

Cobalt Fast Facts

Company Overview

- Formed November, 2005
- Head office in Houston, Texas
- 60+ employees

Strategic Objective

Create distinctive value by exploring for oil in the largest hydrocarbon rich sub-salt and pre-salt plays in the deep offshore waters of the U.S. Gulf of Mexico and West Africa

Assets

World-class sub-salt/pre-salt resource base in two core areas: the deepwater U.S. Gulf of Mexico and offshore West Africa:

- U.S. Gulf of Mexico (GOM)
 - Prospective resources positioned in the heart of the GOM deepwater Miocene and emerging inboard Lower Tertiary play fairways
 - +\$600 mm invested in GOM lease acquisitions
 - ~ 48 prospects across 225 leases (~630,000 net acres)
 - ~ 95 percent of prospective resources expected to be oil
 - ~ 49 percent average working interest across the portfolio
 - ~ 75 percent of leases operated by Cobalt
 - 8 of Cobalt's 13 largest GOM prospects are operated by Cobalt
 - 2 significant discoveries drilled to date (Heidelberg and Shenandoah)
- West Africa
 - Large scale prospective resource potential analogous to recent pre-salt discoveries offshore Brazil (e.g. Tupi, Jupiter, etc.)
 - Portfolio strategically located offshore Gabon via the Diaba License and offshore Angola via blocks 9 & 21
 - ~ 86 prospects across the Diaba and Angola deepwater offshore blocks
 - Gabon – Diaba License
 - The Diaba License is approximately 3,500 square miles, an area equivalent to ~400 GOM leases
 - Cobalt holds 21.25% working interest in a non-operating position; Total Gabon is the operator
 - Angola – Blocks 9 & 21
 - Blocks 9 & 21 combined cover approximately a 3,500 square mile area
 - Cobalt holds a 40% working interest in each of blocks 9 & 21; Cobalt is the operator of both blocks

Execution

Catalytic drilling events in execution to prove portfolio prospectivity/value over the next 24 months:

- Cobalt's first exploration well (Heidelberg-1) is a discovery
 - ~ 200 feet of net oil pay in high quality Miocene sands
 - Appraisal drilling activity planned in early 2011
- Cobalt's second exploration well (Shenandoah-1) is a discovery
 - ~ 300 feet of net oil pay in high quality Lower Tertiary sands with reservoir properties similar to Miocene reservoirs
 - Appraisal drilling activity planned in 2011
 - Cobalt has several high potential Lower Tertiary prospects on trend

Significant investments in technology and data targeting core areas for maximum prospect identification/maturation:

- Established leading-edge, proprietary database focused on sub-salt/pre-salt imaging
- 28,000 square miles of 3D and 78,000 linear miles of 2D seismic coverage in the deepwater U.S. Gulf of Mexico
- 5,000 square kilometers of 3D and 200,000 linear kilometers of 2D seismic coverage offshore West Africa
- Advanced reprocessing technologies to continuously high-grade Cobalt's competitively advantaged information data base

Critical enablers secured to support operated exploration/appraisal drilling program in the GOM:

- ENSCO 8503 5th generation dynamically positioned drilling rig contracted for 2 years with option to extend; delivery scheduled for early 2011
- Long lead drilling inventory (wellheads, tubulars etc.) secured
- ~ 45 Master Service Agreements established with key service providers
- Signed multi-year frame agreement with FMC Technologies to provide subsea systems

Key activities initiated to reduce cycle time between discovery and first production:

- Pre-project standardized, repeatable solution, sub-surface development plan defined and being engineered
- Preliminary appraisal and early development scenarios available for all key prospects
- Strategic partnerships being pursued to support rapid project development execution
- Discussions with 3rd party contractors for early production facility
- First production targeted between 2014 and 2016