Company and the Selling Stockholders*. (i) The Company represents and warrants to, and agrees with, the several Underwriters and each of the Selling Stockholders that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-3 (No. 333-171536), including a related prospectus or prospectuses, covering the registration of the Offered Securities under the Act, which has become effective. "**Registration Statement**" at any particular time means such registration statement in the form then filed with the Commission, including any amendment thereto, any document incorporated by reference therein and all 430B Information and all 430C Information with respect to such registration statement, that in any case has not been superseded or modified. "**Registration Statement**" without reference to a time means the Registration Statement as of the Effective Time. For purposes of this definition, 430B Information shall be considered to be included in the Registration Statement as of the time specified in Rule 430B.

For purposes of this Agreement:

"**430B Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430B(e) or retroactively deemed to be a part of the Registration Statement pursuant to Rule 430B(f).

"**430C Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means 5:30 p.m. (Eastern time) on January 15, 2013.

"**Closing Date**" has the meaning set forth in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Effective Time**" of the Registration Statement relating to the Offered Securities means the time of the first contract of sale for the Offered Securities.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430B Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule C to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

"**Renewal Deadline**" means the third anniversary of the initial effective time of the Registration Statement.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus relating to the Offered Securities that is included in the Registration Statement immediately prior to that time, including all 430B Information and all 430C Information with respect to the Registration Statement. For purposes of the foregoing definition, 430B Information shall be considered to be included in the Statutory Prospectus only as of the actual time that form of prospectus (including a prospectus supplement) is filed with the Commission pursuant to Rule 424(b) and not retroactively.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements.* (i)(A) At the time the Registration Statement initially became effective, (B) at the time of each amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether by post-effective amendment, incorporated report or form of prospectus), (C) at the Effective Time relating to the Offered Securities and (D) on the Closing Date, the Registration Statement conformed and will conform in all material respects to the requirements of the Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii)(A) on its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act and the Rules and Regulations, and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described in Section 8(c) hereof.

(c) *Automatic Shelf Registration Statement.* (i) Well-Known Seasoned Issuer Status. (A) At the time of initial filing of the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this

clause only, of Rule 163(c)) made any offer relating to the Offered Securities in reliance on the exemption of Rule 163, the Company was a "well known seasoned issuer" as defined in Rule 405, including not having been an "ineligible issuer" as defined in Rule 405.

(ii) Effectiveness of Automatic Shelf Registration Statement. The Registration Statement is an "automatic shelf registration statement", as defined in Rule 405. If immediately prior to the Renewal Deadline, any of the Offered Securities remain unsold by the Underwriters, the Company will prior to the Renewal Deadline, if it has not already done so and is eligible to do so, file a new automatic shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the expired registration statement relating to the Offered Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(iii) *Eligibility to Use Automatic Shelf Registration Form*. The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to use of the automatic shelf registration statement form. If at any time when Offered Securities remain unsold by the Underwriters the Company receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (A) promptly notify the Representatives (B) promptly file a new registration statement or post-effective amendment on the proper form relating to the Offered Securities, in a form satisfactory to the Representatives, (C) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable and (D) promptly notify the Representatives of such effectiveness. The Company will take all other action reasonably necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(iv) *Filing Fees*. The Company has paid or shall pay the required Commission filing fees relating to the Offered Securities within the time required by Rule 456(b)(1) without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r).

(d) *Ineligible Issuer Status.* (i) At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities and (ii) on the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (x) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(e) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, if any, the preliminary prospectus supplement, dated January 15, 2013, including the base prospectus, dated January 4, 2011 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule C to this Agreement, which supplements or amends the preliminary prospectus supplement, to be included in the General Disclosure Package, all considered together (collectively, the "**General**

Disclosure Package"), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(f) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, at a time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or any dealer, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(g) *Good Standing of the Company.* The Company has been duly organized, formed or incorporated, as the case may be, and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be duly qualified or in good standing as a foreign corporation would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(h) *Subsidiaries.* Each subsidiary of the Company has been duly incorporated or organized and is an existing corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation or organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except as would not, individually or in the aggregate, result in a Material Adverse Effect; all of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects. Cobalt International Energy, L.P., Cobalt International Energy Overseas Ltd., Cobalt International Energy Angola Ltd., CIE Angola Block 9 Ltd., CIE Angola Block 20 Ltd., CIE Angola Block 21 Ltd., Cobalt International Energy Gabon Ltd. and CIE Gabon Diaba Ltd, are the only subsidiaries of the Company that own any assets (other than nominal assets) or conduct any business.

(i) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the

Company have been duly authorized; the authorized equity capitalization of the Company is as set forth in the General Disclosure Package; all outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable, will conform to the information in the General Disclosure Package and to the description of such Offered Securities contained in the Final Prospectus; the stockholders of the Company have no preemptive rights with respect to the Securities; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder.

(j) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(k) *Registration Rights.* Except as disclosed in the General Disclosure Package and except as have been waived prior to or on the date of this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**registration rights**").

(l) *Listing.* The Offered Securities have been listed on The New York Stock Exchange.

(m) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering and sale of the Offered Securities, except (i) such as have been obtained, or made and such as may be required under state securities laws, or (ii) as may be required by the rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(n) *Title to Property*. Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have (i) legal, valid and defensible title to the interests in the oil and natural gas properties described in the Registration Statement, the General Disclosure Package and the Final Prospectus, title investigations having been carried out by the Company and each of its subsidiaries in accordance with the general practice in the oil and gas industry and (ii) good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or currently proposed to be made thereof by them.

(o) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of this Agreement, and the offering and sale of the Offered Securities will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject, except, in the case of clause (iii), where any such breach, violation or default would not, individually or in the aggregate, result in a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(p) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. Except as disclosed in the General Disclosure Package, there are no orders, writs, judgments, injunctions, decrees, determinations or awards against the Company or any of its subsidiaries by any court or government agency that are material to the Company and its subsidiaries, considered as one enterprise.

(q) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(r) *Possession of Licenses and Permits.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by them and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(s) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(t) *Environmental Laws.* Except as disclosed in the General Disclosure Package, (i)(A) neither the Company nor any of its subsidiaries is in violation of, or has any liability under, any applicable federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances, to the protection or restoration of the environment or natural resources (including biota), to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (B) neither the Company nor any of its subsidiaries owns, occupies, operates or uses any real property contaminated with Hazardous Substances, (C) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (D) neither the Company nor any of its subsidiaries is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site or any formerly owned or occupied real property, (E) neither the Company nor any of its subsidiaries is subject to any claim by any governmental agency or governmental body or person relating to applicable Environmental Laws or Hazardous Substances, and (F) to the knowledge of the Company, the Company and its subsidiaries have received and are in compliance with all, and have no liability under any, permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their respective businesses; except in each case covered by clauses (A) – (F) such as would not individually or in the aggregate have a Material Adverse Effect; (ii) to the knowledge of the Company there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would have a Material Adverse Effect; (iii) to the knowledge of the Company there are no requirements proposed for adoption or implementation under any Environmental Law that would reasonably be expected to have a Material Adverse Effect; and (iv) except as disclosed in the General Disclosure Package, the Company has reasonably concluded that the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations, products and financial condition of the Company and its subsidiaries will not, singly or in the aggregate, have a Material Adverse Effect. For purposes of this subsection "**Hazardous Substances**" means (1) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and mold, and (2) any other chemical, material or substance defined or regulated as toxic or hazardous or as a

pollutant, contaminant or waste under applicable Environmental Laws.

(u) *Accurate Disclosure.* The statements in (i) the General Disclosure Package and the Final Prospectus under the headings "U.S. Federal Income Tax Considerations for Non-U.S. Holders", and "Description of Capital Stock", (ii) the Company's annual report on Form 10-K for the year ended December 31, 2011 under the heading "Business—Environmental Matters and Regulation", and (iii) the Company's proxy statement for its 2012 annual meeting under the heading "Corporate Governance—Certain Relationships and Related Transactions", in each case, insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, and subject to the assumptions, conditions and limitations set forth therein are accurate in all material respects and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(v) *Absence of Manipulation*. The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(w) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with the Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with authorization of management and directors, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles and to maintain accountability for assets, (iii) records are maintained that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (iv) unauthorized acquisitions, use or dispositions of the Company's assets that could have a material effect on the consolidated financial statements are prevented or timely detected and (v) the interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement is materially accurate in all respects. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(x) *Absence of Accounting Issues.* Except as set forth in the General Disclosure Package, no member of the Audit Committee has informed the Company that the Audit Committee is reviewing or investigating, or that the Company's independent auditors or its internal auditors have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(y) *Litigation*. Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including, to the best of the Company's knowledge, any inquiries or investigations threatened by any court or governmental agency or body, domestic or foreign) against the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic

or foreign) are threatened or, to the Company's knowledge, contemplated.

(z) *Financial Statements.* The financial statements included in the Registration Statement and the General Disclosure Package present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in the Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(aa) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(bb) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(cc) *Ratings.* No "nationally recognized statistical rating organization", as such term is defined for purposes of Section 3(a)(62) of the Exchange Act, (i) has imposed (or has informed the Company that it is considering imposing) any condition (financial or otherwise) on the Company's retaining any rating assigned to the Company or any securities of the Company or (ii) has indicated to the Company that it is considering any of the actions described in Section 7(c)(ii) hereof.

(dd) *Anti-corruption Laws; Money Laundering Laws; Sanctions.* Except as disclosed in the General Disclosure Package, each of the Company, its subsidiaries, and to the Company's knowledge, its affiliates and any of their respective officers, directors, supervisors, managers, agents, employees, and any other persons acting on its behalf, is not aware of, has not taken, and will not take any action, directly or indirectly, including its participation in the offering, that violates the following laws, has instituted and maintains policies and procedures designed to ensure continued compliance with each of the following laws, and has maintained, and will continue to maintain, books and records as required by, and that ensure continued compliance with, each of the following laws: (i) anti-corruption laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977 or any other law, rule or regulation of similar purpose and scope, (ii) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code section 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (iii) laws and regulations imposing U.S. economic

sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, and the Syria Accountability and Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder.

(ee) *Taxes.* The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(ff) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are customary for the industry or geographic location in which they participate; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except in each case as set forth in or contemplated in the General Disclosure Package.

(gg) *Independent Petroleum Engineers.* DeGolyer and MacNaughton ("**D&M**"), who has delivered the letter referenced to in Section 7(j) hereof (the "**D&M Letter**"), was, as of the date(s) of the reports referenced in such letter, and is, as of the date hereof, an independent engineering firm with respect to the Company.

(hh) *Information Underlying D&M Reports.* The factual information underlying the estimates of the Company's oil and natural gas resources, which was supplied by the Company to D&M for the purposes of preparing the resource reports and estimates of the Company and preparing the D&M Letter, including, without limitation, costs of operation and development and agreements relating to current and future operations and future sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices; other than intervening market commodity price fluctuations, and except as disclosed in the General Disclosure Package, the Company is not aware of any facts or circumstances that would result in a material adverse change in the estimates of the Company's oil and natural gas resources, or the present value of future net cash flows therefrom, as reflected in the reports referenced in the D&M Letter; the Company has no reason to believe that as of the dates indicated in the Registration Statement, the General Disclosure Package and the Final Prospectus such resources have materially declined or decreased since the dates of the reports referenced in the D&M Letter (other than, in all cases, updates to previous reports prepared by D&M and disclosed to the Representatives).

(ii) *Auditor Independence.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(jj) *OFAC.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not, to its knowledge, directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds

to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(kk) *XBRL Language*. The interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ii) Each Selling Stockholder severally represents and warrants to, and agrees with, the several Underwriters that:

(a) *Title to Securities.* Such Selling Stockholder (x) has, and immediately prior to each Closing Date (as defined in Section 3 hereof) will have, (i) valid and unencumbered title to the Offered Securities to be delivered by such Selling Stockholder on such Closing Date or (ii) a valid "security entitlement" (within the meaning of Section 8-501 of the Uniform Commercial Code as in effect in the State of New York (the "**New York UCC**") in respect of such Offered Securities, and (y) has full right, power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Offered Securities (or security entitlements in respect of such Offered Securities) to be delivered by such Selling Stockholder on such Closing Date hereunder free and clear of all liens, encumbrances, equities or claims, except for any liens, encumbrances, equities or claims arising under this Agreement.

(b) *Delivery, DTC*. Upon payment for the Offered Securities to be sold by such Selling Stockholder, delivery of certificates representing such Offered Securities, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), together with a valid indorsement of such certificates to DTC or in blank, registration of such Offered Securities in the name of Cede or such other nominee and the crediting by book entry of such Offered Securities on the books of DTC to securities accounts (within the meaning of Section 8-501 of New York UCC) of the Underwriters (assuming that neither DTC nor any such Underwriter has notice of any "adverse claim" (within the meaning of Section 8-105 of the New York UCC) to such Offered Securities or any security entitlement in respect thereof), (i) DTC shall be a "protected purchaser" of such Offered Securities within the meaning of Section 8-303 of the New York UCC, (ii) under Section 8-501 of the New York UCC, the Underwriters will acquire a valid security entitlement (within the meaning of Section 8-102 of the New York UCC) in respect of such Offered Securities, and (iii) to the extent governed by the provisions of Section 8-502 of the New York UCC, no action based on an "adverse claim" (as defined in Section 8-102 of the New York UCC) to such Offered Securities may be asserted against the Underwriters with respect to such security entitlement; it being understood that for purposes of this representation, such Selling Stockholder may assume that when such payment, delivery and crediting occur, (A) such Offered Securities will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with the Company's certificate of incorporation, bylaws and applicable law, (B) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the New York UCC and (C) appropriate book entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the New York UCC.

(c) *Absence of Further Requirements*. No consent, approval, authorization or order of, or filing with, any person (including any governmental agency or body or any court) is required to be obtained or made by such Selling Stockholder for the consummation of the transactions contemplated by this Agreement in connection with the offering and sale of the Offered Securities sold by such Selling Stockholder, except (A) such as have been obtained and made under the Act and (B) such as may be required under the Exchange Act or the rules and regulations thereunder, foreign or state securities laws (including "Blue Sky" laws) or the rules and regulations of FINRA or The New York Stock Exchange.

(d) *Absence of Defaults and Conflicts Resulting from Transaction*. The execution, delivery and performance by the Selling Stockholders of this Agreement and the consummation of the transactions herein contemplated will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of such Selling Stockholder pursuant to any (A) statute, any rule, regulation or order of any governmental agency or

body or any court having jurisdiction over such Selling Stockholder or any of its properties, (B) any agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the properties of such Selling Stockholder is subject, or (C) the charter or by-laws or analogous constituent documents of such Selling Stockholder, except in the case of clauses (A) and (B) above, for such violations that would not, individually or in the aggregate, have a material adverse effect on the ability of such Selling Stockholder to perform its obligations hereunder; *provided* that no representation or warranty is made in this paragraph (d) with respect to the antifraud provisions of the federal or state securities laws.

(e) *Selling Stockholder Information*. (A) On its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, *however*, that such representation and warranty made in this subsection (e) applies only to statements or omissions made in reliance upon and in conformity with the Selling Stockholder Information. As used in this Agreement, the "**Selling Stockholder Information**" means information relating to a Selling Stockholder furnished in writing by or on behalf of such Selling Stockholder expressly for use in the Registration Statement, the General Disclosure Package or the Final Prospectus, it being understood and agreed that the only Selling Stockholder Information so furnished by such Selling Stockholder consists solely of the name and address of such Selling Stockholder, the number of shares owned and the number of shares proposed to be sold by such Selling Stockholder, and the information about such Selling Stockholder appearing in the text corresponding to the footnote adjacent to such Selling Stockholder's name on pages S-11 to and including S-13 under the caption "Selling Stockholders" in the General Disclosure Package and the Final Prospectus or any amendments or supplements thereto.

(f) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Stockholder.

(g) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between such Selling Stockholder and any person that would give rise to a valid claim against such Selling Stockholder or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(h) *Absence of Manipulation*. Such Selling Stockholder has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, each Selling Stockholder agrees, severally and not jointly, to sell to the several Underwriters, and each of the Underwriters agrees to purchase from each Selling Stockholder, at a purchase price of $25.00 per share, that number of Firm Securities obtained by multiplying the number of Firm Securities set forth opposite the name of such Selling Stockholder in Schedule A hereto by a fraction, the numerator of which is the number of Firm Securities set forth opposite the name of such Underwriter in Schedule B hereto and the denominator of which is the total number of Firm Securities.

The Selling Stockholders will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives as specified by the Selling Stockholders to the Representatives at least forty-eight hours in advance, at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, at 9:00 A.M., New York time, on January 18, 2013, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**". For purposes of Rule 15c6-1 under the Exchange Act, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the offering. The Firm Securities so to be delivered or evidence of their issuance will be made available for checking at the above office of Davis Polk & Wardwell LLP at least 24 hours prior to the First Closing Date.

In addition, upon not less than two business days' written notice from the Representatives given to the Company and the Selling Stockholders from time to time not more than 30 days subsequent to the date of the Final Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the purchase price per Security to be paid for the Firm Securities less an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Securities but not payable on the Optional Securities. The Selling Stockholders agree, severally and not jointly, to sell to the Underwriter the respective numbers of shares of Optional Securities obtained by multiplying the number of Optional Securities specified in such notice by a fraction the numerator of which is the number of shares set forth opposite the names of such Selling Stockholders in Schedule A hereto under the caption "Number of Optional Securities to be Sold" and the denominator of which is the total number of Optional Securities. Such Optional Securities shall be purchased from each Selling Stockholder for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company and the Selling Stockholders.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives but shall not be later than seven full business days after written notice of election to purchase Optional Securities is given. The Selling Stockholders will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives, against payment of the purchase price therefor in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives as specified by the Selling Stockholders to the Representatives at the office of Davis Polk & Wardwell LLP described above. The Optional Securities being purchased on each Optional Closing Date or evidence of their issuance will be made available for checking at the office of Davis Polk & Wardwell LLP described above at a reasonable time in advance of such Optional Closing Date.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company and the Selling Stockholders*. The Company agrees with the several Underwriters and the Selling Stockholders that:

(a) *Filing of Prospectuses.* The Company has filed or will file each Statutory Prospectus (including the Final Prospectus) pursuant to and in accordance with Rule 424(b)(2) (or, if applicable and consented to by the Representatives, subparagraph (5)) not later than the second business day following the earlier of the date it is first used or the execution and delivery of this Agreement. The Company has complied and will comply with Rule 433.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without providing the Representatives a reasonable opportunity to consent (other than by filing documents under the Exchange Act that are incorporated by reference therein); *provided* that in the case of filing documents under the Exchange Act that are incorporated by reference prior to termination or conclusion of the offering of the Offered Securities (the "**Cut-Off Date**"), the Representatives shall previously have been furnished a copy of the proposed amendment (or supplementation); and the Company will also advise the Representatives promptly of (i) the filing and effectiveness of any amendment or supplementation of the Registration Statement or any Statutory Prospectus prior to the Cut-Off Date, (ii) any request by the Commission or its staff prior to the Cut-Off Date for any amendment to the Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iii) the institution by the Commission prior to the Cut-Off Date of any stop

order proceedings in respect of the Registration Statement or the threatening of any proceeding for that purpose, and (iv) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its reasonable best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or any dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Representatives and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than 16 months after the date of this Agreement, the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the date of this Agreement and satisfying the provisions of Section 11(a) and Rule 158 under the Act.

(e) *Furnishing of Prospectuses.* The Company will furnish to the Representatives signed copies of the Registration Statement including all exhibits, each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement unless otherwise agreed by the Representatives. All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will cooperate with the Representatives for the qualification of the Offered Securities for sale and the determination of their eligibility for investment under the laws of such states and other jurisdictions as the Representatives designate and to continue such qualifications in effect so long as required for the distribution; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) *Reporting Requirements.* During the period of three years hereafter, the Company will furnish to the Representatives, and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) for a period one year hereafter, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval (EDGAR) system, it is not required to furnish such reports or statements to the Representatives.

(h) *Payment of Expenses.* The Company agrees with the several Underwriters that the Company will pay all expenses incidental to the performance of the obligations of the Company and the Selling Stockholders, as the case may be, under this Agreement, including but not limited to (i) any filing fees and other expenses

(including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, (ii) fees and expenses incident to listing the Offered Securities on The New York Stock Exchange and other national and foreign exchanges and (iii) fees and expenses in connection with the registration of the Offered Securities under the Exchange Act and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. Each Selling Stockholder agrees with the several Underwriters that such Selling Stockholder will pay or cause to be paid all transfer taxes on the sale by such Selling Stockholder of the Offered Securities to the Underwriters. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, fees and expenses of their counsel.

(i) *Absence of Manipulation.* The Company and the Selling Stockholders will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(j) *Restriction on Sale of Securities.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to the Securities or any securities convertible into or exchangeable or exercisable for any Securities ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives. The Lock-Up Period will commence on the date hereof and continue for 60 days after the date hereof or such earlier date that the Representatives consent to in writing. The restrictions set forth in this Section 5(k) shall not apply to: (A) the sale of Offered Securities to the Underwriters; (B) grants of employee or non-employee director stock options or restricted stock or restricted stock units in the ordinary course of business and in accordance with the terms of a stock plan existing on the Closing Date and described in the General Disclosure Package; (C) the issuance of Securities upon the exercise of an option or warrant or the conversion of a security granted under employee or non-employee director stock plans existing on or otherwise outstanding on the Closing Date and described in the General Disclosure Package; (D) the filing of a registration statement on Form S-8 relating to the offering of securities in accordance with the terms of a stock plan in effect on the Closing Date and described in the General Disclosure Package; (E) the registration of Securities pursuant to the terms of registration rights granted in connection with the Company's initial public offering or (F) the issuance of shares of common stock of the Company upon the conversion of any of the Company's 2.625% convertible senior notes due 2019 outstanding on the Closing Date.

6. *Free Writing Prospectuses*. The Company and the Selling Stockholders represent and agree that, unless they obtain the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional

Closing Date will be subject to the accuracy of the representations and warranties of the Company and the Selling Stockholders herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company and the Selling Stockholders of their obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter.* The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Ernst & Young LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance acceptable to the Representatives.

(b) *Filing of Prospectuses.* The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any downgrading in the rating of the Company or any debt securities of the Company by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating) or any announcement that the Company has been placed on negative outlook; (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on The New York Stock Exchange, or any setting of minimum or maximum prices for trading on such exchange; (v) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinions of Counsel for the Company.* The Representatives shall have received an opinion and 10b-5 letter, each dated the Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company, in the form of Schedule D hereto.

(e) *Opinions of Counsel for the Selling Stockholders.* (1) The Representatives shall have received an opinion, dated such Closing Date, of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Selling Stockholders consisting of The Goldman Sachs Group, Inc. Funds, in a form reasonably satisfactory to the Representatives, (2) the Representatives shall have received an opinion, dated such Closing Date, of Latham & Watkins LLP, counsel for the Selling Stockholders consisting of the Carlyle/Riverstone Funds, in a form reasonably satisfactory to the Representatives, (3) the Representatives shall have received opinions, dated such Closing Date, of Simpson Thacher & Bartlett LLP, counsel for the Selling Stockholders consisting of the First Reserve Funds, in a form reasonably satisfactory to the Representatives and (4) the Representatives shall have received opinions, dated such Closing Date, of Fried, Frank, Harris, Shriver & Jacobson LLP and Stikeman Elliot LLP, counsel for the Selling Stockholders consisting of the KERN Funds, in a form reasonably satisfactory to the Representatives.

(f) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company and the Selling Stockholders shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) *Officers' Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: (i) the representations and warranties of the Company in this Agreement are true and correct; (ii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; and (iv) subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(h) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup letters from each of the persons listed in Schedule E hereto.

(i) *D&M Letter.* The Representatives shall have received a letter, dated the date hereof of D&M, in the form of Schedule F hereto.

(j) *Delivery of W-9/W-8*. Each Selling Stockholder shall have delivered to the Representatives, prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

The Company and the Selling Stockholders will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution*. (a) *Indemnification of Underwriters by Company.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (c) below.

(b) *Indemnification of Underwriters by Selling Stockholders.* The Selling Stockholders, severally and not

jointly, will indemnify and hold harmless each Indemnified Party against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, provided that such untrue statement or alleged untrue statement or omission or alleged omission has been made in reliance upon and in conformity with the Selling Stockholder Information with respect to that Selling Stockholder, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to the above as such expenses are incurred; *provided*, *however*, that the liability under this subsection of each Selling Stockholder shall be limited to an amount equal to the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) to such Selling Stockholder from the sale of Offered Securities sold by such Selling Stockholder.

(c) *Indemnification of Company and Selling Stockholders.* Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and each Selling Stockholder (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at any time, any Statutory Prospectus at any time, the Final Prospectus or any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the description of stabilizing transactions, overallotment transactions, syndicate transactions and penalty bids under the caption "Underwriting–Price Stabilization, Short Positions and Penalty Bids".

(d) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a), (b) or (c) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a), (b) or (c) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a), (b) or (c) above. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such

indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(e) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a), (b) or (c) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a), (b) or (c) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) from the offering received by the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, the Selling Stockholders or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (e). Notwithstanding the provisions of this subsection (e), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this subsection (e), no Selling Stockholder shall be required to contribute pursuant to this subsection (e), (1) unless such Selling Stockholder would have had indemnification obligations pursuant to subsection (b) above or (2) any amount in excess of the amount by which such Selling Stockholder's aggregate proceeds (less underwriter's discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement exceeds the amount of any damages which such Selling Stockholder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (e) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (e) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(e). No Selling Stockholder shall have any liability under subsection (b) of this Section 8 and this subsection (e), in the aggregate, in excess of such Selling Stockholder's aggregate proceeds (less underwriter's discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement.

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate number of shares of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, the Representatives may make arrangements satisfactory to the Company and the Selling Stockholders for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate number of shares of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to the Representatives, the Company and the Selling Stockholders for the purchase of such Offered

Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter, the Company or the Selling Stockholders, except as provided in Section 11 (provided that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *[Reserved]*

11. *Survival of Certain Representations and Obligations*. The respective indemnities, agreements, representations, warranties and other statements of the Selling Stockholders, the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, any Selling Stockholders, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 hereof, the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company, the Selling Stockholders and the Underwriters pursuant to Section 8 hereof shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

12. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representatives at Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk, with a copy to the Legal Department, and Citigroup Global Markets Inc. General Counsel (fax no.: (212) 816 7912) and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel, with a copy to Shearman & Sterling LLP, 599 Lexington Avenue, New York, N.Y. 10022, Attention: Robert Evans III, Esq., or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Cobalt International Energy, Inc., Cobalt Center, 920 Memorial City Way, Suite 100, Houston Texas 77024, Attention: Associate General Counsel and Secretary, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, N.Y. 10017, Attention: Richard D. Truesdell, Jr., Esq., or, if sent to any Selling Stockholder will be mailed, delivered or telegraphed and confirmed to them at its address set forth in the applicable footnote to the table under the heading "Selling Stockholders" in the Final Prospectus, with a copy to Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, N.Y. 10004, Attention: Michael A. Levitt, Esq.; *provided*, *however*, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

13. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective personal representatives and successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

14. *Representation*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters.

15. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

16. *Absence of Fiduciary Relationship.* The Company and the Selling Stockholders acknowledge and agree that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as Underwriters in connection with the sale of the Offered Securities and no fiduciary, advisory or agency relationship between the Company or the Selling Stockholders, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company or the Selling Stockholders on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by the Selling Stockholders following discussions and arms-length negotiations with the Representatives and the Selling Stockholders are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company and the Selling Stockholders have been advised that the Underwriters and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and the Selling Stockholders and that the Underwriters have no obligation to disclose such interests and transactions to the Company and the Selling Stockholders by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver.* The Company and the Selling Stockholders waive, to the fullest extent permitted by law, any claims they may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Underwriters shall have no liability (whether direct or indirect) to the Company or the Selling Stockholders in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

17. *Patriot Act Notice*. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. *Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company and the Selling Stockholders one of the counterparts hereof, whereupon it will become a binding agreement among the Selling Stockholders, the Company and the several Underwriters in accordance with its terms.

Very truly yours,

COBALT INTERNATIONAL ENERGY, INC.

By: _____
Name: Joseph H. Bryant
Title: Chairman and Chief Executive Officer

GSCP V COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS V FUND, L.P.,
its sole member

By: GSCP V ADVISORS, L.L.C.,
its general partner

By: _____
Name:
Title:

GSCP V OFFSHORE COBALT HOLDINGS, LLC

By: GSCP V OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.,
its general partner

By: GSCP V OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name:
Title:

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.

By: GS ADVISORS V, L.L.C.,
its general partner

By: _____
Name:
Title:

GSCP V GMBH COBALT HOLDINGS, LLC

By: GSCP V GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP V GMBH COBALT HOLDINGS,
its general partner

By: _____
Name:
Title:

GSCP VI COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS VI FUND, L.P.,
its sole member

By: GSCP VI ADVISORS, L.L.C.,
its general partner

By: _____
Name:
Title:

GSCP VI OFFSHORE COBALT HOLDINGS, LLC

By: GSCP VI OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS VI OFFSHORE FUND, L.P.,
its general partner

By: GSCP VI OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name:
Title:

GS CAPITAL PARTNERS VI PARALLEL, L.P.

By: GS ADVISORS VI, L.L.C.,
its general partner

By: _____
Name:
Title:

GSCP VI GMBH COBALT HOLDINGS, LLC

By: GSCP VI GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP VI GMBH COBALT HOLDINGS,
its general partner

By: _____
Name:
Title:

C/R COBALT INVESTMENT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

C/R ENERGY COINVESTMENT II, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

RIVERSTONE ENERGY COINVESTMENT III, L.P.

By: RIVERSTONE COINVESTMENT GP, LLC,
its general partner

By: RIVERSTONE HOLDINGS, LLC,
its sole member

By: _____
Name:
Title:

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.,
its sole member

By: _____
Name:
Title:

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

FIRST RESERVE FUND XI, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name:
Title:

FR XI ONSHORE AIV, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name:
Title:

KERN COBALT CO-INVEST PARTNERS AP LP

By: KERN COBALT GROUP MANAGEMENT LTD.,
its general partner

By: _____
Name: Jeff Van Strombergen
Title: Director

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

MORGAN STANLEY & CO. LLC

By: _____
Name: Ashley MacNeill
Title: Vice-President

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

Acting on behalf of themselves and as the Representatives of the Several Underwriters.

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name: Zach Jordan
Title: Managing Director

Acting on behalf of themselves and as the Representatives of the Several Underwriters.

SCHEDULE A

Selling Stockholder	Number of Firm Securities to be Sold	Number of Optional Securities to be Sold
GSCP V Cobalt Holdings, LLC	4,260,283.0	979,375.0
GSCP V Offshore Cobalt Holdings, LLC	2,200,684.0	505,904.0
GS Capital Partners V Institutional, L.P.	1,460,909.0	335,841.0
GSCP V GmbH Cobalt Holdings, LLC	168,906.0	38,829.0
GSCP VI Cobalt Holdings, LLC	2,315,127.0	532,213.0
GSCP VI Offshore Cobalt Holdings, LLC	1,925,641.0	442,676.0
GS Capital Partners VI Parallel, L.P.	636,620.0	146,350.0
GSCP VI GmbH Cobalt Holdings, LLC	82,280.0	18,915.0
C/R Cobalt Investment Partnership, L.P.	4,773,934.0	1,097,456.0
C/R Energy Coinvestment II, L.P.	445,886.0	102,503.0
Riverstone Energy Coinvestment III, L.P.	216,607.0	49,795.0
Carlyle Energy Coinvestment III, L.P.	47,065.0	10,820.0
C/R Energy III Cobalt Partnership, L.P.	2,278,251.0	523,736.0
Carlyle/Riverstone Global Energy and Power Fund III, L.P.	5,287,807.0	1,215,587.0
First Reserve Fund XI, L.P.	7,495,143.0	0.0
FR XI Onshore AIV, L.P.	2,504,857.0	0.0
KERN Cobalt Co-Invest Partners AP LP	3,900,000.0	0.0
Total	40,000,000.0	6,000,000.0

SCHEDULE B

Underwriter	**Number of Firm Securities to be Purchased**
Morgan Stanley & Co. LLC.	20,000,000
Citigroup Global Markets Inc.	20,000,000
Total	40,000,000

SCHEDULE C

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"General Use Issuer Free Writing Prospectus" includes each of the following documents:

None.

2. Other Information Included in the General Disclosure Package

The following information, conveyed orally, is also included in the General Disclosure Package:

Price to the public: Price per share of the Offered Securities paid by each applicable investor

Number of Shares Sold: 40,000,000

SCHEDULE D

FORM OF DAVIS POLK & WARDWELL LLP OPINION AND 10B5-1 LETTER

I. Form of Davis Polk & Wardwell LLP Opinion

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated January 15, 2013 relating to the Shares (the "**Preliminary Prospectus Supplement**") and the prospectus supplement dated January [__], 2013 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement became effective under the Act upon the filing of the registration statement with the Commission on January 4, 2011 pursuant to Rule 462(e). The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has corporate power and authority to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. The Company is not required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

4. The Company's authorized equity capitalization is as set forth in the Disclosure Package and the Prospectus. Except as disclosed in the Prospectus or except as have been waived prior to the date hereof, there are no contracts, agreements or understandings to our knowledge between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in any securities being registered pursuant to any registration statement filed by the Company under the Act.

5. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Underwriting Agreement will not contravene (i) any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, provided that we express no opinion as to federal or state securities laws, or (ii) the certificate of incorporation or by laws of the Company.

6. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, is required for the execution, delivery and performance by the Company of its obligations under the Underwriting Agreement, except such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

We have considered the statements included in the Prospectus under the caption "Description of Capital Stock" insofar as they summarize provisions of the certificate of incorporation and by-laws of the Company (however, no opinion is being expressed on the number of shares of capital stock outstanding). In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption "U.S. Federal Income Tax Considerations for Non-U.S. Holders," insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, and subject to the assumptions, conditions and limitations set forth therein, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

II. Form of Davis Polk & Wardwell LLP 10b-5 Letter

We have participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated January 15, 2013 (the "**Preliminary Prospectus Supplement**") relating to the Shares, and the prospectus supplement dated January [__], 2013 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that, insofar as relevant to the offering of the Shares:

(a) on the date of the Underwriting Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at 5:30 P.M. New York City time on January 15, 2013, the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of the date of the Underwriting Agreement or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

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SCHEDULE E

LIST OF PERSONS SUBJECT TO LOCK-UP AGREEMENTS PURSUANT TO SECTION 7(h)

Management

Joseph H. Bryant
Michael D. Drennon
James W. Farnsworth
Jeffery A. Starzec
Lynne L. Hackedorn
James H. Painter
Richard A. Smith
Van P. Whitfield
John P. Wilkirson

Directors

Peter R. Coneway
Michael G. France
Jack E. Golden
N. John Lancaster
Scott L. Lebovitz
Jon A. Marshall
Kenneth W. Moore
Kenneth A. Pontarelli
Myles W. Scoggins
D. Jeff van Steenbergen
Martin H. Young, Jr.

Financial Sponsors

C/R Cobalt Investment Partnership, L.P.

C/R Energy III Cobalt Partnership, L.P.

Riverstone Energy Coinvestment III, L.P.

Carlyle/Riverstone Global Energy and Power Fund III, L.P.

C/R Energy Coinvestment II, L.P.

Carlyle Energy Coinvestment III, L.P.

First Reserve Fund XI, L.P.

FR XI Onshore AIV, L.P.

GSCP VI Offshore Cobalt Holdings, LLC

GSCP V Cobalt Holdings, LLC

GSCP V GMBH Cobalt Holdings, LLC

GS Capital Partners V Institutional, L.P.

GSCP V Offshore Cobalt Holdings, LLC

GS Capital Partners VI Parallel, L.P.

GSCP VI Cobalt Holdings, LLC

GSCP VI GMBH Cobalt Holdings, LLC

KERN Cobalt Co-Invest Partners AP L.P.

SCHEDULE F

D&M LETTER

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

January 15, 2013

To the Representative of the Underwriters named in the Underwriting Agreement referred to below:

Dear Sirs:

This letter, which is written at the request of Cobalt International Energy, Inc. ("Cobalt"), is being delivered to the Underwriters (as defined below) pursuant to the terms of an underwriting agreement between Cobalt, the Selling Stockholders named therein (the "Selling Stockholders") and the Underwriters named therein (the "Underwriters") relating to the public offering by the Selling Stockholders of shares of common stock, par value $0.01 per share, of Cobalt ("Common Stock") which are being offered pursuant to the prospectus supplement dated January 15, 2013, and the accompanying prospectus dated January 4, 2011 (collectively, the "Prospectus").

Our "Report as of December 31, 2010 on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Various OCS Blocks in the Gulf of Mexico Offshore the United States and Various Offshore License Areas Angola and Gabon, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Prospective Resources Report"). Our "Report as of December 31, 2010 on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Offshore License Block 20 Angola, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to Block 20 interests of Cobalt as of December 31, 2010 (such report, the "Block 20 Prospective Resources Report"). Our "Report as of December 31, 2010 on the Contingent Resources owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the contingent resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Contingent Resources Report"). Our "Appraisal Report as of December 31,

2010 on Reserves owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the reserves attributable to the interests of Cobalt as of December 31, 2010 (such report, the "Reserves Report"). The Prospective Resources Report, the Block 20 Prospective Resources Report, the Contingent Resources Report, and the Reserves Report collectively are referred to herein as the "D&M Reports."

In connection with the foregoing, we hereby inform you as follows:

1. As of the date of this letter and as of the date of the D&M Reports, we are and were independent reserves engineers with respect to Cobalt. Neither we, nor to our knowledge, any of our employees, officers or directors, own interests in the oil and gas properties included in the D&M Reports. We have not been employed by Cobalt on a contingent basis.

2. The estimates of Cobalt's prospective and contingent resources contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made in accordance with the Petroleum Resources Management System approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The estimates of Cobalt's reserves contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made as of December 31, 2010, in accordance with the regulations promulgated by the United States Securities and Exchange Commission.

3. The document attached hereto as Schedule A is a true, correct, and complete copy of our Prospective Resources Report. The document attached hereto as Schedule B is a true, correct, and complete copy of our Block 20 Prospective Resources Report. The document attached hereto as Schedule C is a true, correct, and complete copy of our Contingent Resources Report. The document attached hereto as Schedule D is a true, correct, and complete copy of our Reserves Report.

This letter has been prepared at the request of Cobalt and it has represented that this letter is solely for the information of the addressees and to assist the Underwriters in conducting and documenting their investigation of the affairs of Cobalt in connection with the offering of the securities covered by the Prospectus, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of securities, nor is it to be filed with or referred to in whole or in part in the Prospectus or any other document, except that reference may be made to it in the Underwriting Agreement or in any list of closing documents pertaining to the offering of the securities covered by the Prospectus.

Very truly yours,

DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

Exhibit 9

EXECUTION VERSION

50,000,000 Shares

COBALT INTERNATIONAL ENERGY, INC.

Common Stock

UNDERWRITING AGREEMENT

May 7, 2013

Citigroup Global Markets Inc.
388 Greenwich Street
New York, NY, 10013

As Representative of the Several Underwriters

Dear Sirs:

1. *Introductory*. The stockholders listed in Schedule A hereto (the "**Selling Stockholders**") agree severally to sell to the several Underwriters named in Schedule B hereto ("**Underwriters**") an aggregate of 50,000,000 outstanding shares (the "**Firm Securities**") of common stock, par value $0.01 per share (the "**Securities**"), of Cobalt International Energy, Inc., a Delaware corporation (the "**Company**"), and the Selling Stockholders also propose to sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than 7,500,000 additional outstanding shares ("**Optional Securities**") of the Securities as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**". If the only firms listed in Schedule B hereto are the Representatives, then the terms "Underwriters" and "Representatives" as used herein shall each be deemed to refer to such firms. Further, any references herein to "Underwriters" and "Representatives" shall be construed to mean "Underwriter" and "Representative", respectively.

2. *Representations and Warranties of the Company and the Selling Stockholders*. (i) The Company represents and warrants to, and agrees with, the several Underwriters and each of the Selling Stockholders that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-3 (No. 333-171536), including a related prospectus or prospectuses, covering the registration of the Offered Securities under the Act, which has become effective. "**Registration Statement**" at any particular time means such registration statement in the form then filed with the Commission, including any amendment thereto, any document incorporated by reference therein and all 430B Information and all 430C Information with respect to such registration statement, that in any case has not been superseded or modified. "**Registration Statement**" without reference to a time means the Registration Statement as of the Effective Time. For purposes of this definition, 430B Information shall be considered to be included in the Registration Statement as of the time specified in Rule 430B.

For purposes of this Agreement:

"**430B Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430B(e) or retroactively deemed to be a part of the Registration Statement pursuant to Rule 430B(f).

"**430C Information**", means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means 4:20 p.m. (Eastern time) on May 7, 2013.

"**Closing Date**" has the meaning set forth in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Effective Time**" of the Registration Statement relating to the Offered Securities means the time of the first contract of sale for the Offered Securities.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430B Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule C to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

"**Renewal Deadline**" means the third anniversary of the initial effective time of the Registration Statement.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus relating to the Offered Securities that is included in the Registration Statement immediately prior to that time, including all 430B Information and all 430C Information with respect to the Registration Statement. For purposes of the foregoing definition, 430B Information shall be considered to be included in the Statutory Prospectus only as of the actual time that form of prospectus (including a prospectus supplement) is filed with the Commission pursuant to Rule 424(b) and not retroactively.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements*. (i)(A) At the time the Registration Statement initially became effective, (B) at the time of each amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether by post-effective amendment, incorporated report or form of prospectus), (C) at the Effective Time relating to the Offered Securities and (D) on the Closing Date, the Registration Statement conformed and will conform in all material respects to the requirements of the Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii)(A) on its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act and the Rules and Regulations, and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described in Section 8(c) hereof.

(c) *Automatic Shelf Registration Statement*. (i) Well-Known Seasoned Issuer Status. (A) At the time of initial filing of the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective

amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Offered Securities in reliance on the exemption of Rule 163, the Company was a "well known seasoned issuer" as defined in Rule 405, including not having been an "ineligible issuer" as defined in Rule 405.

(ii) Effectiveness of Automatic Shelf Registration Statement. The Registration Statement is an "automatic shelf registration statement", as defined in Rule 405. If immediately prior to the Renewal Deadline, any of the Offered Securities remain unsold by the Underwriters, the Company will prior to the Renewal Deadline, if it has not already done so and is eligible to do so, file a new automatic shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the expired registration statement relating to the Offered Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(iii) *Eligibility to Use Automatic Shelf Registration Form*. The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to use of the automatic shelf registration statement form. If at any time when Offered Securities remain unsold by the Underwriters the Company receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (A) promptly notify the Representatives (B) promptly file a new registration statement or post-effective amendment on the proper form relating to the Offered Securities, in a form satisfactory to the Representatives, (C) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable and (D) promptly notify the Representatives of such effectiveness. The Company will take all other action reasonably necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(iv) *Filing Fees*. The Company has paid or shall pay the required Commission filing fees relating to the Offered Securities within the time required by Rule 456(b)(1) without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r).

(d) *Ineligible Issuer Status.* (i) At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities and (ii) on the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (x) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(e) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, if any, the preliminary prospectus supplement, dated May 7, 2013, including the base prospectus, dated January 4, 2011 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in

Schedule C to this Agreement, which supplements or amends the preliminary prospectus supplement, to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(f) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, at a time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or any dealer, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(c) hereof.

(g) *Good Standing of the Company*. The Company has been duly organized, formed or incorporated, as the case may be, and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be duly qualified or in good standing as a foreign corporation would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(h) *Subsidiaries.* Each subsidiary of the Company has been duly incorporated or organized and is an existing corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation or organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except as would not, individually or in the aggregate, result in a Material Adverse Effect; all of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects. Cobalt International Energy, L.P., Cobalt International Energy Overseas Ltd., Cobalt International Energy Angola Ltd., CIE Angola Block 9 Ltd., CIE Angola Block 20 Ltd., CIE Angola Block 21 Ltd., Cobalt International Energy Gabon Ltd. and CIE Gabon Diaba Ltd, are the only subsidiaries of the Company that own any assets (other than nominal assets) or conduct any business.

(i) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the Company have been duly authorized; the authorized equity capitalization of the Company is as set forth in the General Disclosure Package; all outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable, will conform to the information in the General Disclosure Package and to the description of such Offered Securities contained in the Final Prospectus; the stockholders of the Company have no preemptive rights with respect to the Securities; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder.

(j) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(k) *Registration Rights.* Except as disclosed in the General Disclosure Package and except as have been waived prior to or on the date of this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**registration rights**").

(l) *Listing.* The Offered Securities have been listed on The New York Stock Exchange.

(m) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering and sale of the Offered Securities, except (i) such as have been obtained, or made and such as may be required under state securities laws, or (ii) as may be required by the rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(n) *Title to Property*. Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have (i) legal, valid and defensible title to the interests in the oil and natural gas properties described in the Registration Statement, the General Disclosure Package and the Final Prospectus, title investigations having been carried out by the Company and each of its subsidiaries in accordance with the general practice in the oil and gas industry and (ii) good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or currently proposed to be made thereof by them.

(o) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of this Agreement, and the offering and sale of the Offered Securities will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject, except, in the case of clause (iii), where any such breach, violation or default would not, individually or in the aggregate, result in a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any

person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(p) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. Except as disclosed in the General Disclosure Package, there are no orders, writs, judgments, injunctions, decrees, determinations or awards against the Company or any of its subsidiaries by any court or government agency that are material to the Company and its subsidiaries, considered as one enterprise.

(q) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(r) *Possession of Licenses and Permits.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by them and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(s) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(t) *Environmental Laws.* Except as disclosed in the General Disclosure Package, (i)(A) neither the Company nor any of its subsidiaries is in violation of, or has any liability under, any applicable federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances, to the protection or restoration of the environment or natural resources (including biota), to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (B) neither the Company nor any of its subsidiaries owns, occupies, operates or uses any real property contaminated with Hazardous Substances, (C) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (D) neither the Company nor any of its subsidiaries is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site or any formerly owned or occupied real property, (E) neither the Company nor any of its subsidiaries is subject to any claim by any governmental agency or governmental body or person relating to applicable Environmental Laws or Hazardous Substances, and (F) to the knowledge of the Company, the Company and its subsidiaries have received and are in compliance with all, and have no liability under any, permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their respective businesses; except in each case covered by clauses (A) – (F) such as would not individually or in the aggregate have a Material Adverse Effect; (ii) to the knowledge of the Company there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would have a Material Adverse Effect; (iii) to the knowledge of the Company there are no requirements proposed for adoption or implementation under any Environmental Law that would reasonably be expected to have a Material Adverse Effect; and (iv) except as disclosed in the General Disclosure Package, the Company has reasonably concluded that the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations, products and financial condition of the Company and its subsidiaries will not, singly or in the aggregate, have a Material Adverse Effect. For purposes of this

subsection "**Hazardous Substances**" means (1) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and mold, and (2) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under applicable Environmental Laws.

(u) *Accurate Disclosure.* The statements in (i) the General Disclosure Package and the Final Prospectus under the headings "U.S. Federal Income Tax Considerations for Non-U.S. Holders", and "Description of Capital Stock", (ii) the Company's annual report on Form 10-K for the year ended December 31, 2012 under the heading "Business—Environmental Matters and Regulation", and (iii) the Company's proxy statement for its 2013 annual meeting under the heading "Corporate Governance—Certain Relationships and Related Transactions", in each case, insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, and subject to the assumptions, conditions and limitations set forth therein are accurate in all material respects and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(v) *Absence of Manipulation.* The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(w) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with the Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with authorization of management and directors, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles and to maintain accountability for assets, (iii) records are maintained that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (iv) unauthorized acquisitions, use or dispositions of the Company's assets that could have a material effect on the consolidated financial statements are prevented or timely detected and (v) the interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement is materially accurate in all respects. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(x) *Absence of Accounting Issues.* Except as set forth in the General Disclosure Package, no member of the Audit Committee has informed the Company that the Audit Committee is reviewing or investigating, or that the Company's independent auditors or its internal auditors have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(y) *Litigation.* Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including, to the best of the Company's knowledge, any inquiries or investigations threatened by any court or governmental agency or body, domestic or foreign) against the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and

adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or, to the Company's knowledge, contemplated.

(z) *Financial Statements.* The financial statements included in the Registration Statement and the General Disclosure Package present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in the Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(aa) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(bb) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(cc) *Ratings.* No "nationally recognized statistical rating organization", as such term is defined for purposes of Section 3(a)(62) of the Exchange Act, (i) has imposed (or has informed the Company that it is considering imposing) any condition (financial or otherwise) on the Company's retaining any rating assigned to the Company or any securities of the Company or (ii) has indicated to the Company that it is considering any of the actions described in Section 7(c)(ii) hereof.

(dd) *Anti-corruption Laws; Money Laundering Laws; Sanctions.* Except as disclosed in the General Disclosure Package, each of the Company, its subsidiaries, and to the Company's knowledge, its affiliates and any of their respective officers, directors, supervisors, managers, agents, employees, and any other persons acting on its behalf, is not aware of, has not taken, and will not take any action, directly or indirectly, including its participation in the offering, that violates the following laws, has instituted and maintains policies and procedures designed to ensure continued compliance with each of the following laws, and has maintained, and will continue to maintain, books and records as required by, and that ensure continued compliance with, each of the following laws: (i) anti-corruption laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977 or any other law, rule or regulation of similar purpose and scope, (ii) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code section 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with

which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (iii) laws and regulations imposing U.S. economic sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, and the Syria Accountability and Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder.

(ee) *Taxes.* The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(ff) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are customary for the industry or geographic location in which they participate; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except in each case as set forth in or contemplated in the General Disclosure Package.

(gg) *Independent Petroleum Engineers.* DeGolyer and MacNaughton ("**D&M**"), who has delivered the letter referenced to in Section 7(i) hereof (the "**D&M Letter**"), was, as of the date(s) of the reports referenced in such letter, and is, as of the date hereof, an independent engineering firm with respect to the Company.

(hh) *Information Underlying D&M Reports.* The factual information underlying the estimates of the Company's oil and natural gas resources, which was supplied by the Company to D&M for the purposes of preparing the resource reports and estimates of the Company and preparing the D&M Letter, including, without limitation, costs of operation and development and agreements relating to current and future operations and future sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices; other than intervening market commodity price fluctuations, and except as disclosed in the General Disclosure Package, the Company is not aware of any facts or circumstances that would result in a material adverse change in the estimates of the Company's oil and natural gas resources, or the present value of future net cash flows therefrom, as reflected in the reports referenced in the D&M Letter; the Company has no reason to believe that as of the dates indicated in the Registration Statement, the General Disclosure Package and the Final Prospectus such resources have materially declined or decreased since the dates of the reports referenced in the D&M Letter (other than, in all cases, updates to previous reports prepared by D&M and disclosed to the Representatives).

(ii) *Auditor Independence.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(jj) *OFAC.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control

of the U.S. Treasury Department ("**OFAC**"); and the Company will not, to its knowledge, directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(kk) *XBRL Language*. The interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(ii) Each Selling Stockholder severally represents and warrants to, and agrees with, the several Underwriters that:

(a) *Title to Securities.* Such Selling Stockholder (x) has, and immediately prior to each Closing Date (as defined in Section 3 hereof) will have, (i) valid and unencumbered title to the Offered Securities to be delivered by such Selling Stockholder on such Closing Date or (ii) a valid "security entitlement" (within the meaning of Section 8-501 of the Uniform Commercial Code as in effect in the State of New York (the "**New York UCC**") in respect of such Offered Securities, and (y) has full right, power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Offered Securities (or security entitlements in respect of such Offered Securities) to be delivered by such Selling Stockholder on such Closing Date hereunder free and clear of all liens, encumbrances, equities or claims, except for any liens, encumbrances, equities or claims arising under this Agreement.

(b) *Delivery, DTC.* Upon payment for the Offered Securities to be sold by such Selling Stockholder, delivery of certificates representing such Offered Securities, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), together with a valid indorsement of such certificates to DTC or in blank, registration of such Offered Securities in the name of Cede or such other nominee and the crediting by book entry of such Offered Securities on the books of DTC to securities accounts (within the meaning of Section 8-501 of New York UCC) of the Underwriters (assuming that neither DTC nor any such Underwriter has notice of any "adverse claim" (within the meaning of Section 8-105 of the New York UCC) to such Offered Securities or any security entitlement in respect thereof), (i) DTC shall be a "protected purchaser" of such Offered Securities within the meaning of Section 8-303 of the New York UCC, (ii) under Section 8-501 of the New York UCC, the Underwriters will acquire a valid security entitlement (within the meaning of Section 8-102 of the New York UCC) in respect of such Offered Securities, and (iii) to the extent governed by the provisions of Section 8-502 of the New York UCC, no action based on an "adverse claim" (as defined in Section 8-102 of the New York UCC) to such Offered Securities may be asserted against the Underwriters with respect to such security entitlement; it being understood that for purposes of this representation, such Selling Stockholder may assume that when such payment, delivery and crediting occur, (A) such Offered Securities will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with the Company's certificate of incorporation, bylaws and applicable law, (B) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the New York UCC and (C) appropriate book entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the New York UCC.

(c) *Absence of Further Requirements*. No consent, approval, authorization or order of, or filing with, any person (including any governmental agency or body or any court) is required to be obtained or made by such Selling Stockholder for the consummation of the transactions contemplated by this Agreement in connection with the offering and sale of the Offered Securities sold by such Selling Stockholder, except (A) such as have been obtained and made under the Act and (B) such as may be required under the Exchange Act or the rules and regulations thereunder, foreign or state securities laws (including "Blue Sky" laws) or the rules and regulations of FINRA or The New York Stock Exchange.

(d) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance by the Selling Stockholders of this Agreement and the consummation of the transactions herein contemplated will not result in a breach or violation of any of the terms and provisions of, or constitute a default

under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of such Selling Stockholder pursuant to any (A) statute, any rule, regulation or order of any governmental agency or body or any court having jurisdiction over such Selling Stockholder or any of its properties, (B) any agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the properties of such Selling Stockholder is subject, or (C) the charter or by-laws or analogous constituent documents of such Selling Stockholder, except in the case of clauses (A) and (B) above, for such violations that would not, individually or in the aggregate, have a material adverse effect on the ability of such Selling Stockholder to perform its obligations hereunder; *provided* that no representation or warranty is made in this paragraph (d) with respect to the antifraud provisions of the federal or state securities laws.

(e) *Selling Stockholder Information*. (A) On its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided, however*, that such representation and warranty made in this subsection (e) applies only to statements or omissions made in reliance upon and in conformity with the Selling Stockholder Information. As used in this Agreement, the "**Selling Stockholder Information**" means information relating to a Selling Stockholder furnished in writing by or on behalf of such Selling Stockholder expressly for use in the Registration Statement, the General Disclosure Package or the Final Prospectus, it being understood and agreed that the only Selling Stockholder Information so furnished by such Selling Stockholder consists solely of the name and address of such Selling Stockholder, the number of shares owned and the number of shares proposed to be sold by such Selling Stockholder, and the information about such Selling Stockholder appearing in the text corresponding to the footnote adjacent to such Selling Stockholder's name on pages S-10 to and including S-12 under the caption "Selling Stockholders" in the General Disclosure Package and the Final Prospectus or any amendments or supplements thereto.

(f) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Stockholder.

(g) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between such Selling Stockholder and any person that would give rise to a valid claim against such Selling Stockholder or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(h) *Absence of Manipulation*. Such Selling Stockholder has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, each Selling Stockholder agrees, severally and not jointly, to sell to the several Underwriters, and each of the Underwriters agrees to purchase from each Selling Stockholder, at a purchase price of $26.62 per share, that number of Firm Securities obtained by multiplying the number of Firm Securities set forth opposite the name of such Selling Stockholder in Schedule A hereto by a fraction, the numerator of which is the number of Firm Securities set forth opposite the name of such Underwriter in Schedule B hereto and the denominator of which is the total number of Firm Securities.

The Selling Stockholders will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives as specified by the Selling Stockholders to the Representatives at least forty-eight hours in advance, at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, at 9:00 A.M., New York time, on May 10, 2013, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**". For purposes of Rule 15c6-1 under the Exchange Act, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the

offering. The Firm Securities so to be delivered or evidence of their issuance will be made available for checking at the above office of Davis Polk & Wardwell LLP at least 24 hours prior to the First Closing Date.

In addition, upon not less than two business days' written notice from the Representatives given to the Company and the Selling Stockholders from time to time not more than 30 days subsequent to the date of the Final Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the purchase price per Security to be paid for the Firm Securities less an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Securities but not payable on the Optional Securities. The Selling Stockholders agree, severally and not jointly, to sell to the Underwriter the respective numbers of shares of Optional Securities obtained by multiplying the number of Optional Securities specified in such notice by a fraction the numerator of which is the number of shares set forth opposite the names of such Selling Stockholders in Schedule A hereto under the caption "Number of Optional Securities to be Sold" and the denominator of which is the total number of Optional Securities. Such Optional Securities shall be purchased from each Selling Stockholder for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company and the Selling Stockholders.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives but shall not be later than seven full business days after written notice of election to purchase Optional Securities is given. The Selling Stockholders will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives, against payment of the purchase price therefor in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives as specified by the Selling Stockholders to the Representatives at the office of Davis Polk & Wardwell LLP described above. The Optional Securities being purchased on each Optional Closing Date or evidence of their issuance will be made available for checking at the office of Davis Polk & Wardwell LLP described above at a reasonable time in advance of such Optional Closing Date.

4. *Offering by Underwriters.* It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company and the Selling Stockholders.* The Company agrees with the several Underwriters and the Selling Stockholders that:

(a) *Filing of Prospectuses.* The Company has filed or will file each Statutory Prospectus (including the Final Prospectus) pursuant to and in accordance with Rule 424(b)(2) (or, if applicable and consented to by the Representatives, subparagraph (5)) not later than the second business day following the earlier of the date it is first used or the execution and delivery of this Agreement. The Company has complied and will comply with Rule 433.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without providing the Representatives a reasonable opportunity to consent (other than by filing documents under the Exchange Act that are incorporated by reference therein); *provided* that in the case of filing documents under the Exchange Act that are incorporated by reference prior to termination or conclusion of the offering of the Offered Securities (the "**Cut-Off Date**"), the Representatives shall previously have been furnished a copy of the proposed amendment (or supplementation); and the Company will also advise the Representatives promptly of (i) the filing and effectiveness of any amendment or supplementation of the Registration Statement or any Statutory Prospectus prior to the Cut-Off Date, (ii) any request by the Commission or its staff prior to the Cut-

Off Date for any amendment to the Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iii) the institution by the Commission prior to the Cut-Off Date of any stop order proceedings in respect of the Registration Statement or the threatening of any proceeding for that purpose, and (iv) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its reasonable best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or any dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Representatives and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than 16 months after the date of this Agreement, the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the date of this Agreement and satisfying the provisions of Section 11(a) and Rule 158 under the Act.

(e) *Furnishing of Prospectuses.* The Company will furnish to the Representatives signed copies of the Registration Statement including all exhibits, each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement unless otherwise agreed by the Representatives. All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will cooperate with the Representatives for the qualification of the Offered Securities for sale and the determination of their eligibility for investment under the laws of such states and other jurisdictions as the Representatives designate and to continue such qualifications in effect so long as required for the distribution; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) *Reporting Requirements.* During the period of three years hereafter, the Company will furnish to the Representatives, and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) for a period one year hereafter, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval (EDGAR) system, it is not required to furnish such reports or statements to the Representatives.

(h) *Payment of Expenses.* The Company agrees with the several Underwriters that the Company will pay

all expenses incidental to the performance of the obligations of the Company and the Selling Stockholders, as the case may be, under this Agreement, including but not limited to (i) any filing fees and other expenses (including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, (ii) fees and expenses incident to listing the Offered Securities on The New York Stock Exchange and other national and foreign exchanges and (iii) fees and expenses in connection with the registration of the Offered Securities under the Exchange Act and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. Each Selling Stockholder agrees with the several Underwriters that such Selling Stockholder will pay or cause to be paid all transfer taxes on the sale by such Selling Stockholder of the Offered Securities to the Underwriters. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, fees and expenses of their counsel.

(i) *Absence of Manipulation.* The Company and the Selling Stockholders will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(j) *Restriction on Sale of Securities.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to the Securities or any securities convertible into or exchangeable or exercisable for any Securities ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives. The Lock-Up Period will commence on the date hereof and continue for 60 days after the date hereof or such earlier date that the Representatives consent to in writing. The restrictions set forth in this Section 5(k) shall not apply to: (A) the sale of Offered Securities to the Underwriters; (B) grants of employee or non-employee director stock options or restricted stock or restricted stock units in the ordinary course of business and in accordance with the terms of a stock plan existing on the Closing Date and described in the General Disclosure Package; (C) the issuance of Securities upon the exercise of an option or warrant or the conversion of a security granted under employee or non-employee director stock plans existing on or otherwise outstanding on the Closing Date and described in the General Disclosure Package; (D) the filing of a registration statement on Form S-8 relating to the offering of securities in accordance with the terms of a stock plan in effect on the Closing Date and described in the General Disclosure Package; (E) the registration of Securities pursuant to the terms of registration rights granted in connection with the Company's initial public offering or (F) the issuance of shares of common stock of the Company upon the conversion of any of the Company's 2.625% convertible senior notes due 2019 outstanding on the Closing Date.

6. *Free Writing Prospectuses.* The Company and the Selling Stockholders represent and agree that, unless they obtain the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping.

7. *Conditions of the Obligations of the Underwriters.* The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company and the Selling Stockholders herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company and the Selling Stockholders of their obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter.* The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Ernst & Young LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance acceptable to the Representatives.

(b) *Filing of Prospectuses.* The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any downgrading in the rating of the Company or any debt securities of the Company by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating) or any announcement that the Company has been placed on negative outlook; (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on The New York Stock Exchange, or any setting of minimum or maximum prices for trading on such exchange; (v) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinions of Counsel for the Company.* The Representatives shall have received an opinion and 10b-5 letter, each dated the Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company, in the form of Schedule D hereto.

(e) *Opinions of Counsel for the Selling Stockholders.* (1) The Representatives shall have received an opinion, dated such Closing Date, of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Selling Stockholders consisting of The Goldman Sachs Group, Inc. Funds, in a form reasonably satisfactory to the Representatives, (2) the Representatives shall have received an opinion, dated such Closing Date, of Latham & Watkins LLP, counsel for the Selling Stockholders consisting of the Carlyle/Riverstone Funds, in a form reasonably satisfactory to the Representatives, (3) the Representatives shall have received opinions, dated such Closing Date, of Simpson Thacher & Bartlett LLP, counsel for the Selling Stockholders consisting of the First Reserve Funds, in a form reasonably satisfactory to the Representatives and (4) the Representatives shall have received opinions, dated such Closing Date, of Fried, Frank, Harris, Shriver & Jacobson LLP and Stikeman Elliot LLP, counsel for the Selling Stockholders consisting of the KERN Funds, in a form

reasonably satisfactory to the Representatives.

(f) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company and the Selling Stockholders shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) *Officers' Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: (i) the representations and warranties of the Company in this Agreement are true and correct; (ii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; and (iv) subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(h) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup letters from each of the persons listed in Schedule E hereto.

(i) *D&M Letter.* The Representatives shall have received a letter, dated the date hereof of D&M, in the form of Schedule F hereto.

(j) *Delivery of W-9/W-8.* Each Selling Stockholder shall have delivered to the Representatives, prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

The Company and the Selling Stockholders will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution.* (a) *Indemnification of Underwriters by Company.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (c) below.

(b) *Indemnification of Underwriters by Selling Stockholders.* The Selling Stockholders, severally and not jointly, will indemnify and hold harmless each Indemnified Party against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, provided that such untrue statement or alleged untrue statement or omission or alleged omission has been made in reliance upon and in conformity with the Selling Stockholder Information with respect to that Selling Stockholder, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to the above as such expenses are incurred; *provided*, *however*, that the liability under this subsection of each Selling Stockholder shall be limited to an amount equal to the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) to such Selling Stockholder from the sale of Offered Securities sold by such Selling Stockholder.

(c) *Indemnification of Company and Selling Stockholders.* Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, and each Selling Stockholder (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at any time, any Statutory Prospectus at any time, the Final Prospectus or any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the description of stabilizing transactions, overallotment transactions, syndicate transactions and penalty bids under the caption "Underwriting−Price Stabilization, Short Positions and Penalty Bids".

(d) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a), (b) or (c) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a), (b) or (c) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a), (b) or (c) above. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without

the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(e) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a), (b) or (c) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a), (b) or (c) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) from the offering received by the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, the Selling Stockholders or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (e). Notwithstanding the provisions of this subsection (e), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this subsection (e), no Selling Stockholder shall be required to contribute pursuant to this subsection (e), (1) unless such Selling Stockholder would have had indemnification obligations pursuant to subsection (b) above or (2) any amount in excess of the amount by which such Selling Stockholder's aggregate proceeds (less underwriter's discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement exceeds the amount of any damages which such Selling Stockholder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (e) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (e) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(e). No Selling Stockholder shall have any liability under subsection (b) of this Section 8 and this subsection (e), in the aggregate, in excess of such Selling Stockholder's aggregate proceeds (less underwriter's discounts and commissions, but before other expenses) received by it from the sale of the Offered Securities pursuant to this Agreement.

9. *[Reserved]*

10. *[Reserved]*

11. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Selling Stockholders, the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, any Selling Stockholders, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the

Underwriters is not consummated for any reason, the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company, the Selling Stockholders and the Underwriters pursuant to Section 8 hereof shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

12. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representative at Citigroup Global Markets Inc., 388 Greenwich Street New York, NY, 10013, Attention: General Counsel, with a copy to Shearman & Sterling LLP, 599 Lexington Avenue, New York, N.Y. 10022, Attention: Robert Evans III, Esq., or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Cobalt International Energy, Inc., Cobalt Center, 920 Memorial City Way, Suite 100, Houston Texas 77024, Attention: Associate General Counsel and Secretary, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, N.Y. 10017, Attention: Richard D. Truesdell, Jr., Esq., or, if sent to any Selling Stockholder will be mailed, delivered or telegraphed and confirmed to them at its address set forth in the applicable footnote to the table under the heading "Selling Stockholders" in the Final Prospectus, with a copy to Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, N.Y. 10004, Attention: Michael A. Levitt, Esq.; *provided*, *however*, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

13. *Successors.* This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective personal representatives and successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

14. *Representation*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters.

15. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

16. *Absence of Fiduciary Relationship.* The Company and the Selling Stockholders acknowledge and agree that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as Underwriters in connection with the sale of the Offered Securities and no fiduciary, advisory or agency relationship between the Company or the Selling Stockholders, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company or the Selling Stockholders on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by the Selling Stockholders following discussions and arms-length negotiations with the Representatives and the Selling Stockholders are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company and the Selling Stockholders have been advised that the Underwriters and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and the Selling Stockholders and that the Underwriters have no obligation to disclose such interests and transactions to the Company and the Selling Stockholders by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver*. The Company and the Selling Stockholders waive, to the fullest extent permitted by law, any claims they may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Underwriters shall have no liability (whether direct or indirect) to the Company or the Selling

Stockholders in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

17. *Patriot Act Notice*. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. *Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company and the Selling Stockholders one of the counterparts hereof, whereupon it will become a binding agreement among the Selling Stockholders, the Company and the several Underwriters in accordance with its terms.

Very truly yours,

COBALT INTERNATIONAL ENERGY, INC

By: _____
Name: Joseph H. Bryant
Title: Chairman and Chief Executive Officer

GSCP V COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS V FUND, L.P.,
its sole member

By: GSCP V ADVISORS, L.L.C.,
its general partner

By: _____
Name: Scott Lebovitz
Title: Vice President

GSCP V OFFSHORE COBALT HOLDINGS, LLC

By: GSCP V OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.,
its general partner

By: GSCP V OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Scott Lebovitz
Title: Vice President

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.

By: GS ADVISORS V, L.L.C.,
its general partner

By: _____
Name: Scott Lebovitz
Title: Vice President

GSCP V GMBH COBALT HOLDINGS, LLC

By: GSCP V GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP V GMBH COBALT HOLDINGS,
its general partner

By: _____
Name: Phil Grovit
Title: Vice President

GSCP VI COBALT HOLDINGS, LLC

By: GS CAPITAL PARTNERS VI FUND, L.P.,
its sole member

By: GSCP VI ADVISORS, L.L.C.,
its general partner

By: _____
Name: Phil Grovit
Title: Vice President

GSCP VI OFFSHORE COBALT HOLDINGS, LLC

By: GSCP VI OFFSHORE COBALT HOLDINGS, L.P.,
its sole member

By: GS CAPITAL PARTNERS VI OFFSHORE FUND, L.P.,
its general partner

By: GSCP VI OFFSHORE ADVISORS, L.L.C.,
its general partner

By: _____
Name: Phil Grovit
Title: Vice President

GS CAPITAL PARTNERS VI PARALLEL, L.P.

By: GS ADVISORS VI, L.L.C.,
its general partner

By: _____
Name: Phil Grovit
Title: Vice President

GSCP VI GMBH COBALT HOLDINGS, LLC

By: GSCP VI GMBH COBALT HOLDINGS, L.P.,
its sole member

By: GSCP VI GMBH COBALT HOLDINGS,
its general partner

By: _____
Name: Phil Grovit
Title: Vice President

C/R COBALT INVESTMENT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

C/R ENERGY COINVESTMENT II, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS II, L.P.,
its general partner

By: C/R ENERGY GP II, LLC,
its general partner

By: _____
Name:
Title:

RIVERSTONE ENERGY COINVESTMENT III, L.P.

By: RIVERSTONE COINVESTMENT GP, LLC,
its general partner

By: RIVERSTONE HOLDINGS, LLC,
its sole member

By: _____
Name:
Title:

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.,
its sole member

By: _____
Name: Jeffrey W. Ferguson
Title: Authorized Person

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE ENERGY COINVESTMENT III, L.P.

By: CARLYLE ENERGY COINVESTMENT III GP, L.L.C.,
its general partner

By: TCG HOLDINGS, L.L.C.,
its sole member

By: _____
Name:
Title:

C/R ENERGY III COBALT PARTNERSHIP, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

CARLYLE/RIVERSTONE GLOBAL ENERGY AND POWER FUND III, L.P.

By: CARLYLE/RIVERSTONE ENERGY PARTNERS III, L.P.,
its general partner

By: C/R ENERGY GP III, LLC,
its general partner

By: _____
Name:
Title:

KERN COBALT CO-INVEST PARTNERS AP LP

By: KERN COBALT GROUP MANAGEMENT LTD.,
its general partner

By: _____
Name: Jeff Van Steenbergen
Title: Director

FIRST RESERVE FUND XI, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name: Jennifer C. Zarrilli
Title: Managing Director, CFO

FR XI ONSHORE AIV, L.P.

By: FIRST RESERVE GP XI, L.P.,
its general partner

By: FIRST RESERVE GP XI, INC.,
its general partner

By: _____
Name: Jennifer C. Zarrilli
Title: Managing Director, CFO

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

Citigroup Global Markets Inc.

By: _____
Name: James Jackson
Title: Vice President

Acting on behalf of themselves and as the Representative of the Several Underwriters.

SCHEDULE A

Selling Stockholder	Number of Firm Securities to be Sold	Number of Optional Securities to be Sold
GSCP V Cobalt Holdings, LLC	4,924,248.0	802,866.0
GSCP V Offshore Cobalt Holdings, LLC	2,543,662.0	414,728.0
GS Capital Partners V Institutional, L.P.	1,688,593.0	275,314.0
GSCP V GmbH Cobalt Holdings, LLC	195,230.0	31,831.0
GSCP VI Cobalt Holdings, LLC	2,675,941.0	436,294.0
GSCP VI Offshore Cobalt Holdings, LLC	2,225,753.0	362,895.0
GS Capital Partners VI Parallel, L.P.	735,838.0	119,974.0
GSCP VI GmbH Cobalt Holdings, LLC	95,103.0	15,506.0
C/R Cobalt Investment Partnership, L.P.	5,517,953.0	899,666.0
C/R Energy Coinvestment II, L.P.	515,378.0	84,029.0
Riverstone Energy Coinvestment III, L.P.	250,365.0	40,820.0
Carlyle Energy Coinvestment III, L.P.	54,400.0	8,870.0
C/R Energy III Cobalt Partnership, L.P.	2,633,318.0	429,345.0
Carlyle/Riverstone Global Energy and Power Fund III, L.P.	6,111,914.0	996,508.0
First Reserve Fund XI, L.P.	11,866,539.0	1,934,762.0
FR XI Onshore AIV, L.P.	3,965,765.0	646,592.0
KERN Cobalt Co-Invest Partners AP LP	4,000,000.0	0.0
Total	50,000,000.0	7,500,000.0

SCHEDULE B

Underwriter	**Number of Firm Securities to be Purchased**
Citigroup Global Markets Inc.	50,000,000
Total	50,000,000

SCHEDULE C

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"General Use Issuer Free Writing Prospectus" includes each of the following documents:

Free Writing Prospectus filed with the Commission on May 7, 2013 pursuant to Rule 433 under the Act.

2. Other Information Included in the General Disclosure Package

The following information, conveyed orally, is also included in the General Disclosure Package:

Price to the public: Price per share of the Offered Securities paid by each applicable investor

Number of Shares Sold: 50,000,000

SCHEDULE D

FORM OF DAVIS POLK & WARDWELL LLP OPINION AND 10B5-1 LETTER

I. Form of Davis Polk & Wardwell LLP Opinion

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated May 7, 2013 relating to the Shares (the "**Preliminary Prospectus Supplement**") and the prospectus supplement dated May 7, 2013 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement became effective under the Act upon the filing of the registration statement with the Commission on January 4, 2011 pursuant to Rule 462(e). The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has corporate power and authority to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. The Company is not required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

4. The Company's authorized equity capitalization is as set forth in the Disclosure Package and the Prospectus. Except as disclosed in the Prospectus or except as have been waived prior to the date hereof, there are no contracts, agreements or understandings to our knowledge between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in any securities being registered pursuant to any registration statement filed by the Company under the Act.

5. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Underwriting Agreement will not contravene (i) any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, provided that we express no opinion as to federal or state securities laws, or (ii) the certificate of incorporation or by laws of the Company.

6. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Underwriting Agreement, or the General Corporation Law of the State of Delaware, is required for the execution, delivery and performance by the Company of its obligations under the Underwriting Agreement, except such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

We have considered the statements included in the Prospectus under the caption "Description of Capital Stock" insofar as they summarize provisions of the certificate of incorporation and by-laws of the Company (however, no opinion is being expressed on the number of shares of capital stock outstanding). In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption "U.S. Federal Income Tax Considerations for Non-U.S. Holders," insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, and subject to the assumptions, conditions and limitations set forth therein, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

II. Form of Davis Polk & Wardwell LLP 10b-5 Letter

We have participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-171536) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated May 7, 2013 (the "**Preliminary Prospectus Supplement**") relating to the Shares, and the prospectus supplement dated May 7, 2013 relating to the Shares (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated January 4, 2011 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the information set forth in Schedule C to the Underwriting Agreement for the Shares, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Shares (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Shares under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that, insofar as relevant to the offering of the Shares:

(a) on the date of the Underwriting Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at 4:20 P.M. New York City time on May 7, 2013, the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of the date of the Underwriting Agreement or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

SCHEDULE E

LIST OF PERSONS SUBJECT TO LOCK-UP AGREEMENTS PURSUANT TO SECTION 7(h)

Management

Joseph H. Bryant
Michael D. Drennon
James W. Farnsworth
Jeffery A. Starzec
Lynne L. Hackedorn
James H. Painter
Richard A. Smith
Van P. Whitfield
John P. Wilkirson

Directors

Peter R. Coneway
Michael G. France
Jack E. Golden
N. John Lancaster
Scott L. Lebovitz
Jon A. Marshall
Kenneth W. Moore
Kenneth A. Pontarelli
Myles W. Scoggins
D. Jeff van Steenbergen
William P. Utt
Martin H. Young, Jr.

Former Financial Sponsors

C/R Cobalt Investment Partnership, L.P.

C/R Energy III Cobalt Partnership, L.P.

Riverstone Energy Coinvestment III, L.P.

Carlyle/Riverstone Global Energy and Power Fund III, L.P.

C/R Energy Coinvestment II, L.P.

Carlyle Energy Coinvestment III, L.P.

First Reserve Fund XI, L.P.

FR XI Onshore AIV, L.P.

GSCP VI Offshore Cobalt Holdings, LLC

GSCP V Cobalt Holdings, LLC

GSCP V GMBH Cobalt Holdings, LLC

GS Capital Partners V Institutional, L.P.

GSCP V Offshore Cobalt Holdings, LLC

GS Capital Partners VI Parallel, L.P.

GSCP VI Cobalt Holdings, LLC

GSCP VI GMBH Cobalt Holdings, LLC

KERN Cobalt Co-Invest Partners AP L.P.

SCHEDULE F

D&M LETTER

Exhibit 10

EXECUTION VERSION

$1,150,000,000

COBALT INTERNATIONAL ENERGY, INC.

3.125% Convertible Senior Notes due 2024

UNDERWRITING AGREEMENT

May 8, 2014

Goldman, Sachs & Co.
200 West Street
New York, New York 10282

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, New York 10281

As Representatives of the Several Underwriters

Dear Sirs:

1. *Introductory*. Cobalt International Energy, Inc., a Delaware corporation ("**Company**"), agrees with the several underwriters named in Schedule A hereto (the "**Underwriters**"), subject to the terms and conditions stated herein, to issue and sell to the several Underwriters $1,150,000,000 aggregate principal amount (the "**Firm Securities**") of its 3.125% Convertible Senior Notes due 2024 (the "**Securities**") and also proposes to grant to the Underwriters an option, exercisable by the Representatives in accordance with Section 3 hereof, to purchase up to an additional $150,000,000 aggregate principal amount ("**Optional Securities**") of Securities, all to be issued under the senior indenture dated as of December 17, 2012 (the "**Base Indenture**"), as amended and supplemented by a second supplemental indenture thereto to be dated as of May 13, 2014 establishing the form and terms of the Securities pursuant to Sections 2.01 and 2.03 of the Base Indenture (the "**Supplemental Indenture**," and the Base Indenture as so supplemented, the "**Indenture**") between the Company and Wells Fargo Bank, National Association, as trustee (the "**Trustee**"). The Firm Securities and the Optional Securities which the Underwriters through the Representatives may elect to purchase pursuant to Section 3 hereof are herein collectively called the "**Offered Securities**".

2. *Representations and Warranties of the Company*. The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission a registration statement on Form S-3 (No. 333-193117), including a related prospectus or prospectuses, covering the registration of the Offered Securities under the Act, which has become effective. "**Registration Statement**" at any particular time means such registration statement in the form then filed with the Commission, including any amendment thereto, any document incorporated by reference therein and all 430B Information and all 430C Information with respect to such registration statement, that in any case has not been superseded or modified. "**Registration Statement**" without reference to a time means the Registration Statement as of the Effective Time. For purposes of this definition, 430B Information shall be considered to be included in the Registration Statement as of the time specified in Rule 430B.

For purposes of this Agreement:

"**430B Information**" means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430B(e) or retroactively deemed to be a part of the Registration Statement pursuant to Rule 430B(f).

"**430C Information**" means information included in a prospectus then deemed to be a part of the Registration Statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means 8:15 a.m. (Eastern time) on May 8, 2014.

"**Closing Date**" has the meaning set forth in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Common Stock**" means the common stock, par value $0.01 per share, of the Company.

"**Effective Time**" of the Registration Statement relating to the Offered Securities means the time of the first contract of sale for the Offered Securities.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430B Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule B to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

"**Renewal Deadline**" means the third anniversary of the initial effective time of the Registration Statement.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002 ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Trust Indenture Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of The New York Stock Exchange ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus relating to the Offered Securities that is included in the Registration Statement immediately prior to that time, including all 430B Information and all 430C Information with respect to the Registration Statement. For purposes of the foregoing definition, 430B Information shall be considered to be included in the Statutory Prospectus only as of the actual time that form of prospectus (including a prospectus supplement) is filed with the Commission pursuant to Rule 424(b) and not retroactively.

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended.

"**Underlying Shares**" means the shares of Common Stock, if any, into which the Offered Securities are convertible.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Securities Act Requirements*. (i)(A) At the time the Registration Statement initially became effective, (B) at the time of each amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether by post-effective amendment, incorporated report or form of prospectus), (C) at the Effective Time relating to the Offered Securities and (D) on the Closing Date, the Registration Statement conformed and will conform in all material respects to the requirements of the Act, the Trust Indenture Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii)(A) on its date, (B) at the time of filing the Final Prospectus pursuant to Rule 424(b) and (C) on the Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act, the Trust Indenture Act and the Rules and Regulations, and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information is that described in Section 8(b) hereof.

(c) *Automatic Shelf Registration Statement.*

(i) *Well-Known Seasoned Issuer Status*. (A) At the time of initial filing of the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Offered Securities in reliance on the exemption of Rule 163, the Company was a "well known seasoned issuer" as defined in Rule 405, including not having been an "ineligible issuer" as defined in Rule 405.

(ii) *Effectiveness of Automatic Shelf Registration Statement*. The Registration Statement is an "automatic shelf registration statement", as defined in Rule 405. If immediately prior to the Renewal Deadline, any of the Offered Securities remain unsold by the Underwriters, the Company will prior to the Renewal Deadline, if it has not already done so and is eligible to do so, file a new automatic shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives. If the Company is no longer eligible to file an automatic shelf registration statement, the Company will prior to the Renewal Deadline, if it has not already done so, file a new shelf registration statement relating to the Offered Securities, in a form satisfactory to the Representatives, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Offered Securities to continue as contemplated in the expired registration statement relating to the Offered Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(iii) *Eligibility to Use Automatic Shelf Registration Form.* The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) objecting to use of the automatic shelf registration statement form. If at any time when Offered Securities remain unsold by the Underwriters the Company receives from the Commission a notice pursuant to Rule 401(g)(2) or otherwise ceases to be eligible to use the automatic shelf registration statement form, the Company will (A) promptly notify the Representatives, (B) promptly file a new registration statement or post-effective amendment on the proper form relating to the Offered Securities, in a form satisfactory to the Representatives, (C) use its best efforts to cause such registration statement or post-effective amendment to be declared effective as soon as practicable and (D) promptly notify the Representatives of such effectiveness. The Company will take all other action reasonably necessary or appropriate to permit the public offering and sale of the

Offered Securities to continue as contemplated in the registration statement that was the subject of the Rule 401(g)(2) notice or for which the Company has otherwise become ineligible. References herein to the Registration Statement shall include such new registration statement or post-effective amendment, as the case may be.

(iv) *Filing Fees*. The Company has paid or shall pay the required Commission filing fees relating to the Offered Securities within the time required by Rule 456(b)(1) without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r).

(d) *Ineligible Issuer Status.* (i) At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Act) of the Offered Securities and (ii) on the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (A) the Company or any subsidiary of the Company in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (B) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(e) *General Disclosure Package*. As of the Applicable Time, neither (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, if any, the preliminary prospectus supplement, dated May 7, 2014, including the base prospectus, dated December 30, 2013 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule B to this Agreement, which supplements or amends the preliminary prospectus supplement, to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), nor (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus or any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(f) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus, at a time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The preceding two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(g) *Good Standing of the Company.* The Company has been duly organized, formed or incorporated, as the case may be, and is existing and in good standing under the laws of the State of Delaware, with the power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be duly qualified or in good standing as a foreign corporation would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(h) *Subsidiaries.* Each subsidiary of the Company has been duly incorporated or organized and is an existing corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation or organization, with the power and authority (corporate and other) to own its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except as would not, individually or in the aggregate, result in a Material Adverse Effect; all of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects. Cobalt International Energy, L.P., Cobalt International Energy Overseas Ltd., Cobalt International Energy Angola Ltd., CIE Angola Block 9 Ltd., CIE Angola Block 20 Ltd., CIE Angola Block 21 Ltd., Cobalt International Energy Gabon Ltd. and CIE Gabon Diaba Ltd. are the only subsidiaries of the Company that own any assets (other than nominal assets) or conduct any business.

(i) *Indenture; Security Interests*. The Indenture has been duly qualified under the Trust Indenture Act; the Indenture has been duly and validly authorized by the Company; the Base Indenture has been executed and delivered by the Company, and when the Supplemental Indenture has been executed and delivered by the Company, the Indenture will have been duly executed and delivered by the Company and, assuming due authorization by the Trustee of the Indenture, will constitute a valid and legally binding obligation of the Company, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles; and the Indenture will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus.

(j) *Offered Securities*. The Offered Securities have been duly and validly authorized by the Company; and when the Offered Securities are delivered by the Company and paid for by the Underwriters in accordance with the terms of this Agreement on the relevant Closing Date for such Offered Securities, such Offered Securities will have been duly executed, authenticated, issued and delivered by the Company and, assuming authentication of such Offered Securities by the Trustee in accordance with the Indenture, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equitable principles, and will be convertible into cash, shares of Common Stock or a combination of cash and shares of Common Stock in accordance with the terms of the Indenture; and the Offered Securities will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus.

(k) *Underlying Shares*. The maximum number of Underlying Shares initially issuable upon conversion of the Offered Securities (including the maximum number of shares of Common Stock that may be issued upon conversion of the Offered Securities in connection with a make-whole fundamental change, assuming the Company elects to issue and deliver solely shares of Common Stock in respect of all such conversions) (the "**Maximum Number of Underlying Shares**") has been duly authorized and reserved for issuance upon such conversion and, when issued upon conversion of the Offered Securities in accordance with the terms of the Indenture, will be validly issued, fully paid and nonassessable; the Underlying Shares conform in all material respects to the description thereof contained in the General Disclosure Package and in the Final Prospectus; the outstanding shares of Common Stock have been duly authorized and validly

issued, are fully paid and nonassessable, will conform in all material respects to the description thereof contained in the General Disclosure Package and the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to the Offered Securities or the Underlying Shares.

(l) *No Finder's Fee.* Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(m) *Registration Rights.* Except as disclosed in the General Disclosure Package and except as have been waived prior to or on the date of this Agreement, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**Registration Rights**").

(n) *Listing.* The Maximum Number of Underlying Shares has been approved for listing on The New York Stock Exchange, subject to notice of issuance.

(o) *Absence of Further Requirements.* No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering, issuance and sale of the Offered Securities by the Company, except (i) such as have been obtained, or made and such as may be required under state securities laws, or (ii) as may be required by the rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(p) *Title to Property.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have (i) legal, valid and defensible title to the interests in the oil and natural gas properties described in the Registration Statement, the General Disclosure Package and the Final Prospectus, title investigations having been carried out by the Company and each of its subsidiaries in accordance with the general practice in the oil and gas industry and (ii) good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or currently proposed to be made thereof by them.

(q) *Absence of Defaults and Conflicts Resulting from Transaction.* The execution, delivery and performance of this Agreement and the Indenture, the issuance and sale of the Offered Securities and the Underlying Shares issuable upon conversion thereof, and compliance with the terms and provisions thereof will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject, except, in the case of clause (iii), where any such breach, violation or default would not, individually or in the aggregate, result in a Material Adverse Effect. A "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(r) *Absence of Existing Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party, by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect. Except as disclosed in the General Disclosure Package, there are no orders, writs, judgments, injunctions, decrees, determinations or awards against the Company or any of its subsidiaries by any court or government agency that are material to the Company and its subsidiaries, considered as one enterprise.

(s) *Authorization of Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(t) *Possession of Licenses and Permits.* Except as disclosed in the General Disclosure Package, the Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by them and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect.

(u) *Absence of Labor Dispute.* No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(v) *Environmental Laws.* Except as disclosed in the General Disclosure Package, (i)(A) neither the Company nor any of its subsidiaries is in violation of, or has any liability under, any applicable federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances, to the protection or restoration of the environment or natural resources (including biota), to health and safety including as such relates to exposure to Hazardous Substances, and to natural resource damages (collectively, "**Environmental Laws**"), (B) neither the Company nor any of its subsidiaries owns, occupies, operates or uses any real property contaminated with Hazardous Substances, (C) neither the Company nor any of its subsidiaries is conducting or funding any investigation, remediation, remedial action or monitoring of actual or suspected Hazardous Substances in the environment, (D) neither the Company nor any of its subsidiaries is liable or allegedly liable for any release or threatened release of Hazardous Substances, including at any off-site treatment, storage or disposal site or any formerly owned or occupied real property, (E) neither the Company nor any of its subsidiaries is subject to any claim by any governmental agency or governmental body or person relating to applicable Environmental Laws or Hazardous Substances, and (F) to the knowledge of the Company, the Company and its subsidiaries have received and are in compliance with all, and have no liability under any, permits, licenses, authorizations, identification numbers or other approvals required under applicable Environmental Laws to conduct their respective businesses; except in each case covered by clauses (A) – (F) such as would not individually or in the aggregate have a Material Adverse Effect; (ii) to the knowledge of the Company there are no facts or circumstances that would reasonably be expected to result in a violation of, liability under, or claim pursuant to any Environmental Law that would have a Material Adverse Effect; (iii) to the knowledge of the Company there are no requirements proposed for adoption or implementation under any Environmental Law that would reasonably be expected to have a Material Adverse Effect; and (iv) except as disclosed in the General Disclosure Package, the Company has reasonably concluded that the effect, including associated costs and liabilities, of Environmental Laws on the business, properties, results of operations, products and financial condition of the Company and its subsidiaries will not, singly or in the aggregate, have a Material Adverse Effect. For purposes of this subsection "**Hazardous Substances**" means (1) petroleum and petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials, polychlorinated biphenyls and

mold, and (2) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under applicable Environmental Laws.

(w) *Accurate Disclosure.* The statements in (i) the General Disclosure Package and the Final Prospectus under the headings "U.S. Federal Income Tax Considerations", "Description of Notes" and "Description of Capital Stock", (ii) the Company's annual report on Form 10-K for the year ended December 31, 2013 under the heading "Business—Environmental Matters and Regulation", and (iii) the Company's proxy statement for its 2014 annual meeting under the heading "Corporate Governance—Certain Relationships and Related Transactions", in each case, insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, and subject to the assumptions, conditions and limitations set forth therein are accurate in all material respects and fair summaries of such legal matters, agreements, documents or proceedings and present the information required to be shown.

(x) *Absence of Manipulation.* The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(y) *Internal Controls and Compliance with the Sarbanes-Oxley Act.* Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with all applicable provisions of Sarbanes-Oxley and Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with the Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with authorization of management and directors, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles and to maintain accountability for assets, (iii) records are maintained that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets, (iv) unauthorized acquisitions, use or dispositions of the Company's assets that could have a material effect on the consolidated financial statements are prevented or timely detected and (v) the interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement is materially accurate in all respects. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. The Company has not publicly disclosed or reported to the Audit Committee or the Board, and within the next 135 days the Company does not reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, change in Internal Controls or fraud involving management or other employees who have a significant role in Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(z) *Absence of Accounting Issues.* Except as set forth in the General Disclosure Package, no member of the Audit Committee has informed the Company that the Audit Committee is reviewing or investigating, or that the Company's independent auditors or its internal auditors have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(aa) *Litigation.* Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including, to the best of the Company's knowledge, any inquiries or investigations threatened by any court or governmental agency or body, domestic or foreign) against the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement or the Indenture, or which are otherwise material in the context of the sale of the Offered

Securities; and no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or, to the Company's knowledge, contemplated.

(bb) *Financial Statements.* The financial statements included in the Registration Statement and the General Disclosure Package present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with the generally accepted accounting principles in the United States applied on a consistent basis; the schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in the Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts.

(cc) *No Material Adverse Change in Business.* Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(dd) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(ee) *Ratings.* No "nationally recognized statistical rating organization", as such term is defined for purposes of Section 3(a)(62) of the Exchange Act, (i) has imposed (or has informed the Company that it is considering imposing) any condition (financial or otherwise) on the Company's retaining any rating assigned to the Company or any securities of the Company or (ii) has indicated to the Company that it is considering any of the actions described in Section 7(c)(ii) hereof.

(ff) *Anti-corruption Laws; Money Laundering Laws; Sanctions.* Except as disclosed in the General Disclosure Package, each of the Company, its subsidiaries, and to the Company's knowledge, its affiliates and any of their respective officers, directors, supervisors, managers, agents, employees, and any other persons acting on its behalf, is not aware of, has not taken, and will not take any action, directly or indirectly, including its participation in the offering, that violates the following laws, has instituted and maintains policies and procedures designed to ensure continued compliance with each of the following laws, and has maintained, and will continue to maintain, books and records as required by, and that ensure continued compliance with, each of the following laws: (i) anti-corruption laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977 or any other law, rule or regulation of similar purpose and scope, (ii) anti-money laundering laws, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code sections 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as

amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder or (iii) laws and regulations imposing U.S. economic sanctions measures, including, but not limited to, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United Nations Participation Act, and the Syria Accountability and Lebanese Sovereignty Act, all as amended, and any Executive Order, directive, or regulation pursuant to the authority of any of the foregoing, including the regulations of the United States Treasury Department set forth under 31 CFR, Subtitle B, Chapter V, as amended, or any orders or licenses issued thereunder.

(gg) *Taxes.* The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(hh) *Insurance*. The Company and its subsidiaries are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as are customary for the industry or geographic location in which they participate; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except in each case as set forth in or contemplated in the General Disclosure Package.

(ii) *Independent Petroleum Engineers.* DeGolyer and MacNaughton ("**D&M**") and Netherland, Sewell & Associates, Inc. ("**NSAI**"), who have each delivered the letters referenced to in Section 7(h) hereof (the "**D&M Letter**" and the "**NSAI Letter**", respectively), were, as of the date(s) of the reports referenced in such letters, and are, as of the date hereof, each an independent engineering firm with respect to the Company.

(jj) *Information Underlying the D&M and NSAI Reports.* The factual information underlying the estimates of the Company's oil and natural gas resources or reserves, as the case may be, which was supplied by the Company to each of D&M and NSAI for the purposes of preparing the resource or reserve reports and estimates of the Company and preparing the D&M Letter and the NSAI Letter, respectively, including, without limitation, costs of operation and development and agreements relating to current and future operations and future sales of production, was true and correct in all material respects on the dates such estimates were made and such information was supplied and was prepared in accordance with customary industry practices; other than intervening market commodity price fluctuations, and except as disclosed in the General Disclosure Package, the Company is not aware of any facts or circumstances that would result in a material adverse change in the estimates of the Company's oil and natural gas resources or reserves, or the present value of future net cash flows therefrom, as reflected in the reports referenced in the D&M Letter and the NSAI Letter, respectively; the Company has no reason to believe that as of the dates indicated in the Registration Statement, the General Disclosure Package and the Final Prospectus and such resources or reserves have materially declined or decreased since the dates of the reports referenced in the D&M Letter and the NSAI Letter, respectively (other than, in all cases, updates to previous reports prepared by D&M and disclosed to the Representatives).

(kk) *Auditor Independence.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder.

(ll) *OFAC.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not, to its knowledge, directly or indirectly use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(mm) *XBRL Language*. The interactive data in eXtensible Business Reporting Language included as an exhibit to any document incorporated by reference into the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of 97.75% of the principal amount thereof, plus accrued and unpaid interest from May 13, 2014 to the First Closing Date (as hereinafter defined), the Firm Securities set forth opposite the name of such Underwriter in Schedule A hereto.

The Company will deliver against payment of the purchase price the Firm Securities to be offered and sold by the Underwriters in the form of one or more permanent global securities in registered form without interest coupons (the "**Global Securities**") which will be deposited with the Trustee as custodian for The Depository Trust Company ("**DTC**") and registered in the name of Cede & Co., as nominee for DTC. Payment for the Firm Securities shall be made by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank designated by the Company and acceptable to the Representatives at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 at 9:00 A.M., New York time, on May 13, 2014, or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**", against delivery to the Trustee as custodian for DTC of the Global Securities representing all of the Firm Securities. The Global Securities will be made available for checking at the above office of Davis Polk & Wardwell LLP at least 24 hours prior to the First Closing Date.

In addition, upon not less than two business days' written notice from the Representatives given to the Company from time to time, the Underwriters may purchase all or less than all of the Optional Securities for a period beginning on, and including, the date hereof and ending on the date that is 12 days after the First Closing Date, at a purchase price of 97.75% of the principal amount thereof, plus accrued and unpaid interest from May 13, 2014 to the related Optional Closing Date. The Company agrees to sell to the Underwriters the principal amount of Optional Securities specified in such notice and the Underwriters agree severally and not jointly, to purchase such Optional Securities. Such Optional Securities shall be purchased from the Company for the account of each Underwriter in the same proportion as the principal amount of Firm Securities set forth opposite such Underwriter's name in Schedule A hereto bears to the total principal amount of Firm Securities (subject to adjustment by the Representatives to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Firm Securities. No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives on behalf of the several Underwriters but shall not be later than seven full business days after written notice of election to purchase Optional Securities is given. Payment for the Optional Securities being purchased on each Optional Closing Date and to be offered and sold by the Underwriters shall be made by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank designated by the Company and acceptable to the Representatives at the office of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017

at 9:00 A.M., New York time, on such Optional Closing Date against delivery to the Trustee of the Global Securities representing all of the Optional Securities being purchased on such Optional Closing Date.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company*. The Company agrees with the several Underwriters that:

(a) *Filing of Prospectuses.* The Company has filed or will file each Statutory Prospectus (including the Final Prospectus) pursuant to and in accordance with Rule 424(b)(2) (or, if applicable and consented to by the Representatives, subparagraph (5)) not later than the second business day following the earlier of the date it is first used or the execution and delivery of this Agreement. The Company has complied and will comply with Rule 433.

(b) *Filing of Amendments: Response to Commission Requests.* The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without providing the Representatives a reasonable opportunity to consent (other than by filing documents under the Exchange Act that are incorporated by reference therein); *provided* that in the case of filing documents under the Exchange Act that are incorporated by reference prior to the termination or conclusion of the offering of the Offered Securities (the "**Cut-Off Date**"), the Representatives shall previously have been furnished a copy of the proposed amendment (or supplementation); and the Company will also advise the Representatives promptly of (i) the filing and effectiveness of any amendment or supplementation of the Registration Statement or any Statutory Prospectus prior to the Cut-Off Date, (ii) any request by the Commission or its staff prior to the Cut-Off Date for any amendment to the Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iii) the institution by the Commission prior to the Cut-Off Date of any stop order proceedings in respect of the Registration Statement or the threatening of any proceeding for that purpose and (iv) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its reasonable best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws.* If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Underwriters and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Rule 158.* As soon as practicable, but not later than 16 months after the date of this Agreement, the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the date of this Agreement and satisfying the provisions of Section 11(a) and Rule 158 under the Act.

(e) *Furnishing of Prospectuses.* The Company will furnish to the Representatives signed copies of the Registration Statement including all exhibits, each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so

furnished on or prior to 5:00 P.M., New York time, on the business day following the execution and delivery of this Agreement (unless otherwise agreed by the Representatives). All other such documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(f) *Blue Sky Qualifications.* The Company will cooperate with the Representatives for the qualification of the Offered Securities for sale and the determination of their eligibility for investment under the laws of such states and other jurisdictions as the Representatives designate and to continue such qualifications in effect so long as required for the distribution; *provided*, *however*, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) *Reporting Requirements.* During the period of three years hereafter, the Company will furnish to the Representatives and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) for a period one year hereafter, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval (EDGAR) system, it is not required to furnish such reports or statements to the Underwriters.

(h) *Payment of Expenses.* The Company agrees with the several Underwriters that the Company will pay all expenses incidental to the performance of the obligations of the Company under this Agreement and the Indenture, including, but not limited to, (i) the fees and expenses of the Trustee and its professional advisers, (ii) any filing fees and other expenses (including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and the preparation and printing of memoranda relating thereto, (iii) costs and expenses relating to investor presentations or any "road show" in connection with the offering and sale of the Offered Securities including, without limitation, any travel expenses of the Company's officers and employees and any other expenses of the Company including 50% of the costs of chartering airplanes, (iv) fees and expenses incident to listing the Underlying Shares on The New York Stock Exchange and other national and foreign exchanges and (v) fees and expenses in connection with the registration of the Offered Securities under the Exchange Act and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors. Except as otherwise provided by this Agreement, the Underwriters shall pay their own costs and expenses in connection with the transactions contemplated hereby, including, without limitation, the fees and expenses of their counsel.

(i) *Use of Proceeds.* The Company will use the net proceeds received in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and, except as disclosed in the General Disclosure Package, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(j) *Absence of Manipulation.* The Company will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(k) *Restriction on Sale of Securities.* For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to any shares of Common Stock or any securities convertible into or exchangeable or exercisable for any shares of

Common Stock ("**Lock-Up Securities**"): (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (ii) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (iii) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (iv) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (v) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives. The Lock-Up Period will commence on the date hereof and continue for 30 days after the date hereof or such earlier date that the Representatives consent to in writing. The restrictions set forth in this Section 5(k) shall not apply to: (A) the sale of the Offered Securities to the Underwriters; (B) the issuance of any Underlying Shares upon conversion of the Offered Securities; (C) grants of employee or non-employee director stock options or restricted stock or restricted stock units in the ordinary course of business and in accordance with the terms of a stock plan existing on the Closing Date and described in the General Disclosure Package; (D) the issuance of shares of Common Stock upon the exercise of an option or warrant or the conversion of a security granted under employee or non-employee director stock plans existing on or otherwise outstanding on the Closing Date and described in the General Disclosure Package; (E) the filing of a registration statement on Form S-8 relating to the offering of securities in accordance with the terms of a stock plan in effect on the Closing Date and described in the General Disclosure Package; or (F) the registration of shares of Common Stock pursuant to the terms of Registration Rights granted in connection with the Company's initial public offering.

(l) *Underlying Shares*. The Company will reserve and keep available at all times, free of pre-emptive rights, shares of Common Stock for the purpose of enabling the Company to satisfy all obligations to issue Underlying Shares upon conversion of the Offered Securities. The Company will use all reasonable best efforts to maintain the listing of the Maximum Number of Underlying Shares on The New York Stock Exchange for so long as any Offered Securities are outstanding.

(m) *Conversion Rate*. Between the date hereof and the First Closing Date, the Company will not do or authorize any act or thing that would result in an adjustment of the conversion rate (as defined in the General Disclosure Package) of the Securities.

6. *Free Writing Prospectuses; Term Sheets*. (a) The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus", as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "**Permitted Free Writing Prospectus**". The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus", as defined in Rule 433, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping.

(b) The Company will prepare a final term sheet relating to the Offered Securities, containing only information that describes the final terms of the Offered Securities and otherwise in a form consented to by the Representatives, and will file such final term sheet within the period required by Rule 433(d)(5)(ii) following the date such final terms have been established for all classes of the offering of the Offered Securities. Any such final term sheet is an Issuer Free Writing Prospectus and a Permitted Free Writing Prospectus for purposes of this Agreement. The Company consents to the use by any Underwriter of any free writing prospectus that (i) contains only (A) information describing the preliminary terms of the Offered Securities or their offering or (B) information that describes the final terms of the Offered Securities or their offering and that is included in or is subsequently included in the Final Prospectus or (ii) does not contain any material information about the Company or its securities that was provided by or on behalf of the Company, it being understood and agreed that the Company shall not be responsible to any Underwriter for any liability arising from any inaccuracy in such free writing prospectus referred to in

clause (i) or (ii) that results from an inconsistency with the information in the General Disclosure Package or the Final Prospectus.

7. *Conditions of the Obligations of the Underwriters.* The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter.* The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Ernst & Young LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance acceptable to the Representatives.

(b) *Filing of Prospectuses.* The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change.* Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) downgrading in the rating of the Company or any debt securities of the Company by any "nationally recognized statistical rating organization" (as defined for purposes of Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating) or any announcement that the Company has been placed on negative outlook; (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on The New York Stock Exchange, or any setting of minimum or maximum prices for trading on such exchange; (v) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment or clearance services in the United States or any other country where such securities are listed or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinions of Counsel for the Company.* The Representatives shall have received an opinion and 10b-5 letter, each dated the Closing Date, of Davis Polk & Wardwell LLP, counsel for the Company, in the form of Schedule C hereto.

(e) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) *Officers' Certificate.* The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company in which such officers shall state that: (i) the representations and warranties of the Company in this Agreement are true and correct; (ii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge and after reasonable investigation, are contemplated by the Commission; and (iv) subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(g) *Lock-Up Agreements.* On or prior to the date hereof, the Representatives shall have received lockup letters from each of the persons listed in Schedule D hereto.

(h) *D&M and NSAI Letters.* The Representatives shall have received a letter, dated the date hereof from each of D&M and NSAI in the forms of Schedule E and Schedule F, respectively, hereto.

(i) *Exchange Listing*. The Maximum Number of Underlying Shares shall have been approved for listing on The New York Stock Exchange.

The Company will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution.* (a) *Indemnification of Underwriters.* The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of the Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; *provided*, *however*, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

(b) *Indemnification of Company.* Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act, (each, an "**Underwriter Indemnified Party**") against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at any time, any Statutory Prospectus at any time, the Final Prospectus or

any Issuer Free Writing Prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of the following information in the Final Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the fourth paragraph under the caption "Underwriting" and the description of stabilizing transactions, overallotment transactions, syndicate transactions and penalty bids under the caption "Underwriting—Pricing Stabilization, Short Positions and Penalty Bids".

(c) *Actions against Parties; Notification.* Promptly after receipt by an indemnified party under this Section or Section 10 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under subsection (a) or (b) above or Section 10, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above or Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above or Section 10. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section or Section 10, as the case may be, for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) *Contribution.* If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the aggregate proceeds (less underwriters' discounts and commissions, but before other expenses) from the offering received by the Company bear to the total underwriting discounts and commissions received by the Underwriters from the Company under this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or

defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(d).

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate principal amount of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total principal amount of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate principal amount of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total principal amount of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 11 (*provided* that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 hereof, the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company and the Underwriters pursuant to Section 8 and Section 10 shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

11. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to Goldman, Sachs & Co., 200 West Street, New York, New York 10282 and RBC Capital Markets, LLC, Three World Financial Center, 200 Vesey Street, New York, New York 10281, with a copy to Shearman & Sterling LLP, 599 Lexington Avenue, New York, N.Y. 10022, Attention: Robert Evans III, Esq., or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at Cobalt International Energy, Inc., Cobalt Center, 920 Memorial City Way, Suite 100, Houston, Texas 77024, Attention: Associate General Counsel and Secretary, with a copy to Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, N.Y. 10017, Attention: Richard D. Truesdell, Jr., Esq.; *provided, however*, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

12. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective personal representatives and successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

13. *Representation*. The Representatives will act for the several Underwriters in connection with the transactions contemplated by this Agreement, and any action under this Agreement taken by the Representatives jointly will be binding upon all the Underwriters.

14. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Delivery of an executed counterpart of the signature pages to this Agreement by telecopier, facsimile or other electronic transmission (e.g., a ".pdf" or ".tif") shall be effective as delivery of a manually executed counterpart thereof.

15. *Absence of Fiduciary Relationship.* The Company acknowledges and agrees that:

(a) *No Other Relationship.* The Representatives have been retained solely to act as underwriters in connection with the sale of the Offered Securities and that no fiduciary, advisory or agency relationship between the Company, on the one hand, and the Representatives, on the other, has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company on other matters;

(b) *Arms' Length Negotiations.* The price of the Offered Securities set forth in this Agreement was established by the Company following discussions and arms-length negotiations with the Representatives and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose.* The Company has been advised that the Representatives and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that the Representatives have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver.* The Company waives, to the fullest extent permitted by law, any claims it may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Representatives shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

16. *Patriot Act Notice.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

17. ***Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.**

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in the City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

[*Remainder of page intentionally left blank*]

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Company and the several Underwriters in accordance with its terms.

Very truly yours,

COBALT INTERNATIONAL ENERGY, INC.

By: _____
Name: Joseph H. Bryant
Title: Chairman and Chief Executive Officer

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

GOLDMAN, SACHS & CO.

By: Adam Greene
Name: Adam Greene
Title: Vice President

RBC CAPITAL MARKETS, LLC

By: _____

Name:

Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters.

SCHEDULE A

Underwriter	**Principal Amount of Firm Securities to be Purchased**
Goldman, Sachs & Co.	$ 449,777,778
RBC Capital Markets, LLC	449,777,778
Credit Suisse Securities (USA) LLC	143,111,112
Lazard Capital Markets LLC	53,666,666
Citigroup Global Markets Inc.	53,666,666
Total	$ 1,150,000,000

SCHEDULE B

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"**General Use Issuer Free Writing Prospectus**" includes each of the following documents:

A. Final pricing term sheet, dated May 8, 2014, a copy of which is attached hereto as Schedule F

2. Other Information Included in the General Disclosure Package

The following information is also included in the General Disclosure Package:

None.

SCHEDULE C

FORM OF DAVIS POLK & WARDWELL LLP OPINION AND 10B5-1 LETTER

I. Form of Davis Polk & Wardwell LLP Opinion

We have also participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-193117) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated May 7, 2014 relating to the Securities (the "**Preliminary Prospectus Supplement**"), the free writing prospectus set forth in Schedule B to the Underwriting Agreement and the prospectus supplement dated May 8, 2014 relating to the Securities (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement became effective under the Act and the Indenture qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), upon the filing of the registration statement with the Commission on December 30, 2013 pursuant to Rule 462(e). The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated December 30, 2013 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the free writing prospectus set forth in Schedule B to the Underwriting Agreement, is hereinafter called the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Securities (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Securities under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, and the Company has corporate power and authority to issue the Securities, to enter into the Underwriting Agreement and to perform its obligations thereunder.

2. The Supplemental Indenture has been duly authorized, executed and delivered by the Company and the Indenture is a valid and binding agreement of the Company, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, provided that we express no opinion as to the (w) enforceability of any waiver of rights under any usury or stay law, (x) validity, legally binding effect or enforceability of Section 11.03 of the Supplemental Indenture or any related provision in the Securities that requires or relates to adjustments to the conversion rate at a rate or in an amount that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture and (y) validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Securities to the extent determined to constitute unearned interest.

3. The Securities have been duly authorized and when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to the Underwriting Agreement, will be valid and binding obligations of the Company, enforceable in

accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, and will be entitled to the benefits of the Indenture pursuant to which such Securities are to be issued, provided that we express no opinion as to the (w) enforceability of any waiver of rights under any usury or stay law, (x) validity, legally binding effect or enforceability of any provision in the Securities that requires or relates to adjustments to the conversion rate at a rate or in an amount that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture and (y) validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Securities to the extent determined to constitute unearned interest.

4. The Securities are convertible into cash and/or shares of Underlying Securities in accordance with the terms of the Indenture; the Underlying Securities initially issuable upon conversion of the Securities have been duly authorized and reserved and, when issued upon conversion of the Securities in accordance with the terms of the Securities, will be validly issued, fully paid and non-assessable; and the issuance of the Underlying Securities is not subject to any preemptive rights pursuant to the General Corporation Law of the State of Delaware, the certificate of incorporation or by-laws of the Company or any agreement governed by the laws of the State of New York that is an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

5. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

6. The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

7. The Company's authorized equity capitalization is as set forth in the Disclosure Package and the Prospectus. Except as disclosed in the Prospectus or except as have been waived prior to the date hereof, there are no contracts, agreements or understandings to our knowledge between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in any securities being registered pursuant to any registration statement filed by the Company under the Act.

8. The execution and delivery by the Company of, and the performance by the Company of its obligations under, the Indenture, the Securities and the Underwriting Agreement (collectively, the "**Documents**") will not contravene (i) any provision of the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Documents, or the General Corporation Law of the State of Delaware, provided that we express no opinion as to federal or state securities laws, (ii) the certificate of incorporation or by-laws of the Company or (iii) any agreement listed on Schedule A hereto.

9. No consent, approval, authorization, or order of, or qualification with, any governmental body or agency under the laws of the State of New York or any federal law of the United States of America that in our experience is normally applicable to general business corporations in relation to transactions of the type contemplated by the Documents, or the General Corporation Law of the State of Delaware, is required for the execution, delivery and performance by the Company of its

obligations under the Documents, except such as have been obtained and such as may be required under federal or state securities or Blue Sky laws as to which we express no opinion.

We have considered the statements included in the Prospectus under the captions "Description of Debt Securities," "Description of Notes" and "Description of Capital Stock" insofar as they summarize provisions of the Indenture, the Securities, and the certificate of incorporation and by-laws of the Company (however, no opinion is being expressed on the number of shares of capital stock outstanding). In our opinion, such statements fairly summarize these provisions in all material respects. The statements included in the Prospectus under the caption "U.S. Federal Income Tax Considerations," insofar as they purport to describe provisions of U.S. federal income tax laws or legal conclusions with respect thereto, in our opinion fairly and accurately summarize the matters referred to therein in all material respects.

II. Form of Davis Polk & Wardwell LLP 10b5-1 Letter

We have participated in the preparation of the Company's registration statement on Form S-3 (File No. 333-193117) (including the documents incorporated by reference therein (the "**Incorporated Documents**")) filed with the Securities and Exchange Commission (the "**Commission**") pursuant to the provisions of the Securities Act of 1933, as amended (the "**Act**"), relating to the registration of securities (the "**Shelf Securities**") to be issued from time to time by the Company, the preliminary prospectus supplement dated May 7, 2014 (the "**Preliminary Prospectus Supplement**") relating to the Securities, the free writing prospectus set forth in Schedule B to the Underwriting Agreement and the prospectus supplement dated May 8, 2014 relating to the Securities (the "**Prospectus Supplement**"). To our knowledge, no stop order suspending the effectiveness of the registration statement has been issued. The registration statement at the date of the Underwriting Agreement, including the Incorporated Documents and the information deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430B under the Act, is hereinafter referred to as the "**Registration Statement**," and the related prospectus (including the Incorporated Documents) dated December 30, 2013 relating to the Shelf Securities is hereinafter referred to as the "**Basic Prospectus**." The Basic Prospectus, as supplemented by the Preliminary Prospectus Supplement, together with the free writing prospectus set forth in Schedule B to the Underwriting Agreement for the Securities are hereinafter referred to as the "**Disclosure Package**." The Basic Prospectus, as supplemented by the Prospectus Supplement, in the form first used to confirm sales of the Securities (or in the form first made available by the Company to the Underwriters to meet requests of purchasers of the Securities under Rule 173 under the Act), is hereinafter referred to as the "**Prospectus**."

(i) the Registration Statement and the Prospectus appear on their face to be appropriately responsive in all material respects to the requirements of the Act and the applicable rules and regulations of the Commission thereunder; and

(ii) nothing has come to our attention that causes us to believe that, insofar as relevant to the offering of the Securities:

(a) on the date of the Underwriting Agreement, the Registration Statement contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

(b) at 8:15 A.M. New York City time on May 8, 2014, the Disclosure Package contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or

(c) the Prospectus as of the date of the Underwriting Agreement or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

SCHEDULE D

LIST OF PERSONS SUBJECT TO LOCK-UP AGREEMENTS PURSUANT TO SECTION 7(g)

Management

Joseph H. Bryant
Michael D. Drennon
James W. Farnsworth
Lynne L. Hackedorn
James H. Painter
Gregory S. Sills
Richard A. Smith
Jeffery A. Starzec
Van P. Whitfield
John P. Wilkirson

Directors

Jack E. Golden
Kay Bailey Hutchison
Jon A. Marshall
Kenneth W. Moore
Myles W. Scoggins
D. Jeff van Steenbergen
William P. Utt
Martin H. Young, Jr.

SCHEDULE E

D&M LETTER

[*follows*]

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

May 7, 2014

To the Representatives of the Several Underwriters named in Schedule A
to the underwriting agreement referred to below:

Ladies and Gentlemen:

This letter, which is written at the request of Cobalt International Energy, Inc. ("Cobalt"), is being delivered to the Underwriters (as defined below) pursuant to the terms of an underwriting agreement between Cobalt and the Underwriters named in Schedule A thereto (the "Underwriters") relating to the public offering by Cobalt of its Convertible Senior Notes due 2024 (the "Securities"), convertible in cash, shares of common stock, par value $0.01 per share, of Cobalt ("Common Stock") or a combination of cash and shares of Common Stock, at Cobalt's election, which are being offered by Cobalt pursuant to the prospectus supplement dated May 7, 2014, and the accompanying prospectus dated December 30, 2013, (collectively, the "Prospectus").

Our "Report as of December 31, 2010, on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Various OCS Blocks in the Gulf of Mexico Offshore the United States and Various Offshore License Areas Angola and Gabon, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Prospective Resources Report"). Our "Report as of December 31, 2010, on the Prospective Resources of Certain Prospects attributable to Cobalt International Energy, Inc. in Offshore License Block 20 Angola, West Africa Executive Summary" presented our conclusions regarding our estimates of the prospective resources attributable to Block 20 interests of Cobalt as of December 31, 2010 (such report, the "Block 20 Prospective Resources Report"). Our "Report as of December 31, 2010, on the Contingent Resources owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the contingent resources attributable to interests of Cobalt as of December 31, 2010 (such report, the "Contingent Resources Report"). Our "Appraisal Report as of December 31, 2010, on Reserves owned by Cobalt International Energy, Inc. Executive Summary" presented our conclusions regarding our estimates of the reserves attributable to the interests of Cobalt as of December 31, 2010 (such report, the "Reserves Report"). The Prospective Resources Report, the Block 20 Prospective Resources Report, the Contingent Resources Report, and the Reserves Report collectively are referred to herein as the "D&M Reports."

In connection with the foregoing, we hereby inform you as follows:

1. As of the date of this letter and as of the date of the D&M Reports, we are and were independent reserves engineers with respect to Cobalt. Neither we, nor to our knowledge, any of

our employees, officers, or directors, own interests in the oil and gas properties included in the D&M Reports. We have not been employed by Cobalt on a contingent basis.

2. The estimates of Cobalt's prospective and contingent resources contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made in accordance with the Petroleum Resources Management System approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The estimates of Cobalt's reserves contained in the D&M Reports, and the computations made in connection therewith, were, unless otherwise stated, made as of December 31. 2010, in accordance with the regulations promulgated by the United States Securities and Exchange Commission.

This letter has been prepared at the request of Cobalt and it has represented that this letter is solely for the information of the addressees and to assist the Underwriters in conducting and documenting their investigation of the affairs of Cobalt in connection with the offering of the securities covered by the Prospectus, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of securities covered by the Prospectus.It is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of securities, nor is it to be filed with or referred to in whole or in part in the Prospectus or any other document, except that reference may be made to in in the underwriting agreement or in any list of closing documents pertaining to the offering of the securities covered by the Prospectus.

Very truly yours,

DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON

Texas Registered Engineering Firm F-716

SCHEDULE F

NSAI LETTER

[*follows*]

NETHERLAND, SEWELL & ASSOCIATES, INC.
WORLDWIDE PETROLEUM CONSULTANTS
ENGINEERING • GEOLOGY • GEOPHYSICS • PETROPHYSICS

CHAIRMAN & CEO
C.H. (SCOTT) REES III
PRESIDENT & COO
DANNY D. SIMMONS
EXECUTIVE VP
G. LANCE BINDER

EXECUTIVE COMMITTEE
P. SCOTT FROST - DALLAS
J. CARTER HENSON, JR. - HOUSTON
DAN PAUL SMITH - DALLAS
JOSEPH J. SPELLMAN - DALLAS
THOMAS J TELLA II - DALLAS

May 8, 2014

Goldman, Sachs & Co.
200 West Street
New York, New York 10282

and

RBC Capital Markets, LLC
Three World Financial Center
200 Vesey Street
New York, New York 10281

As Representatives of the Several Underwriters

Ladies and Gentlemen:

This letter, which is written at the request of Cobalt International Energy, Inc. (the "Company"), is being delivered to the underwriters, pursuant to the terms of an underwriting agreement among the Company and the underwriters, named therein (the "underwriters"), relating to the public offering of the Company's Convertible Senior Notes due 2024 (the "Securities"), which are being offered by the Company pursuant to the preliminary prospectus supplement dated May 7, 2014 (the "Prospectus Supplement").

We prepared a report dated as of January 20, 2014, relating to the proved undeveloped reserves and future revenue, as of December 31, 2013, of the Company's interest in Heidelberg Field, Green Canyon Block 859 Unit, which includes Green Canyon Blocks 859, 860, 903, 904, and 948, located in federal waters in the Gulf of Mexico (the "Reserves Report").

The Reserves Report presents our conclusions regarding our estimates of the reserves attributable to interests of the Company, as of December 31, 2013.

In connection with the foregoing, we hereby inform you as follows:

1. As of the date of this letter and as of the date of the Reserves Report, we are and were independent reserves engineers with respect to the Company as provided in the standards pertaining to the estimating and auditing of oil and gas reserves information promulgated by the Petroleum Resources Management System approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. Neither we, nor to our knowledge, any of our employees, officers, or directors, own interests in the oil and gas properties included in the Reserves Report. We have not been employed by the Company on a contingent basis.

2. The estimates of the Company's reserves contained in the Reserves Report were prepared in accordance with the definitions and guidelines and of the U.S. Securities and Exchange Commission.

3. The document included herewith as Exhibit A is a true, correct, and complete copy of our Reserves Report.

4. Nothing has come to our attention that would lead us to believe that any disclosures, statements, or references in the Prospectus Supplement to the oil and gas properties included in the Reserves Report are as of such date, inaccurate or inconsistent with the Reserves Report in any material

NETHERLAND, SEWELL & ASSOCIATES, INC.

respect. The proved undeveloped reserves and future revenue contained in the Reserves Report were based on economic parameters and operating conditions applicable as of December 31, 2013.

This letter has been prepared at the request of the Company, and it has represented that this letter is solely for the information of the addressees and to assist the underwriters in conducting and documenting their investigation of the affairs of the Company in connection with the offering of the Securities covered by the Prospectus Supplement, and it is not to be used, circulated, quoted, or otherwise referred to within or without the underwriting group for any other purpose, including, but not limited to, the registration, purchase, or sale of Securities, nor is it to be filed with or referred to in whole or in part in the Prospectus Supplement or any other document, except that reference may be made to it in the underwriting agreement or in any list of closing documents pertaining to the offering of the securities covered by the Prospectus Supplement.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699

By: 
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

JJS:CLM

SCHEDULE G

PRICING TERM SHEET

[*follows*]

Pricing Term Sheet
Dated May 8, 2014

Issuer Free Writing Prospectus
Filed Pursuant to Rule 433
Registration Statement No. 333-193117
supplementing the Preliminary
Prospectus Supplement dated May 7, 2014
(To Prospectus dated December 30, 2013)

Cobalt International Energy, Inc.

3.125% Convertible Senior Notes due 2024

*The information in this pricing term sheet relates to Cobalt International Energy, Inc.'s offering of its 3.125% Convertible Senior Notes due 2024 (the "**Offering**") and should be read together with the preliminary prospectus supplement dated May 7, 2014 relating to the Offering (the "**Preliminary Prospectus Supplement**") and the accompanying prospectus dated December 30, 2013, including the documents incorporated by reference therein, each filed pursuant to Rule 424(b) under the Securities Act of 1933, as amended, and relating to the Registration Statement No. 333-193117. Terms used herein but not defined herein shall have the respective meanings as set forth in the Preliminary Prospectus Supplement. All references to dollar amounts are references to U.S. dollars.*

Issuer:	Cobalt International Energy, Inc. ("**Cobalt**")
Ticker / Exchange:	CIE / The New York Stock Exchange ("**NYSE**")
Notes:	3.125% Convertible Senior Notes due 2024 (the "**Notes**")
Aggregate principal amount offered (excluding the underwriters' over-allotment option):	$1,150,000,000
Public offering price, underwriting discounts and proceeds, before expenses, to Cobalt:	The following table shows the public offering price, underwriting discounts and proceeds, before expenses, to Cobalt:

	Per Note	Total
Public offering price	$1,000.00	$1,150,000,000.00
Underwriting discounts	$22.50	$25,875,000.00
Proceeds, before expenses, to us	$977.50	$1,124,125,000.00

Underwriters' over-allotment option:	$150,000,000 aggregate principal amount of Notes
Trade date:	May 8, 2014
Settlement date:	May 13, 2014
Interest:	The Notes will bear interest at a rate equal to 3.125% per annum from May 13, 2014
Interest payment dates:	May 15 and November 15 of each year, beginning on November 15, 2014
Stated maturity date:	May 15, 2024
NYSE last reported sale price on May 7, 2014:	$18.45 per share of Cobalt common stock
Conversion premium:	Approximately 25% above the NYSE last reported sale price on May 7, 2014

Initial conversion price:	Approximately $23.06 per share of common stock
Initial conversion rate:	43.3604 shares of common stock per $1,000 principal amount of Notes
Joint book-running managers:	Goldman, Sachs & Co. RBC Capital Markets, LLC
Co-managers:	Citigroup Global Markets Inc. Credit Suisse Securities (USA) LLC Lazard Capital Markets LLC
CUSIP/ISIN:	19075F AB2 / US19075FAB22
Optional redemption:	Cobalt may not redeem the Notes prior to May 15, 2019. On or after May15, 2019, Cobalt may redeem for cash all or any portion of the Notes, at its option, but only if the Last Reported Sale Price (as defined in the Preliminary Prospectus Supplement under "Description of Notes—Conversion Rights—Settlement Upon Conversion") of its common stock for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading-day period ending on, and including, the second trading day immediately preceding the date on which Cobalt provides notice of redemption, exceeds $30.00 (subject to adjustment as described in the Preliminary Prospectus Supplement under "Description of Notes—Optional Redemption") on each applicable trading day. The redemption price will equal 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. No sinking fund is provided for the Notes. Cobalt will give notice of any redemption not less than 30 calendar days nor more than 60 calendar days before the redemption date. See "Description of Notes—Optional Redemption" in the Preliminary Prospectus Supplement.
Fundamental change:	If Cobalt undergoes a "fundamental change" (as defined in the Preliminary Prospectus Supplement under "Description of Notes—Fundamental Change Permits Holders to Require Us to Repurchase Notes"), subject to certain conditions, holders of the Notes may require Cobalt to repurchase for cash all or part of their Notes in principal amounts of $1,000 or an integral multiple thereof. The fundamental change repurchase price will be equal to 100% of the principal amount of Notes to be repurchased, *plus* accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date. See "Description of Notes—Fundamental Change Permits Holders to Require Us to Repurchase Notes" in the Preliminary Prospectus Supplement.
Use of proceeds:	Cobalt expects to receive net proceeds from the Offering of approximately $1,123,125,000 (or approximately $1,269,750,000 if the underwriters exercise their over-allotment option in full), after deducting underwriting discounts and estimated offering expenses payable by Cobalt. Cobalt intends to use the net proceeds to it from the Offering to fund its capital expenditures and for general corporate purposes.
Adjustment to conversion rate upon a make-whole fundamental change:	The table below sets forth the number of additional shares, if any, of common stock to be added to the conversion rate per $1,000 principal amount of Notes that are converted in connection with a "make-whole

fundamental change" as described in the Preliminary Prospectus Supplement, based on the stock price and effective date of the make-whole fundamental change.

	Stock Price												
Effective Date	**$18.45**	**$19.00**	**$20.00**	**$21.50**	**$23.06**	**$26.00**	**$30.00**	**$37.50**	**$45.00**	**$60.00**	**$75.00**	**$100.00**	**$125.00**
May 13, 2014	10.8401	10.8401	10.8401	9.4853	8.1922	6.3551	4.6344	2.6710	1.6240	0.7046	0.3327	0.0619	0.0000
May 15, 2015	10.8401	10.8401	10.0642	8.5806	7.3321	5.5929	4.0021	2.2395	1.3324	0.5782	0.2730	0.0451	0.0000
May 15, 2016	10.8401	10.3178	9.1373	7.6764	6.4704	4.7954	3.3314	1.7821	1.0245	0.4462	0.2090	0.0267	0.0000
May 15, 2017	10.8401	9.5427	8.3376	6.8498	5.6302	4.0074	2.6316	1.2960	0.7021	0.3102	0.1425	0.0084	0.0000
May 15, 2018	10.8401	8.9541	7.6482	6.0520	4.7658	3.0892	1.7927	0.7049	0.3482	0.1609	0.0700	0.0000	0.0000
May 15, 2019	10.8401	8.8519	7.3909	5.5465	3.9970	1.8681	0.0197	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
May 15, 2020	10.8401	9.1596	7.6409	5.6946	4.0895	1.8784	0.0202	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
May 15, 2021	10.8401	9.5667	7.9553	5.9185	4.2073	1.9042	0.0235	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
May 15, 2022	10.8401	9.9111	8.2258	6.0875	4.3160	1.9226	0.0258	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
May 15, 2023	10.8401	9.9077	8.1021	5.8797	4.0754	1.7238	0.0139	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
May 15, 2024	10.8401	9.2711	6.6396	3.1512	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact stock prices and effective dates may not be set forth in the table above, in which case:

- If the stock price is between two stock prices in the table or the effective date is between two effective dates in the table, the number of additional shares will be determined by a straight-line interpolation between the number of additional shares set forth for the higher and lower stock prices and the earlier and later effective dates, as applicable, based on a 365-day year.

- If the stock price is greater than $125.00 per share (subject to adjustment in the same manner as the stock prices set forth in the column headings of the table above), no additional shares will be added to the conversion rate.

- If the stock price is less than $18.45 per share (subject to adjustment in the same manner as the stock prices set forth in the column headings of the table above), no additional shares will be added to the conversion rate.

Notwithstanding the foregoing, in no event will the conversion rate per $1,000 principal amount of Notes exceed 54.2005 shares of common stock, subject to adjustment in the same manner as the conversion rate as set forth under "Description of Notes—Conversion Rights—Conversion Rate Adjustments" in the Preliminary Prospectus Supplement.

Cobalt has filed a registration statement (including the Preliminary Prospectus Supplement dated May 7, 2014 and the accompanying prospectus dated December 30, 2013) with the Securities and Exchange Commission, or SEC, for the Offering to which this communication relates. Before you invest, you should read the Preliminary Prospectus Supplement, the accompanying prospectus in that registration statement and documents incorporated by reference therein which Cobalt has filed with the SEC for more complete information about Cobalt and the Offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies may be obtained from Goldman, Sachs & Co., 200 West St., New York, NY 10282, Attention: Prospectus Department, by calling 866-471-2526 or by emailing prospectusi-ny@ny.email.gs.com, or RBC Capital Markets, LLC, 3 World Financial Center, 200 Vesey Street, 8th Floor, New York, NY 10281-8098; Attention: Equity Syndicate, by calling 877-822-4089 or by faxing 212-428-6260.

This communication should be read in conjunction with the Preliminary Prospectus Supplement dated May 7, 2014 and the accompanying prospectus dated December 30, 2013. The information in this communication supersedes the information in the Preliminary Prospectus Supplement and the accompanying prospectus to the extent inconsistent with the information in such Preliminary Prospectus Supplement and accompanying prospectus. Terms used but not defined herein have the meanings given in the Preliminary Prospectus Supplement.

ANY DISCLAIMERS OR OTHER NOTICES THAT MAY APPEAR BELOW ARE NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMERS OR OTHER NOTICES WERE AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT VIA BLOOMBERG OR ANOTHER EMAIL SYSTEM.

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