

SOUTHERN AND WESTERN DISTRICTS OF TEXAS

HOUSTON DIVISION

IN RE:

COBALT INTERNATIONAL ENERGY INC.

CASE NO. 17-36709
CHAPTER 11

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DEBTOR

CHAPTER 11 POST-CONFIRMATION REPORT FOR
THE QUARTER ENDING DECEMBER 31, 2021

1. Quarterly or Final (check one)

2. SUMMARY OF DISBURSEMENTS*:

A. Disbursements made under the plan (itemize on page 3)	\$ 1,124,194.00
B. Disbursements not under the plan	\$ 191,228.00
Total Disbursements	\$ 1,315,422.00

*ALL DISBURSEMENTS MADE BY THE REORGANIZED DEBTOR, UNDER THE PLAN OR OTHERWISE, MUST BE ACCOUNTED FOR AND REPORTED HEREIN FOR THE PURPOSE OF CALCULATING THE QUARTERLY FEES.

3. Has the order confirming plan become final? Yes No

4. Are Plan payments being made as required under the Plan? Yes No

5. If "No", what Plan payments have not been made and why?
Please explain: N/A

6. If plan payments have not yet begun, when will the first plan payment be made? N/A (Date)

7. What date did the reorganized debtor or successor of the debtor under the plan assume the business or management of the property treated under the plan? APRIL 10, 2018 (Date)

8. Please describe any factors which may materially affect your ability to obtain a final decree at this time.
N/A

9. Complete the form for Plan Disbursements attached.

10. CONSUMMATION OF PLAN:

A. If this is a final report, has an application for Final Decree been submitted*?

- Yes Date application was submitted _____
- No Date when application will be submitted _____

*(if required by Local Rule)

B. Estimated Date of Final Payment Under Plan _____

INITIALS _____
DATE _____
UST USE ONLY

I CERTIFY UNDER PENALTY OF PERJURY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SIGNED: Nader Tavakoli
Nader Tavakoli
(PRINT NAME)

Date: 2/15/2022



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Q4 2021 Reporting for Cobalt International Energy, Inc., et al (USD) ²				
NON-PLAN ACTIVITY	Oct	Nov	Dec	Q4 2021
INFLOWS				
Other Receivables	-	-	-	-
Interest Income	-	-	-	-
Non-Plan Receipts	\$0	\$0	\$0	\$0
OUTFLOWS				
Taxes (Property, Franchise)	-	-	-	-
Payroll	(50,000)	(50,000)	(50,000)	(150,000)
Other G&A	(12,558)	(17,705)	(10,965)	(41,228)
Non-Plan Disbursements	(\$62,558)	(\$67,705)	(\$60,965)	(\$191,228)
PLAN ACTIVITY	Oct	Nov	Dec	Q4 2021
INFLOWS				
Recovery Proceeds	-	-	-	-
Plan Receipts	\$0	\$0	\$0	\$0
OUTFLOWS				
Professional Fees	(81,368)	(392,713)	(638,011)	(1,112,092)
US Trustee Fees (Q3)	(12,102)	-	-	(12,102)
Debt Repayments	-	-	-	-
Plan Disbursements	(\$93,470)	(\$392,713)	(\$638,011)	(\$1,124,194)
OPENING CASH BALANCE	\$8,009,152	\$7,853,124	\$7,392,706	\$8,009,152
CASH ACTIVITY (NET)	(156,028)	(460,418)	(698,976)	(1,315,422)
CLOSING CASH BALANCE¹	\$7,853,124	\$7,392,706	\$6,693,730	\$6,693,730

The above cash balances are subject to significant diminution due to various factors, including, but not limited to, (a) the substantial costs of ongoing litigation between the estate and various insurance carriers related to pre-bankruptcy matters, (b) the ongoing and future expenses and obligations of the estate, including professional, tax and wind up related costs, and (c) compensation payable to the Plan Administrator pursuant to the terms of the Plan Administrator's court approved retention agreement. Accordingly, absent a successful outcome in the pending litigation, it is likely that the estate's cash resources will largely be consumed, and it is unlikely there will be additional meaningful distributions to the estate's creditors.

The principal remaining matter in the administration of the Estate is the lawsuit styled Cobalt International Energy, Inc., et al. v. Illinois National Insurance Company, et al., Cause No. 2016-31648, in the 125th Judicial District Court, Harris County, Texas (the "Lawsuit"). The Lawsuit alleges that the defendant insurance carriers have improperly denied coverage for claims made under certain insurance policies relating to (i) unreimbursed defense costs incurred by the Estate, and (ii) for losses incurred by the insureds under the policies with respect to the settlement agreement dated October 11, 2018 (the "Settlement Agreement") with underlying securities class action plaintiffs.

Pursuant to the Settlement Agreement, the Estate's total recovery, if the litigation against the carriers were to be successful, is limited to Cobalt's defense costs of the underlying securities cases and expenses incurred in connection with the prosecution of the Lawsuit. Cobalt is currently entitled to (i) an additional approximate \$22 million related to its unreimbursed defense costs, plus (ii) fees and expenses related to the Lawsuit. The Estate has incurred, and will continue to incur, substantial expenses in connection with the Lawsuit and any related appeals or other proceedings. There can be no assurance that the Lawsuit will be successful and that any prior or future expenses incurred in connection therewith will be successfully recovered by the Estate.

The foregoing description of the Lawsuit does not purport to be complete and is qualified in its entirety by the Settlement Agreement and the pleadings filed in the Lawsuit. A copy of the pleadings in the Lawsuit are available on the court's website at <https://www.hcdistrictclerk.com/edocs/public/search.aspx>.

¹Cash Balances include all Debtor and Non-Debtor Unrestricted cash.

²This unaudited summary is not prepared in accordance with GAAP accounting principles and is not intended to be a substitute for financial statements. The company has prepared this information using the best data available and to the best of the company's knowledge. This information was prepared, as required, for the use of the United States Trustee for the purposes of compliance with the requirement to share this information on a quarterly basis during an ongoing Chapter 11 Bankruptcy case.

Q4 2021 Reporting for Cobalt International Energy, Inc., et al (USD) ¹

NON-PLAN ACTIVITY	Cobalt	Cobalt	Cobalt	Cobalt	Cobalt	Cobalt
	International Energy, L.P.	GOM #1 LLC	International Energy Inc.	International Energy GP, LLC	GOM LLC	GOM #2 LLC
INFLOWS						
Other Receivables	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Non-Plan Receipts	\$0	\$0	\$0	\$0	\$0	\$0
OUTFLOWS						
Taxes (Franchise, Property)	-	-	-	-	-	-
Payroll	(150,000)	-	-	-	-	-
Other G&A	(41,228)	-	-	-	-	-
Non-Plan Disbursements	(\$191,228)	\$0	\$0	\$0	\$0	\$0
PLAN ACTIVITY	Cobalt	Cobalt	Cobalt	Cobalt	Cobalt	Cobalt
	International Energy, L.P.	GOM #1 LLC	International Energy Inc.	International Energy GP, LLC	GOM LLC	GOM #2 LLC
INFLOWS						
Recovery Proceeds	-	-	-	-	-	-
Plan Receipts	\$0	\$0	\$0	\$0	\$0	\$0
OUTFLOWS						
Professional Fees	(1,112,092)	-	-	-	-	-
US Trustee Fees (Q3)	(11,227)	(175)	(175)	(175)	(175)	(175)
Debt Repayments	-	-	-	-	-	-
Plan Disbursements	(\$1,123,319)	(\$175)	(\$175)	(\$175)	(\$175)	(\$175)
TOTAL QUARTER DISBURSEMENTS	(\$1,314,547)	(\$175)	(\$175)	(\$175)	(\$175)	(\$175)
APPLICABLE US TRUSTEE FEES	(13,145.47)	(\$250)	(\$250)	(\$250)	(\$250)	(\$250)

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