

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

In re:)	
	)	Chapter 11
)	
COBALT INTERNATIONAL ENERGY, INC., <i>et al.</i> , ¹	)	Case No. 17-36709 (MI)
)	
Debtors.	)	(Jointly Administered)
	)	Re: Docket No. 6

NOTICE OF FILING OF REVISED PROPOSED ORDER AUTHORIZING THE DEBTORS TO EMPLOY AND RETAIN KURTZMAN CARSON CONSULTANTS LLC AS CLAIMS, NOTICING, AND SOLICITATION AGENT TO THE DEBTORS, EFFECTIVE NUNC PRO TUNCTO TO THE PETITION DATE

PLEASE TAKE NOTICE that on December 14, 2017, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Emergency Application for Entry of an Order Authorizing the Debtors to Employ and Retain Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent, Effective Nunc Pro Tunc to the Petition Date* [Docket No. 6] (the “Application”) with the United States Bankruptcy Court for the Southern District of Texas (the “Court”).

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file a revised proposed *Order Authorizing the Debtors to Employ and Retain Kurtzman Carson Consultants LLC as Claims, Noticing and Solicitation Agent, Effective Nunc Pro Tunc to the Petition Date* (the “Revised Proposed Order”), attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit B** is a redline of the Revised Proposed Order reflecting changes from the proposed form of order attached to the Application.

PLEASE TAKE FURTHER NOTICE that the Debtors will appear on **January 11, 2018, at 2:00 p.m. (prevailing Central Time)** or as soon thereafter as counsel may be heard before the Honorable Marvin Isgur or any other judge who may be sitting in his place and stead, in Courtroom 404 in the United States Courthouse, 515 Rusk, Houston, Texas 77002, to present the Motion to the Court and request entry of the Proposed Final Order.

¹ The Debtors in these chapter 11 cases, along with 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, LP (2411); Cobalt GOM LLC (7188); Cobalt GOM # 1 LLC (7262); and Cobalt GOM # 2 LLC (7316). The Debtors’ service address is: 920 Memorial City Way, Suite 100, Houston, Texas 77024.



PLEASE TAKE FURTHER NOTICE THAT that parties desiring to appear telephonically may do so pursuant to the Court's instructions for telephonic appearances, available for viewing at <http://www.txs.uscourts.gov/sites/txs/files/mi.pdf>.

PLEASE TAKE FURTHER NOTICE that copies of the Application, the Revised Proposed Order, and all other documents filed in these chapter 11 cases are available free of charge by visiting the case website maintained by Debtors' notice and claims agent, Kurtzman Carson Consultants LLC, available at <http://www.kccllc.net/cobalt> or by calling (866) 967-1782 (toll free) or (310) 751-2682 (international). You may also obtain copies of any pleadings by visiting the Court's website at <http://www.txs.uscourts.gov> in accordance with the procedures and fees set forth therein.

Houston, Texas

Dated: January 10, 2018

/s/ Zack A. Clement

Zack A. Clement (Texas Bar No. 04361550)

ZACK A. CLEMENT PLLC

3753 Drummond Street

Houston, Texas 77025

Telephone: (832) 274-7629

-and-

James H.M. Sprayregen, P.C. (admitted *pro hac vice*)

Marc Kieselstein, P.C. (admitted *pro hac vice*)

Chad J. Husnick, P.C. (admitted *pro hac vice*)

Brad Weiland (admitted *pro hac vice*)

Laura Krucks (admitted *pro hac vice*)

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

300 North LaSalle Street

Chicago, Illinois 60654

Telephone: (312) 862-2000

Facsimile: (312) 862-2200

Proposed Co-Counsel to the Debtors and Debtors in Possession

Certificate of Service

I certify that on January 10, 2018, 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

Exhibit A

Revised Proposed Order

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

In re:)	
	)	Chapter 11
)	
COBALT INTERNATIONAL ENERGY, INC., <i>et al.</i> , ¹	)	Case No. 17-36709 (MI)
)	
Debtors.	)	(Jointly Administered)
	)	Re: Docket No. 6

**ORDER AUTHORIZING THE DEBTORS
TO EMPLOY AND RETAIN KURTZMAN CARSON
CONSULTANTS LLC AS CLAIMS, NOTICING, AND SOLICITATION AGENT
TO THE DEBTORS, EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the "Application")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), authorizing the retention and appointment of Kurtzman Carson Consultants LLC ("KCC") as claims, noticing, and solicitation agent ("Claims and Noticing Agent"), all as more fully set forth in the Application; and upon the Jordan Declaration and the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court

¹ The Debtors in these chapter 11 cases, along with 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). The Debtors’ service address is: 920 Memorial City Way, Suite 100, Houston, Texas 77024.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

having found that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Application and opportunity for a hearing on the Application were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. Notwithstanding the terms of the Services Agreement attached hereto as **Exhibit 1** (the "Services Agreement"), the Application is approved solely as set forth in this Order.

2. The Debtors are authorized to retain KCC as Claims and Noticing Agent effective *nunc pro tunc* to the Petition Date under the terms of the Services Agreement as set forth in this Order, and KCC is authorized and directed to perform noticing and balloting services, and other related tasks as described in the Application, the Services Agreement, and this Order.

3. Pursuant to 28 U.S.C. § 156(e), KCC shall maintain the official claims register for each of the Debtors' cases (the "Claims Register").

4. KCC is authorized and directed to provide an electronic interface for the filing of proofs of claim and to obtain a post office box or address for the receipt of proofs of claim. KCC shall provide access to the Claims Register without charge, including access to complete copies of proofs of claim with attachments, if any.

5. Proofs of claim should be filed with KCC. If a proof of claim is filed with the Clerk, KCC will cause any such proof of claim to be copied into the Claims Register. A proof of claim is deemed filed at the earlier of its receipt by either KCC or the Clerk.

6. All transfers of claims shall be filed with the Court; KCC shall record all transfers of claims and provide notices of such transfers as required by Bankruptcy Rule 3001(e).

7. KCC shall maintain the consolidated creditor matrix on behalf of the Debtors. KCC shall serve notices of the commencement of these cases and the initial 11 U.S.C. § 341 meeting of creditors using the current Official Form 309F notice as modified by the Court. Any claims bar date notice must be approved by the Court prior to being served by KCC. KCC is authorized to serve any other document as requested by the Clerk, the United States Trustee, the Debtors, any official committee, or as otherwise ordered by the Court.

8. KCC is authorized to take such other action to comply with all duties and services set forth in the Application.

9. The Debtors are authorized to compensate KCC in accordance with the terms of the Services Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by KCC and the rates charged for each, and to reimburse KCC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for KCC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

10. KCC shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the United States Trustee, counsel for the Debtors, counsel for any official committee monitoring the

expenses of the Debtors, and any party in interest who specifically requests service of the monthly invoices.

11. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Services Agreement or monthly invoices; *provided* that the parties may seek resolution of the matter from the Court if resolution is not achieved.

12. If KCC seeks reimbursement of any legal fees or costs on account of its rights alleged under this Order or the Services Agreement, it must do so by application filed with the Court. The application must include appropriately redacted invoices for all amounts sought.

13. Without further order of the Court, pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of KCC under this Order shall be an administrative expense of the Debtors' estates.

14. KCC may apply its retainer to all prepetition invoices, which retainer may be replenished to the original retainer amount, and thereafter, KCC may hold its retainer under the Services Agreement during these chapter 11 cases as security for the payment of fees and expenses incurred under the Services Agreement.

15. The Debtors shall indemnify KCC under the terms of the Services Agreement, as modified pursuant to this Order.

16. KCC shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Services Agreement for services other than the services provided under the Services Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court.

17. Notwithstanding anything to the contrary in the Services Agreement, the Debtors shall have no obligation to indemnify KCC, or provide contribution or reimbursement to KCC,

for any claim or expense that is: (a) judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct, fraud, self-dealing, or breach of fiduciary duty (if any); (b) for a contractual dispute in which the Debtors allege the breach of KCC's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; or (c) settled prior to a judicial determination under (a) or (b), but determined by this Court, after notice and a hearing, to be a claim or expense for which KCC should not receive indemnity, contribution, or reimbursement under the terms of the Services Agreement, as modified by this Order.

18. In the event that KCC seeks payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations (including the advancement of defense costs) under the Services Agreement (as modified by this Order) before the earlier of: (a) the entry of an order confirming a chapter 11 plan in these chapter 11 cases (that order having become a final order no longer subject to appeal); or (b) the entry of an order closing these chapter 11 cases, KCC must file an application therefor in this Court, and the Debtors may not pay any such amounts to KCC before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KCC for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify KCC. All parties in interest shall retain the right to object to any demand by KCC for indemnification, contribution, or reimbursement.

19. In the event KCC is unable to provide the services set out in this order, KCC will immediately notify the Clerk and counsel for the Debtors, and upon approval of the Court, cause

to have all proofs of claim and computer information turned over to another Claims and Noticing Agent with the advice and consent of the Clerk and counsel for the Debtors.

20. KCC shall not cease providing claims processing services during these chapter 11 cases for any reason, including nonpayment, without prior order of the Court. If these chapter 11 cases convert to cases under chapter 7 of the Bankruptcy Code, KCC shall cooperate with the Clerk to turn over to the Clerk or another agent any materials that the Clerk requests unless KCC continues as Claims and Noticing Agent following the conversion.

21. In any request for an order closing these chapter 11 cases, the Debtors, the United States Trustee, or other responsible party shall request entry of an order terminating the services of KCC.

22. At least seven (7) days before entry of an order closing these chapter 11 cases, KCC shall reconcile all proofs of claim with the Court, to ensure that all claims received by KCC are accounted for on the Claims Register. Within fourteen (14) days after entry of an order dismissing these chapter 11 cases or thirty (30) days after entry of an order closing these chapter 11 cases, KCC shall: (a) forward to the Clerk an electronic version of all imaged claims; and (b) docket a final Claims Register in the Debtors' lead bankruptcy case. Further, KCC shall box and transport all original claims to the Philadelphia Federal Records Center, 14470 Townsend Rd., Philadelphia, PA 19154 and docket a complete SF-135 Form indicating the accession and location numbers of the archived claims.

23. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

24. Notwithstanding any term in the Services Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

25. Notwithstanding any provision in the Bankruptcy Rules to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

26. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

27. In the event of any inconsistency between the Services Agreement, the Application, and the Order, the Order shall govern.

28. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

29. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application, and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

30. This Order does not authorize KCC to provide any services that exceed the scope authorized by this Order and the Services Agreement. Any expansion of scope of work must be authorized by further order of this Court, after notice and a hearing.

31. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2018
Houston, Texas

THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Services Agreement



KCC AGREEMENT FOR SERVICES

This Agreement is entered into as of the 30 day of October 2017, between Cobalt International Energy Inc. (together with its affiliates and subsidiaries, the "Company"),¹ and Kurtzman Carson Consultants LLC (together with its affiliates and subcontractors, "KCC"). In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Terms and Conditions

I. SERVICES

A. KCC agrees to provide the Company with consulting services regarding noticing, claims management and reconciliation, plan solicitation, balloting, disbursements and any other services agreed upon by the parties or otherwise required by applicable law, government regulations or court rules or orders.

B. KCC further agrees to provide (i) computer software support and training in the use of the support software, (ii) KCC's standard reports as well as consulting and programming support for the Company requested reports, (iii) program modifications, (iv) data base modifications, and/or (v) other features and services in accordance with the fees outlined in a pricing schedule provided to the Company (the "KCC Fee Structure").

C. Without limiting the generality of the foregoing, KCC may, upon request by the Company, (i) provide a communications plan including, but not limited to, preparation of communications materials, dissemination of information and a call center staffed by KCC and/or (ii) provide confidential on-line workspaces or virtual data rooms and publish documents to such workspaces or data rooms (which publication shall not be deemed to violate the confidentiality provisions of this Agreement).

D. The price listed for each service in the KCC Fee Structure represents a bona fide proposal for such services, which may be accepted in whole or in part. Services will be provided when requested by the Company or required by applicable law, government regulations or court rules or orders. Services are mutually exclusive and are deemed delivered and accepted by the Company when provided by KCC.

E. The Company acknowledges and agrees that KCC will often take direction from the Company's representatives, employees, agents and/or professionals (collectively, the "Company Parties") with respect to the services being provided under this Agreement. The parties agree that KCC may rely upon, and the Company agrees to be bound by, any requests, advice or information provided by the Company Parties to the same extent as if such requests, advice or information were provided by the Company. The Company agrees and understands that KCC shall not provide the Company or any other party with any legal advice.

¹ The term Company shall include, to the extent applicable, the Company, as debtor and debtor in possession in its chapter 11 case, together with any affiliated debtors and debtors in possession whose chapter 11 cases are jointly administered with the Company's chapter 11 case.



KCC AGREEMENT FOR SERVICES

II. PRICES, CHARGES AND PAYMENT

A. KCC agrees to charge and the Company agrees to pay KCC for its services at the rates and prices set by KCC that are in effect as of the date of this Agreement and in accordance with the KCC Fee Structure. KCC's prices are generally adjusted periodically to reflect changes in the business and economic environment and are inclusive of all charges. KCC reserves the right to reasonably increase its prices, charges and rates; provided, however, that if any such increase exceeds 15%, KCC will give thirty (30) days written notice to the Company.

B. In addition to fees and charges for services, the Company agrees to pay KCC's reasonable transportation, lodging, and meal expenses incurred in connection with services provided under this Agreement.

C. In addition to all fees for services and expenses hereunder, the Company shall pay to KCC (i) any fees and charges related to, arising out of, or as a result of any error or omission made by the Company or the Company Parties, as mutually determined by KCC and the Company, and (ii) all taxes that are applicable to this Agreement or that are measured by payments made under this Agreement and are required to be collected by KCC or paid by KCC to a taxing authority.

D. Where the Company requires services that are unusual or beyond the normal business practices of KCC, or are otherwise not provided for in the KCC Fee Structure, the cost of such services shall be charged to the Company at a competitive rate.

E. KCC agrees to submit its invoices to the Company monthly and the Company agrees that the amount invoiced is due and payable upon the Company's receipt of the invoice. KCC's invoices will contain reasonably detailed descriptions of charges for both hourly (fees) and non-hourly (expenses) case specific charges. Where total invoice amounts are expected to exceed \$10,000 in any single month and KCC reasonably believes it will not be paid, KCC may require advance payment from the Company due and payable upon demand and prior to the performance of services hereunder. If any amount is unpaid as of thirty (30) days from the receipt of the invoice, the Company further agrees to pay a late charge, calculated as one and one-half percent (1-1/2%) of the total amount unpaid every thirty (30) days. In the case of a dispute in the invoice amount, the Company shall give written notice to KCC within ten (10) days of receipt of the invoice by the Company. The undisputed portion of the invoice will remain due and payable immediately upon receipt of the invoice. Late charges shall not accrue on any amounts in dispute or any amounts unable to be paid due to Court order or applicable law. Unless otherwise agreed to in writing, the fees for print notice and media publication (including commissions) must be paid at least three (3) days in advance of those fees and expenses being incurred.

F. In the event that the Company files for protection pursuant to chapter 11 of the United States Bankruptcy Code (a "Chapter 11 Filing"), the parties intend that KCC shall be employed pursuant to 28 U.S.C. § 156(c) to the extent possible and otherwise in accordance with applicable Bankruptcy law and that all amounts due under this Agreement shall, to the extent possible, be paid as administrative expenses of the Company's chapter 11 estate. As soon as practicable following a Chapter 11 Filing (and otherwise in accordance with applicable law and rules and orders of the Bankruptcy Court), the Company shall cause pleadings to be filed with the Bankruptcy Court seeking entry of an order or orders approving this Agreement (the "Retention



KCC AGREEMENT FOR SERVICES

Order”). The form and substance of the pleadings and the Retention Order shall be reasonably acceptable to KCC. If any Company chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, KCC will continue to be paid for its services in accordance with the terms of this Agreement. The parties recognize and agree that if there is a conflict between the terms of this Agreement and the terms of the Retention Order, the terms of the Retention Order shall govern during the chapter 11 or other proceeding.

G. To the extent permitted by applicable law, KCC shall receive a retainer in the amount of \$100,000 (the “Retainer”) that may be held by KCC as security for the Company’s payment obligations under the Agreement. The Retainer is due upon execution of this Agreement. KCC shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, KCC shall return to the Company any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

III. RIGHTS OF OWNERSHIP

A. The parties understand that the software programs and other materials furnished by KCC pursuant to this Agreement and/or developed during the course of this Agreement by KCC are the sole property of KCC. The term “program” shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. The Company agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished pursuant to this Agreement.

B. The Company further agrees that any ideas, concepts, know-how or techniques relating to data processing or KCC’s performance of its services developed or utilized during the term of this Agreement by KCC shall be the exclusive property of KCC. Fees and expenses paid by the Company do not vest in the Company any rights in such property, it being understood that such property is only being made available for the Company’s use during and in connection with the services provided by KCC under this Agreement.

IV. NON-SOLICITATION

The Company agrees that neither it nor its subsidiaries or other affiliated companies shall directly or indirectly solicit for employment, employ or otherwise retain employees of KCC during the term of this Agreement and for a period of twelve (12) months after termination of this Agreement unless KCC provides prior written consent to such solicitation or retention.

V. CONFIDENTIALITY

Each of KCC and the Company, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the services provided under this Agreement; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency or other regulatory body it may, upon not less than five (5) business days’ written notice to the other party, release the required information.



KCC AGREEMENT FOR SERVICES

VI. SUSPENSION OF SERVICE AND TERMINATION

A. This Agreement shall remain in force until terminated or suspended by either party (i) upon thirty (30) days' written notice to the other party or (ii) immediately upon written notice for Cause (defined herein). As used herein, the term "Cause" means (i) gross negligence or willful misconduct of KCC that causes serious and material harm to the Company's reorganization under chapter 11 of the Bankruptcy Code, (ii) the failure of the Company to pay KCC invoices for more than sixty (60) days from the date of invoice, or (iii) the accrual of invoices or unpaid services in excess of the retainer held by KCC where KCC reasonably believes it will not be paid.

B. In the event that this contract is terminated, regardless of the reason for such termination, KCC shall coordinate with the Company and, to the extent applicable, the clerk of the Bankruptcy Court, to maintain an orderly transfer of record keeping functions and KCC shall provide all necessary staff, services and assistance required for an orderly transfer. The Company agrees to pay for such services in accordance with KCC's then existing prices for such services. If such termination occurs following entry of the Retention Order, the Company shall immediately seek entry of an order (in form and substance reasonably acceptable to KCC) that discharges KCC from service and responsibility in the Company's bankruptcy case.

C. Any data, programs, storage media or other materials furnished by the Company to KCC or received by KCC in connection with the services provided under the terms of this Agreement may be retained by KCC until the services provided are paid for, or until this Agreement is terminated with the services paid in full. The Company shall remain liable for all fees and expenses imposed under this Agreement as a result of data or physical media maintained or stored by KCC. KCC shall dispose of the data and media in the manner requested by the Company. The Company agrees to pay KCC for reasonable expenses incurred as a result of the disposition of data or media. If the Company has not utilized KCC's services under this Agreement for a period of at least ninety (90) days, KCC may dispose of the data or media, and be reimbursed by the Company for the expense of such disposition, after giving the Company thirty (30) days' notice. Notwithstanding any term herein to the contrary, following entry of the Retention Order, the disposition of any data or media by KCC shall be in accordance with any applicable instructions from the clerk of the Bankruptcy Court, local Bankruptcy Court rules and orders of the Bankruptcy Court.

VII. SYSTEM IMPROVEMENTS

KCC strives to provide continuous improvements in the quality of service to its clients. KCC, therefore, reserves the right to make changes in operating procedure, operating systems, programming languages, general purpose library programs, application programs, time period of accessibility, types of terminal and other equipment and the KCC data center serving the Company, so long as any such changes do not materially interfere with ongoing services provided to the Company in connection with the Company's chapter 11 case.



KCC AGREEMENT FOR SERVICES

VIII. BANK ACCOUNTS

At the Company's request and subject to Court approval following any chapter 11 filing, KCC may be authorized to establish accounts with financial institutions in the name of and as agent for the Company. To the extent that certain financial products are provided to the Company pursuant to KCC's agreement with financial institutions, KCC may receive compensation from such financial institutions for the services KCC provides pursuant to such agreement.

IX. LIMITATIONS OF LIABILITY AND INDEMNIFICATION

A. The Company shall indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to KCC's performance under this Agreement. Such indemnification shall exclude Losses resulting from KCC's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against any Indemnified Party. The Company shall notify KCC in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that the Company becomes aware of with respect to the services provided by KCC under this Agreement. The Company's indemnification obligations hereunder shall survive the termination of this Agreement.

B. Except as provided herein, KCC's liability to the Company or any person making a claim through or under the Company for any Losses of any kind, even if KCC has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of KCC, shall be limited to the total amount billed or billable to the Company for the portion of the particular work which gave rise to the alleged Loss. In no event shall KCC be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the services provided for in this Agreement. In no event shall KCC's liability to the Company for any Losses, whether direct or indirect, arising out of this Agreement exceed the total amount billed to the Company and actually paid to KCC for the services contemplated under the Agreement; provided, however, that this limitation shall not apply to the Company during any chapter 11 case in which the Company is a debtor.

C. The Company is responsible for the accuracy of the programs, data and information it or any Company Party submits for processing to KCC and for the output of such information. KCC does not verify information provided by the Company and, with respect to the preparation of schedules and statements, all decisions are at the sole discretion and direction of the Company. The Company reviews and approves all schedules and statements filed on behalf of, or by, the Company; KCC bears no responsibility for the accuracy or contents therein. The Company agrees to initiate and maintain backup files that would allow the Company to regenerate or duplicate all programs and data submitted by the Company to KCC.

D. The Company agrees that except as expressly set forth herein, KCC makes no representations or warranties, express or implied, including, but not limited to, any implied or



KCC AGREEMENT FOR SERVICES

express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

X. FORCE MAJEURE

Whenever performance by KCC of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law, regulation or ordinance, war or war condition, or by reason of any other matter beyond KCC's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

XI. INDEPENDENT CONTRACTORS

The Company and KCC are and shall be independent contractors of each other and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of this Agreement.

XII. NOTICES

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or electronic mail or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth below:

Kurtzman Carson Consultants LLC
2335 Alaska Ave.
El Segundo, CA 90245
Attn: Drake D. Foster
Tel: (310) 823-9000
Fax: (310) 823-9133
E-Mail: dfoster@kccllc.com

Cobalt International Energy Inc.
Address
City, ST Zip
Attn:
Tel:
Fax:

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

XIII. APPLICABLE LAW

The validity, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

XIV. ENTIRE AGREEMENT/MODIFICATIONS

Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, other agreements, and communications oral and written between the parties relating to the subject



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matter of this Agreement. The Company represents that it has the authority to enter into this Agreement, and the Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. This Agreement may be modified only by a written instrument duly executed by an authorized representative of the Company and an officer of KCC.

XV. COUNTERPARTS; EFFECTIVENESS

This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

XVI. ASSIGNMENT

This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other, with the exception that this Agreement can be assigned without written consent by KCC to a wholly-owned subsidiary or affiliate of KCC.

XVII. ATTORNEYS' FEES

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance or interpret the provisions of this Agreement, the parties agree to reimburse the prevailing party's reasonable attorneys' fees, court costs, and all other related expenses, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

[SIGNATURE PAGE FOLLOWS]



KCC AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the first date mentioned above.

Kurtzman Carson Consultants LLC

A handwritten signature in cursive script, appearing to read 'Evan Gershbein', written over a horizontal line.

BY: Evan Gershbein
TITLE: Senior Vice President

DATE:

Cobalt International Energy Inc.

A handwritten signature in cursive script, appearing to read 'David Powell', written over a horizontal line.

BY: David Powell
TITLE: CFO

DATE:



November 2, 2017

Cobalt International Energy Inc
David Powell, CFO
Cobalt Center
920 Memorial Ci Way, Suite 100
Houston TX 77024

Re: Cobalt International Energy Inc
USBC Case No.

Dear David Powell:

Enclosed please find Kurtzman Carson Consultants' ("KCC") retainer invoice in the amount of \$100,000.00 for the above referenced matter. Pursuant to our services agreement, KCC's invoice is due upon receipt.

If you have any questions, please contact me at (310) 776-7377 or gmullins@kcellc.com.

Sincerely,
Kurtzman Carson Consultants LLC

A handwritten signature in black ink, appearing to read 'G. Mullins', with a horizontal line extending to the right.

Gerry Mullins
Chief Financial Officer

Enclosures

Kurtzman Carson Consultants LLC

11/01/2017 - 11/30/2017

Expenses

<u>Description</u>	<u>Units</u>	<u>Rate</u>	<u>Amount</u>
Retainer			\$100,000.00
	Total Expenses		\$100,000.00

Exhibit B

Redline

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

In re:)	
	)	Chapter 11
)	
COBALT INTERNATIONAL ENERGY, INC., <i>et al.</i> , ¹	)	Case No. 17-36709 (MI)
)	
Debtors.	)	(Joint Administration Requested) <u>(Jointly Administered)</u>
	)	Re: Docket No. <u>6</u>

**ORDER AUTHORIZING THE DEBTORS
TO EMPLOY AND RETAIN KURTZMAN CARSON
CONSULTANTS LLC AS CLAIMS, NOTICING, AND SOLICITATION AGENT
TO THE DEBTORS, EFFECTIVE NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “Application”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), authorizing the retention and appointment of Kurtzman Carson Consultants LLC (“KCC”) as claims, noticing, and solicitation agent (“Claims and Noticing Agent”), all as more fully set forth in the Application; and upon the Jordan Declaration and the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. ~~§§ 156, 157, and~~ § 1334 and the Amended Standing Order; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Application is in the best interests of

¹ The Debtors in these chapter 11 cases, along with 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). The Debtors’ service address is: 920 Memorial City Way, Suite 100, Houston, Texas 77024.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Application and opportunity for a hearing on the Application were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing, ~~if any,~~ before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

~~1. The Application is granted on a final basis as set forth herein.~~

~~2.1.~~ Notwithstanding the terms of the Services Agreement attached ~~to~~ hereto as Exhibit 1 (the ~~Application, "Services Agreement"~~), the Application is approved solely as set forth in this Order.

~~3.2.~~ The Debtors are authorized to retain KCC as Claims and Noticing Agent effective *nunc pro tunc* to the Petition Date under the terms of the Services Agreement as set forth in this Order, and KCC is authorized and directed to perform noticing and balloting services, and all other related tasks, ~~all~~ as described in the Application ~~and~~ the Services Agreement ~~attached hereto as Exhibit 1, and this Order.~~

3. Pursuant to 28 U.S.C. § 156(e), KCC shall maintain the official claims register for each of the Debtors' cases (the "Claims Register").

4. KCC is authorized and directed to ~~maintain an Unofficial Claims Register for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon request by the Clerk. KCC is authorized to~~ provide an electronic interface for the filing of proofs of claim and to obtain a post office box or address for the receipt of proofs of claim. ~~Claims received by~~

~~KCC to the exclusion of the Clerk, whether electronically or by mail, shall be forwarded to the Clerk, electronically or otherwise, and treated as filed as of the date received by KCC. KCC shall relocate, electronically, by messenger, or otherwise, all of the~~ provide access to the Claims Register without charge, including access to complete copies of proofs of claim with attachments, if any.

~~4. filed with the Clerk to the exclusion of KCC. For the avoidance of doubt, KCC shall not act as the agent of the Clerk. The Clerk shall maintain the Official Claims Register, and to the extent applicable, creditors shall be permitted to file claims with the Clerk pursuant to the procedures~~

5. Proofs of claim should be filed with KCC. If a proof of claim is filed with the Clerk, KCC will cause any such proof of claim to be copied into the Claims Register. A proof of claim is deemed filed at the earlier of its receipt by either KCC or the Clerk.

~~5. of the Clerk.~~

6. All transfers of claims shall be filed with the Court; KCC shall record all transfers of claims and provide notices of such transfers as required by Bankruptcy Rule 3001(e).

~~6. KCC shall work cooperatively with, assist, and support the Clerk in any way consistent with this Order.~~

7. KCC shall maintain the consolidated creditor matrix on behalf of the Debtors. KCC shall serve notices of the commencement of these cases and the initial 11 U.S.C. § 341 meeting of creditors using the current Official Form 309F notice as modified by the Court. Any claims bar date notice must be approved by the Court prior to being served by KCC. KCC is authorized to serve any other document as requested by the Clerk, the United States Trustee, the Debtors, any official committee, or as otherwise ordered by the Court.

~~7.8.~~ KCC is authorized to take such other action to comply with all duties and services set forth in the Application.

~~8.9.~~ The Debtors are authorized to compensate KCC in accordance with the terms of the Services Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by KCC and the rates charged for each, and to reimburse KCC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for KCC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

~~9.10.~~ KCC shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the ~~Office of the~~ United States Trustee, counsel for the Debtors, counsel for any official committee monitoring the expenses of the Debtors, and any party in interest who specifically requests service of the monthly invoices.

~~10.11.~~ The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Services Agreement or monthly invoices; *provided* that the parties may seek resolution of the matter from the Court if resolution is not achieved.

~~12.~~ Pursuant If KCC seeks reimbursement of any legal fees or costs on account of its rights alleged under this Order or the Services Agreement, it must do so by application filed with the Court. The application must include appropriately redacted invoices for all amounts sought.

~~11.13.~~ Without further order of the Court, pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of KCC under this Order shall be an administrative expense of the Debtors' estates.

~~12.14.~~ KCC may apply its retainer to all prepetition invoices, which retainer may be replenished to the original retainer amount, and thereafter, KCC may hold its retainer under the Services Agreement during these chapter 11 cases as security for the payment of fees and expenses incurred under the Services Agreement.

~~13.15.~~ The Debtors shall indemnify KCC under the terms of the Services Agreement, as modified pursuant to this Order.

~~14.16.~~ KCC shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Services Agreement for services other than the services provided under the Services Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court.

~~15.17.~~ Notwithstanding anything to the contrary in the Services Agreement, the Debtors shall have no obligation to indemnify KCC, or provide contribution or reimbursement to KCC, for any claim or expense that is ~~either: (i: (a)~~ judicially determined (the determination having become final) to have arisen from KCC's gross negligence, willful misconduct, ~~or fraud; (ii) fraud,~~ self-dealing, or breach of fiduciary duty (if any); (b) for a contractual dispute in which the Debtors allege the breach of KCC's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; or ~~(iii)c)~~ settled prior to a judicial determination under ~~(ia)~~ or ~~(ib)~~, but determined by this Court, after notice and a hearing, to be a claim or expense for which KCC should not receive indemnity, contribution, or reimbursement under the terms of the Services Agreement, as modified by this Order.

~~16.18. If, before the earlier of (i)~~ In the event that KCC seeks payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement

obligations (including the advancement of defense costs) under the Services Agreement (as modified by this Order) before the earlier of: (a) the entry of an order confirming a chapter 11 plan in these chapter 11 cases (that order having become a final order no longer subject to appeal); or (b) the entry of an order closing these chapter 11 cases, ~~KCC believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Services Agreement (as modified by this Order), including the advancement of defense costs,~~ KCC must file an application therefor in this Court, and the Debtors may not pay any such amounts to KCC before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by KCC for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify KCC. All parties in interest shall retain the right to object to any demand by KCC for indemnification, contribution, or reimbursement.

~~17.~~19. In the event KCC is unable to provide the services set out in this ~~O~~orders, KCC will immediately notify the Clerk and counsel for the Debtors, and, upon approval of the Court, cause to have all proofs of claim and computer information turned over to another ~~claims ad~~noticing agentClaims and Noticing Agent with the advice and consent of the Clerk and counsel for the Debtors.

~~18. The contents of the Application satisfy the requirements of Bankruptcy Rule 6003.~~

20. KCC shall not cease providing claims processing services during these chapter 11 cases for any reason, including nonpayment, without prior order of the Court. If these chapter 11

cases convert to cases under chapter 7 of the Bankruptcy Code, KCC shall cooperate with the Clerk to turn over to the Clerk or another agent any materials that the Clerk requests unless KCC continues as Claims and Noticing Agent following the conversion.

21. In any request for an order closing these chapter 11 cases, the Debtors, the United States Trustee, or other responsible party shall request entry of an order terminating the services of KCC.

22. At least seven (7) days before entry of an order closing these chapter 11 cases, KCC shall reconcile all proofs of claim with the Court, to ensure that all claims received by KCC are accounted for on the Claims Register. Within fourteen (14) days after entry of an order dismissing these chapter 11 cases or thirty (30) days after entry of an order closing these chapter 11 cases, KCC shall: (a) forward to the Clerk an electronic version of all imaged claims; and (b) docket a final Claims Register in the Debtors' lead bankruptcy case. Further, KCC shall box and transport all original claims to the Philadelphia Federal Records Center, 14470 Townsend Rd., Philadelphia, PA 19154 and docket a complete SF-135 Form indicating the accession and location numbers of the archived claims.

23. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

24. Notwithstanding any term in the Services Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

25. Notwithstanding any provision in the Bankruptcy Rules to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

26. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

27. In the event of any inconsistency between the Services Agreement, the Application, and the Order, the Order shall govern.

28. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

~~19.~~29. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application, and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

~~20. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.~~

30. This Order does not authorize KCC to provide any services that exceed the scope authorized by this Order and the Services Agreement. Any expansion of scope of work must be authorized by further order of this Court, after notice and a hearing.

~~21.1. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.~~

~~22.1. Notwithstanding any term in the Services Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.~~

~~23. In the event of any inconsistency between the Services Agreement, the Application and the Order, the Order shall govern.~~

24.~~31.~~ This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

| Dated: _____, 2017~~7~~8
Houston, Texas

THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Services Agreement

|