



ENTERED
12/21/2018

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

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

**AGREED ORDER GRANTING MOTION OF NADER TAVAKOLI, ACTING SOLELY
AS PLAN ADMINISTRATOR, FOR ENTRY OF AN ORDER AUTHORIZING PLAN
ADMINISTRATOR TO TRANSFER AND DISTRIBUTE FUNDS IN FURTHERANCE
OF THE PLAN**

[Relates to Docket Nos. 1195, 1208, 1209, 1210 and 1211]

The Court has considered the *Motion of Nader Tavakoli, Acting Solely as Plan Administrator, for Entry of an Order Authorizing Plan Administrator to Transfer and Distribute Funds in Furtherance of the Plan* (the “Motion”),² the response filed by Halliburton Atlantic Limited and Halliburton Overseas Limited-Sucursal de Angola (together, the “Halliburton Entities”), the joinder (as amended) filed by U.S. Bank National Association, as Second Lien Indenture Trustee (the “Second Lien Indenture Trustee”), and the response filed by Marble Ridge Capital LP; and upon consideration of the Motion, the agreement of the foregoing parties evidenced herein, and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157; and this Court having jurisdiction pursuant to 28 U.S.C. § 1334; and venue being proper

¹ The Reorganized Debtors in the Chapter 11 Cases, along with the last four digits of each Reorganized 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).

² Unless otherwise indicated, all capitalized terms in this Order shall have the same meaning as ascribed to them in the Motion.



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before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and the Court having determined that there exists just cause for the relief granted herein; and upon the record of the hearing before the Court, and any responses to the Motion having been withdrawn, resolved, or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED that:


1. The Motion is GRANTED as set forth herein.
2. The Plan Administrator is authorized, but not directed, to transfer up to \$120,000,000.00 of the Sonangol Settlement Proceeds in the Segregated Account to the Plan Administrator Account.
3. The Second Lien Indenture Trustee is directed to distribute \$6,000,000.00 of the Trustee Reserve (as defined in the Joinder) held by the Second Lien Indenture Trustee pursuant to the Confirmation Order to the Holders of the Allowed Second Lien Notes Claims contemporaneously with the distribution of any Sonangol Settlement Proceeds the Second Lien Indenture Trustee receives from the Plan Administrator.
4. The balance remaining in the Segregated Account plus accrued interest shall remain in the Segregated Account and may only be transferred by the Plan Administrator pursuant to further Order of this Court; *provided however*, that, subject to the reservation of rights set forth in paragraph 5 herein, \$2 million shall remain in the Segregated Account for the payment of a settlement or an award, if any, in the arbitration proceedings (the “Arbitration”) initiated by the Halliburton Entities against CIE Angola Block 20 Ltd. and CIE Angola Block 21 Ltd. (together, the “Cobalt Parties”). Upon such resolution, the \$2 million may only be transferred upon further order of this Court.

5. This Order shall not alter, amend, modify, expand, restrict or otherwise affect the rights, obligations and remedies of: (a) any party under the Plan; (b) the Confirmation Order, or (c) the Halliburton Entities or the Cobalt Parties with respect to any claim or defense that has been or may asserted in the Arbitration it being expressly understood and agreed that the Halliburton Entities assert a claim against the Cobalt Parties in amount of not less than \$1,116,091.93, plus interest, fees, costs and expenses and that the Cobalt Parties assert a claim against Halliburton in amount of not less than \$1,714,920.69, plus interest, fees, costs and expenses. Neither the Halliburton Entities nor the Cobalt Parties shall present, disclose, offer into evidence or otherwise discuss this Order or the terms hereof in the Arbitration or to any of the arbitrators of such proceeding. Nothing in this Order shall constitute an admission of liability in any proceeding or limit any of the rights, defenses or remedies of the Plan Administrator or the Cobalt Parties with respect to any claims asserted by the Halliburton Entities and all such rights, defenses and remedies are hereby reserved and preserved. The sole purpose of this paragraph is to preserve the status quo.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry

7. The Court shall retain jurisdiction over the matters set forth herein.

Signed: December 21, 2018



Marvin Isgur
United States Bankruptcy Judge

Agreed to, in form and substance:

GREENBERG TRAURIG, LLP

/s/ Shari L. Heyen

Shari L. Heyen

Texas State Bar No. 09564750

David R. Eastlake

Texas State Bar No. 24074165

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Counsel for Nader Tavakoli, solely in his capacity as Lead Member and Chairman of the Plan Administrator Committee of Cobalt International Energy, Inc., et al.

WALLER LANSDEN DORTCH & DAVIS, LLP

/s/ David E. Lemke

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