

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

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

**DECLARATION OF JOSÉ-IGNACIO SANZ-SAIZ IN SUPPORT OF CONFIRMATION OF  
FOURTH AMENDED JOINT CHAPTER 11 PLAN OF COBALT  
INTERNATIONAL ENERGY, INC. AND ITS DEBTOR AFFILIATES**

JOSÉ-IGNACIO SANZ-SAIZ, pursuant to 28 U.S.C. § 1746, hereby declares as follows:

1. I am the President and Chief Executive Officer of TOTAL E&P USA, INC. (“TEP USA”), a Delaware corporation and the putative Successful Bidder for certain assets of the above-captioned debtor and/or its debtor affiliates (collectively, “Cobalt”), including assets in respect of the North Platte discovery (“North Platte”), the Anchor discovery (“Anchor”), and certain exploration leases (“Explo Blocks”), in each case in the U.S. Gulf of Mexico. Capitalized terms used but not defined in this Declaration have the meaning given to them in the Debtors’ Fourth Amended Joint Chapter 11 Plan (the “Plan”), as filed with this Court on March 8, 2018.

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<sup>1</sup> 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”); 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. I have served as President and CEO of TEP USA since June 2016. I am generally familiar with TEP USA's operations, including its investment and strategic partnership decisions. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge of TEP USA's operations; information learned from my review of relevant documents; information supplied to me by members of management and its advisors; or my opinion based on my experience, knowledge and information concerning TEP USA's operations. I am over 18 years of age, of sound mind, and otherwise competent to make this Declaration.

**A. Good Faith**

3. Prior to the formulation of any bid for North Platte, TEP USA disclosed to the Debtors its desire to discuss possible joint bids with potential co-investors. When one of those potential co-investors, Venari Resources LLC ("Venari"), approached TEP USA to discuss a joint investment in the Debtors' assets, TEP USA sought and received from the Debtors express authority to share certain confidential information with Venari in order to prepare for a potential joint bid.
4. In January of 2018, Statoil approached Total. This was the first contact between the two companies regarding acquiring any of the Debtors' assets. Statoil was already a TEP USA partner in a Gulf of Mexico project, namely the Tahiti field. TEP USA again disclosed to the Debtors its desire to share confidential information with Statoil, and the Debtors again granted express authority for TEP USA to proceed with such discussions, this time with Statoil, to prepare for a potential joint bid.
5. TEP USA and Statoil then negotiated the two documents that contain the entirety of the agreements between them regarding bidding for North Platte: the TEP USA-Statoil Joint Bidding Agreement, dated February 22, 2018 (the "JBA"); and the form of the Asset Purchase Agreement for North Platte, executed by TEP USA and Statoil on February 22, 2018. There never has been, and there

are not now, any other agreements (written or oral) between TEP USA and Statoil in respect of North Platte or the Debtors' other assets.

6. The JBA contains no requirement that TEP USA and Statoil bid exclusively with each other. To the contrary, the JBA permits, and provides mechanisms for either of TEP USA or Statoil to bid independently of the other. At all times TEP USA understood that it could submit a separate bid, in competition with Statoil and/or the joint bid, if it desired.
7. It is routine for TEP USA to partner with other experienced offshore oil-and-gas companies when investing in deepwater offshore discoveries. North Platte is such a discovery, and, without burdening the Court with confidential technical information, it is fair to say that North Platte is significantly more complex than many such discoveries. TEP USA, thus, did not want to develop solely 100% of the North Platte asset. TEP USA was not interested in a solo bid for North Platte during the bankruptcy process. Our joint bid was fully disclosed to the Debtors in all relevant aspects prior to the commencement of the Auction.
8. At the Auction, as the Court knows, there were multiple rounds of competitive bidding for North Platte (in a package with Anchor and the Explo Blocks), which resulted in a substantial increase from the baseline bid with which TEP USA and Statoil had entered the auction.
9. TEP USA did not at any time attempt to discourage any potential investor or bidder from examining or bidding on the Debtors' assets.
10. More generally, and for the avoidance of all doubt, TEP USA has acted in utmost good faith at all times. TEP USA has desired only to engage in a fair bidding process, has been transparent, has negotiated with all parties at arm's-length, and has responded to all indications of concern with immediate engagement and willing disclosure.

**B. Adequate Assurance**

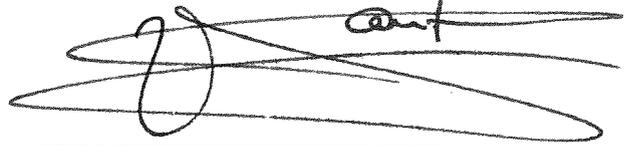
11. I am not aware of any counterparty of the Debtors having questioned the ability of TEP USA to fully perform the contracts and/or leases it intends to assume if this Court approves TEP USA as Purchaser of North Platte, Anchor, and/or the Explo Blocks.
12. To the extent any assurance is needed, TEP USA is fully capable of performing (both financially and otherwise), and will fully perform, under all of the contracts it will assume if the Court approves the proposed transactions. In addition, TEP USA has previously provided to the Debtors certain adequate-assurance information for sharing with counterparties. TEP USA can again make this information available to any counterparty who has not received it.

**C. Time of the Essence**

13. Maintenance of the leases governing North Platte requires either continuous operation or obtaining a suspension of production (an “SOP”). If operations are not resumed at North Platte or an SOP is not obtained by June 17, 2018, the leases will terminate, effectively eliminating all value in the North Platte assets. Accordingly, the sale must close prior to April 20, 2018, to permit TEP USA adequate time to either resume operations on North Platte or to timely submit an SOP application to the U.S. Department of the Interior.

*[signature page follows]*

I declare under penalty of perjury that the foregoing is true and correct. Executed on April 2, 2018, Houston, Texas, USA.

A handwritten signature in black ink, consisting of a large, stylized initial 'J' followed by the name 'Ignacio Sanz-Saiz' in a cursive script.

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JOSÉ IGNACIO SANZ-SAIZ