As filed with the Securities and Exchange Commission on March 30, 2011

Registration No. 333-171700

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3

to

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Kosmos Energy Ltd.

(Exact name of registrant as specified in its charter)

Bermuda	**1311**	**98-0686001**
(State or other jurisdiction of Incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Clarendon House
2 Church Street
Hamilton HM 11, Bermuda
(441) 295-5950

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Brian F. Maxted, Chief Executive Officer
c/o Kosmos Energy, LLC
8176 Park Lane, Suite 500
Dallas, TX 75231
(214) 445-9600

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Richard D. Truesdell, Jr., Esq.	**David J. Beveridge, Esq.**
Davis Polk & Wardwell LLP	Shearman & Sterling LLP
450 Lexington Avenue	599 Lexington Avenue
New York, NY 10017	New York, NY 10022
(212) 450-4000	(212) 848-4000

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company ☐

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

This Amendment No. 3 to the Registration Statement on Form S-1 (Registration No. 333-171700) is being filed in order to file certain exhibits. This Amendment No. 3 modifies the Index to Exhibits of the Registration Statement. The provisions of the Prospectus contained in Part 1 of Amendment No. 2 to the Registration on Form S-1 (Registration No. 333-171700) filed on March 23, 2011 are incorporated by reference in their entirety.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth an itemization of the various costs and expenses, all of which we will pay, in connection with the issuance and distribution of the securities being registered. All of the amounts shown are estimated except the SEC registration fee, the NYSE listing fee and the FINRA filing fee:

SEC registration fee	$ 58,050
NYSE listing fee	250,000
FINRA filing fee	75,500
Accounting fees and expense	1,500,000
Printing and engraving expenses	450,000
Legal fees and expenses	2,800,000
Transfer Agents and Registrar fees	25,000
Miscellaneous	341,450
Total	$ 5,500,000

Item 14. Indemnification of Directors and Officers.

Section 98 of the Companies Act 1981 of Bermuda (the "Bermuda Companies Act") provides generally that a Bermuda company may indemnify its directors, officers and auditors against any liability which by virtue of any rule of law would otherwise be imposed on them in respect of any negligence, default, breach of duty or breach of trust, except in cases where such liability arises from fraud or dishonesty of which such director, officer or auditor may be guilty in relation to the company. Section 98 further provides that a Bermuda company may indemnify its directors, officers and auditors against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is awarded in their favour or in which they are acquitted or granted relief by the Supreme Court of Bermuda pursuant to section 281 of the Bermuda Companies Act.

We have adopted provisions in our bye-laws that provide that we shall indemnify our officers and directors in respect of their actions and omissions, except in respect of their fraud or dishonesty. Our bye-laws provide that the shareholders waive all claims or rights of action that they might have, individually or in right of the company, against any of the company's directors or officers for any act or failure to act in the performance of such director's or officer's duties, except in respect of any fraud or dishonesty of such director or officer. Section 98A of the Bermuda Companies Act permits us to purchase and maintain insurance for the benefit of any officer or director in respect of any loss or liability attaching to him in respect of any negligence, default, breach of duty or breach of trust, whether or not we may otherwise indemnify such officer or director.

Insofar as indemnification by us for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling the company pursuant to provisions of our bye-laws, or otherwise, we have been advised that in the opinion of the SEC, such indemnification is against public

policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification by such director, officer or controlling person of us in the successful defense of any action, suit or proceeding is asserted by such director, officer or controlling person in connection with the securities being offered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

At the present time, there is no pending litigation or proceeding involving a director, officer, employee or other agent of ours in which indemnification would be required or permitted. We are not aware of any threatened litigation or proceeding, which may result in a claim for such indemnification.

We carry insurance policies insuring our directors and officers against certain liabilities that they may incur in their capacity as directors and officers. In addition, we expect to enter into indemnification agreements with each of our directors prior to completion of the offering.

Additionally, reference is made to the Underwriting Agreement filed as Exhibit 1.1. hereto, which provides for indemnification by the underwriters of Kosmos Energy Ltd., our directors and officers who sign the registration statement and persons who control Kosmos Energy Ltd., under certain circumstances.

Item 15. Recent Sales of Unregistered Securities.

During the past three years, Kosmos Energy Ltd.'s predecessor, Kosmos Energy Holdings, issued unregistered securities to funds affiliated with Warburg Pincus LLC ("Warburg Pincus"), The Blackstone Group L.P. ("Blackstone"), certain members of management, accredited employee investors and directors, as described below. None of these transactions involved any underwriters or any public offerings, and we believe that each of these transactions was exempt from the registration requirements pursuant to Section 3(a)(9) or Section 4(2) of the Securities Act of 1933, as amended. The recipients of the securities in these transactions represented their intention to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof. The information presented below does not give effect to our corporate reorganization as described in the prospectus.

During the fiscal year ended December 31, 2008, Kosmos Energy Holdings issued the following unregistered securities for the consideration listed:

Recipient	Securities Issued	Consideration Received by Kosmos Energy Holdings
Warburg Pincus	7,150,893 Series A Convertible Preferred Units	$ 71,508,930
	4,308,700 Series B Convertible Preferred Units	107,717,500
Blackstone	5,850,738 Series A Convertible Preferred Units	$ 58,507,380
	3,525,300 Series B Convertible Preferred Units	88,132,500
Members of management, accredited employee investors and directors, in the aggregate	298,367 Series A Convertible Preferred Units	$ 2,983,670
	152,250 Series B Convertible Preferred Units	3,806,250

During the fiscal year ended December 31, 2009, Kosmos Energy Holdings issued the following unregistered securities for the consideration listed:

Recipient	Securities Issued	Consideration Received by Kosmos Energy Holdings
Warburg Pincus	6,463,052 Series B Convertible Preferred Units	$ 161,576,300
	476,134 Series C Convertible Preferred Units(1)	13,450,786
Blackstone	5,287,948 Series B Convertible Preferred Units	$ 132,198,700
	389,563 Series C Convertible Preferred Units(1)	11,005,155
Members of management, accredited employee investors and directors, in the aggregate	262,750 Series B Convertible Preferred Units	$ 6,568,750
	19,259 Series C Convertible Preferred Units(1)	544,066

(1) Kosmos Energy Holdings' financial statements reflect that the proceeds from the Series C funding were allocated on a relative fair value basis between the Series C Convertible Preferred Units and the C1 Common Units.

During the fiscal year ended December 31, 2010, Kosmos Energy Holdings did not issue any unregistered securities. To date, during the current fiscal year, Kosmos Energy Holdings has not issued any unregistered securities. To date, during the current fiscal year, Kosmos Energy Ltd. has issued one common share in connection with its incorporation under the laws of Bermuda.

Item 16. Exhibits and Financial Statement Schedules.

(a) The following exhibits are filed as part of this registration statement:

Exhibit Number	Description of Document
1.1	Form of Underwriting Agreement*
3.1	Certificate of Incorporation of Kosmos Energy Ltd. (the "Company")****
3.2	Memorandum of Association of the Company****
3.3	Form of Bye-laws of the Company
3.4	Fourth Amended and Restated Operating Agreement of Kosmos Energy Holdings (the "Predecessor"), as amended
3.5	Memorandum of Association of the Predecessor****
3.6	Articles of Association of the Predecessor****
4.1	Specimen share certificate*
5.1	Opinion of Conyers Dill & Pearman Limited*
9.1	Form of Shareholders Agreement.
10.1	Petroleum Agreement in respect of West Cape Three Points Block Offshore Ghana dated July 22, 2004 among the Ghana National Petroleum Corporation ("GNPC"), Kosmos Energy Ghana HC ("Kosmos Ghana") and the E.O. Group Limited ("E.O. Group").***
10.2	Operating Agreement in respect of West Cape Three Points Block Offshore Ghana dated July 27, 2004 between Kosmos Ghana and E.O. Group.***
10.3	Petroleum Agreement in respect of the Deepwater Tano Contract Area dated March 10, 2006 among GNPC, Tullow Ghana Limited ("Tullow Ghana"), Sabre Oil and Gas Limited ("Sabre") and Kosmos Ghana.***
10.4	Joint Operating Agreement in respect of the Deepwater Tano Contract Area, Offshore Ghana dated August 14, 2006, among Tullow Ghana, Sabre Oil and Gas Limited, and Kosmos Ghana.***
10.5	Assignment Agreement in respect of the Deepwater Tano Block dated September 1, 2006, among Anadarko WCTP Company ("Anadarko WCTP") and Kosmos Ghana.***
10.6	Unitization and Unit Operating Agreement covering the Jubilee Field Unit located offshore the Republic of Ghana dated July 13, 2009, among GNPC, Tullow, Kosmos Ghana, Anadarko WCTP, Sabre and E.O. Group.***
10.7	Atwood Hunter Offshore Drilling Contract dated June 23, 2008 among Kosmos Ghana, Alpha Offshore Drilling Services Company and Noble Energy EG Ltd., as amended.****
10.8	Ndian River Production Sharing Contract dated November 20, 2006 between the Republic of Cameroon and Kosmos Energy Cameroon HC ("Kosmos Cameroon").***
10.9	Decree 2005/249 dated June 30, 2005 granting Perenco Oil and Gas (Cameroon) Ltd. ("Perenco") and Société

Nationale des Hydrocarbures ("SNH") the Kombe-N'sepe Permit.***

10.10 Contract of Association relating to the Kombe-N'sepe Permit dated December 11, 1997 between the Republic of Cameroon, CMS Nomeco Cameroon Ltd ("CMS Nomeco Cameroon"), Globex Cameroon, LLC ("Globex Cameroon") and SNH.***

Exhibit Number	Description of Document
10.11	Convention of Establishment relating to the Kombe-N'sepe Permit dated December 11, 1997 between the Republic of Cameroon, CMS Nomeco Cameroon and Globex Cameroon.***
10.12	Deed of Assignment of the Kombe-N'sepe Permit, Contract of Association and Convention of Establishment dated November 16, 2005 between Perenco and Kosmos Cameroon.***
10.13	Agreement on the Management of Petroleum Operations (JOA) covering the Kombe-N'sepe Permit dated July 3, 2008 among SNH, Perenco and Kosmos Cameroon.***
10.14	Petroleum Agreement regarding the exploration for and exploitation of hydrocarbons in the area of interest named Boujdour Offshore dated May 3, 2006 between Office National des Hydrocarbures et des Mines ("ONHYM") and Kosmos Energy Offshore Morocco HC ("Kosmos Morocco").***
10.15	Association Contract regarding the exploration for and exploitation of hydrocarbons in the Boujdour Offshore Block dated May 3, 2006 between ONHYM and Kosmos Morocco.***
10.16	Memorandum of Understanding regarding a new petroleum agreement covering certain areas of the Boujdour Offshore Block dated September 27, 2010 between ONHYM and Kosmos Morocco.***
10.17	Common Terms Agreement, dated July 13, 2009 among Kosmos Energy Finance ("Kosmos Finance"), Kosmos Ghana, Kosmos Energy Development ("Kosmos Development") and the various financial institutions and others party thereto, as amended.***
10.18	Definitions Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Ghana, Kosmos Development and the various financial institutions and others party thereto, as amended.***
10.19	Senior Bank Facility Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Development, Kosmos Ghana, Standard Chartered Bank, BNP Paribas SA, Societe Generale, Calyon, ABSA Bank Limited, Africa Finance Corporation, Cordiant Emerging Loan Fund III, L.P. and various other financial institutions party thereto, as amended.***
10.20	Intercreditor Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Ghana, Kosmos Development and the various financial institutions and others party thereto, as amended.***
10.21†	Form of Long Term Incentive Plan
10.22†	Form of Annual Incentive Plan
10.23†	Form of Non-Qualified Stock Option Award Agreement
10.24†	Form of Restricted Stock Award Agreement (Exchange)
10.25†	Form of Restricted Stock Award Agreement (Service Vesting)
10.26†	Form of Restricted Stock Award Agreement (Performance Vesting)
10.27	Form of Director Indemnification Agreement*
10.28†	Retirement Agreement dated December 17, 2010 between Kosmos Energy, LLC, Kosmos Energy Holdings, James C. Musselman, Musselman-Kosmos, Ltd. and funds affiliated with Warburg Pincus LLC and The Blackstone Group L.P.***

10.29† Consulting Agreement dated November 17, 2010 between Kosmos Energy Holdings and John R. Kemp***

10.30† Form of Executive Employment Agreement

Exhibit Number	Description of Document
10.31	Letter agreement, dated May 4, 2010 among Tullow Ghana Limited, Anadarko WCTP Company and Kosmos Energy Ghana HC****
21.1	List of Subsidiaries***
23.1	Consent of Ernst & Young LLP****
23.2	Consent of Netherland, Sewell & Associates, Inc.****
23.3	Consent of Conyers Dill & Pearman Limited (included in Exhibit 5.1)*
24	Power of Attorney (included on the signature pages of this registration statement)
99.1	Estimate of Reserves and Future Revenue to the Kosmos Energy Interest in the Jubilee Field Phase 1 Development Unit Area located in the West Cape Three Points and Deepwater Tano License Areas Offshore Ghana as of December 31, 2009.****
99.2	Estimate of Reserves and Future Revenue to the Kosmos Energy Interest in the Jubilee Field Phase 1 Development Unit Area located in the West Cape Three Points and Deepwater Tano License Areas Offshore Ghana as of December 31, 2010.****
99.3	Consent of David I. Foley, as director nominee**
99.4	Consent of Jeffrey A. Harris, as director nominee**
99.5	Consent of David Krieger, as director nominee**
99.6	Consent of Prakash A. Melwani, as director nominee**
99.7	Consent of Bayo O. Ogunlesi, as director nominee**
99.8	Consent of Christopher A. Wright, as director nominee**

* To be filed by amendment.

** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on January 14, 2011.

*** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on March 3, 2011.

**** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on March 23, 2011.

† Management contract or compensatory plan or arrangement.

(b) Financial Statement Schedule

Schedule I—Condensed Parent Company Financial Statements

Under the terms of agreements governing the indebtedness of subsidiaries of Kosmos Energy Holdings ("KEH," the "Parent Company"), such subsidiaries are restricted from making dividend payments, loans or advances to KEH. Schedule I of Article 5-04 of Regulation S-X requires the condensed financial information of the Parent Company to be filed when the restricted net assets of consolidated subsidiaries exceed 25 percent of consolidated net assets as of the end of the most recently completed fiscal year.

The following condensed parent-only financial statements of KEH have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X and included herein. The Parent Company's

100% investment in its subsidiaries has been recorded using the equity basis of accounting in the accompanying condensed parent-only financial statements. The condensed financial statements should be read in conjunction with the consolidated financial statements of Kosmos Energy Holdings and subsidiaries and notes thereto.

Kosmos Energy Holdings

(A Development Stage Entity)

Condensed Parent Company Balance Sheets

	December 31	
	2009	2010
	(In thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 51,224	$ —
Receivables from subsidiaries	3,878	—
Prepaid expenses and other	15	—
Total current assets	55,117	—
Other assets, net of accumulated depreciation and amortization of $773 and $773, respectively	2	—
Investment in subsidiaries at equity	540,482	363,507
Total assets	$ 595,601	$ 363,507
Liabilities and unit holdings		
Current liabilities:		
Accounts payable to subsidiaries	$ —	$ —
Accrued liabilities	213	—
Total current liabilities	213	—
Convertible preferred units, 100,000 units authorized:		
Series A—30,000 units issued at December 31, 2009 and 2010	300,000	383,246
Series B—20,000 units issued at December 31, 2009 and 2010	500,000	568,163
Series C—885 units issued at December 31, 2009 and 2010	13,244	27,097
Unit holdings:		
Common units, 100,000 units authorized; 18,667 and 19,070 issued at December 31, 2009 and 2010, respectively	516	516
Additional paid-in capital	19,108	—
Deficit accumulated during development stage	(237,480)	(615,515)
Total unit holdings	(217,856)	(614,999)
Total liabilities, convertible preferred units and unit holdings	$ 595,601	$ 363,507

Kosmos Energy Holdings

(A Development Stage Entity)

Condensed Parent Company Statements of Operations

	Years Ended December 31		
	2008	2009	2010
		(In thousands)	
Revenues and other income:			
Oil and gas revenue	$ —	$ —	$ —
Interest income	188	15	44
Total revenues and other income	188	15	44
Costs and expenses:			
General and administrative	4,743	11,580	21,187
General and administrative—related party	12,453	10,663	16,830
Depreciation and amortization	155	39	—
Equity in losses of subsidiaries	31,642	57,494	207,697
Other expenses, net	—	(14)	2
Total costs and expenses	48,993	79,762	245,716
Loss before income taxes	(48,805)	(79,747)	(245,672)
Income tax expense	—	—	—
Net loss	$ (48,805)	$ (79,747)	$ (245,672)

Kosmos Energy Holdings

(A Development Stage Entity)

Condensed Parent Company Statements of Cash Flows

	Years Ended December 31		
	2008	2009	2010
		(In thousands)	
Operating activities			
Net loss	$ (48,805)	$ (79,747)	$ (245,672)
Adjustments to reconcile net loss to net cash used in operating activities:			
Equity in losses of subsidiaries	31,642	57,494	207,697
Depreciation and amortization	155	39	—
Unit-based compensation	3,671	3,468	13,791
Changes in assets and liabilities:			
(Increase) decrease in prepaid expenses and other	(47)	32	15
(Increase) decrease due to/from related party	1,008	(10,171)	3,878
Decrease in accounts payable	(75)	—	—
Increase (decrease) in accrued liabilities	—	213	(213)
Net cash used in operating activities	(12,451)	(28,672)	(20,504)
Investing activities			
Investment in subsidiaries	(320,205)	(245,496)	(30,722)
Other property	—	(2)	2
Net cash used in investing activities	(320,205)	(245,498)	(30,720)
Financing activities			
Net proceeds from issuance of units	332,656	325,344	—
Net cash provided by financing activities	332,656	325,344	—
Net increase (decrease) in cash and cash equivalents	—	51,174	(51,224)
Cash and cash equivalents at beginning of period	50	50	51,224
Cash and cash equivalents at end of period	$ 50	$ 51,224	$ —

Kosmos Energy Holdings

(A Development Stage Entity)

Valuation and Qualifying Accounts

For the Years Ended December 31, 2008, 2009 and 2010

Description	Balance January 1	Additions Charged to Costs and Expenses	Additions Charged to Other Accounts	Deductions From Reserves	Balance December 31
			(In thousands)		
2008					
Allowance for doubtful receivables	$ —	$ —	$ —	$ —	$ —
Allowance for deferred tax asset	$ 9,404	$ 9,727	$ —	$ —	$ 19,131
2009					
Allowance for doubtful receivables	$ —	$ —	$ —	$ —	$ —
Allowance for deferred tax asset	$ 19,131	$ 14,618	$ —	$ —	$ 33,749
2010					
Allowance for doubtful receivables	$ —	$ 39,782	$ —	$ —	$ 39,782
Allowance for deferred tax asset	$ 33,749	$ (3,609)	$ —	$ —	$ 30,140

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

i. To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

i. Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

ii. Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

iii. The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

iv. Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and

Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Dallas, Texas on March 30, 2011.

Kosmos Energy Ltd.

By: /s/ BRIAN F. MAXTED

Brian F. Maxted
Director and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities held on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ BRIAN F. MAXTED Brian F. Maxted	Director and Chief Executive Officer (Principal Executive Officer)	March 30, 2011
/s/ W. GREG DUNLEVY W Greg. Dunlevy	Chief Financial Officer and Executive Vice President (Principal Financial Officer)	March 30, 2011
/s/ SYLVIA MANOR Sylvia Manor	Vice President and Controller (Principal Accounting Officer)	March 30, 2011
* John R. Kemp	Chairman of the Board of Directors	March 30, 2011
* David I. Foley	Director	March 30, 2011
* Jeffrey A. Harris	Director	March 30, 2011
* David B. Krieger	Director	March 30, 2011
* Prakash A. Melwani	Director	March 30, 2011
* Adebayo O. Ogunlesi	Director	March 30, 2011
* Chris Tong	Director	March 30, 2011
* Christopher A. Wright	Director	March 30, 2011

*By: /s/ BRIAN F. MAXTED

Brian F. Maxted

Attorney-in-Fact

INDEX OF EXHIBITS

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of Cameroon, CMS Nomeco Cameroon, Globex Cameroon and SNH.***

10.11 Convention of Establishment relating to the Kombe-N'sepe Permit dated December 11, 1997 between the Republic of Cameroon, CMS Nomeco Cameroon and Globex Cameroon.***

10.12 Deed of Assignment of the Kombe-N'sepe Permit, Contract of Association and Convention of Establishment dated November 16, 2005 between Perenco and Kosmos Cameroon.***

Exhibit Number	Description of Document
10.13	Agreement on the Management of Petroleum Operations (JOA) covering the Kombe-N'sepe Permit dated July 3, 2008 among SNH, Perenco and Kosmos Cameroon.***
10.14	Petroleum Agreement regarding the exploration for and exploitation of hydrocarbons in the area of interest named Boujdour Offshore dated May 3, 2006 between ONHYM and Kosmos Morocco.***
10.15	Association Contract regarding the exploration for and exploitation of hydrocarbons in the Boujdour Offshore Block dated May 3, 2006 between ONHYM and Kosmos Morocco.***
10.16	Memorandum of Understanding regarding a new petroleum agreement covering certain areas of the Boujdour Offshore Block dated September 27, 2010 between ONHYM and Kosmos Morocco.***
10.17	Common Terms Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Ghana, Kosmos Development and the various financial institutions and others party thereto, as amended.***
10.18	Definitions Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Ghana, Kosmos Development and the various financial institutions and others party thereto, as amended.***
10.19	Senior Bank Facility Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Development, Kosmos Ghana, Standard Chartered Bank, BNP Paribas SA, Societe Generale, Calyon, ABSA Bank Limited, Africa Finance Corporation, Cordiant Emerging Loan Fund III, L.P. and various other financial institutions party thereto, as amended.***
10.20	Intercreditor Agreement, dated July 13, 2009 among Kosmos Finance, Kosmos Ghana, Kosmos Development and the various financial institutions and others party thereto, as amended.***
10.21†	Form of Long Term Incentive Plan
10.22†	Form of Annual Incentive Plan
10.23†	Form of Non-Qualified Stock Option Award Agreement
10.24†	Form of Restricted Stock Award Agreement (Exchange)
10.25†	Form of Restricted Stock Award Agreement (Service Vesting)
10.26†	Form of Restricted Stock Award Agreement (Performance Vesting)
10.27	Form of Director Indemnification Agreement*
10.28†	Retirement Agreement dated December 17, 2010 between Kosmos Energy, LLC, Kosmos Energy Holdings, James C. Musselman, Musselman-Kosmos, Ltd. and funds affiliated with Warburg Pincus LLC and The Blackstone Group L.P.***
10.29†	Consulting Agreement dated November 17, 2010 between Kosmos Energy Holdings and John R. Kemp***
10.30†	Form of Executive Employment Agreement
10.31	Letter agreement, dated May 4, 2010 among Tullow Ghana Limited, Anadarko WCTP Company and Kosmos Energy Ghana HC****
21.1	List of Subsidiaries***

23.1 Consent of Ernst & Young LLP****

23.2 Consent of Netherland, Sewell & Associates, Inc.****

23.3 Consent of Conyers Dill & Pearman Limited (included in Exhibit 5.1)*

Exhibit Number	Description of Document
24	Power of Attorney (included on the signature pages of this registration statement)
99.1	Estimate of Reserves and Future Revenue to the Kosmos Energy Interest in the Jubilee Field Phase 1 Development Unit Area located in the West Cape Three Points and Deepwater Tano License Areas Offshore Ghana as of December 31, 2009.****
99.2	Estimate of Reserves and Future Revenue to the Kosmos Energy Interest in the Jubilee Field Phase 1 Development Unit Area located in the West Cape Three Points and Deepwater Tano License Areas Offshore Ghana as of December 31, 2010.****
99.3	Consent of David I. Foley, as director nominee**
99.4	Consent of Jeffrey A. Harris, as director nominee**
99.5	Consent of David Krieger, as director nominee**
99.6	Consent of Prakash A. Melwani, as director nominee**
99.7	Consent of Bayo O. Ogunlesi, as director nominee**
99.8	Consent of Christopher A. Wright, as director nominee**

* To be filed by amendment.

** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on January 14, 2011.

*** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on March 3, 2011.

**** Filed as part of this registration statement on Form S-1 (Registration No. 333-171700) on March 23, 2011.

† Management contract or compensatory plan or arrangement.

QuickLinks

Exhibit 3.3

BYE-LAWS OF

KOSMOS ENERGY LTD.

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INTERPRETATION

1. Definitions

1.1 In these Bye-laws (other than Annex A hereto), the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981 as amended from time to time;
Blackstone	Blackstone Capital Partners (Cayman) IV L.P., Blackstone Capital Partners (Cayman) IV-A L.P., Blackstone Family Investment Partnership (Cayman) IV-A L.P., Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P., and Blackstone Participation Partnership (Cayman) IV L.P.;
Board	the board of directors appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum;
Chairman	the chairman of the Board;
Company	the company for which these Bye-laws are approved and confirmed, as the name of such company may be changed from time to time;
Effective Date	the first date on which Warburg Pincus and their affiliates and Blackstone and their affiliates no longer constitute a group that beneficially owns more than 50% of the outstanding voting power of the Company;
Member	each person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;

Officer	any person, including the Secretary, appointed by the Board to hold an office in the Company;
Register of Directors and Officers	the register of directors and Officers referred to in these Bye-laws;
Register of Members	the register of Members referred to in these Bye-laws;
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
Securities Exchange Act of 1934	the United States Securities Exchange Act of 1934, as amended from time to time, and any rules and regulations thereunder;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
Treasury Share	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled; and
Warburg Pincus	Warburg Pincus International Partners, L.P., Warburg Pincus Netherlands International Partners I, C.V., WP-WPIP Investors, L.P., Warburg Pincus Private Equity VIII, L.P., Warburg Pincus Netherlands Private Equity VIII I, C.V., WP-WP VIII Investors, L.P.

1.2 In these Bye-laws, where not inconsistent with the context:

(a) words denoting the plural number include the singular number and vice versa;

(b) words denoting the masculine gender include the feminine and neuter genders;

(c) words importing persons include companies, associations or bodies of persons whether corporate or not;

(d) the words:

(i) "may" shall be construed as permissive; and

(ii) "shall" shall be construed as imperative;

(e) the word "include" and its cognates shall be deemed to be followed by "without limitation"; and

(f) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

1.3 For so long as any of Blackstone, Warburg Pincus or their respective affiliates have the right to designate at least one director pursuant to the provisions set forth in Annex A hereto, such provisions shall be incorporated into these Bye-laws as if set forth herein in full, and these Bye-laws shall be interpreted and applied in a manner consistent with the terms of Annex A.

1.4 In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

1.5 Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

2.1 Subject to these Bye-laws and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine.

2.2 Without limitation to the provisions of Bye-law 3, subject to the Act, any Preference Shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board.

3. Rights Attaching to Shares

3.1 At the date these Bye-laws are adopted, the share capital of the Company is divided into two classes: (i) 2,000,000,000 common shares of par value US$0.01 each (the "Common Shares") and (ii) 200,000,000 preference shares of par value US$0.01 each (the "Preference Shares").

3.2 The holders of Common Shares shall, subject to these Bye-laws (including the rights attaching to any Preference Shares):

(a) be entitled to one vote per share;

(b) be entitled to such dividends and other distributions as the Board may from time to time declare;

(c) in the event of a liquidation, dissolution or winding up of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and

(d) generally be entitled to enjoy all of the rights attaching to shares.

3.3 The Board is authorised to provide for the issuance of the Preference Shares in one or more series, and to establish from time to time the number of shares to be included in such series, and to fix the terms, including designation, powers, preferences, rights, qualifications, limitations and restrictions of the shares of each such series. Such matters and the issuance of such Preference Shares and the amendment of the terms of any Preference Shares shall not be deemed to vary the rights attached to the Common Shares or, subject to the terms of any other series of Preference Shares, to vary the rights attached to any other series of Preference Shares).

The authority of the Board with respect to each series shall include determination of the following:

(a) the number of shares constituting that series and the distinctive designation of that series;

(b) the dividend rate on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of the payment of dividends on shares of that series;

(c) whether that series shall have voting rights, in addition to the voting rights provided by law, and if so, the terms of such voting rights;

(d) whether that series shall have conversion or exchange privileges (including conversion into Common Shares), and, if so, the terms and conditions of such conversion or exchange, including provision for adjustment of the conversion or exchange rate in such events as the Board shall determine;

(e) whether or not the shares of that series shall be redeemable or repurchaseable, and, if so, the terms and conditions of such redemption or repurchase, including the manner of selecting shares for redemption or repurchase if less than all shares are to be redeemed or repurchased, whether such shares are redeemable or repurchaseable at the option of the Company or of the holder of such shares, the date or dates upon or after which they shall be redeemable or repurchaseable, and the amount per share payable in case of redemption or repurchase, which amount may vary under different conditions and at different redemption or repurchase dates;

(f) whether that series shall have a sinking fund for the redemption or repurchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(g) the right of the shares of that series to the benefit of conditions and restrictions upon the creation of indebtedness of the Company or any subsidiary, upon the issue of any additional shares (including additional shares of such series or any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Company or any subsidiary of any issued shares of the Company;

(h) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, and the relative rights of priority, if any, of payment in respect of shares of that series; and

(i) any other relative, participating, optional or other special rights, qualifications, limitations or restrictions of that series.

3.4 Any Preference Shares of any series which have been redeemed (whether through the operation of a sinking fund or otherwise) or which, if convertible or exchangeable, have been converted into or exchanged for shares of any other class or classes or other security shall have the status of authorised and unissued Preference Shares of the same series and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of Preference Shares to be created by resolution or resolutions of the Board or as part of any other series of Preference Shares, all subject to the conditions and the restrictions on issuance set forth in the resolution or resolutions adopted by the Board providing for the issue of any series of Preference Shares.

3.5 At the discretion of the Board, whether or not in connection with the issuance and sale of any shares or other securities of the Company, the Company may issue securities, contracts, warrants or other instruments evidencing any shares, option rights, securities having conversion or option rights, or obligations on such terms, conditions and other provisions as are fixed by the Board, including conditions that preclude or limit any person or persons owning or offering to acquire a specified number or percentage of the issued Common Shares, other shares, option rights, securities having conversion or option rights, or obligations of the Company or transferee of the person or persons from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights, or obligations.

3.6 All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

4. Power of the Company to Purchase its Shares

4.1 The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.

4.2 The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

5. Fractional Shares

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including the right to vote, to receive dividends and distributions and to participate in a winding-up.

6. Calls on Unpaid Shares and Forfeiture of Shares

6.1 The Board may make such calls as it thinks fit upon the Members in respect of any moneys unpaid on the shares allotted to or held by such Members, whether in respect of the par value of such shares or the premium on such shares (such shares being referred to in these Bye-laws as "unpaid shares"), and not made payable at fixed times by the terms and conditions of issue and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.

6.2 Any amount which by the terms of allotment of an unpaid share becomes payable upon issue or at any fixed date by the terms of issue shall for all the purposes of these Bye-laws be deemed to be an amount on which a call has been duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, costs and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a duly made and notified call.

6.3 The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.

6.4 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up or become payable.

6.5 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call
Kosmos Energy Ltd. (the "Company")

You have failed to pay the call of **[amount of call]** made on the [ ] day of [ ], 20[ ], in respect of the **[number]** share(s) **[number in figures]** standing in your name in the Register of Members of the Company, on the [ ] day of [ ], 20[ ], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [ ] per annum computed from the said [ ] day of [ ], 20[ ] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [ ] day of [ ], 20[ ]

[Signature of Secretary] By Order of the Board

6.6 If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine.

6.7 A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.

6.8 The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

ALTERATION OF SHARE CAPITAL

7. Power to Alter Capital

7.1 Without limiting the scope of Bye-law 11, the Company may, with the approval of the Board and, after the approval of the Board, the approval of Members by a resolution of the Members passed in accordance with Bye-law 21 or 27, as applicable, increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its authorized share capital in any manner permitted by the Act.

7.2 Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

8. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the approval of the Board and, after the approval of the Board, the consent in writing of the holders of a majority of the issued and outstanding shares of that class or with the sanction of a resolution passed by a majority of the issued and outstanding shares of the class at a separate general meeting of the holders of the shares of the class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

DIVIDENDS AND CAPITALISATION

9. Dividends

9.1 The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.

9.2 The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

9.3 Except as otherwise provided in these Bye-laws, in order that the Company may determine the Members entitled to receive payment of any dividend or other distribution or allotment of any rights or the Members entitled to exercise any rights in respect of any change, conversion or exchange of shares, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining Members for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

9.4 Notwithstanding Bye-law 9.1 and 9.2, if there are any unpaid shares issued and outstanding, the Company may pay dividends and other distributions (in cash or in specie) in proportion to the amounts paid up on each share.

9.5 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

10. Method of Payment

10.1 The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls on unpaid shares or otherwise.

10.2 Any dividend and or other moneys payable in respect of a share which has remained unclaimed for 6 years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.

10.3 The Company shall be entitled to cease sending dividend cheques and warrants by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law 10.3 in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or warrant.

11. Capitalisation

11.1 The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid up bonus shares pro-rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.

11.2 The Board may capitalise any amount at the time standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up, in whole or in part, any unpaid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

12. Annual General Meetings

The annual general meeting of the Company shall be held in each year (other than the year of incorporation) at such time and place as the Board shall appoint.

13. Special General Meetings

13.1 A special general meeting may be convened by the Chairman or the Board whenever in their judgment such a meeting is necessary.

13.2 The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply. Such requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionists.

13.3 A special general meeting shall be held at such date, time and place as may be fixed by the Board in accordance with these Bye-laws. Business conducted at a special general meeting shall be limited to the purposes stated in the notice.

14. Notice

14.1 A written notice of a general meeting shall be given which shall state the place, date and hour of the general meeting, the means of remote communications, if any, by which Members and proxy holders may be deemed to be present in person and vote at such general meeting, the record date for determining Members entitled to vote at such

general meeting, if such record date is different from the record date for determining Members entitled to notice of the general meeting, and, in the case of a special general meeting, the purpose or purposes for which the general meeting is called. Unless otherwise provided in these Bye-laws, such notice shall be given not less than 10 nor more than 60 days before the date of the general meeting to each Member of record entitled to notice of such general meeting.

14.2 In order that the Company may determine the Members entitled to notice of and to vote at any general meeting or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 60 nor less than 10 days before the date of such general meeting. If the Board so fixes a record date for notice of any general meeting of Members, such date shall also be the record date for determining the Members entitled to vote at such general meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the general meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining Members entitled to notice of and to vote at a general meeting shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the general meeting is held. A determination of Members of record entitled to notice of or to vote at a general meeting shall apply to any adjournment of the general meeting; *provided* that the Board may fix a new record date for determination of Members entitled to vote at the adjourned general meeting and in such case shall also fix as the record date for determining Members entitled to notice of such general meeting the same or an earlier date as that fixed for determination of Members entitled to vote at such adjourned general meeting in accordance with these Bye-laws.

14.3 A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; or (ii) by a majority in number of the Members having the right to attend and vote at the general meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.

14.4 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that general meeting.

15. Giving Notice

15.1 A notice may be given by the Company to a Member:

(a) by delivering it to such Member in person; or

(b) by sending it by letter mail or courier to such Member's address in the Register of Members; or

(c) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose; or

(d) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website.

15.2 Any notice delivered in accordance with Bye-law 15.1(a), (b) or (c) shall be deemed to have been served at the time when the same would be delivered in the ordinary course of transmission and, in proving such service, it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted, and the time when it was posted, delivered to the courier or transmitted by electronic means. Any notice delivered in accordance with Bye-law 15.1(d) shall be deemed to have been delivered at the time when the requirements of the Act in that regard have been met.

16. Notice of Nominations and Member Business

16.1 Annual General Meetings

(a) Nominations of persons for election to the Board or the proposal of other business to be transacted by the Members may be made at an annual general meeting only (A) pursuant to the Company's notice of meeting (or any supplement thereto), (B) by or at the direction of the Board or (C) subject to any applicable law, by Members of record at the time of giving of notice as provided for in this Bye-law 16.1 and who comply with the notice procedures set forth in this Bye-law 16.1.

(b) For nominations or other business to be properly brought before an annual general meeting by a Member pursuant to clause (C) of Bye-law 16.1(a), the Member must have given timely notice thereof in writing to the Secretary and any such proposed business must constitute a proper matter for Member action. To be timely, a Member's notice shall be delivered to or mailed and received by the Secretary at the registered office of the Company not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual general meeting; *provided*, that in the event that the date of the annual general meeting is advanced more than 30 days prior to such anniversary date or

delayed more than 30 days after such anniversary date then to be timely such notice must be received at the registered office of the Company no earlier than 120 days prior to such annual general meeting and no later than the later of 70 days prior to the date of the general meeting or the 10th day following the day on which public announcement of the date of the general meeting was first made by the Company. In no event shall the public announcement of an adjournment or postponement of an annual general meeting commence a new time period (or extend any time period) for the giving of a Member's notice as described above. For purposes of Bye-laws 16.1(b) and 16.2, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, the Associated Press or any comparable news service in the United States or in a document publicly filed by the Company with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Securities Exchange Act of 1934.

(c) A Member's notice to the Secretary shall set forth (A) as to each person whom the Member proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934 (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), (B) as to any other business that the Member proposes to bring before the general meeting, a brief description of the business desired to be brought before the general meeting, the text of the proposal or business, the reasons for conducting such business at the general meeting and any material interest in such business of such Member and the beneficial owner, if any, on whose behalf the proposal is made, and (C) as to the Member giving the notice and the beneficial owner, if any, on whose behalf the proposal is made:

(i) the name and address of such Member (as they appear in the Register of Members) and any such beneficial owner;

(ii) the class or series and number of shares of the Company which are held of record or are beneficially owned by such Member and by any such beneficial owner;

(iii) a description of any agreement, arrangement or understanding between or among such Member and any such beneficial owner, any of their respective affiliates or associates, and any other person or persons (including their names) in connection with the proposal of such nomination or other business;

(iv) a description of any agreement, arrangement or understanding (including, regardless of the form of settlement, any derivative, long or short positions, profit interests, forwards, futures, swaps, options, warrants, convertible securities, share appreciation or similar rights, hedging transactions and borrowed or loaned shares) that has been entered into by or on behalf of, or any other agreement, arrangement or understanding that has been made, the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such Member or any such beneficial owner or any such nominee with respect to the Company's securities (a "Derivative Instrument");

(v) to the extent not disclosed pursuant to clause (iv) above, the principal amount of any indebtedness of the Company or any of its subsidiaries beneficially owned by such Member or by any such beneficial owner, together with the title of the instrument under which such indebtedness was issued and a description of any Derivative Instrument entered into by or on behalf of such Member or such beneficial owner relating to the value or payment of any indebtedness of the Company or any such subsidiary;

(vi) a representation that the Member is a holder of record of shares of the Company entitled to vote at such general meeting and intends to appear in person or by proxy at the general meeting to bring such nomination or other business before the general meeting; and

(vii) a representation as to whether such Member or any such beneficial owner intends or is part of a group that intends to (i) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the voting power of the Company's outstanding shares required to approve or adopt the proposal or to elect each such nominee and/or (ii) otherwise to solicit proxies from Members in support of such proposal or nomination.

(d) If requested by the Company, the information required under clauses (ii), (iii), (iv) and (v) of Bye-law 16.1(c) shall be supplemented by such Member and any such beneficial owner not later than 10 days after the record date for notice of the general meeting to disclose such information as of such record date.

(e) Notwithstanding anything to the contrary, the notice requirements set forth herein with respect to the proposal of any business pursuant to this Bye-law 16.1 other than a nomination shall be deemed satisfied by a Member if such Member has submitted a proposal to the Company in compliance with Rule 14a-8 promulgated under the Securities and Exchange Act of 1934 and such Member's

proposal has been included in a proxy statement that has been prepared by the Company to solicit proxies for the general meeting.

16.2 Special General Meetings

(a) Only such business shall be conducted at a special general meeting as shall have been brought before the general meeting in accordance with the Company's notice of meeting pursuant to Bye-laws 14 and 15.

(b) Nominations of persons for election to the Board at a special general meeting may be made (i) by or at the direction of the Board or (ii) provided that the Board has determined that Members may nominate persons for election to the Board at such general meeting, by any Member of the Company who is a Member of record at the time of giving of notice provided for in this Bye-law 16.2(b), who shall be entitled to vote at the general meeting and who complies with the notice procedures set forth in this Bye-law 16.

(c) For nominations to be properly brought before a special general meeting by a Member pursuant to this Bye-law 16.2(b)(ii), the Member must have given timely notice thereof in writing to the Secretary. To be timely, a Member's notice shall be delivered to or mailed and received at the registered office of the Company (A) not earlier than 120 days prior to the date of the special general meeting nor (B) later than the later of 90 days prior to the date of the special general meeting or the 10th day following the day on which public announcement of the date of the special general meeting was first made.

(d) A Member's notice to the Secretary, including any notice of requisition pursuant to Bye-law 13.2, shall comply with the notice requirements of Bye-law 16.1(c) and (d).

16.3 General

(a) At the request of the Board, any person nominated by the Board for election as a director shall furnish to the Secretary the information that is required to be set forth in a Member's notice of nomination pursuant to Bye-law 16.1(c).

(b) Subject to the provisions of Annex A, no person shall be eligible to be nominated by a Member to serve as a director of the Company unless nominated in accordance with the procedures set forth in this Bye-law 16.

(c) The chairman of the general meeting shall, if the facts warrant, determine and declare to the general meeting that a nomination was not made in accordance with the procedures prescribed by these Bye-laws or that business was not properly brought before the general meeting, and if he should so determine and

declare, the defective nomination shall be disregarded or such business shall not be transacted, as the case may be.

(d) Notwithstanding the foregoing provisions of this Bye-law 16, unless otherwise required by the Act, if the Member (or a qualified representative of the Member) does not appear at the annual or special general meeting to present a nomination or other proposed business, such nomination shall be disregarded or such proposed business shall not be transacted, as the case may be, notwithstanding that proxies in respect of such vote may have been received by the Company. For purposes of this Bye-law 16.3, to be considered a qualified representative of the Member, a person must be a duly authorized officer, manager or partner of such Member or must be authorized by a writing executed by such Member or an electronic transmission delivered by such Member to act for such Member as proxy at the general meeting and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the general meeting.

16.4 Without limiting the foregoing provisions of this Bye-law 16, a Member shall also comply with all applicable requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder with respect to the matters set forth in this Bye-law 16; *provided*, that any references in these Bye-laws to the Securities Exchange Act of 1934 or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Bye-law, and compliance with Bye-law 16.1 or 16.2 shall be the exclusive means for a Member to make nominations or submit other business (other than as provided in Bye-law 16.1(e)).

17. Postponement or Cancellation of General Meeting

The Chairman may, and the Secretary on instruction from the Chairman shall, postpone or cancel any general meeting called in accordance with these Bye-laws (other than a general meeting requisitioned under Bye-law 13.2) provided that notice of postponement or cancellation is given to each Member before the time for such general meeting. Fresh notice of the date, time and place for the postponed or cancelled general meeting shall be given to the Members in accordance with these Bye-laws.

18. Electronic Participation and Security at General Meetings

18.1 Members may participate in any general meeting by such telephonic, electronic or other communications facilities or means determined by the chairman of such general meeting as may permit all persons participating in the general meeting to communicate with each other simultaneously and instantaneously in accordance with applicable law, and participation in such a general meeting shall constitute presence in person at such general meeting.

18.2 The Board may, and at any general meeting the chairman of such general meeting may make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting, including requirements for evidence of identity to be produced by those attending the general meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such general meeting are entitled to refuse entry to a person who refuses to comply with any such arrangements, requirements or restrictions.

19. Quorum at General Meetings

19.1 At any general meeting the presence at the start of the general meeting of two or more persons representing in person or by proxy a majority of the issued and outstanding shares in the Company entitled to vote at such general meeting shall constitute a quorum for the transaction of business.

19.2 If within half an hour (or such longer time as the chairman of the general meeting may determine to wait) from the time appointed for the general meeting, a quorum is not present, then, in the case of a general meeting convened on a requisition under Bye-law 13.2, the general meeting shall be deemed cancelled, and, in any other case, the general meeting shall be postponed to such time and place as the chairman may determine, without notice other than announcement at the general meeting, until a quorum shall be present. At such postponed general meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the general meeting as originally notified.

20. Organization

20.1 At each general meeting, the Chairman, if one shall have been elected, or in the Chairman's absence or if one shall not have been elected, such director or officer designated by the vote of the majority of the directors present at such general meeting, shall act as chairman of the general meeting. The Secretary (or in the Secretary's absence or inability to act, the person whom the chairman of the general meeting shall appoint as a secretary of the general meeting) shall act as secretary of the general meeting and keep the minutes thereof.

20.2 The order of business at all general meetings shall be as determined by the chairman of the general meeting.

21. Voting on Resolutions

21.1 Unless otherwise provided in these Bye-laws and subject to the Act, all matters presented at a general meeting other than the election of directors shall be decided by

the affirmative vote of the majority of the votes cast at a general meeting at which a quorum is present.

21.2 In determining the number of votes cast for or against a resolution (or election of a director), any shares abstaining from voting will not be treated as a vote cast. Each Member entitled to vote may cast a vote at a general meeting unless such Member has not paid all the calls on all shares held by such Member.

21.3 In the event that a Member participates in a general meeting by telephone, electronic or other communications facilities or means, the chairman of the general meeting shall direct the manner in which such Member may cast his vote.

21.4 At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the general meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

21.5 At any general meeting, a resolution put to the vote of the general meeting shall be voted upon either by a show of hands or by a count of votes, as determined by the chairman of the general meeting. Subject to these Bye-laws and any rights or restrictions for the time being lawfully attached to any class of shares, if any resolution is being voted upon by a show of hands, every Member present in person and every person holding a valid proxy at such general meeting shall be entitled to one vote and shall cast such vote by raising his or her hand.

21.6 At any general meeting, a declaration by the chairman of the general meeting that a question proposed for consideration has, on a show of hands or a count of votes, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

22. Power to Demand a Vote on a Poll

22.1 Notwithstanding the foregoing, a poll may be demanded with respect to any resolution put to the vote of a general meeting by any of the following persons:

(a) the chairman of such general meeting; or

(b) at least three Members present in person or represented by proxy; or

(c) any Member or Members present in person or represented by proxy holding not less than one-tenth of the total voting rights of all the Members having the right to vote at such general meeting; or

(d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.

22.2 Where a poll is demanded, subject to any rights or restrictions attached to any class of shares, every person present at such general meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy. Such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communications facilities or means, in such manner as the chairman of the general meeting may direct, and the result of such poll shall be deemed to be the resolution of the general meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

22.3 A poll demanded for the purpose of electing a chairman of the general meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such general meeting as the chairman (or acting chairman) of the general meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

22.4 Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper (or such other means as the chairman of the general meeting may determine) on which such person shall record his vote in such manner as shall be determined at the general meeting having regard to the nature of the question on which the vote is taken. Each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communications facilities or means shall cast his vote in such manner as the chairman of the general meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by a committee appointed by the chairman of the general meeting for the purpose. The result of the poll shall be declared by the chairman of the general meeting.

23. Voting by Joint Holders of Shares

In the case of joint holders of shares, the vote of the most senior joint holder of such shares who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

24. Instrument of Proxy

24.1 Each Member entitled to vote at a general meeting may authorize another person or persons to act for such Member by proxy, but no such proxy shall be voted or acted upon after 3 years from its date, unless the proxy provides for a longer period.

24.2 Without limiting the manner in which a Member may authorize another person or persons to act for such Member as proxy, the following shall constitute a valid means by which a Member may grant such authority:

(a) a Member may appoint a person or persons to act for such Member as proxy pursuant to an instrument in writing. Execution may be accomplished by the Member or such Member's authorized officer, director, employee or agent signing such writing or causing such person's signature to be affixed to such writing by any reasonable means including by facsimile signature.

(b) a Member may authorize another person or persons to act for such Member as proxy by transmitting or authorizing the transmission of a telegram, cablegram or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such telegram, cablegram or other means of electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized the Member.

Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this Bye-law 24.2 may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

24.3 The appointment of a proxy pursuant to this Bye-law 24 must be received by the Company at the registered office or at such other place or in such manner and by such time as is specified in the notice convening the general meeting, or as otherwise specified by the Company in connection with such general meeting at which, or with respect to which the person named in the appointment proposes to vote, and an appointment of proxy which is not so received shall be invalid.

24.4 A vote given in accordance with the terms of an instrument of proxy or authorization shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the corporate authority, provided that no intimation in writing of such death, unsoundness of mind or

revocation shall have been received by the Company at the registered office (or such other place as may be specified for the delivery of instruments of proxy or authorization in the notice convening the general meeting or other documents sent therewith) at least one hour before the commencement of the general meeting or adjourned general meeting, or the taking of the poll, at which the instrument of proxy or authorization is used.

24.5 A Member may appoint a standing proxy by serving on the Company at the registered office, or at such place or places as the Board may otherwise specify for the purpose, a proxy. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof, until notice of revocation is received at the registered office or at such place or places as the Board may otherwise specify for the purpose; *provided*, that no proxy shall be valid for more than 3 years unless such proxy expressly provides for a longer period. Where a standing proxy exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Member is present or in respect to which the Member has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.

24.6 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy pursuant to this Bye-law 24 shall be final.

25. Representation of Corporate Member

25.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

25.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

26. Adjournment of General Meeting

26.1 The chairman of any general meeting at which a quorum is present may with the consent of Members holding a majority of the voting rights of those Members present in person or by proxy (and shall if so directed by Members holding a majority of the voting rights of those Members present in person or by proxy), adjourn the general meeting.

26.2 In addition, the chairman may adjourn the general meeting to another time and place without such consent or direction if it appears to him that:

(a) it is likely to be impracticable to hold or continue that general meeting because of the number of Members wishing to attend who are not present; or

(b) the unruly conduct of persons attending the general meeting prevents, or is likely to prevent, the orderly continuation of the business of the general meeting; or

(c) an adjournment is otherwise necessary so that the business of the general meeting may be properly conducted.

26.3 Unless these Bye-laws otherwise require, when a general meeting is adjourned to another time or place, notice need not be given of the adjourned general meeting if the date, time, place and the means of remote communications, if any, by which Members and proxy holders may be deemed to be present in person and vote at such general meeting are announced at the general meeting at which the adjournment is taken. At the adjourned general meeting, the Company may transact any business which might have been transacted at the original general meeting. If the date, time, place and means of remote communications, if any, are not announced at the general meeting at which the adjournment is taken, the adjournment is for more than 30 days, or after the adjournment a new record date is fixed for the adjourned general meeting, a notice of the adjourned general meeting shall be given to each Member of record entitled to notice of such adjourned general meeting.

27. Action by Written Resolutions Without a General Meeting

27.1 Subject to these Bye-laws anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may, without a meeting be done by written resolution in accordance with this Bye-law.

27.2 Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.

27.3 A written resolution is passed when it is signed by, or in the case of a Member that is a corporation on behalf of, the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.

27.4 A resolution in writing may be signed by any number of counterparts.

27.5 A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.

27.6 A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.

27.7 This Bye-law shall not apply to:

(a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or

(b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.

27.8 For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

27.9 This Bye-law 27 shall no longer apply or have effect from and after the Effective Date, and from and after the Effective Date no resolution of the Company may be adopted by written resolution.

28. Directors Attendance at General Meetings

The directors shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

29. Election of Directors

The Board shall consist of not less than 5 directors nor more than 15 directors, with the exact number of directors to be determined from time to time by the Board by resolution adopted by the affirmative vote of a majority of the entire Board. Directors need not be Members.

29.1 Only persons who are proposed or nominated in accordance with Bye-law 16 shall be eligible for election as directors, and the persons (up to the number of directors to be elected) receiving the most votes shall be elected as directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such directors . There shall be no cumulative voting in the election of directors.

29.2 Each director shall hold office until such director's successor shall have been duly elected and qualified or until such director's office is vacated pursuant to Bye-Law 32.1, and, in the case the Board is classified in accordance with Bye-law 30.2, for a term that shall coincide with the term of the class to which such director shall have been elected.

30. Classes and Term of Office of Directors

30.1 Until the Effective Date, subject to Bye-law 32.2, all directors will be elected annually at the annual general meeting.

30.2 From and after the Effective Date, the directors shall be divided into three classes, designated Class I, Class II and Class III. Each class of directors shall consist, as nearly as possible, of one third of the total number of directors constituting the entire Board. The Board is hereby authorized to assign members of the Board in office at the Effective Date to such classes. Each director shall serve for a term ending on the date of the third annual general meeting next following the annual general meeting at which such director was elected, *provided* that directors initially designated as Class I directors shall serve for a term ending on the date of the first annual general meeting following the Effective Date, directors initially designated as Class II directors shall serve for a term ending on the second annual general meeting following the Effective Date, and directors initially designated as Class III directors shall serve for a term ending on the date of the third annual general meeting following the Effective Date.

30.3 If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible. In no case shall a decrease in the number of directors shorten the term of any director then in office.

31. Removal of Directors

31.1 Until the Effective Date, any director may be removed from office, with or without cause, by the affirmative vote of Members holding not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class.

31.2 From and after the Effective Date, no director may be removed from office by the Members except for cause with the affirmative vote of Members holding not less than a majority of the shares then entitled to vote generally in the election of directors, voting together as a single class.

31.3 For purposes of this Bye-law 31, "cause" shall mean (a) conviction of a felony or comparable criminal offence involving fraud, or (b) willful misconduct that results in material injury (monetary or otherwise) to the Company and its subsidiaries taken as a whole .

31.4 A notice of any general meeting convened for the purpose of removing a director shall contain a statement of the intention so to do and be served on such director not less than 14 days before the meeting and at such meeting the director shall be entitled to be heard on the motion for such director's removal.

32. Vacancy in the Office of Director

32.1 The office of a director shall be vacated if the director:

(a) is removed from office pursuant to Bye-law 31 or is prohibited from being a director by law;

(b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;

(c) is or becomes of unsound mind or dies; or

(d) resigns his office by notice to the Company.

32.2 Vacated offices shall be filled as follows:

(a) Vacancies on the Board occurring pursuant to Bye-law 32.1 or as a result of an increase in the size of the Board may be filled by the Board or, if there are not enough directors then in office to constitute a quorum, by the Members in general meeting.

(b) At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

(c) When one or more directors shall resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of other vacancies.

(d) Each director appointed to fill a vacancy as provided in this Bye-law 32 shall hold office as provided in Bye-law 29.2.

33. Remuneration of Directors

The remuneration (if any) of the directors shall be determined by the Board. The directors may also be paid all travel, hotel and other reasonable out-of-pocket expenses properly incurred by them in attending and returning from the meetings of the Board or any committee appointed by

the Board, general meetings of Members, or in connection with the business of the Company or their duties as directors generally.

34. Defect in Appointment

All acts done in good faith by the Board, any director, a member of a committee appointed by the Board, any person to whom the Board intended to delegate any of its powers shall, or any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any director or person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director or act in the relevant capacity.

35. General Powers of Directors

35.1 The business and affairs of the Company shall be managed by or under the direction of the Board. The Board shall have all such powers to act on behalf of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting.

35.2 The Board may:

(a) appoint one or more persons to the office of chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;

(b) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;

(c) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;

(d) delegate any of its powers (including the power to sub-delegate) to a committee appointed by the Board which may consist partly or entirely of non-directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;

(e) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;

(f) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the

Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;

(g) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company;

(h) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;

(i) procure that the Company pays all expenses incurred in promoting and incorporating the Company and listing the shares of the Company;

(j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and

(k) present any petition and make any application in connection with the liquidation or reorganisation of the Company.

36. Conflicts of Interest

36.1 Any director, or any director's firm, partner or any company with whom any director is associated, may act in any capacity for, be employed by or render services to the Company and such director or such director's firm, partner or company shall be entitled to remuneration as if such director were not a director. Nothing herein contained shall authorise a director or director's firm, partner or company to act as auditor to the Company. A director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by the Act.

36.2 Following a declaration being made pursuant to this Bye-law, and unless disqualified by the chairman of the relevant Board meeting, a director may vote in respect of any contract or proposed contract or arrangement in which such director is interested and may be counted in the quorum for such meeting.

37. Appointment of Officers

The Board may appoint a chief executive officer and may appoint such additional officers of the Company (who may or may not be directors) as the Board may determine from time to time, and each such officer shall constitute an "Officer" for purposes of these Bye-laws. Each Officer shall hold office until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal. The remuneration of all Officers shall be fixed by or at the direction of the Board. Any vacancy in the office of any Officer shall be filled in such manner as the Board shall determine.

38. Appointment of Secretary

The Secretary shall be appointed by the Board from time to time.

39. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

40. Removal of Officers

Any Officer may be removed, with or without cause, at any time, by resolution adopted by the Board.

41. Register of Directors and Officers

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

42. Indemnification and Exculpation of Directors and Officers

42.1 Each Member and the Company agree to waive any claim or right of action the Company or such Member might have, whether individually or by or in the right of the Company, against any director, Officer or the Resident Representative on account of any action taken by such person, or the failure of such person to take any action in the performance of his duties with or for the Company or any subsidiary thereof; *provided* that such waiver shall not extend to any matter in respect of any fraud or dishonesty that is proved or has

been proved against such person in a court of competent jurisdiction in a final judgment or decree not subject to appeal.

42.2 The directors, Officers, any person appointed to any committee by the Board in accordance with these Bye-laws and the Resident Representative for the time being acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company or any subsidiary thereof, and every one of them, and their heirs,

executors and administrators, shall be indemnified and secured harmless to the fullest extent authorized by applicable law out of the assets of the Company from and against all actions, costs, charges, losses, damages, expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; *provided* that this indemnity shall not extend to any matter in respect of any fraud or dishonesty that is proved or has been proved against such person in a court of competent jurisdiction in a final judgment or decree not subject to appeal.

42.3 The right to indemnification conferred in this Bye-law 42 shall also include the right to be paid by the Company the costs, charges and expenses (including reasonable attorneys' fees) incurred by the director, Officer, person appointed to a committee by the Board or Resident Representative in defending any civil, criminal, administrative or investigative action, suit or proceeding in advance of the final disposition of such action, suit or proceeding to the fullest extent authorized by applicable law; *provided* that any person receiving such advance undertakes to repay and will repay all such amounts advanced if any allegation of fraud or dishonesty is proved or has been proved against such person in a court of competent jurisdiction in a final judgment or decree not subject to appeal. The right to indemnification conferred in this Bye-law 42 shall be a contract right.

42.4 Notwithstanding the foregoing, the Company shall not be obliged to indemnify or advance any costs, charges and expenses to any person with respect to any civil, criminal, administrative or investigative action, suit or proceeding (or part thereof) initiated or prosecuted by such person (other than a proceeding to enforce the rights granted under this Bye-law 42) unless the Board approved the initiation of such proceeding (or part thereof).

42.5 The Company may, by resolution of the Board, provide rights to indemnification and to advancement of costs, charges and expenses to such other employees and agents of the Company to such extent and to such effect as the Board shall determine to be appropriate.

42.6 The Company shall have power to purchase and maintain insurance on behalf of any person who is or was a director, Officer, employee or agent of the Company, or is or was

serving at the request of the Company as a member, manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Company would have had the power to indemnify such person against any such liability, or indemnifying such person in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the person may be guilty in relation to the Company or any subsidiary thereof.

42.7 The indemnification obligation of the Company under this Bye-law 42 to indemnify or advance expenses to directors, Officers, any person appointed to any committee by the Board in accordance with these Bye-laws and the Resident Representative (such person, an "Indemnified Person") shall be the primary source of indemnification and advancement of expenses of such Indemnified Person and any obligation on the part of Blackstone or its affiliates or Warburg Pincus or its affiliates to indemnify or advance expenses to such Indemnified Person under any indemnification agreement with such Indemnified Person shall be secondary to the Company's indemnification obligation and shall be reduced by any amount that the Indemnified Person may collect as indemnification or advance expenses from the Company. In the event that the Company fails to indemnify or advance expenses to an Indemnified Person as required or contemplated by this Bye-law 42 (such amounts, the "Unpaid Indemnity Amounts") and Blackstone or its affiliates or Warburg Pincus or its affiliates makes any payment to such Indemnified Person in respect of indemnification or advancement of expenses under any indemnification agreement with such Indemnified Person on account of such Unpaid Indemnity Amounts, Blackstone or its affiliates or Warburg Pincus or its affiliates, as applicable, shall, to the fullest extent permitted by applicable law, be subrogated to the rights of such Indemnified Person under this Bye-law 42 in respect of such Unpaid Indemnity Amounts. To the fullest extent permitted by applicable law, the Company's obligation to indemnify the Indemnified Person shall include any amounts reasonably expended by Blackstone or its affiliates or Warburg Pincus or its affiliates under any indemnification agreements with such Indemnified Person in respect of indemnification or advancement of expenses to any Indemnified Person in connection with litigation or other proceedings involving his or her service as an Indemnified Person to the extent such amounts reasonably expended by Blackstone or its affiliates or Warburg Pincus or its affiliates, as applicable, are on account of any Unpaid Indemnity Amounts.

42.8 The rights and authority conferred in this Bye-law 42 shall continue as to a person who has ceased to be a director or Officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

42.9 The rights and authority conferred in this Bye-law 42 shall not be exclusive of any other rights to which those seeking exculpation, indemnification or advancement of expenses may be entitled under any agreement, Bye-law, vote of the Board or otherwise.

42.10 Neither the amendment nor repeal of this Bye-law 42, nor the adoption of any provision of these Bye-laws, nor, to the fullest extent permitted by applicable law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

42.11 If this Bye-law 42 or any portion hereof shall be invalidated on any ground by a court of competent jurisdiction the Company shall nevertheless indemnify each director or Officer of the Company, former director or Officer of the Company or person serving at the request of the Company as a member, manager, director, officer, partner, venturer, proprietor, trustee, employee agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, e mployee benefit plan or other enterprise, as to expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any civil, criminal, administrative or investigative action, suit or proceeding to the fullest extent permitted by any applicable portion of this Bye-law 42 that shall not have been invalidated, *provided that* any such indemnity shall not extend to any matter in respect of any fraud or dishonesty that is proved or has been proved against such person in a court of competent jurisdiction in a final judgment or decree not subject to appeal.

42.12 Any person or entity purchasing or otherwise acquiring any interest in any securities of the Company shall be deemed to have notice of and to have consented to the provisions of this Bye-law 42.

MEETINGS OF THE BOARD OF DIRECTORS

43. Board Meetings

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit, in accordance with these Bye-laws. The Board shall hold its meetings at such place and at such time as may be determined from time to time by the Board (or the Chairman in the absence of a determination by the Board).

44. Notice of Board Meetings

Meetings of the Board may be called by the Chairman or the chief executive officer and shall be called by the Secretary on the written request of at least two directors. Notice of meetings of the Board shall be given to each director either verbally (including in person or by telephone) or

otherwise communicated or sent to such director by post, electronic means or other mode of representing words in a visible form at such director's last known address or in any other manner permitted by the Act and these Bye-laws or as otherwise agreed by the Board.

45. Quorum at Board Meetings; Manner of Acting

45.1 Subject to Bye-law 45.2, the quorum necessary for the transaction of business at any meeting of the Board shall be a majority of the directors then in office.

45.2 Notwithstanding Bye-law 45.1, for so long as Blackstone, Warburg Pincus and their respective affiliates collectively beneficially own more than twenty-five percent of the issued and outstanding shares and any of Blackstone, Warburg Pincus or their respective affiliates have the right to designate at least one director to the Board pursuant to Annex A, if at least one director designated to the Board by one of Blackstone or Warburg Pincus or their respective affiliates pursuant to Annex A is not present at a board meeting (unless such designated director waives his right to participate in such meeting), a quorum shall not be deemed to exist at such meeting and such meeting shall be postponed for at least 24 hours, and notice of such postponement shall be given to each director in a manner provided in Bye-law 44. The quorum necessary for the transaction of business at such postponed meeting shall be a majority of the directors then in office, and the absence of any director, including any director designated by Blackstone or Warburg Pincus or any of their respective affiliates, from such postponed meeting shall not require a further postponement pursuant to this Bye-law 45.2. Notwithstanding the foregoing, the provisions of this Bye-law 45.2 (i) shall not apply to (A) Board meetings that are conducted annually in connection with annual general meetings of Members and (B) Board meetings that are scheduled to occur regularly throughout the year and for which the dates are fixed by the Board in advance (provided that written notice of such meetings shall have been provided to each director not less than 24 hours nor more than 20 days in advance of such meeting), and (ii) shall cease to be of effect when either (A) Blackstone, Warburg Pincus and their respective affiliates collectively no longer beneficially own more than twenty-five percent of the issued and outstanding Common Shares or (B) neither Blackstone nor Warburg Pincus nor any of their respective affiliates is entitled to designate a director pursuant to Annex A.

45.3 When a meeting is adjourned or postponed to another time or place (whether or not a quorum is present), notice need not be given of the adjourned or postponed meeting if the time and place thereof are announced at the meeting at which the adjournment or postponement is taken, unless such meeting is postponed pursuant to Bye-law 45.2. At the applicable adjourned or postponed meeting, the Board may transact any business which might have been transacted at the original meeting.

45.4 All matters put to a vote of the Board shall be decided by the affirmative vote of a majority of the directors present at a meeting at which a quorum is present.

46. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number required under applicable law as the quorum necessary for the transaction of business at meetings of the Board, the continuing directors or director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

47. Chairman to Preside

Unless otherwise agreed by a majority of the directors attending, the Chairman shall act as chairman at all meetings of the Board at which such person is present. In their absence a chairman shall be appointed or elected by the directors present at the meeting.

48. Electronic Participation in Meetings

Members of the Board or any committee designated by the Board may participate in any meeting of the Board or such committee, as the case may be, by such telephonic, electronic or other communications facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

49. Written Resolutions

A resolution signed by all of the directors or by all of the members of a committee designated by the Board, which may be in counterparts, shall be as valid as if it had been passed at a meeting of the Board or such committee, as the case may be, duly called and constituted, such resolution to be effective on the date on which the last director signs to the resolution.

50. Validity of Prior Acts of the Board

No regulation or alteration to these Bye-laws made by the Company shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

51. Minutes

The Board shall cause minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of Officers;

(b) of the names of the directors present at each meeting of the Board and of any committee appointed by the Board; and

(c) of all resolutions and proceedings of general meetings, meetings of the Board, and meetings of committees appointed by the Board.

52. Place Where Corporate Records Kept

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

53. Form and Use of Seal

53.1 The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.

53.2 A seal may, but need not be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any director; or (ii) any Officer; or (iii) the Secretary; or (iv) any person authorized by the Board for that purpose

53.3 A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

54. Books of Account

54.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;

(b) all sales and purchases of goods by the Company; and

(c) all assets and liabilities of the Company.

54.2 Such records of account shall be kept at the registered office of the Company, or subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the directors during normal business hours.

55. Financial Year End

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31 st December in each year.

AUDITS

56. Annual Audit

Subject to any rights to waive laying of accounts or appointment of an auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

57. Appointment of Auditor

57.1 Subject to the Act, the appointment of the auditor of the accounts of the Company for each fiscal year shall be submitted to the Members for their approval at the annual general meeting or at a subsequent general meeting.

57.2 The auditor may be a Member but no director, officer or employee of the Company shall, during his continuance in office, be eligible to act as auditor of the Company.

58. Remuneration of Auditor

The remuneration of the auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine. In the case of an auditor appointed pursuant to Bye-law 63, the Board shall fix the remuneration of the auditor.

59. Duties of Auditor

59.1 The financial statements provided for by these Bye-laws shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards.

59.2 The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the auditor shall identify the generally accepted auditing standards used.

60. Access to Records

The auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the auditor may call on the directors or officers for any information in their possession relating to the books or affairs of the Company.

61. Financial Statements

Subject to any rights to waive laying of accounts pursuant to the Act, financial statements as required by the Act shall be laid before the Members in a general meeting. A resolution in writing made in accordance with Bye-law 27 receiving, accepting, adopting, approving or

otherwise acknowledging financial statements shall be deemed to be the laying of such statements before the Members in a general meeting.

62. Distribution of Auditor's Report

The report of the auditor shall be submitted to the Members in a general meeting.

63. Vacancy in the Office of Auditor

If the office of auditor becomes vacant for any reason, the vacancy thereby created shall be filled in accordance with the Act.

BUSINESS COMBINATIONS

64. Amalgamation

Any amalgamation of the Company with any other company, wherever incorporated, shall require the approval of:

(a) the Board, by resolution adopted by a majority of the directors present at a meeting where a quorum is present or by unanimous consent in writing; and

(b) after the approval of the Board, the Members, by a resolution adopted by Members holding a majority of the issued and outstanding shares, either in a general meeting or, if action by written consent is permitted under these Bye-laws, by written consent.

65. Sales of All or Substantially All Assets

For so long as any of Blackstone, Warburg Pincus or their respective affiliates continue to retain the right to designate at least one director to the Board pursuant to Annex A, any sale of all or substantially all assets of the Company and its subsidiaries on a consolidated basis shall require the approval of:

(a) the Board, by resolution adopted by a majority of the directors (including at least one director designated by Blackstone if Blackstone is then entitled to designate a director pursuant to Annex A and at least one director designated by Warburg Pincus if Warburg Pincus is then entitled to designate a director pursuant to Annex A) voting at a meeting where a quorum is present or by unanimous consent in writing; or

(b) (i) the Board, by resolution adopted by a majority of the directors voting at a meeting where a quorum is present or by unanimous consent in writing; and (ii) after the approval of the Board, the Members, by a resolution adopted by Members holding a majority of the outstanding shares entitled to vote, either in a

general meeting or, if action by written consent is permitted under these Bye-laws, by written consent.

For the purposes of this Bye-law 65, a sale of "substantially all" assets shall mean a sale of assets of the Company and its subsidiaries on a consolidated basis, the fair market value of which, net of any liabilities transferred in such sale, constitutes sixty percent (60%) (but in the event that Warburg Pincus and Blackstone and their respective affiliates collectively beneficially own less than 25% of the outstanding voting power of the Company, seventy percent (70%)) or more of the fair market value of the total assets (net of all liabilities) of the Company.

VOLUNTARY WINDING-UP AND DISSOLUTION

66. Winding-Up

If the Company shall be wound up, the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CORPORATE OPPORTUNITIES

67. Corporate Opportunities

67.1 To the fullest extent permitted by applicable law, the Company, on behalf of itself and its subsidiaries, waives and renounces any right, interest or expectancy of the Company and/or its subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to or business opportunities of which any of Blackstone or Warburg Pincus or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Company and its subsidiaries) (each, a "Specified Party") gain knowledge, even if the opportunity is competitive with the business of the Company or its subsidiaries or one that the Company or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty (statutory, fiduciary, contractual or otherwise) to communicate or offer such business opportunity to the Company and, to the fullest extent permitted by applicable law, shall not be liable to the Company or any of its subsidiaries for breach of any statutory, fiduciary, contractual or other duty, as a director or otherwise, by

reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present or communicate such business opportunity, or information regarding such business opportunity, to the Company or its subsidiaries. Notwithstanding the foregoing, a Specified Party who is a director of the Company and who is offered a business opportunity for the Company or its subsidiaries in his or her capacity solely as a director of the Company (a "Directed Opportunity") shall be obligated to communicate such Directed Opportunity to the Company, *provided*, *however*, that all of the protections of this Bye-law 67 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including the ability of the Specified Parties to pursue or acquire such Directed Opportunity, directly or indirectly, or to direct such Directed Opportunity to another person.

67.2 Neither the amendment nor repeal of this Bye-law 67, nor the adoption of any provision of these Bye-laws, nor, to the fullest extent permitted by applicable law, any modification of law, shall adversely affect any right or protection of any person granted pursuant hereto existing at, or arising out of or related to any event, act or omission that occurred prior to, the time of such amendment, repeal, adoption or modification (regardless of when any proceeding (or part thereof) relating to such event, act or omission arises or is first threatened, commenced or completed).

67.3 If any provision or provisions of this Bye-law 67 shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Bye-law 67 (including each portion of any paragraph of this Bye-law 67 containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Bye-law 67 (including each such portion of any paragraph of this Bye-law 67 containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Company to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Company to the fullest extent permitted by law.

67.4 This Bye-law 67 shall not limit any protections or defenses available to, or indemnification rights of, any director or officer of the Company under any agreement, these Bye-laws, vote of the Board, applicable law or otherwise.

67.5 Any person or entity purchasing or otherwise acquiring any interest in any securities of the Company shall be deemed to have notice of and to have consented to the provisions of this Bye-law 67.

CHANGES TO CONSTITUTION

68. Changes to Bye-laws

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made until the same has been approved by:

(a) the Board, by resolution adopted by a majority of the directors present at a meeting where a quorum is present or by unanimous consent in writing; and

(b) after the approval of the Board, the Members, by a resolution adopted by Members holding a majority of the outstanding shares entitled to vote, either in a general meeting or, if action by written consent is permitted under these Bye-laws, by written consent.

69. Discontinuance

69.1 For so long as any of Blackstone, Warburg Pincus or their respective affiliates have the right to designate at least one director to the Board pursuant to Annex A, the Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act at any time with the approval of:

(a) the Board, by resolution adopted by a majority of the directors (including, for so long as any Member or group of Members is entitled to designate a director pursuant to Annex A, at least one director designated by each such Member or group of Members) voting at a meeting where a quorum is present or by unanimous consent in writing; or

(b) (i) the Board, by resolution adopted by a majority of the directors voting at a meeting where a quorum is present or by unanimous consent in writing; and (ii) after the approval of the Board, the Members, by a resolution adopted by Members holding a majority of the outstanding shares entitled to vote, either in a general meeting or, if action by written consent is permitted under these Bye-laws, by written consent.

69.2 After such time as none of Blackstone, Warburg Pincus or any of their respective affiliates have the right to designate directors to the Board pursuant to Annex A, the Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act by resolution adopted by a majority of the directors voting at a meeting where a quorum is present or by unanimous consent in writing.

REGISTRATION OF SHARES AND SHARE CERTIFICATES

70. Register of Members

70.1 The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.

70.2 The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

71. Registered Holder Absolute Owner

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

72. Transfer and Transmission of Registered Shares

72.1 Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.

72.2 An instrument of transfer for shares which may not be transferred pursuant to Bye-law 72.1 shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares
Kosmos Energy Ltd. (the "Company")

FOR VALUE RECEIVED **[amount]**, I, **[name of transferor]** hereby sell, assign and transfer unto **[transferee]** of **[address]**, **[number]** shares of the Company.

DATED this [ ] day of [ ], 20[ ]

Signed by:	In the presence of:
_____	_____
Transferor	Witness
_____	_____
Transferee	Witness

72.3 Such instrument of transfer shall be signed by or on behalf of the transferor and transferee, provided that, in the case of a fully paid up share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.

72.4 The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

72.5 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.

72.6 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share which is not fully paid up. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

72.7 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

72.8 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case, unless the shares may be transferred pursuant to Bye-law 72.1, the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

I/We, having become entitled in consequence of the **[death/bankruptcy]** of **[name and address of deceased/bankrupt Member]** to **[number]** share(s) standing in the Register of Members of the Company in the name of the said **[name of deceased/bankrupt Member]** instead of being registered myself/ourselves, elect to have **[name of transferee]** (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [ ] day of [ ], 20[ ]

Signed by:	In the presence of:
Transferor	Witness
Transferee	Witness

72.9 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

72.10 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

73. Share Certificates

73.1 All certificates for share or loan capital or other securities of the Company shall, except to the extent that the terms and conditions for the time being relating thereto otherwise

provide, be in such form as the Board may determine and issued under the common seal of the Company (or a facsimile thereof) or bearing the signature (or facsimile thereof) of a director, Secretary or a person expressly authorised by the Board for that purpose. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates need not be autographic but may be printed thereon or affixed by mechanical means or that such certificates need not be signed by any persons, or may determine that a representation of the common seal may be printed on any such certificates. If any person holding an office in the Company who has signed, or whose facsimile signature has been used on, any certificate ceases for any reason to hold his office, such certificate may nevertheless be issued as though that person had not ceased to hold such office.

73.2 The Company shall be under no obligation to complete and deliver a share certificate for any shares unless specifically called upon to do so by the person to whom the shares have been allotted. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

73.3 If any share certificate shall be proved to the satisfaction of the Board to have been mutilated, lost or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost or destroyed certificate if it sees fit.

73.4 Notwithstanding any provisions of these Bye-laws:

(a) the directors shall, subject always to the Act and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, have power to implement any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of uncertificated shares and to the extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of shares in uncertificated form; and

(b) unless otherwise determined by the directors and as permitted by the Act and any other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument.

Annex A

1.1 Definitions

In this Annex A, the following words and expressions shall have the following meanings, respectively:

"Affiliate" has the meaning ascribed thereto in Rule 12b-2 promulgated under the Exchange Act, as in effect on the date hereof.

"Agreement" means the Shareholders Agreement, dated as of [●] as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Blackstone Group" means the entities listed on Schedule A to the Agreement under the heading "Blackstone Group" as such schedule may be amended from time to time, and their respective successors and Permitted Assigns.

"Board" means the board of directors of the Company.

"Class I Director" has the meaning set forth in Section 2.1(c) of this Annex A.

"Class II Director" has the meaning set forth in Section 2.1(c) of this Annex A.

"Class III Director" has the meaning set forth in Section 2.1(c) of this Annex A.

"Common Shares" means the common shares, par value US$0.01 per share, in the capital of the Company and any other shares of the Company into which such shares are reclassified or reconstituted.

"Company" means Kosmos Energy Ltd., an exempted company incorporated under the laws of Bermuda.

"Director" means any member of the Board.

"Exchange" means the New York Stock Exchange or such other stock exchange or securities market on which the Common Shares are listed or quoted.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Independent Director" means an "independent director" as such term is used in the listing requirements of the Exchange.

"Investor Designee" has the meaning set forth in Section 2.1(a) of this Annex A.

"Investor Group" means any of the Blackstone Group or the Warburg Group.

"Investor Parties" means each party to the Agreement (other than the Company), together with its Permitted Assigns.

"IPO" means the underwritten initial public offering of the Company's Common Shares.

"IPO Date" means the date upon which the IPO is completed.

"Law" means any statute, law, regulation, ordinance, rule, injunction, order, decree, governmental approval, directive, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority.

"Permitted Assigns" means with respect to any of the Investor Parties, their respective Affiliates who are a Transferee of Common Shares (which are transferred other than pursuant to a widely distributed public sale) that agrees in writing to become party to, and be bound to the same extent as its transferor by the terms of, the Agreement, in customary form; provided, that upon such Transfer, such Permitted Assign shall be deemed to be the "Investor Party" hereto for all purposes herein.

"Total Number of Directors" means, as of any time of determination, the total number of Directors comprising the Board at such time.

"Transfer" (including its correlative meanings, "Transferor", Transferee" and "Transferred") means, with respect to any security, directly or indirectly, to sell, contract to sell, give, assign, hypothecate, pledge, charge, encumber, grant a security interest in, offer, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any economic, voting or other rights in or to such security. When used as a noun, "Transfer" shall have such correlative meaning as the context may require.

"Warburg Group" means the entities listed on Schedule A of the Agreement under the heading "Warburg Group," as such schedule may be amended from time to time, and their respective successors and Permitted Assigns.

2.1 Board of Directors

(a) The members of the Board shall be nominated and elected in accordance with the Bye-laws and the provisions of this Agreement. On the IPO Date, the Board shall consist of nine members, each of which shall be a "Director". As of the IPO Date, the initial Board shall be comprised of the following individuals:

John R. Kemp III
Brian F. Maxted
David I. Foley
Jeffrey A. Harris
David B. Krieger
Prakash A. Melwani
Adebayo O. Ogunlesi
Chris Tong
Christopher A. Wright

So long as the Board consists of nine Directors and subject to the remainder of this Section 2.1, (i) two such Directors shall be nominated by the Blackstone Group (which the Nominating and Corporate Governance Committee or similar committee of the Board shall nominate, and the entire Board shall recommend, for election by the Company's shareholders at the next successive general meeting of shareholders), (ii) two such Directors shall be nominated by the Warburg Group (which the Nominating and Corporate Governance Committee or similar committee of the Board shall nominate, and the entire Board shall recommend, for election by the Company's shareholders at the next successive general meeting of shareholders), (iii) one such Director shall be the then serving Chief Executive Officer of the Company, (iv) three such Directors shall be Independent Directors nominated by the Nominating and Corporate Governance Committee or similar committee (which the entire Board shall recommend for election by the Company's shareholders at the next successive general meeting of shareholders), and (v) any other such Directors shall be nominated by the Nominating and Corporate Governance Committee or similar committee of the Board (which the entire Board shall recommend for election by the Company's shareholders at the next successive general meeting of shareholders). Each specified Investor Group nominee shall be referred to herein as an "Investor Designee".

(b) Notwithstanding anything herein to the contrary, following the IPO Date, each of (1) the Blackstone Group and/or their Permitted Assigns and (2) the Warburg Group and/or their Permitted Assigns, shall have the right, but not the obligation, to nominate to the Board a number of designees equal to:

(i) two Directors (or if the size of the Board is increased, twenty-five percent of the Total Number of Directors, rounded to the nearest whole number (with one-half being rounded upward)), so long as (x) such Investor Group collectively beneficially owns twenty percent or more of the issued and outstanding Common Shares (that are eligible to vote at an annual general meeting of shareholders) and (y) such Investor Group (and/or its respective Affiliates) collectively beneficially owns fifty percent or more of the Common Shares owned by such Investor Group immediately prior to the completion of the IPO; and

(ii) one Director (or if the size of the Board is increased, twelve and one half percent of the Total Number of Directors, rounded to the nearest whole number (with one-half being rounded upward)), so long as such Investor Group collectively beneficially owns seven and one half percent or more of the issued and outstanding Common Shares (that are eligible to

vote at an annual general meeting of shareholders) (in the case of this clause (ii), if such Investor Group is not entitled to nominate additional Directors);

provided, that the foregoing clauses (i) and (ii) shall not limit the number of individuals the Blackstone Group and/or their Permitted Assigns and the Warburg Group and/or their Permitted Assigns may nominate to the Board; provided further, that other than as otherwise set forth in this Section 2.1 (including this Section 2.1(b)) the Board shall have no obligation to nominate and recommend for election designees nominated by the Blackstone Group and/or their Permitted Assigns or the Warburg Group and/or their Permitted Assigns.

For purposes of calculating the number of Directors that the Blackstone Group and/or the Warburg Group (and/or their respective Permitted Assigns) are entitled to designate pursuant to the immediately preceding sentence, any fractional amounts shall automatically be rounded to the nearest whole number (with one-half being rounded upward) and any such calculations shall be made on a pro forma basis, including, for the avoidance of doubt, taking into account any increase in the size of the Board. In the event that the Blackstone Group and/or the Warburg Group (and/or their Permitted Assigns) has nominated less than the total number of designees such Investor Group (and/or their Permitted Assigns) shall be entitled to nominate pursuant to this Section 2.1(b), the Blackstone Group and/or the Warburg Group (and/or their Permitted Assigns) shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Directors shall take all necessary corporate action to (x) enable the Blackstone Group and Warburg Group (and/or their Permitted Assigns), as the case may be, to nominate such additional individuals, whether by increasing the size of the Board, subject to the maximum number of Directors set forth in Bye-law 29 of the Bye-laws of the Company, or otherwise and (y) to designate such additional individuals nominated by the Blackstone Group (and/or their Permitted Assigns) and/or the Warburg Group (and/or their Permitted Assigns) to fill such newly-created vacancies. In the event, and each time, that the number of Directors whom the Blackstone Group and/or the Warburg Group (and/or their respective Permitted Assigns) has the right to nominate decreases by one pursuant to this Section 2.1(b), one of the Investor Designees of such Investor Group shall, unless the Board otherwise requests, resign immediately (and such Investor Group shall use its best efforts to obtain a resignation of one of its Investor Designees) or the Company shall use its best efforts to cause one Investor Designee of such Investor Group to resign (or be removed) from the Board and each committee thereof.

(c) In accordance with the Bye-laws, from and after the date on which the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company (the " Classifying Date"), the Company shall cause the Directors to be, and the Directors shall be, divided into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of Directors constituting the entire Board. The Board is hereby authorized to assign members of the Board in office at the Classifying Date to such classes. Each Director shall serve for a term ending on the date of the third annual general meeting of shareholders next following the annual general meeting of shareholders at which such Director was elected, provided that Directors initially designated as Class I Directors ("Class I Directors") shall serve for a term ending on the date of the first

annual general meeting of shareholders following the Classifying Date, Directors initially designated as Class II Directors (" Class II Directors") shall serve for a term ending on the second annual general meeting of shareholders following the Classifying Date, and Directors initially designated as Class III Directors ("Class III Directors") shall serve for a term ending on the date of the third annual general meeting of shareholders following the Classifying Date. The Investor Designees shall be allocated to the longest duration classes and, unless otherwise agreed by the Blackstone Group and the Warburg Group, the Investor Designees of each Investor Group shall be apportioned equitably within an applicable class as compared to the Investor Designees of the other Investor Group.

(d) In the event that a vacancy is created at any time by the removal, bankruptcy, death, disability or resignation of any Director designated pursuant to this Section 2.1, the remaining Directors and the Company shall cause the vacancy created thereby to be filled, as soon as possible, (i) in the case of a vacancy created by an Investor Designee, by a new designee of the applicable Investor Group (and/or its Permitted Assigns) that had the right to designate such former Director, (ii) in the case of a vacancy created by the Chief Executive Officer and/or Independent Directors, so long as the Board shall consist of nine Directors, by a replacement Chief Executive Officer and/or Independent Director, as applicable, and (iii) in the case of any other vacancy, by a person nominated by the Nominating and Corporate Governance Committee, and in the case of each of clauses (i), (ii) and (iii), the Company hereby agrees to take, at any time and from time to time, all actions necessary to accomplish the filling of a vacancy pursuant to this Section 2.1(d).

(e) Each Investor Group shall have the right to appoint an Observer to the Board; provided, however, an Investor Group shall cease to have the right to designate an Observer to the Board in the event that such Investor Group ceases to have the right to designate a Director pursuant to this Section 2.1. Each Observer shall have the same obligation to keep confidential any information furnished to it in connection with its role as Observer as Directors have in regards to such information, whether such obligation is as a result of provisions in this Agreement, the Bye-laws or any other legal or regulatory requirement to which the Directors are subject.

(f) At each general meeting of shareholders of the Company at which Directors of the Company are to be elected, the Company agrees to include in the slate of nominees recommended by the Board the persons designated pursuant to this Section 2.1 and to use its best efforts to cause the election of each such designee to the Board at each such meeting, including nominating such individuals to be elected as Directors as provided herein.

2.2 Committees

As of the IPO Date, the Board has designated each of the following committees: a Nominating and Corporate Governance Committee, a Compensation Committee, an Audit and Risk Committee and a Health Safety and Environmental Committee. As of the IPO Date, the Nominating and Corporate Governance Committee, Compensation Committee and Audit and Risk Committee shall be comprised of the persons identified in the section titled "*MANAGEMENT — Committees of the Board of Directors*" in the Company's Form S-1/A filed with the U.S. Securities and Exchange Commission on

March 21, 2011. As of the IPO Date, the Health Safety and Environmental Committee will be comprised of the following people:

Christopher A. Wright, Chris Tong, Brian F. Maxted

Beginning with the annual general meeting of shareholders in 2012, or, in the event of a vacancy that arises prior to that date, and for so long as the Investor Parties (and/or their respective Affiliates) constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company, and subject to applicable Law and Exchange governance standards, (x) the Investor Groups, by mutual agreement, shall have the right, but not the obligation, to designate members (who shall be their director designees) to board committees as follows: (i) 50% of the members of any Nominating and Corporate Governance Committee or similar committee of the Board, (ii) a majority of the members of any Compensation Committee or similar committee of the Board and (iii) one member by each Investor Group of any Health Safety and Environmental Committee or similar committee of the Board. Each committee of the Board shall include at least one Director who is not an Investor Designee. In the event that the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company, each Investor Group shall continue to have the right to designate at least one member of each committee of the Board for so long as may be permitted under applicable Law and Exchange governance standards; provided, however, an Investor Group shall cease to have such right to designate a committee member in the event that such Investor Group ceases to have the right to designate a Director pursuant to Section 2.1 of this Annex A.

Exhibit 3.4

Execution Copy

FOURTH AMENDED AND RESTATED

OPERATING AGREEMENT

OF

KOSMOS ENERGY HOLDINGS

a Cayman Islands Exempted Company limited by guarantee but not having a share capital

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FOURTH AMENDED AND RESTATED
OPERATING AGREEMENT
OF
KOSMOS ENERGY HOLDINGS

a Cayman Islands Exempted Company limited by guarantee but not having a share capital

This FOURTH AMENDED AND RESTATED OPERATING AGREEMENT OF KOSMOS ENERGY HOLDINGS, dated as of October 9, 2009, is adopted, executed and agreed to, for good and valuable consideration, by the Members (as defined below) executing this Agreement.

RECITALS:

WHEREAS, the initial Members entered into that certain Operating Agreement of the Company (the **"*Original Agreement*"**) as of March 9, 2004 (the **"*Effective Date*"**);

WHEREAS, the Original Agreement was amended pursuant to that certain First Amendment to Operating Agreement of the Company dated as of February 20, 2005 (the **"*First Amendment*"**);

WHEREAS, the Original Agreement, as amended by the First Amendment, was amended and restated in its entirety on June 13, 2007 (the **"*First Amended and Restated Agreement*"**);

WHEREAS, the First Amended and Restated Agreement was amended and restated in its entirety on September 18, 2007 (the **"*Second Amended and Restated Agreement*"**);

WHEREAS, the Second Amended and Restated Agreement was amended and restated in its entirety on June 18, 2008, and was further amended by the Amendment No. 1 to the Third Amended and Restated Operating Agreement` of the Company on December 18, 2008 (as amended, the **"*Third Amended and Restated Agreement*"**);

WHEREAS, pursuant to Section 15.5 of the Third Amended and Restated Agreement, the Members executing this Agreement desire to amend and restate the Third Amended and Restated Agreement; and

WHEREAS, this Agreement will be in force and effect and become binding on the current Members of the Company and their respective spouses by the execution hereof by the required signatories to effect the amendment and restatement of the Third Amended and Restated Agreement.

NOW, THEREFORE, in consideration of the mutual promises, representations, warranties, covenants and obligations set forth herein, the Third Amended and Restated Agreement is hereby amended and restated in its entirety as follows:

ARTICLE 1
DEFINITIONS AND CONSTRUCTION

Section 1.1 ***Definitions.*** Capitalized terms used in this Agreement (including the Exhibits and Schedules hereto) but not defined in the body hereof shall have the meanings ascribed to them in Exhibit A or, if not defined in Exhibit A, in the Articles, the Contribution Agreement, the Series A Convertible Preferred Unit Designation in the form attached hereto as Exhibit B-1 (the **"*Series A Convertible Preferred Unit Designation*"**), the Series B Convertible Preferred Unit Designation in the form attached hereto as Exhibit B-2 (the **"*Series B Convertible Preferred Unit Designation*"**), or the Series C Convertible Preferred Unit Designation in the form attached hereto as Exhibit B-3 (the **"*Series C Convertible Preferred Unit Designation*"**).

Section 1.2 ***Construction.*** Unless the context requires otherwise: (a) pronouns in the masculine, feminine and neuter genders shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa, (b) the term "including" shall be construed to be expansive rather than limiting in nature and to mean "including, without limitation," (c) references to Articles and Sections refer to Articles and Sections of this Agreement; (d) the words "this Agreement," "herein," "hereof," "hereby," "hereunder" and words of similar import refer to this Agreement as a whole, including the Exhibits and Schedules attached hereto, and not to any particular subdivision unless expressly so limited, and (e) references to Exhibits and Schedules are to the items identified separately in writing by the parties hereto as the described Exhibits or Schedules attached to this Agreement, each of which is hereby incorporated herein and made a part hereof for all purposes as if set forth in full herein.

ARTICLE 2
ORGANIZATION

Section 2.1 ***Formation.*** The Company has been organized as a Cayman Islands exempted company limited by guarantee but not having a share capital by the filing of the Memorandum and the Articles in the forms attached hereto as Exhibit C (the Memorandum and the Articles, collectively the **"*Certificate*"**) under and pursuant to the Act. All Members shall be deemed to have notice of, and be bound by, the terms and conditions set forth in the Memorandum and the Articles.

Section 2.2 ***Name.*** The name of the Company is **"*Kosmos Energy Holdings,*"** and all Company business must be conducted in that name or such other name or names that comply with Law and as the Supermajority Holders may select.

Section 2.3 ***Registered Office; Principal Office; Other Offices.*** The registered office of the Company required by the Act to be maintained in the Cayman Islands shall be the office of the initial registered agent named in the Memorandum of Association or such other office in the Cayman Islands (which need not be a place of business of the Company) as the Board (as defined below) may designate in the manner provided by the Act (the initial office or such other designated office, the **"*Registered Office*"**). The principal office of the Company shall be at such

place outside of the Cayman Islands as the Board may designate. The Company may have such other offices as the Board may designate.

Section 2.4 ***Purposes.*** The purposes of the Company are to engage in any business or activity that is permitted by applicable Law.

Section 2.5 ***Foreign Qualification.*** Prior to the Company's conducting business in any jurisdiction other than the Cayman Islands, the Board shall cause the Company to comply, to the extent procedures are available and those matters are reasonably within the control of the Board, with all requirements necessary to qualify the Company as a foreign company in that jurisdiction if such qualification is required. At the request of the Board, each Member shall execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Agreement that are necessary or appropriate to qualify, continue, and terminate the Company as a foreign company in all such jurisdictions in which the Company may conduct business, provided that no Investor shall be required to file any general consent to service of process or to qualify as a foreign corporation, limited liability company, partnership or other entity in any jurisdiction in which it is not already so qualified.

Section 2.6 ***Term.*** The Company commenced upon the filing of the Memorandum with the Registrar and shall have a perpetual existence, unless and until it is dissolved and terminated in accordance with Article 14.

Section 2.7 ***No State Law Partnership.*** The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member, for any purposes other than federal and state tax purposes, and this Agreement may not be construed to suggest otherwise.

Section 2.8 ***Title to Company Assets.*** Title to the Company's assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Company as an entity, and no Member, Manager or Officer, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof. Title to any or all of the Company assets may be held in the name of the Company or one or more of its Affiliates or one or more nominees, as the Board may determine. All Company assets shall be recorded as the property of the Company in its books and records, irrespective of the name in which record title to such Company assets is held.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 ***Representations and Warranties.*** Each of the Members severally, but not jointly, represents and warrants to the Company and the other Members that:

(a) such Member has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution, delivery, and performance by such Member of this Agreement have been duly authorized by all necessary action;

(b) this Agreement has been duly and validly executed and delivered by such Member and constitutes the binding obligation of such Member enforceable against such Member in accordance with its terms, subject to Creditors' Rights; and

(c) the execution, delivery, and performance by such Member of this Agreement will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of Law to which such Member is subject, (ii) violate any order, judgment, or decree applicable to such Member, or (iii) conflict with, or result in a breach or default under, any term or condition of its certificate of incorporation or by-laws, certificate of limited partnership or partnership agreement, certificate of formation or limited liability company agreement, as applicable, or, except where such conflict, breach or default would not reasonably be expected to, individually or in the aggregate, have an adverse effect on such Member's ability to satisfy its obligations hereunder, any agreement or other instrument to which such Member is a party.

ARTICLE 4
MEMBERS; CREATION AND TRANSFER OF MEMBERSHIP INTERESTS

Section 4.1 ***Members.*** The Members of the Company as of the date hereof are the Persons named in Schedule I hereto.

Section 4.2 ***Membership Interests.***

(a) Classes. The Membership Interests of the Company shall be divided into two classes of units referred to herein as **"*Common Units*"** and **"*Preferred Units*".** The Company is hereby authorized to issue 100,000,000 Common Units (which amount includes 30,000,000 Common Units issuable upon conversion of the Series A Convertible Preferred Units, 20,000,000 Common Units issuable upon conversion of the Series B Convertible Preferred Units and 8,849,555 Common Units issuable upon the conversion of the Series C Convertible Preferred Units) plus such additional number of Common Units as are needed from time to time to comply with the anti-dilution provisions set forth in the Series A Convertible Preferred Unit Designation, the Series B Convertible Preferred Unit Designation, the Series C Convertible Preferred Unit Designation and the provisions of Section 15.12 of this Agreement. The Company is authorized to issue 100,000,000 Preferred Units.

(i) Of the authorized Preferred Units, (A) 30,000,000 are hereby designated as the **"*Series A Convertible Preferred Units*"** and shall have the preferences, rights, qualifications, limitations and restrictions set forth in the Series A Convertible Preferred Unit Designation and elsewhere in this Agreement, (B) 20,000,000 are hereby designated as the **"*Series B Convertible Preferred Units*"** and shall have the preferences, rights, qualifications, limitations and restrictions set forth in the Series B Convertible Preferred Unit Designation and elsewhere in this Agreement, and (C) 8,849,555 are hereby designated as the **"*Series C Convertible Preferred Units*"** and shall have the preferences, rights, qualifications, limitations and restrictions set forth in the Series C Convertible Preferred Unit Designation and elsewhere in this Agreement. The Series B Convertible Preferred Units shall have a Threshold Value of $15.00 and the Series C Convertible Preferred Units shall have a Threshold Value of $18.25; *provided, however,* that Series B

Convertible Preferred Units and Series C Convertible Preferred Units shall not constitute "profits interests" as described in Section 4.2(c).

(ii) Of the authorized Common Units, 840,000 are designated the $0.85 Units; 2,350,000 are designated the $5.00 Units; 1,100,000 are designated the $10.00 Units; 2,333,333 are designated the $15.00 Units; 1,566,667 are designated the $27.50 Units; 2,500,000 are designated the $40.00 Units; 2,500,000 are designated the $65.00 Units; 2,500,000 are designated the $90.00 Units, 2,660,000 are designated the Management Units and 2,500,000 are designated the C1 Units (the **"*C1 Units*"**). Membership Interests shall constitute "securities" governed by Article 8 of the applicable version of the Uniform Commercial Code, as amended from time to time after the Effective Date.

(iii) Of the aggregate authorized number of $5.00 Units, 2,133,426 have been issued on or prior to the date hereof with a Threshold Value of $5.00 and 216,574 have been issued on or prior to the date hereof with a Threshold Value of $15.00 (the **"*$5.00 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $5.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a **"*Threshold Value*"** applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $5.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of five dollars ($5.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(iv) Of the aggregate authorized number of $10.00 Units, 1,011,374 have been issued on or prior to the date hereof with a Threshold Value of $10.00 and 88,626 have been issued on or prior to the date hereof with a Threshold Value of $15.00 (the **"*$10.00 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $10.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $10.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of ten dollars ($10.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(v) Of the aggregate authorized number of $15.00 Units, 2,333,333 have been issued on or prior to the date hereof with a Threshold Value of $15.00 (the **"*$15.00 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $15.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $15.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of fifteen dollars ($15.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(vi) Of the aggregate authorized number of $27.50 Units, 1,368,333 have been issued on or prior to the date hereof with a Threshold Value of $27.50 (the **"*$27.50 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $27.50 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $27.50 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of twenty-seven dollars and fifty cents ($27.50) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(vii) Of the aggregate authorized number of $40.00 Units, 1,947,999 have been issued on or prior to the date hereof with a Threshold Value of $40.00 (the **"*$40.00 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $40.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $40.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of forty dollars ($40.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for

their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(viii) Of the aggregate authorized number of $65.00 Units, 1,789,999 have been issued on or prior to the date hereof with a Threshold Value of $65.00 (the **"*$65.00 Units*"**). Subject to Article 10, the Committee may from time to time designate and issue additional series of Profits Units (up to the number of authorized $65.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $65.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of sixty-five dollars ($65.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(ix) Of the aggregate authorized number of $90.00 Units, 1,789,999 have been issued on or prior to the date hereof with a Threshold Value of $90.00 (the **"*$90.00 Units*"**). Subject to Article 10, the Committee May from time to time designate and issue additional series of Profits Units (up to the number of authorized $90.00 Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interests" as provided in Section 4.2(d) below, but not less than $90.00 (taking into account the adjustments to Book Value contemplated in clause (iii) of subparagraph (b) of the definition thereof). The Threshold Value for each additional series of Profits Units shall equal the sum of ninety dollars ($90.00) plus the amount that would, in the reasonable determination of the Board, be distributed with respect to each such additional Profits Unit if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(x) Management Units that are forfeited to or repurchased by the Company after the Effective Date and reissued pursuant to Article 10 with a Threshold Value (of zero or greater) are, upon such reissuance, designated Profits Units. Subject to Article 10, the Committee may from time to time designate and issue additional series of such Profits Units (up to the number of forfeited or repurchased Management Units), each of which shall be designated by its Threshold Value. The Committee shall designate a Threshold Value applicable to each such additional series of Profits Units to the extent necessary to cause such Profits Units to constitute "profits interest" as provided in Section 4.2(d) below. The **"*0.85 Units,*"** which are a series of 840,000 Profits Units, 839,999 of which were issued prior to the date hereof upon forfeiture of or repurchase by the Company of

Management Units as contemplated herein, have a Threshold Value of $0.85. The Threshold Value for each additional series of Profits Units shall equal the amount that would, in the reasonable determination of the Board, be distributed with respect to the issuance of such additional series, if, immediately prior to the issuance of such additional series, the assets of the Company were sold for their fair market value and the proceeds (net of any liabilities of the Company) were distributed pursuant to Section 7.1(a).

(xi) Of the aggregate authorized number of Cl Units, 2,500,000 have been issued on or prior to the date hereof. The Cl Units shall have a Threshold Value of $18.25.

(xii) Profits Units (including those issued pursuant to clause (x)) that have been repurchased by or forfeited to the Company may be reissued subject to the requisite Committee approval and other terms and conditions of this Agreement, including the respective requirements of Section 4.2(a)(iii) through (x) with respect to Threshold Value and the provisions of Article 10. For the avoidance of doubt, any Profits Units (including those issued pursuant to clause (x)) that have been repurchased by or forfeited to the Company may be reissued in accordance with this Agreement with a Threshold Value that is different from the Threshold Value (if any) of the Units so repurchased or forfeited, subject to the provisions of Section 4.2(a)(iii) through (x), as applicable.

(b) Unit Certificates. Ownership of Units may be evidenced by unit certificates, but membership in the Company shall be exclusively evidenced and determined by entry in the Register of Members. The forms of unit certificates representing Common Units and Profits Units are set forth as Exhibit D-1 and Exhibit D-2, respectively; and the forms of unit certificates representing Series A Convertible Preferred Units, Series B Convertible Preferred Units, and Series C Convertible Preferred Units are set forth as Exhibit E-1, Exhibit E-2 and Exhibit E-3, respectively. Notwithstanding the preceding sentence, certificates issued prior to the date hereof representing $5.00 Units (as defined in the First Amended and Restated Agreement) or Class B-1 Units (as defined in the Second Amended and Restated Agreement) issued prior to the date hereof shall, from and after the date hereof, represent $5.00 Units; certificates issued prior to the date hereof representing $10.00 Units (as defined in the First Amended and Restated Agreement) or Class C-1 Units (as defined in the Second Amended and Restated Agreement) issued prior to the date hereof shall, from and after the date hereof, represent $10.00 Units; and certificates issued prior to the date hereof representing Class A Threshold Units (as defined in the Second Amended and Restated Agreement) issued prior to the date hereof shall, from and after the date hereof, represent $0.85 Units. Additional forms of certificates shall be approved by the Board from time to time in the event additional classes or series of Membership Interests are created in accordance with this Agreement. The Company shall issue one or more certificates to each Member, which certificates need not bear a seal of the Company but shall be signed by the Chief Executive Officer, President or any Vice President and by the Secretary or any Assistant Secretary certifying the number, class and series of Units represented by such certificate. The unit certificate books shall be kept by the Secretary or at the office of such transfer agent or transfer agents as the Board may from time to time by resolution select. In the event any Officer, transfer agent or registrar who shall have signed, or whose facsimile signature or signatures shall

have been placed upon, any such certificate or certificates shall have ceased to be such Officer, transfer agent or registrar before such certificate is issued by the Company, such certificate may nevertheless be issued by the Company with the same effect as if such Person were such Officer, transfer agent or registrar at the date of issue. The unit certificates shall be consecutively numbered and shall be entered in the books of the Company as they are issued and shall exhibit the holder's name and number of Units. The Board may determine the conditions upon which a new unit certificate may be issued in place of a certificate which is alleged to have been lost, stolen or destroyed and may, in its discretion, require the owner of such certificate or its legal representative to give bond, with sufficient surety, to indemnify the Company and each transfer agent and registrar against any and all loss or claims which may arise by reason of the issuance of a new certificate in the place of the one so lost, stolen or destroyed. Each unit certificate and the Register of Members shall bear a legend on the face thereof in the following form:

"TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK."

and shall bear a legend on the reverse side thereof substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE ARTICLES OF ASSOCIATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, AND IN THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES."

and, if representing a Profits Unit or a Management Unit, shall include the following sentence at the end of the legend on the reverse side thereof:

"THIS SECURITY IS SUBJECT TO FORFEITURE TO AND/OR REPURCHASE BY THE COMPANY UNDER THE TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT."

(c) Conformed copies of this Agreement shall be filed with the Secretary of the Company and kept with the records at its principal executive offices. In addition to the legend required by Section 4.2(b) above, each Member agrees that the Register of Members and each unit certificate heretofore or hereafter issued by the Company shall also bear such other legends as may be required pursuant to the Contribution Agreement. Any such legend shall be removed

by the Company upon the request (which shall include customary representations and opinions of counsel if reasonably requested by the Company) of a Member when such legend is no longer applicable.

(d) The Profits Units are intended to constitute "profits interests" within the meaning of Revenue Procedures 93-27 and 2001-43 (or the corresponding requirements of any subsequent guidance promulgated by the IRS or other applicable Law). Accordingly, the capital account associated with each such Unit at the time of its issuance shall be equal to zero dollars. The Company and the holders of such Units shall file all federal income tax returns consistent with such characterization.

Section 4.3 ***Dispositions of Membership Interests.*** No Member, nor any spouse of a Member, Personal Representative of a Member or legal representative, agent or Assignee of a Member, may Dispose of all or any portion of such Member's Membership Interest and Units, except to the extent expressly provided in Article 5. The Members agree that the restrictions contained in this Agreement are fair and reasonable and in the best interests of the Company and the Members.

Section 4.4 ***Admission of Additional Members.*** Any Person that acquires Units pursuant to a Disposition of Units to such Person by a Member in accordance with Article 5 and the other provisions of this Agreement or pursuant to an issuance to such Person by the Company in accordance with this Agreement or the Contribution Agreement shall automatically be admitted as a Member without further action by the Company. No other Person (including an Assignee) that acquires a Membership Interest and Units shall be admitted to the Company as a Member in connection with a Disposition or an issuance by the Company, without the consent of the Supermajority Holders. An Assignee, in its capacity as such, of a Membership Interest and Units shall only be entitled to receive allocations and distributions pursuant to Article 7 and shall not have any other rights or powers of a Member, including any voting rights. Until an Assignee becomes a Member, the transferring Member from which such Assignee received its Membership Interest shall continue to be a Member and have the power to exercise any rights or powers as a Member, but shall not have the right to receive allocations or distributions pursuant to Article 7. Any increase in the number of Members must be notified to the Registrar within 30 days of such increase.

Section 4.5 ***Preemptive Rights For New Securities Issued By The Company.***

(a) Except in the case of Excluded Securities (as hereinafter defined), the Company shall not, and shall cause its Subsidiaries not to, issue, sell or exchange, agree to issue, sell or exchange, or reserve or set aside for issuance, sale or exchange any Membership Interests or Units of, or other equity interests in, the Company or any Subsidiary of the Company, or any ights to acquire any such Membership Interests or Units or other equity interests, whether or not immediately exercisable and whether evidenced by an option, warrant, convertible security or other instrument or agreement (collectively, **"*New Securities*"**), unless in each case the Company shall have first offered or caused such Subsidiary to offer (the **"*Preemptive Offer*"**) to sell such New Securities at the same price and upon the same terms and conditions (including, in the event that such New Securities are issued in a unit together with other securities, the purchase of such

other securities) (the **"*Offered New Securities*"**) to each Investor Unitholder (other than a Non-Consenting Investor if such issuance, sale, exchange or agreement pursuant to this Section 4.5 is for the purpose of raising the funding for the activity to which the Non-Consent Event related) and each Management Unitholder that (i) owns Convertible Preferred Units, (ii) is a Member and (iii) is an Accredited Investor by delivery to such Unitholders of written notice of such offer stating the Company or Subsidiary, as the case may be, proposes to sell such Offered New Securities, the number or amount of the Offered New Securities proposed to be sold, the proposed purchase price therefor and any other terms and conditions of such offer. The Preemptive Offer shall by its terms remain open and irrevocable for a period of 15 days from the date it is delivered to the Unitholders eligible to receive such notice (the **"*Preemptive Offer Period*"**).

(b) Each Unitholder being offered the Offered New Securities (an **"*Offeree*"**) shall have the option, exercisable at any time during the Preemptive Offer Period by delivering written notice to the Company (a **"*Preemptive Offer Acceptance Notice*"**), to subscribe for (i) the number or amount of such Offered New Securities up to its Proportionate Percentage of the group of such Offerees (excluding from such calculation any Unvested Management Units) of the total number or amount of Offered New Securities proposed to be issued and (ii) the number or amount of such Offered New Securities up to its Proportionate Percentage as determined below (excluding from such calculation any Unvested Management Units) of the Offered New Securities not subscribed for by other Offerees as specified in its Preemptive Offer Acceptance Notice pursuant to clause (i) above. Any Offered New Securities not subscribed for by an Offeree pursuant to clause (i) of the immediately preceding sentence shall be deemed to be reoffered to and accepted by the Offerees exercising their options specified in clause (ii) of the immediately preceding sentence with respect to the lesser of (A) the number or amount specified in their respective Preemptive Offer Acceptance Notices and **(B)** an amount equal to their respective Proportionate Percentages of the group of such Offerees electing to subscribe for Offered New Securities pursuant to such clause (ii) (excluding from such calculation any Unvested Management Units) with respect to such deemed offer. Such deemed offer and acceptance procedures described in the immediately preceding sentence shall be deemed to be repeated, to the extent required, until either (x) all of the Offered New Securities are deemed accepted by the Offerees or (y) the full number and amount of Offered New Securities subscribed for in all of the Preemptive Offer Acceptance Notices have been accepted. The Company shall notify each Offeree accepting Offered New Securities hereunder within five days following the expiration of the Preemptive Offer Period of the number or amount of Offered New Securities which such Offeree has subscribed to purchase, the closing date for the sale of such Offered New Securities (which closing shall be at a reasonable place and time within 45 days from the expiration of the applicable Preemptive Offer Period) and such other details (consistent with the Preemptive Offer) necessary and reasonable in order to effectuate the sale of the Offered New Securities; *provided, however,* the Company may elect not to sell the Offered New Securities if the Unitholders do not collectively subscribe for all the Offered New Securities; *provided further, however,* that if the Company elects not to sell any Offered New Securities to the Unitholders, the Company shall not be entitled to sell any Offered New Securities to any other Persons unless such Offered New Securities are again offered to the Unitholders under the procedures specified in this Section 4.5.

(c) If Preemptive Offer Acceptance Notices are not given by the eligible Unitholders for all the Offered New Securities, the Company shall have 45 days from the expiration of the Preemptive Offer Period to sell all or any part of such Offered New Securities as to which Preemptive Offer Acceptances Notices have not been given by the Unitholders (the **"*Refused New Securities*"**) to any other Persons, but only upon terms and conditions in all material respects, including price, which are no more favorable, individually or in the aggregate, to such other Persons or less favorable, individually or in the aggregate, to the Company than those set forth in the Preemptive Offer. Upon the closing, which shall occur at a reasonable time and place within such 45 day period and shall include full payment to the Company, of the sale to such other Persons of the Refused New Securities, the accepting Unitholders shall purchase from the Company, and the Company shall sell to the accepting Unitholders, the Offered New Securities with respect to which the Preemptive Offer Acceptance Notices were delivered by the accepting Unitholders, at the terms specified in the Preemptive Offer, In each case, any Offered New Securities not purchased by the accepting Unitholders or any other Persons in accordance with this Section 4.5 within 45 days after the expiration of the Preemptive Offer Period may not be sold or otherwise disposed of until they are again offered to the Unitholders under the procedures specified in this Section 4.5.

(d) The rights of the Investor Unitholders and Management Unitholders under this Section 4.5 shall not apply to the following New Securities (the **"*Excluded Securities*"**):

(i) the issuance of Profits Units to Participants (as defined in Article 10) pursuant to this Agreement or pursuant to a similar plan or arrangement approved by the Supermajority Holders;

(ii) the issuance of any Management Units;

(iii) New Securities issued as consideration to the sellers in connection with an acquisition by the Company in a bona fide arms length transaction, the terms of which have been approved by the Supermajority Holders;

(iv) New Securities issued upon the exercise or conversion of any New Securities issued in compliance with this Section 4.5;

(v) New Securities issued in a Qualified Public Offering;

(vi) New Securities issued as a dividend or upon any split or other pro-rata subdivision or combination of the New Securities;

(vii) New Securities issued to any Person that is not an Investor Unitholder or an Affiliate of any Investor Unitholder, so long as the Supermajority Holders have approved the waiver of the pre-emptive rights with respect to such issuance;

(viii) New Securities held by a Subsidiary of the Company which securities are transferred to the Company by such Subsidiary;

(ix) New Securities of a Subsidiary of the Company issued to the Company or a direct or indirect wholly owned Subsidiary of the Company;

(x) Convertible Preferred Units issued pursuant to the Contribution Agreement and Common Units issued upon the conversion of those Convertible Preferred Units and Cl Units issued pursuant to the Contribution Agreement;

(xi) New Securities of the IPO Corporation into which Units are converted in connection with an IPO Conversion; and

(xii) New Securities issued to holders of securities previously issued pursuant to Section 4.6, which New Securities are issued to such holders pursuant to the terms of such securities previously issued pursuant to Section 4.6.

Section 4.6 ***Creation and Issuance of Additional Units of Membership Interests.*** The Requisite Holders are hereby expressly authorized to amend this Agreement to provide, out of the undesignated and unissued Preferred Units, for the authorization and issuance of one or more series of Preferred Units, with such voting powers, if any, and with such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, as shall be expressed in the resolution or resolutions providing for the issuance thereof adopted by the Board and submitted to and approved by the Requisite Holders (a ***"Series Designation"***), including the following:

(i) the designation of such series and the number of Units to constitute such series;

(ii) whether the Units of such series shall have voting rights, in addition to any voting rights provided by Law, and, if so, the terms of such voting rights, which may be general or limited;

(iii) the distributions, if any, to be made on such series, whether any such distributions shall be cumulative, and, if so, from what dates, the conditions and dates upon which such distributions shall be made, the preferences or relation which such distributions shall bear to the distributions payable on any Units of any other class or series of Units; and the allocations of profits and losses, if any, to be made on such series, and from what dates, the conditions and dates upon which allocations shall be made, the preferences or relation which such allocations shall bear to the allocations to be made on any Units of any other class or series of Units;

(iv) whether the Units of such series shall be subject to repurchase by the Company or forfeiture, and, if so, the times, prices and other applicable terms and conditions of such repurchase or forfeiture;

(v) the amount or amounts payable upon Units of such series upon, and the rights of the holders of such series in, the voluntary or involuntary liquidation, dissolution or winding up, or upon any distribution of the assets, of the Company;

(vi) whether the Units of such series shall be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or repurchase of the Units of such series for retirement or other company purposes and the terms and provisions relative to the operation thereof;

(vii) whether the Units of such series shall be convertible into, or exchangeable for, Units of any other class or series of Units and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, and any other terms and conditions of such conversion or exchange;

(viii) the limitations and restrictions, if any, to be effective while any Units of such series are outstanding upon the making of distributions on, and upon the repurchase, redemption or other acquisition by the Company of, the Common Units or any other class or series of Units;

(ix) the conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issue of any additional Units, including additional Units of such series or of any other series or class of Units; and

(x) whether the Units of such series shall be entitled to preemptive rights (other than with respect to Excluded Securities).

The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Units, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding and may include the right to consent to specified Company actions and other negative controls, the right to receive information and other affirmative rights and the right to increase the size of the Board pursuant to Section 8.2(a) to provide for the designation pursuant to Section 8.2(b) of one or more additional Managers by the holders of such Preferred Units; *provided, however,* that in no event shall the number of additional Managers permitted to be designated by the holders of such Preferred Units exceed the lesser of (i) 50% of the total number of Managers as of the date of the issuance of such Preferred Units (after giving effect to the number of directors which the holders of such Preferred Units are entitled to elect) and (ii) the number of Managers as would be allocated to such holders, (A) if such Preferred Units are convertible into Common Units, on a pro rata basis based on the number of Common Units held by such holders of Preferred Units on a fully-diluted basis as compared to the number of Common Units held by all other holders of Preferred Units on a fully-diluted basis, in each case with fully-diluted being calculated by taking into account the number of Common Units into which all outstanding Preferred Units issued on or before the issuance of such Preferred Units pursuant to this Section 4.6 (but including such Preferred Units issued pursuant to this Section 4.6) would be converted at the then applicable conversion ratios and all then outstanding Vested Units and C1 Units, and (B) if such Preferred Units are not so convertible, on a pro rata basis based on the amount paid to the Company for such Preferred Units in relation to the amounts paid by all other holders of Preferred Units (including the Convertible Preferred Units) for their Preferred Units on or before the issuance of such Preferred Units issued pursuant to this Section 4.6. All Units of any one series of Preferred

Units shall be identical in all respects with all other Units of such series, except that Units of any one series issued at different times may differ as to the dates from which distributions thereon shall be cumulative and except for such other differences as are otherwise permitted by Law. Notwithstanding anything to the contrary contained herein, no Convertible Preferred Units shall be issued or issuable other than pursuant to the Contribution Agreement, unless otherwise agreed to by the Supermajority Holders.

Section 4.7 ***Information.***

(a) No Member shall be entitled to obtain any information relating to the Company except as expressly provided in this Agreement or to the extent required by the Act; and to the extent a Member is so entitled to such information, such Member shall be subject to the provisions of Section 4.7(b). Each Manager shall have access to all information regarding the Company subject to the provisions of Section 4.7(b).

(b) Each Member agrees that all Confidential Information shall be kept confidential by such Member and shall not be disclosed by such Member in any manner whatsoever; *provided, however,* that (i) any of such Confidential Information may be disclosed to Managers, Officers, employees and authorized representatives (including attorneys, accountants, consultants, bankers and financial advisors) of such Member (collectively, for purposes of this Section 4.7(b), **"*Representatives*"**), each of which Representatives shall be bound by the provisions of this Section 4.7(b), (ii) any disclosure of Confidential Information may be made to the extent to which the Company consents in writing, (iii) any disclosure may be made by an Investor Unitholder of the terms of a Member's investment in the Company pursuant to the Contribution Agreement or this Agreement and the performance of that investment to the extent in compliance with applicable Law (whether in the Member's fundraising materials or otherwise); (iv) any disclosure may be made of Confidential Information to a Member's partners, members, stockholders, prospective partners, members, stockholders or Affiliates or their authorized representatives, each of whom shall be bound by the provisions of this Section 4.7(b) as if a Member, (v) Confidential Information may be disclosed by a Member or Representative to the extent reasonably necessary in connection with such Member's enforcement of its rights under this Agreement, and (vi) Confidential Information may be disclosed by any Member or Representative to the extent that the Member or Representative has received advice from its counsel that it is legally compelled to do so, *provided* that, prior to making such disclosure, the Member or Representative, as the case may be, uses commercially reasonable efforts to preserve the confidentiality of the Confidential Information, including consulting with the Company regarding such disclosure and, if reasonably requested by the Company, assisting the Company, at the Company's expense, in seeking a protective order to prevent the requested disclosure, and *provided further* that the Member or Representative, as the case may be, discloses only that portion of the Confidential Information as is, based on the advice of its counsel, legally required.

Section 4.8 ***Liability to Third Parties.*** No Member shall be liable for the debts, obligations or liabilities of the Company solely by reason of being a Member except to the extent provided in the Memorandum.

Section 4.9 ***Cessation of Membership.*** A Member shall automatically cease to be a Member upon Disposition of all of such Member's Units in accordance with this Agreement and the removal of such Member's name from the Register of Members. Immediately upon any such Disposition, the Managers shall cause such Member's name to be removed from the Register of Members.

Section 4.10 ***Spouses of Members.*** Spouses of the Members that are natural persons do not become Members as a result of such marital relationship. Each spouse of a Member shall be required to execute an Addendum Agreement in the form of Exhibit F to evidence their agreement and consent to be bound by the terms and conditions of this Agreement as to their interest, whether as community property or otherwise, if any, in the Membership Interests and Units owned by such Member.

ARTICLE 5
RESTRICTIONS ON DISPOSITIONS OF MEMBERSHIP INTERESTS

Section 5.1 ***Restrictions On Dispositions.***

(a) Anything in this Agreement to the contrary notwithstanding, no issuance or Disposition of Membership Interests and Units otherwise permitted or required by this Agreement shall be made unless such issuance or Disposition is in compliance with federal and state securities laws, including the Securities Act and the rules and regulations thereunder, and the Act. If any such issuance or Disposition is made pursuant to an exemption from such laws, rules and regulations, such Disposition shall be made only upon the transferee first having delivered to the Company a favorable written opinion of counsel, reasonably satisfactory in form and substance to the Company, to the effect that the proposed sale or transfer is exempt from registration under the Securities Act and any applicable state securities laws; *provided, however,* that no such opinion of counsel shall be required for (A) a Disposition by a Member to a Permitted Transferee if, in each case, the Permitted Transferee agrees in writing to be subject to the terms and conditions hereof to the same extent as if such Permitted Transferee were a Member; (B) a sale duly made in compliance with Rule 144, or if the Member would be permitted to Dispose of the securities without restriction pursuant to paragraph (b) of Rule 144 (it being agreed that the Company shall have the right to receive evidence reasonably satisfactory to it regarding compliance with such Rule prior to the registration of any such transfer), (C) a Disposition pursuant to an effective registration statement, (D) an issuance of Units by the Company pursuant to the Contribution Agreement or (E) an issuance of Management Units or Profits Units by the Company pursuant to this Agreement.

(b) Anything in this Agreement to the contrary notwithstanding, unless otherwise agreed to in writing by the Company and the Supermajority Holders, no Disposition of Membership Interests and Units otherwise permitted or required by this Agreement shall be effective unless and until any transferee who is not already a party to this Agreement (and such transferee's spouse, if applicable) shall execute and deliver to the Company an Addendum Agreement in the form attached hereto as Exhibit F (an **"*Addendum Agreement*"**) in which such transferee (and such transferee's spouse, if applicable) agrees to be bound by this Agreement and the Certificate and to observe and comply with this Agreement and the Certificate and with all

obligations and restrictions imposed on the Members hereby and thereby. Such transferee shall become a Management Unitholder if the transferor was a Management Unitholder and shall become an Investor Unitholder if the transferor was an Investor Unitholder; *provided, however,* that each Permitted Transferee of a Disposition that is then (i) an Investor Unitholder, shall become or remain an Investor Unitholder for all purposes of this Agreement or (ii) a Management Unitholder or spouse thereof, shall become or remain a Management Unitholder for all purposes of this Agreement. Any Person who is not already a party to this Agreement and acquires Units pursuant to the Contribution Agreement or Management Units or Profits Units pursuant to this Agreement shall be required to become a party to this Agreement by executing (together with such Person's spouse, if applicable) an Addendum Agreement and shall become a Management Unitholder. If any Person acquires Units, notwithstanding such Person's failure to execute and deliver an Addendum Agreement in accordance with the preceding sentence, whether such acquisition resulted by operation of Law or otherwise, such Person (and such Person's spouse) and such Units shall be subject to this Agreement and the Certificate.

(c) Dispositions of Membership Interests and Units may only be made in strict compliance with all applicable terms of this Agreement and the Articles, and any purported Disposition of Membership Interests and Units that does not so comply with all applicable provisions of this Agreement shall be null and void and of no force or effect, and the Company shall not recognize or be bound by any such purported Disposition and shall not effect any such purported Disposition on the transfer books of the Company or Capital Accounts of the Unitholders. The parties hereto agree that the restrictions contained in this Article 5 are fair and reasonable and in the best interests of the Company and its Members and Unitholders.

(d) All Units held by any Subsidiary of the Company shall not be deemed outstanding for any purpose under this Agreement.

(e) Prior to the termination of this Article 5 (other than Section 5.1(a)) pursuant to Section 15.6, all newly issued Units shall only be issued to Persons who are or become party to this Agreement by execution of an Addendum Agreement; *provided, however,* that any such acquiror's (and such acquiror's spouse's) execution and delivery of an Addendum Agreement shall not constitute admission to the Company as a Member (unless such newly issued Units were acquired pursuant to the Contribution Agreement or are Management Units or Profits Units acquired pursuant to this Agreement) unless and until such transferee is duly admitted as a Member in accordance with this Agreement and the Articles; *provided further* that each such acquiror who (i) is an employee or consultant of the Company shall become a Management Unitholder for all purposes of this Agreement, (ii) is an Investor Unitholder shall remain an Investor Unitholder with respect to such newly acquired Units and (iii) is not an employee or consultant of the Company shall have such designation, if any, as shall be determined by the Board, with the concurrence of the Supermajority Holders.

(f) No Disposition of Membership Interests and Units may be made pursuant to this Article 5 by a Management Unitholder prior to the later of (i) the fifth anniversary of the Prior Closing and (ii) the earlier to occur of (A) the seventh anniversary of the Prior Closing and (B) exhaustion of the Total Commitment (as defined in the Contribution Agreement), except for such Dispositions made in accordance with Sections 5.2, 5.7, 5.8, 5.9, 11.2 or 11.3; *provided,*

however, that the restrictions imposed on Dispositions by Management Unitholders pursuant to this Section 5.1(f) shall cease to be of further force and effect upon the earliest to occur of the following (i) the consummation of a Qualified Public Offering, (ii) the consummation of an Approved Sale pursuant to Section 5.7 and (iii) the occurrence of a Liquidation Event, *provided further, however,* that (not including Dispositions made in accordance with Sections 5.2, 5.7, 5.8, 5.9, 11.2 or 11.3), from the Prior Closing until June 30, 2008, or following June 30, 2009, each Management Unitholder may make a one-time Disposition of (1) Series A Convertible Preferred Units, (2) Vested Management Units, (3) vested $0.85 Units, (4) vested $5.00 Units, (5) vested $10.00 Units, or (6) any combination thereof in accordance with the provisions of this Article 5 in a total amount not to exceed the lesser of (x) $5.0 million (determined based on a bona fide offer to acquire such Units) or (y) an amount equaling 10% of the aggregate fair market value (determined based on a bona fide offer to acquire such Units) of all Units held by such Management Unitholder calculated on a Fully-Diluted Basis, (a ***"Management Unitholder Disposition"***). For the avoidance of doubt, any Units acquired pursuant to a Management Unitholder Disposition may not be Disposed of by the transferee pursuant to a subsequent Management Unitholder Disposition.

(g) Notwithstanding anything to the contrary herein, Preferred Units issued pursuant to Section 4.6 shall not be subject to Sections 5.2 through 5.8 except to the extent provided in the applicable Series Designation.

(h) Dispositions made in accordance with this Agreement shall be effected by such documents and instruments as are necessary to comply with the Act and other applicable Cayman Islands Law, including the form of instrument of transfer attached hereto as Exhibit G or such other form of instrument of transfer approved by the Board.

Section 5.2 ***Permitted Dispositions.***

(a) Subject to the provisions of Section 5.1, a Management Unitholder may at any time make a Disposition of any or all of his Units to any Person who is a Permitted Transferee with respect to the transferor Management Unitholder, and such Permitted Transferee shall not be entitled to make any further Dispositions in reliance upon this Section 5.2, except for a Disposition of such acquired Units back to such original transferor Management Unitholder. Any Units transferred by a Management Unitholder to a Permitted Transferee of such Management Unitholder shall be deemed to continue to be owned by such Management Unitholder for purposes of Sections 11.1 and 11.2 hereof and as a condition to any such transfer, such Permitted Transferee must agree to comply with the provisions of Sections 11.1 and 11.2 as if such Units were owned by such Management Unitholder.

(b) Subject to the provisions of Section 5.1, an Investor Unitholder may at any time or times make a Disposition of any or all of its Units to any Person who is a Permitted Transferee with respect to the transferor Investor Unitholder (and each such Permitted Transferee may in turn make any such Disposition to another Person who is a Permitted Transferee with respect to the initial transferor Investor Unitholder upon the same terms and conditions).

(c) A Disposition of any kind or character otherwise prohibited by this Agreement may be permitted if approved by the Supermajority Holders.

(d) Any conversion of Convertible preferred Units in accordance with the Series A Convertible Preferred Unit Designation, the Series B Convertible Preferred Unit Designation or the Series C Convertible Preferred Unit Designation shall be a permitted Disposition.

(e) Any transfer of Units pursuant to Sections 11.1, 11.2 or 11.3 shall be a permitted Disposition.

(f) Any transfer of Management Units by a Management Unitholder to the Company shall be a permitted Disposition.

(g) Any transfer of Units to a Permitted Transferee made pursuant to this Section 5.2 and any other Disposition permitted by this Section 5.2 shall not be subject to the terms of Sections 5.3 through 5.6 hereof.

(h) Any conversion of Units in connection with an IPO Conversion pursuant to Section 5.9(a) shall be a permitted Disposition.

(i) Notwithstanding the provisions of this Section 5.2, a Member may not make a Disposition of Membership Interests or Units to a Permitted Transferee if such Disposition has as a purpose the avoidance of (or is otherwise undertaken in contemplation of avoiding the) restrictions on Dispositions in this Agreement (it being understood that the purpose of this Section 5.2(i) is to prohibit the Disposition of Membership Interests or Units to a Permitted Transferee followed by a change in the relationship between the transferor and the Permitted Transferee (or a change of control of such transferor or Permitted Transferee) after the Disposition with the result and effect that the transferor has indirectly made a Disposition of Membership Interests or Units by using a Permitted Transferee, which Disposition would not have been directly permitted under this Section 5.2 had such change in such relationship occurred prior to such Disposition).

(j) Each Member that is an entity that was formed for the sole or principal purpose of directly or indirectly acquiring Membership Interests or Units or an entity whose principal asset is its Membership Interests or Units, or direct or indirect interests in Membership Interests or Units, agrees that it will not permit dispositions of equity interests in such Member in a single transaction or series of related transactions if such dispositions collectively would result in equity interests in such Member representing a majority of the economic or voting interests in such Member being owned or Controlled by a Person or Persons that do not own an equity interest in such Member as of the Effective Date (or, if such Membership Interests or Units were Disposed of in accordance with this Article 5, then as of the date of such Disposition) unless such Member requires such dispositions of such equity interests to be treated as a Disposition of Membership Interests or Units hereunder.

(k) Any Disposition of Units previously issued pursuant to Section 4.6 shall be a Permitted Disposition except to the extent restricted pursuant to the applicable Series Designation.

Section 5.3 ***Notice Of Right Of First Refusal .***

(a) If a Management Unitholder or an Investor Unitholder receives a bona fide written offer from any Person, including any other Unitholder (a **"*Third Party Offer*"**) for the purchase of all or a part of his or its Units (other than Profits Units and Unvested Management Units) that such Unitholder desires to accept, such Unitholder (the **"*Offeror Unitholder*"**) agrees to give written notice of such Third Party Offer (the **"*Notice of Right of First Refusal*"**) to the Secretary of the Company and, within five business days after receipt of the Notice of Right of First Refusal by the Company, the Company will send a copy of the Notice of Right of First Refusal to the Investor Unitholders and the Management Unitholders (other than the Offeror Unitholder). The notice must set forth such Management Unitholder's or Investor Unitholder's intention to make a Disposition, the name and address of the proposed transferee (the **"*Third Party*"**), the number and class of Units to be sold (the **"*Offered Units*"**), the price per Unit (the **"*Offer Price*"**), all details of the payment terms and all other terms and conditions of the proposed Disposition, including that such Units must be sold free and clear of all liens and encumbrances (other than liens and encumbrances arising under this Agreement or applicable securities laws). A Third Party Offer may not contain provisions related to any property of the Offeror Unitholder other than the Units (excluding Profits Units and Unvested Management Units) held by the Offeror Unitholder, and the Offer Price shall be expressed only in terms of cash (in U.S. dollars). The Offer Price may differ in order to reflect differences in the Preferred Return Amount and the Liquidation Preference with respect to the Convertible Preferred Units that are Offered Units and the Threshold Value with respect to the Series B Convertible Preferred Units, the Series C Convertible Preferred Units and the Cl Units. The Offeror Unitholder shall deliver such Notice of Right of First Refusal to the Company no less than thirty (30) days prior to the date of the proposed Disposition. Any proposed Disposition not satisfying the terms of this Section 5.3 (e.g., a Third Party Offer in which not all of the proposed consideration is cash or a Third Party Offer to purchase Profits Units) may not be made unless otherwise expressly permitted pursuant to the provisions of this Article 5 other than Sections 5.3, 5.4 or 5.5.

(b) The date that the Notice of Right of First Refusal is received by the Company shall constitute the **"*First Refusal Notice Date.*"** The Company shall be obligated to promptly determine the First Refusal Notice Date following its receipt of a Notice of Right of First Refusal, and a copy of the Notice of Right of First Refusal together with a letter indicating the First Refusal Notice Date shall be promptly given by the Company to all applicable Investor Unitholders within five (5) Business Days of the determination of the First Refusal Notice Date.

Section 5.4 ***Rights Of First Refusal For Certain Units Held By Management Unitholders.***

(a) Primary Right Of First Refusal. The Company shall have the sole and exclusive option for a period of ten (10) days following the First Refusal Notice Date to accept, on the

terms specified in the Notice of Right of First Refusal, any Offered Units (other than Convertible Preferred Units) that are held by an Offeror Unitholder that is a Management Unitholder. The Company may exercise such option by giving written notice of exercise to the Offeror Unitholder and to all Investor Unitholders prior to the termination of the Company's 10-day option period. Such notice of exercise shall refer to the Notice of Right of First Refusal and shall set forth the number of Units to be acquired by the Company and a reasonable place and time within 90 days after the date thereof for the closing of the purchase and sale of the Offered Units.

(b) Secondary Right of First Refusal. If, pursuant to Section 5.4(a), the Company elects to purchase less than all of such Offered Units (other than Convertible Preferred Units), the other Management Unitholders shall have the exclusive option from the 11th to the 20th day following the First Refusal Notice Date to accept all or any portion of such Offered Units in accordance with the provisions of the Notice of Right of First Refusal. Such other Management Unitholders may, by agreement, allocate among themselves the right to acquire such part of such Offered Units. In the absence of such an agreement among such other Management Unitholders, each Management Unitholder will be entitled to give written notice to the Offeror Unitholder, to the Company and to the other Management Unitholders, from the eleventh day to the fifteenth day following the First Refusal Notice Date, of such Management Unitholder's election (**"*Election Notice*"**) to acquire all or any part of its Proportionate Percentage (calculated solely with respect to such Management Unitholders and excluding Unvested Management Units) of such Offered Units that are not being acquired by the Company including a statement of the maximum number of Offered Units that such Management Unitholder is willing to purchase.

Any Offered Units (other than Convertible Preferred Units) not subscribed for pursuant to Section 5.4(b) by the Management Unitholders other than the Offeror Unitholder shall be deemed to be re-offered to and accepted by such Management Unitholders exercising their rights to purchase Offered Units with respect to the lesser of (A) the amount specified in their respective Election Notices and (B) an amount equal to their respective Proportionate Percentages (calculated solely with respect to such Management Unitholders and excluding Unvested Management Units) with respect to such deemed offer. Such deemed offer and acceptance procedures described in the immediately preceding sentence shall be deemed to be repeated, to the extent required, until either (x) all of such Offered Units are accepted by such Management Unitholders or (y) the maximum number of Offered Units that such Management Unitholders indicated they are willing to purchase have been deemed accepted. The Company shall notify each such Management Unitholder within five days following the expiration of the 20-day period described in Section 5.4(b) of the number or amount of Offered Units which such Management Unitholder has subscribed to purchase and shall set a reasonable place and time for the closing of the purchase and sale of the Offered Units, which shall be not less than 45 days nor more than 90 days after the First Refusal Notice Date.

(c) Third Right of First Refusal. If, pursuant to Sections 5.4(a) and (b), the Company and the other Management Unitholders elect to purchase less than all of such Offered Units, the Investor Unitholders shall have the exclusive option from the 20th to the 30th day following the First Refusal Notice Date to accept all or any portion of such Offered Units in accordance with the provisions of the Notice of Right of First Refusal. The Investor Unitholders may, by

agreement, allocate among themselves the right to acquire such part of the Offered Units. In the absence of such an agreement among the Investor Unitholders, each Investor Unitholder will be entitled to give a written Election Notice to the Offeror Unitholder, to the Company and to the other Investor Unitholders, from the twentieth day to the twenty-fifth day following the First Refusal Notice Date, of such Investor Unitholder's election to acquire all or any part of its Proportionate Percentage (calculated solely with respect to the Investor Unitholders) of the Offered Units that are not being acquired by the Company or the other Management Unitholders including a statement of the maximum number of Offered Units that such Investor Unitholder is willing to purchase.

Any Offered Units (other than Convertible Preferred Units) not subscribed for pursuant to Section 5.4(c) by the Investor Unitholders shall be deemed to be re-offered to and accepted by the Investor Unitholders exercising their rights to purchase Offered Units with respect to the lesser of (A) the amount specified in their respective Election Notices and (B) an amount equal to their respective Proportionate Percentages (calculated solely with respect to the Investor Unitholders) with respect to such deemed offer. Such deemed offer and acceptance procedures described in the immediately preceding sentence shall be deemed to be repeated, to the extent required, until either (x) all of such Offered Units are accepted by the Investor Unitholders or (y) the maximum number of Offered Units that Investor Unitholders indicated they are willing to purchase have been deemed accepted. The Company shall notify each Investor Unitholder within five days following the expiration of the 30-day period described in Section 5.4(c) of the number or amount of Offered Units which such Investor Unitholder has subscribed to purchase and shall set a reasonable place and time for the closing of the purchase and sale of the Offered Units, which shall be not less than 45 days nor more than 90 days after the First Refusal Notice Date.

(d) The purchase price and terms for the Offered Units (other than Convertible Preferred Units) purchased by the Company, the other Management Unitholders or the Investor Unitholders, as the case may be, shall be the price and terms set forth in the applicable Third Party Offer. Upon delivery of the purchase price, the Offeror Unitholders shall have no further rights as holders of Offered Units and shall immediately cause all certificate(s) evidencing Offered Units to be surrendered for transfer to the Company or the purchasing other Management Unitholders or Investor Unitholders, as the case may be.

(e) If the Company, the other Management Unitholders and the Investor Unitholders do not purchase all of such Offered Units, the remaining Offered Units or any portion thereof (other than Convertible Preferred Units) may be sold by the Offeror Unitholder at any time within ninety (90) days after the date of the Third Party Offer, subject to the provisions of Section 4.4, 5.1 and Section 5.6 hereof. Any such sale shall not be at less than the price or upon terms and conditions more favorable, individually or in the aggregate, to the purchaser than those specified in the Third Party Offer. If any such remaining Offered Units (or any portion thereof) are not so transferred within such 90-day period, such Units may not be sold by the Offeror Unitholder without complying again in full with the provisions of this Agreement.

Section 5.5 ***Rights Of First Refusal For Convertible Preferred Units and For Certain Other Units Held By Investor Unitholders.***

(a) Right Of First Refusal. The Investor Unitholders and the Management Unitholders other than an Offeror Unitholder (the ***"Other Unitholders"***) shall have the option for a period of twenty (20) days following the First Refusal Notice Date to acquire, on the terms specified in the Notice of Right of First Refusal, any Convertible Preferred Units that are held by an Offeror Unitholder. The Other Unitholders may, by agreement, allocate among themselves the right to acquire such part of such Offered Units. In the absence of such an agreement among the Other Unitholders, each Other Unitholder will be entitled to give a written Election Notice to the Offeror Unitholder, to the Company and to the remaining Other Investor Unitholders, on or before the twenty-first day following the First Refusal Notice Date, of such Other Investor Unitholder's election to acquire all or any part of its Proportionate Percentage (calculated solely with respect to the Convertible Preferred Units of the Other Unitholders) of the Offered Units that are not being acquired by the Other Unitholders including a statement of the maximum number of Offered Units that such Other Unitholder is willing to purchase. Any Offered Units not subscribed for pursuant to this Section 5.5(a) by the Other Unitholders shall be deemed to be re-offered to and accepted by the Other Unitholders exercising their rights to purchase Offered Units with respect to the lesser of (A) the amount specified in their respective Election Notices and (B) an amount equal to their respective Proportionate Percentages (calculated solely with respect to the Convertible Preferred Units of the Other Unitholders) with respect to such deemed offer. Such deemed offer and acceptance procedures described in the immediately preceding sentence shall be deemed to be repeated, to the extent required, until either (x) all of the Offered Units are accepted by the Other Unitholders or (y) the maximum number of Offered Units that Unitholders indicated they are willing to purchase have been deemed accepted. If the Other Unitholders have elected to purchase all of the Offered Units, the Company shall notify each Other Unitholder within five days following the expiration of the period described in this Section 5.5(a) of the number or amount of Offered Units which such Unitholder has subscribed to purchase and shall set a reasonable place and time for the closing of the purchase and sale of the Offered Units, which shall be not less than 30 days nor more than 60 days after the First Refusal Notice Date. The purchase price for the Offered Units purchased by the Other Unitholders shall be the price set forth in the applicable Third Party Offer. Upon delivery of the purchase price, the Offeror Unitholders shall have no further rights as holders of the Offered Units and shall immediately cause all certificate(s) evidencing the Offered Units to be surrendered for transfer to the purchasing Other Unitholders.

(b) If the Other Unitholders have not elected to purchase all of the Offered Units, then the Other Unitholders shall not have the right to purchase the Offered Units and the Offered Units may be sold by the Offeror Unitholder to the applicable Third Party at any time within ninety (90) days after the date of the Third Party Offer, subject to the provisions of Section 5.1 and Section 5.6 hereof. Any such sale shall not be at less than the price or upon terms and conditions more favorable to the purchaser than those specified in the Third Party Offer. If any remaining Offered Units (or any portion thereof) are not so transferred within such 90-day period, such Units may not be sold by the Offeror Unitholder without complying in full again with the provisions of this Agreement.

(c) If the Offered Units are Common Units held by an Offeror Unitholder that is an Investor Unitholder, the provisions of Sections 5.5(a) and 5.5(b) shall apply *mutatis mutandis* to the sale of such Offered Units; *provided, however,* that the term "Other Unitholders" shall mean only the Investor Unitholders other than the Offeror Unitholder and the "Proportionate Percentages" of such Other Unitholders shall be calculated with respect to the Convertible Preferred Units and Common Units of such Other Unitholders.

Section 5.6 ***Certain Rights Of Inclusion.***

(a) No Unitholder shall sell or otherwise effect the Disposition of any Units (in one or a series of transactions) to a third party (excluding for such purpose Dispositions pursuant to Section 5.2, Dispositions to existing Unitholders pursuant to Sections 5.4 or 5.5, Dispositions subject to Section 5.7, Dispositions pursuant to Section 5.8 and Dispositions in connection with a Qualified Public Offering or a Qualified Merger) unless the terms and conditions of such Disposition have been approved in accordance with Section 8.4 (if any such approval is required) and include an offer, on the same terms as the offer to the selling Unitholder (the **"*Selling Unitholder*"**), to each of the other Unitholders (collectively, the **"*Tag Offerees*"**), to include at the option of each Tag Offeree (subject to the restrictions set forth in Section 5.1(f) relating to Management Unitholders), in the sale or other Disposition to the third party, a number of Units owned by each Tag Offeree determined in accordance with this Section 5.6. If Units proposed to be transferred by the Selling Unitholder consist of more than one series, class or type of securities, the Selling Unitholder shall have the right to sell or otherwise effect the Disposition under this Agreement of each such series, class or type provided that such Selling Unitholder complies with the provisions of this Section 5.6. If the Units proposed to be transferred by the Selling Unitholder consist of more than one series, class or type of securities and a Tag Offeree does not hold securities of each such series, class or type, then such Tag Offeree shall have an Inclusion Right (as defined below) only with respect to each such series, class or type that such Tag Offeree holds that is either the same series, class or type that is proposed to be transferred by the Selling Unitholder or that is convertible into such series, class or type at any time at the option of the holder thereof, in each case in compliance with the provisions of this Section 5.6; *provided, however,* that if the Units proposed to be transferred pursuant to Section 5.6 consist only of Convertible Preferred Units and such Units represent 75% or more of the outstanding Convertible Preferred Units, such Tag Offeree shall be entitled to include a number of Common Units (excluding Unvested Units) held by such Tag Offeree determined in accordance with Section 5.6 and shall be entitled to receive as consideration for such Common Units the same proportion of the aggregate consideration from such Disposition that such Tag Offeree would have received for such Common Units if such aggregate consideration had been distributed by the Company in complete liquidation pursuant to the rights and preferences set forth in Section 7.1(a) of this Agreement as in effect immediately prior to such Disposition (giving effect to applicable orders of priority), it being understood among the parties that such allocation may result in no consideration being payable for a particular series, class or type of securities.

(b) The Selling Unitholder shall cause the third party offer to be reduced to writing (which writing shall include an offer to purchase or otherwise acquire Units from the Tag Offerees as required by this Section 5.6 and a time and place designated for the closing of such

purchase, which time shall not be less than 20 days after delivery of such notice and no more than 60 days after such delivery date) and shall send written notice of such third party offer (the **"*Inclusion Notice*"**) to each of the Tag Offerees in the manner specified in Section 15.2 hereof. The per Unit purchase price proposed to be paid by the third party transferee may differ in order to reflect differences in the Preferred Return Amount and the Liquidation Preference with respect to the Convertible Preferred Units that are requested to be sold and the Threshold Value with respect to the Series B Convertible Preferred Units, Series C Convertible Preferred Units, C1 Units and vested Profits Units that are requested to be sold.

(c) Subject to Section 5.6(a), each Tag Offeree shall have the right (an **"*Inclusion Right*"**), exercisable by delivery of notice to the Selling Unitholder at any time within ten (10) calendar days after receipt of the Inclusion Notice, together with the Selling Unitholder, to sell pursuant to such third party offer, and upon the terms and conditions set forth in the Inclusion Notice, that number of Units requested to be included by such Tag Offeree; *provided, however,* that if the proposed third party transferee is unwilling to purchase all of the Units requested to be sold by all exercising Tag Offerees together with the Selling Unitholder, then each Tag Offeree shall have the right to sell pursuant to such third party offer, and upon the terms and conditions set forth in the Inclusion Notice, a number of such Tag Offeree's and Selling Unitholder's Units equal to such Tag Offeree's Proportionate Percentage (based on the Units held by the Selling Unitholder and Tag Offerees exercising their Inclusion Rights, excluding Unvested Management Units, which Proportionate Percentages shall be calculated separately with respect to any Profits Units held by the Selling Unitholder and such Tag Offerees) of each class, series and type of Units proposed to be transferred pursuant to this Section 5.6 as provided in the next succeeding sentence. For purposes of this Section 5.6, if any Units proposed to be transferred pursuant to this Section 5.6 (other than Convertible Preferred Units) are of a series, class or type of securities that is convertible into Common Units, then the definition of "Proportionate Percentage" for purposes of this Section 5.6(c) shall be read as if the references therein to "Convertible Preferred Units" were to such other convertible securities and the references therein to "Conversion Ratio" were to the applicable conversion ratio of such other convertible securities; and *provided further,* that, if such Units are not so convertible, then the definition of "Proportionate Percentage" for purposes of this Section 5.6(c) shall be read as if the references therein to "Common Units" were to such other non-convertible securities and the parentheticals therein were deleted. If any Tag Offeree has exercised its Inclusion Rights and the proposed third party transferee is unwilling to purchase all of the Units proposed to be transferred by the Selling Unitholder and all exercising Tag Offerees (determined in accordance with the first sentence of this Section 5.6(c)), then the Selling Unitholder and each exercising Tag Offeree shall reduce, on a pro rata basis with respect to each series, class and type of such Units, based on their respective Proportionate Percentages of each such class, series and type of such Units, the amount of such Units that each otherwise would have sold so as to permit the Selling Unitholder and each exercising Tag Offeree to sell the amount of Units (determined in accordance with such reduced Proportionate Percentages) that the proposed third party transferee is willing to purchase.

(d) The Tag Offerees and the Selling Unitholder shall sell to the proposed transferee all, or at the option of the proposed transferee, any part of the Units proposed to be transferred by them, at not less than the price and upon the terms and conditions, if any, not more favorable,

individually and in the aggregate, to the proposed transferee than those in the Inclusion Notice at the time and place provided for the closing in the Inclusion Notice, or at such other time and place as the Tag Offerees, the Selling Unitholder, and the proposed transferee shall agree. If the Units proposed to be transferred by the Selling Unitholder and all exercising Tag Offerees (determined in accordance with Section 5.6(c)) consist of more than one series, class or type of securities, the aggregate proposed consideration being offered with respect to such Units shall be allocated among such Units as if such consideration had been distributed by the Company in complete liquidation pursuant to the rights and preferences set forth in Section 7.1(a) of this Agreement and as in effect immediately prior to such closing (giving effect to applicable orders of priority), it being understood among the parties that such allocation may result in no consideration being payable for a particular series, class or type of securities.

(e) If the proposed third party transferee of Units proposed to be transferred by a Selling Unitholder is unwilling to purchase any Units from a Tag Offeree even after any pro rata reduction pursuant to the last sentence of Section 5.6(c) (a **"*Non-Included Tag Offeree*"**), such Non-Included Tag Offeree may elect to require such Selling Unitholder to purchase from such Non-Included Tag Offeree, for cash (in U.S. dollars), Units having a purchase price equal to the aggregate purchase price such Non-Included Tag Offeree would have received in connection with the closing of such sale by the Selling Unitholder if such Non-Included Tag Offeree had been able to exercise its Inclusion Rights (but only to the extent of its Proportionate Percentage) with respect to such sale. The closing of such sale to the Selling Unitholder shall occur concurrently with or immediately following such sale by the Selling Unitholder.

Section 5.7 ***Drag-Along Rights.***

(a) Subject to the provisions of Section 5.7(f), at any time an Investor Unitholder may propose a Drag-Along Transaction with a Person or group of Persons who are not Permitted Transferees of the Company or any Investor Unitholder and if such proposed Drag-Along Transaction (i) is a Non-Cash Transaction that does not satisfy the requirements of the Selling Proviso or a Cash Transaction and in either case has been approved in writing by the Super- Requisite Holders or (ii) is a Non-Cash Transaction that satisfies the requirements of the Selling Proviso and has been approved in writing by the Requisite Holders (any such Drag-Along Transaction approved in accordance with clause (i) or (ii), an **"*Approved Sale*"**), and if the Approved Sale is structured as (I) a merger, conversion, Unit exchange, consolidation, transfer by way of continuation of the Company, or a sale of all or substantially all of the assets of the Company, each Member and Unitholder entitled to vote thereon shall vote in favor of the Approved Sale and shall waive any appraisal rights or similar rights in connection with such merger, conversion, Unit exchange, consolidation or transfer by way of continuation or asset sale (it being acknowledged that such vote shall result in such Approved Sale not constituting a Liquidation Event), or (II) a sale of all the Units, the Unitholders shall agree to sell all of their Units which are the subject of the Approved Sale, on the terms and conditions of such Approved Sale. The Members and Unitholders shall promptly take all necessary and desirable actions in connection with the consummation of the Approved Sale, including using their reasonable best efforts to obtain the Board's consent to the Approved Sale and the execution of such agreements and such instruments and other actions reasonably necessary to (1) provide customary

representations, warranties, indemnities, and escrow arrangements relating to such Approved Sale (subject to clause (c)(v) below) and (2) effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale as set forth in Section 5.7(c) below. The Members and Unitholders shall be permitted to sell their Units pursuant to an Approved Sale without complying with any other provisions of Article 5 of this Agreement.

(b) The Investor Unitholders that have initiated an Approved Sale pursuant to Section 5.7(a), shall represent and warrant, severally and not jointly, to the other Unitholders that no additional consideration has been or is to be paid or provided by such prospective purchaser or any other Person to such Investor Unitholder or its Affiliates, pursuant to or in connection with such Approved Sale, directly or indirectly, and that the Approved Sale is not made as part of or in connection with any other transaction pursuant to which such Investor Unitholder will receive any additional consideration other than based upon such Investor Unitholder's ownership of Units. The foregoing provision shall not be deemed to prohibit a Drag Along Transaction to any Person merely because such Person has, is currently having or intends to have a business relationship with one or more Unitholders.

(c) The obligations of the Unitholders pursuant to this Section 5.7 are subject to the satisfaction of the following conditions:

(i) upon the consummation of the Approved Sale, each Unitholder shall receive the same proportion of the aggregate consideration from such Approved Sale that such holder would have received if such aggregate consideration had been distributed by the Company in complete liquidation pursuant to the rights and preferences set forth in Section 7.1(a) of this Agreement as in effect immediately prior to the consummation of such Approved Sale (giving effect to applicable orders of priority and after giving effect to the provisions of Section 7.1(b), (e) and (f) and Section 7.4) and if a Unitholder receives consideration from such Approved Sale in a manner other than as contemplated by such rights and preferences or in excess of the amount to which such Unitholder is entitled in accordance with such rights and preferences, then such Unitholder shall take such action as is necessary so that such consideration shall be immediately reallocated among and distributed to the Unitholders in accordance with such rights and preferences, it being understood that this Section 5.7 may result in no consideration being payable for a particular series, class or type of Units; and provided, further, that if any holder of Management Units or Profits Units would be required to pay amounts to the Company pursuant to Section 7.1(e) if such Drag-Along Transaction had been structured as a sale of assets followed by the dissolution and winding up of the Company then such holders shall pay such amounts to the other holders of Units in connection with such Drag-Along Transaction;

(ii) if any Unitholders of a class of Units are given an option as to the form and amount of consideration to be received, all Unitholders will be given the same option; and each Management Unitholder shall receive the same form of consideration (or option as to form of consideration) and the same proportion of forms of consideration as the Investor Unitholders (except to the extent prohibited by Law);

(iii) all holders of options, warrants or similar rights to acquire Units (**"*Unit Equivalents*"**) that are then currently exercisable will be given an opportunity to exercise such rights prior to the consummation of the Approved Sale (but only to the extent such Unit Equivalents are then vested or would be vested on an accelerated basis pursuant to the terms of their issuance) and participate in such sale as Unitholders;

(iv) no Unitholder shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Approved Sale (excluding modest expenditures for postage, copies, and the like) and no Unitholder shall be obligated to pay any portion (or, if paid, shall be entitled to be reimbursed by the Company for that portion paid) that is more than its pro rata share (based upon the amount of consideration received) of reasonable expenses incurred in connection with a consummated Approved Sale, to the extent such costs are incurred for the benefit of all Unitholders, and are not otherwise paid by the Company or the acquiring party (costs incurred by or on behalf of a Unitholder for its sole benefit will not be considered costs of the transaction hereunder), provided that a Unitholder's liability for such expenses shall be capped at the total purchase price received by such Unitholder for its Units;

(v) no Unitholder shall be required to provide any representations, warranties or indemnities (other than pursuant to an escrow of consideration proportionate to the amount receivable under this Section 5.7, provided that such escrowed consideration shall not exceed 50% of the amount receivable under this Section 5.7) in connection with the Approved Sale, other than those required to be made pursuant to Section 5.7(b) to other Unitholders and those representations, warranties and indemnities concerning each Unitholder's valid ownership of Units, free of all liens and encumbrances (excluding those arising under applicable securities laws), and each Unitholder's authority, power, and right to enter into and consummate such purchase or merger agreement without violating any other agreement to which such Unitholder is a party or its assets are bound; and

(vi) if some or all of the consideration received in connection with the Approved Sale is other than cash, then such consideration shall be deemed to have a dollar value equal to the fair market value of such consideration as determined by the unanimous resolution of all Managers comprising the Board; *provided* that if the Board does not or is unable to make such a determination of fair market value, such determination of fair market value shall be made by an investment banking firm of recognized national standing selected by a majority of Managers comprising the Board, and such firm shall be engaged and paid by the Company. The determination of fair market value of such investment banking firm (or, if such investment bank determines a range of fair market values, the mid-point of such range) shall be final and binding on all parties.

(d) If the Company and any of the Unitholders or their representatives, enter into any negotiation or transaction for which Rule 506 under the Securities Act (or any similar rule then in effect) may be available with respect to such negotiation or transaction (including a merger, consolidation or transfer by way of continuation or other reorganization), each Unitholder who is

not an Accredited Investor (without regard to Rule 501(a)(iv)) will, at the request and election of the Investor Unitholders which are pursuing an Approved Sale, either at the election of the Company (i) appoint a purchaser representative (as such term is defined in Rule 501 under the Securities Act) reasonably acceptable to such Unitholders or (ii) agree to accept cash in lieu of any securities such Unitholder would otherwise receive in an amount equal to the fair market value of such securities as determined in the manner set forth in Section 5.7(c)(vi).

(e) The Persons initiating an Approved Sale shall have the right to require the Company to cooperate fully with potential acquirors of the Company in a prospective Drag Along Transaction by taking all customary and other actions reasonably requested by such Persons or such potential acquirors, including without limitation, making the Company's properties, books and records, and other assets reasonably available for inspection by such potential acquirors and making its employees reasonably available for interviews.

(f) At any time after the seventh anniversary of the Initial Funding, Blackstone may propose a Drag-Along Transaction with a Person or group of Persons who are not Permitted Transferees of the Company or any Investor Unitholder and if such proposed Drag-Along Transaction is approved in writing by at least five of the seven then serving members of the Board (or at least a majority of the then serving members of the Board if such approval is sought at any time after the eighth anniversary of the Initial Funding) such Drag-Along Transaction shall be deemed to be an Approved Sale and subject to the provisions of Section 5.7 (a) through (e); *provided, however,* that (i) Warburg shall have the one time right to block a Drag-Along Transaction that is a Cash Transaction proposed by Blackstone pursuant to this Section 5.7(f) (a **"*Blocking Right*"**) and (ii) Blackstone shall not be entitled to propose a Drag-Along Transaction pursuant to this Section 5.7(f) unless it then holds at least 33% of the outstanding Convertible Preferred Units and has not become a Non-Consenting Investor with respect to any, and has funded its Pro Rata Portion of all, Exploration and Appraisal Capital Calls that have been validly made and not rescinded prior to the time of such proposal. At any time prior to the sixth anniversary of the Initial Funding, Blackstone shall have the one time right to block a Drag- Along Transaction that is a Cash Transaction proposed by Warburg pursuant to Section 5.7(a) (a **"*Blocking Right*"**); *provided, however,* that Blackstone shall not be entitled to exercise such Blocking Right at any time that it is designated a Non-Consenting Investor. The exercise by Warburg or Blackstone of its Blocking Rights shall be subject to the following provisions:

(i) The Investor Unitholders that have proposed a Drag-Along Transaction pursuant to Section 5.7(a) or Section 5.7(f), as the case may be (in either case, the **"*Dragging Investors*"**), shall notify the other Investor Unitholders (the **"*Blocking Investors*"**) in writing (the **"*Drag-Along Notice*"**) of such proposed Drag-Along Transaction, including the identity of the proposed acquiror, a good faith estimate of the minimum sale price and the proposed form of consideration. Within ten Business Days of receipt of such notice by the Blocking Investors, the Blocking Investors who are entitled to exercise a Blocking Right pursuant to this Section 5.7(f), if any, shall be entitled to exercise such Blocking Right by delivering a written notice (the **"*Blocking Notice*"**) to the Company and the Dragging Investors of such exercise, which notice shall specify a minimum sale price per Unit (which Unit price may differ to reflect differences

in the Preferred Return Amount and Liquidation Preference with respect to the Convertible Preferred Units and the Threshold Value with respect to Series B Convertible Preferred Units, Series C Convertible Preferred Units and Profits Units) (the **"*No-Drag Price*"**) for the proposed Drag-Along Transaction.

(ii) For a period of 90 days immediately following delivery by the Blocking Investors of the Blocking Notice (the **"*Negotiation Period*"**), the Dragging Investors shall endeavor in good faith to negotiate and execute definitive documentation providing for the sale of the Company to the proposed acquiror specified in the Drag-Along Notice for aggregate consideration equal to or greater than the No-Drag Price. In addition, either the Dragging Investors or the Blocking Investors shall be entitled to engage an independent third party valuation firm, mutually acceptable to the Dragging Investors and the Blocking Investors (the **"*Valuation Expert*"**), to render an opinion whether the No Drag Price equals or exceeds a feasible price for the Drag-Along Transaction, assuming such transaction is negotiated in good faith and at arms' length. In the event that the Dragging Investors and the Blocking Investors are unable to agree on a Valuation Expert who is willing to serve, then the Dragging Investors and the Blocking Investors shall each rank the firms set forth on Schedule III hereto (excluding any firm that no longer exists) in order of preference (with number 1 being the most preferred) and the Valuation Expert shall be the firm with the lowest number after adding together the rankings of the Dragging Investors and the Blocking Investors and that is willing to serve. If more than one firm is assigned the lowest aggregate number, then the Valuation Expert shall be selected by lot from all such firms that were assigned such number and are willing to serve. Each of the Company and the Investors agrees to make available to the Valuation Expert such books, records and other information and personnel of it and its Affiliates which the Valuation Expert may reasonably request in order to render its opinion.

(iii) If the Dragging Investors are not able to execute definitive documentation providing for such sale at or above the No-Drag Price prior to the expiration of the Negotiation Period or if the Valuation Expert renders an opinion prior to the expiration of the Negotiation Period that the No Drag Price does not equal or exceed a feasible price for the Drag-Along Transaction, then the Blocking Right exercised by the Blocking Investors pursuant to the Blocking Notice shall be considered effective, the proposed Drag-Along Transaction shall not constitute an Approved Sale and the Dragging Investors shall not be entitled to propose or consummate a Drag Along Transaction for a period of 12 months following the expiration of the Negotiation Period without the prior written consent of the Blocking Investors.

(iv) Notwithstanding the effectiveness of any Blocking Right exercised in accordance with this Section 5.7(f), the Dragging Investors shall be permitted to effect a Disposition of Units to the proposed acquiror at a price per Unit that is less than the No-Drag Price per Unit subject to and in accordance with the provisions of Section 5.6; *provided, however,* that the Blocking Investors shall not be permitted to be Tag Offerees or to exercise Inclusion Rights with respect to such sale unless the proposed acquiror desires to purchase a number of Units that is greater than the number of Units that the

Dragging Investor is willing to sell to such proposed acquiror, in which event the Blocking Investors shall be permitted to sell Units (subject to and in accordance with the provision of Section 5.6) to such proposed acquiror (but only in excess of the amount of Units the Dragging Investor desires to sell) at the same price per Unit as will be received by the Dragging Investors for their Units purchased by the proposed acquiror.

Section 5.8 ***Involuntary Transfers.***

(a) In the event of an Involuntary Transfer of any Units by a Management Unitholder, such Management Unitholder or his successor or transferee of Units in such Involuntary Transfer, as applicable, shall give written notice (an **"*Involuntary Transfer Notice*"**) to the Company promptly after the occurrence of the event which caused such Involuntary Transfer. After receipt of an Involuntary Transfer Notice, the Company shall have the option for 90 days from the date of receipt of the Involuntary Transfer Notice to elect to purchase all such Units within such 90-day period at their fair market value. As used herein, "fair market value" shall mean such reasonable and fair value as determined in the manner contemplated by Section 5.7(c)(vi).

(b) The closing of the purchase by the Company of securities pursuant to this Section 5.8 shall occur on the date specified by the Company. The provisions of Sections 11.2(c), 11.2(d) and 11.2(e) shall apply to such repurchased securities as if such securities were Available Units (as defined in Section 11.2) to be purchased.

Section 5.9 ***Conversion to IPO Corporation.***

(a) In connection with any proposed Qualified Public Offering approved in accordance with this Agreement, the Company may, at the election of the Requisite Holders, amend the Certificate to provide for a share capital, convert to a Delaware corporation in accordance with Section 18-216 of the Delaware Act or transfer by way of continuation to a company (having a share capital and whose owners of equity securities have limited liability) incorporated under the laws of Bermuda, in accordance with the Act and applicable Bermuda Law (in each case, the **"*IPO Corporation*"**), in each case for the express purpose of an initial offering of the securities of such IPO Corporation for sale to the public in a registered public offering pursuant to the Securities Act that is a Qualified Public Offering (an **"*IPO Conversion*"**). In connection therewith, (i) each outstanding Common Unit (including each Management Unit, each Profits Unit and each Cl Unit) shall be converted into a number of shares of common stock, if any, of the IPO Corporation having substantially similar rights and subject to substantially similar restrictions as the applicable Common Units (including Management Units, Profits Units and Cl Units) that are provided for in this Agreement (but excluding the provisions of Article 7) equal to the product of (x) one and (y) a fraction having (A) a numerator equal to the dollar amount that would be paid with respect to such Common Unit if an amount equal to the pre-IPO value of the Company (determined in good faith by the Board) (the **"*Pre-IPO Value*"**) were distributed to the holders of Units pursuant to Section 7.1(a)(iii) and (B) a denominator equal to the dollar amount that would be paid with respect to a Series A Convertible Preferred Unit if an amount equal to the Pre-IPO Value were distributed to the holders of Units pursuant to Section 7.1(a)(iii) and (z) a fraction having a numerator equal to

the amount set forth in clause (i)(y)(B) above and a denominator equal to the public offering price in the Qualified Public Offering of one share of common stock of the IPO Corporation (which price shall be estimated at the time of the IPO Conversion and adjusted upon consummation of the Qualified Public Offering), and (ii) each outstanding Preferred Unit shall be converted into a number of shares of preferred stock, if any, of the IPO Corporation having substantially similar rights, preferences, limitations and qualifications as the Preferred Units that are provided for in this . Agreement including the Series A Convertible Preferred Unit Designation, the Series B Convertible Preferred' Unit Designation, the Series C Convertible Preferred Unit Designation and any applicable Series Designation (but excluding the provisions of Article 7 of this Agreement) equal to the product of (x) one and (y) a fraction having (A) a numerator equal to the dollar amount that would be paid with respect to such Preferred Unit if an amount equal to the Pre-IPO Value were distributed to the holders of Units pursuant to Section 7.1(a)(iii) and (B) a denominator equal to the dollar amount that would be paid with respect to a Series A Convertible Preferred Unit if an amount equal to the Pre-IPO Value were distributed to the holders of Units pursuant to Section 7.1(a)(iii) and (z) a fraction having a numerator equal to the amount set forth in clause (ii)(y)(B) above and a denominator equal to the public offering price in the Qualified Public Offering of one share of common stock of the IPO Corporation (which price shall be estimated at the time of the IPO Conversion and adjusted upon consummation of the Qualified Public Offering), subject to the preferred stock converting into common stock and cash upon consummation of the Qualified Public Offering as contemplated by Section 4 of the Series A Convertible Preferred Unit Designation, Section 4 of the Series B Convertible Preferred Unit Designation, Section 4 of the Series C Convertible Preferred Unit Designation or any applicable section of a Series Designation, as the case may be, it being understood that the Preference Amount of the shares (whether one share, more than one share or a fraction of a share) of preferred stock into which such Preferred Unit is converted pursuant to this sentence is intended to be equal to the Preference Amount of such Preferred Unit immediately prior to such conversion. Solely for the purpose of determining the number of shares of common stock of the IPO Corporation issuable pursuant to clause (i) above, all Unvested Units shall be deemed to be Vested Units. In determining the amounts that would be distributed pursuant to Section 7.1(a)(iii) for purposes of clauses (i) and (ii) above, there shall be given effect to the other applicable provisions of Article 7.

(b) The Company shall give each Member and Unitholder at least thirty (30) days' prior written notice of any IPO Conversion as to which the Company intends to exercise its rights under Section 5.9(a). If the Company elects to exercise its rights under Section 5.9(a), the Members and Unitholders shall take such actions as may be reasonably required and otherwise cooperate in good faith with the Company in connection with consummating the IPO Conversion (including, without limitation, the voting of any Preferred Units or Common Units or as Members (including any voting as Members as may be necessary to effect a transfer by continuation or to authorize a share capital, whether by amendment to the Certificate, this Agreement or otherwise) to approve such IPO Conversion).

(c) Each of the parties hereto agrees to sell any or all fractional shares of the IPO Corporation owned by such party (after taking into account all shares of the IPO Corporation held by such party) to the IPO Corporation, upon the request of the Company in connection with

or in anticipation of the consummation of a Qualified Public Offering, for cash consideration equal to the fair market value of such fractional shares, as determined in good faith by the Board.

Section 5.10 ***Specific Performance.*** Each of the parties to this Agreement acknowledges that it shall be impossible to measure in money the damage to the Company or the Unitholder(s), if any of them or any transferee or any legal representative of any party hereto fails to comply with any of the restrictions or obligations imposed by this Article 5, that every such restriction and obligation is material, and that in the event of any such failure, the Company or the Unitholder(s) shall not have an adequate remedy at law or in damages. Therefore, each party hereto consents to the issuance of an injunction or the enforcement of other equitable remedies against him at the suit of an aggrieved party without the posting of any bond or other security, to compel specific performance of all of the terms of this Article 5 and to prevent any Disposition of Units in contravention of any terms of this Article 5, and waives any defenses thereto, including, without limitation, the defenses of: (i) failure of consideration; (ii) breach of any other provision of this Agreement; and (iii) availability of relief in damages.

Section 5.11 ***Government Compliance.*** In connection with any closing of a Disposition pursuant to this Article 5, each of the parties to this Agreement shall (i) use all reasonable efforts to take all steps necessary and desirable to obtain all required third-party, governmental and regulatory consents and approvals to facilitate the consummation of such Disposition, and (ii) use reasonable efforts to delay any closing dates pursuant to this Article 5 to the extent required to allow any party to take such actions.

ARTICLE 6
CAPITAL CONTRIBUTIONS

Section 6.1 ***Initial Contributions.*** Contemporaneously with the execution by each Member of the Original Agreement, each such Member made the initial Capital Contributions described for that Member in Annex A and Annex B to the Contribution Agreement hereto.

Section 6.2 ***Subsequent Contributions.*** The Members and the Company acknowledge that certain of the Members are parties to the Contribution Agreement pursuant to which each such Member has committed to purchase a number of Convertible Preferred Units or Common Units from time to time in accordance with the terms and subject to the conditions set forth in the Contribution Agreement. Each Member that is a party to the Contribution Agreement agrees to purchase additional Units on such terms and conditions as are set forth in such Contribution Agreement. Except as set forth in the Contribution Agreement, no Member shall have any obligation to make additional Capital Contributions to the Company.

Section 6.3 ***Return of Contributions.*** Except as otherwise provided in Article 7, (a) a Member is not entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its Capital Account or its Capital Contributions, (b) an unrepaid Capital Contribution is not a liability of the Company or of any Member, and (c) a Member is not required to contribute or to lend any cash or property to the Company to enable the Company to return any Member's Capital Contributions.

Section 6.4 ***Advances by Members.*** If the Company does not have sufficient cash to pay its obligations, any Member(s) that may agree to do so with the consent of the Board may advance all or part of the needed funds to or on behalf of the Company. An advance described in this Section 6.4 constitutes a loan from the Member to the Company, bears interest at the Prime Rate from the date of the advance until the date of repayment, and shall not constitute a Capital Contribution.

Section 6.5 ***Capital Account.*** A Capital Account shall be established and maintained for each Unitholder. Each Unitholder's Capital Account (a) shall be increased by (i) the amount of money contributed by that Unitholder to the Company, (ii) the Book Value of property contributed by that Unitholder to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take subject to under Code Section 752) and (iii) allocations to that Unitholder of Profits and any other items of income or gain allocated to that Unitholder, and (b) shall be decreased by (i) the amount of money distributed to that Unitholder by the Company, (ii) the Book Value of property distributed to that Unitholder by the Company (net of liabilities secured by the distributed property that the Unitholder is considered to assume or take subject to under Code Section 752), and (iii) allocations to that Unitholder of Losses and any other items of loss or deduction allocated to such Unitholder. The Capital Accounts shall also be increased or decreased (i) to reflect a revaluation of Company property pursuant to paragraph (b) of the definition of Book Value and (ii) upon the exercise of any noncompensatory warrant pursuant to the requirements of Proposed Treasury Regulation Sections 1.704-1(b)(2)(iv)(d)(4) and 1,704-1(b)(2)(iv)(s), as such Proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final Treasury Regulations. On the transfer of all or part of a Unitholder's Units, the Capital Account of the transferor that is attributable to the transferred Units shall carry over to the transferee Unitholder in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2)(iv)(1). A Unitholder that has more than one class of Units shall have a single Capital Account that reflects all such Units; however, the Capital Accounts shall be maintained in such manner as will facilitate a determination of the portion of each Capital Account attributable to Management Units, each class or series of Profits Units, and Cl Units, respectively.

ARTICLE 7
DISTRIBUTIONS AND ALLOCATIONS

Section 7.1 ***Distributions.*** Subject in each case to restrictions imposed by Law, distributions to the Unitholders with respect to the Units shall be made by the Company as follows:

(a) During the term of the Company, cash or other property available for distribution may be distributed from time to time as the Board may determine, but any such distribution shall be made in the following order of priority:

(i) First, with respect to the Convertible Preferred Units, in proportion to the Preferred Return Amount with respect to each of the Convertible Preferred Units, until the entire Preferred Return Amount with respect to all Preferred Units has been reduced to zero.

(ii) Second, with respect to the Convertible Preferred Units, in proportion to the unpaid Liquidation Preference with respect to each of the Convertible Preferred Units, until the entire unpaid Liquidation Preference with respect to all Convertible Preferred Units has been reduced to zero.

(iii) Third, to the Unitholders in accordance with their respective Percentage Interests.

(b) Notwithstanding any of the preceding provisions of this Section 7.1, if any Unitholder becomes a Non-Consenting Investor in accordance with Section 4.1 of the Contribution Agreement with respect to an Exploration and Appraisal Capital Call, a Development Funding Capital Call or an Acquisition Capital Call relating to an Approved Project or with respect to an Overhead Funding Capital Call, the Preferred Return Amount otherwise distributable to such Non-Consenting Investor pursuant to this Section 7.1 shall be reduced by the relevant amount specified in Section 4.1(h) or 4.1(i) of the Contribution Agreement (subject to adjustment, in the case of an Overhead Funding Capital Call, as provided in Section 4.1(i) of the Contribution Agreement), and the aggregate amount of such reduction instead shall be distributed to such other Unitholders in the proportions in which such other Unitholders fund the relevant Capital Call.

(c) In addition to the distributions provided for in the preceding provisions of this Section 7.1, as soon as practicable following the close of each taxable year (and such other times as to allow the Members to pay estimated taxes) the Company shall distribute to each Unitholder the excess, if any, of (i) the Applicable Percentage of the Cumulative Taxable Income allocated to each Unitholder over (ii) the cumulative amount of all distributions made pursuant to this Section 7.1 with respect to such Unitholder for that taxable year and all prior taxable years. Any distribution made pursuant to this Section 7.1(c) shall be treated as an advance and shall be subtracted from the amounts otherwise thereafter distributable or payable to such Unitholder pursuant to any provision of this Agreement until the total amount of such distribution has been so subtracted.

(d) All distributions made under this Section 7.1 shall be made to the Unitholders of record on the record date established by the Board or, in the absence of any such record date, to the Unitholders owning the applicable Units on the date of the distribution.

(e) Notwithstanding any of the preceding provisions of this Section 7.1, upon the dissolution and winding up of the Company but prior to making any distributions pursuant to Section 7.1(a)(iii) after the event triggering such dissolution and winding up, if (i) a distribution has theretofore been made with respect to a Management Unit or a Profits Unit (a **"*Prior Distribution*"**), (ii) subsequent to the Prior Distribution the Company issued additional Preferred Units as contemplated by Section 4.2(a) or issued additional units of Membership Interests pursuant to Section 4.6, and (iii) as a result of Losses sustained by the Company after such issuance the amount of such Prior Distribution exceeds the amount (the **"*Corrected Amount*"**) that would otherwise have been distributed with respect to such Management Unit, such Cl Unit or such Profits Unit had such Losses been taken into account as a reduction in the amount available to be paid in connection with such Prior Distribution, the distributions otherwise to be

made to the holder of such Management Unit or such Profits Unit pursuant to Section 7.1(a)(iii) shall be reduced by the excess of the amount of such Prior Distribution over the Corrected Amount, and if the distributions otherwise to be made to the holder of such Management Unit or such Profits Unit pursuant to Section 7.1(a)(iii) are insufficient to be reduced by the full amount of such excess, such holder and any predecessor holder of such Units at the time of any such Prior Distribution shall be obligated to contribute to the Company in cash the amount of any remaining excess. The amount of any such reduction or contribution required pursuant to this Section 7.1(e) shall be available for distribution in accordance with Section 7.1(a).

(f) Notwithstanding any of the preceding provisions of this Section 7.1, if a Member is or was an employee of the Company's Subsidiaries and it is determined by a final, nonappealable order of a court of competent jurisdiction that such Member was responsible for the violation by the Company or any of its Subsidiaries of any Corruption Laws or the FCPA Policy, or had actual knowledge of any such violation and did not notify the Board within 30 days after learning of such violation, then such Member shall be obligated to contribute to the Company an amount in cash equal to the aggregate amount of all distributions made to such Member with respect to any Units at any time pursuant to this Agreement. The obligation of a Member to contribute such amount to the Company shall be enforceable by the Company against such Member regardless of whether such Member has ceased to be a Member or has ceased to be a party to this Agreement or any other Agreement with the Company or has ceased to be subject to the FCPA Policy. The amount of any contribution required pursuant to this Section 7.1(f) shall be available for distribution in accordance with Section 7.1(a).

(g) The distributions contemplated by Section 7.1(a) are illustrated by the examples attached hereto as Schedule IV.

Section 7.2 ***Allocations of Profits and Losses.***

(a) For each taxable year of the Company, Profits and Losses and all items included in the computation thereof shall be allocated among the Unitholders in such a manner that, as of the end of each taxable year and to the extent possible, the Capital Account of each Unitholder shall be equal to the excess (which may be negative) of:

(i) the amount that would be distributed to such Unitholder under this Agreement if (x) all Company assets were sold for cash equal to their Book Values at the end of such taxable year, (y) all Company liabilities were satisfied in cash according to their terms (limited, with respect to each nonrecourse liability, to the Book Value of the assets securing such liability) and all Unitholders' obligations to make contributions to the Company upon such a hypothetical sale and dissolution of the Company were satisfied in full in cash, and (z) the net proceeds thereof (after satisfaction of such liabilities) were distributed in full pursuant to Section 7.1(a), over

(ii) the sum of (x) the amount, if any, that such Unitholder would be obligated to contribute to the capital of the Company as determined immediately after the hypothetical sale described in Section 7.2(a)(i), (y) such Unitholder's share of the Minimum Gain determined pursuant to Section 7.2(c)(iii) computed immediately prior to

the hypothetical sale described in Section 7.2(a)(i), and (z) such Unitholder's share of Unitholder Nonrecourse Debt Minimum Gain determined pursuant to Section 7.2(c)(iv) computed immediately prior to the hypothetical sale described in Section 7.2(a)(i);

(b) provided that Losses shall not be allocated pursuant to this Section 7.2(a) to the extent that such allocation would cause a Unitholder to have a deficit balance in its Adjusted Capital Account (or increase any existing deficit balance in its Adjusted Capital Account) at the end of such taxable year. Net Loss in excess of the limitation set forth in this Section 7.2(a) shall be allocated to the Unitholders who do not have deficit balances in their Adjusted Capital Accounts in proportion to their relative Adjusted Capital Account balances.

(c) Notwithstanding the foregoing, prior to making any allocation pursuant to the provisions of Section 7.2(a), the following allocations shall be made in the following order:

(i) Nonrecourse Deductions shall be allocated among the Unitholders in accordance with the Percentage Interests.

(ii) Unitholder Nonrecourse Deductions attributable to Unitholder Nonrecourse Debt shall be allocated to the Unitholders bearing the Economic Risk of Loss for such Unitholder Nonrecourse Debt as determined under Treasury Regulation Section 1.704-2(b)(4). If more than one Unitholder bears the Economic Risk of Loss for such Unitholder Nonrecourse Debt, the Unitholder Nonrecourse Deductions attributable to such Unitholder Nonrecourse Debt shall be allocated among the Unitholders according to the ratio in which they bear the Economic Risk of Loss. This Section 7.2(b)(ii) is intended to comply with the provisions of Treasury Regulation Section 1.704-2(i) and shall be interpreted consistently therewith.

(iii) Notwithstanding any other provision hereof to the contrary, if there is a net decrease in Minimum Gain for a taxable year (or if there was a net decrease in Minimum Gain for a prior taxable year and the Company did not have sufficient amounts of income and gain during prior years to allocate among the Unitholders under this Section 7.2(c)(iii)), items of income and gain shall be allocated to each Unitholder in an amount equal to such Unitholder's share of the net decrease in such Minimum Gain (as determined pursuant to Treasury Regulation Section 1.704-2(g)(2)). This Section 7.2(c)(iii) is intended to constitute a minimum gain chargeback under Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(iv) Notwithstanding any provision hereof to the contrary except Section 7.2(c)(iii) (dealing with Minimum Gain), if there is a net decrease in Unitholder Nonrecourse Debt Minimum Gain for a taxable year (or if there was a net decrease in Unitholder Nonrecourse Debt Minimum Gain for a prior taxable year and the Company did not have sufficient amounts of income and gain during prior years to allocate among the Unitholders under this Section 7.2(c)), items of income and gain shall be allocated to each Unitholder in an amount equal to such Unitholder's share of the net decrease in Unitholder Nonrecourse Debt Minimum Gain (as determined pursuant to Treasury Regulation Section 1.704-2(i)(4)). This Section 7.2(c)(iv) is intended to constitute a

partner nonrecourse debt minimum gain chargeback under Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(v) Notwithstanding any provision hereof to the contrary except Sections 7.2(c)(iii) and (iv) (dealing with Minimum Gain and Unitholder Nonrecourse Debt Minimum Gain), a Unitholder who unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) shall be allocated items of income and gain (consisting of a pro rata portion of each item of income, including gross income, and gain for the taxable year) in an amount and manner sufficient to eliminate any deficit balance in such Unitholder's Adjusted Capital Account as quickly as possible provided that an allocation pursuant to this Section 7.2(c)(v) shall be made only if and to the extent that such Unitholder would have a negative Adjusted Capital Account after all allocations provided for in this Article 7 have been tentatively made as if this Section 7.2(c)(v) were not in this Agreement. This Section 7.2(c)(v) is intended to constitute a qualified income offset under Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(vi) In the event that any Unitholder has a negative Adjusted Capital Account at the end of any taxable year, such Unitholder shall be allocated items of Company income and gain in the amount of such deficit as quickly as possible; provided that an allocation pursuant to this Section 7.2(c)(vi) shall be made only if and to the extent that such Unitholder would have a negative Adjusted Capital Account after all other allocations provided for in this Article 7 have been tentatively made as if Section 7.2(c)(v) and this Section 7.2(c)(vi) were not in this Agreement.

(vii) To the extent an adjustment to the adjusted tax basis of any Company property pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as the result of a distribution to any Unitholder in complete liquidation of such Unitholder's Membership Interest, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be allocated to the Unitholders in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(2) if such Section applies, or to the Unitholder to whom such distribution was made if Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4) applies.

(viii) If, as a result of an exercise of a noncompensatory warrant, a Capital Account reallocation is required under Proposed Treasury Regulation Section 1.704-1(b)(2)(iv)(s)(3) (as such Proposed Treasury Regulation may be amended or modified, including upon the issuance of temporary or final Treasury Regulations), the Company shall make corrective allocations pursuant to Proposed Treasury Regulation Section 1.704-1(b)(4)(x), as such Proposed Treasury Regulation may be amended or modified, including upon the issuance of temporary or final Treasury Regulations.

(ix) If any holder of Management Units or Profits Units forfeits all or a portion of such Units, the Company shall make forfeiture allocations to such holder in the manner and to the extent required by Proposed Treasury Regulation Section 1.704-1(b)(4)(xii) (as such Proposed Treasury Regulation may be amended or modified, including upon the issuance of temporary or final Treasury Regulations).

Section 7.3 ***Income Tax Allocations.***

(a) All items of income, gain, loss and deduction for Federal income tax purposes shall be allocated in the same manner as the corresponding items of Profits and Losses are allocated, except as otherwise provided in this Section 7.3.

(b) In accordance with Code Section 704(c) and the applicable Treasury Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the Company shall, solely for tax purposes, be allocated among the Unitholders so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Book Value. In the event the Book Value of any property is adjusted pursuant to clause (b) or (d) of the definition of Book Value, subsequent allocations of income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c) and the applicable Treasury Regulations thereunder. For purposes of such allocations, the Company shall elect the traditional allocation method described in Treasury Regulation Section 1.704-3(b).

(c) Allocations pursuant to this Section 7.3 are solely for purposes of Federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Unitholder's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

Section 7.4 ***Other Allocation Rules.*** All items of income, gain, loss, deduction and credit allocable to Units that may have been transferred shall be allocated between the transferor and the transferee based on the portion of the calendar year during which each was recognized as the owner of such Units, without regard to the results of Company operations during any particular portion of that calendar year and without regard to whether cash distributions were made to the transferor or the transferee during that calendar year; *provided, however,* that this allocation must be made in accordance with a method permissible under Code Section 706 and the regulations thereunder.

ARTICLE 8
MANAGEMENT

Section 8.1 ***Management by Managers.*** The Company shall be managed by "managers" (which shall also refer to "directors" as such term is used in the Act) according to the Articles and the remaining provisions of this Article 8 and, except with respect to certain consent or approval requirements provided in this Agreement, no Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the

Company or actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Company. Except as described in the preceding sentence, the business and affairs of the Company shall be managed by the Managers elected in accordance with Section 8.2 acting exclusively through the Board of Managers of the Company (the **"*Board*"**) in accordance with the Articles and this Agreement. Under the direction of the Board, the day-to-day activities of the Company shall be conducted on the Company's behalf by the Officers, who shall be agents of the Company. In addition to the powers that now or hereafter can be granted under the Act and to all other powers granted under any other provision of the Articles or this Agreement, the Board (subject to Section 8.4) and the Officers (subject to Section 8.2 and the direction of the Board) shall have full power and authority to do all things on such terms as they may deem necessary or appropriate to conduct, or cause to be conducted, the business and affairs of the Company.

Section 8.2 ***Board of Managers.***

(a) Composition; Initial Managers. Subject to Section 4.6, the Board shall consist of up to nine natural persons who need not be Members or, except as set forth in Section 8.2(b)(iv), residents of the Cayman Islands (each, a **"*Manager*"**). Each Manager shall be elected as provided in Section 8.2(b) and shall serve in such capacity until his successor has been elected and qualified or until such person's death, resignation or removal. As of the date hereof, the Board consists of the persons listed on Schedule II. Any appointment of a Manager must be notified to the Registrar within 21 days of such appointment.

(b) Election of Managers. From and after the Effective Date and until the termination of this Section 8.2(b) in accordance with Section 15.6, the Company shall exercise all authority under applicable Law, and the Unitholders and their assigns shall vote their Units, at any regular (or general) or special meeting of Members called for the purpose of filling positions on the Board, or in any written consent executed in lieu of such meeting of Members and shall take all the actions necessary, to ensure that the Board shall consist of seven, eight or nine Managers (as provided below and subject to reduction to the extent the Investor Unitholders lose their full rights to designate Managers as provided below) and to ensure the election to the Board of the following individuals:

(i) one of whom shall, be designated by the Management Unitholders (excluding any Units acquired pursuant to a Management Unitholder Disposition), and who will be James C. Musselman so long as he is employed by any Subsidiary of the Company (the **"*Management Nominee*"**);

(ii) two of whom shall be designated by Warburg (the **"*Warburg Nominees*"**); *provided, however,* if at any time the Warburg Group owns less than 25% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), only one Manager shall be designated by Warburg, and if at any time the Warburg Group owns less than 10% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), none shall be designated by Warburg; *provided, further, however,* if at any time the Warburg Group owns more than 75% of the outstanding

Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), three Managers shall be designated by Warburg;

(iii) two of whom shall be designated by Blackstone (the **"*Blackstone Nominees*"** and together with the Warburg Nominees, the **"*Investor Nominees*"**); *provided, however*, if at any time the Blackstone Group owns less than 25% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), only one Manager shall be designated by Blackstone and if at any time the Blackstone Group owns less than 10% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), none shall be designated by Blackstone; *provided, further, however*, if at any time the Blackstone Group owns more than 75% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), three Managers shall be designated by Blackstone; and

(iv) two, three or four (as determined by the Requisite Holders) of whom shall be designated by the Requisite Holders (the **"*Independent Nominees*"**) after consultation with Blackstone (so long as it owns at least 25% of the outstanding Convertible Preferred Units) and James C. Musselman (so long as he is employed by any Subsidiary of the Company); *provided, however*, that an Independent Nominee (A) shall not be an employee of the Company or its Subsidiaries or of a member of the Warburg Group or the Blackstone Group or an employee of a Person that Controls a member of the Warburg Group or the Blackstone Group (but may be an employee of a Person that is Controlled by (but is not a Subsidiary of) a member of the Warburg Group or the Blackstone Group other than the Company or a Subsidiary of the Company), it being understood that Independent Nominees may serve as directors or employees of other portfolio companies of the Warburg Group, and (B) shall, in the good faith judgment of the Requisite Holders, have experience that is relevant to the oil and gas industry or geo-political matters; and *provided further,* that in the event that a fourth natural person shall be designated, such natural person shall be a resident of the Cayman Islands.

(c) Observers. So long as the Warburg Group and/or the Blackstone Group own more than 10% of the outstanding Convertible Preferred Units (or of the outstanding Common Units if no Convertible Preferred Units are outstanding), each such group shall have the right to have an observer (each, an **"*Observer*"**) and any other person approved by the Board attend each meeting of the Board and any committee thereof. Each Observer shall be a full-time employee, director or partner of the Investor Nominee who appointed such Observer or a full-time employee, director or partner of one or more of the Investor Unitholders (or their respective Affiliates) who designated the Investor Nominee who appointed such Observer. In addition, it is expected that members of the Management Group will attend each meeting of the Board.

(d) Removal. Investor Nominees and Independent Nominees may be removed during his or her term of office, with or without cause, only by the Person or Persons then entitled to designate such Investor Nominee or Independent Nominee pursuant to Section 8.2(b). In addition, at any time prior to a

Qualified Public Offering, the Requisite Holders shall have the

right to remove, with or without cause, the Management Nominee and the Company shall immediately undertake to cause such removal; *provided, however,* that the Requisite Holders shall not be entitled to remove James C. Musselman as the Management Nominee (so long as he is employed by any Subsidiary of the Company). In the event of disagreement among the Persons entitled to remove the Management Nominee on the proposed removal of the Management Nominee, such individuals shall consult with each other in good faith for a period of not less than 30 days in pursuit of a mutually acceptable solution. If no such solution is reached after such 30-day period, the Requisite Holders, acting in good faith, shall have the right to remove such Management Nominee. If any Person is entitled to and desires to remove a Manager, then each Member hereby agrees to vote all Units owned by such Member to effect such removal, or consent in writing to effect such removal upon request, and otherwise to enforce compliance with this Section 8.2(d), including voting or consenting to remove any Manager who fails to comply with a request to remove the Management Nominee properly made under this Section 8.2(d).

(e) Resignations. Any Manager or member of a committee of the Board may resign at any time. Such resignation shall be in writing and shall take effect at the time specified therein or, if no time is specified, at the time of its receipt by the Registered Office of the Company with a copy delivered to the Chief Executive Officer or Secretary of the Company. The acceptance of a resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

(f) Vacancies. In the event that a vacancy is created on the Board by the death, Disability, retirement, Resignation or removal (with or without Cause) of a Manager elected pursuant to Section 8.2(b), each Member will as soon as practicable vote for, and cause the Managers designated by it to vote for, the individual designated to fill such vacancy by the Members (or representative) then entitled to fill such vacancy pursuant to Section 8.2(b) hereof, and the Company shall exercise all authority under applicable Law to give effect to this Section 8.2(f). Any Manager chosen to fill a vacancy on the Board in accordance with this Section 8.2(f) shall hold office until such Manager's successor shall be duly elected and shall have qualified, unless sooner displaced.

(g) Quorum; Required Vote for Board Action. Unless otherwise required by the Certificate, this Agreement or by Law, a majority of the total number of Managers shall constitute a quorum for the transaction of business at a meeting of the Board. Actions by the Board shall be decided by majority vote, and each Manager shall have one vote. Each Warburg Nominee and each Blackstone Nominee entitled to vote at a meeting of Managers may authorize the other Warburg Nominee, if any, and the other Blackstone Nominee, if any, respectively, to vote for or on behalf of such Nominee. Such authorization shall not require the consent or approval of any other Manager (other than the Nominee being so authorized).

(h) Place of Meetings; Order of Business. The Board may hold its meetings and may have an office, except as otherwise provided by Law, in such place or places, within or without the Cayman Islands, as the Board may from time to time determine by resolution. At all meetings of the Board, business shall be transacted in such order as shall from time to time be

determined by the Chairman of the Board (if any), or in his absence by the President, or by resolution of the Board.

(i) First Meeting. Each newly elected Board may hold its first meeting for the purpose of organization and the transaction of business, if a quorum is present, immediately after such newly elected Board has been elected by the Members. Reasonable notice of at least five days of such Board meeting shall be required for each such meeting. At the first meeting of the Board in each year at which a quorum shall be present, held after the election of such Board, the Board shall proceed to the election of the Officers.

(j) Regular (or General) Meetings. Regular (or general) meetings of the Board shall be held at such times and places as shall be designated from time to time by resolution of the Board. Reasonable notice of at least five days of such regular (or general) meetings shall be required for each such meeting.

(k) Special Meetings. Special meetings of the Board may be called by the Chairman of the Board (if any), the President or, on the written request of any two Managers, by the Secretary, in each case on reasonable notice of at least five days.

(l) Notice of Meetings. Notice of any first, regular (or general) or special meeting may be personal, written, telegraphic, cable, wireless or electronic notice to each Manager. Such notice, or any waiver thereof pursuant to Section 15.2 hereof, need not state the purpose or purposes of such meeting, except as may otherwise be required by Law or provided for in the Certificate or this Agreement.

(m) Compensation. Neither the Management Nominee nor the Investor Nominees who are employees of a member of the Warburg Group or the Blackstone Group or any of their Affiliates, will receive any consideration for serving on the Board prior to a Qualified Public Offering. The Independent Nominees will receive reasonable cash compensation for serving on the Board prior to a Qualified Public Offering and shall be eligible to receive Profits Units in accordance with Article 10. All of the Managers will be entitled to reimbursement for reasonable out-of-pocket expenses in attending meetings of the Board. Unless otherwise restricted by the Certificate or this Agreement, the Board shall have the authority to fix the compensation of Managers.

(n) Action Without a Meeting. Unless otherwise restricted by the Certificate, any action required or permitted to be taken at any meeting of the Board, or any committee designated by the Board, may be taken without a meeting if all members of the Board or committee thereof, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed under the Act. Notwithstanding the immediately preceding two sentences, in the event that any provision of this Agreement contains a requirement that the Board will consult with any other Person prior to taking a specified action, the Board will not act without a meeting unless the Board shall have consulted with such other Person, as applicable, or

shall have used commercially reasonable efforts for a reasonable period of time to attempt to consult with such other Person.

(o) Telephonic Conference Meeting. Unless otherwise restricted by the Certificate, subject to the requirement for notice of meetings, members of the Board, or members of any committee designated by the Board, may participate in a meeting of such Board or committee, as the case may be, by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(p) Waiver of Notice Through Attendance. Attendance of a Manager at any meeting of the Board or any committee thereof (including by telephone) shall constitute a waiver of notice of such meeting, except where such Manager attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(q) Committees of the Board.

(i) Designation; Powers. Subject to the provisions of Section 8.2(q)(ii), the Board may, by resolution passed by a majority of the Managers, designate one or more committees, including if they shall so determine an executive committee, each such committee consisting of one or more of the Managers. Any such designated committee shall have and may exercise such of the powers and authority of the Board in the management of the business and affairs of the Company as may be provided in such resolution, except that no such committee shall have the power or authority of the Board with regard to amending the Certificate or this Agreement, adopting an agreement of merger, consolidation, conversion or transfer by way of continuation, recommending to the Members the sale, lease or exchange of all or substantially all of the Company's property and assets, recommending to the Members a dissolution of the Company or a revocation of a dissolution of the Company, approving any Capital Call or approving any Project, and unless such resolution or the Certificate expressly so provides no such committee shall have the power or authority to declare a distribution or authorize the issuance of Membership Interests and Units. In addition, such committee or committees shall have such other limitations of authority as may be determined from time to time by resolution adopted by a majority of all of the Managers.

(ii) Required Committees. The Board shall establish an audit committee (the **"*Audit Committee*"**), a compensation committee (the **"*Compensation Committee*"**), and an employment committee (the **"*Employment Committee*"**). The Audit Committee, the Compensation Committee and each other committee designated by the Board in accordance with Section 8.2(q)(i) shall have at least one Warburg Nominee (as long as there are then at least two Warburg Nominees), at least one Blackstone Nominee (as long as there are then at least two Blackstone Nominees) and at least one Independent Nominee so long as, in any such case, such committee composition would not prohibit

the initial or continued listing of the IPO Corporation on the New York Stock Exchange or the Nasdaq National Market pursuant to applicable listing standards. The Employment Committee shall be comprised of all then Managers who are Investor Nominees. The Management Nominee shall not be permitted to serve on the Compensation Committee.

(iii) Procedure; Meetings; Quorum. Any committee designated in accordance with this Section 8.2(q) shall choose its own chairman and, if desired, its own secretary, shall keep regular minutes of its proceedings and report the same to the Board when requested, shall fix its own rules or procedures, and shall meet at such times and at such place or places as may be provided by such rules or procedures, or by resolution of such committee or Board. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for the adoption of any resolution.

(iv) Substitution of Managers. Subject to the provisions of Section 8.2(q)(ii), the Board may designate one or more Managers as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not constituting a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of the absent or disqualified member, subject to the provisions of Section 8.2(q)(ii).

(r) Reliance on Books, Reports and Records. Each Manager and each member of any committee designated by the Board shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or reports made to the Company by any of its Officers or by an independent certified public accountant or by an appraiser selected with reasonable care by the Board or by any such committee, or in relying in good faith upon other records of the Company.

(s) Cooperation by Members and the Company. Each of the Members and the Company agree to take such action, or refrain from taking such action, as is within its reasonable control to effect the provisions of this Section 8.2 and to ensure that the Certificate does not, from time to time or at any time, conflict with the provisions of this Section 8.2, including causing any Manager nominated thereby to take or refrain from taking action for the foregoing purpose. Furthermore, each Member hereby agrees to take all actions necessary to call, or cause the Company, the Officers or the Managers to call, a special meeting of the Members of the Company and to vote all Units owned or held of record by such Member at any such special meeting in favor of, or take all actions by written consent in lieu of any such meeting necessary to cause, the election as members of the Board of those individuals so designated in accordance with, and otherwise to effect the intent of Section 8.2.

Section 8.3 ***Meetings of the Members.***

(a) Place of Meetings. All meetings of the Members shall be held at the principal office of the Company, or at such other place within or without the Cayman Islands as shall be specified or fixed in the notices (or waivers of notice) thereof.

(b) Quorum; Required Vote for Member Action; Adjournment of Meetings.

(i) Except as expressly provided otherwise by the Certificate, this Agreement or a Series Designation, the holders of a majority of the Units issued and outstanding and entitled to vote at any meeting of Members, present in person or represented by proxy thereat, shall constitute a quorum at any such meeting for the transaction of business, and the affirmative vote of the holders of a majority of the Units so present or represented at such meeting at which a quorum is present shall constitute the act of the Members. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of sufficient Members to leave less than a quorum.

(ii) Notwithstanding any other provision in the Certificate, this Agreement or a Series Designation to the contrary, the chairman of the meeting of Members or the holders of a majority of the issued and outstanding Units, present in person or represented by proxy and entitled to vote thereat, whether or not a quorum is present, shall have the power to adjourn such meeting from time to time, without any notice other than announcement at the meeting of the time and place of the holding of the adjourned meeting. If the adjournment is for more than thirty days, or if subsequent to the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each holder of record of Units entitled to vote at such meeting. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called.

(c) Special Meetings. Unless otherwise provided in the Certificate, special meetings of the Members for any proper purpose or purposes may be called at any time by the Chairman of the Board (if any), the President, a majority of the Board or the Supermajority Holders. If not otherwise stated in or fixed in accordance with the remaining provisions hereof, the record date for determining such Unitholders entitled to call a special meeting shall be the date any such Unitholder first signs the notice of that meeting. Only business within the proper purpose or purposes described in the notice (or waiver thereof) required by this Agreement may be conducted at a special meeting of the Members.

(d) Record Date.

(i) For the purpose of determining Members entitled to notice of or to vote at any meeting of Members, or any adjournment thereof, or entitled to express consent to action in writing without a meeting, or entitled to receive payment of any distribution or allotment of any rights, or entitled to exercise any rights in connection with any change,

conversion or exchange of Units, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing such record date is adopted by the Board, and which record date shall not be more than 60 nor less than 10 days prior to the date of such meeting, nor more than 60 days prior to any other action.

(ii) If the Board does not fix a record date for any meeting of Members, the record date for determining Members entitled to notice of or to vote at a meeting of Members shall be at the close of business on the day next preceding the day on which notice of such meeting is given, or, if notice is waived in accordance with this Agreement, at the close of business on the day next preceding the day on which the meeting of Members is held. If, in accordance with this Agreement, action without a meeting of Members is to be taken, the record date for determining Members entitled to express consent to such action in writing, when no prior action by the Board is necessary, shall be the day on which the first written consent is expressed. The record date for determining Members for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

(iii) A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting; *provided, however,* that the Board may fix a new record date for the adjourned meeting.

(iv) A determination of Members of record as of any record date fixed pursuant to this Section 8.3(e) shall be made by reference to the Register of Members.

(e) Notice of Meetings. Written notice of the place, date and hour of all meetings and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given by or at the direction of the Chairman of the Board (if any) or the President, the Secretary or the other person(s) calling the meeting to each Member entitled to vote thereat not less than ten (10) nor more than sixty (60) days prior to the date of the meeting. Such notice may be delivered personally, by mail or by electronic transmission. If mailed, notice shall be deemed to have been given when deposited in the United States mail, postage pre-paid, directed to the Member, at such Member's address as it appears on the Unit transfer records of the Company. If electronically delivered, notice shall be deemed to have been given when directed to an electronic mail address at which the Member has consented to receive notice. An affidavit of the Secretary, an Assistant Secretary or the transfer agent of the Company that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(f) Member List. A complete list of Members entitled to vote at any meeting of Members, arranged in alphabetical order for each class or series of Membership Interests and showing the address of each such Member and the number of Units registered in the name of such Member, shall be open to the examination of any Member upon written request to the Secretary of the Company delivered at least eight days prior to the meeting, for any purpose germane to the meeting, during ordinary business hours, for a period of at least five (5) days prior to the meeting, either at a place within the city where the meeting is to be held, which place

shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

(g) Proxies.

(i) Each Member entitled to vote at a meeting of Members or to express consent or dissent to action in writing without a meeting may authorize another Person or Persons to act for him by proxy. Proxies for use at any meeting of Members shall be filed with the Secretary, or such other Officer as the Board may from time to time determine by resolution, before or at the time of the meeting. All proxies shall be received and taken charge of and all ballots shall be received and canvassed by the secretary of the meeting who shall decide all questions touching upon the qualification of voters, the validity of the proxies, and the acceptance or rejection of votes, unless an inspector of inspectors shall have been appointed by the chairman of the meeting, in which event such inspector of inspectors shall decide all such questions.

(ii) No proxy shall be valid after three (3) years from its date, unless the proxy provides for a longer period. Each proxy shall be revocable unless expressly provided therein to be irrevocable. The form of proxy shall be as determined by the Board.

(iii) Should a proxy designate two or more Persons to act as proxies, unless such instrument shall provide the contrary, a majority of such Persons present at any meeting at which their powers thereunder are to be exercised shall have and may exercise all the powers of voting or giving consents thereby conferred, or if only one be present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, each proxy so attending shall be entitled to exercise such powers in respect of the same portion of the shares as he is of the proxies representing such Units.

(h) Voting; Elections; Inspectors.

(i) Unless otherwise required by Law or provided in the Certificate, this Agreement or a Series Designation, each Member shall have one vote for each Unit entitled to vote which is registered in his name on the record date for the meeting *provided, however,* that, if at any time more than one class (counting for these purposes each designation of a class as a separate class) or series of Units is entitled to vote together as a single combined class on any matter submitted to a vote of Members or Unitholders, then each Member or Unitholder entitled to vote thereon shall vote such Units held by such Member or Unitholder in accordance with such Member's or Unitholder's Adjusted Percentage Interest; and *provided, further,* that Profits Units shall not be entitled to vote on any matter submitted to a vote of any Unitholders or Members unless otherwise required by the Act or expressly provided in this Agreement. Units registered in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the bylaw (or comparable instrument) of such corporation may prescribe, or in the absence of such provision, as the board of directors (or comparable

body) of such corporation may determine. Units registered in the name of a deceased person may be voted by his executor or administrator, either in person or by proxy.

(ii) All voting, except as required by the Certificate or this Agreement or where otherwise required by Law, may be by a voice vote; *provided, however,* that upon demand therefor by any Member a Unit vote shall be taken. Every Unit vote shall be taken by written ballots, each of which shall state the name of the Member or proxy voting and such other information as may be required under the procedure established for the meeting. Unless otherwise provided in the Certificate, all elections of Managers shall be by ballot.

(iii) At any meeting at which a vote is taken by ballots, the chairman of the meeting may appoint one or more inspectors, each of whom shall subscribe an oath or affirmation to execute faithfully the duties of inspector at such meeting with strict impartiality and according to the best of his ability. Such inspector shall receive the ballots, count the votes and make and sign a certificate of the result thereof. The chairman of the meeting may appoint any person to serve as inspector, except no candidate for the position of a Manager shall be appointed as an inspector.

(i) Conduct of Meetings. The meetings of the Members shall be presided over by the Chairman of the Board (if any), or if he is not present, by the President, or if neither the Chairman of the Board (if any) nor the President is present, by a chairman elected at the meeting. The Secretary of the Company, if present, shall act as secretary of such meetings, or if he is not present, an Assistant Secretary shall so act; if neither the Secretary nor an Assistant Secretary is present, then a secretary shall be appointed by the chairman of the meeting. The chairman of any meeting of Members shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him in order. Unless the chairman of the meeting of Members shall otherwise determine, the order of business shall be as follows:

(i) Calling of meeting to order.

(ii) Election of a chairman and the appointment of a secretary if necessary.

(iii) Presentation of proof of the due calling of the meeting and any waiver of notice of the meeting by any Member.

(iv) Presentation and examination of proxies and determination of a quorum.

(v) Reading and settlement of the minutes of the previous meeting.

(vi) Reports of Officers and committees.

(vii) The election of Managers if a meeting is called for that purpose.

(viii) Unfinished business.

(ix) New business.

(x) Adjournment.

(j) Units Held by the Company. The Company shall not vote, directly or indirectly, any of its own Units repurchased by or forfeited to it and such Units shall not be counted for quorum purposes.

(k) Action Without Meeting. Unless otherwise provided in the Certificate or this Agreement, any action permitted or required by Law, the Certificate or this Agreement to be taken at a meeting of Members, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding Units having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Units entitled to vote thereon were present and voted. Prompt notice of the taking of the company action without a meeting by less than a unanimous written consent shall be given by the Secretary to those Members who have not consented in writing. Notwithstanding the immediately preceding two sentences, in the event that any provision of this Agreement contains a requirement that a Member or class of Members consults with any other Person prior to taking a specified action, the Members will not act without a meeting unless such Member or Members have consulted with such other Person, as applicable, or shall have used commercially reasonable efforts for a reasonable period of time to consult such other Person.

(l) Waiver of Notice Through Attendance. Attendance of a Member at any meeting of Members (including by telephone) shall constitute a waiver of notice of such meeting, except where such Member attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(m) Meetings of Classes or Series Members. The provisions relating to general (or regular) meetings of Members in this Section 8.3 shall *mutatis mutandis* apply to any separate meeting of any class or series of Units, but so that the necessary quorum shall be any one Member of the relevant class or series and that any Member of the class or series present in person or by proxy may demand a poll.

Section 8.4 ***Decisions Requiring Additional Consent.*** Notwithstanding any power or authority granted to the Board, any committee thereof or the Officers under the Certificate or this Agreement, the following provisions shall apply:

(a) Neither the Board, any committee thereof or any Officer may make any decision or take any action for which consent of any Person is expressly required pursuant to the Certificate or this Agreement without first obtaining such consent.

(b) Except as otherwise provided in the Contribution Agreement, the Company shall not do or agree to do, and shall not permit any of its Subsidiaries to do or agree to do, any of the following, without prior Board approval and the prior written consent of the Requisite Holders:

(i) authorize additional funding for the Company and its Subsidiaries, including the issuance (directly, by merger or otherwise) of any Units, Capital Stock, equity or equity-linked securities of the Company or any Subsidiary of the Company, provided that such issuance would not constitute a Change of Control, other than (A) Profits Units or Management Units issued pursuant to this Agreement as in effect on the Effective Date or any other similar plan or arrangement previously approved by the Supermajority Holders or (B) Units or securities referred to in Sections 4.5(d)(ii), (iv), (vi), (viii), (ix) or (x); *provided, however,* that Blackstone shall have the right to exercise an Investor Call Right under the circumstances and to the extent described in Section 3.1(b) of the Contribution Agreement and, in the event of such exercise, such additional funding pursuant to this subsection (i) shall be correspondingly reduced by the amount of the net proceeds received by the Company pursuant to such exercise;

(ii) authorize and issue a number of Preferred Units pursuant to Section 4.6 or other equity or equity linked securities; *provided, however,* that Blackstone shall have the right to exercise an Investor Call Right under the circumstances and to the extent described in Section 3.1(b) of the Contribution Agreement and, in the event of such exercise, the number of Preferred Units issued pursuant to Section 4.6 shall be correspondingly reduced by the quotient of the net proceeds received by the Company pursuant to such exercise and the purchase price per such Preferred Unit issued pursuant to Section 4.6;

(iii) allow the Subsidiaries to incur (A) aggregate indebtedness in excess of $10,000,000 or (B) indebtedness if immediately following such incurrence the aggregate consolidated indebtedness of the Company would exceed the product of two times the Company's consolidated earnings before interest, taxes depreciation, depletion and amortization (adjusted pro forma for any acquisitions made since the beginning of the twelve month period described below) for the latest twelve months (or such shorter time as the Company shall have been in business, if it has not been in business for 12 months) for which the Company has delivered financial statements pursuant to Section 11.4(a)(i) hereof (such calculation as to whether any proposed incurrence of indebtedness would exceed such threshold shall be made in good faith by the Company's then chief financial officer);

(iv) approve or engage in any consolidation, merger, transfer by way of continuation or other business combination or any conversion to another type of business entity, other than any such transaction that would constitute a Liquidation Event;

(v) enter into any agreement, commitment or option to sell or divest, or sell or divest, assets representing $10,000,000 or more in the aggregate, or more than 5% of the Company's consolidated assets, as determined by reference to book value (based on the most recently prepared financial statements), or proved reserves (based on the most recent expert third party reserve report), other than any such transaction that would

constitute a Liquidation Event;

(vi) make any individual acquisition during any fiscal year that exceeds $5,000,000, or enter into any agreement, commitment or option with respect thereto;

(vii) approve or enter into any material agreement, commitment, guarantee, obligation or activity relating to hedging or similar activities;

(viii) approve a Qualified Public Offering;

(ix) approve the Company's annual budget;

(x) make expenditures during the fiscal year covered by the Company's annual budget approved in accordance with clause (ix) above that in the aggregate exceed the aggregate amounts approved for all expenditures in the annual budget by the greater of (A) 5% or (B) $5,000,000; and

(xi) effect a forward or reverse split of the Common Units.

(c) Except as otherwise provided in the Contribution Agreement, the Company shall not do or agree to do, and shall not permit any of its Subsidiaries to do or agree to do, any of the following, without prior Board approval and the prior written consent of the Supermajority Holders (or, in the case of subsection (ii) below, without the prior written consent of the Supermajority Holders and the holders of at least a majority of the outstanding Management Units, *provided, however,* that any Units transferred pursuant to a Management Unitholder Disposition shall, subsequent to such transfer, be excluded from the calculation of a majority of the outstanding Management Units for the purposes of this Section 8.4(c)):

(i) repurchase or otherwise acquire any Units, Capital Stock, equity or equity-linked securities of the Company or any Subsidiary of the Company other than Units or securities purchased from Management Unitholders pursuant to this Agreement;

(ii) (1) in the aggregate, issue Profits Units of any class or series (other than pursuant to Section 4.2(a)(x)) in accordance with this Agreement (A) in an amount that exceeds the authorized number of such class or series of Profits Units specified in Section 4.2(a)(ii), (B) with a Threshold Value less than the Threshold Value required by Section 4.2(a)(iii) through (ix) (inclusive), (C) that entitle the holders thereof to an aggregate Sharing Ratio greater than that specified in the definition of Sharing Ratio as in effect of the Effective Date, or (D) with a vesting schedule more favorable than the schedule contained in Section 11.1(a) of this Agreement, (2) in the aggregate, issue Management Units and Profits Units pursuant to Section 4.2(a)(x), collectively, (A) in an amount that exceeds 3,500,000 Common Units, (B) with respect to such Profits Units with a Threshold Value less than the Threshold Value required by Section 4.2(a)(x), (C) that entitle the holders thereof to an aggregate Sharing Ratio greater than that specified in the definition of Sharing Ratio as in effect of the Effective Date, or (D) with a vesting schedule more favorable than the schedule contained in Section 11.1(a) of this Agreement, or (3) at any time, issue any other Management Units or Profits Units, or any

similarly designated Common Units pursuant to any plan or arrangement that has not been approved by the Supermajority Holders;

(iii) authorize annual bonus payments or allocations of Profits Units to members of the Management Group or other Officers, or enter into, modify, amend or terminate any compensatory arrangement with any member of the Management Group or other Officer;

(iv) approve an Extraordinary Acquisition Capital Call;

(v) modify the Company's tax structure;

(vi) engage, or enter into an agreement to engage or otherwise authorize the engagement, in any activities not contemplated by this Agreement and the Contribution Agreement, including operating in a geographic area other than offshore West Africa or engaging in a line of business other than the exploration and production of oil and gas;

(vii) approve or enter into any agreement, commitment, guarantee, obligation or activity that would be considered trade or business activities or that would cause the Company to realize UBTI, UBT or ECI;

(viii) incur any indebtedness owing by the Company (in contrast to the Company's Subsidiaries);

(ix) make any individual investment or acquisition in a jurisdiction outside of the United States or invest in or acquire any entity formed in a jurisdiction outside of the United States, in each case, without first using best efforts to obtain a written opinion of qualified local counsel in form and substance reasonably satisfactory to one Warburg Nominee and one Blackstone Nominee to the effect that the Investor Unitholders will not (1) have a "permanent establishment" (or similar status) in the relevant non-U.S. jurisdiction, (2) become subject to tax generally in such non-U.S. jurisdiction or (3) be required to file tax returns in such non-U.S. jurisdiction (other than filings required to obtain refunds of amounts withheld), in each case solely as a result of any such investment or acquisition; *provided, however,* that the consent of the Supermajority Holders shall not be required pursuant to this subsection (ix) if one Warburg Nominee and one Blackstone Nominee together waive the requirement to obtain (or seek to obtain) such opinion; or

(x) cause the IPO Corporation to be organized, formed or incorporated in a jurisdiction other than Delaware, Bermuda or the Cayman Islands.

(d) Except as otherwise provided in the Contribution Agreement, the Company shall not do or agree to do, and shall not permit any of its Subsidiaries to do or agree to do, any of the following, without prior Board Approval and the prior written consent of the Super-Requisite Holders (in the case of any Cash Transaction or a Non-Cash Transaction that does not satisfy the

requirements of the Selling Proviso) or the Requisite Holders (in the case of any Non-Cash Transaction that does satisfy the requirements of the Selling Proviso):

(i) effect a Liquidation Event; or

(ii) declare or pay any distributions on the Company's Units, other than as required in the Certificate or pursuant to Section 7.1(c); *provided, however,* that all distributions declared pursuant to this Section 8.4(d)(ii) shall be made in accordance with Article 7.

(e) Except as otherwise provided in the Contribution Agreement, the Company shall not, and shall not permit any of its Subsidiaries, to enter into, modify, amend or terminate, or agree to enter into, modify, amend or terminate, any transaction with any executive officers, Managers or Affiliates of the Company, other than, (A) compensatory arrangements with Officers approved by the Compensation Committee and (B) Units purchased from Management Unitholders pursuant to this Agreement, without prior Board approval and the prior written consent of holders of at least 75% of the outstanding Convertible Preferred Units (or outstanding Common Units (other than Profits Units or Unvested Management Units) if no Convertible Preferred Units are outstanding) held by disinterested Unitholders with respect to such action; *provided, however,* that in accordance with Section 4.6 (and subject to Section 3.2 of the Contribution Agreement), the Company may create and issue additional Preferred Units to any member of the Warburg Group without the prior approval described in this Section 8.4(e) if (i) the terms upon which one or more members of the Warburg Group propose to invest in such Units are substantially as favorable, in the aggregate, to the Company as could be obtained from a third party on an arms' length basis, as determined by the Board (with the concurrence of all then serving Independent Nominees) in good faith, and (ii) the provisions of Section 4.5 apply to the proposed issuance.

Section 8.5 ***Officers.***

(a) Generally. The Board shall appoint certain agents of the Company to be referred to as "Officers" of the Company, as set forth below in this Section 8.5. Each such appointment shall have been recommended to the Board by the Management Group and approved by the Requisite Holders and any of the Independent Nominees or Blackstone Nominees following consultation in good faith with Blackstone (so long as it owns any Convertible Preferred Units) and the good faith participation of Blackstone (so long as it owns any Convertible Preferred Units) in all aspects of the Officer selection and interview process. Unless otherwise provided by resolution of the Board, the Officers shall have the titles, power, authority and duties described below in this Section 8.5. Any appointment of an Officer must be notified to the Registrar within 21 days of such appointment.

(b) Number, Titles and Term of Office. The Officers of the Company shall be a President, one or more Vice Presidents (any one or more of whom may be designated Executive Vice President or Senior Vice President), a Treasurer, a Secretary and, if the Board so elects, a Chairman of the Board and such other officers as the Board may from time to time elect or appoint. Each Officer shall hold office until his successor shall be duly elected and shall qualify

or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Any number of offices may be held by the same person. Except for the Chairman of the Board, if any, no Officer need be a Manager.

(c) Salaries. The salaries or other compensation, if any, of the Officers shall be fixed from time to time by the Board or the Compensation Committee

(d) Removal.

(i) Any Officer elected or appointed by the Board may be removed, either with or without Cause, by the vote of a majority of the whole Board at any regular meeting, or at a special meeting called for such purpose, *provided, however,* that the notice for such meeting shall specify that such proposed removal will be considered at the meeting; and *provided, further, however,* that such removal shall be without prejudice to the contractual rights, if any, of the person so removed. Election or appointment of an Officer shall not of itself create contractual rights.

(ii) Any Officer elected or appointed by the Board, and any other employee of the Company, may be removed and terminated, either with or without Cause, by the vote of the Employment Committee at any regular meeting or at a special meeting called for such purposes; *provided, however,* that the notice for such meeting shall specify that such proposed removal and/or termination will be considered at the meeting; and *provided, further, however,* that such removal and/or termination shall be without prejudice to the contractual rights, if any, of the person so removed. The Employment Committee must deliver to the President written notice of its intent to remove an employee five business days prior to removing such employee.

(iii) In the event of a disagreement among the Investor Nominees then serving on the Board or the Employment Committee, as the case may be, on either the proposed removal and/or termination of an Officer, such individuals shall consult with each other and the Management Group in good faith for a period of not less than 30 days in pursuit of a mutually acceptable solution. If no such solution is reached after such 30-day period, the Requisite Holders, acting in good faith, shall have the right to remove and/or terminate such Officer.

(e) Vacancies. Any vacancy occurring in any office of the Company may be filled by the Board in accordance with Section 8.5(a).

(f) Resignations. Any Officer may resign at any time. Such resignation shall be in writing and shall take effect at the time specified therein or, if no time is specified, at the time of its receipt by the Chief Executive Officer or Secretary of the Company. The acceptance of a resignation shall not be necessary to make it effective unless expressly so provided in the resignation.

(g) Powers and Duties of the Chairman of the Board. The Chairman of the Board (if any) shall preside at all meetings of the Members and of the Board; and he shall have such other powers and duties as may be assigned to him from time to time by the Board.

(h) Powers and Duties of the Chief Executive Officer and President. The President shall be the Chief Executive Officer of the Company. Subject to the control of the Board and the other terms of this Agreement, the Chief Executive Officer and President shall have general executive charge, management and control of the properties, business and operations of the Company with all such powers as may be reasonably incident to such responsibilities; subject to Section 8.2, he may agree upon and execute all contracts in the name of the Company and may sign all certificates for Units of the Company; and he shall have such other powers and duties as may be assigned to him from time to time by the Board.

(i) Powers and Duties of the Vice Presidents. Each Vice President shall perform such duties and have such powers as the Board may from time to time prescribe. In addition, in the absence of the President, or in the event of the President's inability or refusal to act, a Vice President designated by the Board or, in the absence of such designation, the Vice President who is present and who is senior in terms of time as a Vice President of the Company, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President.

(j) Powers and Duties of the Chief Financial Officer. The Chief Financial Officer shall have responsibility for the custody and control of all the funds and securities of the Company, and he shall have such other powers and duties as may be prescribed from time to time by the Board. He shall perform all acts incident to the position of Chief Financial Officer, subject to the control of the Chief Executive Officer and the Board.

(k) Powers and Duties of the Treasurer and the Assistant Treasurers. The Treasurer and each Assistant Treasurer (if any) shall have the usual powers and duties pertaining to their respective office, together with such other powers and duties as may be prescribed from time to time in the case of the Treasurer by the Chief Financial Officer, the Chief Executive Officer or the Board and in the case of each Assistant Treasurer, by the Chief Financial Officer, the Treasurer, the Chief Executive Officer or the Board. The Treasurer shall exercise the powers of the Chief Financial Officer during the Chief Financial Officer's absence or inability or refusal to act, and the Assistant Treasurers shall exercise the powers of the Chief Financial Officer or the Treasurer during their respective absence or inability or refusal to act.

(l) Powers and Duties of the Secretary. The Secretary shall keep the minutes of all meetings of the Board, committees thereof and of the Members in books provided for such purpose; he shall attend to the giving and serving of all notices; he may in the name of the Company affix the seal of the Company to all contracts of the Company and attest thereto; he may sign with the other appointed Officers all Unit certificates; he shall have charge of the certificate books, transfer books and Unit ledgers, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to inspection by any Manager upon application at the office of the Company during business hours; he shall have such other powers and duties as may be prescribed from time to time by the Board; and he shall in general perform

all acts incident to the office of Secretary, subject to the control of the Chief Executive Officer and the Board.

(m) Powers and Duties of the Assistant Secretaries. Each Assistant Secretary (if any) shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be prescribed from time to time by the Chief Executive Officer, the Board or the Secretary. The Assistant Secretaries shall exercise the powers of the Secretary during the Secretary's absence or inability or refusal to act.

(n) Action with Respect to Securities of Other Companies. Unless otherwise determined by the Board, the chief executive officer shall have the power to vote and to otherwise act on behalf of the Company, in person or by proxy, at any meeting of security holders of any other company, or with respect to any action of security holders thereof, in which the Company may hold securities and otherwise to exercise any and all rights and powers which the Company may possess by reason of its ownership of securities in such other company.

(o) Facsimile Signatures. In addition to the provisions for the use of facsimile signatures elsewhere specifically authorized in this Agreement, facsimile signatures of any Officer may be used wherever as authorized by the Board.

Section 8.6 ***Effect of More or Less than One Vote.*** If any Unit has more or less than one vote on any matter, every reference in this Agreement to a majority or other proportion of Units shall refer to such majority or other proportion of the votes of such Units.

Section 8.7 ***Prohibition against UBTI, ECI and UBT.*** Notwithstanding anything to the contrary herein, the Managers shall use their best efforts to not permit the Company to enter into any agreement, commitment, guarantee, obligation or activity, including any acquisitions or borrowings, that could result in the recognition of UBTI, ECI or UBT by any Unitholder by reason of its ownership of Units.

Section 8.8 **Tax** ***Covenant.*** Before the Company or any of its Subsidiaries either (i) makes any individual investment or acquisition in a jurisdiction outside of the United States or (ii) invests in or acquires any entity formed in a jurisdiction outside of the United States, the Company will use best efforts to obtain a written opinion of qualified local counsel in form and substance reasonably satisfactory to one Warburg Nominee and one Blackstone Nominee to the effect that the Investor Unitholders will not (1) have a "permanent establishment" (or similar status) in the relevant non-U.S. jurisdiction, (2) become subject to tax generally in such non-U.S. jurisdiction or (3) be required to file tax returns in such non-U.S. jurisdiction (other than filings required to obtain refunds of amounts withheld), in each case solely as a result of any such investment or acquisition; *provided, however,* that the requirement to obtain (or to seek to obtain) such opinion may be waived with the consent of both one Warburg Nominee and one Blackstone Nominee.

Section 8.9 ***U.S. Tax Status.*** All first-tier Subsidiaries of the Company will be formed and remain corporations for U.S. tax purposes or the Managers shall cause such Subsidiaries to

be classified and treated as corporations for U.S. tax purposes, in each case from their inception and for all times thereafter.

ARTICLE 9
EXCULPATION AND INDEMNIFICATION

Section 9.1 ***Exculpation.*** The personal liability of each Manager and its Affiliates shall be eliminated and limited to the full extent permitted under the laws of Delaware, including the Delaware Act. No Manager nor any Affiliate thereof shall be liable to the Company or any Member for monetary damages arising from any actions taken, or actions failed to be taken, in its capacity as a Manager or any member of a committee of the Board except for (a) liability for acts or omissions not in good faith or which involve intentional misconduct or in knowing violation of law, (b) liability with respect to any transaction from which such Person derived an improper personal benefit and (c) liability from any breach of such Person's duty of loyalty to the Company, in each case described in clauses (a), (b) and (c) preceding, as determined by a final, nonappealable order of a court of competent jurisdiction.

Section 9.2 ***Right to Indemnification.*** Subject to the limitations and conditions as provided in this Article 9, each Person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (hereinafter a ***"Proceeding"****),* or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that such Person, or a Person of whom it is the legal representative, is or was or has agreed to become a Manager or an Officer or is or was serving or has agreed to serve at the request of the Company as a member, manager, director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, whether the basis of such Proceeding is alleged action in an official capacity as a Manager or Officer or in any other capacity while serving or having agreed to serve as a Manger or Officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said Law permitted the Company to provide prior to such amendment) against all expense, liability and loss (including judgments, penalties excise and similar taxes, punitive damages, fines, amounts paid in settlement or to be paid in settlement and attorneys' fees) actually incurred or suffered by such Person in connection with such Proceeding, and indemnification under this Article 9 shall continue as to a Person who has ceased to serve in the capacity which initially entitled such Person to indemnity hereunder and shall inure to the benefit of such Person's heirs, executors and administrators; *provided, however,* that the Company shall indemnify any such Person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such Person only if such Proceeding (or part thereof) was authorized by the Board. Notwithstanding anything to the contrary in this Section 9.2, no Manager or Officer shall be entitled to indemnification hereunder if it is determined by a final, nonappealable order of a court of competent jurisdiction that such person did not act in good faith and in a manner such person

reasonably believed to be in or not opposed to the best interests of the Company, or had reasonable cause to believe such person's conduct was unlawful.

Section 9.3 ***Advance Payment.*** The right to indemnification conferred in this Article 9 shall include the right to be paid or reimbursed by the Company the expenses incurred by a Person of the type entitled to be indemnified under Section 9.2 who was, is or is threatened to be made a named defendant or respondent in a Proceeding in advance of the final disposition of the Proceeding and without any determination as to the Person's ultimate entitlement to indemnification. Such expenses shall, at the request of the Person entitled to be indemnified under Section 9.2, be advanced by the Company periodically or on behalf of such Person in advance of the final disposition of a Proceeding so long as such Person shall have provided the Company with a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified Person is not entitled to be indemnified under this Article 9 or otherwise.

Section 9.4 ***Indemnification of Employees and Agents.*** The Company, by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the Company to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Managers and Officers under this Article 9; and, the Company may indemnify and advance expenses to Persons who are not or were not Managers, Officers, employees or agents of the Company but who are or were serving at the request of the Company as a member, manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against such Person and incurred by such Person in such a capacity or arising out of its status as such a Person to the same extent that the Company may indemnify and advance expenses to Members under this Article 9.

Section 9.5 ***Appearance as a Witness.*** Notwithstanding any other provision of this Article 9, the Company may pay or reimburse expenses incurred by a Manager, Officer or Member in connection with its appearance as a witness or other participation in a Proceeding at a time when it is not a named defendant or respondent in the Proceeding.

Section 9.6 ***Nonexclusivity of Rights.*** The right to indemnification and the advancement and payment of expenses conferred in this Article 9 shall not be exclusive of any other right which a Manager, Officer or other Person indemnified pursuant to Section 9.4 may have or hereafter acquire under any Law, this Agreement, agreement, vote of the Board or otherwise.

Section 9.7 ***Insurance.*** The Company shall, to the fullest extent that is commercially reasonable, purchase and maintain insurance, at its expense, to protect itself and any Person who is or was serving as a Manager, Officer, employee or agent of the Company or is or was serving at the request of the Company as a member, manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee

benefit plan or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such Person against such expense, liability or loss under this Article 9.

Section 9.8 ***Member Notification.*** To the extent required by Law, any indemnification of or advance of expenses to a Manager in accordance with this Article 9 shall be reported in writing to the other Managers with or before the notice or waiver of notice of the next Board meeting or with or before the next submission to the Board of a consent to action without a meeting and, in any case, shall be reported to the Members within the 12 month period immediately following the date of the indemnification or advance.

Section 9.9 ***Savings Clause.*** If this Article 9 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Person indemnified pursuant to this Article 9 as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article 9 that shall not have been invalidated and to the fullest extent permitted by Law.

Section 9.10 ***Contract Rights.*** The rights granted pursuant to this Article 9 shall be deemed contract rights, and no amendment, modification or repeal of this Article 9 shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any such amendment, modification or repeal.

Section 9.11 ***Negligence, etc.*** It is expressly acknowledged that the indemnification provided in this Article 9 could involve indemnification for negligence or under theories of strict liability.

ARTICLE 10
PROFITS UNITS AND MANAGEMENT UNITS

Section 10.1 ***Purpose of Profits Units and Management Units.*** All Profits Units and Management Units, whenever granted, shall be subject to the terms and provisions of this Article 10. The granting and issuance of Profits Units and Management Units are intended to promote the interests of the Company and its Subsidiaries by encouraging Employees (as defined in Section 10.2), directors, Managers and Consultants (as defined in Section 10.2) of the Company and its Affiliates (as defined in Section 10.2) to acquire or increase their equity interests in the Company and to provide a means whereby they may develop a sense of proprietorship and personal involvement in the development and financial success of the Company and its Subsidiaries, and to encourage them to remain with and devote their best efforts to the business of the Company and its Subsidiaries thereby advancing the interests of the Company and its Members. The granting and issuance of Profits Units and Management Units are also contemplated to enhance the ability of the Company and its Affiliates to attract and retain the services of individuals who are essential for the growth and profitability of the Company and its Subsidiaries.

Section 10.2 ***Definitions.*** As used in this Article 10, the following terms shall have the meanings set forth below:

"Affiliate" shall mean (i) any entity that, directly or indirectly, is effectively controlled by the Company or effectively controls the Company, as determined by the Committee, (ii) any "parent corporation" of the Company (as defined in Section 424(e) of the Code) and (iii) any "subsidiary corporation" of the Company or any such parent corporation (as defined in Section 424(f) of the Code) thereof.

"Award" shall mean any Profits Units or Management Units.

"Award Agreement" shall mean any written or electronic agreement, contract, or other instrument or document evidencing any Award, which may, but need not, be executed or acknowledged by a Participant.

"Committee" shall mean the Compensation Committee or any other committee appointed by the Board to administer the granting of Awards pursuant to this Article 10, or, if no committee is appointed, the Board.

"Consultant" shall mean any individual, other than an Employee, director or Manager, who renders consulting or advisory services to the Company or an Affiliate.

"Employee" shall mean any employee of an Affiliate. It shall also include any individual who has accepted an offer of employment but not yet commenced employment with an Affiliate; however, no Award granted to such person may become a Vested Unit prior to the date such person actually becomes an Employee, unless a Consultant who was granted an Award subsequently becomes an Employee.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Founders" shall mean James C. Musselman, Brian F. Maxted, W. Greg Dunlevy, Kiat Tze (Kenny) Goh and Paul Dailly and their respective Permitted Transferees.

"Participant" shall mean any Employee, director, Manager or Consultant granted an Award pursuant to this Agreement.

"Rule 16b-3" shall mean Rule 16b-3 promulgated by the SEC under the Exchange Act, or any successor rule or regulation thereto as in effect from time to time.

Section 10.3 ***Administration*****.** The granting of Awards shall be administered by the Committee. A majority of the Committee shall constitute a quorum, and the acts of the members of the Committee who are present at any meeting thereof at which a quorum is present, or acts unanimously approved by the members of the Committee in writing, shall be the acts of the Committee. The Committee, in its discretion, may delegate all or some of its authorities and duties to the Chief Executive Officer of the Company, with such restrictions on such delegation as the Committee may choose. If such a delegation is made, references to the term "Committee"

in this Article 10 shall include the Chief Executive Officer of the Company, where applicable; *provided, however,* in no event shall the Chief Executive Officer be authorized to make grants to, or determinations with respect to, himself or to any other Officer of the Company or an Affiliate. Subject to the terms of this Article 10 and applicable Law, and in addition to other express powers and authorizations conferred on the Committee by this Article 10, the Committee shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Profits Units and/or Management Units to be covered by Awards; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent, and under what circumstances Awards may be canceled, forfeited or suspended and the method or methods by which Awards may be canceled, forfeited or suspended; (vi) interpret and administer this Article 10 and any Award Agreement; (vii) establish, amend, suspend, or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of this Article 10; and (viii) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of this Article 10. Unless otherwise expressly provided in this Agreement, all designations, determinations, interpretations, and other decisions under or with respect to this Article 10 or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive, and binding upon all Persons, including the Company, any Affiliate, any Participant, beneficiary of any Award, and any Employee, director, Manager or Consultant.

Section 10.4 ***Units Available for Award.***

(a) Subject to adjustment as provided in Section 15.12, the number of Management Units and Profits Units, collectively, with respect to which Awards may be granted is set forth in Section 4.2(a)(ii), it being understood that the following Management Units and Profits Units have been granted as of the date hereof:

Series or Class of Units	Number Granted as of the Effective Date
Management Units	2,660,000
$0.85	839,999
$5.00	2,350,000 (including 216,574 issued with a Threshold Value of $15.00)
$10.00	1,100,000 (including 88,626 issued with a Threshold Value of $15.00)
$15.00	2,333,333
$27.50	1,368,333
$40.00	1,947,999
$65.00	1,789,999
$90.00	1,789,999

that up to the maximum number of Profits Units issuable hereunder may be granted from time to time and at any time after the Effective Date and that certain Profits Units issuable hereunder are required to be granted after the date hereof pursuant to Section 10.4(b). Not more than 100,000 $5.00 Units issuable hereunder shall be granted to the Independent Nominees. If all or a portion of an Award (or any outstanding Profits Units or Management Units) are forfeited, terminated or canceled, then the Profits Units and/or Management Units covered by such Award (or previously outstanding), to the extent of such forfeiture, termination or cancellation, shall again be Profits Units with respect to which Awards may be granted in accordance with this Article 10. If the Committee desires to issue a new class or series of Profits Units, the Committee, with the approval of the Supermajority Holders, shall designate a Threshold Value applicable to each Threshold Unit in such class or series in accordance with Section 4.2(a)(iii) through (x) (inclusive), as applicable, to the extent necessary to cause such Units to constitute "profits interests" as provided in Section 4.2(c).

(b) If prior to the earliest to occur of (i) a Liquidation Event, (ii) the consummation of a transaction pursuant to Section 5.7 and (iii) an IPO Conversion all of the Profits Units issuable hereunder (excluding Management Units and Profits Units that have been forfeited to or repurchased by the Company and not reissued pursuant to this Article 10) have not been issued (such shortfall being referred to as the **"*Ungranted Profits Units*"),** then immediately prior to occurrence of such event, the Company shall issue all Ungranted Profits Units (but shall not be required to issue forfeited or repurchased Management Units and Profits Units) in an allocation determined by the Board (excluding the Management Nominee) or the Committee, and in either case approved by the Supermajority Holders, and otherwise in accordance with this Article 10.

(c) Any Units granted pursuant to an Award may consist, in whole or in part, of authorized and unissued Units, Units acquired or repurchased from any Person by the Company, or any combination of the foregoing.

Section 10.5 ***Eligibility.*** Any Employee, director, Manager or Consultant shall be eligible to be designated a Participant by the Committee and receive an Award under the Plan.

Section 10.6 ***Awards.*** Subject to the provisions of this Article 10, the Committee shall have the authority to determine the Employees, directors, Managers and/or Consultants to whom Awards shall be granted, the number of Units to be covered by each Award and such terms and conditions, including forfeiture, as the Committee shall determine in its discretion, provided they are not contrary to the provisions of this Agreement.

(b) Awards may be granted under this Article 10 from time to time, on such terms as the Committee believes appropriate, in substitution for stock options held by individuals

providing services to corporations or affiliates thereof who become Employees, directors, Managers or Consultants as a result of a merger or consolidation or other business combination with the Company or any Affiliate.

(c) All Units granted pursuant to an Award and all Profits Units and Management Units outstanding as of the date hereof are subject to the limitations on transfer as provided in Article 5 and to the vesting, forfeiture and repurchase provisions as provided in Sections 11.1, 11.2 and 11.3.

(d) Notwithstanding anything in this Article 10 to the contrary, the Committee may provide in an Award Agreement that if the Participant enters into competition against the Company or an Affiliate within a prescribed period following the grant of the Award, the Units granted pursuant to the Award shall be subject to such forfeiture provisions as may be established by the Committee, which may include, without limitation, a forfeiture of such Units or, if such Units have then been sold or otherwise transferred by the Participant, the requirement of a cash payment by the Participant to the Company of any gain or profit that may have been realized by the Participant with respect to such transferred Units.

Section 10.7 ***Amendment and Termination.*** Except to the extent prohibited by applicable Law or this Agreement and unless otherwise expressly provided in an Award Agreement, the Committee may waive any conditions or rights under, amend any terms of, or alter any Award theretofore granted, provided no adverse change, other than pursuant to applicable Law, may be made in any Award without the consent of such Participant.

Section 10.8 ***Mandatory Forfeiture of Founder Units.*** If, prior to the date upon which (i) the Remaining Commitment of each of the Investors has been reduced to $0 and (ii) the first commercial production is achieved in an Approved Plan of Development in the Republic of Ghana, the Committee, acting upon a written recommendation of the Management Group to the Board or to the Committee, determines that it is in the best interest of the Company to issue additional Management Units or Profits Units to one or more Employees, directors, Managers or Consultants (other than the Founders) in an amount in excess of the number of designated Management Units and Profits Units set forth in Section 4.2(a)(ii) hereof then available for issuance (such excess, the **"*Award Shortfall*"**), the Committee shall deliver to the Board for approval a proposal to require the forfeiture of a number of Management Units and/or Profits Units held by the Founders (each, a **"*Forfeited Unit*"**) in an amount equal to the Award Shortfall for the sole purpose of reissuing such forfeited Management Units and/or Profits Units as additional Profits Units pursuant this Article 10. For purposes of this Section 10.8, "Remaining Commitment", "Investors" and "Approved Plan of Development shall have the meanings ascribed to such terms in the Contribution Agreement. Such proposal (a **"*Forfeiture Proposal*"**) by the Committee to the Board shall include a reasonably detailed description of (i) the purpose for such proposed Award, (ii) the amount of the Award Shortfall, (iii) the Forfeited Units proposed to be forfeited (including the Founder holding such Forfeited Units and the series and class of such Unit and Threshold Value thereof), determined in accordance with Section 10.8(b) and (iv) the Award to be issued upon receipt of the Forfeited Units (including the number and Threshold Values of any Profits Units to be issued).

(b) The Committee shall use its reasonable best efforts to apportion the economic effect of any Forfeiture Proposal pro rata among the Founders.

(c) Upon receipt of and consideration of a Forfeiture Proposal, at the next succeeding meeting of the Board, the Board may:

(i) Approve such Forfeiture Proposal with such amendments, if any, as Board shall deem appropriate (not to exceed the number of Forfeited Units and aggregate Threshold Values contained in the written recommendation of the Management Group);

(ii) Reject such Forfeiture Proposal and direct the Committee to issue, subject to the approval of the Supermajority Holders, a new class or series of Profits Units in order to make up for the Award Shortfall; or

(iii) Reject such Forfeiture Proposal and direct the Committee to reduce the amount of the proposed Award in such manner as it shall deem appropriate so that no Award Shortfall exists.

(d) Notwithstanding anything to the contrary herein or in any certificate of designation with respect to the Forfeited Units, in the event that the Board approves the Forfeiture Proposal (as may be amended) pursuant to Section 10.8(c)(i) hereunder, each Forfeited Unit designated in such Forfeiture Proposal (as approved by the Board) shall be forfeited and shall become available for reissuance pursuant to and in accordance with Sections 4.2(a)(x) and (xii) hereof and shall be reissued in respect of the Award Shortfall pursuant to the Forfeiture Proposal; provided, however, that subject to the limitations set forth in Section 4.2(a)(x) and (xii) in no event shall the Board be required to reissue Forfeited Units with Threshold Values that, in the aggregate, are less than the Threshold Values, in the aggregate, of such Forfeited Units. In the event that the Forfeited Units are not reissued pursuant to the Forfeiture Proposal, the forfeiture of such Units shall be null and void and of no force or effect, and the Company shall not recognize or be bound by any such purported forfeiture and shall not effect any such purported forfeiture on Capital Accounts of the Unitholders.

Section 10.9 ***Miscellaneous.***

(a) No Employee, director, Manager, Consultant or other Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Employees, directors, Managers or Consultants, or holders or beneficiaries of Awards. The terms and conditions of Awards need not be the same with respect to each recipient.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any Affiliate or to remain a director, Manager or Consultant. Further, the Company or an Affiliate may at any time dismiss a Participant from employment or as a director, Manager or Consultant, free from any liability or any claim under this Article 10, unless otherwise expressly provided in this Agreement or in any Award Agreement.

(c) Neither this Article 10 nor an Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and a Participant or any other Person.

(d) No fractional Profits Units or Management Units shall be issued or delivered pursuant to this Article 10 or any Award.

ARTICLE 11
CERTAIN COVENANTS OF THE COMPANY

Section 11.1 ***Vesting Of Management Units and Profits Units.***

(a) The Company and the Management Unitholders hereby agree to be bound by the provisions of this Section 11.1 notwithstanding the provisions of the Limited Liability Company Agreement among Kosmos Energy, LLC, a Texas limited liability company, and the Management Unitholders and of any unit agreement relating to Management Units or Profits Units. Each Management Unitholder's Management Units and Profits Units will become vested in accordance with the following schedule, if, as of each applicable date, the Management Unitholder is still employed by any of the Company's Subsidiaries or serving as a Manager, unless the Compensation Committee determines to issue such Units on a different schedule that is not less favorable to the Company.

	% Vested
Date of Issuance of Management Unit/Grant of Profits Unit	20%
First Anniversary Date of Issuance of Management Unit/ Grant of Profits Unit	40%
Second Anniversary Date of Issuance of Management Unit/Grant of Profits Unit	60%
Third Anniversary Date of Issuance of Management Unit/Grant of Profits Unit	80%
Fourth Anniversary Date of Issuance of Management Unit/Grant of Profits Unit	100%

(b) Upon the earliest of (i) the consummation of a Liquidation Event, (ii) the consummation of a transaction pursuant to Section 5.7, and (iii) the consummation of a Qualified Public Offering, all Unvested Management Units shall become Vested Units.

(c) Upon the consummation of a Liquidation Event, all Unvested Profits Units shall become Vested Units. In connection with the consummation of a transaction pursuant to Section 5.7, the Committee (as defined in Section 10.2) shall have the right to accelerate the vesting of

all Unvested Profits Units (including all Ungranted Profits Units granted in connection therewith) upon the consummation of such transaction.

(d) Any and all distributions (other than pursuant to Section 7.1(c)) that would otherwise be made pursuant to this Agreement with respect to an Unvested Unit shall be held by the Company for the benefit of the holder of such Unvested Unit until such time as such Unvested Unit becomes a Vested Unit.

Section 11.2 ***Repurchase Option For Management Units.***

(a) Subject to the remaining provisions of this Section 11.2 and applicable Law, all Units, including Convertible Preferred Units, Common Units (including CI Units), Management Units (whether Vested Units or Unvested Units) and Profits Units (whether Vested Units or Unvested Units), held by a Management Unitholder (in each case including Units transferred to the Management Unitholder's Permitted Transferees) (collectively, the **"*Available Units*"**) are subject to repurchase as follows:

(i) If the Management Unitholder (other than a Management Unitholder that is a non-employee Manager of the Company) ceases to be employed by any of the Company's Subsidiaries by reason of death or Disability, such Management Unitholder's Unvested Units shall become Vested Units as of such termination of employment, and the Company shall have the right to repurchase all such Management Unitholder's Vested Units and other Available Units as of such termination of employment at a purchase price equal to the then fair market value of such Units determined in the same manner as is provided in Section 5.7(c)(vi).

(ii) If the Management Unitholder (other than a Management Unitholder that is a non-employee Manager of the Company) ceases to be employed by any of the Company's Subsidiaries by reason of termination without Cause or resignation with Good Reason, such Management Unitholder's Unvested Profits Units shall be forfeited, the Company shall have the right to repurchase all of such Management Unitholder's Unvested Management Units as of such termination at a purchase price equal to the Management Unitholder's Original Cost for such Management Units, and the Company shall have the right to repurchase all of such Management Unitholder's Vested Units and other Available Units as of such cessation of employment at a purchase price equal to the then fair market value of such Units ddtermined in the same manner as is provided in Section 5.7(c)(vi).

(iii) If the Management Unitholder (other than a Management Unitholder that is a non-employee Manager of the Company) ceases to be employed by any of the Company's Subsidiaries by reason of termination with Cause or resignation without Good Reason (or for no reason), such Management Unitholder's Unvested Profits Units shall be forfeited, the Company shall have the right to repurchase all of such Management Unitholder's Management Units (including Vested and Unvested Management Units) and Vested Profits Units as of such termination or resignation at a purchase price equal to the Management Unitholder's Original Cost for such Units, and

the Company shall have the right to repurchase all of such Management Unitholder's Convertible Preferred Units as of such termination at a purchase price equal to the lower of the Management Unitholder's Original Cost for such Units or the then fair market value of such Units determined in the same manner as is provided in Section 5.7(c)(vi).

(iv) In addition to the consequences set forth in Section 11.2(a)(iii) above, if the Management Unitholder (other than a Management Unitholder that is a non-employee Manager of the Company) ceases to be employed by any of the Company's Subsidiaries by reason of termination with Cause or resignation without Good Reason (or for no reason), the Company shall have the right to repurchase all of such Management Unitholder's other Available Units as of such termination at a purchase price equal to the lower of the Management Unitholder's Original Cost for such Units or the then fair market value of such Units determined in the same manner as is provided in Section 5 .7(c)(vi).

(v) If the Management Unitholder is a non-employee Manager of the Company and ceases to serve as a Manager of the Company by reason of death, removal (with or without Cause), resignation or otherwise, such Management Unitholder's Unvested Profits Units shall be forfeited, the Company shall have the right to repurchase all of such Management Unitholder's Unvested Management Units as of such cessation at a purchase price equal to the Management Unitholder's Original Cost for such Units, and the Company shall have the right to repurchase all of such Management Unitholder's Vested Units and other Available Units at a purchase price equal to the then fair market value of such Units determined in the same manner as is provided in Section 5.7(c)(vi).

(b) On or before the 185th day after the effective date of termination of the employment of a Management Unitholder as described in the preceding subsections of this Section 11.2, the Company shall give written notice (a ***"Repurchase Notice"***) to the holder of the Available Units of the number or amount of Available Units that have been elected to be purchased by the Company, and the Company shall set a reasonable place and time from the date thereof for the closing of the purchase and sale of the Available Units. The number of Available Units to be repurchased shall first be satisfied to the extent possible from the Available Units held by the Management Unitholder at the time of delivery of the Repurchase Notice. If the number of Available Units then held by the Management Unitholder is less than the number of Available Units that the Company has elected to purchase, the Company shall purchase the remaining Available Units elected to be purchased from the Permitted Transferees of such Management Unitholder under this Agreement pro rata, determined in each case according to the number of Available Units held by such Permitted Transferees at the time of delivery of such Repurchase Notice (determined as nearly as practicable to the nearest whole share).

(c) The closing of the purchase of Available Units pursuant to this Section 11.2 shall take place on the date designated by the Company in the Repurchase Notice, which date shall not be more than 60 days nor less than five days after the delivery of the Repurchase Notice. The Company will pay for Available Units to be purchased pursuant to this Section 11.2 by delivery of (i) a check or wire transfer of funds or (ii) in the event the Company is prohibited by the Company's Certificate, this Agreement or applicable statutory or contractual provisions to

purchase the Available Units by check or a wire transfer, a subordinated unsecured promissory note or notes payable on commercially reasonable terms if the use of such a promissory note is not prohibited, in the aggregate amount of the purchase price for such Units. Any notes issued by the Company pursuant to this Section 11.2(c) shall be subject to any restrictive covenants (including limitations or restrictions on the payment of interest) to which the Company is subject at the time of such purchase. In the event the Company is, during such period, prohibited from purchasing such Available Units, including by means of issuing a promissory note, then the Company shall have the right to assign such repurchase right to the Investor Unitholders, pro rata, in accordance with their Proportionate Percentages, or as the Investor Unitholders may otherwise agree. The purchasers of any Available Units hereunder will be entitled to require all of the signatures of each seller of such Available' Units to be notarized and to receive representations and warranties from each such seller regarding (A) such seller's power, authority and legal capacity to enter into such sale and to transfer valid right, title and interest in such Available Units, (B) such seller's ownership of such Available Units and the absence of any liens, pledges, and other encumbrances on such Available Units, and (C) the absence of any violation, default, or acceleration of any agreement or instrument pursuant to which such seller or the assets of such seller are bound as the result of such sale.

(d) Should the Company or any of its assignees elect to exercise the repurchase rights pursuant to this Section 11.2 and any seller fails to deliver all of such Units in accordance with the terms hereof, the purchaser of such Units hereunder may, at its option, in addition to all other remedies it may have, deposit the repurchase price in an escrow account administered by the Company or an independent third party (to be held for the benefit of and payment over to such seller in accordance herewith), whereupon the Company shall by written notice to such seller (i) cancel on its books the certificates(s) representing such Units registered in the name of such seller and (ii) issue to the purchaser, in lieu thereof, new certificate(s) representing such Units registered in the purchaser's name, and all of the seller's right, title, and interest in and to such Units shall terminate in all respects.

(e) In the event that Available Units are repurchased pursuant to this Section 11.2, the holders of such Available Units will take all steps necessary and desirable to obtain all required third-party, governmental and regulatory consents and approvals and take all other actions necessary and desirable to facilitate consummation of such repurchase(s) in a timely manner.

Section 11.3 ***Buyback Of Units Upon Event of Default.***

(a) Upon the occurrence of an Event of Default, as defined in the Contribution Agreement, the Company shall have the right to repurchase all Units owned by such Defaulting Investor (as such term is defined in the Contribution Agreement), or its Permitted Transferees, as the case may be for a price per Unit equal to 1% of the purchase price (if any) for such Unit. The Members and Unitholders acknowledge and agree that the foregoing right of repurchase is reasonable. Any Units available for repurchase under this Section 11.3(a) shall be referred to herein as " ***Eligible Units.***" The Company may exercise this right upon the vote of a majority of the Board (excluding any nominee or representative of a Defaulting Investor then serving on the Board). The exercise of this right by the Company shall not affect the Company's right to pursue

one or more other actions or remedies permitted upon an Event of Default under the Contribution Agreement.

(b) The Company may elect to purchase all or any portion of the Eligible Units by delivering written notice (the **"*Eligibility Notice*"**) to the holder or holders of Eligible Units. The Eligibility Notice will set forth the number of Eligible Units to be acquired from each holder, the aggregate consideration to be paid for such Eligible Units and the time and place for the closing of the transaction.

(c) If, for any reason, the Company shall be prohibited from purchasing or shall otherwise decline to purchase all of the Eligible Units pursuant to this Section 11.3, the Company may permit all Investor Unitholders (other than the Investor Unitholder whose Units have become Eligible Units) to purchase such unpurchased Eligible Units in accordance with their Proportionate Percentage (calculated solely with respect to such Investor Unitholders). As soon as practicable after the Company has determined that it will not purchase all of the Eligible Units, but in any event within 10 days after the delivery of the Eligibility Notice, the Company shall give written notice (the **"*Further Eligibility Notice*"**) to such other Investor Unitholders setting forth the number of remaining Eligible Units and the aggregate purchase price for such Eligible Units. Such other Investor Unitholders may elect to purchase any or all of the remaining Eligible Units by delivering written notice (the **"*Eligibility Election Notice*"**) to the Company within 30 days after receipt of the Further Eligibility Notice from the Company. As soon as practicable, and in any event within 15 days after receipt of the Eligibility Election Notice, the Company shall notify the Defaulting Unitholder as to the number of Eligible Units being purchased from such holder by such other Investor Unitholders (the **"*Supplemental Eligibility Notice*"*).***

(d) The closing of the purchase of Eligible Units pursuant to this Section 11.3 shall take place on the date designated by the Company in the Eligibility Notice or Supplemental Eligibility Notice, which date shall not be more than 60 days nor less than five days after the delivery of the later of the Eligibility Notice or Supplemental Eligibility Notice. The Company and/or the electing Investor Unitholders will pay for Eligible Units to be purchased pursuant to this Section 11.3 by delivery of, in the case of the Investor Unitholders, a check or wire transfer of funds and, in the case of the Company, a check or wire transfer of funds in the aggregate amount of the purchase price for such Eligible Units. The purchasers of any Eligible Units hereunder will be entitled to require all of the signatures of each seller of such Eligible Units to be notarized and to receive representations and warranties from each such seller regarding (A) such seller's power, authority and legal capacity to enter into such sale and to transfer valid right, title and interest in such Eligible Units, (B) such seller's ownership of such Eligible Units and the absence of any liens, pledges and other encumbrances on such Eligible Units, and (C) the absence of any violation, default or acceleration of any agreement or instrument pursuant to which such seller or the assets of such seller are bound as the result of such sale.

(e) The right of the Company and the Investor Unitholders to repurchase Eligible Units pursuant to this Section 11.3 shall terminate upon the 91st calendar day following the date on which such Eligible Units first became subject to repurchase pursuant to this Section 11.3.

(f) In the event that Eligible Units are repurchased from an Investor Unitholder pursuant to this Section 11.3, such Investor Unitholder will use all reasonable efforts to take all steps necessary and desirable to obtain all required third-party, governmental and regulatory consents and approvals and to take all other actions necessary and desirable to facilitate consummation of such repurchase(s) in a timely manner.

Section 11.4 ***Financial Reports and Access to Information.***

(a) The Company shall furnish the following to each Investor Unitholder so long as such Investor Unitholder holds at least five percent (5%) of the Company's outstanding Common Units (calculated as if all Convertible Preferred Units have been converted into Common Units at the applicable Conversion Ratio for such Convertible Preferred Units and including any Vested Management Units):

(i) Within 20 days after the end of each month, an unaudited balance sheet as of the end of such month and an unaudited related income statement and statement of cash flows for such month prepared in accordance with GAAP (with the exception of normal year end adjustments and absence of footnotes), together with a comparison of such statements to the annual budget of the Company for such periods;

(ii) Within 35 days after the end of each fiscal quarter, an unaudited balance sheet as of the end of such quarter and an unaudited related income statement, and statement of cash flows for such quarter including any footnotes thereto (if any) prepared in accordance with GAAP (with the exception of normal year end adjustments), consistently applied, together with a comparison of such statements to the annual budget of the Company for such periods;

(iii) Within 60 days after the end of each fiscal year (or such longer period of time not in excess of 180 days after the end of the fiscal year as is agreed to by the Requisite Holders), an audited balance sheet as of the end of such fiscal year and the related income statement, statement of stockholders equity and statement of cash flows for such fiscal year prepared in accordance with GAAP, consistently applied and a signed audit letter from the Company's auditors who shall be selected from among the "Big 4" internationally recognized accounting firms;

(iv) Within 60 days after the end of each fiscal year, a reserve report prepared by a reservoir engineer acceptable to the Board;

(v) Within 30 days before the beginning of each fiscal year, a consolidated annual budget approved by the Board, together with a consolidated annual capital expenditure forecast, including estimated Capital Calls, for the upcoming fiscal year, which budget shall be subject to the approval of the holders of Convertible Preferred Units in accordance with Section 8.4 hereof;

(vi) Promptly after the occurrence of any material event, notice of such event together with a summary describing the nature of the event and its impact on the Company; and

(vii) Within 35 days after the end of each fiscal quarter, such information relating to payments to third parties, consultants and representatives as Investor Unitholders may from time to time specify in writing to the Company to assist the Investor Unitholders in evaluating compliance by the Company and its Subsidiaries with the Business Conduct Code (defined below).

(b) The Company shall furnish to each Investor Unitholder so long as such Investor Unitholder holds at least ten percent (10%) of the Company's outstanding Common Units (calculated as if all Convertible Preferred Units have been converted into Common Units at the applicable Conversion Ratio for such Common Units and including any Vested Management Units):

(i) Within 20 days after the end of each month, an operating progress report and a report estimating oil and gas production for such month, which reports are used by the Company for internal control purposes;

(ii) Such engineering, seismic or other data as may have been obtained or developed by or on behalf of the Company and its Subsidiaries as such Investor Unitholder deems relevant to a proposed Project, an Approved Project or a Capital Call related to an Approved Project, subject to any restrictions contained in any confidentiality agreement with respect to such data to which the Company or any of its Subsidiaries is a party; and

(iii) Such other information and access to senior managers as such Unitholders or their advisors may reasonably request, including access to all vendors and consultants of the Company's Subsidiaries.

(c) So long as each Investor Unitholder holds at least ten percent (10%) of the Company's outstanding Common Units (calculated as if all Convertible Preferred Units have been converted into Common Units at the applicable Conversion Ratio for such Convertible Preferred Units and including any Vested Management Units):

(i) the Company shall use its reasonable best efforts to cause the Board to hold meetings no less frequently than quarterly, and at such meetings the Company shall report to the Board on, among other things, its business activities, prospects, and financial position; and

(ii) the Company shall permit each Investor Unitholder entitled to receive information pursuant to Section 11.4(a) or their respective representatives, at the sole risk of such Persons, to visit and inspect any of the properties of the Company and its Subsidiaries, including its books of account and other records (and make copies of and take extracts from such books and records), and to discuss all aspects of its business,

affairs, finances and accounts with the Company's and its Subsidiaries' officers and its independent public accountants, all at such reasonable times during the Company's and such Subsidiaries' usual business hours and as often as any such person may reasonably request, and to consult with and advise management of the Company and its Subsidiaries, upon reasonable notice at reasonable times from time to time, on all matters relating to the operation of the Company and its Subsidiaries, and to discuss with vendors and consultants to the Company and its Subsidiaries, upon reasonable notice at reasonable times from time to time, all matters relating to the operation of the Company and its Subsidiaries.

(d) The Company shall adopt, not later than 10 Business Days after the Effective Date, and thereafter maintain a written policy setting forth the procedure for conducting business internationally (the **"*Business Conduct Code*"**), which Business Conduct Code shall be in compliance with the provisions of the FCPA and shall be binding upon the Company, its Subsidiaries and their respective employees and consultants.

(e) On a quarterly basis and otherwise upon reasonable request from time to time by any Investor Unitholder entitled to receive information pursuant to this Section 11.4, the Company shall represent to such Investor Unitholder that its Officers and employees are acting in compliance with all Laws (including all Corruption Laws) and that its Officers have not conducted any trade or business activities on behalf of, through or within the Company that would cause the Company to realize or recognize UBTI, ECI or UBT.

Section 11.5 ***Books and Records***. The Company will keep, and will cause each of its Subsidiaries to keep, proper books of record and accounts (i) in which full, true and correct entries in conformity with GAAP shall be made of all dealings and transactions in relation to its business and activities and (ii) that will permit the Company to prepare accurately its income tax returns.

Section 11.6 ***Business Opportunities.***

(a) The Company hereby renounces any interest or expectancy in any business opportunity, transaction or other matter in which any member of the Series A/B/C Group (as defined below) participates or desires or seeks to participate in and that involves any aspect of the oil and natural gas business or industry (each, a **"*Business Opportunity*"**) other than a Business Opportunity that (i) is presented to a Series A/B/C Nominee (as defined below) solely in such individual's capacity as a Manager and with respect to which no other member of the Series A/B/C Group (other than a Series A/B/C Nominee) independently receives notice or otherwise identifies such Business Opportunity or (ii) is identified by the Series A/B/C Group solely through the disclosure of information by or on behalf of the Company (each Business Opportunity other than those referred to in clauses (i) or (ii) are referred to as a **"*Renounced Business Opportunity*"**). No member of the Series A/B/C Group, including any Series A/B/C Nominee, shall have any obligation to communicate or offer any Renounced Business Opportunity to the Company, and any member of the Series A/B/C Group may pursue a Renounced Business Opportunity.

(b) Any Person purchasing or otherwise acquiring any Membership Interest and Units of the Company shall be deemed to have consented to these provisions. No member of the Series A/B/C Group shall have any obligation to communicate or offer to the Company any Renounced Business Opportunity and may pursue for itself or direct, sell, assign or transfer to a Person other than the Company any Renounced Business Opportunity.

(c) As used in this Section 11.6, the following definitions shall apply:

(i) **"*Affiliate*"** shall have the meaning set forth in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended.

(ii) **"*Series A/B/C Group*"** means Warburg, Blackstone, any of their respective Affiliates (other than the Company and its Subsidiaries), any Series A/B/C Nominee, and any portfolio company in which Warburg, Blackstone or any of their respective Affiliates has an equity investment (other than the Company and its Subsidiaries).

(iii) **"*Series A/B/C Nominee*"** means any officer, director, partner, employee or other agent of Warburg, Blackstone or any Affiliate of Warburg or Blackstone (other than the Company and its Subsidiaries) who serves as a Manager.

(d) Subject to Section 15.5, any proposed amendment to this Section 11.6 shall require the approval of the Supermajority Holders; *provided, however,* that if no Convertible Preferred Units are outstanding and the Series A/B/C Group owns less than 5% of the then outstanding Common Units, any such proposed amendment shall require the approval of the holders of a majority of the outstanding Common Units (other than Profits Units and Unvested Management Units).

The Company shall keep in effect the provisions set forth in this Section 11.6 and any successor Person of the Company at all times while any Investor Unitholder holds Units or other equity securities of any such successor Person. Each Member and Unitholder agrees to take all actions necessary or desirable to effect the foregoing sentence.

Section 11.7 ***Additional Covenants.***

(a) Each Unitholder acknowledges and agrees that, upon any Liquidation Event, the receipt of proceeds by holders of Units shall be in accordance with Article 7.

(b) Each Management Unitholder agrees that, with respect to any of its Profits Units, C1 Units or Unvested Management Units that are entitled to vote on any matter and subject to Section 15.5, such Management Unitholder will vote each such class of Units on any matter submitted to a vote of the Members or holders of Units in the same proportion as the holders (other than Management Unitholders) of the Convertible Preferred Units vote on such matter.

(c) Each Member and Unitholder entitled to vote on matters submitted to a vote of the Members or Unitholders, as the case may be, agrees to vote the Units owned by such

Member or Unitholder upon all matters arising under this Agreement submitted to a vote of the Members or Unitholders, as the case may be, in a manner that will implement the terms of this Agreement and to ensure that the Certificate does not from time to time conflict with this Agreement. If holders of or Members owning Common Units or other class or series of Units are ever entitled by Law or otherwise to vote on any matter as a separate class, in contrast to voting with the Convertible Preferred Units as a single combined class, then each Member agrees to vote such Member's Units in such a manner so that the outcome of the vote of the holders of such Units voting as a single class is the same as the outcome of the vote of the holders (other than Management Unitholders) of such Units and Convertible Preferred Units voting on such matter as a single combined class; *provided, however,* that nothing in this Section 11.7(c) is intended to increase the rights of the Supermajority Holders to amend, modify, supplement, or restate or waive (but not terminate) this Agreement pursuant to Section 15.5.

(d) Whenever any action or matter is expressly permitted or required to be taken, consented to or approved pursuant to this Agreement by specified Members (or classes of Members) or specified holders of Units (or classes or series of Units) (including the Requisite Holders, the Supermajority Holders, the Super-Requisite Holders, Warburg and Blackstone) (such specified Members or holders of Units, the **"*Determining Members*"**), or by the Board with the consent or approval of the applicable Determining Members, and such action or matter is also a Cayman Matter, each Member hereby agrees to vote such Member's Units (or classes or series of Units) or in such Member's capacity as a Member (including any classes of Members) (or consent in writing in such Member's capacity as a holder of Units (or classes or series of Units) or as a Member (including any classes of Members)) on any such Cayman Matter submitted to the Members (or classes of Members) or holders of Units (or classes or series of Units) under this Agreement in the same manner as the applicable Determining Members vote their Units or vote in their capacity as Members (or consent to in writing in their capacity as holders of Units or Members) with respect to such Cayman Matter. In furtherance of the foregoing, each Member hereby appoints each Warburg Nominee and each Blackstone Nominee named in Schedule II hereto as such Member's true and lawful attorney-in-fact, proxy and agent, with full power of substitution and resubstitution, for such Member and in such Member's name, place and stead in any and all capacities, to vote such Member's Units (or classes or series of Units) or in such Member's capacity as a Member (including any classes of Members) in the same manner as the Determining Holders with respect to such Cayman Matter, with all powers such Member would possess if present at any meeting of Members (including any classes of Members) (or any adjournment or postponement thereof) at which such Cayman Matter is submitted for approval, and to execute on such Member's behalf any written consent of Members (including any classes of Members) or holders of Units (or classes or series of Units), including any unanimous written consent, approving or, consenting to any such Cayman Matter approved or consented to by the Determining Members, and further grants to such Nominees, and each of them, full power and authority to do and perform each and every act and thing necessary to be done, as fully to all intents and purposes as such Member might or could do in Person, hereby ratifying and confirming all that such Nominees, and any of them or their substitutes, may lawfully do or cause to be done by virtue hereof. If at any time any Warburg Nominee or Blackstone Nominee named in Schedule II (or the register of Managers of the Company) ceases to be a Manager and is replaced by another Warburg Nominee or Blackstone

Nominee, as the case may be, then the Warburg Nominee or Blackstone Nominee that ceases to serve shall appoint his replacement Nominee as his substitute proxy, attorney-in-fact and agent by executing the form attached hereto as Exhibit H (which shall also be executed by such replacement Nominee), and this obligation of substitution shall apply to such replacement Nominee and each successor of such replacement Nominee. The proxy granted by such Member hereby shall be irrevocable and shall remain valid and effective for so long as such Member is a Member or holds Units. Such proxy shall constitute a proxy of such Member for purposes of Section 8.3(h) and shall be deemed filed with the Secretary and the Board for purposes of Section 8.3(h). Notwithstanding the foregoing, nothing in this Section 11.7(d) is intended to increase or decrease the rights of the Determining Members to take any action or consent to or approve any action or matter pursuant to this Agreement, including the rights of the parties pursuant to Section 15.5.

(e) The Members and the Company hereby acknowledge and agree that the voting, consent and other rights of a Member set forth herein and in the Certificate arise by virtue of the Units held by such Member and attach to,such Member's Units as property rights rather than personal rights.

Section 11.8 ***Registration Rights.*** The Company shall cause the IPO Corporation to grant registration rights described in the Registration Rights Agreement attached hereto as Exhibit I (the ***"Registration Rights Agreement")*** with respect to securities of the IPO Corporation into which the securities of the Company converted or transferred by way of continuation (or otherwise) in the IPO Conversion as described in Section 5.9.

ARTICLE 12
TAXES

Section 12.1 ***Tax Returns.*** The Company shall prepare and timely file all U.S. federal, state and local and foreign tax returns required to be filed by the Company; *provided, however,* that Blackstone and Warburg shall be entitled to review and comment on such tax returns, and the Company shall consider all such comments and consult with Blackstone and Warburg in good faith to attempt to resolve any differences. Unless otherwise agreed by at least four of the Managers, any income tax return of the Company shall be prepared by an independent public accounting firm of recognized national standing selected by the Board from among the four largest accounting firms in the United States. Each Member shall furnish to the Company all pertinent information in its possession relating to the Company's operations that is necessary to enable the Company's tax returns to be timely prepared and filed. The Company shall deliver to each Member as soon as practicable after the end of the applicable fiscal year, a Schedule K-1 together with such additional information as may be required by the Members in order to file their individual returns reflecting the Company's operations. The Company shall bear the costs of the preparation and filing of its tax returns.

Section 12.2 ***Tax Partnership.*** It is the intention of the Members that the Company be classified as a partnership for U.S. federal income tax purposes. The Members hereby acknowledge that the Company elected to be classified as a partnership for U.S. federal income tax purposes effective as of the date of its formation pursuant to Treasury Regulation Section

301.7701-3 and to file Internal Revenue Service Form 8832 as of the date of its formation to make such election.

Section 12.3 ***Tax Elections.*** The Company has made the following elections on the appropriate forms or tax returns:

(a) to adopt the calendar year as the Company's fiscal year;

(b) to adopt the accrual method of accounting and to keep the Company's books and records on the U.S. federal income tax method;

(c) if there is a distribution of Company property as described in Code Section 734 or a transfer of Membership Interests as described in Code Section 743, upon request by notice from any Member, to elect, pursuant to Code Section 754, to adjust the basis of Company property;

(d) to elect to amortize the organizational expenses of the Company ratably over a period of 60 months as permitted by Code Section 709(b);

(e) any election which would ensure that the Company will be treated as a partnership for U.S. federal income tax purposes; and

(f) any other election the Board may deem appropriate and in the best interests of the Members.

The Company shall remain a partnership for U.S. federal income tax purposes from its inception and for all times thereafter. Neither the Company nor any Member may make an election for the Company to be excluded from the application of the provisions of subchapter K of chapter 1 of subtitle A of the Code or any similar provisions of applicable state law and no provision of this Agreement (including Section 2.7) shall be construed to sanction or approve such an election.

Section 12.4 ***Tax Matters Member.***

(a) The tax matters partner of the Company pursuant to Code Section 6231(a)(7) shall be a Member designated from time to time by the Board subject to replacement by the Board. (Any Member who is designated as the tax matters partner is referred to herein as the **"*Tax Matters Member*"**). The Tax Matters Member shall take such action as may be necessary to cause to the extent possible each other Member to become a notice partner within the meaning of Code Section 6231(a)(8). The Tax Matters Member shall inform each other Member of all significant matters that may come to its attention in its capacity as Tax Matters Member by giving notice thereof on or before the fifth Business Day after becoming aware thereof and, within that time, shall forward to each other Member copies of all significant written communications it may receive in that capacity.

(b) The Tax Matters Member shall take no action without the authorization of the Supermajority Holders, other than such action as may be required by Law. Any cost or expense incurred by the Tax Matters Member in connection with its duties, including the preparation for or pursuance of administrative or judicial proceedings, shall be paid by the Company.

(c) The Tax Matters Member shall not enter into any extension of the period of limitations for making assessments on behalf of the Members without first obtaining the consent of the Board. The Tax Matters Member shall not bind any Member to a settlement agreement without obtaining the consent of such Member. Any Member that enters into a settlement agreement with respect to any partnership item (within the meaning of Code Section 6231(a)(3)) shall notify the other Members of such settlement agreement and its terms within 90 days from the date of the settlement.

(d) No Member shall file a request pursuant to Code Section 6227 for an administrative adjustment of partnership items for any taxable year without first notifying the other Members. If the Board consents to the requested adjustment, the Tax Matters Member shall file the request for the administrative adjustment on behalf of the Members. If such consent is not obtained within 30 days from such notice, or within the period required to timely file the request for administrative adjustment, it shorter, any Member, including the Tax Matters Member, may file a request for administrative adjustment on its own behalf. Any Member intending to file a petition under Code Sections 6226, 6228 or other Code Section with respect to any item involving the Company shall notify the other Members of such intention and the nature of the contemplated proceeding. In the case where the Tax Matters Member is the Member intending to file such petition on behalf of the Company, such notice shall be given within a reasonable period of time to allow the other Members to participate in the choosing of the forum in which such petition will be filed.

(e) If any Member intends to file a notice of inconsistent treatment under Code Section 6222(b), such Member shall give reasonable notice under the circumstances to the other Members of such intent and the manner in which the Member's intended treatment of an item is (or may be) inconsistent with the treatment of that item by the other Members.

Section 12.5 ***Section 83(b) Election.*** Each Management Unitholder that acquires Management Units or Profits Units shall file timely an election under Code Section 83(b) or, if such Management Unitholder is not a "United States person" within the meaning of Code Section 7701(a)(30), under any analogous filing under other applicable Law. Each such Management Unitholder acknowledges that it is the sole responsibility of such Unitholder, and not the Company, to file the election under Code Section 83(b) or other applicable Law even if such Unitholder requests the Company or its Representatives to assist in making such filing.

Section 12.6 ***Safe Harbor Election.*** By executing this Agreement, each Member authorizes and directs the Company to elect to have the safe harbor described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43, including any similar safe harbor in any final Revenue Procedure, Revenue Ruling or final or temporary Treasury Regulation, apply to any Membership Interest in the Company transferred to a service provider by the Company on or after the effective date thereof in connection with services provided to the

Company. For purposes of making such safe harbor election, the Tax Matters Member is hereby designated as the Member who has responsibility for Federal income tax reporting by the Company and, accordingly, execution of such safe harbor election by the Tax Matters Member constitutes execution of a safe harbor election in accordance with Notice 2005-43 or any similar provision of any final pronouncement. The Company and each Member (including any person to whom Units are transferred in connection with the performance of services) hereby agree to comply with all requirements of any such safe harbor, including any requirement that a Member prepare and file all Federal income tax returns reporting the income tax effects of each Membership Interest issued by the Company in connection with services in a manner consistent with the requirements of Notice 2005-43 or other final pronouncement. A Member's obligations to comply with the requirements of this Section shall survive such Member's ceasing to be a member of the Company and the termination, dissolution, liquidation and winding up of the Company. This Section 12.6 shall become effective upon the effective date of final or temporary regulations or other final guidance from the Internal Revenue Service with respect to such safe harbor.

Section 12.7 ***Information Rights.*** The Company agrees to provide to the Investor Unitholders such information as the Investor Unitholders reasonably request from time to time in order to (i) permit the Investor Unitholders to comply with any applicable information reporting obligations resulting from the Investor Unitholders' investment in the Company and (ii) determine whether any majority-owned Subsidiary of the Company (based on vote or value) is or has been, or the consequences to the applicable Investor Unitholders if any Subsidiary of the Company becomes, a "passive foreign investment company," a "controlled foreign corporation," a "foreign personal holding company" or a corporation whose income is required to be taken into account by the Investor Unitholders, and, at the request of the Investor Unitholders, cooperate with the Investor Unitholders in making, or permitting the applicable Investor Unitholders to make, any election permitted under the Code that does not have a material adverse tax effect to the other Unitholders. The Company shall also use reasonable commercial efforts to provide such information as the Investor Unitholders reasonably request for the foregoing purposes with respect to minority-owned Subsidiaries of the Company.

ARTICLE 13
BOOKS AND BANK ACCOUNTS

Section 13.1 ***Maintenance of Books.*** The Company shall keep or cause to be kept at its Registered Office in the Cayman Islands complete and accurate books and records of the Company, supporting documentation of the transactions with respect to the conduct of the Company's business and minutes of the proceedings of the Board, any committee thereof and any of the Members. The Company's financial books and records shall be maintained on a full cost accounting basis unless otherwise agreed by the entire Board. The records shall include, but not be limited to, complete and accurate information regarding the state of the business and financial condition of the Company; a copy of the Certificate and this Agreement and all amendments thereto; the Register of Members setting forth the current list of the names and last known business, residence, or mailing addresses of all Members; and the Company's federal, state, and local tax returns for the Company's six most recent tax years.

Section 13.2 ***Accounts.*** The Members shall establish one or more separate bank and investment accounts and arrangements for` the Company, which shall be maintained in the Company's name with financial institutions and firms that the Board may determine. The Company may not commingle the Company's funds with the funds of any Member.

ARTICLE 14
DISSOLUTION, WINDING-UP AND TERMINATION

Section 14.1 ***Dissolution Events.***

(a) The Company shall be liquidated and its affairs shall be wound up on the first to occur of the following events (each a ***"Dissolution Event"****)* and no other event shall cause the Company's dissolution:

(i) the consent of the Supermajority Holders;

(ii) at any time when there are no Members; and

(iii) entry of a decree of judicial dissolution of the Company under Sections 94-105 of the Act.

(b) Except as otherwise provided in this Section 14.1, to the maximum extent permitted by the Act, the death, retirement, Resignation, Expulsion, Bankruptcy or dissolution of a Member or the commencement or consummation of Separation Proceedings shall not constitute a Dissolution Event and, notwithstanding the occurrence of any such event or circumstance, the business of the Company shall be continued without dissolution.

Section 14.2 ***Winding-Up and Termination.*** On the occurrence of a Dissolution Event, the Supermajority Holders (or in their failure to act, the Board) shall select one or more Persons to act as liquidator or may itself act as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of winding up shall be borne as a Company expense, including reasonable compensation to the liquidator if approved by the Supermajority Holders (or in their failure to act to appoint a liquidator, the Board). Until final distribution, the liquidator shall continue to operate the Company properties with all of the power and authority of the Board. Subject to the terms in the Act, the steps to be accomplished by the liquidator are as follows:

(a) as promptly as possible after dissolution and again after final winding up, the liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities, and operations;

(b) the liquidator shall pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company (including all expenses incurred in winding up and any advances described in Section 6.4) or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine); and

(c) all remaining assets of the Company shall be distributed to Unitholders as follows; *provided, however,* that the liquidator shall use reasonable best efforts to distribute cash to Unitholders:

(i) the liquidator may sell any or all Company property, including to Members, and any resulting gain or loss from each sale shall be computed and allocated to the Capital Accounts of Unitholders in accordance with the provisions of Article 7;

(ii) with respect to all Company property that has not been sold, the fair market value of that property shall be determined and the Capital Accounts of Unitholders shall be adjusted to reflect the manner in which the unrealized income, gain, loss, and deduction inherent in property that has not been reflected in the Capital Accounts previously would be allocated among Unitholders if there were a taxable disposition of that property for the fair market value of that property on the date of distribution; and

(iii) Company property shall be distributed among the Unitholders in accordance with Section 7.1(a), and those distributions shall be made by the end of the taxable year of the Company during which the liquidation of the Company occurs (or, if later, 90 days after the date of the liquidation).

All distributions in kind to Unitholders shall be made subject to the liability of each distributee for costs, expenses, and liabilities theretofore incurred or for which the Company has committed prior to the date of termination and those costs, expenses, and liabilities shall be allocated to the distributee pursuant to this Section 14.2. The distribution of cash and/or property to a Unitholder in accordance with the provisions of this Section 14.2 constitutes a complete return to the Unitholder of its Capital Contributions and a complete distribution to the Unitholder of its Membership Interests and Units and all the Company's property and constitutes a compromise to which all Members have consented. To the extent that a Unitholder returns funds to the Company, it has no claim against any other Unitholder for those funds.

Section 14.3 ***Deficit Capital Accounts.*** No Unitholder shall be required to pay to the Company, to any other Unitholder or to any third party any deficit balance which may exist from time to time in the Unitholder's Capital Account.

Section 14.4 ***Dissolution.*** On completion of the distribution of Company assets as provided herein, the Board or the liquidators (or such other

Person or Persons as the Act may require or permit) shall file such documents and take such other actions as may be necessary to terminate the existence of the Company. Upon satisfaction of all applicable matters required under the Act, the existence of the Company shall cease, except as may be otherwise provided by the Act or other applicable Law.

ARTICLE 15
GENERAL PROVISIONS

Section 15.1 ***Offset.*** Whenever the Company is to pay any sum to any Unitholder, any amounts that such Unitholder, in its capacity as a Unitholder, owes the Company may be deducted from that sum before payment.

Section 15.2 ***Notices.*** Except as expressly set forth to the contrary in this Agreement, all notices, requests or consents provided for or required to be given hereunder shall be in writing and shall be deemed to be duly given if personally delivered, telecopied and confirmed, or mailed by certified mail, return receipt requested, or nationally recognized overnight delivery service with proof of receipt maintained, at the following addresses (or any other address that any such party may designate by written notice to the other parties):

(i) if to the Company, at the address of its principal executive offices; and

(ii) if to a Member, to the address given for the Member on the Company's books and records; and

(iii) if to an additional Member or a holder of Membership Interests or Units that has not been admitted as a Member, to the address given for such Member or holder in an Addendum Agreement.

Any such notice shall, if delivered personally, be deemed received upon delivery; shall, if delivered by telecopy, be deemed received on the first business day following confirmation; shall, if delivered by nationally recognized overnight delivery service, be deemed received the first business day after being sent; and shall, if delivered by mail, be deemed received upon the earlier of actual receipt thereof or five business days after the date of deposit in the United States mail.

Whenever any notice is required to be given by Law, the Certificate or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 15.3 ***Entire Agreement; Supersedure.*** This Agreement, the Certificate and the other Transaction Documents constitute the entire agreement of the Members and their Affiliates relating to the Company and supersede all prior contracts or agreements with respect to the Company, whether oral or written.

Section 15.4 ***Effect of Waiver or Consent.*** A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure

continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

Section 15.5 ***Amendment or Restatement.*** Except as otherwise expressly provided in Section 8.4(c)(ii), neither this Agreement (including any Exhibit or Annex hereto) nor the Certificate may be amended, modified, supplemented Or restated, nor may any provisions of this Agreement or the Certificate be waived, without a Written instrument adopted, executed and agreed to by the Company and the Supermajority Holders; *provided, however,* that (i) subject to clause (iv) below, any such amendment, modification, supplement, restatement or waiver that would adversely affect the rights of any Member or Unitholder hereunder, in its capacity as a Member or Unitholder, as the case may be, without similarly affecting the rights hereunder of all Members or Unitholders of the same class or series, in their capacities as Members or Unitholders, as the case may be, that would affect a Member's or Unitholder's right to exercise its preemptive rights pursuant to Section 4.5 hereof or that would impose any material obligation on any Member or Unitholder shall not be effective as to such Member or Unitholder without such Member's or Unitholder's prior written consent and any such amendment, modification, supplement, restatement or waiver that would adversely affect the rights of Blackstone shall not be effective as to Blackstone without Blackstone's prior written consent, (ii) subject to clause (iv) below, provisions of this Agreement setting forth any rights, preferences, restrictions and limitations applicable to Management Units or Profits Units may be amended, modified, supplemented, restated or waived only with the prior written consent of Management Unitholders holding at least a majority of the then outstanding Management Units or a majority of the then outstanding Profits Units, as the case may be, held by all of the Management Unitholders, (iii) subject to clause (iv) below, an amendment or restatement to Article 7 of this Agreement that adversely affects distributions or allocations made to such Member under such Article *7* is effective only with that Member's written consent; *provided, however,* that any amendment, modification, supplement, restatement, or waiver of this Agreement or the Certificate that similarly affects all holders of Common Units in their capacities as holders of Common Units may be made with the written consent of the holders of a majority of the then outstanding Common Units (other than Profits Units and Unvested Management Units), (iv) the Requisite Holders may amend, modify, supplement or restate this Agreement and the Certificate to the extent (A) necessary to authorize and issue new classes or series of Units, Capital Stock equity or equity-linked securities, the issuance of which has been approved in accordance with Sections 4.6, 8.4(b) or 8.4(e), (B) permitted by Section 11.6(d), or (C) necessary to change the Company's registered office or agent pursuant to Section 2.3, (v) to the extent that Cayman Islands Law would give any class or series of Units a separate class or series vote with respect to an amendment or modification of the rights of such class or series for which this Agreement would not otherwise provide for such separate class or series vote, then such rights may be varied with the consent in writing of all of the Members of that class or series or with the consent of a Member resolution passed by not less than a majority of such Members of that class or series as may be present in person or by proxy at a separate general meeting of the Members of that class or series; *provided, however,* that such Members of such class or series shall be subject to the obligations of Section 11.7 hereunder, and (vi) this Agreement shall be deemed to be automatically amended from time to time to the extent provided in an Addendum Agreement executed and delivered by the parties thereto to reflect issuances and transfers of Membership

Interests and Units made in compliance with this Agreement without requiring the consent of any party. Except as required by Law, no amendment, modification, supplement, discharge or waiver of or under this Agreement shall require the consent of any person not a party to this Agreement.

Section 15.6 ***Termination.*** The provisions of Section 4.5, Article 5 (other than Section 5.1(a)) and Sections 8.2(b)(i), 8.2(b)(iv), 84, 11.4, 11.7(b) and 11.7(c) shall terminate upon the consummation of a Qualified Public Offering, and this Agreement shall terminate in its entirety upon the earlier to occur of (i) the consummation of an Approved Sale pursuant to Section 5.7 and (ii) the consummation of a Liquidation Event.

Section 15.7 ***Binding Effect.*** Subject to the restrictions on Dispositions set forth in this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the Company and each Member and their respective heirs, permitted successors, permitted assigns, permitted distributees and legal representatives; and by their signatures hereto, the Company and each Member intends to and does hereby become bound. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any Person other than the parties hereto and their respective permitted successors and assigns any legal or equitable right, remedy or claim under, in or in respect of this Agreement or any provision herein contained. The rights under this Agreement may be assigned to the extent provided in Section 4.4 by a Member to a transferee of all or a portion of such Member's Membership Interests and Units transferred in accordance with this Agreement (and shall be assigned to the extent this Agreement requires such assignment), but only to the extent of such Membership Interests and Units so transferred; it being understood that the assignment of any rights under this Agreement shall not constitute admission to the Company as a Member unless and until such transferee is duly admitted as a Member in accordance with this Agreement.

Section 15.8 ***Governing Law; Severability; Limitation of Liability.***

(a) THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES OF SUCH STATE.

(b) The parties hereto hereby irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the federal courts of the United States of America located in New York, and appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby, and each party hereby irrevocably agrees that all claims in respect of such dispute or proceeding may be heard and determined in such courts. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. This consent to jurisdiction is being given solely for purposes of this Agreement and is not intended to, and shall not, confer consent to jurisdiction with respect to any other dispute in which a party

to this Agreement may become involved. Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action, or proceeding of the nature specified in this subsection (b) by the mailing of a copy thereof in the manner specified by the provisions of Section 15.2. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(c) In the event of a direct conflict between the provisions of this Agreement and (i) any provision of the Certificate, or (ii) any mandatory, non-waivable provision of the Act, such provision of the Certificate or the Act shall control. If any provision of the Act provides that it may be varied or superseded in the agreement of a limited liability company (or otherwise by agreement of the members or managers of a limited liability company), such provision shall be deemed superseded and waived in its entirety if this Agreement contains a provision addressing the same issue or subject matter.

(d) If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(e) Neither the Company nor any Member or Unitholder shall be liable to any of the other such Persons for punitive, special, exemplary or consequential Damages, including Damages for loss of profits, loss of use or revenue or losses by reason of cost of capital, arising out of or relating to this Agreement or the transactions contemplated hereby, regardless of whether based on contract, tort (INCLUDING NEGLIGENCE), strict liability, violation of any applicable deceptive trade practices act or similar Law or any other legal or equitable principle, and the Company, each Member and each Unitholder release each of the other such Persons from liability for any such Damages.

Section 15.9 ***Further Assurances.*** In connection with this Agreement and the transactions contemplated hereby, the Company and each Member shall execute and deliver all such future instruments and take such other and further action as may be reasonably necessary or appropriate to carry out the provisions of this Agreement and the intention of the parties as expressed herein, including if necessary any action required to authorize and direct the Officers and Managers to amend the Certificate so that this Agreement is enforceable under the laws of the state in which the Company is organized.

Section 15.10 ***Indemnification.*** To the fullest extent permitted by Law, each Member shall indemnify the Company and each other Member and hold them harmless from and against all losses, costs, liabilities, damages, and expenses (including costs of suit and reasonable attorney's fees) they may incur on account of any breach by that Member of this Agreement.

Section 15.11 ***Counterparts.*** This Agreement may be executed in any number of counterparts (including facsimile counterparts), all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by each of the Members so long as each counterpart shall be signed by one or more of the Members and so long as the other Members shall sign at least one counterpart which shall be delivered to the Company.

Section 15.12 ***Adjustments for Unit Splits.*** Wherever in this Agreement there is a reference to a specific number of Units of any class or series of Membership Interests, or a price per Unit, or consideration received in respect of such Unit, then, upon the occurrence of any subdivision, combination or distribution of such class or series of Membership Interests, the specific number of Units or the price so referenced in this Agreement shall automatically be proportionally adjusted to reflect the effect on the outstanding Units of such class or series of Membership Interests by such subdivision, combination or distribution.

Acknowledged and agreed to by the Company as of the date first set forth above.

KOSMOS ENERGY HOLDINGS

By: /s/ W. Greg Dunlevy
Name: W. Greg Dunlevy
Title: CFO & Executive Vice President

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

WARBURG PINCUS INTERNATIONAL PARTNERS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS INTERNATIONAL PARTNERS I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WPIP INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS PRIVATE EQUITY VIII, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

WARBURG PINCUS NETHERLANDS PRIVATE EQUITY VIII I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WP VIII INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A SMD L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

BLACKSTONE PARTICIPATION PARTNERSHIP (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ James C. Musselman
[Signature]

/s/ James C. Musselman
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Brian F. Maxted
[Signature]

/s/ Brian F. Maxted
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ W. Greg Dunlevy
[Signature]

/s/ W. Greg Dunlevy
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Kiat Tze Ctoh
[Signature]

Kiat Tze Ctoh (Kenny)
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Paul Dailly
[Signature]

Paul Dailly
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Adebayo O. Ogunlesi
[Signature]

Adebayo O. Ogunlesi
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ John R. Kemp
[Signature]

John R. Kemp
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ C.A. Wright
[Signature]

C.A. Wright
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Sylvia J. Manor
[Signature]

Sylvia J. Manor
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Philip Lowry
[Signature]

Philip Lowry
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Katherine A. Kanscmat
[Signature]

Katherine A. Kanscmat
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Scott Davis
[Signature]

Scott Davis
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Marvin M. Garrett
[Signature]

Marvin M. Garrett
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ William S. Hayes
[Signature]

William S. Hayes
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Grace Weisberg
[Signature]

Grace Weisberg
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Dennis C. McLaughlin
[Signature]

Dennis C. McLaughlin
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Kevin R. Black
[Signature]

Kevin R. Black
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Joseph L. Matthews
[Signature]

Joseph L. Matthews
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Stephen R. Sills
[Signature]

Stephen R. Sills
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Robert S. Brashier
[Signature]

Robert S. Brashier
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Steven J. Zrake
[Signature]

Steven J. Zrake
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ John M. Hopkinson
[Signature]

John M. Hopkinson
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Yaw Owusu 9/22/09
[Signature]

Yaw Owusu
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Oscar Thomas Fulforpte
[Signature]

Oscar Thomas Fulforpte
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Darran Lucas
[Signature]

Darran Lucas
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Ryan Turner
[Signature]

Ryan Turner
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Ralph Jones
[Signature]

Ralph Jones
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Doris M'Guinness
[Signature]

Doris M'Guinness
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Jeff Elliott 10/6/09
[Signature]

Jeff Elliott
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Linda Correll
[Signature]

Linda Correll
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Eric Hudgens
[Signature]

Eric Hudgens
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Eric Hudgens
[Signature]

Eric Hudgens
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Eric Hees
[Signature]

Eric Hees
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Robert Miller, Jr.
[Signature]

Robert Miller, Jr.
[Name - Printed]

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first set forth above.

MEMBER:

/s/ Jon W. Cappon
[Signature]

Jon W. Cappon
[Name - Printed]

EXHIBIT A
DEFINED TERMS

"$0.85 Units" shall have the meaning set forth in Section 4.2(a)(x).

"$5.00 Units" shall have the meaning set forth in Section 4.2(a)(iii).

"$10.00 Units" shall have the meaning set forth in Section 4.2(a)(iv).

"$15.00 Units" shall have the meaning set forth in Section 4.2(a)(v).

"$27.50 Units" shall have the meaning set forth in Section 4.2(a)(vi).

"$40.00 Units" shall have the meaning set forth in Section 4.2(a)(vii).

"$65.00 Units" shall have the meaning set forth in Section 4.2(a)(viii).

"$90.00 Units" shall have the meaning set forth in Section 4.2(a)(ix).

"Accredited Investor" shall have the meaning ascribed to such term in the regulations promulgated under the Securities Act.

"Act" means the Companies Law (2007 Revision) of the Cayman Islands and any successor statute, as amended from time to time.

"Addendum Agreement" shall have the meaning set forth in Section 5.1(b).

"Adjusted Capital Account" means the Capital Account maintained for each Unitholder, (a) increased by any amounts that such Unitholder is obligated to restore or is treated as obligated to restore under Treasury Regulation Sections 1.704-1(b)(2)(ii)(c), 1.704-2(g)(1) and 1.704-2(i)(5), and (b) decreased by any amounts described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6) with respect to such Unitholder. The Adjusted Capital Accounts shall be maintained in a manner that facilitates the determination of that portion of each Adjusted Capital Account attributable to Preferred Units and that portion of each Adjusted Capital Account attributable to Common Units.

"Adjusted Percentage Interest" means, with respect to a Member or Unitholder, a fraction (expressed as a percentage), the numerator of which is the sum of all of such Member's or Unitholder's Sharing Ratios with respect to each class (counting for these purposes each designation of a class as a separate class) and series of Units entitled to vote on the subject matter and the denominator of which is the sum of all Sharing Ratios of all Members and Unitholders with respect to each such class (including each designation) and series of Units entitled to vote on the subject matter.

"Adjustment Date" means with respect to each Convertible Preferred Unit, (a) the issue date of such Convertible Preferred Unit, and (b) the last day of each calendar quarter thereafter.

In addition, if the Company makes a distribution other than within 15 days following the end of a calendar quarter, the date of such distribution shall be treated as an Adjustment Date.

"Affiliate" means, when used with respect to a specified Person, any Person which (i) directly or indirectly Controls, is Controlled by or is Under Common Control with such specified Person, (ii) is an officer, director, general partner, trustee or manager of such specified Person, or of a Person described in clause (i), or (iii) is a Relative of such specified Person or of an individual described in clauses (i) or (ii); *provided, however,* that, for purposes of Article 10, "Affiliate" shall have the meaning set forth in Section 10.2; and, for purposes of Section 11.6, "Affiliate" shall have the meaning set forth in Section 11.6(c)(i).

"Agreement" shall mean the Operating Agreement of the Company, as amended and restated from time to time.

"Applicable Percentage" means the maximum composite Federal, New York State and New York City capital gains tax rate then in effect with respect to that portion of Cumulative Taxable Income taxable as net capital gain, and the maximum composite Federal, New York State and New York City ordinary income tax rate then in effect with respect to that portion of Cumulative Taxable Income taxable as ordinary income, in each case computed by taking into account the deductibility of state and local income Taxes for U.S. Federal income tax purposes.

"Approved Sale" shall have the meaning set forth in Section 5.7(a).

"Articles" shall mean the Articles of Association of the Company, as amended and restated from time to time.

"Assignee" means any Person that acquires Membership Interests and Units or any portion thereof through a Disposition made in accordance with this Agreement or pursuant to an Involuntary Transfer and that has not been admitted as a Member.

"Audit Committee" shall have the meaning set forth in Section 8.2(q)(ii).

"Available Units" shall have the meaning set forth in Section 11.2(a).

"Award" shall have the meaning set forth in Section 10.2.

"Award Agreement" shall have the meaning set forth in Section 10.2.

"Bankruptcy" or "Bankrupt" means with respect to any Person, that (a) such Person (i) makes a general assignment for the benefit of creditors; (ii) files a voluntary bankruptcy petition; (iii) becomes the subject of an order for relief or is declared insolvent in any federal or state bankruptcy or insolvency proceedings; (iv) files a petition or answer seeking for such Person a reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Law; (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against such Person in a proceeding of the type described in subclauses (i) through (iv) of this clause (a); or (vi) seeks, consents to, or acquiesces in the

appointment of a trustee, receiver, or liquidator of such Person or of all or any substantial part of such Person's properties; or (b) against such Person, a proceeding seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Law has been commenced and 120 days have expired without dismissal thereof or with respect to which, without such Person's consent or acquiescence, a trustee, receiver, or liquidator of such Person or of all or any substantial part of such Person's properties has been appointed and 90 days have expired without the appointment's having been vacated or stayed, or 90 days have expired after the date of expiration of a stay, if the appointment has not previously been vacated.

"Blackstone" means Blackstone Capital Partners (Cayman) IV L.P., Blackstone Capital Partners (Cayman) IV-A L.P. and Blackstone Family Investment Partnership (Cayman) IV-A L.P.; *provided, however,* that for all purposes hereunder the Person designated by Blackstone Capital Partners (Cayman) IV L.P. shall be entitled to act on behalf of each of the other Persons specified in this definition.

"Blackstone Group" means Blackstone and each transferee of Units directly or indirectly (in a chain of title) from Blackstone that is an Affiliate of Blackstone; *provided, however,* that once a Person is designated a member of the Blackstone Group such Person shall, as long as it owns any Units, at all times be a member of the Blackstone Group and not a member of the Warburg Group, and *provided, further,* that for purposes of this definition an Affiliate shall not include a member of the Management Group or the Warburg Group.

"Blackstone Nominee" shall have the meaning set forth in Section 8.2(b)(iii).

"Blocking Investors" shall have the meaning set forth in Section 5.7(f).

"Blocking Notice" shall have the meaning set forth in Section 5.7(f).

"Blocking Right" shall have the meaning set forth in Section 5.7(f).

"Board" shall have the meaning set forth in Section 8.1.

"Book Value" means, with respect to any property, such property's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Book Value of any property contributed by a Member to the Company shall be the fair market value of such property as reasonably determined by the Managers;

(b) The Book Values of all properties shall be adjusted to equal their respective fair market values as reasonably determined by the Managers in connection with (i) the acquisition of an interest in the Company by any new or existing Member in exchange for more than a *de minimis* capital contribution to the Company, (ii) the distribution by the Company to a Member of more than a *de minimis* amount of property as consideration for an interest in the Company, (iii) the grant of an interest in the Company (other than a *de minimis* interest) as consideration for the provision of services

to or for the benefit of the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of becoming a Member, (iv) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704 1(b)(2)(ii)(g)(1) (other than pursuant to Section 708(b)(1)(B) of the Code), (v) the acquisition of an interest in the Company by any new or existing Member upon the exercise of a noncompensatory warrant in accordance with Proposed Treasury Regulation Section 1.704-1(b)(2)(iv)(s), as such Treasury Regulation may be amended or modified, including upon the issuance of temporary or final Treasury Regulations or (vi) any other event to the extent determined by the Managers to be necessary to properly reflect Book Values in accordance with the standards set forth in Treasury Regulation Section 1.704-1(b)(2)(iv)(q). If any noncompensatory warrants are outstanding upon the occurrence of an event described in this paragraph (b)(i) through (b)(v), the Company shall adjust the Book Values of its properties in accordance with Proposed Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2), as such Proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final Treasury Regulations;

(c) The Book Value of property distributed to a Member shall be the fair market value of such property as determined by the Managers; and

(d) The Book Value of all property shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such property pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m) and clause (f) of the definition of Profits and Losses; *provided, however,* Book Value shall not be adjusted pursuant to this clause (d) to the extent the Managers determine that an adjustment pursuant to clause (b) hereof is necessary or appropriate in connection with the transaction that would otherwise result in an adjustment pursuant to this clause (d).

If the Book Value of property has been determined or adjusted pursuant to clauses (b) or (d) hereof, such Book Value shall thereafter be adjusted by the Depreciation taken into account with respect to such property for purposes of computing Profits and Losses and other items allocated pursuant to Article 7.

"Business Conduct Code" shall have the meaning set forth in Section 11.4(d).

"Business Day" means any day other than a Saturday, a Sunday, or a holiday on which national banking associations in the State of New York are authorized by Law to close.

"Business Opportunity" shall have the meaning set forth in Section 11.6(a).

"Cl Units" shall have the meaning set forth in Section 4.2(a)(ii).

"Capital Account" means the account to be maintained by the Company for each Unitholder pursuant to Section 6.5.

"Capital Call" shall have the meaning assigned to such term in the Contribution Agreement.

"Capital Contribution" means with respect to any Unitholder, the amount of money and the initial Book Value of any property (other than money) contributed to the Company by the Unitholder including amounts paid by such Unitholder in satisfaction of its Unit purchase obligations under the Contribution Agreement. Any reference in this Agreement to the Capital Contribution of a Unitholder shall include a Capital Contribution of his predecessors in interest.

"Capital Stock" means any and all shares, interests, participations, or other equivalents (however designated) of capital stock of a corporation, any and all ownership interests in a Person (other than a corporation), and any and all warrants, options, or other rights to purchase or acquire any of the foregoing.

"Cash Transaction" means, (i) with respect to a Liquidation Event or a Drag-Along Transaction, any such transaction that is not a Non-Cash Transaction, or (ii) any dividend or other distribution on the Company's Units that is not a Non-Cash Transaction.

"Cause" means discharge by the Company or any of its Subsidiaries on the following grounds:

(i) An employee's, director's or manager's conviction or pleas of nolo contendere in a court of Law of any crime or offense, including a violation of any Corruption Law but excluding traffic violations and other minor offenses.

(ii) Willful misconduct which materially adversely affects the reputation or business activities of the Company and its Subsidiaries and which continues after written notice thereof from the Board to such employee, director or manager stating with specificity the alleged dishonesty or misconduct and, if requested by the individual within 10 days thereafter, such individual is afforded a reasonable opportunity to be heard before the Board.

(iii) Substance abuse, including abuse of alcohol or use of illegal narcotics, and other drugs or substances, for which such employee, director or manager fails to undertake and maintain treatment after 15 days after requested by the Company.

(iv) Misappropriation of funds or other material acts of dishonesty involving the Company.

(v) Any employee's continuing material failure or refusal to perform his duties or to carry out in all material respects the lawful directives of the Board.

"Cayman Matters" shall mean (i) those actions or matters that, under Cayman Islands Law, require a Special Resolution in order to be approved by the Members, including amendments to the Memorandum or Articles, the changing of the Company's name, the appointment (pursuant to the Act) of an inspector to examine the affairs of the Company, certain

matters relating to the winding up and liquidation of the Company and such other matters as may now or hereafter be specified by Cayman Islands Law, (ii) those actions or matters that, under Cayman Islands Law, require an Ordinary Resolution in order to be approved by the Members, including certain matters relating to the winding up and liquidation of the Company and such other matters as now or hereafter may be specified by Cayman Islands Law, and (iii) any other action or matter that, under Cayman Islands Law, requires approval (whether by vote at a meeting or by written consent) by a greater number of Members or Units than the applicable Determining Members with respect to such action or matter.

"Certificate" shall have the meaning set forth in Section 2.1.

"Change of Control" means a consolidation, conversion or merger involving the Company in which the owners of Equity Securities immediately prior to such consolidation, conversion or merger do not, immediately after such consolidation, conversion or merger, own Membership Interests and Units, capital stock or other equity securities representing a majority of the outstanding voting power (based on the right to directly or indirectly (through a parent company or otherwise) elect Managers or directors generally) of the Company or the surviving, converted or consolidating entity.

"Closing" shall have the meaning set forth in the Contribution Agreement.

"Code" means the United States Internal Revenue Code of 1986, as amended from time to time. All references herein to Sections of the Code shall include any corresponding provision or provisions of succeeding Law.

"Committee" shall have the meaning set forth in Section 10.2.

"Common Units" means all Units other than Preferred Units.

"Company" means Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital.

"Compensation Committee" shall have the meaning set forth in Section 8.2(q)(ii).

"Confidential Information" means all confidential and proprietary information (irrespective of the form of communication) obtained by or on behalf of, a Member from the Company or its representatives, other than information which (i) was or becomes generally available to the public other than as a result of a breach of this Agreement by such Member or Representative, (ii) was or becomes available to such Member on a nonconfidential basis prior to disclosure to the Member by the Company or its representatives, (iii) was or becomes available to the Member from a source other than the Company and its representatives, *provided* that such source is not known by such Member to be bound by a confidentiality agreement with the Company, or (iv) is independently developed by such Member without the use of any such information received under this Agreement.

"Consultant" shall have the meaning set forth in Section 10.2.

"Contribution Agreement" means that certain Second Amended and Restated Contribution Agreement of even date herewith by and among the Company and the Investors named therein.

"Control," including the correlative terms "Controlling", "Controlled by" and "Under Common Control with" means possession, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person.

"Conversion Price" shall have the meaning set forth in Series A Convertible Preferred Unit Designation, the Series B Convertible Preferred Unit Designation or the Series C Convertible Preferred Unit Designation, as applicable.

"Conversion Ratio" shall have the meaning set forth in Series A Convertible Preferred Unit Designation, the Series B Convertible Preferred Unit Designation or the Series C Convertible Preferred Unit Designation, as applicable.

"Convertible Preferred Units" means, collectively, the Series A Convertible Preferred Units, the Series B Convertible Preferred Units and the Series C Convertible Preferred Units.

"Corrected Amount" shall have the meaning set forth in Section 7.1(e).

"Corruption Law" means any Law (including the FCPA), as amended from time to time, that relates to payments for the purpose of influencing an act or decision (including a decision to refrain from acting) of any governmental authority or governmental official in order to obtain or retain business or other improper advantage in the conduct of business.

"Creditors' Rights" means applicable bankruptcy, insolvency or other similar laws relating to or affecting the enforcement of creditors' rights generally and to general principles of equity.

"Cumulative Taxable Income" means the sum of (i) the amount, if any, by which items of income and gain (other than items included in net capital gain or net capital loss) allocated for tax purposes pursuant to Article 7 for the current taxable year and all prior taxable years exceeds the items of loss and deduction (other than items included in net capital gain or net capital loss) allocated for tax purposes pursuant to Article 7 for all such taxable years and (ii) the amount, if any, by which net capital gain allocated for tax purposes pursuant to Article 7 for the current taxable year and all prior taxable years exceeds net capital loss allocated for tax purposes pursuant to Article 7 for all such taxable years.

"Defaulting Investor" has the meaning given such term in the Contribution Agreement.

"Delaware Act" means the Delaware Limited Liability Company Act and any successor statute, as amended from time to time.

"Determining Members" shall have the meaning set forth in Section 11.7(d).

"Depreciation" means, for each taxable year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for Federal income tax purposes with respect to property for such taxable year, except that (A) with respect to any property the Book Value of which differs from its adjusted tax basis for Federal income tax purposes and which difference is being eliminated by use of the remedial allocation method pursuant to Treasury Regulation Section 1.704-3(d), Depreciation for such taxable year shall be the amount of book basis recovered for such taxable year under the rules prescribed by Treasury Regulation Section 1.704-3(d)(2), and (B) with respect to any other property the Book Value of which differs from its adjusted tax basis at the beginning of such taxable year, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the Federal income tax depreciation, amortization, or other cost recovery deduction for such taxable year bears to such beginning adjusted tax basis; *provided* that if the adjusted tax basis of any property at the beginning of such taxable year is zero, Depreciation with respect to such property shall be determined with reference to such beginning value using reasonable method selected by the Managers.

"Disability" means a Management Unitholder or Manager becoming incapacitated by accident, sickness or other circumstance which renders him mentally or physically incapable of performing his duties with the Company on a full-time basis of at least 180 days during any 12 month period.

"Disinterested Management Group" means the members of the Management Group who will, in connection with a Liquidation Event, receive only their consideration due under Section 7.1(a) and who have no on-going relationship with the Requisite Holders that would reasonably be expected to influence such members.

"Disposition," including the correlative terms "Dispose" or "Disposed," means any direct or indirect transfer, assignment, sale, gift, inter vivos transfer, pledge, hypothecation, mortgage, hedge or other encumbrance, or any other disposition (whether voluntary or involuntary or by operation of law), of Membership Interests or Units (or any interest (pecuniary or otherwise) therein or right thereto), including without limitation derivative or similar transactions or arrangements whereby a portion or all of the economic interest in, or risk of loss or opportunity for gain with respect to, Membership Interests or Units is transferred or shifted to another Person.

"Dissolution Event" shall have the meaning set forth in Section 14.1(a).

"Drag-Along Notice" shall have the meaning set forth in Section 5.7(f).

"Drag-Along Transaction" means (i) any consolidation, conversion (other than the IPO Conversion), merger or other business combination involving the Company in which Membership Interests (or Units) are exchanged for or converted into cash, securities of a corporation or other business organization or other property, (ii) a Disposition of all or substantially all of the assets of the Company to be followed promptly by a liquidation of the Company or a distribution to the Members of all or substantially all of the net proceeds of such

Disposition after payment or other satisfaction of liabilities and other obligations of the Company, or (iii) the sale by all the Members of all their Units.

"Dragging Investors" shall have the meaning set forth in Section 5.7(f).

"ECI" means income or gain effectively connected with the conduct of a trade or business within the United States within the meaning of Code Section 864 or 897.

"Economic Risk of Loss" shall have the meaning assigned to that term in Treasury Regulation Section 1.752-2(a).

"Effective Date" shall have the meaning set forth in the Recitals.

"Election Notice" shall have the meaning set forth in Section 5.4(b).

"Eligibility Election Notice" shall have the meaning set forth in Section 11.3(c).

"Eligibility Notice" shall have the meaning set forth in Section 11.3(b).

"Employee" shall have the meaning set forth in Section 10.2.

"Employment Committee" shall have the meaning set forth in Section 8.2(q)(ii).

"Exchange Act" shall have the meaning set forth in Section 10.2.

"Excluded Securities" shall have the meaning set forth in Section 4.5(d).

"Expel, Expelled or Expulsion" means the expulsion or removal of a Member from the Company as a member.

"FCPA" means the Foreign Corrupt Practices Act of the United States of America, as amended from time to time.

"FCPA Policy" means the Company's Ethical Business Practice Policy, as amended from time to time.

"First Amendment" shall have the meaning set forth in the Recitals.

"First Amended and Restated Agreement " shall have the meaning set forth in the Recitals.

"First Refusal Notice Date" shall have the meaning set forth in Section 5.3(b).

"Fully-Diluted Basis" means, at any time, the then outstanding Common Units plus (without duplication) (i) all Common Units issuable upon the conversion of the then outstanding Convertible Preferred Units and (ii) all Profits Units (whether Vested Units or Unvested Units), (iii) all Management Units (whether Vested Units or Unvested Units) and (iv) all Cl Units.

"Further Eligibility Notice" shall have the meaning set forth in Section 11.3(c).

"GAAP" shall mean U.S. generally accepted accounting principles.

"Good Reason" means (i) a material reduction in the employment responsibilities of the Management Unitholder in effect as of the Initial Funding or, if such Management Unitholder was not employed by the Company's Subsidiaries as of the Initial Funding, as of the date such Management Unitholder executes an Addendum Agreement, or subsequently agreed to by the Company and the Management Unitholder, without the written consent of the Management Unitholder, which reduction has remained uncorrected for 30 days after written notice from such Management Unitholder to the employer, or (ii) a required change of the location greater than 50 miles away from the existing location for performance of the employment responsibilities of the Management Unitholder (not including ordinary travel during the regular course of employment) without the written consent of the Management Unitholder, which change remains uncorrected for 30 days after written notice from such Management Unitholder to the employer.

"Independent Nominees" shall have the meaning set forth in Section 8.2(b)(iv).

"Initial Funding" shall mean March 9, 2004.

"Inclusion Notice" shall have the meaning set forth in Section 5.6(b).

"Inclusion Right" shall have the meaning set forth in Section 5.6(c).

"Investor Call Right" shall have the meaning set forth in the Contribution Agreement.

"Investor Nominees" shall have the meaning set forth in Section 8.2(b)(iii).

"Investor Unitholder" means the Warburg Group and the Blackstone Group and any other Person designated as an Investor Unitholder pursuant to Section 5.1(e)(iii); *provided* that, once a Person is designated an Investor Unitholder, such Person and each of its Affiliates shall, as long as it owns any Units, at all times be an Investor Unitholder and not a Management Unitholder even if such Investor Unitholder or its Affiliates acquire Units from a Management Unitholder.

"Involuntary Transfer" means a Disposition resulting from (i) the death of a Member, (ii) the Bankruptcy of a Member, (iii) the entry of a divorce decree directly involving such Member, (iv) the execution of either a judgment or a foreclosure by a court of law against a Member, (v) or any other event that forces a Member to transfer any of its Membership Interest and Units to a third party, including events occurring by operation of Law.

"Involuntary Transfer Notice" shall have the meaning set forth in Section 5.8(a).

"IPO Conversion" shall have the meaning set forth in Section 5.9(a).

"IPO Corporation" shall have the meaning set forth in Section 5.9(a).

"Kosmos Energy Holdings" shall have the meaning set forth in Section 2.2.

"Law" means any applicable constitutional provision, statute, act, code (including the Code), law, regulation, rule, ordinance, order, decree, ruling, proclamation, resolution, judgment, decision, declaration, or interpretative or advisory opinion or letter of a domestic, foreign or international governmental authority or any political subdivision thereof and shall include, for the avoidance of any doubt, the Act.

"Liquidation Event" means the occurrence of any of (i) a liquidation, dissolution, or winding up of the Company, (ii) a Change of Control; *provided, however,* that any such Change of Control that is an Approved Sale under Section 5.7 shall not constitute a Liquidation Event, or (iii) the sale, lease or transfer, directly or indirectly, of all or substantially all of the assets of the Company, unless (A) in the case of a transaction described in clauses (ii) or (iii) that constitutes a Cash Transaction, the Super-Requisite Holders have consented that such transaction shall not constitute a Liquidation Event or (B) in the case of a transaction described in clauses (ii) or (iii) that constitutes a Non-Cash Transaction, the Requisite Holders have consented that such transaction shall not constitute a Liquidation Event.

"Liquidation Preference" means, with respect to a Convertible Preferred Unit, an amount equal to the purchase price for such Convertible Preferred Unit less all amounts previously distributed with respect to such Convertible Preferred Unit to the holder thereof pursuant to Section 7.1(a)(ii).

"Management Group" means James C. Musseliman, Brian F. Maxted, W. Greg Dunlevy, Kiat Tze (Kenny) Goh and Paul Dailly and any other key employees of the Company approved as members of the Management Group by the Board but excluding such individuals who cease to be an employee of the Company or its Subsidiaries.

"Management Nominee" shall have the meaning set forth in Section 8.2(b)(i).

"Management Units" means 2,660,000 Common Units issued to Management Unitholders in connection with the execution and delivery of this Agreement on the Effective Date, any such Common Units transferred to a Permitted Transferee and any and all securities of any kind whatsoever of the

Company which may be issued on or after the Effective Date in respect of, in exchange for, or upon conversion of such Common Units pursuant to a merger, consolidation, conversion, stock split, stock dividend, recapitalization of the Company or otherwise; *provided, however,* that any such Common Units that are forfeited to or repurchased by the Company and reissued as Profits Units pursuant to Section 4.2(a)(x) and Article 10 shall, upon such reissuance, constitute Profits Units and not Management Units. For the avoidance of doubt, there are 2,660,000 Management Units outstanding as of the date hereof.

"Management Unitholders" means (a) the Management Group and each transferee of Common Units or Preferred Units directly or indirectly (in a chain of title) from the Management Group (other than an Investor Unitholder), (b) each Person that acquires Profits Units, Cl Units (other than an Investor Unitholder) or Management Units from the Company in accordance with this Agreement and each transferee of Common Units or Preferred Units directly or indirectly (in a chain of title) from any such Person (other than an Investor Unitholder) and (c) any other Person designated as a Management Unitholder pursuant to Section 5.1(e)(iii); *provided* that,

once a Person is designated a Management Unitholder, such Person and each of its Affiliates shall, as long as it owns any Units, at all times be a Management Unitholder and not an Investor Unitholder even if such Management Unitholder or its Affiliates acquire Units from an Investor Unitholder.

"Management Unitholder Disposition" shall have the meaning set forth in Section 5.1(f).

"Manager" shall have the meaning set forth in Section 8.2(a) and shall have the meaning of "director" under the Act.

"Marketable Securities" means freely tradable common stock (with no restrictions on disposition under applicable law or contract) approved for listing on the New York Stock Exchange or admitted to trading and quoted in the Nasdaq National Market system of a corporation with a market value of its outstanding common stock owned by non-affiliates in excess of $50,000,000.

"Material Adverse Change" means any change or effect that would be material and adverse to the business, prospects, condition (financial or otherwise), affairs, properties, assets or liabilities of the Company and its Subsidiaries, taken as a whole.

"Member" means any Person (but not any Affiliate or entity in which such Person has an equity interest) executing this Agreement as of the Effective Date as a member or hereafter admitted to the Company as a member as provided in this Agreement, but such term does not include any Person who has ceased to be a member in the Company.

"Membership Interest" means the property interest, as opposed to the personal interest, of a Member in the Company and as a holder of Units, including rights to distributions (liquidating or otherwise), allocations, information, all other rights, benefits and privileges enjoyed by that Member (under the Act, the Certificate, this Agreement or otherwise) by virtue of the Units held by such Member and otherwise to participate in the management of the Company; and all obligations, duties and liabilities imposed on that Member (under the Act, the Certificate, this Agreement, or otherwise) by virtue of the Units held by such Member; *provided, however,* that such term shall not include any management rights held by a Member solely in its capacity as a Manager.

"Memorandum" shall mean the Memorandum of Association of the Company, as amended and restated from time to time.

"Minimum Gain" shall have the meaning assigned to that term in Treasury Regulation Section 1.704-2(d).

"Negotiation Period" shall have the meaning set forth in Section 5.7(f).

"New Securities" shall have the meaning set forth in Section 4.5(a).

"No-Drag Price" shall have the meaning set forth in Section 5.7(f).

"Non-Cash Transaction" means, (i) with respect to a Liquidation Event or a Drag-Along Transaction, any such transaction more than 50% of the consideration of which, or proceeds of which, are paid in securities or other property other than cash, or (ii) any dividend or other distribution on the Company's Units more than 50% of which is paid in securities or other property other than cash.

"Non-Consenting Investor" shall have the meaning assigned to that term in the Contribution Agreement.

"Non-Included Tag Offeree" shall have the meaning set forth in Section 5.6(e).

"Nonrecourse Deductions" shall have the meaning assigned that term in Treasury Regulation Section 1.704-2(b).

"Notice of Right of First Refusal" shall have the meaning set forth in Section 5.3(a).

"Observer" shall have the meaning set forth in Section 8.2(c).

"Offer Price" shall have the meaning set forth in Section 5.3(a).

"Offered New Securities" shall have the meaning set forth in Section 4.5(a).

"Offered Units" shall have the meaning set forth in Section 5.3(a).

"Offeree" shall have the meaning set forth in Section 4.5(b).

"Offeror Unitholder" shall have the meaning set forth in Section 5.3(a).

"Officer" means any Person designated as an officer of the Company as provided in Section 8.6, but such term does not include any Person who has ceased to be an officer of the Company.

"Ordinary Resolution" means a resolution of a general meeting passed by a majority of Members entitled to vote thereat present at the meeting or a written resolution signed by all Members entitled to vote thereon.

"Original Agreement" shall have the meaning set forth in the Recitals.

"Original Cost" means, with respect to a particular Unit, the cash amount originally paid to the Company to purchase such Unit or the initial Book Value of property contributed, as the case may be, subject to adjustment for subdivisions, combinations or distributions involving such Unit, or if no cash amount was paid to the Company to purchase such Unit then no consideration.

"Other Unitholders" shall have the meaning set forth in Section 5.5(a).

"Participant" shall have the meaning set forth in Section 10.2.

"Percentage Interest" means, with respect to each Unitholder, the fraction (expressed as a percentage), the numerator of which is the number of Units held by that Unitholder and the denominator of which is the number of all then outstanding Units; *provided, however,* that in making such calculation (i) each Unit shall first be multiplied by its Sharing Ratio then in effect and (ii) with respect to a specific class of Units, prior to the time at which distributions have been made pursuant to Section 7.1(a)(iii) with respect to a Unit with a Threshold Value of $0 in an aggregate amount equal to the Threshold Value for such class of Units (ignoring such distributions made prior to the issuance of such class of Units) such class of Units shall be deemed not to be outstanding and shall not be taken into account in determining the Percentage Interest of any Unitholder. For purposes of the immediately preceding subsection (ii), a Series A Convertible Preferred Unit shall be deemed to have a Threshold Value of $0.

"Permitted Transferee" with respect to a transferor Unitholder shall mean (i) the spouse of the transferor Unitholder, (ii) a trust, or family partnership, the sole beneficiary of which is the transferor Unitholder, the spouse of, or any Person related by blood or adoption to, the transferor Unitholder, (iii) an Affiliate of an Investor Unitholder, or (iv) in the context of a distribution by an Investor Unitholder of Units to its direct or indirect equity owners substantially in proportion to such ownership, the partners, members or stockholders of an Investor Unitholder, or the partners, members or stockholders of such partners, members or stockholders; *provided, however,* that a Permitted Transferee under clause (iii) or (iv) may not compete with the Company directly or indirectly or engage in any aspect of the oil and gas industry other than providing financing to or investing in businesses within such industry, and *provided, further,* that any such transfers contemplated by (i) through (iv) do not conflict with or constitute a violation of state or federal securities laws. For purposes of clauses (iii) and (iv) above, a Person shall not be deemed to be competing, directly or indirectly, with the Company if it, through its engagement in the private equity business, owns, directly or indirectly, interests or securities in portfolio companies that compete with the Company or engage in any aspect of the oil and gas industry.

"Person" means any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any government or agency or political subdivision thereof.

"Personal Representative" means the executor, administrator, guardian, or other personal representative of any natural person who has become deceased or subject to disability, or any successor or assignee thereof whether by operation of law or otherwise.

"Pre-IPO Value" shall have the meaning set forth in Section 5.9(a).

"Preference Amount" means, with respect to each Convertible Preferred Unit, (a) on the date any such Convertible Preferred Unit is issued the Purchase Price of such Convertible Preferred Unit, and (b) on each subsequent Adjustment Date: (i) the Preference Amount as of the previous Adjustment Date, (ii) increased by the Preference Return with respect to such Convertible Preferred Unit since the previous Adjustment Date and (iii) decreased by all

distributions made to the holders of Convertible Preferred Units pursuant to Section 7.1(a)(i) or (ii) since the previous Adjustment Date.

"Preference Rate" means for each Convertible Preferred Unit a daily rate expressed as a percentage equal to (i) 7% per annum until December 31, 2010 and (ii) 14% per annum thereafter, in each case divided by 365 or 366 days, as the case may be, during such calendar year, *provided, however,* that if a monetization of all or substantially all of the Company's assets in the Republic of Ghana takes places (x) before December 31, 2010, the Preference Rate shall remain at 7% per annum at all times thereafter, or (y) after December 31 2010, the Preference Rate shall be equal to 7% from the day of such monetization event and remain 7% per annum at all times thereafter. If a change in Preference Rate takes effect during a calendar year, the effects of such change shall be pro-rated for such calendar year.

"Preference Return" means an amount calculated with respect to each Convertible Preferred Unit as of each Adjustment Date equal to the sum of the amounts determined for each day (including such Adjustment Date) since the immediately preceding Adjustment Date by multiplying the Preference Rate by the Preference Amount as of the immediately preceding Adjustment Date.

"Preferred Return Amount" means, with respect to each Convertible Preferred Unit as of a distribution date, the excess of the applicable Preference Amount for such Convertible Preferred Unit, over the applicable Liquidation Preference for such Unit.

"Preferred Unitholder" means any Unitholder holding any Preferred Units.

"Preferred Units" shall have the meaning set forth in Section 4.2(a).

"Preemptive Offer" shall have the meaning set forth in Section 4.5(d)(i).

"Preemptive Offer Acceptance Notice" shall have the meaning set forth in Section 4.5(b).

"Preemptive Offer Period" shall have the meaning set forth in Section 4.5(a).

"Prime Rate" means a rate per annum equal to the lesser of (a) a varying rate per annum that is equal to the interest rate publicly quoted by Citibank, N.A. from time to time as its prime commercial or similar reference interest rate, with adjustments in that varying rate to be made on the same date as any change in that rate, and (b) the maximum rate permitted by Law.

"Prior Closing" means June 18, 2008.

"Prior Distribution" shall have the meaning set forth in Section 7.1(e).

"Pro Rata Portion" shall have the meaning set forth in the Contribution Agreement.

"Proceeding" shall have the meaning set forth in Section 9.2.

"Profits" or "Losses means, for each taxable year, an amount equal to the Company's taxable income or loss for such taxable year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from Federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this definition of "Profits" and "Losses" shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of "Profits" and "Losses" shall be subtracted from such taxable income or loss;

(c) In the event the Book Value of any asset is adjusted pursuant to clause (b) or clause (c) of the definition of Book Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Book Value of the asset) or an item of loss (if the adjustment decreases the Book Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for Federal income tax purposes shall be computed by reference to the Book Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such taxable year;

(f) To the extent an adjustment to the adjusted tax basis of any asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Account balances as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or an item of loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Any items that are allocated pursuant to the Regulatory Allocations shall not be taken into account in computing Profits and Losses, and the amounts of the items of income, gain, loss or deduction available to be allocated pursuant to the Regulatory Allocations shall be determined by applying rules analogous to those set forth in clauses (a) through (f) hereof.

"Profits Units" means (i) $0.85 Units, $5.00 Units, $10.00 Units, $15.00 Units, $27.50 Units, $40.00 Units, $65.00 Units, $90.00 Units, (ii) any additional Units issued pursuant to Section 4.2(a)(iii) through (x) inclusive, and (iii) any Units issued pursuant to Section 10.8(c)(ii).

"Proportionate Percentage" means with respect to a Unitholder, a fraction, expressed as a percentage, the numerator of which is the number of Common Units owned by such Unitholder (calculated on the basis that all Convertible Preferred Units have been converted at the applicable Conversion Ratio) and the denominator of which is (i) in a situation where the Proportionate Percentage is being calculated with respect to all Unitholders, the total number of Common Units (calculated on the basis that all Convertible Preferred Units have been converted at the Conversion Ratio) owned by all Unitholders at the time in question and (ii) in a situation where the Proportionate Percentage is being calculated with respect to a particular group of Unitholders, the total number of Common Units (calculated on the basis that all Convertible Preferred Units have been converted at the applicable Conversion Ratio) owned by the members of such group; *provided, however,* that all references to "Common Units" in this definition excludes Profits Units.

"Qualified Merger" means a merger of the Company with and into a Qualified Public Company (or a subsidiary of a Qualified Public Company) that is taxable as an association for federal income tax purposes, with such corporation being the surviving entity in the merger, in which the consideration received for Preferred Units pursuant to the merger consists of cash and/or Marketable Securities of such Qualified Public Company.

"Qualified Public Company" means a corporation or other entity whose common stock (or similar equity securities) are authorized and approved for listing on the New York Stock Exchange or admitted to trading and quoted in the Nasdaq National Market system and the market value of the outstanding common stock (or similar equity securities) of which corporation or other entity owned by non-Affiliates of such corporation is in excess of $50,000,000.

"Qualified Public Offering" means any firm commitment underwritten offering by the IPO Corporation of common stock to the public pursuant to an effective registration statement under the Securities Act (i) for which aggregate cash proceeds to be received by the IPO Corporation from such offering (without deducting underwriting discounts, expenses and commissions) are at least $50,000,000 or for which aggregate cash proceeds to be received by a Qualified Holder (as defined in the Registration Rights Agreement) from such offering (without deducting underwriters discounts, expenses and commissions) are at least $10,000,000, and (ii) pursuant to which such shares of common stock are authorized and approved for listing on the New York Stock Exchange or admitted to trading and quoted in the Nasdaq National Market system.

"Refused New Securities" shall have the meaning set forth in Section 4.5(b).

"Register of Members" means the register of Members of the Company, which is conclusive as to membership in the Company.

"Registered Office" shall have the meaning set forth in Section 2.3.

"Registrar" shall have the meaning set forth in the Contribution Agreement.

"Registration Rights Agreement" shall have the meaning set forth in Section 11.8.

"Regulatory Allocations" means the allocations pursuant to Section 7.3 of this Agreement.

"Relative" means, with respect to any individual, (i) such individual's spouse, (ii) any direct descendant, parent, grandparent, great grandparent or sibling (in each case whether by blood or adoption), and (iii) and spouse of an individual described in clause (ii).

"Renounced Business Opportunity" shall have the meaning set forth in Section 11.6(a).

"Representatives" shall have the meaning set forth in Section 4.7(b).

"Repurchase Notice" shall have the meaning set forth in Section 11.2(b).

"Requisite Holders" means, if any Convertible Preferred Units are then outstanding, the holders of at least a majority of the outstanding Convertible Preferred Units (excluding Convertible Preferred Units held by any Defaulting Investor) or, if no Convertible Preferred Units are then outstanding, the holders of at least a majority of the outstanding Common Units (other than Profits Units and Unvested Management Units); *provided, however,* that if institutions other than Warburg or Blackstone have acquired 3% or more of the outstanding Convertible Preferred Units, then Requisite Holders shall also mean Warburg so long as Warburg holds at least 45% of the outstanding Convertible Preferred Units and is not a Defaulting Investor.

"Resign, Resigning or Resignation" means the resignation, withdrawal or retirement of a Member from the Company as a member. Such terms shall not include any Disposition of Membership Interests, even though the Member making a Disposition may cease to be a Member as a result of such Disposition.

"Rule 144" means Rule 144 promulgated under the Securities Act or any successor or analogous rule.

"Rule 16b-3" shall have the meaning set forth in Section 10.2.

"Second Amended and Restated Agreement" shall have the meaning set forth in the Recitals.

"Securities Act" means the Securities Act of 1933, as amended, and any successor statute thereto and the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

"Selling Proviso" means a Non-Cash Transaction (i) in which the form of consideration (or option as to form of consideration), dividend or distribution is allocated to each holder of Convertible Preferred Units immediately prior to such Non-Cash Transaction on a pro rata basis

(based on ownership of Convertible Preferred Units) and (ii) immediately following which, the rights provided to holders of Convertible Preferred Units under this Agreement that survive such Non-Cash Transaction are effective, on such pro rata basis (or on the same basis as provided for in this Agreement), as to all holders of outstanding Convertible Preferred Units immediately prior to such Non-Cash Transaction in such Persons' capacities as holders of such Units (or such other securities into which such Units were converted or exchanged in such Non-Cash Transaction).

"Selling Unitholders" shall have the meaning set forth in Section 5.6(a).

"Series A Convertible Preferred Unit Designation" shall have the meaning set forth in Section 1.1.

"Series A Convertible Preferred Units" shall have the meaning set forth in Section 4.2(a)(i).

"Series A/B/C Group" shall have the meaning set forth in Section 11.6(c)(ii).

"Series A/B/C Nominee" shall have the meaning set forth in Section 11.6(c)(iii).

"Series B Convertible Preferred Unit Designation" shall have the meaning set forth in Section 1.1.

"Series B Convertible Preferred Units" shall have the meaning set forth in Section 4.2(a)(i).

"Series B Threshold Value" means $15.00.

"Series C Convertible Preferred Unit Designation" shall have the meaning set forth in Section 1.1.

"Series C Convertible Preferred Units" shall have the meaning set forth in Section 4.2(a)(i).

"Series Designation" shall have the meaning set forth in Section 4.6.

"Sharing Ratio" means, with respect to each Unit at the time of determination: (i) in the case of Series A Convertible Preferred Units, Series B Convertible Preferred Units and Series C Convertible Preferred Units (and Common Units into which such Convertible Preferred Units have been converted), and Cl Units, 1.00, (ii) in the case of Management Units, $0.85 Units, $5.00 Units, $10.00 Units and any Profits Units issued pursuant to Section 4.2(a)(iii), (iv) or (x), the fraction, the numerator of which is the amount of capital that has been contributed to the Company in exchange for Series A Convertible Preferred Units and the denominator of which is $300,000,000, and (iii) in the case of $15.00 Units, $27.50 Units, $40.00 Units, $65.00 Units, . $90.00 Units and any additional Profits Units issued pursuant to Section 4,2(a)(v) through (ix) inclusive, the fraction, the numerator of which is the amount of capital that has been contributed to the Company in exchange for Series B Convertible Preferred Units and the denominator of

which is $500,000,000; *provided, however,* that if the Conversion Price of any of the Series A Convertible Preferred Units, the Series B Convertible Preferred Units or Series C Convertible Preferred Units is adjusted pursuant to Section 4(e) of the Series A Convertible Preferred Stock Designation, the Series B Convertible Preferred Stock Designation or the Series C Convertible Preferred Stock Designation, as applicable, then the Sharing Ratio of the Series A Convertible Preferred Units, the Series B Convertible Preferred Units or the Series C Convertible Preferred Units, as the case may be, shall be appropriately adjusted to reflect such adjusted Conversion Price.

"Special Resolution" means a resolution of a general meeting passed by a two-thirds majority of Members entitled to vote thereat present at the meeting or a written resolution signed by all Members entitled to vote thereon, and otherwise in accordance with Section 60 of the Act.

"Subsidiary" means (i) any corporation or other entity a majority of the Capital Stock of which having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions is at the time owned, directly or indirectly, with power to vote, by the Company or any direct or indirect Subsidiary of the Company or (ii) a partnership in which the Company or any direct or indirect Subsidiary is a general partner.

"Supermajority Holders" means, if any Convertible Preferred Units are then outstanding, the holders of at least 75% of the outstanding Convertible Preferred Units (excluding Convertible Preferred Units held by any Defaulting Investor), or if no Convertible Preferred Units are then outstanding, the holders of at least 75% of the outstanding Common Units (excluding Profits Units and Unvested Management Units).

"Super-Requisite Holders" means either (i) the Supermajority Holders or (ii) (A) the Requisite Holders, (B) if any Convertible Preferred Units are then outstanding, the holders of at least a majority of the outstanding Convertible Preferred Units held by the Disinterested Management Group (excluding any Convertible Preferred Units held by any Defaulting Investor) and (C) if Blackstone shall not have become a Non-Consenting Investor, Blackstone shall have received or will receive as a result of a proposed Drag-Along Transaction or Liquidation Event a cash return on the capital invested by Blackstone in the Company of at least 1.5 times such invested capital at any time on or prior to the third anniversary of the Initial Funding and of at least 2.0 times such invested capital at any time thereafter.

"Supplemental Eligibility Notice" shall have the meaning set forth in Section 11.3(c).

"Tag Offerees" shall have the meaning set forth in Section 5.6(a).

"Tax Matters Member" shall have the meaning assigned to the term "tax matters partner" in Code Section 6231(a)(7) and the meaning set forth in Section 12.4(d).

"Third Amended and Restated Agreement " shall have the meaning set forth in the Recitals.

"Third Party" shall have the meaning set forth in Section 5.3.

"Third Party Offer" shall have the meaning set forth in Section 5.3.

"Threshold Value" shall have the meaning set forth in Section 4.2(a)(iii).

"Threshold Units" means the Profits Units and any Common Units initially issued as Management Units that have been forfeited to or repurchased by the Company and reissued pursuant to Article 10 with a Threshold Value of zero or greater.

"Transaction Documents" means this Agreement, the Contribution Agreement and the other documents contemplated to be delivered herein.

"Treasury Regulations" means the regulations promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Code.

"UBT" means the New York City Unincorporated Business Tax imposed under New York Administrative Code Section 11-503(a).

"UBTI" means unrelated business taxable income within the meaning of Code Section 512.

"Ungranted Profits Units" shall have the meaning set forth in Section 10.4(b).

"Unit Equivalents" shall have the meaning set forth in Section 5.7(c)(iii).

"Units" means the Common Units (including Management Units, Profits Units and Cl Units) and Preferred Units, collectively, and any "Unit" shall refer to any one of the foregoing.

"Unitholder" means the holder of any Unit as reflected on the books and records of the Company.

"Unitholder Nonrecourse Debt" shall have the meaning assigned to the term "partner nonrecourse debt" in Treasury Regulation Section 1.704-2(b)(4).

"Unitholder Nonrecourse Debt Minimum Gain" shall have the meaning assigned to the term "partner nonrecourse debt minimum gain" in Treasury

Regulation Section 1.704-2(i)(2).

"Unitholder Nonrecourse Deductions" shall have the meaning assigned to the term "partner nonrecourse deductions" in Treasury Regulation Section 1.704-2(i)(1).

"Unvested Units" means Management Units or Profits Units that are not Vested Units.

"Valuation Expert" shall have the meaning set forth in Section 5.7(f).

"Vested Management Units" means Management Units that have become vested pursuant to this Agreement due to the passage of time as provided for herein or as a result of their vesting being accelerated pursuant to the terms herein.

"Vested Profits Units" means Profits Units that have become vested pursuant to this Agreement due to the passage of time as provided for herein or as a result of their vesting being accelerated pursuant to the terms herein.

"Vested Units" means, collectively, Vested Management Units and Vested Profits Units.

"Warburg" means, collectively, Warburg Pincus International Partners, L.P., Warburg Pincus Netherlands International Partners I, C.V., WP-WPIP Investors, L.P., Warburg Pincus Private Equity VIII, L.P., Warburg Pincus Netherlands Private Equity VIII I, C.V. and WP-WP VIII Investors, L.P.; *provided, however,* that for all purposes hereunder Warburg Pincus Private Equity VIII, L.P. shall be entitled to act on behalf of each of the other Persons named in this definition.

"Warburg Group" means Warburg and each transferee of Units directly or indirectly (in a chain of title) from Warburg that is an Affiliate of Warburg; *provided, however,* that once a Person is designated a member of the Warburg Group such Person shall, as long as it owns any Units, at all times be a member of the Warburg Group and not a member of the Blackstone Group, and provided further that for purposes of this definition an Affiliate shall not include a member of the Management Group or the Blackstone Group.

"Warburg Nominees" shall have the meaning set forth in Section 8.2(b)(ii).

EXHIBIT B-1

SERIES A CONVERTIBLE PREFERRED UNIT DESIGNATION

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT
EXHIBIT B-1

DESIGNATION OF POWERS, PREFERENCES AND
RELATIVE PARTICIPATING, OPTIONAL OR OTHER
SPECIAL RIGHTS AND RELATIVE QUALIFICATIONS,
LIMITATIONS OR RESTRICTIONS OF
THE SERIES A CONVERTIBLE
PREFERRED UNITS OF
KOSMOS ENERGY HOLDINGS (THE "DESIGNATION")

Pursuant to that certain Operating Agreement of Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company"), dated March 9, 2004, a series of the Preferred Units of the Company designated the "Series A Convertible Preferred Units" (the "Series A Preferred Units") consisting of 30,000,000 Units was created. Pursuant to that certain Fourth Amended and Restated Operating Agreement of the Company, dated October 9, 2009 (as the same may be amended from time to time, the "Operating Agreement") to which this Designation is attached as an exhibit, the powers, preferences and relative participating, optional or other special rights and relative qualifications, limitations or restrictions of the Series A Preferred Units are amended and restated to be (in addition to those set forth elsewhere in the Operating Agreement) as follows:

1. Certain Definitions.

Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated. Capitalized terms used in this Designation but not otherwise defined herein shall have the meanings ascribed to them in the Operating Agreement.

"Approved Plan" means the provisions of Article 10 of the Operating Agreement as in effect on the date of the Operating Agreement and any other similar unit incentive, plan or arrangement that is approved by the Supermajority Holders.

"Common Units" means any units of Membership Interests of the Company now or hereafter authorized to be issued as common units, and any and all securities of any kind whatsoever of the Company which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of such common units pursuant to a merger, conversion, consolidation, unit split, unit dividend, recapitalization of the Company or otherwise.

"Contribution Agreement" means that certain Second Amended and Restated Contribution Agreement of even date with the Operating Agreement, as may be amended or restated from time to time, among the Company and the investors party thereto relating to the sale and issuance of the Convertible Preferred Units.

"Conversion Date" shall have the meaning set forth in subparagraph 4(c).

"Conversion Price" shall initially mean the Purchase Price and shall be adjusted from time to time pursuant to subparagraph 4(e).

"Conversion Ratio" shall mean the ratio of the Purchase Price to the Conversion Price.

"Convertible Securities" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Current Market Price" at any date shall mean, in the event the Common Units are traded in the over the counter market or on a national or regional securities exchange, the average of the daily closing prices per Common Unit for 30 consecutive trading days ending three trading days before such date (as

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adjusted for any Unit dividend, split, combination or reclassification that took effect during such 33 trading day period). The closing price for each day shall be the last reported sale price regular way or, in case no such reported sale takes place on such day, the average of the last closing bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Units are listed or admitted to trading, or if not listed or admitted to trading on any national securities exchange, the closing sale price for such day reported by Nasdaq, if the Common Units are traded over-the-counter and quoted in the National Market System, or if the Common Units are so traded, but not so quoted, the average of the closing reported bid and asked prices of the Common Units as reported by Nasdaq or any comparable system, or, if the Common Units are not listed on Nasdaq or any comparable system, the average of the closing bid and asked prices as furnished by two members of the National Association of Securities Dealers, Inc. selected from time to time by the Board for that purpose. If the Common Units are not publicly traded or are not traded in such manner that the quotations referred to above are available for the period required hereunder, Current Market Price per Common Unit shall be deemed to be the fair value per Common Unit as determined in good faith by a majority of the Board, and if such Managers are unable to reach a decision on the Current Market Price, the Current Market Price shall be determined by a nationally recognized investment banking firm, accounting firm or valuation firm mutually acceptable to a majority of the Board and the Supermajority Holders.

"Equity Security" means any Membership Interest (including Units) in the Company.

"Options" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Purchase Price" means the amount of $10.00 per Series A Preferred Unit, as appropriately adjusted for any unit splits, dividends of Series A Preferred Units, recapitalizations, conversions, combinations or similar transactions with respect to the Series A Preferred Units, or such other price per Series A Preferred Unit as approved by the Board and the Supermajority Holders in accordance with the Contribution Agreement.

"Qualified Holder" means a holder of Series A Preferred Units who at the time in question is a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act.

2. Ranking.

The Series A Preferred Units shall rank senior in right of preference to all Common Units and all other Membership Interests or Equity Securities, whether now or hereafter authorized or issued, with respect to distributions, distributions, liquidation, dissolution or winding up, except to the extent expressly provided otherwise in any instrument creating or designating the terms, preferences and rights of Membership Interests or Equity Securities authorized and issued pursuant to Section 4.6 or Section 8.4(b) of the Operating Agreement. The Series A Preferred Units shall rank *pari passu* with the Series B Convertible Preferred Units and the Series C Convertible Preferred Units, except with respect to distributions taking into account the Threshold Value of the Series B Convertible Preferred Units and the Series C Convertible Preferred Units.

3. Distributions.

As long as any Series A Preferred Units are outstanding and, if Series A Preferred Units have been converted, until such time as the holder thereof has received the Preference Amount in respect thereof, (i) except as provided in Section 7.1(c) of the Operating Agreement, no distribution (other than a dividend payable solely in Common Units) shall be paid on any Common Units or other Equity Securities ranking junior to the Series A Preferred Units with respect to distributions and (ii) no Common Units or other Equity Securities ranking junior to the Series A Preferred Units with respect to distributions shall be purchased, redeemed or acquired by the Company and no monies shall be paid into or set aside or made available for a sinking fund for the purchase, redemption or acquisition of any such Common Units or other Equity Securities; provided that this restriction shall not apply to (A) the repurchase of Equity Securities pursuant to the Operating Agreement or the Contribution Agreement, (B) the repurchase of Equity Securities from managers, directors or employees of, or consultants to, the Company or a Subsidiary of the Company pursuant to agreements under which the Company or a Subsidiary of the Company has the option to repurchase such securities upon the occurrence of certain events, such as the termination of service to the Company or any such Subsidiary, (C) distributions paid upon the occurrence of a Liquidation Event, or (D) dividends, distributions, purchases, redemptions or acquisitions for which the Company has obtained the consent of the Supermajority Holders.

4. Conversion Rights.

(a) Qualified Public Offering Conversion. Upon and immediately prior to the consummation of a Qualified Public Offering, all outstanding Series A Preferred Units shall automatically be converted into fully paid and nonassessable (except to the extent specified in the Act) cash and/or Common Units in accordance with subparagraph 4(b), without any further act of the Company or any holders of Series A Preferred Units, it being understood that, in connection with a Qualified Public Offering, all outstanding Series A Preferred Units will be converted in the IPO Conversion into shares of series A preferred stock of the IPO Corporation and that, upon conversion of such shares of series A preferred stock by the holders thereof, such holders will receive shares of common stock of the IPO Corporation rather than Common Units.

(b) Calculation of Number of Common Units and Cash Issuable Upon Conversion .

(i) For purposes of subparagraph 4(a) above, each Series A Preferred Unit shall convert into (x) cash in the amount of the Preference Amount of such Unit as of the date of consummation of the Qualified Public Offering except to the extent Common Units are issued in lieu thereof pursuant to subparagraph 4(b)(ii), plus (y) the number of Common Units into which such Series A Preferred Unit would be convertible if such Unit were convertible at the consummation of the Qualified Public Offering at the Conversion Ratio at that time in effect.

(ii) The Company shall give the holders of record of the Series A Preferred Units at least 30 days but no more than 180 days prior written notice of the possibility of a Qualified Public Offering, in which event each such holder may give the Company written notice within 15 days of receipt of such notice that such holder elects to receive, in lieu of the cash to be received pursuant to subparagraph 4(b)(i)(x), a number of Common Units calculated by dividing (x) the Preference Amount of such holder's Series A Preferred Unit as of the date of consummation of such Qualified Public Offering, by (y) the initial public offering price of the Common Unit in the Qualified Public Offering less all underwriters' discounts and commissions (rounded down to the nearest whole Unit), and if the Qualified Public Offering is so consummated, then the holders which gave such notice shall receive such Common Units in lieu of the cash receivable pursuant to subparagraph 4(b)(i)(x), and all other holders of Series A Preferred Units shall receive the cash

payment provided in subparagraph 4(b)(i)(x); provided, however, that the Company shall not be required to deliver Common Units (and shall instead deliver cash), pursuant to this subparagraph 4(b)(ii) to any holder that is not a Qualified Holder to the extent necessary or advisable to comply with applicable securities Laws, as determined in good faith by the Company.

(c) Mechanics of Conversion. Upon the date of consummation of a Qualified Public Offering (the **"Conversion Date"),** the outstanding Series A Preferred Units shall be converted into the property referred to in subparagraph 4(b) automatically without any action by the Company or the holders of such Units and whether or not the certificates representing such Units are surrendered to the Company or its transfer agent for the Series A Preferred Units; provided that the Company shall not be obligated to issue to any holder certificates representing the Common Units issuable upon such conversion unless certificates representing the Series A Preferred Units, endorsed directly or through unit powers to the Company or in blank and accompanied with appropriate evidence of the signatory's authority, are delivered to the Company or any transfer agent of the Company for the Series A Preferred Units. If the certificate representing Common Units issuable upon conversion of the Series A Preferred Units is to be issued in a name other than the name on the face of the certificate representing such Series A Preferred Units, such certificate shall be accompanied by such evidence of the assignment and such evidence of the signatory's authority with respect thereto as deemed appropriate by the Company or its transfer agent for the Series A Preferred Units and such certificate shall be in proper form for transfer and endorsed directly or through unit powers to the Person in whose name the Common Units are to be issued or to the Company or in blank. Conversion shall be deemed to have been effected on the date of consummation of the Qualified Public Offering. Subject to the provisions of subparagraph 4(e)(vi), as promptly as practicable after the Conversion Date (and after surrender of the certificate or certificates representing the Series A Preferred Units to the Company or any transfer agent of the Company for the Series A Preferred Units in the case of any such conversion), the Company shall issue and deliver to or upon the written order of such holder a certificate or certificates for the number of full Common Units to which such holder is entitled upon such conversion, rounded to the nearest whole Common Unit. The Person in whose name the certificate or certificates for Common Units are to be issued shall be deemed to have become a holder of record of such Common Units on the Conversion Date.

(d) Fractional Units. If any fractional interest in a Common Unit would, except for the provisions of this subparagraph 4(d), be deliverable upon any conversion of Series A Preferred Units, the Company, in lieu of delivering such fractional Common Unit, shall pay an amount in cash to the holder of such fractional interest equal to the price per unit, to the public in the Qualified Public Offering multiplied by such fractional interest as of the Conversion Date. All Common Units issuable to a holder shall be aggregated for purposes of determining whether a fractional interest shall result from any conversion.

(e) Conversion Price Adjustments. The Conversion Price shall be subject to adjustment from time to time as follows:

(i) Common Units Issued at less than Conversion Price. If and whenever, on or after the date of this Designation, the Company issues or, sells, or is deemed to have issued or sold, any Common Units (other than Excluded Units) for consideration per Unit less than the Conversion Price in effect immediately prior to the time of such issue or sale, then immediately upon such issue or sale, the Conversion Price shall be reduced to the price determined by multiplying the Conversion Price in effect immediately prior to such time by a fraction:

(1) the numerator of which shall be (x) the number of Common Units outstanding immediately prior to such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to

occur at such time and the conversion of all Convertible Securities (as defined below) that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time, plus (y) the number of Common Units which the aggregate consideration received by the Company for the total number of additional Common Units so issued or sold would purchase at the Conversion Price in effect immediately prior to such issue or sale; and

(2) the denominator of which shall be the number of Common Units outstanding immediately after such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to occur at such time and the conversion of all Convertible Securities that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time pursuant to the Operating Agreement.

For purposes of this subparagraph 4(e), **"Excluded Units"** means Common Units (in each case as adjusted for any unit splits, unit dividends, recapitalizations, conversions, combinations or similar transactions) (i) issued upon conversion of the Convertible Preferred Units, (ii) issued pursuant to one or more Approved Plans, and (iii) issued pursuant to unit splits, unit dividends, recapitalizations, reorganizations, conversions, mergers or consolidations contemplated by subparagraphs 4(e)(iii) or 4(e)(iv). For purposes of this subparagraph 4(e), outstanding Series A Preferred Units will be deemed convertible at all times into Common Units, where each Series A Preferred Unit is deemed convertible into the greatest whole number of Common Units which would be issuable upon conversion of such Series A Preferred Unit if the Series A Preferred Unit were then convertible at the Conversion Ratio then in effect.

(ii) Options and Convertible Securities. For purposes of determining the adjusted Conversion Price under subparagraph 4(e)(i), the following shall be applicable:

(1) If the Company in any manner issues or grants any options, warrants, or similar rights ("Options") to purchase or acquire Common Units or Equity Securities convertible or exchangeable, with or without consideration, into or for Common Units ("Convertible Securities") and the price per share for which Common Units issuable upon the exercise of such Options or upon conversion or exchange of such Convertible Securities is less than the Conversion Price in effect immediately prior to the time of the granting of such Options, then the total maximum number of Common Units issuable upon the exercise of such Options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or grant. For purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such Options, plus the minimum aggregate amount of additional consideration payable to the Company upon exercise of all such Options, plus, in the case of such Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Company upon the issuance or sale of such Convertible Securities and the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the exercise of such Options or upon the conversion or exchange of all such

Convertible Securities issuable upon the exercise of such Options. No further adjustment of the Conversion Price shall be made when Convertible Securities are actually issued upon the exercise of such Options or when Common Units are actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(2) If the Company in any manner issues or sells any Convertible Securities and the price per unit for which Common Units are issuable upon such conversion or exchange is less than the Conversion Price in effect immediately prior to the time of such issue or sale, then the maximum number of Common Units issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or sale. For the purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the Conversion Price shall be made when Common Units are actually issued upon the conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Conversion Price had been or are to be made pursuant to other provisions of this subparagraph 4(e), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the purchase price provided for in any Options, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Units, changes at any time (other than pursuant to anti-dilution provisions that are no more favorable to the holders thereof than those contained herein), the Conversion Price in effect at the time of such change shall be readjusted to the Conversion Price which would have been in effect at such time had an adjustment been made upon the issuance of such Options or Convertible Securities still outstanding on the basis of such changed purchase price, additional consideration, or changed conversion rate, as the case may be, at the time initially, granted, issued, or sold.

(4) Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Security without the exercise of any such Option or right, the Conversion Price then in effect shall be adjusted to the Conversion Price which would have been in effect at the time of such expiration or termination had such Option or Convertible Security, to the extent outstanding immediately prior to such expiration or termination, never been issued.

(5) If any Common Unit, Option or Convertible Security is issued or sold or deemed to have been issued or sold for cash, the consideration received for such Common Unit, Option or Convertible Security shall be deemed to be the net amount received by the Company for such Common Unit, Option or Convertible Security. In case any Common Unit, Option or Convertible Security is issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be the Current Market Price of such Common Unit, Option or Convertible Security as of the date of receipt. If any Common Unit, Option or

Convertible Security is issued in connection with any merger in which the Company is the surviving entity, the amount of consideration for such Common Unit, Option or Convertible Security shall be deemed to be the Current Market Price of such portion of the net assets and business of the non-surviving entity as is attributable to such Common Unit, Option or Convertible Security, as the case may be.

(6) In case any Option is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no specific consideration is allocated to such Option by the parties to such transaction, the Option shall be deemed to have been issued for a consideration of $0.001.

(7) The number of Common Units outstanding at any given time does not include units owned or held by or for the account of the Company or any Subsidiary of the Company, and the Disposition of any units so owned or held shall be considered an issue or sale of Common Units.

(8) If the Company takes a record of the holders of Common Units for the purpose of entitling them (a) to receive a dividend or other distribution payable in Common Units, Options or Convertible Securities or (b) to subscribe for or purchase Common Units, Options or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the Common Units deemed to have been issued or sold upon the declaration of such dividend or upon the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(iii) Subdivision or Combination of Common Units. If the Company at any time subdivides (by any unit split, unit dividend, recapitalization or otherwise) its outstanding Common Units into a greater number of units, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced so that the conversion of the Series A Preferred Units after such time shall entitle the holder to receive the aggregate number of Common Units or other Equity Securities which, if the Series A Preferred Units had been converted immediately prior to such time, such holder would have owned upon such conversion and been entitled to receive by virtue of such unit split, unit dividend, recapitalization, merger, consolidation or otherwise, and if the Company at any time combines (by reverse unit split or otherwise) its outstanding Common Units into a smaller number of units, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

(iv) Reorganization, Mergers, Consolidations, or Sales of Assets. Subject to paragraph 4, if at any time or from time to time there shall be a capital reorganization of the Common Units (other than a subdivision, combination, reclassification or exchange of units, provided for elsewhere in this subparagraph 4(e) or that constitutes a Liquidation Event), or a merger or consolidation of the Company with or into another entity then, as a part of such reorganization, merger, or consolidation, provision shall be made so that the holders of the Series A Preferred Units shall, after such reorganization, merger, or consolidation, be entitled to receive upon conversion of the Series A Preferred Units (i) the consideration payable pursuant to subparagraph 4(b)(i)(x) and (ii) Common Units (or other equity securities) of the Company or of the successor entity resulting from such merger or consolidation, other securities and/or property to which the Common Units issuable upon conversion of the Series A Preferred Units pursuant to subparagraph 4(b)(i)(y) at the then Conversion Ratio (as in effect immediately prior to such reorganization, merger or consolidation) would have been entitled to receive upon such reorganization, merger or consolidation if such Series A Preferred Units were then convertible at the Conversion Ratio at that time, and Common Units issuable in connection with a conversion of

the Series A Preferred Units after such reorganization, merger or consolidation shall refer to the Common Units (or other equity securities), other securities and/or property to be issued in respect of Common Units in connection with such reorganization, merger or consolidation. If the holders of Common Units have the right to elect the kind and amount of consideration receivable upon consummation of such transaction, then the holders of the Series A Preferred Units, in connection with such transaction and at the same time holders of Common Units are allowed to make such election, shall be given the right to make a similar election with respect to the consideration into which the Series A Preferred Units shall thereafter be convertible.

(v) Certain Events; No Impairment. If any event occurs of the type contemplated by the provisions of this subparagraph 4(e) but not expressly provided for by such provisions, then the Board shall make an appropriate adjustment in the Conversion Price so as to protect the rights of the holders of Series A Preferred Units. The Company shall not avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Designation by the Company but shall at all times in good faith assist in the carrying out of all the provisions of this subparagraph 4(e) and in the taking of all actions that may be necessary or appropriate to protect the rights of the holders of the Series A Preferred Units against impairment.

(vi) Timing of Issuance of Additional Common Units Upon Certain Adjustments. In any case in which the provisions of this subparagraph 4(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (A) issuing to the holder of any Series A Preferred Units converted after such record date and before the occurrence of such event the additional Common Units issuable upon such conversion by reason of the adjustment required by such event over and above the Common Units issuable upon such conversion before giving effect to such adjustment and (B) paying to such holder any amount of cash in lieu of a fractional Common Unit pursuant to subparagraph 4(d); provided that the Company upon request shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional Units, and such cash, upon the occurrence of the event requiring such adjustment.

(f) Statement Regarding Adjustments. Whenever the Conversion Price shall be adjusted as provided in subparagraph 4(e), the Company shall forthwith file, at the office of any transfer agent for the Series A Preferred Units and at the principal office of the Company, a statement showing in detail the facts requiring such adjustment and the Conversion Price that shall be in effect after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each holder of Series A Preferred Units at its address appearing on the Company's records. Each such statement shall be signed by the Company's Chief Financial Officer. Where appropriate, such copy may be given in advance and may be included as part of a notice required to be mailed under the provisions of subparagraph 4(g). The Company shall, upon written request at any time of any holder of any Series A Preferred Units, furnish or cause to be furnished to such holder a certificate setting forth (i) all adjustments and readjustments to the Conversion Price, (ii) the Conversion Ratio at the time in effect, and (iii) the number of Common Units and the amount, if any, of other property which at the time would be received upon the conversion of such holder's Series A Preferred Units if such Units were convertible at such time at the Conversion Ratio at that time in effect.

(g) Notice to Holders. In the event the Company shall propose to take any action of the type described in clauses (i) (but only if the action of the type described in clause (i) would result in an adjustment in the Conversion Price), (iii) or (iv) of subparagraph 4(e), the Company shall give notice to each holder of Series A Preferred Units, in the manner set forth in subparagraph 4(f), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be

reasonably necessary to indicate the effect on the Conversion Price and the number, kind or class of units or other securities or property which shall be deliverable upon conversion of the Series A Preferred Units. Except as otherwise provided herein, (x) in the Case of any action that would require the fixing of a record date, such notice shall be given at least five days prior to the date so fixed; and (y) in the case of all other action, such notice shall be given at least five days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(h) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance of delivery of Common Units upon conversion of any of the Series A Preferred Units or deemed issuances pursuant to this paragraph 4; provided that the Company shall not be required to pay any federal or state income taxes or foreign or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Units in a name other than that of the holder of the Series A Preferred Units in respect of which such shares are registered with the Company.

(i) Reservation of Common Units. The Company shall at all times reserve and keep available out of its authorized but unissued Common Units, solely for the purpose of effecting the conversion of Series A Preferred Units, such number of Common Units as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Units, and if at any time the number of authorized but unissued Common Units shall not be sufficient to effect the conversion of all then outstanding Series A Preferred Units, the Company shall take such limited liability company action as may be necessary to increase its authorized but unissued Common Units to such number of Common Units as shall be sufficient for such purpose.

(j) Notice. Any notice required by the provisions of this paragraph 4 to be given to the holders of the Series A Preferred Units shall be deemed given upon personal delivery, upon delivery by nationally recognized overnight delivery service with proof of receipt maintained, upon delivery by telecopy with receipt confirmed or five business days after deposit in the United States mail, certified mail, return receipt requested, postage prepaid, and addressed to each holder of record at such holder's address appearing on the Company's books.

(k) Registration of Transfer. The Company shall keep at its principal office a register for the registration of the Series A Preferred Units. Upon the surrender of any certificate representing Series A Preferred Units at such place, the Company shall, at the request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange for such surrendered certificate representing in the aggregate the number of Series A Preferred Units represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of Series A Preferred Units as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate.

(l) Replacement. Upon receipt of evidence of the ownership and the loss, theft, destruction, or mutilation of any certificate evidencing Series A Preferred Units and, in the case of any such loss, theft, or destruction, an indemnity reasonably satisfactory to the Company or, in the case of any mutilation, upon surrender of such certificate the Company shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Series A Preferred Units represented by such lost, stolen, destroyed, or mutilated certificate.

5. Voting Rights.

(a) General. The holders of Series A Preferred Units shall be entitled to vote with the holders of the Common Units on all matters submitted to a vote of Members or Unitholders of the

Company, except as otherwise expressly provided by applicable Law, in the Memorandum of Association of the Company, the Articles of Association of the Company or the Operating Agreement (including any Series Designation of Preferred Units adopted in accordance with the Operating Agreement). Each holder of Series A Preferred Units shall be entitled to the number of votes equal to the largest number of full Common Units into which all Series A Preferred Units held of record by such holder could then be converted at the Conversion Ratio if the Series A Preferred Units were convertible at the record date for the determination of the Members or Unitholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of Members or Unitholders is first executed. The holders of Series A Preferred Units shall be entitled to notice of any meeting of Members or Unitholders in accordance with the Operating Agreement.

(b) Protective Provisions. So long as any Series A Preferred Units are outstanding, and in addition to any other vote required by applicable Law, the Company will not, without the approval of the holders of at least 75% of the then outstanding Series A Preferred Units (excluding Series A Preferred Units held by any Defaulting Investor (as defined in the Contribution Agreement)) given in writing (including by facsimile) or by vote at a meeting, consenting or voting (as the case may be) separately as a class, amend, change, alter, modify or repeal (whether by merger, consolidation or otherwise) any of the designations, preferences or relative or other rights of the Series A Preferred Units, *provided, however,* that (i) any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of any holder of Series A Preferred Units, in its capacity as a holder of Series A Preferred Units, without similarly affecting the rights hereunder of all holders of Series A Preferred Units in their capacities as holders of Series A Preferred Units, shall not be effective as to such holder without such holder's prior written consent, and (ii) subject to Section 15.5(iv) of the Operating Agreement, any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of Blackstone (as defined in the Operating Agreement) shall not be effective as to Blackstone without Blackstone's prior written consent.

6. Headings of Subdivisions.

The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

7. Severability of Provisions.

If any right, preference or limitation of the Series A Preferred Units set forth in this Designation (as such may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this Designation (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

8. Status of Reacquired Units.

Any Series A Preferred Units that are redeemed or otherwise acquired by the Company shall be canceled and shall cease to be part of the authorized Membership Interests (including Units) of the Company.

EXHIBIT B-2

SERIES B CONVERTIBLE PREFERRED UNIT DESIGNATION

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT
EXHIBIT B-2

DESIGNATION OF POWERS, PREFERENCES AND
RELATIVE PARTICIPATING, OPTIONAL OR OTHER
SPECIAL RIGHTS AND RELATIVE QUALIFICATIONS,
LIMITATIONS OR RESTRICTIONS OF
THE SERIES B CONVERTIBLE
PREFERRED UNITS OF
KOSMOS ENERGY HOLDINGS (THE "DESIGNATION")

Pursuant to that certain Third Amended and Restated Operating Agreement of Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company"), dated June 18, 2008, a series of the Preferred Units of the Company designated the "Series B Convertible Preferred Units" (the "Series B Preferred Units") consisting of 20,000,000 Units was created. Pursuant to that certain Fourth Amended and Restated Operating Agreement of the Company dated October 9, 2009 (as the same may be amended from time to time, the "Operating Agreement"), to which this Designation is attached as an exhibit, the powers, preferences and relative participating, optional or other special rights and relative qualifications, limitations or restrictions of the Series B Preferred Units shall be amended and restated (in addition to those set forth elsewhere in the Operating Agreement) as follows:

1. Certain Definitions.

Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated. Capitalized terms used in this Designation but not otherwise defined herein shall have the meanings ascribed to them in the Operating Agreement.

"Approved Plan" means the provisions of Article 10 of the Operating Agreement as in effect on the date of the Operating Agreement and any other similar unit incentive, plan or arrangement that is approved by the Supermajority Holders.

"Common Units" means any units of Membership Interests of the Company now or hereafter authorized to be issued as common units, and any and all securities of any kind whatsoever of the Company which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of such common units pursuant to a merger, conversion, consolidation, unit split, unit dividend, recapitalization of the Company or otherwise.

"Contribution Agreement" means that certain Second Amended and Restated Contribution Agreement of even date with the Operating Agreement, as may be amended or restated from time to time, among the Company and the investors party thereto relating to the sale and issuance of the Convertible Preferred Units.

"Conversion Date" shall have the meaning set forth in subparagraph 4(c).

"Conversion Price" shall initially mean the Purchase Price and shall be adjusted from time to time pursuant to subparagraph 4(e).

"Conversion Ratio" shall mean the ratio of the Purchase Price to the Conversion Price.

"Convertible Securities" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Current Market Price" at any date shall mean, in the event the Common Units are traded in the over the counter market or on a national or regional securities exchange, the average of the daily closing

prices per Common Unit for 30 consecutive trading days ending three trading days before such date (as adjusted for any Unit dividend, split, combination or reclassification that took effect during such 33 trading day period). The closing price for each day shall be the last reported sale price regular way or, in case no such reported sale takes place on such day, the average of the last closing bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Units are listed or admitted to trading, or if not listed or admitted to trading on any national securities exchange, the closing sale price for such day reported by Nasdaq, if the Common Units are traded over-the-counter and quoted in the National Market System, or if the Common Units are so traded, but not so quoted, the average of the closing reported bid and asked prices of the Common Units as reported by Nasdaq or any comparable system, or, if the Common Units are not listed on Nasdaq or any comparable system, the average of the closing bid and asked prices as furnished by two members of the National Association of Securities Dealers, Inc. selected from time to time by the Board for that purpose. If the Common Units are not publicly traded or are not traded in such manner that the quotations referred to above are available for the period required hereunder, Current Market Price per Common Unit shall be deemed to be the fair value per Common Unit as determined in good faith by a majority of the Board, and if such Managers are unable to reach a decision on the Current Market Price, the Current Market Price shall be determined by a nationally recognized investment banking firm, accounting firm or valuation firm mutually acceptable to a majority of the Board and the Supermajority Holders.

"Equity Security" means any Membership Interest (including Units) in the Company.

"Options" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Purchase Price" means the amount of $25.00 per Series B Preferred Unit, as appropriately adjusted for any unit splits, dividends of Series B Preferred Units, recapitalizations, conversions, combinations or similar transactions with respect to the Series B Preferred Units, or such other price per Series B Preferred Unit as approved by the Board and the Supermajority Holders in accordance with the Contribution Agreement.

"Qualified Holder" means a holder of Series B Preferred Units who at the time in question is a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act.

2. Ranking.

The Series B Preferred Units shall rank senior in right of preference to all Common Units and all other Membership Interests or Equity Securities, whether now or hereafter authorized or issued, with respect to distributions, distributions, liquidation, dissolution or winding up, except to the extent expressly provided otherwise in any instrument creating or designating the terms, preferences and rights of Membership Interests or Equity Securities authorized and issued pursuant to Section 4.6 or Section 8.4(b) of the Operating Agreement. The Series B Preferred Units shall rank *pari passu* with the Series A Convertible Preferred Units and the Series C Convertible Preferred Units, except with respect to distributions taking into account the Threshold Value of the Series B Preferred Units and the Series C Convertible Preferred Units.

3. Distributions.

As long as any Series B Preferred Units are outstanding and, if Series B Preferred Units have been converted, until such time as the holder thereof has received the Preference Amount in respect thereof, (i) except as provided in Section 7.1(c) of the Operating Agreement, no distribution (other than a dividend payable solely in Common Units) shall be paid on any Common Units or other Equity Securities ranking junior to the Series B Preferred Units with respect to distributions and (ii) no Common Units or

other Equity Securities ranking junior to the Series B Preferred Units with respect to distributions shall be purchased, redeemed or acquired by the Company and no monies shall be paid into or set aside or made available for a sinking fund for the purchase, redemption or acquisition of any such Common Units or other Equity Securities; provided that this restriction shall not apply to (A) the repurchase of Equity Securities pursuant to the Operating Agreement or the Contribution Agreement, (B) the repurchase of Equity Securities from managers, directors or employees of, or consultants to, the Company or a Subsidiary of the Company pursuant to agreements under which the Company or a Subsidiary of the Company has the option to repurchase such securities upon the occurrence of certain events, such as the termination of service to the Company or any such Subsidiary, (C) distributions paid upon the occurrence of a Liquidation Event, or (D) dividends, distributions, purchases, redemptions or acquisitions for which the Company has obtained the consent of the Supermajority Holders.

4. Conversion Rights.

(a) Qualified Public Offering Conversion. Upon and immediately prior to the consummation of a Qualified Public Offering, all outstanding Series B Preferred Units shall automatically be converted into fully paid and nonassessable (except to the extent specified in the Act) cash and/or Common Units in accordance with subparagraph 4(b), without any further act of the Company or any holders of Series B Preferred Units, it being understood that, in connection with a Qualified Public Offering, all outstanding Series B Preferred Units will be converted in the IPO Conversion into shares of series B preferred stock of the IPO Corporation, and that, upon conversion of such shares of series B preferred stock by the holders thereof, such holders will receive shares of common stock of the IPO Corporation rather than Common Units.

(b) Calculation of Number of Common Units and Cash Issuable Upon Conversion .

(i) For purposes of subparagraph 4(a) above, each Series B Preferred Unit shall convert into (x) cash in the amount of the Preference Amount of such Unit as of the date of consummation of the Qualified Public Offering except to the extent Common Units are issued in lieu thereof pursuant to subparagraph 4(b)(ii), plus (y) the number of Common Units into which such Series B Preferred Unit would be convertible if such Unit were convertible at the consummation of the Qualified Public Offering at the Conversion Ratio at that time in effect.

(ii) The Company shall give the holders of record of the Series B Preferred Units at least 30 days but no more than 180 days prior written notice of the possibility of a Qualified Public Offering, in which event each such holder may give the Company written notice within 15 days of receipt of such notice that such holder elects to receive, in lieu of the cash to be received pursuant to subparagraph 4(b)(i)(x), a number of Common Units calculated by dividing (x) the Preference Amount of such holder's Series B Preferred Unit as of the date of consummation of such Qualified Public Offering, by (y) the initial public offering price of the Common Unit in the Qualified Public Offering less all underwriters' discounts and commissions (rounded down to the nearest whole Unit), and if the Qualified Public Offering is so consummated, then the holders which gave such notice shall receive such Common Units in lieu of the cash receivable pursuant to subparagraph 4(b)(i)(x), and all other holders of Series B Preferred Units shall receive the cash payment provided in subparagraph 4(b)(i)(x); provided, however, that the Company shall not be required to deliver Common Units (and shall instead deliver cash), pursuant to this subparagraph 4(b)(ii) to any holder that is not a Qualified Holder to the extent necessary or advisable to comply with applicable securities Laws, as determined in good faith by the Company.

(c) Mechanics of Conversion. Upon the date of consummation of a Qualified Public Offering (the **"Conversion Date"),** the outstanding Series B Preferred Units shall be converted into the

property referred to in subparagraph 4(b) automatically without any action by the Company or the holders of such Units and whether or not the certificates representing such Units are surrendered to the Company or its transfer agent for the Series B Preferred Units; provided that the Company shall not be obligated to issue to any holder certificates representing the Common Units issuable upon such conversion unless certificates representing the Series B Preferred Units, endorsed directly or through unit powers to the Company or in blank and accompanied with appropriate evidence of the signatory's authority, are delivered to the Company or any transfer agent of the Company for the Series B Preferred Units. If the certificate representing Common Units issuable upon conversion of the Series B Preferred Units is to be issued in a name other than the name on the face of the certificate representing such Series B Preferred Units, such certificate shall be accompanied by such evidence of the assignment and such evidence of the signatory's authority with respect thereto as deemed appropriate by the Company or its transfer agent for the Series B Preferred Units and such certificate shall be in proper form for transfer and endorsed directly or through unit powers to the Person in whose name the Common Units are to be issued or to the Company or in blank. Conversion shall be deemed to have been effected on the date of consummation of the Qualified Public Offering. Subject to the provisions of subparagraph 4(e)(vi), as promptly as practicable after the Conversion Date (and after surrender of the certificate or certificates representing the Series B Preferred Units to the Company or any transfer agent of the Company for the Series B Preferred Units in the case of any such conversion), the Company shall issue and deliver to or upon the written order of such holder a certificate or certificates for the number of full Common Units to which such holder is entitled upon such conversion, rounded to the nearest whole Common Unit. The Person in whose name the certificate or certificates for Common Units are to be issued shall be deemed to have become a holder of record of such Common Units on the Conversion Date.

(d) Fractional Units. If any fractional interest in a Common Unit would, except for the provisions of this subparagraph 4(d), be deliverable upon any conversion of Series B Preferred Units, the Company, in lieu of delivering such fractional Common Unit, shall pay an amount in cash to the holder of such fractional interest equal to the price per unit to the public in the Qualified Public Offering multiplied by such fractional interest as of the Conversion Date. All Common Units issuable to a holder shall be aggregated for purposes of determining whether a fractional interest shall result from any conversion.

(e) Conversion Price Adjustments. The Conversion Price shall be subject to adjustment from time to time as follows:

(i) Common Units Issued at less than Conversion Price. If and whenever, on or after the date of this Designation, the Company issues or sells, or is deemed to have issued or sold, any Common Units (other than Excluded Units) for consideration per Unit less than the Conversion Price in effect immediately prior to the time of such issue or sale, then immediately upon such issue or sale, the Conversion Price shall be reduced to the price determined by multiplying the Conversion Price in effect immediately prior to such time by a fraction:

(1) the numerator of which shall be (x) the number of Common Units outstanding immediately prior to such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to occur at such time and the conversion of all Convertible Securities (as defined below) that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time, plus (y) the number of Common Units which the aggregate consideration received by the Company for the total number of additional Common Units so issued or sold would purchase at the Conversion Price in effect immediately prior to such issue or sale; and

(2) the denominator of which shall be the number of Common Units outstanding immediately after such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to occur at such time and the conversion of all Convertible Securities that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time pursuant to the Operating Agreement.

For purposes of this subparagraph 4(e), **"Excluded Units"** means Common Units (in each case as adjusted for any unit splits, unit dividends, recapitalizations, conversions, combinations or similar transactions) (i) issued upon conversion of the Convertible Preferred Units, (ii) issued pursuant to one or more Approved Plans, and (iii) issued pursuant to unit splits, unit dividends, recapitalizations, reorganizations, conversions, mergers or consolidations contemplated by subparagraphs 4(e)(iii) or 4(e)(iv). For purposes of this subparagraph 4(e), outstanding Series B Preferred Units will be deemed convertible at all times into Common Units, where each Series B Preferred Unit is deemed convertible into the greatest whole number of Common Units which would be issuable upon conversion of such Series B Preferred Unit if the Series B Preferred Unit were then convertible at the Conversion Ratio then in effect.

(ii) Options and Convertible Securities. For purposes of determining the adjusted Conversion Price under subparagraph 4(e)(i), the following shall be applicable:

(1) If the Company in any manner issues or grants any options, warrants, or similar rights ("Options") to purchase or acquire Common Units or Equity Securities convertible or exchangeable, with or without consideration, into or for Common Units ("Convertible Securities") and the price per share for which Common Units issuable upon the exercise of such Options or upon conversion or exchange of such Convertible Securities is less than the Conversion Price in effect immediately prior to the time of the granting of such Options, then the total maximum number of Common Units issuable upon the exercise of such Options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or grant. For purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such Options, plus the minimum aggregate amount of additional consideration payable to the Company upon exercise of all such Options, plus, in the case of such Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Company upon the issuance or sale of such Convertible Securities and the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options. No further adjustment of the Conversion Price shall be made when Convertible Securities are actually issued upon the exercise of such Options or when Common Units are actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(2) If the Company in any manner issues or sells any Convertible Securities and the price per unit for which Common Units are issuable upon such conversion or exchange is less than the Conversion Price in effect immediately prior to the time of such

issue or sale, then the maximum number of Common Units issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or sale. For the purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the Conversion Price shall be made when Common Units are actually issued upon the conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Conversion Price had been or are to be made pursuant to other provisions of this subparagraph 4(e), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the purchase price provided for in any Options, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Units, changes at any time (other than pursuant to anti-dilution provisions that are no more favorable to the holders thereof than those contained herein), the Conversion Price in effect at the time of such change shall be readjusted to the Conversion Price which would have been in effect at such time had an adjustment been made upon the issuance of such Options or Convertible Securities still outstanding on the basis of such changed purchase price, additional consideration, or changed conversion rate, as the case may be, at the time initially, granted, issued, or sold.

(4) Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Security without the exercise of any such Option or right, the Conversion Price then in effect shall be adjusted to the Conversion Price which would have been in effect at the time of such expiration or termination had such Option or Convertible Security, to the extent outstanding immediately prior to such expiration or termination, never been issued.

(5) If any Common Unit, Option or Convertible Security is issued or sold or deemed to have been issued or sold for cash, the consideration received for such Common Unit, Option or Convertible Security shall be deemed to be the net amount received by the Company for such Common Unit, Option or Convertible Security. In case any Common Unit, Option or Convertible Security is issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be the Current Market Price of such Common Unit, Option or Convertible Security as of the date of receipt. If any Common Unit, Option or Convertible Security is issued in connection with any merger in which the Company is the surviving entity, the amount of consideration for such Common Unit, Option or Convertible Security shall be deemed to be the Current Market Price of such portion of the net assets and business of the non-surviving entity as is attributable to such Common Unit, Option or Convertible Security, as the case may be.

(6) In case any Option is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no

specific consideration is allocated to such Option by the parties to such transaction, the Option shall be deemed to have been issued for a consideration of $0.001.

(7) The number of Common Units outstanding at any given time does not include units owned or held by or for the account of the Company or any Subsidiary of the Company, and the Disposition of any units so owned or held shall be considered an issue or sale of Common Units.

(8) If the Company takes a record of the holders of Common Units for the purpose of entitling them (a) to receive a dividend or other distribution payable in Common Units, Options or Convertible Securities or (b) to subscribe for or purchase Common Units, Options or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the Common Units deemed to have been issued or sold upon the declaration of such dividend or upon the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(iii) Subdivision or Combination of Common Units. If the Company at any time subdivides (by any unit split, unit dividend, recapitalization or otherwise) its outstanding Common Units into a greater number of units, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced so that the conversion of the Series B Preferred Units after such time shall entitle the holder to receive the aggregate number of Common Units or other Equity Securities which, if the Series B Preferred Units had been converted immediately prior to such time, such holder would have owned upon such conversion and been entitled to receive by virtue of such unit split, unit dividend, recapitalization, merger, consolidation or otherwise, and if the Company at any time combines (by reverse unit split or otherwise) its outstanding Common Units into a smaller number of units, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

(iv) Reorganization, Mergers, Consolidations, or Sales of Assets. Subject to paragraph 4, if at any time or from time to time there shall be a capital reorganization of the Common Units (other than a subdivision, combination, reclassification or exchange of units, provided for elsewhere in this subparagraph 4(e) or that constitutes a Liquidation Event), or a merger or consolidation of the Company with or into another entity then, as a part of such reorganization, merger, or consolidation, provision shall be made so that the holders of the Series B Preferred Units shall, after such reorganization, merger, or consolidation, be entitled to receive upon conversion of the Series B Preferred Units (i) the consideration payable pursuant to subparagraph 4(b)(i)(x) and (ii) Common Units (or other equity securities) of the Company or of the successor entity resulting from such merger or consolidation, other securities and/or property to which the Common Units issuable upon conversion of the Series B Preferred Units pursuant to subparagraph 4(b)(i)(y) at the then Conversion Ratio (as in effect immediately prior to such reorganization, merger or consolidation) would have been entitled to receive upon such reorganization, merger or consolidation if such Series B Preferred Units were then convertible at the Conversion Ratio at that time, and Common Units issuable in connection with a conversion of the Series B Preferred Units after such reorganization, merger or consolidation shall refer to the Common Units (or other equity securities), other securities and/or property to be issued in respect of Common Units in connection with such reorganization, merger or consolidation. If the holders of Common Units have the right to elect the kind and amount of consideration receivable upon consummation of such transaction, then the holders of the Series B Preferred Units, in connection with such transaction and at the same time holders of Common Units are allowed to make such election, shall be given the right to make a similar election with respect to the consideration into which the Series B Preferred Units shall thereafter be convertible.

(v) Certain Events; No Impairment. If any event occurs of the type contemplated by the provisions of this subparagraph 4(e) but not expressly provided for by such provisions, then the Board shall make an appropriate adjustment in the Conversion Price so as to protect the rights of the holders of Series B Preferred Units. The Company shall not avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Designation by the Company but shall at all times in good faith assist in the carrying out of all the provisions of this subparagraph 4(e) and in the taking of all actions that may be necessary or appropriate to protect the rights of the holders of the Series B Preferred Units against impairment.

(vi) Timing of Issuance of Additional Common Units Upon Certain Adjustments . In any case in which the provisions of this subparagraph 4(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (A) issuing to the holder of any Series B Preferred Units converted after such record date and before the occurrence of such event the additional Common Units issuable upon such conversion by reason of the adjustment required by such event over and above the Common Units issuable upon such conversion before giving effect to such adjustment and (B) paying to such holder any amount of cash in lieu of a fractional Common Unit pursuant to subparagraph 4(d); provided that the Company upon request shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional Units, and such cash, upon the occurrence of the event requiring such adjustment.

(f) Statement Regarding Adjustments. Whenever the Conversion Price shall be adjusted as provided in subparagraph 4(e), the Company shall forthwith file, at the office of any transfer agent for the Series B Preferred Units and at the principal office of the Company, a statement showing in detail the facts requiring such adjustment and the Conversion Price that shall be in effect after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each holder of Series B Preferred Units at its address appearing on the Company's records. Each such statement shall be signed by the Company's Chief Financial Officer. Where appropriate, such copy may be given in advance and may be included as part of a notice required to be mailed under the provisions of subparagraph 4(g). The Company shall, upon written request at any time of any holder of any Series B Preferred Units, furnish or cause to be furnished to such holder a certificate setting forth (i) all adjustments and readjustments to the Conversion Price, (ii) the Conversion Ratio at the time in effect, and (iii) the number of Common Units and the amount, if any, of other property which at the time would be received upon the conversion of such holder's Series B Preferred Units if such Units were convertible at such time at the Conversion Ratio at that time in effect.

(g) Notice to Holders. In the event the Company shall propose to take any action of the type described in clauses (i) (but only if the action of the type described in clause (i) would result in an adjustment in the Conversion Price), (iii) or (iv) of subparagraph 4(e), the Company shall give notice to each holder of Series B Preferred Units, in the manner set forth in subparagraph 4(f), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect on the Conversion Price and the number, kind or class of units or other securities or property which shall be deliverable upon conversion of the Series B Preferred Units. Except as otherwise provided herein, (x) in the case of any action that would require the fixing of a record date, such notice shall be given at least five days prior to the date so fixed; and (y) in the case of all other action, such notice shall be given at least five days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(h) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance of delivery of Common Units upon conversion of any of the Series B Preferred Units or deemed issuances pursuant to this paragraph 4; provided that the Company shall not be required to pay any federal or state income taxes or foreign or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Units in a name other than that of the holder of the Series B Preferred Units in respect of which such shares are registered with the Company.

(i) Reservation of Common Units. The Company shall at all times reserve and keep available out of its authorized but unissued Common Units, solely for the purpose of effecting the conversion of Series B Preferred Units, such number of Common Units as shall from time to time be sufficient to effect the conversion of all outstanding Series B Preferred Units, and if at any time the number of authorized but unissued Common Units shall not be sufficient to effect the conversion of all then outstanding Series B Preferred Units, the Company shall take such limited liability company action as may be necessary to increase its authorized but unissued Common Units to such number of Common Units as shall be sufficient for such purpose.

(j) Notice. Any notice required by the provisions of this paragraph 4 to be given to the holders of the Series B Preferred Units shall be deemed given upon personal delivery, upon delivery by nationally recognized overnight delivery service with proof of receipt maintained, upon delivery by telecopy with receipt confirmed or five business days after deposit in the United States mail, certified mail, return receipt requested, postage prepaid, and addressed to each holder of record at such holder's address appearing on the Company's books.

(k) Registration of Transfer. The Company shall keep at its principal office a register for the registration of the Series B Preferred Units. Upon the surrender of any certificate representing Series B Preferred Units at such place, the Company shall, at the request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange for such surrendered certificate representing in the aggregate the number of Series B Preferred Units represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of Series B Preferred Units as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate.

(l) Replacement. Upon receipt of evidence of the ownership and the loss, theft, destruction, or mutilation of any certificate evidencing Series B Preferred Units and, in the case of any such loss, theft, or destruction, an indemnity reasonably satisfactory to the Company or, in the case of any mutilation, upon surrender of such certificate the Company shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Series B Preferred Units represented by such lost, stolen, destroyed, or mutilated certificate.

5. Voting Rights.

(a) General. The holders of Series B Preferred Units shall be entitled to vote with the holders of the Common Units on all matters submitted to a vote of Members or Unitholders of the Company, except as otherwise expressly provided by applicable Law, in the Memorandum of Association of the Company, the Articles of Association of the Company or the Operating Agreement (including any Series Designation of Preferred Units adopted in accordance with the Operating Agreement). Each holder of Series B Preferred Units shall be entitled to the number of votes equal to the largest number of full Common Units into which all Series B Preferred Units held of record by such holder could then be converted at the Conversion Ratio if the Series B Preferred Units were convertible at the record date for the determination of the Members or Unitholders entitled to vote on such matters or, if no such record

date is established, at the date such vote is taken or any written consent of Members or Unitholders is first executed. The holders of Series B Preferred Units shall be entitled to notice of any meeting of Members or Unitholders in accordance with the Operating Agreement.

(b) Protective Provisions. So long as any Series B Preferred Units are outstanding, and in addition to any other vote required by applicable Law, the Company will not, without the approval of the holders of at least 75% of the then outstanding Series B Preferred Units (excluding Series B Preferred Units held by any Defaulting Investor (as defined in the Contribution Agreement)) given in writing (including by facsimile) or by vote at a meeting, consenting or voting (as the case may be) separately as a class, amend, change, alter, modify or repeal (whether by merger, consolidation or otherwise) any of the designations, preferences or relative or other rights of the Series B Preferred Units, *provided, however,* that (i) any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of any holder of Series B Preferred Units, in its capacity as a holder of Series B Preferred Units, without similarly affecting the rights hereunder of all holders of Series B Preferred Units in their capacities as holders of Series B Preferred Units, shall not be effective as to such holder without such holder's prior written consent, and (ii) subject to Section 15.5(iv) of the Operating Agreement, any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of Blackstone (as defined in the Operating Agreement) shall not be effective as to Blackstone without Blackstone's prior written consent.

6. Headings of Subdivisions.

The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

7. Severability of Provisions.

If any right, preference or limitation of the Series B Preferred Units set forth in this Designation (as such may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this Designation (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

8. Status of Reacquired Units.

Any Series B Preferred Units that are redeemed or otherwise acquired by the Company shall be canceled and shall cease to be part of the authorized Membership Interests (including Units) of the Company.

EXHIBIT B-3

SERIES C CONVERTIBLE PREFERRED UNIT DESIGNATION

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

DESIGNATION OF POWERS, PREFERENCES AND
RELATIVE PARTICIPATING, OPTIONAL OR OTHER
SPECIAL RIGHTS AND RELATIVE QUALIFICATIONS,
LIMITATIONS OR RESTRICTIONS OF
THE SERIES C CONVERTIBLE
PREFERRED UNITS OF
KOSMOS ENERGY HOLDINGS (THE "DESIGNATION")

Pursuant to that certain Fourth Amended and Restated Operating Agreement of Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company") dated October 9, 2009 (as amended from time to time, the "Operating Agreement"), to which this Designation is attached as an exhibit, there is hereby created a series of the Preferred Units of the Company which are designated the "Series C Convertible Preferred Units" (the "Series C Preferred Units") to consist of 8,849,558 Units of which the powers, preferences and relative participating, optional or other special rights and relative qualifications, limitations or restrictions thereof shall be (in addition to those set forth elsewhere in the Operating Agreement) as follows:

1. Certain Definitions.

Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated. Capitalized terms used in this Designation but not otherwise defined herein shall have the meanings ascribed to them in the Operating Agreement.

"Approved Plan" means the provisions of Article 10 of the Operating Agreement as in effect on the date of the Operating Agreement and any other similar unit incentive, plan or arrangement that is approved by the Supermajority Holders.

"Common Units" means any units of Membership Interests of the Company now or hereafter authorized to be issued as common units, and any and all securities of any kind whatsoever of the Company which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of such common units pursuant to a merger, conversion, consolidation, unit split, unit dividend, recapitalization of the Company or otherwise.

"Contribution Agreement" means that certain Second Amended and Restated Contribution Agreement of even date with the Operating Agreement, as may be amended or restated from time to time, among the Company and the investors party thereto relating to the sale and issuance of the Convertible Preferred Units.

"Conversion Date" shall have the meaning set forth in subparagraph 4(c).

"Conversion Price" shall initially mean the Purchase Price and shall be adjusted from time to time pursuant to subparagraph 4(e).

"Conversion Ratio" shall mean the ratio of the Purchase Price to the Conversion Price.

"Convertible Securities" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Current Market Price" at any date shall mean, in the event the Common Units are traded in the over the counter market or on a national or regional securities exchange, the average of the daily closing prices per Common Unit for 30 consecutive trading days ending three trading days before such date (as adjusted for any Unit dividend, split, combination or reclassification that took effect during such 33

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trading day period). The closing price for each day shall be the last reported sale price regular way or, in case no such reported sale takes place on such day, the average of the last closing bid and asked prices regular way, in either case on the principal national securities exchange on which the Common Units are listed or admitted to trading, or if not listed or admitted to trading on any national securities exchange, the closing sale price for such day reported by Nasdaq, if the Common Units are traded over-the-counter and quoted in the National Market System, or if the Common Units are so traded, but not so quoted, the average of the closing reported bid and asked prices of the Common Units as reported by Nasdaq or any comparable system, or, if the Common Units are not listed on Nasdaq or any comparable system, the average of the closing bid and asked prices as furnished by two members of the National Association of Securities Dealers, Inc. selected from time to time by the Board for that purpose. If the Common Units are not publicly traded or are not traded in such manner that the quotations referred to above are available for the period required hereunder, Current Market Price per Common Unit shall be deemed to be the fair value per Common Unit as determined in good faith by a majority of the Board, and if such Managers are unable to reach a decision on the Current Market Price, the Current Market Price shall be determined by a nationally recognized investment banking firm, accounting firm or valuation firm mutually acceptable to a majority of the Board and the Supermajority Holders.

"Equity Security" means any Membership Interest (including Units) in the Company.

"Options" has the meaning set forth in subparagraph 4(e)(ii)(1).

"Purchase Price" means the amount of $28.25 per Series C Preferred Unit, as appropriately adjusted for any unit splits, dividends of Series C Preferred Units, recapitalizations, conversions, combinations or similar transactions with respect to the Series C Preferred Units, or such other price per Series C Preferred Unit as approved by the Board and the Supermajority Holders in accordance with the Contribution Agreement.

"Qualified Holder" means a holder of Series C Preferred Units who at the time in question is a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act.

2. Ranking.

The Series C Preferred Units shall rank senior in right of preference to all Common Units and all other Membership Interests or Equity Securities, whether now or hereafter authorized or issued, with respect to distributions, distributions, liquidation, dissolution or winding up, except to the extent expressly provided otherwise in any instrument creating or designating the terms, preferences and rights of Membership Interests or Equity Securities authorized and issued pursuant to Section 4.6 or Section 8.4(b) of the Operating Agreement. The Series C Preferred Units shall rank *pari passu* with the Series A Convertible Preferred Units and the Series B Convertible Preferred Units, except with respect to distributions taking into account the Threshold Value of the Series B Convertible Preferred Units and the Series C Preferred Units.

3. Distributions.

As long as any Series C Preferred Units are outstanding and, if Series C Preferred Units have been converted, until such time as the holder thereof has received the Preference Amount in respect thereof, (i) except as provided in Section 7.1(c) of the operating Agreement, no distribution (other than a dividend payable solely in Common Units) shall be paid on any Common Units or other Equity Securities ranking junior to the Series C Preferred Units with respect to distributions and (ii) no Common Units or other Equity Securities ranking junior to the Series C Preferred Units with respect to distributions shall be purchased, redeemed or acquired by the Company and no monies shall be paid into or set aside or made

available for a sinking fund for the purchase, redemption or acquisition of any such Common Units or other Equity Securities; provided that this restriction shall not apply to (A) the repurchase of Equity Securities pursuant to the Operating Agreement or the Contribution Agreement, (B) the repurchase of Equity Securities from managers, directors or employees of, or consultants to, the Company or a Subsidiary of the Company pursuant to agreements under which the Company or a Subsidiary of the Company has the option to repurchase such securities upon the occurrence of certain events, such as the termination of service to the Company or any such Subsidiary, (C) distributions paid upon the occurrence of a Liquidation Event, or (D) dividends, distributions, purchases, redemptions or acquisitions for which the Company has obtained the consent of the Supermajority Holders.

4. Conversion Rights.

(a) Qualified Public Offering Conversion. Upon and immediately prior to the consummation of a Qualified Public Offering, all outstanding Series C Preferred Units shall automatically be converted into fully paid and nonassessable (except to the extent specified in the Act) cash and/or Common Units in accordance with subparagraph 4(b), without any further act of the Company or any holders of Series C Preferred Units, it being understood that, in connection with a Qualified Public Offering, all outstanding Series C Preferred Units will be converted in the IPO Conversion into shares of series C preferred stock of the IPO Corporation and that, upon conversion of such shares of series C preferred stock by the holders thereof, such holders will receive shares of common stock of the IPO Corporation rather than Common Units.

(b) Calculation of Number of Common Units and Cash Issuable Upon Conversion .

(i) For purposes of subparagraph 4(a) above, each Series C Preferred Unit shall convert into (x) cash in the amount of the Preference Amount of such Unit as of the date of consummation of the Qualified Public Offering except to the extent Common Units are issued in lieu thereof pursuant to subparagraph 4(b)(ii), plus (y) the number of Common Units into which such Series C Preferred Unit would be convertible if such Unit were convertible at the consummation of the Qualified Public Offering at the Conversion Ratio at that time in effect.

(ii) The Company shall give the holders of record of the Series C Preferred Units at least 30 days but no more than 180 days prior written notice of the possibility of a Qualified Public Offering, in which event each such holder may give the Company written notice within 15 days of receipt of such notice that such holder elects to receive, in lieu of the cash to be received pursuant to subparagraph 4(b)(i)(x), a number of Common Units calculated by dividing (x) the Preference Amount of such holder's Series C Preferred Unit as of the date of consummation of such Qualified Public Offering, by (y) the initial public offering price of the Common Unit in the Qualified Public Offering less all underwriters' discounts and commissions (rounded down to the nearest whole Unit), and if the Qualified Public Offering is so consummated, then the holders which gave such notice shall receive such Common Units in lieu of the cash receivable pursuant to subparagraph 4(b)(i)(x), and all other holders of Series C Preferred Units shall receive the cash payment provided in subparagraph 4(b)(i)(x); provided, however, that the Company shall not be required to deliver Common Units (and shall instead deliver cash), pursuant to this subparagraph 4(b)(ii) to any holder that is not a Qualified Holder to the extent necessary or advisable to comply with applicable securities Laws, as determined in good faith by the Company.

(c) Mechanics of Conversion. Upon the date of consummation of a Qualified Public Offering (the **"Conversion Date"),** the outstanding Series C Preferred Units shall be converted into the property referred to in subparagraph 4(b) automatically without any action by the Company or the holders of such Units and whether or not the certificates representing such Units are surrendered to the Company

or its transfer agent for the Series C Preferred Units; provided that the Company shall not be obligated to issue to any holder certificates representing the Common Units issuable upon such conversion unless certificates representing the Series C Preferred Units, endorsed directly or through unit powers to the Company or in blank and accompanied with appropriate evidence of the signatory's authority, are delivered to the Company or any transfer agent of the Company for the Series C Preferred Units. If the certificate representing Common Units issuable upon conversion of the Series C Preferred Units is to be issued in a name other than the name on the face of the certificate representing such Series C Preferred Units, such certificate shall be accompanied by such evidence of the assignment and such evidence of the signatory's authority with respect thereto as deemed appropriate by the Company or its transfer agent for the Series C Preferred Units and such certificate shall be in proper form for transfer and endorsed directly or through unit powers to the Person in whose name the Common Units are to be issued or to the Company or in blank. Conversion shall be deemed to have been effected on the date of consummation of the Qualified Public Offering. Subject to the provisions of subparagraph 4(e)(vi), as promptly as practicable after the Conversion Date (and after surrender of the certificate or certificates representing the Series C Preferred Units to the Company or any transfer agent of the Company for the Series C Preferred Units in the case of any such conversion), the Company shall issue and deliver to or upon the written order of such holder a certificate or certificates for the number of full Common Units to which such holder is entitled upon such conversion, rounded to the nearest whole Common Unit. The Person in whose name the certificate or certificates for Common Units are to be issued shall be deemed to have become a holder of record of such Common Units on the Conversion Date.

(d) Fractional Units. If any fractional interest in a Common Unit would, except for the provisions of this subparagraph 4(d), be deliverable upon any conversion of Series C Preferred Units, the Company, in lieu of delivering such fractional Common Unit, shall pay an amount in cash to the holder of such fractional interest equal to the price per unit to the public in the Qualified Public Offering multiplied by such fractional interest as of the Conversion Date. All Common Units issuable to a holder shall be aggregated for purposes of determining whether a fractional interest shall result from any conversion.

(e) Conversion Price Adjustments. The Conversion Price shall be subject to adjustment from time to time as follows:

(i) Common Units Issued at less than Conversion Price. If and whenever, on or after the date of this Designation, the Company issues or sells, or is deemed to have issued or sold, any Common Units (other than Excluded Units) for consideration per Unit less than the Conversion Price in effect immediately prior to the time of such issue or sale, then immediately upon such issue or sale, the Conversion Price shall be reduced to the price determined by multiplying the Conversion Price in effect immediately prior to such time by a fraction:

(1) the numerator of which shall be (x) the number of Common Units outstanding immediately prior to such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to occur at such time and the conversion of all Convertible Securities (as defined below) that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time, plus (y) the number of Common Units which the aggregate consideration received by the Company for the total number of additional Common Units so issued or sold would purchase at the Conversion Price in effect immediately prior to such issue or sale; and

(2) the denominator of which shall be the number of Common Units outstanding immediately after such issue or sale (including all then outstanding Profits Units and Management Units, in either such case that are then Vested Units or that would become Vested Units pursuant to the Operating Agreement if a Liquidation Event were to occur at such time and the conversion of all Convertible Securities that are then convertible), but excluding Unvested Units that would be forfeited (or that could be repurchased by the Company for Original Cost or less) if a Liquidation Event were to occur at such time pursuant to the Operating Agreement.

For purposes of this subparagraph 4(e), **"Excluded Units"** means Common Units (in each case as adjusted for any unit splits, unit dividends, recapitalizations, conversions, combinations or similar transactions) (i) issued upon conversion of the Convertible Preferred Units, (ii) issued pursuant to one or more Approved Plans, and (iii) issued pursuant to unit splits, unit dividends, recapitalizations, reorganizations, conversions, mergers or consolidations contemplated by subparagraphs 4(e)(iii) or 4(e)(iv). For purposes of this subparagraph 4(e), outstanding Series C Preferred Units will be deemed convertible at all times into Common Units, where each Series C Preferred Unit is deemed convertible into the greatest whole number of Common Units which would be issuable upon conversion of such Series C Preferred Unit if the Series C Preferred Unit were then convertible at the Conversion Ratio then in effect.

(ii) Options and Convertible Securities. For purposes of determining the adjusted Conversion Price under subparagraph 4(e)(i), the following shall be applicable:

(1) If the Company in any manner issues or grants any options, warrants, or similar rights ("Options") to purchase or acquire Common Units or Equity Securities convertible or exchangeable, with or without consideration, into or for Common Units ("Convertible Securities") and the price per share for which Common Units issuable upon the exercise of such Options or upon conversion or exchange of such Convertible Securities is less than the Conversion Price in effect immediately prior to the time of the granting of such Options, then the total maximum number of Common Units issuable upon the exercise of such Options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or grant. For purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such Options, plus the minimum aggregate amount of additional consideration payable to the Company upon exercise of all such Options, plus, in the case of such Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Company upon the issuance or sale of such Convertible Securities and the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options. No further adjustment of the Conversion Price shall be made when Convertible Securities are actually issued upon the exercise of such Options or when Common Units are actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(2) If the Company in any manner issues or sells any Convertible Securities and the price per unit for which Common Units are issuable upon such conversion or exchange is less than the Conversion Price in effect immediately prior to the time of such

issue or sale, then the maximum number of Common Units issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Company for such price per unit on the date of such issuance or sale. For the purposes of this subparagraph, the "price per unit for which Common Units are issuable" shall be determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange of such Convertible Securities, by (b) the total maximum number of Common Units issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the Conversion Price shall be made when Common Units are actually issued upon the conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Conversion Price had been or are to be made pursuant to other provisions of this subparagraph 4(e), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the purchase price provided for in any Options, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Units changes at any time (other than pursuant to anti-dilution provisions that are no more favorable to the holders thereof than those contained herein), the Conversion Price in effect at the time of such change shall be readjusted to the Conversion Price which would have been in effect at such time had an adjustment been made upon the issuance of such Options or Convertible Securities still outstanding on the basis of such changed purchase price, additional consideration, or changed conversion rate, as the case may be, at the time initially granted, issued, or sold.

(4) Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Security without the exercise of any such Option or right, the Conversion Price then in effect shall be adjusted to the Conversion Price which would have been in effect at the time of such expiration or termination had such Option or Convertible Security, to the extent outstanding immediately prior to such expiration or termination, never been issued.

(5) If any Common Unit, Option or Convertible Security is issued or sold or deemed to have been issued or sold for cash, the consideration received for such Common Unit, Option or Convertible Security shall be deemed to be the net amount received by the Company for such Common Unit, Option or Convertible Security. In case any Common Unit, Option or Convertible Security is issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be the Current Market Price of such Common Unit, Option or Convertible Security as of the date of receipt. If any Common Unit, Option or Convertible Security is issued in connection with any merger in which the Company is the surviving entity, the amount of consideration for such Common Unit, Option or Convertible Security shall be deemed to be the Current Market Price of such portion of the net assets and business of the non-surviving entity as is attributable to such Common Unit, Option or Convertible Security, as the case may be.

(6) In case any Option is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no

specific consideration is allocated to such Option by the parties to such transaction, the Option shall be deemed to have been issued for a consideration of $0.001.

(7) The number of Common Units outstanding at any given time does not include units owned or held by or for the account of the Company or any Subsidiary of the Company, and the Disposition of any units so owned or held shall be considered an issue or sale of Common Units.

(8) If the Company takes a record of the holders of Common Units for the purpose of entitling them (a) to receive a dividend or other distribution payable in Common Units, Options or Convertible Securities or (b) to subscribe for or purchase Common Units, Options or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the Common Units deemed to have been issued or sold upon the declaration of such dividend or upon the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(iii) Subdivision or Combination of Common Units. If the Company at any time subdivides (by any unit split, unit dividend, recapitalization or otherwise) its outstanding Common Units into a greater number of units, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced so that the conversion of the Series C Preferred Units after such time shall entitle the holder to receive the aggregate number of Common Units or other Equity Securities which, if the Series C Preferred Units had been converted immediately prior to such time, such holder would have owned upon such conversion and been entitled to receive by virtue of such unit split, unit dividend, recapitalization, merger, consolidation or otherwise, and if the Company at any time combines (by reverse unit split or otherwise) its outstanding Common Units into a smaller number of units, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

(iv) Reorganization, Mergers, Consolidations, or Sales of Assets. Subject to paragraph 4, if at any time or from time to time there shall be a capital reorganization of the Common Units (other than a subdivision, combination, reclassification or exchange of units, provided for elsewhere in this subparagraph 4(e) or that constitutes a Liquidation Event), or a merger or consolidation of the Company with or into another entity then, as a part of such reorganization, merger, or consolidation, provision shall be made so that the holders of the Series C Preferred Units shall, after such reorganization, merger, or consolidation, be entitled to receive upon conversion of the Series C Preferred Units (i) the consideration payable pursuant to subparagraph 4(b)(i)(x) and (ii) Common Units (or other equity securities) of the Company or of the successor entity resulting from such merger or consolidation, other securities and/or property to which the Common Units issuable upon conversion of the Series C Preferred Units pursuant to subparagraph 4(b)(i)(y) at the then Conversion Ratio (as in effect immediately prior to such reorganization, merger or consolidation) would have been entitled to receive upon such reorganization, merger or consolidation if such Series C Preferred Units were then convertible at the Conversion Ratio at that time, and Common Units issuable in connection with a conversion of the Series C Preferred Units after such reorganization, merger or consolidation shall refer to the Common Units (or other equity securities), other securities and/or property to be issued in respect of Common Units in connection with such reorganization, merger or consolidation. If the holders of Common Units have the right to elect the kind and amount of consideration receivable upon consummation of such transaction, then the holders of the Series C Preferred Units, in connection with such transaction and at the same time holders of Common Units are allowed to make such election, shall be given the right to make a similar election with respect to the consideration into which the Series C Preferred Units shall thereafter be convertible.

(v) Certain Events; No Impairment. If any event occurs of the type contemplated by the provisions of this subparagraph 4(e) but not expressly provided for by such provisions, then the Board shall make an appropriate adjustment in the Conversion Price so as to protect the rights of the holders of Series C Preferred Units. The Company shall not avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Designation by the Company but shall at all times in good faith assist in the carrying out of all the provisions of this subparagraph 4(e) and in the taking of all actions that may be necessary or appropriate to protect the rights of the holders of the Series C Preferred Units against impairment.

(vi) Timing of Issuance of Additional Common Units Upon Certain Adjustments. In any case in which the provisions of this subparagraph 4(e) shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (A) issuing to the holder of any Series C Preferred Units converted after such record date and before the occurrence of such event the additional Common Units issuable upon such conversion by reason of the adjustment required by such event over and above the Common Units issuable upon such conversion before giving effect to such adjustment and (B) paying to such holder any amount of cash in lieu of a fractional Common Unit pursuant to subparagraph 4(d); provided that the Company upon request shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional Units, and such cash, upon the occurrence of the event requiring such adjustment.

(f) Statement Regarding Adjustments. Whenever the Conversion Price shall be adjusted as provided in subparagraph 4(e), the Company shall forthwith file, at the office of any transfer agent for the Series C Preferred Units and at the principal office of the Company, a statement showing in detail the facts requiring such adjustment and the Conversion Price that shall be in effect after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each holder of Series C Preferred Units at its address appearing on the Company's records. Each such statement shall be signed by the Company's Chief Financial Officer. Where appropriate, such copy may be given in advance and may be included as part of a notice required to be mailed under the provisions of subparagraph 4(g). The Company shall, upon written request at any time of any holder of any Series C Preferred Units, furnish or cause to be furnished to such holder a certificate setting forth (i) all adjustments and readjustments to the Conversion Price, (ii) the Conversion Ratio at the time in effect, and (iii) the number of Common Units and the amount, if any, of other property which at the time would be received upon the conversion of such holder's Series C Preferred Units if such Units were convertible at such time at the Conversion Ratio at that time in effect.

(g) Notice to Holders. In the event the Company shall propose to take any action of the type described in clauses (i) (but only if the action of the type described in clause (i) would result in an adjustment in the Conversion Price), (iii) or (iv) of subparagraph 4(e), the Company shall give notice to each holder of Series C Preferred Units, in the manner set forth in subparagraph 4(f), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth such facts with respect thereto as shall be reasonably necessary to indicate the effect on the Conversion Price and the number, kind or class of units or other securities or property which shall be deliverable upon conversion of the Series C Preferred Units. Except as otherwise provided herein, (x) in the case of any action that would require the fixing of a record date, such notice shall be given at least five days prior to the date so fixed; and (y) in the case of all other action, such notice shall be given at least five days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(h) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance of delivery of Common Units upon conversion of any of the Series C Preferred Units or deemed issuances pursuant to this paragraph 4; provided that the Company shall not be required to pay any federal or state income takes or foreign or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Units in a name other than that of the holder of the Series C Preferred Units in respect of which such shares are registered with the Company.

(i) Reservation of Common Units. The Company shall at all times reserve and keep available out of its authorized but unissued Common Units, solely for the purpose of effecting the conversion of Series C Preferred Units, such number of Common Units as shall from time to time be sufficient to effect the conversion of all outstanding Series C Preferred Units, and if at any time the number of authorized but unissued Common Units shall not be sufficient to effect the conversion of all then outstanding Series C Preferred Units, the Company shall take such limited liability company action as may be necessary to increase its authorized but unissued Common Units to such number of Common Units as shall be sufficient for such purpose.

(j) Notice. Any notice required by the provisions of this paragraph 4 to be given to the holders of the Series C Preferred Units shall be deemed given upon personal delivery, upon delivery by nationally recognized overnight delivery service with proof of receipt maintained, upon delivery by telecopy with receipt confirmed or five business days after deposit in the United States mail, certified mail, return receipt requested, postage prepaid, and addressed to each holder of record at such holder's address appearing on the Company's books.

(k) Registration of Transfer. The Company shall keep at its principal office a register for the registration of the Series C Preferred Units. Upon the surrender of any certificate representing Series C Preferred Units at such place, the Company shall, at the request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange for such surrendered certificate representing in the aggregate the number of Series C Preferred Units represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of Series C Preferred Units as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate.

(l) Replacement. Upon receipt of evidence of the ownership and the loss, theft, destruction, or mutilation of any certificate evidencing Series C Preferred Units and, in the case of any such loss, theft, or destruction, an indemnity reasonably satisfactory to the Company or, in the case of any mutilation, upon surrender of such certificate the Company shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Series C Preferred Units represented by such lost, stolen, destroyed, or mutilated certificate.

5. Voting Rights.

(a) General. The holders of Series C Preferred Units shall be entitled to vote with the holders of the Common Units on all matters submitted to a vote of Members or Unitholders of the Company, except as otherwise expressly provided by applicable Law, in the Memorandum of Association of the Company, the Articles of Association of the Company or the Operating Agreement (including any Series Designation of Preferred Units adopted in accordance with the Operating Agreement). Each holder of Series C Preferred Units shall be entitled to the number of votes equal to the largest number of full Common Units into which all Series C Preferred Units held of record by such holder could then be converted at the Conversion Ratio if the Series C Preferred Units were convertible at the record date for the determination of the Members or Unitholders entitled to vote on such matters or, if no such record

date is established, at the date such vote is taken or any written consent of Members or Unitholders is first executed. The holders of Series C Preferred Units shall be entitled to notice of any meeting of Members or Unitholders in accordance with the Operating Agreement.

(b) Protective Provisions. So long as any Series C Preferred Units are outstanding, and in addition to any other vote required by applicable Law, the Company will not, without the approval of the holders of at least 75% of the then outstanding Series C Preferred Units (excluding Series C Preferred Units held by any Defaulting Investor (as defined in the Contribution Agreement)) given in writing (including by facsimile) or by vote at a meeting, consenting or voting (as the case may be) separately as a class, amend, change, alter, modify or repeal (whether by merger, consolidation or otherwise) any of the designations, preferences or relative or other rights of the Series C Preferred Units, *provided, however,* that (i) any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of any holder of Series C Preferred Units, in its capacity as a holder of Series C Preferred Units, without similarly affecting the rights hereunder of all holders of Series C Preferred Units in their capacities as holders of Series C Preferred Units, shall not be effective as to such holder without such holder's prior written consent, and (ii) subject to Section 15.5(iv) of the Operating Agreement, any such amendment, change, alteration, modification, or repeal that would adversely affect the rights of Blackstone (as defined in the Operating Agreement) shall not be effective as to Blackstone without Blackstone's prior written consent.

6. Headings of Subdivisions.

The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

7. Severability of Provisions.

If any right, preference or limitation of the Series C Preferred Units set forth in this Designation (as such may be amended from time to time) is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences and limitations set forth in this Designation (as so amended) which can be given effect without the invalid, unlawful or unenforceable right, preference or limitation shall, nevertheless, remain in full force and effect, and no right, preference or limitation herein set forth shall be deemed dependent upon any other such right, preference or limitation unless so expressed herein.

8. Status of Reacquired Units.

Any Series C Preferred Units that are redeemed or otherwise acquired by the Company shall be canceled and shall cease to be part of the authorized Membership Interests (including Units) of the Company.

EXHIBIT C

MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

EXHIBIT C-1

REGISTERED AND FILED
AS NO. 133483 THIS 5th DAY
OF MARCH 2004
/s/ ASST. REGISTRAR OF COMPANIES
ASST. REGISTRAR OF COMPANIES
CAYMAN ISLANDS

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MEMORANDUM OF ASSOCIATION

OF

KOSMOS ENERGY HOLDINGS
(Company Limited by Guarantee
and not having a share capital)

1. The name of the Company is Kosmos Energy Holdings.

2. The registered office will be situate at the offices of Huntlaw Corporate Services Ltd., P.O. Box 1350 GT, the Huntlaw Building, Fort Street, George Town in the Island of Grand Cayman or at such other place in the Cayman Islands as the directors may from time to time decide.

3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (2003 Revision).

4. Except as prohibited or limited by the laws of the Cayman Islands, the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person of full capacity or body corporate in any part of the world whether as principal, agent, contractor or otherwise irrespective of any question of corporate benefit as provided by Section 27 (2) of the Companies Law (2003 Revision).

5. The liability of the Members is limited.

6. Every Member (as defined in the Articles of Association) of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member, or within one year after he ceases to be a member, for the payment of the debts and liabilities of the company contracted before he ceases to be a Member, and the costs, charges and expenses of winding up the same, and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding One United States Dollar (US$1.00).

REGISTRAR OF COMPANIES
EXEMPTED
CAYMAN ISLANDS

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7. The Company may exercise the power contained in Section 226 of the Companies Law (2003 Revision) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

The Subscriber whose name and address is subscribed herein is desirous of being formed into a Company limited by guarantee in pursuance of this Memorandum of Association, the Subscriber agrees to take a Membership Interest in the Company.

DATED the 5 day of March Two Thousand and Four.

NAME OF SUBSCRIBER	ADDRESS	OCCUPATION
Huntlaw Nominees Ltd.	P.O. Box 1350GT Grand Cayman Cayman Islands	Company

/s/ Sarah Bolton
Signed: Sarah Bolton

WITNESS TO THE ABOVE SIGNATURE:

/s/ Sally Castro
Sally Castro

CERTIFIED TO BE A TRUE AND CORRECT COPY

SIG D. EVADNE EBANKS
D. EVADNE EBANKS
Asst. Registrar of Companies

REGISTRAR OF COMPANIES
EXEMPTED
CAYMAN ISLANDS

Date. 5th March 2004

EXHIBIT D-1

FORM OF COMMON UNIT CERTIFICATE

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

EXHIBIT D-1-1

TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK

Common Units designated Management Units

No. **Units**

KOSMOS ENERGY HOLDINGS, LLC

A Cayman Island Exempted Company limited by guarantee but not having a share capital

This certificate certifies that **[NAME IN ALL CAPS AND BOLD]** is the owner of Management Units of the Common Units (the "Units"), constituting membership interests in Kosmos Energy Holdings, LLC, a Cayman Island Exempted Company limited by guarantee but not having a share capital (the "Company").

The Units evidenced by this Certificate entitle the owner to certain rights and subject the owner to certain restrictions and covenants more particularly set forth in the Memorandum of Association and Articles of Association and Operating Agreement of the Company, as may be amended from time to time, as well as the Companies Law of the Cayman Islands. A copy of the Company's Memorandum of Association and Articles of Association and Operating Agreement may be obtained from the Company upon request. This Certificate is not negotiable and cannot pass legal title to the Units. The Units can only be transferred upon compliance with the Operating Agreement.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed as of this day of , 200 .

,[Secretary/Assistant Secretary] **,[Chief Executive Officer/President/ Vice President]**

NO.

Kosmos Energy Holdings, LLC
Common Units
designated
Management Units

For Units

Issued to

Dated:

From Whom Transferred

Dated

No. Original Certificate

No. Original Units

No. of Units Transferred

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

EXHIBIT D-2

FORM OF PROFITS UNIT CERTIFICATE

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

No. C -

Kosmos Energy Holdings
Common Units
designated
$ units

For Units

Issued to:

Dated: , 20

From Whom Transferred

Dated

No. Original
Certificate

No. Original Units

No. of Units Transferred

TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK

Common Units designated $ Units

C -
Units

KOSMOS ENERGY HOLDINGS
A Cayman Islands Exempted Company limited
by guarantee but not having a share capital

This certificate certifies that is the owner of **Common Units designated $ Units** (the "Units"), constituting membership interests in Kosmos Energy Holdings, a Cayman Islands. Exempted Company limited by guarantee but not having a share capital (the "Company").

The Units evidenced by this Certificate entitle the owner to certain rights and subject the owner to certain restrictions and covenants more particularly set forth in the Memorandum of Association, Articles of Association, and Operating Agreement of the Company, as each may be amended from time to time, as well as the Companies Law of the Cayman Islands. A copy of the Company's Memorandum of Association, Articles of Association, and Operating Agreement, as each may be amended from time to time, may be obtained from the Company upon request. This Certificate is not negotiable and cannot pass legal title to the Units. The Units can only be transferred upon compliance with the Articles of Association and the Operating Agreement.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed as of this day of , 20 .

William S. Hayes, Secretary

James C. Musselman, Chief Executive Officer and President

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE ARTICLES OF ASSOCIATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, AND THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME (THE "OPERATING AGREEMENT"), COPIES OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES. THIS SECURITY IS SUBJECT TO FORFEITURE TO AND/OR REPURCHASE BY THE COMPANY UNDER THE TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT.

EXHIBIT E-1

FORM OF SERIES A CONVERTIBLE PREFERRED UNIT CERTIFICATE

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK

A Delaware Limited Liability Company

No. **Units**

KOSMOS ENERGY HOLDINGS, LLC

Series A Convertible Preferred Units

This certificate certifies that **[NAME IN ALL CAPS AND BOLD]** is the owner of Series A Convertible Preferred Units (the "Units"), constituting membership interests in Kosmos Energy Holdings, LLC, a Delaware limited liability company (the "Company").

The Units evidenced by this Certificate entitle the owner to certain rights and subject the owner to certain restrictions and covenants more particularly set forth in the Certificate of Formation and Limited Liability Company Agreement of the Company, as may be amended from time to time, as well as the Delaware Limited Liability Company Act. A copy of the Company's Certificate of Formation and Limited Liability Company Agreement may be obtained from the Company upon request. This Certificate is not negotiable and cannot pass legal title to the Units. The Units can only be transferred upon compliance with the Limited Liability Company Agreement.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed as of this day of , 200 .

, [Secretary/Assistant Secretary], , [Chief Executive Officer/President/Vice President]

NO.

Kosmos Energy Holdings, LLC
Series A Convertible Preferred Units

For Units

Issued to

Dated:

From Whom Transferred

Dated

No. Original Certificate

No. Original Units

No. of Units Transferred

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE LIMITED LIABILITY COMPANY AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

EXHIBIT E-2

FORM OF SERIES B CONVERTIBLE PREFERRED UNIT CERTIFICATE

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK

Series B Convertible Preferred Units

No. (Series B) **Units**

KOSMOS ENERGY HOLDINGS
A Cayman Islands Exempted Company limited
by guarantee but not having a share capital

This certificate certifies that **[NAME IN ALL CAPS AND BOLD],** is the owner of **Series B Convertible Preferred Units** (the "Units"), constituting membership interests in Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company").

The Units evidenced by this Certificate entitle the owner to certain rights and subject the owner to certain restrictions and covenants more particularly set forth in the Memorandum of Association, Articles of Association, and Operating Agreement of the Company, as each may be amended from time to time, as well as the Companies Law of the Cayman Islands. A copy of the Company's Memorandum of Association, Articles of Association, and Operating Agreement, as each may be amended from time to time, may be obtained from the Company upon request. This Certificate is not negotiable and cannot pass legal title to the Units. The Units can only be transferred upon compliance with the Articles of Association and the Operating Agreement.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed as of this day of , .

William S. Hayes, Secretary

James C. Musselman, Chief Executive Officer and President

NO. (Series B)

Kosmos Energy Holdings

Series B Convertible Preferred Units

For Units

Issued to

Dated: ,

From Whom Transferred

Dated

No. Original Certificate

No. Original Units

No. of Units Transferred

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE ARTICLES OF ASSOCIATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, AND THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

EXHIBIT E-3

FORM OF SERIES C CONVERTIBLE
PREFERRED UNIT CERTIFICATE

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT
EXHIBIT E-4

TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK

Series C Convertible Preferred Units

No. (Series C) **Units**

KOSMOS ENERGY HOLDINGS
A Cayman Islands Exempted Company limited
by guarantee but not having a share capital

This certificate certifies that **[NAME IN ALL CAPS AND BOLD],** is the owner of **Series C Convertible Preferred Units** (the "Units"), constituting membership interests in Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company").

The Units evidenced by this Certificate entitle the owner to certain rights and subject the owner to certain restrictions and covenants more particularly set forth in the Memorandum of Association, Articles of Association, and Operating Agreement of the Company, as each may be amended from time to time, as well as the Companies Law of the Cayman Islands. A copy of the Company's Memorandum of Association, Articles of Association, and Operating Agreement, as each may be amended from time to time, may be obtained from the Company upon request. This Certificate is not negotiable and cannot pass legal title to the Units. The Units can only be transferred upon compliance with the Articles of Association and the Operating Agreement.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed as of this day of , .

William S. Hayes, Secretary

James C. Musselman, Chief Executive Officer and President

NO. (Series C)

Kosmos Energy Holdings

Series C Convertible Preferred Units

For Units

Issued to

Dated: ,

From Whom Transferred

Dated

No. Original Certificate

No. Original Units

No. of Units Transferred

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD, UNLESS IT HAS BEEN REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE (AND, IN SUCH CASE, AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY SHALL HAVE BEEN DELIVERED TO THE COMPANY TO THE EFFECT THAT SUCH OFFER OR SALE IS NOT REQUIRED TO BE REGISTERED UNDER THE SECURITIES ACT). THIS SECURITY IS SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE ARTICLES OF ASSOCIATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, AND THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

EXHIBIT F

FORM OF ADDENDUM AGREEMENT

This Addendum Agreement is made this day of , 200 , by and between (the "Transferee") and Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company"), pursuant to the terms of that certain Fourth Amended and Restated Operating Agreement of the Company dated as of October 9 , 2009, including all exhibits and schedules thereto (the "Agreement"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

WITNESSETH:

WHEREAS, the Company and the Members and their respective spouses entered into the Agreement to impose certain restrictions and obligations upon themselves, and to provide certain rights, with respect to the Company and its Membership Interests and Units;

WHEREAS, the Transferee is acquiring Membership Interests and Units issued by the Company or pursuant to a Disposition, in either case in accordance with the Agreement; and

WHEREAS, the Company and the Members have required in the Agreement that all Persons to whom Membership Interests and Units of the Company are transferred and all other Persons acquiring Membership Interests and Units must enter into an Addendum Agreement binding the Transferee and the Transferee's spouse to the Agreement to the same extent as if they were original parties thereto and imposing the same restrictions and obligations on the Transferee, the Transferee's spouse and the Membership Interests and Units to be acquired by the Transferee as are imposed upon the Members under the Agreement and the Certificate.

NOW, THEREFORE, in consideration of the mutual promises of the parties and as a condition of the purchase or receipt by the Transferee of the Membership Interests and Units, the Transferee acknowledges and agrees as follows:

1. The Transferee has received and read the Agreement and acknowledges that the Transferee is acquiring Membership Interests and Units subject to the terms and conditions of the Agreement and the Certificate.

2. The Transferee agrees that the Membership Interests and Units acquired or to be acquired by the Transferee are bound by and subject to all of the terms and conditions of the Agreement and the Certificate, and hereby joins in, and agrees to be bound, by, and shall have the benefit of, all of the terms and conditions of the Agreement and the Certificate to the same extent as if the Transferee were an original party to the Agreement or an initial Member, as the case may be; *provided, however,* that the Transferee's joinder in the Agreement shall not constitute admission of the Transferee or the Transferee's spouse as a Member unless and until the Transferee is duly admitted in accordance with the terms of the Agreement. This Addendum Agreement shall be attached to and become a part of the Agreement.

3. The Transferee acknowledges, agrees and undertakes, in its capacity as a Member, and pursuant to paragraph 6 of the Memorandum, to contribute to the assets of the Company in the event of its being wound up while such Transferee is a Member, or within one year after such Transferee ceases to be a Member, for the payment of the debts and liabilities of the Company contracted before such Transferee ceases to be a Member, and the costs, charges and expenses of winding up the same, and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding one United States Dollar (US $1.00).

4. With respect to Cayman Matters described in Section 11.7(d) of the Agreement, the Transferee hereby appoints each Warburg Nominee and each Blackstone Nominee named in Schedule II to the Agreement or the register of Managers of the Company as of the date of this Addendum Agreement as such Transferee's time and lawful attorney-in-fact, proxy and agent, with full power of substitution and resubstitution, for such Transferee and in such Transferee's name, place and stead and in any and all capacities, to vote such Transferee's Units (or classes or series of Units) or any such Transferee's capacity as a Member (including any class of Members) in the same manner as the Determining Holders with respect to such Cayman Matter, with all powers such Transferee would possess if present at any meeting of Members (including any class of Members) (or any adjournment or postponement thereof) at which such Cayman Matter is submitted for approval, and to execute on such Transferee's behalf any written consent of Members (including any class of Members) or holders of Units (or classes or series of Units), including any unanimous written consent, approving or consenting to any such Cayman Matter approved or consented to by the Determining Holders, and further grants to such Nominees, and each of them, full power and authority to do and perform each and every act and thing necessary to be done, as fully to all intents and purposes as such Transferee might or could do in Person, hereby ratifying and confirming all that such Nominees, and any of

them or their substitutes, may lawfully do or cause to be done by virtue hereof. The proxy granted hereby shall be irrevocable and shall remain valid for so long as such Transferee is a Member or holds Units. Such proxy shall constitute a proxy given for purposes of Section 8.3(h) and shall be deemed filed with the Secretary and the Board for purposes of Section 8.3(h). Notwithstanding the foregoing, nothing in this paragraph is intended to increase or decrease the rights of the Determining Members to take any action or consent to or approve any action or matter pursuant to this Agreement, including the rights of the parties to this Agreement pursuant to Section 15.5.

5. The Transferee hereby acknowledges and agrees that the voting, consent and other rights of such Transferee as a Member as set forth in the Agreement, this Addendum Agreement and the Certificate arise by virtue of the Units held by such Transferee and attach to such Transferee's Units as property rights rather than personal rights.

6. Any notice required as permitted by the Agreement shall be given to Transferee at the address listed beneath the Transferee's signature below.

7. The Transferee shall be a **[Management/Investor]** Unitholder for purposes of the Agreement.

8. The spouse of the Transferee, if applicable, joins in the execution of this Addendum Agreement to acknowledge its fairness and that it is in such spouse's best interests and confirms that he or she is aware of, understands, and consents to the provisions of the Agreement and its binding effect upon any community property interest or marital settlement awards he or she may now or hereafter own or receive, and agrees that the termination of his or her marital relationship with such Member for any reason shall not have the effect of removing any Membership Interests and Units subject to the Agreement from the coverage thereof and that his or her awareness, understanding, consent, and agreement is evidenced by his or her signature below.

Transferee

Transferee's Spouse

Address:

AGREED TO on behalf of the Members of the Company pursuant Section 5.1(b) or Section 5.1(e) of the Agreement.

KOSMOS ENERGY HOLDINGS

By: _____

Printed Name and Title

EXHIBIT H

FORM OF SUBSTITUTION OF PROXY

Reference is made to that certain Fourth Amended and Restated Operating Agreement of Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital (the "Company"), dated as of October 9, 2009 (the "Operating Agreement") by and among the Company and its Members. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to them in the Operating Agreement.

Pursuant to Section 11.7(d) of the Operating Agreement, [ ], a [Warburg][Blackstone] Nominee elected and designated as a Manager pursuant to Section 8.2(b) of the Operating Agreement, hereby appoints , who has been elected and designated as his replacement Nominee pursuant to the Operating Agreement, to serve as his substitute proxy, attorney-in-fact and agent, with full power of substitution and resubstitution, for all intents and purposes as are set forth in Section 11.7(d) of the Operating Agreement and in paragraph 4 of any Addendum Agreement.

_____

[Name of Departing Nominee]

_____

[Name of Replacement Nominee]

EXHIBIT I

REGISTRATION RIGHTS AGREEMENT

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

EXHIBIT I-1

Execution Copy

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this "Agreement"), dated as of October 7, 2009, is by and among Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee but not having a share capital and the expected predecessor company to the IPO Corporation (as hereinafter defined) ("Kosmos"), and each of the parties listed on Annex A (the " Initial Stockholders", and as such Annex A is updated and amended pursuant to Section 12(c) hereof, the " Stockholders"), and amends and restates that certain Registration Rights Agreement, dated as of March 9, 2004, by and among Kosmos and the other parties thereto.

Whereas, the Initial Stockholders and Kosmos are parties to that certain Fourth Amended and Restated Operating Agreement of Kosmos of even date herewith, as the same may hereafter be amended from time to time (the " Operating Agreement");

Whereas, if Kosmos elects to effect an underwritten public offering of equity securities, the Operating Agreement contemplates that Kosmos will convert or otherwise succeed into the IPO Corporation pursuant to Section 5.9 of the Operating Agreement and that in connection therewith the Members (as defined in the Operating Agreement) of Kosmos will receive Common Stock (as defined below); and

Whereas, Kosmos has agreed to bind the IPO Corporation (its successor) to provide registration rights with respect to the Registrable Securities (as defined below), as set forth in this Agreement.

Now, therefore, for and in consideration of the mutual agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the following meanings, and terms used herein but not otherwise defined herein shall have the meanings assigned to them in the Operating Agreement:

"Blackstone Qualified Holder" shall mean each of Blackstone Capital Partners (Cayman) IV L.P., Blackstone Capital Partners (Cayman) IV-A L.P., Blackstone Family Investment Partnership (Cayman) IV-A L.P., Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P., and Blackstone Participation Partnership (Cayman) IV L.P., or any Person with whom any of the foregoing entities has agreed in writing (a copy of which writing has been received by the Corporation) shall be entitled to make a demand under Section 3.

"Common Stock" shall mean all shares hereafter authorized of any class of common stock of the Corporation which has the right (subject always to the rights of any class or series of preferred stock of the Corporation) to participate in the distribution of the assets and earnings of the Corporation without limit as to per share amount.

"Contribution Agreement" shall mean that certain Second Amended and Restated Contribution Agreement of even date herewith by and among Kosmos and the Initial Stockholders, as the same may hereafter be amended from time to time.

"Corporation" shall mean the IPO Corporation or such other corporation as shall be the successor to the IPO Corporation.

"Defaulting Investor" shall have the meaning set forth in the Contribution Agreement.

"Demand Conditions" shall mean that (i) Blackstone or Warburg, as the case may be, owns at least 10% of the then outstanding Convertible Preferred Units, (ii) the Registrable Securities are to be sold in a firm commitment underwritten offering, and (iii) Blackstone or Warburg, as the case may be, has agreed to include in such offering the number of Registrable Securities that is equal to the lesser of (A) all of its Registrable Securities and (B) such maximum number or dollar amount of Registrable Securities that, in the opinion of the managing underwriter, can be sold on commercially reasonable terms (including, without limitation, securities proposed to be included by other holders of securities entitled to include securities in such Registration Statement pursuant to incidental or piggyback registration rights).

"Demand Notice" shall have the meaning set forth in Section 3(a) hereof.

"Demand Registration" shall have the meaning set forth in Section 3(a) hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and any successor statute thereto and the rules and regulations of the SEC promulgated thereunder.

"Losses" shall have the meaning set forth in Section 8 hereof.

"Non-Consenting Investor" shall have the meaning set forth in the Contribution Agreement.

"Person" shall mean any natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, estate, trust, bank trust company, land trust, business trust, or other organization, whether or not a legal entity, custodian, trustee-executor, administrator, nominee or entity in a representative capacity and any government or agency or political subdivision thereof.

"Piggyback Notice" shall have the meaning set forth in Section 4(a) hereof.

"Piggyback Registration" shall have the meaning set forth in Section 4(a) hereof.

"Preferred Stock" shall mean shares of the preferred stock of the Corporation initially issued in the IPO Conversion as provided in Section 5.9 of the Operating Agreement.

"Pre-QPO Demand Notice" shall have the meaning set forth in Section 3 hereof.

"Pre-QPO Demand Registration" shall have the meaning set forth in Section 3 hereof.

"Proceeding" shall mean an action, claim, suit, arbitration or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Prospectus" shall mean the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Qualified Holder" shall mean a Warburg Qualified Holder or a Blackstone Qualified Holder, as the case may be, or any of their respective Permitted Transferees (as defined in the Operating Agreement).

"Qualified Public Offering" means any firm commitment underwritten offering of Common Stock to the public pursuant to an effective registration statement under the Securities Act (i) for which aggregate cash proceeds to be received by the Corporation from such offering (without deducting underwriting discounts, expenses and commissions) are at least $50,000,000 or for which aggregate cash proceeds to be received by a Qualified Holder from such offering (without deducting underwriting discounts, expenses and commissions) are at least $10,000,000, and (ii) pursuant to which such shares of common stock are authorized and approved for listing on the New York Stock Exchange or admitted to trading and quoted in the Nasdaq National Market system.

"Registrable Securities" shall mean (i) all shares of Common Stock of the Corporation initially issued in the IPO Conversion as provided in Section 5.9 of the Operating Agreement, (ii) all shares of Common Stock issued and issuable upon conversion of outstanding shares of Preferred Stock (including any shares of Common Stock issued or distributed by way of dividend, stock split or other distribution in respect of such shares) held by the Stockholders and, subject to the next succeeding sentence and Section 12(c) hereof, any successor or assign of such shares, and (iii) the shares of Common Stock acquired by the Stockholders after the date hereof and prior to a Qualified Public Offering in accordance with the Operating Agreement. As to any particular Registrable Securities, once issued such securities shall cease to be Registrable Securities when (i) they are sold pursuant to an effective Registration Statement under the Securities Act, (ii) they are sold pursuant to Rule 144 (or any similar provision then in force under the Securities Act) and the transferee thereof does not receive "restricted securities" as defined in Rule 144, (iii) they shall have ceased to be outstanding, (iv) they have been sold in a private transaction in which the transferor's rights under this Agreement are not assigned to the transferee of the securities, (v) they become eligible for resale pursuant to Rule 144(b)(1) (or any similar rule then in effect under the Securities Act) and the holder of such securities does not then beneficially own more than 2% of such class of securities. No Registrable Securities may

be registered under more than one Registration Statement at any one time, or (vi) they become eligible for resale pursuant to Rule 144 (or any similar rule then in effect under the Securities Act) and the holder of such Registrable Securities does not then beneficially own more than 1% of such class of securities.

"Registration Statement" shall mean any registration statement of the Corporation under the Securities Act which permits the public offering of any of the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"Rule 144" shall mean Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

"SEC" shall mean the Securities and Exchange Commission or any successor agency having jurisdiction under the Securities Act.

"Securities Act" shall mean the Securities Act of 1933, as amended, and any successor statute thereto and the rules and regulations of the SEC promulgated thereunder.

"Supermajority Holders" shall have the meaning ascribed to such term in the Operating Agreement if the time in question is before the IPO Conversion, and thereafter shall mean, (i) if any shares of Preferred Stock are then outstanding, the holders of at least 75% of the outstanding Preferred Stock (excluding Preferred Stock held by any Defaulting Investor), or (ii) if no shares of Preferred Stock are then outstanding, the holders of at least 75% of the outstanding Registrable Securities then held by holders of Registrable Securities.

"underwritten registration or underwritten offering" shall mean a registration in which securities of the Corporation are sold to an underwriter for reoffering to the public.

"Warburg Qualified Holder" shall mean each of Warburg Pincus International Partners, L.P., Warburg Pincus Netherlands International Partners I, C.V., Warburg Pincus Netherlands International Partners II, C.V., Warburg Pincus Germany International Partners, KG, Warburg Pincus Private Equity VIII, L.P., Warburg Pincus Netherlands Private Equity VIII I, C.V., Warburg Pincus Netherlands Private Equity VIII II, C.V. and Warburg Pincus Germany Private Equity VIII, KG, or any Person with whom any of the foregoing entities has agreed in writing (a copy of which writing has been received by the Corporation) shall be entitled to make a demand under Section 3.

Section 2. Holders of Registrable Securities. A Person is deemed, and shall only be deemed, to be a holder of Registrable Securities if such Person owns Registrable Securities or has a right to acquire such Registrable Securities through its ownership of the Preferred Stock and such Person is a Stockholder.

Section 3. Demand Registrations.

(a) Requests for Registration. Subject to the following paragraph of this Section 3(a), a Qualified Holder shall have the right by delivering a written notice to the Corporation (a "Demand Notice") to require the Corporation to register, pursuant to the terms of this Agreement under and in accordance with the provisions of the Securities Act, the number of Registrable Securities requested to be so registered pursuant to the terms of this Agreement (a "Demand Registration"); provided, however, that a Demand Notice may only be made (i) at any time after a Qualified Public Offering (except in the case of a Pre-QPO Demand Registration) and (ii) if the sale of the Registrable Securities requested to be registered by such Qualified Holder is reasonably expected to result in aggregate gross cash proceeds in excess of $10,000,000. Following receipt of a Demand Notice for a Demand Registration (or of a Pre-QPO Demand Notice for a Pre-QPO Demand Registration), the Corporation shall use its reasonable best efforts to file a Registration Statement as promptly as practicable, but not later than 30 days after such Demand Notice (or 60 days in the case of a Pre-QPO Demand Registration), and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof.

The Warburg Qualified Holders shall be entitled to an aggregate maximum of two Demand Registrations and the Blackstone Qualified Holders shall be entitled to an aggregate maximum of two Demand Registrations; provided, however, that Qualified Holders shall not be limited in the number of Demand Registrations that constitute "shelf" registrations as contemplated by the next succeeding sentence, and provided, further, that each of Blackstone and Warburg shall have the right by delivering a written notice to the Corporation (a "Pre-QPO Demand Notice") to require the Corporation to register, pursuant to the terms of this Agreement under and in accordance with the provisions of the Securities Act, the number of Registrable Securities requested to be so registered pursuant to the terms of this Agreement (each, a "Pre-QPO Demand Registration"); provided, however, that a Pre-QPO Demand Notice may only be made (i) at any time after March 9, 2011 and prior to the consummation of a Qualified Public Offering and (ii) so long as the Demand Conditions are satisfied by Blackstone or Warburg, as the case may be, as of the time of delivery to the Corporation of such Pre-QPO Demand Notice. After such time as the Corporation shall become eligible to use Form S-3 (or comparable form) for the registration under the Securities Act of any of its securities, each Qualified Holder shall be entitled to request that a Demand Registration be a "shelf" registration pursuant to Rule 415 under the Securities Act. Notwithstanding any other provisions of this Section 3, in no event shall more than one Demand Registration or Pre-QPO Demand Registration occur during any six-month period (measured from the effective date of the Registration Statement to the date of the next Demand Notice or Pre-QPO Demand Notice) or within 120 days after the effective date of a Registration Statement filed by the Corporation; provided that no Demand Registration or Pre-QPO Demand Registration may be prohibited for such 120-day period more often than once in a 12-month period.

No Demand Registration or Pre-QPO Demand Registration shall be deemed to have occurred for purposes of this Section 3 if the Registration Statement relating thereto (i) does not become effective (ii) is not maintained effective for the period required pursuant to this Section 3, or (iii) the offering of the Registrable Securities pursuant to such

Registration Statement is subject to a stop order, injunction or similar order or requirement of the SEC during such period in which case such requesting holder of Registrable Securities shall be entitled to an additional Demand Registration or Pre-QPO Demand Registration, as the case may be, in lieu thereof.

Within 10 days after receipt by the Corporation of a Demand Notice or a Pre-QPO Demand Notice, the Corporation shall give written notice (the "Notice") of such Demand Notice or Pre-QPO Demand Notice to all other holders of Registrable Securities and shall, subject to the provisions of Section 3(b) hereof, include in such registration all Registrable Securities with respect to which the Corporation received written requests for inclusion therein within 10 days after such Notice is given by the Corporation to such holders.

All requests made pursuant to this Section 3 will specify the number of Registrable Securities to be registered and the intended methods of disposition thereof.

The Corporation shall be required to maintain the effectiveness of the Registration Statement (except in the case of a requested "shelf" registration) with respect to any Demand Registration for a period of at least 180 days after the effective date thereof or such shorter period in which all Registrable Securities included in such Registration Statement have actually been sold; provided, however, that such period shall be extended for a period of time equal to the period the holder of Registrable Securities refrains from selling any securities included in such registration at the request of an underwriter of the Corporation or the Corporation pursuant to the provisions of this Agreement. The Corporation shall be required to maintain the effectiveness of a shelf Registration Statement with respect to any Demand Registration at all times after the effective date thereof until the earlier of such time that all Registrable Securities included in such Registration Statement have actually been sold or five years from such effectiveness; provided, however, that any Stockholder owning Common Stock that has been included on a shelf Registration Statement may request that such Common Stock be removed from such Registration Statement, in which event the Corporation shall promptly either withdraw such Registration Statement or file a post-effective amendment to such Registration Statement removing such Common Stock.

Notwithstanding anything contained herein to the contrary, the Corporation hereby agrees that (i) any Demand Registration that is a "shelf" registration pursuant to Rule 415 under the Securities Act shall contain all language (including, without limitation, on the Prospectus cover sheet, the principal stockholders' chart and the plan of distribution) as may be reasonably requested by a holder of Registrable Securities to allow for a distribution to, and resale by, the direct and indirect partners, members or stockholders of a holder of Registrable Securities (a " Partner Distribution") and (ii) the Corporation shall, at the request of any holder of Registrable Securities seeking to effect a Partner Distribution, file any Prospectus supplement or post-effective amendments and to otherwise take any action necessary to include such language, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by such holder to effect such Partner Distribution.

(b) Priority on Demand Registration. If any of the Registrable Securities registered pursuant to a Demand Registration or a Pre-QPO Demand Registration are to be sold in a firm commitment underwritten offering, and the managing underwriter or

underwriters advise the holders of such securities in writing that in its view the total number or dollar amount of Registrable Securities proposed to be sold in such offering is such as to adversely affect the success of such offering (including, without limitation, securities proposed to be included by other holders of securities entitled to include securities in such Registration Statement pursuant to incidental or piggyback registration rights), then there shall be included in such firm commitment underwritten offering the number or dollar amount of Registrable Securities that in the opinion of such managing underwriter can be sold without adversely affecting such offering, and such number of Registrable Securities shall be allocated as follows:

(i) first, pro rata among the holders of Registrable Securities; and

(ii) second, the securities for which inclusion in such Demand Registration or Pre-QPO Demand Registration, as the case may be, was requested by the Corporation.

In connection with any Demand Registration or Pre-QPO Demand Registration to which the provisions of this subsection (b) apply, no securities other than Registrable Securities shall be covered by such Demand Registration or Pre-QPO Demand Registration except as provided in subsection (e)(ii) hereof, and such registration shall not reduce the number of available registrations under this Section 3 in the event that the Registration Statement excludes more than 25% of the aggregate number of Registrable Securities that holders requested be included.

(c) Postponement of Demand Registration. The Corporation shall be entitled to postpone (but not more than once in any 12 month period), for a reasonable period of time not in excess of 60 days, the filing of a Registration Statement if the Corporation delivers to the holders requesting registration a certificate signed by both the president and chief financial officer of the Corporation certifying that, in the good faith judgment of the board of directors of the Corporation, such registration and offering would reasonably be expected to materially adversely affect or materially interfere with any bona fide material financing of the Corporation or any material transaction under consideration by the Corporation or would require disclosure of information that has not been disclosed to the public, the premature disclosure of which would materially adversely affect the Corporation. Such certificate shall contain a statement of the reasons for such postponement and an approximation of the anticipated delay. The holders receiving such certificate shall keep the information contained in such certificate confidential subject to the same terms set forth in Section 6(p). If the Corporation shall so postpone the filing of a Registration Statement, the holder who made the Demand Registration or Pre-QPO Demand Registration shall have the right to withdraw the request for registration by giving written notice to the Corporation within 20 days of the anticipated termination date of the postponement period, as provided in the certificate delivered to the holders, and in the event of such withdrawal, such request shall not be counted for purposes of the number of Demand Registrations or Pre-QPO Demand Registrations to which such holder is entitled pursuant to the terms of this Agreement.

(d) Use, and Suspension of Use, of Shelf Registration Statement. If the Corporation has filed a “shelf” Registration Statement and has included Registrable Securities

therein, the Corporation shall be entitled to suspend (but not more than an aggregate of 90 days in any twelve month period), for a reasonable period of time not in excess of 90 days, the offer or sale of Registrable Securities pursuant to such Registration Statement by any holder of Registrable Securities if (i) a "road show" is not then in progress with respect to a proposed offering of Registrable Securities by such holder pursuant to such Registration Statement and such holder has not executed an underwriting agreement with respect to a pending sale of Registrable Securities pursuant to such Registration Statement and (ii) the Corporation delivers to the holders of Registrable Securities included in such Registration Statement a certificate signed by both the president and chief financial officer of the Corporation certifying that, in the good faith judgment of the board of directors of the Corporation, such offer or sale would reasonably be expected to materially adversely affect or materially interfere with any bona fide material financing of the Corporation or any material transaction under consideration by the Corporation or would require disclosure of information that has not been disclosed to the public, the premature disclosure of which would materially adversely affect the Corporation. Such certificate shall contain a statement of the reasons for such postponement and an approximation of the anticipated delay. The holders receiving such certificate shall keep the information contained in such certificate confidential subject to the same terms set forth in Section 6(p). IN ADDITION, A HOLDER OF REGISTRABLE SECURITIES MAY NOT USE A SHELF REGISTRATION STATEMENT TO EFFECT THE SALE OF ANY SUCH SECURITIES AFTER THE 30TH DAY FOLLOWING THE EFFECTIVENESS OF SUCH SHELF REGISTRATION STATEMENT UNLESS SUCH HOLDER HAS GIVEN THE COMPANY AT LEAST TWO BUSINESS DAYS' (AS DEFINED IN THE OPERATING AGREEMENT) ADVANCE WRITTEN NOTICE OF THE DATE OR DATES OF A PROPOSED SALE OF SUCH SECURITIES BY SUCH HOLDER PURSUANT TO SUCH REGISTRATION STATEMENT (WHICH NOTICE MAY BE GIVEN AS OFTEN AS SUCH HOLDER DESIRES).

(e) Registration of Other Securities. Whenever the Corporation shall effect a Demand Registration or Pre-QPO Demand Registration pursuant to this Section 3 in connection with an underwritten offering by one or more holders of Registrable Securities, no securities other than Registrable Securities shall be included among the securities covered by such Demand Registration or Pre-QPO Demand Registration unless (i) the managing underwriter of such offering shall have advised each holder of Registrable Securities requesting such registration in writing that it believes that the inclusion of such other securities would not adversely affect such offering or (ii) the inclusion of such other securities is approved by the affirmative vote of the holders of at least a majority of the Registrable Securities included in such Demand Registration or Pre-QPO Demand Registration, as the case may be, by the Qualified Holders requesting such Demand Registration or Pre-QPO Demand Registration, as the case may be.

Section 4. Piggyback Registration.

(a) Right to Piggyback. If the Corporation proposes to file a registration statement under the Securities Act with respect to an offering of Common Stock by and for the account of the Corporation (other than a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto or (ii) filed solely in connection with an exchange offer or any employee

benefit or dividend reinvestment plan), whether or not for its own account, then, each such time, the Corporation shall give prompt written notice of such proposed filing at least fifteen (15) days before the anticipated filing date (the " Piggyback Notice") to all of the holders of Registrable Securities. The Piggyback Notice shall offer such holders the opportunity to include in such registration statement the number of Registrable Securities as each such holder may request (a "Piggyback Registration"). Subject to Section 4(b) hereof, the Corporation shall include in each such Piggyback Registration all Registrable Securities with respect to which the Corporation has received written requests for inclusion therein within ten (10) days after notice has been given to the applicable holder. The eligible holders of Registrable Securities shall be permitted to withdraw all or part of the Registrable Securities from a Piggyback Registration at any time prior to the effective date of such Piggyback Registration. The Corporation shall not be required to maintain the effectiveness of the Registration Statement for a Piggyback Registration beyond the earlier to occur of (i) 180 days after the effective date thereof and (ii) consummation of the distribution by the holders of the Registrable Securities included in such Registration Statement; provided, however, that any Stockholder owning Common Stock that has been included on such shelf Registration Statement may request that such Common Stock be removed from such Registration Statement, in which event the Corporation shall promptly either withdraw such Registration Statement or file a post-effective amendment to such Registration Statement removing such Common Stock.

(b) Priority on Piggyback Registrations. The Corporation shall use reasonable efforts to cause the managing underwriter or underwriters of a proposed underwritten offering to permit holders of Registrable Securities requested to be included in the registration for such offering to include all such Registrable Securities on the same terms and conditions as any other shares of capital stock, if any, of the Corporation included therein. Notwithstanding the foregoing, if the managing underwriter or underwriters of such underwritten offering have informed the Corporation in writing that it is their good faith opinion that the total amount of securities that such holders, the Corporation and any other Persons having rights to participate in such registration, intend to include in such offering is such as to adversely affect the success of such offering, then the amount of securities to be offered (i) for the account of holders of Registrable Securities (other than the Corporation) and (ii) for the account of all such other Persons (other than the Corporation) shall be reduced to the extent necessary to reduce the total amount of securities to be included in such offering to the amount recommended by such managing underwriter or underwriters by first reducing, or eliminating if necessary, all securities of the Corporation requested to be included by such other Persons (other than the Corporation) and then, if necessary, reducing the securities requested to be included by the holders of Registrable Securities requesting such registration pro rata among such holders on the basis of the percentage of the Registrable Securities requested to be included in such Registration Statement by such holders.

Notwithstanding anything contained herein to the contrary, the Corporation hereby agrees that (i) any Piggyback Registration that is a "shelf" registration pursuant to Rule 415 under the Securities Act shall contain all language (including, without limitation, on the Prospectus cover sheet, the principal stockholders' chart and the plan of distribution) as may be requested by a holder of Registrable Securities to allow for a Partner Distribution and (ii) the Corporation shall, at the request of any holder of Registrable Securities

seeking to effect a Partner Distribution, file any Prospectus supplement or post-effective amendments and to otherwise take any action necessary to include such language, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by such holder to effect such Partner Distribution.

Section 5. Restrictions on Public Sale by Holders of Registrable Securities. Each Stockholder agrees, in connection with the Qualified Public Offering, and each holder of Registrable Securities agrees, in connection with any underwritten offering made pursuant to a Registration Statement filed pursuant to Section 3 or Section 4 hereof (whether or not such holder elected to include Registrable Securities in such Registration Statement), if requested (pursuant to a written notice) by the managing underwriter or underwriters in an underwritten offering, not to effect any public sale or distribution of any of the Corporation's securities (except as part of such underwritten offering), including a sale pursuant to Rule 144, or to give any Demand Notice or Pre-QPO Demand Notice during the period commencing on the date of the request (which shall be no earlier than 14 days prior to the expected "pricing" of such offering) and continuing for not more than 180 days (with respect to the Qualified Public Offering) or 90 days (with respect to any underwritten public offering other than the Qualified Public Offering made prior to the second anniversary of the Qualified Public Offering and thereafter 60 days rather than 90) after the date of the Prospectus (or Prospectus supplement if the offering is made pursuant to a "shelf" registration) pursuant to which such public offering shall be made or such lesser period as is required by the managing underwriter, provided, however, that all officers and directors of the Corporation must be subject to similar restrictions.

Section 6. Registration Procedures. If and whenever the Corporation is required to use its reasonable best efforts to effect the registration of any Registrable Securities under the Securities Act as provided in Section 3 and Section 4 hereof, the Corporation shall effect such registration to permit the sale of such Registrable Securities in accordance with the intended method or methods of disposition thereof, and pursuant thereto the Corporation shall cooperate in the sale of the securities and shall, as expeditiously as possible:

(a) Prepare and file with the SEC a Registration Statement or Registration Statements on such form which shall be available for the sale of the Registrable Securities by the holders thereof or the Corporation in accordance with the intended method or methods of distribution thereof (including, without limitation, a Partner Distribution), and use its reasonable best efforts to cause such Registration Statement to become effective and to remain effective as provided herein; provided, however, that before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference), the Corporation shall furnish or otherwise make available to the holders of the Registrable Securities covered by such Registration Statement, their counsel and the managing underwriters, if any, copies of all such documents proposed to be filed, which documents will be subject to the reasonable review and comment of such counsel, and such other documents reasonably requested by such counsel, including any comment letter from the SEC, and, if requested by such counsel, provide such counsel reasonable opportunity to participate in the preparation of such Registration Statement and each Prospectus included therein and such other opportunities to conduct a reasonable investigation within the meaning of the Securities Act, including reasonable access to the

Corporation's books and records, officers, accountants and other advisors. The Corporation shall not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration or Pre-QPO Demand Registration to which the holders of a majority of the Registrable Securities covered by such Registration Statement, their counsel, or the managing underwriters, if any, shall reasonably object, in writing, on a timely basis, unless, in the opinion of the Corporation, such filing is necessary to comply with applicable law.

(b) Prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective during the period provided herein and comply in all material respects with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement; and cause the related Prospectus to be supplemented by any Prospectus supplement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of the securities covered by such Registration Statement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act.

(c) Notify each selling holder of Registrable Securities, its counsel and the managing underwriters, if any, promptly, and (if requested by any such Person) confirm such notice in writing, (i) when a Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the SEC or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or related Prospectus or for additional information, (iii) of the issuance by the SEC of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) if at any time the representations and warranties of the Corporation contained in any agreement (including any underwriting agreement) contemplated by Section 6(o) below cease to be true and correct, (v) of the receipt by the Corporation of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose, and (vi) of the happening of any event that makes any statement made in such Registration Statement or related Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in such Registration Statement, Prospectus or documents so that, in the case of the Registration Statement, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, not misleading, and that in the case of the Prospectus, it will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) Use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement, or the lifting of any suspension of the

qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction at the reasonably earliest practical date.

(e) If requested by the managing underwriters, if any, or the holders of a majority of the then outstanding Registrable Securities being sold in connection with an underwritten offering, promptly include in a Prospectus supplement or post-effective amendment such information as the managing underwriters, if any, and such holders may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such Prospectus supplement or such post-effective amendment as soon as practicable after the Corporation has received such request; provided, however, that the Corporation shall not be required to take any actions under this Section 6(e) that are not, in the opinion of counsel for the Corporation, in compliance with applicable law.

(f) Furnish or make available to each selling holder of Registrable Securities, its counsel and each managing underwriter, if any, without charge, at least one conformed copy of the Registration Statement, the Prospectus and Prospectus supplements, if applicable, and each post-effective amendment thereto, including financial statements (but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference, and all exhibits, unless requested in writing by such holder, counsel or underwriter).

(g) Deliver to each selling holder of Registrable Securities, its counsel, and the underwriters, if any, without charge, as many copies of the Prospectus or Prospectuses (including each form of Prospectus) and each amendment or supplement thereto as such Persons may reasonably request in connection with the distribution of the Registrable Securities; and the Corporation, subject to the last paragraph of this Section 6, hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling holders of Registrable Securities and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any such amendment or supplement thereto.

(h) Prior to any public offering of Registrable Securities, use its reasonable best efforts to register or qualify or cooperate with the selling holders of Registrable Securities, the underwriters, if any, and their respective counsel in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or "Blue Sky" laws of such jurisdictions within the United States as any seller or underwriter reasonably requests in writing and to keep each such registration or qualification (or exemption therefrom) effective during the period such Registration Statement is required to be kept effective and to take any other action that may be necessary or advisable to enable such holders of Registrable Securities to consummate the disposition of such Registrable Securities in such jurisdiction; provided, however, that the Corporation will not be required to (i) qualify generally to do business in any jurisdiction where it is not then so qualified or (ii) take any action that would subject it to general service of process in any such jurisdiction where it is not then so subject.

(i) Cooperate with the selling holders of Registrable Securities and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates (not bearing any legends) representing Registrable Securities to be sold after receiving written

representations from each holder of such Registrable Securities that the Registrable Securities represented by the certificates so delivered by such holder will be transferred in accordance with the Registration Statement, and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, or holders may request at least two (2) business days prior to any sale of Registrable Securities in a firm commitment public offering, but in any other such sale, within ten (10) business days prior to having to issue the securities.

(j) Use its reasonable best efforts to cause the Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities within the United States, except as may be required solely as a consequence of the nature of such selling holder's business, in which case the Corporation will cooperate in all reasonable respects with the filing of such Registration Statement and the granting of such approvals, as may be necessary to enable the seller or sellers thereof or the underwriters, if any, to consummate the disposition of such Registrable Securities.

(k) Upon the occurrence of any event contemplated by Section 6(c)(vi) above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, such Prospectus will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(l) Prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities.

(m) Provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement from and after a date not later than the effective date of such Registration Statement.

(n) Use its reasonable best efforts to cause all shares of Registrable Securities covered by such Registration Statement to be authorized to be quoted on the Nasdaq National Market or listed on a national securities exchange if shares of the particular class of Registrable Securities are at that time quoted on the Nasdaq National Market or listed on such exchange, as the case may be.

(o) Enter into such agreements (including an underwriting agreement in form, scope and substance as is customary in underwritten offerings) and take all such other actions reasonably requested by the holders of a majority of the Registrable Securities being sold in connection therewith (including those reasonably requested by the managing underwriters, if any) to expedite or facilitate the disposition of such Registrable Securities, and in such connection, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the holders of such Registrable Securities and the underwriters, if any, with respect to the business of the Corporation and its subsidiaries, and the Registration Statement, Prospectus and documents,

if any, incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings, and, if true, confirm the same if and when requested, (ii) use its reasonable best efforts to furnish to the selling holders of such Registrable Securities opinions of counsel to the Corporation and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriters, if any, and counsels to the selling holders of the Registrable Securities), addressed to each selling holder of Registrable Securities and each of the underwriters, if any, covering the matters customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such counsel and underwriters, (iii) use its reasonable best efforts to obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Corporation (and, if necessary, any other independent certified public accountants of any subsidiary of the Corporation or of any business acquired by the Corporation for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the underwriters, if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, (iv) use its reasonable best efforts to obtain a report of the independent petroleum engineers of the Corporation relating to the oil and gas reserves of the Corporation included in such Registration Statement if the Corporation has had its reserves prepared, audited or reviewed by an independent petroleum engineer, such report to be in customary form and covering matters of the type customarily covered in such reports, (v) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 8 hereof with respect to all parties to be indemnified pursuant to said Section and (vi) deliver such documents and certificates as may be reasonably requested by the holders of a majority of the Registrable Securities being sold, their counsel and the managing underwriters, if any, to evidence the continued validity of the representations and warranties made pursuant to Section 6(o)(i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Corporation. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder.

(p) Make available for inspection by a representative of the selling holders of Registrable Securities, any underwriter participating in any such disposition of Registrable Securities, if any, and any attorneys or accountants retained by such selling holders or underwriter, at the offices where normally kept, during reasonable business hours, all financial and other records, pertinent corporate documents and properties of the Corporation and its subsidiaries, and cause the officers, directors and, employees of the Corporation and its subsidiaries to supply all information in each case reasonably requested by any such representative, underwriter, attorney or accountant in connection with such Registration Statement; provided, however, that any information that is not generally publicly available at the time of delivery of such information shall be kept confidential by such Persons unless (i) disclosure of such information is required by court or administrative order, (ii) disclosure of such information, in the opinion of counsel to such Person, is required by law, or (iii) such

information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by such Person. In the case of a proposed disclosure pursuant to (i) or (ii) above, such Person shall be required to give the Corporation written notice of the proposed disclosure prior to such disclosure and, if requested by the Corporation, assist the Corporation in seeking to prevent or limit the proposed disclosure. Without limiting the foregoing, no such information shall be used by such Person as the basis for any market transactions in securities of the Corporation or its subsidiaries in violation of law.

(q) Comply with all applicable rules and regulations of the SEC and make available to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder, or any similar rule promulgated under the Securities Act, no later than 45 days after the end of any 12 month period (or 90 days after the end of any 12 month period if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm commitment or best efforts underwritten offering and (ii) if not sold to underwriters in such an offering, commencing on the first day of the first fiscal quarter of the Corporation after the effective date of a Registration Statement, which statements shall cover one of said 12 month periods.

(r) Cause its officers to use their reasonable best efforts to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, participation in "road shows") taking into account the Corporation's business needs.

The Corporation may require each seller of Registrable Securities as to which any registration is being effected to furnish to the Corporation in writing such information required in connection with such registration regarding such seller and the distribution of such Registrable Securities as the Corporation may, from time to time, reasonably request in writing and the Corporation may exclude from such registration the Registrable Securities of any seller who unreasonably fails to furnish such information within a reasonable time after receiving such request.

Each holder of Registrable Securities agrees if such holder has Registrable Securities covered by such Registration Statement that, upon receipt of any notice from the Corporation of the happening of any event of the kind described in Section 6(c)(ii), 6(c)(iii), 6(c)(v) or 6(c)(vi) hereof, such holder will forthwith discontinue disposition of such Registrable Securities covered by such Registration Statement or Prospectus until such holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 6(k) hereof, or until it is advised in writing by the Corporation that the use of the applicable Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus; provided, however that the Corporation shall extend the time periods under Section 3 with respect to the length of time that the effectiveness of a Registration Statement must be maintained by the amount of time the holder is required to discontinue disposition of such securities.

Section 7. Registration Expenses. All reasonable fees and expenses incident to the performance of or compliance with this Agreement by the Corporation (including, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (A)

with respect to filings required to be made with the National Association of Securities Dealers, Inc. and (B) of compliance with securities or Blue Sky laws, including, without limitation, any fees and disbursements of counsel for the underwriters in connection with Blue Sky qualifications of the Registrable Securities pursuant to Section 6(h)), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities in a form eligible for deposit with The Depository Trust Company and of printing Prospectuses if the printing of Prospectuses is requested by the managing underwriters, if any, or by the holders of a majority of the Registrable Securities included in any Registration Statement), (iii) messenger, telephone and delivery expenses of the Corporation, (iv) fees and disbursements of counsel for the Corporation, (v) expenses of the Corporation incurred in connection with any road show, (vi) fees and disbursements of all independent certified public accountants referred to in Section 6(o)(iii) hereof (including, without limitation, the expenses of any "cold comfort" letters or oil and gas reserve reports required by this Agreement) and any other persons, including special experts retained by the Corporation, and (vii) fees and disbursements of one counsel for the holders of Registrable Securities whose shares are included in a Registration Statement, which counsel shall be selected by the requesting Qualified Holders if such Registration Statement is pursuant to a Demand Registration or Pre-QPO Demand Registration and otherwise by the holders of a majority of the Registrable Securities included in such Registration Statement) shall be borne by the Corporation whether or not any Registration Statement is filed or becomes effective. In addition, the Corporation shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit, the fees and expenses incurred in connection with the listing of the securities to be registered on any securities exchange on which similar securities issued by the Corporation are then listed and rating agency fees and the fees and expenses of any Person, including special experts, retained by the Corporation.

The Corporation shall not be required to pay (i) fees and disbursements of any counsel retained by any holder of Registrable Securities or by any underwriter (except as set forth in clauses 7(i)(B) and 7(vii)), (ii) any underwriter's fees (including discounts, commissions or fees of underwriters, selling brokers, dealer managers or similar securities industry professionals) relating to the distribution of the Registrable Securities (other than with respect to Registrable Securities sold by the Corporation), or (iii) any other expenses of the holders of Registrable Securities not specifically required to be paid by the Corporation pursuant to the first paragraph of this Section 7.

Section 8. Indemnification.

(a) Indemnification by the Corporation. The Corporation shall, without limitation as to time, indemnify and hold harmless, to the fullest extent permitted by law, each holder of Registrable Securities whose Registrable Securities are covered by a Registration Statement or Prospectus, the officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees of each of them, each Person who controls each such holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees of each such controlling person, each underwriter, if any, and each Person who controls (within the meaning of Section 15 of the Securities Act or

Section 20 of the Exchange Act) such underwriter, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation or Proceeding), expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, " Losses"), as incurred, arising out of or based upon any untrue statement (or alleged untrue statement) of a material fact contained in any Prospectus, offering circular, or other document (including any related Registration Statement, notification, or the like) incident to any such registration, qualification, or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Corporation of the Securities Act or any rule or regulation thereunder applicable to the Corporation and relating to action or inaction required of the Corporation in connection with any such registration, qualification, or compliance, and will reimburse each such holder, each of its officers, directors, partners, members, managers, stockholders, accountants, attorneys, agents and employees and each person controlling such holder, each such underwriter, and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability, or action, provided that the Corporation will not be liable in any such case to the extent that any such claim, loss, damage, liability, or expense arises out of or is based on any untrue statement or omission by such holder or underwriter, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such Registration Statement, Prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Corporation by such holder. It is agreed that the indemnity agreement contained in this Section 8(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Corporation (which consent shall not be unreasonably withheld).

(b) Indemnification by Holder of Registrable Securities . In connection with any Registration Statement in which a holder of Registrable Securities is participating, such holder of Registrable Securities shall furnish to the Corporation in writing such information as the Corporation reasonably requests for use in connection with any Registration Statement or Prospectus and agrees to indemnify, to the fullest extent permitted by law, severally and not jointly, the Corporation, its directors and officers and each Person who controls the Corporation (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), from and against all Losses arising out of or based on any untrue statement of a material fact contained in any such Registration Statement, Prospectus, offering circular, or other document, or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Corporation and such directors, officers, partners, members, managers, stockholders, accountants, attorneys, employees, agents, persons, underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability, or action, in each case to the extent, but only to the extent, that such untrue statement or omission is made in such Registration Statement, Prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Corporation by such holder expressly for inclusion in such Registration Statement, Prospectus, offering circular or other document; provided, however, that the obligations of such holder hereunder shall not apply to

amounts paid in settlement of any such claims, losses, damages, or liabilities (or actions in respect thereof) if such settlement is effected without the consent of such holder (which consent shall not be unreasonably withheld); and provided, further, that the liability of each selling holder of Registrable Securities hereunder shall be limited to the net proceeds received by such selling holder from the sale of Registrable Securities covered by such Registration Statement.

(c) Conduct of Indemnification Proceedings. If any Person shall be entitled to indemnity hereunder (an "indemnified party"), such indemnified party shall give prompt notice to the party from which such indemnity is sought (the " indemnifying party") of any claim or of the commencement of any Proceeding with respect to which such indemnified party seeks indemnification or contribution pursuant hereto; provided, however, that the delay or failure to so notify the indemnifying party shall not relieve the indemnifying party from any obligation or liability except to the extent that the indemnifying party has been prejudiced by such delay or failure. The indemnifying party shall have the right, exercisable by giving written notice to an indemnified party promptly after the receipt of written notice from such indemnified party of such claim or Proceeding, to, unless in the indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume, at the indemnifying party's expense, the defense of any such claim or Proceeding, with counsel reasonably satisfactory to such indemnified party; provided, however, that an indemnified party shall have the right to employ separate counsel in any such claim or Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (i) the indemnifying party agrees to pay such fees and expenses; or (ii) the indemnifying party fails promptly to assume, or in the event of a conflict of interest cannot assume, the defense of such claim or Proceeding or fails to employ counsel reasonably satisfactory to such indemnified party; in which case the indemnified party shall have the right to employ counsel and to assume the defense of such claim or proceeding; provided, however, that the indemnifying party shall not, in connection with any one such claim or Proceeding or separate but substantially similar or related claims or Proceedings in the same jurisdiction, arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one firm of attorneys (together with appropriate local counsel) at any time for all of the indemnified parties, or for fees and expenses that are not reasonable. Whether or not such defense is assumed by the indemnifying party, such indemnified party will not be subject to any liability for any settlement made without its consent (but such consent will not be unreasonably withheld). The indemnifying party shall not consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release, in form and substance reasonably satisfactory to the indemnified party, from all liability in respect of such claim or litigation for which such indemnified party would be entitled to indemnification hereunder.

(d) Contribution. If the indemnification provided for in this Section 8 is unavailable to an indemnified party in respect of any Losses (other than in accordance with its terms), then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and such indemnified party, on the other hand, in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable

considerations. The relative fault of such indemnifying party, on the one hand, and indemnified party, on the other hand, shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been taken by, or relates to information supplied by, such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent any such action, statement or omission.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 8(d), an indemnifying party that is a selling holder of Registrable Securities shall not be required to contribute any amount in excess of the amount by which the net proceeds from the sale of the Registrable Securities sold by such indemnifying party exceeds the amount of any damages that such indemnifying party has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

Section 9. Rule 144. After a Qualified Public Offering, the Corporation shall (i) file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner, (ii) take such further action as any holder of Registrable Securities may reasonably request, and (iii) furnish to each holder of Registrable Securities forthwith upon written request, (x) a written statement by the Corporation as to its compliance with the reporting requirements of Rule 144, the Securities Act and the Exchange Act, (y) a copy of the most recent annual or quarterly report of the Corporation, and (z) such other reports and documents so filed by the Corporation as such holder may reasonably request in availing itself of Rule 144, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the request of any holder of Registrable Securities, the Corporation shall deliver to such holder a written statement as to whether it has complied with such requirements.

Section 10. Underwritten Registrations. If any Demand Registration or Pre-QPO Demand Registration is an underwritten offering (including a Qualified Public Offering), the Qualified Holder making the demand shall have the right to select the investment banker or investment bankers and managers to administer the offering, subject to approval by the Corporation, not to be unreasonably withheld. The Corporation shall have the right to select the investment banker or investment bankers and managers to administer any Piggyback Registration.

No Person may participate in any underwritten registration hereunder unless such Person (i) agrees to sell the Registrable Securities it desires to have covered by the Demand Registration or Pre-QPO Demand Registration on the basis provided in any underwriting arrangements in customary form and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements, provided that such Person shall not be required to make any representations or warranties other than those related to title and ownership of shares and as to the accuracy and completeness of statements made in a Registration Statement, Prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Corporation or the managing underwriter by such Person.

Section 11. Limitation on Subsequent Registration Rights. From and after March 9, 2004 and prior to the IPO Conversion Kosmos shall not, and from and after the IPO Conversion the Corporation shall not, without the prior written consent of the Supermajority Holders, enter into any agreement with any holder or prospective holder of any securities of Kosmos or the Corporation, as the case may be, giving such holder or prospective holder any registration rights the terms of which are equivalent to or more favorable than the registration rights granted to holders of Registrable Securities hereunder, or which would reduce the amount of Registrable Securities the holders can include in any registration filed pursuant to Section 3 hereof, unless such rights are subordinate to those of the holders of Registrable Securities.

Section 12. Miscellaneous.

(a) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without the written consent of the Supermajority Holders; provided, however, that in no event shall the obligations of any holder of Registrable Securities be materially increased or the rights of any Stockholder be adversely affected (without similarly adversely affecting the rights of all Stockholders), except upon the written consent of such holder. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other holders of Registrable Securities may be given by holders of at least a majority of the Registrable Securities being sold by such holders pursuant to such Registration Statement.

(b) Notices. All notices required to be given hereunder shall be in writing and shall be deemed to be duly given if personally delivered, telecopied and confirmed, or mailed by certified mail, return receipt requested, or overnight delivery service with proof of receipt maintained, at the following address (or any other address that any such party may designate by written notice to the other parties):

If to the Corporation, to the address of its principal executive offices. If to any Stockholder, at such Stockholder's address as set forth on the records of the Corporation. Any such notice shall, if delivered personally, be deemed received upon delivery; shall, if delivered by telecopy, be deemed received on the first business day following confirmation; shall, if delivered by overnight delivery service, be deemed received the first business day after being

sent; and shall, if delivered by mail, be deemed received upon the earlier of actual receipt thereof or five business days after the date of deposit in the United States mail.

(c) Successors and Assigns; Stockholder Status . This Agreement shall inure to the benefit of the limited partners of a Stockholder who have received shares of Registrable Securities from a Stockholder pursuant to a Partner Distribution and shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties, including subsequent holders of Registrable Securities acquired, directly or indirectly, from the Stockholders; provided, however, that such successor or assign shall not be entitled to such rights unless the successor or assign shall have executed and delivered to the Corporation an Addendum Agreement substantially in the form of Exhibit A hereto (which shall also be executed, if prior to the IPO Conversion, by Kosmos and, if after the IPO Conversion, by the Corporation) promptly following the acquisition of such Registrable Securities, in which event such successor or assign shall be deemed a Stockholder for purposes of this Agreement and Annex A shall be updated by the Corporation accordingly. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any Person other than the parties hereto and their respective successors and permitted assigns any legal or equitable right, remedy or claim under, in or in respect of this Agreement or any provision herein contained.

(d) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(e) Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(f) Governing Law. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of New York (without giving effect to the choice of law principles thereof).

(g) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(h) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement, and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein, with respect to the registration rights granted by the Corporation with

respect to Registrable Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(i) Securities Held by the Corporation or its subsidiaries. Whenever the consent or approval of holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Corporation or its subsidiaries shall not be counted in determining whether such consent or approval was given by the holders of such required percentage.

(j) Termination. This Agreement shall terminate on the earlier of (i) ten years following the consummation of a Qualified Public Offering and (ii) when no Registrable Securities remain outstanding; provided that Sections 7 and 8 shall survive any termination hereof.

(k) Specific Performance. The parties hereto recognize and agree that money damages may be insufficient to compensate the holders of any Registrable Securities for breaches by the Corporation of the terms hereof and, consequently, that the equitable remedy of specific performance of the terms hereof will be available in the event of any such breach.

(l) Consent to Jurisdiction. The parties hereto hereby irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the federal courts of the United States of America located in New York, and appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby, and each party hereby irrevocably agrees that all claims in respect of such dispute or proceeding may be heard and determined in such courts. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. This consent to jurisdiction is being given solely for purposes of this Agreement and is not intended to, and shall not, confer consent to jurisdiction with respect to any other dispute in which a party to this Agreement may become involved.

Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action, or proceeding of the nature specified in the paragraph above by the mailing of a copy thereof in the manner specified by the provisions of subsection (b) of this Section 12.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Registration Rights Agreement to be duly executed as of the date first above written.

KOSMOS ENERGY HOLDINGS

By: /s/ W. Greg Dunlevy
Name: W. Greg Dunlevy
Title: Chief Financial Officer and Executive Vice President

WARBURG PINCUS INTERNATIONAL PARTNERS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS INTERNATIONAL PARTNERS I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WPIP INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS PRIVATE EQUITY VIII, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS PRIVATE EQUITY VIII I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WP VIII INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its Managing Member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Aassociates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE FAMILY INVESTMENTPARTNERSHIP (CAYMAN) IV-A SMD L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

BLACKSTONE PARTICIPATION PARTNERSHIP (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.
By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ David Foley
Name: David Foley
Title: Member

Annex A

STOCKHOLDERS

Warburg Pincus International Partners, L.P.
Warburg Pincus Netherlands International Partners I, C.V.
WP-WPIP Investors, L.P.
Warburg Pincus Private Equity VIII, L.P.
Warburg Pincus Netherlands Private Equity VIII I, C.V.
WP-WP VIII Investors, L.P.
Blackstone Capital Partners (Cayman) IV L.P.
Blackstone Capital Partners (Cayman) IV-A L.P.
Blackstone Family Investment Partnership (Cayman) IV-A L.P.
Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P.
Blackstone Participation Partnership (Cayman) IV L.P.
James C. Musselman
Musselman-Kosmos, Ltd.
Brian F. Maxted
W. Greg Dunlevy
Kiat Tze (Kenny) Goh
Paul Dailly
Adebayo O. Ogunlesi
John R. Kemp III
Christopher A. Wright
Sylvia J. Manor
Eric S. Hudgens
Philip Lowry
Katherine A. Kanschat
Scott L. Davis
Jan P. Hitchborn
Margaret Gorman
Tracey K. Henderson
George Sneed
Kristin Brumfield
Marvin M. Garrett
Mary Kay Krenzer
Nancy K. Lorts
Sanjaykumar Malani
Jon W. Cappon
Monica S. Shank
Grace K. Weisberg
Robert S. Brashier

Kevin R. Black
Katie A. Mormon
Barbara Pearl
Tara M. Campbell
Erica S. Logan Hilton
Emma L. Byford
Doris B. McGuinness
Dennis C. McLaughlin
Kevin M. Hubble
Vickie L. Gammon
Eric J. Haas
Kelly A. Peterson (Huffman)
Stephen R. Sills
Steven J. Zrake
Yuliana Ryabova
Jennifer L. Roberts
Stephanie M. Allen
Chelsea G. Gilmore
Laurent M. Culembourg
Dennis P. Kucinskas
Heather L. Jank
Ryan A. Turner
Joseph L. Matthews
Brian A. Progar
Darran J. Lucas
Ralph H. Jones
Edward Glenn Cummings
Linda R. Correll
Edwin M. Ferguson
Thomas Oscar Fulford
Kina L. Jones
Tara A. Birkinbine
Lisa L. Fowler
Scott A. Bergeron
Sheri J. Collins
Wesley Jay Neeley
David Anderson Mormon
Jeffrey T. Elliott
Deandra R. Lee
Dalby Family Holdings, LP
2008 Carnegie, Ltd.

EXHIBIT A

ADDENDUM AGREEMENT

This Addendum Agreement is made this day of , 20 , by and between (the "New Stockholder") and [Kosmos (the "Company")] [the Corporation (the "Corporation")], pursuant to an Amended and Restated Registration Rights Agreement dated as of October , 2009 (the "Agreement"), between and among the Kosmos and the Stockholders. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

WITNESSETH:

WHEREAS, [Kosmos has agreed to bind the IPO Corporation (its successor)][the Corporation has agreed] to provide registration rights with respect to the Registrable Securities as set forth in the Agreement; and

WHEREAS, the New Stockholder has acquired Registrable Securities directly or indirectly from a Stockholder; and

WHEREAS, Kosmos and the Stockholders have required in the Agreement that all persons desiring registration rights must enter into an Addendum Agreement binding the New Stockholder to the Agreement to the same extent as if it were an original party thereto;

NOW, THEREFORE, in consideration of the mutual promises of the parties, the New Stockholder acknowledges that it has received and read the Agreement and that the New Stockholder shall be bound by, and shall have the benefit of, all of the terms and conditions set out in the Agreement to the same extent as if it were an original party to the Agreement and shall be deemed to be a Stockholder thereunder.

[Amend Annex A of Agreement if necessary to reflect appropriate schedule for new Stockholder.]

New Stockholder

Address:

AGREED TO on behalf of [Kosmos][the Corporation] pursuant to Section 12(c) of the Agreement.

[KOSMOS][THE CORPORATION]

By: _____

_____
Printed Name and Title

SCHEDULE I
MEMBERS

Warburg Pincus International Partners, L.P.
Warburg Pincus Netherlands International Partners I, C.V.
WP-WPIP Investors, L.P.
Warburg Pincus Private Equity VIII, L.P.
Warburg Pincus Netherlands Private Equity VIII I, C.V.
WP-WP VIII Investors, L.P.
Blackstone Capital Partners (Cayman) IV L.P.
Blackstone Capital Partners (Cayman) IV-A L.P.
Blackstone Family Investment Partnership (Cayman) IV-A L.P.
Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P.
Blackstone Participation Partnership (Cayman) IV L.P.
James C. Musselman
Musselman-Kosmos, Ltd.
Brian F. Maxted
W. Greg Dunlevy
Kiat Tze (Kenny) Goh
Paul Dailly
Adebayo O. Ogunlesi
John R. Kemp III
Christopher A. Wright
Sylvia J. Manor
Eric S. Hudgens
Philip Lowry
Katherine A. Kanschat
Scott L. Davis
Jan P. Hitchborn
Margaret Gorman
Tracey K. Henderson
George Sneed
Kristin Brumfield
Marvin M. Garrett
Mary Kay Krenzer
Nancy K. Lorts
Sanjaykumar Malani
Jon W. Cappon
Monica S. Shank
Grace K. Weisberg
Robert S. Brashier
Robert Miller
John Michael Hopkinson
Yaw Owusu
William S. Hayes

Kevin R. Black
Katie A. Mormon
Barbara Pearl
Tara M. Campbell
Erica S. Logan Hilton
Emma L. Byford
Doris B. McGuinness
Dennis C. McLaughlin
Kevin M. Hubble
Vickie L. Gammon
Eric J. Haas
Kelly A. Peterson (Huffman)
Stephen R. Sills
Steven J. Zrake
Yuliana Ryabova
Jennifer L. Roberts
Stephanie M. Allen
Chelsea G. Gilmore
Laurent M. Culembourg
Dennis P. Kucinskas
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Edwin M. Ferguson
Thomas Oscar Fulford
Kina L. Jones
Tara A. Birkinbine
Lisa L. Fowler
Scott A. Bergeron
Sheri J. Collins
Wesley Jay Neeley
David Anderson Mormon
Jeffrey T. Elliott
Deandra R. Lee
Dalby Family Holdings, LP
2008 Carnegie, Ltd.

SCHEDULE II
MANAGERS

Jeffrey A. Harris (Warburg Nominee)
David B. Krieger (Warburg Nominee)
David I. Foley (Blackstone Nominee)
Prakash A. Melwani (Blackstone Nominee)
James C. Musselman (Management Nominee)
Chris Wright (Independent Nominee)
John Kemp (Independent Nominee)
Adebayo Ogunlesi (Independent Nominee)
Andrew Johnson (Independent Director)

SCHEDULE III
INDEPENDENT THIRD PARTY VALUATION FIRMS

1. JP Morgan Chase
2. Deutsche Bank
3. Barclays
4. Banc of America Securities
5. Morgan Stanley
6. Citigroup
7. Credit Suisse
8. Goldman Sachs

KOSMOS ENERGY HOLDINGS
FOURTH AMENDED AND RESTATED OPERATING AGREEMENT

Kosmos – Sharing Ratio Vesting Formula **Schedule IV**
(Shares and $ in Millions)

Assumptions

	Series A	Series B	Series C
Commitment Amount	$ 300	$ 500	$ 250
Price per Unit	*$ 10.00*	*$ 25.00*	*$ 28.25*
Invested Amount	$ 300	$ 500	$ 250
Units Outstanding, as Converted	30.000	20.000	8.850
Quarterly Compounded Interest Rate < 12/31/2010	7.19%	7.19%	7.19%
Weighted-Average Hold Period (Years)	3.49	1.83	0.79
Accreted Value	$ 384	$ 568	$ 264
Illustrative Gross Exit Date/Value		12/31/10 /	$ 4,000

Unit Structure

	Participation Threshold	# of F/D Units Outstanding	Applicable Sharing Ratio		# of F/D Units Outstanding
A Pref. Units, as Converted	0.00	30.000	1.000	Defined	30.000
$0.00 Units (=existing Mgmt. Units)	0.00	2.660	1.000	$300/$300	2.660
$0.85 Units (=existing TH Units)	0.85	0.840	1.000	$300/$300	0.840
$5.00 Units	5.00	2.133	1.000	$300/$300	2.133
$10.00 Units	10.00	1.012	1.000	$300/$300	1.012
$15.00 Units	15.00	0.305	1.000	$300/$300	0.305
B Pref. Units, as Converted	15.00	20.000	1.000	Defined	20.000
$15.00 Units	15.00	2.333	1.000	$500/$500	2.333
$27.50 Units	27.50	1.567	1.000	$500/$500	1.567
$40.00 Units	40.00	2.500	1.000	$500/$500	2.500
$65.00 Units	65.00	2.500	1.000	$500/$500	2.500
$90.00 Units	90.00	2.500	1.000	$500/$500	2.500
C Pref. Units, as Converted	18.25	8.850	1.000	Defined	8.850
C1 Units	18.25	2.500	1.000	Defined	2.500

Section 7.1(a)(III) worksheet

Up to:	1st TH $0.85	2nd TH $5.00	3rd TH $10.00	4th TH $15.00	5th TH $18.25	6th TH $27.50	7th TH $40.00	8th TH $65.00	9th TH $90.00	10th TH NA
Series A Pref. Units	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000
$0.00 Units	2.660	2.660	2.660	2.660	2.660	2.660	2.660	2.660	2.660	2.660
$0.85 Units	0.000	0.840	0.840	0.840	0.840	0.840	0.840	0.840	0.840	0.840
$5.00 Units	0.000	0.000	2.133	2.133	2.133	2.133	2.133	2.133	2.133	2.133
$10.00 Units	0.000	0.000	0.000	1.012	1.012	1.012	1.012	1.012	1.012	1.012
$15.00 Units	0.000	0.000	0.000	0.000	0.305	0.305	0.305	0.305	0.305	0.305

Series B Pref. Units	0.000	0.000	0.000	0.000	20.000	20.000	20.000	20.000	20.000	20.000
$15.00 Units	0.000	0.000	0.000	0.000	2.333	2.333	2.333	2.333	2.333	2.333
Series C Pref. Units	0.000	0.000	0.000	0.000	0.000	8.850	8.850	8.850	8.850	8.850
C1 Units	0.000	0.000	0.000	0.000	0.000	2.500	2.500	2.500	2.500	2.500
$27.50 Units	0.000	0.000	0.000	0.000	0.000	0.000	1.567	1.567	1.567	1.567
$40.00 Units	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500	2.500	2.500
$65.00 Units	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500	2.500
$90.00 Units	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.500
Total Participating	32.660	33.500	35.633	36.645	59.283	70.633	72.200	74.700	77.200	79.700

Section 7.1(a)(III) Distribution Waterfall

	$	% of Tler
Accreted Value		
Gross Exit Value	$ 4,000	
Series A Accreted Value	$ (384)	31.552%
Series B Accreted Value	(568)	46.718%
Series C Accreted Value	(264)	21.730%
Subtotal	$ (1,216)	100.000%
Remaining for Participation	$ 2,784	

Until First Threshold ($0.85)				
Net Participating Units	= 30.000 + 2.660		32.660	
Amount to Allocate	= Min. of [32.660 * ($0.85 - $0.00)] or [Remaining Proceeds]	$	(28)	
Series A Pref. Units	= (30.000/32.660) * [Amount to Allocate]	$	(26)	91.855%
$0.00 Units	= (2.660/32.660) * [Amount to Allocate]		(2)	8.145%
Subtotal		$	(28)	100.000%
Remaining for Participation		$	2,757	
Until Next Threshold ($5.00)				
Net Participating Units	= [above] + 0.840		33.500	
Amount to Allocate	= Min. of [33.500 * ($5.00 - $0.85)] or [Remaining Proceeds]	$	(139)	
Series A Pref. Units	= (30.000/33.500) * [Amount to Allocate]	$	(125)	89.552%
$0.00 Units	= (2.660/33.500) * [Amount to Allocate]		(11)	7.940%
$0.85 Units	= (0.840/33.500) * [Amount to Allocate]		(3)	2.507%
Subtotal		$	(139)	100.000%
Remaining for Participation		$	2,618	
Until Next Threshold ($10.00)				
Net Participating Units	= [above] + 2.133		35.633	
Amount to Allocate	= Min. of [35.633 * ($10.00 - $5.00)] or [Remaining Proceeds]	$	(178)	
Series A Pref. Units	= (30.000/35.633) * [Amount to Allocate]	$	(150)	84.191%
$0.00 Units	= (2.660/35.633) * [Amount to Allocate]		(13)	7.465%
$0.85 Units	= (0.840/35.633) * [Amount to Allocate]		(4)	2.357%
$5.00 Units	= (2.133/35.633) * [Amount to Allocate)		(11)	5.987%
Subtotal		$	(178)	100.000%
Remaining for Participation		$	2,439	
Until Next Threshold ($15,00)				
Net Participating Units	= [above] + 1.012		36.645	
Amount to Allocate	= Min. of [36.645 * ($15.00 - $10.00)] or [Remaining Proceeds]	$	(183)	
Series A Pref. Units	= (30.000/36.645) * [Amount to Allocate]	$	(150)	81.866%
$0.00 Units	= (2.660/36.645) * [Amount to Allocate]		(13)	7.259%
$0.85 Units	= (0.840/36.645) * [Amount to Allocate]		(4)	2.292%
$5.00 Units	= (2.133/36.645) * [Amount to Allocate]		(11)	5.822%
$10.00 Units	= (1.012/36.645) * [Amount to Allocate]		(5)	2.761%
Subtotal		$	(183)	100.000%
Remaining for Participation		$	2,256	
Until Next Threshold ($18.25)				
Net Participating Units	= [above] + 0.305 + 20.000 + 2.333		59.283	
Amount to Allocate	= Min. of [59.283 * ($18.25 - $15.00)] or [Remaining Proceeds]	$	(193)	
Series A Pref. Units	= (30.000/59.283) * [Amount to Allocate]	$	(98)	50.604%
$0.00 Units	= (2.660/59.283) * [Amount to Allocate]		(9)	4.487%
$0.85 Units	= (0.840/59.283) * [Amount to Allocate]		(3)	1.417%
$5.00 Units	= (2.133/59.283) * [Amount to Allocate]		(7)	3.599%
$10.00 Units	= (1.012/59.283) * [Amount to Allocate]		(3)	1.707%
$15.00 Units	= (0.305/59.283) * [Amount to Allocate]		(1)	0.514%
Series B Pref. Units	= (20.000/59.283) * [Amount to Allocate]		(65)	33.736%
$15.00 Units	= (2.333/59.283) * [Amount to Allocate]		(8)	3.936%
Subtotal		$	(193)	100.000%
Remaining for Participation		$	2,064	

Until Next Threshold ($27.50)				
Net Participating Units	= [above] + 8.850 + 2.500		70.633	
Amount to Allocate	= Min. of [70.633 * ($27.50 - $18.25)] or [Remaining Proceeds]	$	(653)	
Series A Pref. Units	= (30.000/70.633) * [Amount to Allocate]	$	(278)	42.473%
$0.00 Units	= (2.660/70.633) * [Amount to Allocate]		(25)	3.766%
$0.85 Units	= (0.840/70.633) * [Amount to Allocate]		(8)	1.189%
$5.00 Units	= (2.133/70.633) * [Amount to Allocate]		(20)	3.020%
$10.00 Units	= (1.012/70.633) * [Amount to Allocate]		(9)	1.433%
$15.00 Units	= (0.305/70.633) * [Amount to Allocate]		(3)	0.431%
Series B Pref. Units	= (20.000/70.633) * [Amount to Allocate]		(185)	28.315%
$15.00 Units	= (2.333/70.633) * [Amount to Allocate]		(22)	3.303%
Series C Pref. Units	= (8.850/70.633) * [Amount to Allocate]		(82)	12.529%
C1 Units	= (2.500/70.633) * [Amount to Allocate]		(23)	3.539%
Subtotal		$	(653)	100.000%
Remaining for Participation		$	1,410	
Until Next Threshold ($40.00)				
Net Participating Units	= [above] + 1.587		72.200	
Amount to Allocate	= Min. of [72.200 * ($40.00 - $27.50)] or [Remaining Proceeds]	$	(902)	
Series A Pref. Units	= (30.000/72.200) * [Amount to Allocate]	$	(375)	41.552%
$0.00 Units	= (2.660/72.200) * [Amount to Allocate]		(33)	3.684%
$0.85 Units	= (0.840/72.200) * [Amount to Allocate]		(11)	1.163%
$5.00 Units	= (2.133/72.200) * [Amount to Allocate]		(27)	2.955%
$10.00 Units	= (1.012/72.200) * [Amount to Allocate]		(13)	1.401%
$15.00 Units	= (0.305/72.200) * [Amount to Allocate]		(4)	0.422%
Series B Pref. Units	= (20.000/72.200) * [Amount to Allocate]		(250)	27.701%
$15.00 Units	= (2.333/72.200) * [Amount to Allocate]		(29)	3.232%
Series C Pref. Units	= (8.850/72.200) * [Amount to Allocate]		(111)	12.257%
C1 Units	= (2.500/72.200) * [Amount to Allocate]		(31)	3.463%
$27.50 Units	= (1.567/72.200) * [Amount to Allocate]		(20)	2.170%
Subtotal		$	(902)	100.000%
Remaining for Participation		$	508	
Until Next Threshold ($65.00)				
Net Participating Units	= [above] + 2.500		74.700	
Amount to Allocate	= Min. of [74.700 * ($65.00 - $40.00)] or [Remaining Proceeds]	$	(508)	
Series A Pref. Units	= (30.000/74.700) * [Amount to Allocate]	$	(204)	40.161%
$0.00 Units	= (2.660/74.700) * [Amount to Allocate]		(18)	3.561%
$0.85 Units	= (0.840/74.700) * [Amount to Allocate]		(6)	1.125%
$5.00 Units	= (2.133/74.700) * [Amount to Allocate]		(14)	2.856%
$10.00 Units	= (1.012/74.700) * [Amount to Allocate]		(7)	1.355%
$15.00 Units	= (0.305/74.700) * [Amount to Allocate]		(2)	0.408%
Series B Pref. Units	= (20.000/74.700) * [Amount to Allocate]		(136)	26.774%
$15.00 Units	= (2.333/74.700) * [Amount to Allocate]		(16)	3.124%
Series C Pref. Units	= (8.850/74.700) * [Amount to Allocate]		(60)	11.847%
C1 Units	= (8.850/74.700) * [Amount to Allocate]		(17)	3.347%
$27.50 Units	= (1.567/74.700) * [Amount to Allocate]		(11)	2.097%
$40.00 Units	= (2.500/74.700) * [Amount to Allocate]		(17)	3.347%
Subtotal		$	(508)	100.000%
Remaining for Participation		$	0	

Until Next Threshold ($90.00)				
Net Participating Units	= [above] + 2.500		77.200	
Amount to Allocate	= Min. of [77.200 * ($90.00 - $65.00)] or [Remaining Proceeds]	$	0	
Series A Pref. Units	= (30.000/77.200) * [Amount to Allocate]			
$0.00 Units	= (2.660/77.200) * [Amount to Allocate]	$	0	NA
$0.85 Units	= (0.840/77.200) * [Amount to Allocate]		0	NA
$5.00 Units	= (2.133/77.200) * [Amount to Allocate]		0	NA
$10.00 Units	= (1.012/77.200) * [Amount to Allocate]		0	NA
$15.00 Units	= (0.305/77.200) * [Amount to Allocate]		0	NA
Series B Pref. Units	= (20.000/77.200) * [Amount to Allocate]		0	NA
$15.00 Units	= (2.333/77.200) * [Amount to Allocate]		0	NA
Series C Pref. Units	= (8.850/77.200) * [Amount to Allocate]		0	NA
C1 Units	= (8.850/77.200) * [Amount to Allocate]		0	NA
$27.50 Units	= (1.567/77.200) * [Amount to Allocate]		0	NA
$40.00 Units	= (2.500/77.200) * [Amount to Allocate]		0	NA
$65.00 Units	= (2.500/77.200) * [Amount to Allocate]		0	NA
Subtotal		$	0	NA
Remaining for Participation		$	0	
Above Last Threshold ($90.00)				
Net Participating Units	= [above] + 2.500		79.700	
Amount to Allocate	= [Remaining Proceeds]	$	0	
Series A Pref. Units	= (30.000/79.700) * [Amount to Allocate]	$	0	NA
$0.00 Units	= (2.660/79.700) * [Amount to Allocate]		0	NA
$0.85 Units	= (0.840/79.700) * [Amount to Allocate]		0	NA
$5.00 Units	= (2.133/79.700) * [Amount to Allocate]		0	NA
$10.00 Units	= (1.012/79.700) * [Amount to Allocate]		0	NA
$15.00 Units	= (0.305/79.700) * [Amount to Allocate]		0	NA
Series B Pref. Units	= (20.000/79.700) * [Amount to Allocate]		0	NA
$15.00 Units	= (2.333/79.700) * [Amount to Allocate]		0	NA
Series C Pref. Units	= (8.850/79.700) * [Amount to Allocate]		0	NA
C1 Units	= (8.850/79.700) * [Amount to Allocate]		0	NA
$27.50 Units	= (1.567/79.700) * [Amount to Allocate]		0	NA
$40.00 Units	= (2.500/79.700) * [Amount to Allocate]		0	NA
$65.00 Units	= (2.500/79.700) * [Amount to Allocate]		0	NA
$90.00 Units	= (2.500/79.700) * [Amount to Allocate]		0	NA
Subtotal		$	0	NA
Remaining for Participation		$	0	

Summary of Distributions

	WP Funds	BCAP Funds	Mgmt.	Total $MM	Total per Unit
Series A					
Series A Accreted Value	$ (206)	$ (169)	$ (9)	$ (384)	$ (12.79)
Series A Pref. Units	(755)	(618)	(31)	(1,404)	(46.80)
Subtotal Series A	$ (961)	$ (786)	$ (40)	$ (1,787)	$ (59.58)
Series B					
Series B Accreted Value	$ (306)	$ (250)	$ (12)	$ (568)	$ (28.40)
Series B Pref. Units	(342)	(280)	(13)	(636)	(31.80)
Subtotal Series B	$ (648)	$ (530)	$ (25)	$ (1,204)	$ (60.19)
Series C					
Series C Accreted Value	$ (142)	$ (116)	$ (6)	$ (264)	$ (29.85)
Series C Pref. Units	(136)	(111)	(5)	(253)	(28.55)
Cl Units	(38)	(31)	(2)	(71)	(28.55)
Subtotal Series C	$ (316)	$ (259)	$ (13)	$ (588)	$ (66.46)*
Management					
$0.00 Units	$ 0	$ 0	$ (124)	$ (124)	$ (46.80)
$0.85 Units	0	0	(39)	(39)	(45,95)
$5.00 Units	0	0	(89)	(89)	(41.80)
$10.00 Units	0	0	(37)	(37)	(36.80)
$15.00 Units	0	0	(10)	(10)	(31.80)
$15.00 Units	0	0	(74)	(74)	(31.80)
$27.50 Units	0	0	(30)	(30)	(19.30)
$40.00 Units	0	0	(17)	(17)	(6.80)
$65.00 Units	0	0	0	0	0.00
$90.00 Units	0	0	0	0	0.00
Subtotal Mgmt Incentives	$ 0	$ 0	$ (421)	$ (421)	NA
Total					
Subtotal Series A	$ (961)	$ (786)	$ (40)	$ (1,787)	
Subtotal Series B	(648)	(530)	(25)	(1,204)	
Subtotal Series C	(316)	(259)	(13)	(588)	
Subtotal Mgmt Incentives	0	0	(421)	(421)	
Total	$ (1,926)	$ (1,576)	$ (498)	$ (4,000)	

* *not additive*

Execution Version

FIRST AMENDMENT TO
FOURTH AMENDED AND RESTATED
OPERATING AGREEMENT
OF
KOSMOS ENERGY HOLDINGS

This First Amendment (this "Amendment") to the Fourth Amended and Restated Operating Agreement of Kosmos Energy Holdings, a Cayman Islands Exempted Company limited by guarantee, dated as of December 17, 2010, is adopted, executed and agreed to by the parties hereto. Capitalized terms used but not otherwise defined herein have the meanings set forth in the Operating Agreement (defined below).

WHEREAS, the Company and the Members entered into the Fourth Amended and Restated Operating Agreement of Kosmos Energy Holdings (the "Operating Agreement") on October 9, 2009;

WHEREAS, pursuant to Section 15.5 of the Operating Agreement, the Company and the Members executing this Amendment, constituting the Supermajority Holders and a majority of the outstanding Profits Units, desire to amend the Operating Agreement; and

WHEREAS, this Amendment will be in force and effect and become binding on the current Members of the Company and their respective spouses by the execution hereof by the required signatories to effect the amendment of the Operating Agreement.

NOW, THEREFORE, in consideration of the mutual promises and benefits set forth herein, the Operating Agreement is hereby amended as follows:

1. The following subsection (e) is added to the end of Section 11.1 of the Operating Agreement:

"(e) Notwithstanding anything to the contrary herein, the Board may, with the prior written consent of the Supermajority Holders, partially or fully accelerate the vesting of any Unitholder's Unvested Units and thereby convert them into Vested Units."

2. The definition of "Qualified Public Offering" shall be deleted and replaced in its entirety by the following:

"Qualified Public Offering" means the first firm commitment underwritten offering by the IPO Corporation of common stock to the public pursuant to an effective registration statement under the Securities Act (i) for which aggregate cash proceeds to be received by the Corporation from such offering (without deducting underwriting discounts, expenses and commissions) are at least $50,000,000 or for which aggregate cash proceeds to be received by a Qualified Holder from such offering (without deducting underwriting discounts, expenses and commissions) are at least $10,000,000, and (ii) pursuant to which such shares of common stock are authorized and approved for listing on the New York Stock

Exchange or admitted to trading and quoted in the Nasdaq National Market system.

3. Except as amended by this Amendment, which shall be effective as of the date hereof, the terms and provisions of the Operating Agreement are and shall remain in full force and effect.

4. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute a single agreement

[*Signature pages follow.*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first written above.

THE "COMPANY"

KOSMOS ENERGY HOLDINGS

By: /s/ W. Greg Dunlevy
Name: W. Greg Dunlevy
Title: Executive Vice President & CFO

[Signature page to First Amendment to Fourth Amended and Restated Operating Agreement]

MEMBERS:

WARBURG PINCUS INTERNATIONAL PARTNERS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS INTERNATIONAL PARTNERS I, C.V.

By: Warburg Pincus Partners LLC, its General Partner

By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WPIP INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner

By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS PRIVATE EQUITY VIII, L.P.

By: Warburg Pincus Partners LLC, its General Partner

By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

[Signature page to First Amendment to
Fourth Amended and Restated Operating Agreement]

WARBURG PINCUS NETHERLANDS PRIVATE EQUITY VIII I, C.V.

By: Warburg Pincus Partners LLC, its General Partner

By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

WP-WP VIII INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner

By: Warburg Pincus & Co., its managing member

By: /s/ Jeffrey A. Harris
Name: Jeffrey A. Harris
Title: Partner

[Signature page to First Amendment to Fourth Amended and Restated Operating Agreement]

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.

By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ Prakash Melwani
Name: Prakash Melwani
Title: MEMBER

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.

By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ Prakash Melwani
Name: Prakash Melwani
Title: MEMBER

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P.

By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ Prakash Melwani
Name: Prakash Melwani
Title: MEMBER

[Signature page to First Amendment to
Fourth Amended and Restated Operating Agreement]

BLACKSTONE FAMILY INVESTMENTPARTNERSHIP (CAYMAN) IV-A SMD L.P.

By: Blackstone Management Associates (Cayman) IV L.P.

By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ Prakash Melwani
Name: Prakash Melwani
Title: MEMBER

BLACKSTONE PARTICIPATION PARTNERSHIP (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P.

By: Blackstone LR Associates (Cayman) IV Ltd.

By: /s/ Prakash Melwani
Name: Prakash Melwani
Title: MEMBER

[Signature page to First Amendment to
Fourth Amended and Restated Operating Agreement]

/s/ James C. Musselman
JAMES C. MUSSELMAN

/s/ Brian F. Maxted
BRIAN F. MAXTED

/s/ W. Greg Dunlevy
W. GREG DUNLEVY

/s/ Paul Dailly
PAUL DAILLY

/s/ Kiat Tze Goh
KIAT TZE GOH

[Signature page to First Amendment to
Fourth Amended and Restated Operating Agreement]

Exhibit 9.1

SHAREHOLDERS AGREEMENT

by and among

KOSMOS ENERGY LTD.

and

EACH OF THE PARTIES IDENTIFIED ON SCHEDULE A

Dated as of [•], 2011

Table of Contents

SHAREHOLDERS AGREEMENT

This SHAREHOLDERS AGREEMENT is entered into as of [•], 2011 (and effective as set forth in Section 4.15) by and among Kosmos Energy Ltd., an exempted company incorporated under the laws of Bermuda (the " Company"), and each of the parties identified on Schedule A.

RECITALS:

WHEREAS, the Company is currently contemplating an underwritten initial public offering (" IPO") of its Common Shares (as defined in Section 1.1);

WHEREAS, immediately prior to the completion of the IPO, the Company will acquire all of the outstanding equity interests of Kosmos Energy Holdings, an exempted company incorporated under the laws of the Cayman Islands (" Old Kosmos"), pursuant to an exchange transaction and in connection therewith shall issue to the Investor Parties (as defined in Section 1.1) and other former shareholders of Old Kosmos its Common Shares; and

WHEREAS, in connection with, and effective upon, the completion of the IPO (such date of completion, the " IPO Date") of the Company, the Company and the Investor Parties wish to set forth certain understandings between such parties, including with respect to certain governance matters;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the parties hereto hereby approve this Agreement and mutually covenant and agree with each other as follows:

ARTICLE I. DEFINED TERMS

1.1 Defined Terms. As used in this Agreement, the following terms have the meanings set forth below:

"Affiliate" has the meaning ascribed thereto in Rule 12b-2 promulgated under the Exchange Act, as in effect on the date hereof.

"Agreement" means this Shareholders Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof.

"Applicable Law" means, with respect to any Person, any statute, law, regulation, ordinance, rule, injunction, order, decree, governmental approval, directive, requirement, or other governmental restriction or any similar form of, decision of, or determination by, any governmental authority or the Exchange, applicable to such Person or its Subsidiaries or their respective assets.

"Authorized Recipient" has the meaning set forth in Section 3.3.

"Blackstone Group" means the entities listed on Schedule A hereto under the heading "Blackstone Group" as such schedule may be amended from time to time, and their respective successors and Permitted Assigns.

"Board" means the board of directors of the Company.

"Business Day" means a day other than a Saturday, Sunday, federal or New York State holiday or other day on which commercial banks in New York, New York are authorized or required by law to close.

"Bye-Laws" means the bye-laws of the Company in force as at the IPO Date, as the same may be amended, restated, or otherwise modified from time to time.

"Class I Director" has the meaning set forth in Section 2.1(c).

"Class II Director" has the meaning set forth in Section 2.1(c).

"Class III Director" has the meaning set forth in Section 2.1(c).

"Company" has the meaning set forth in the Preamble.

"Common Shares" means the common shares, par value US$0.01 per share, in the capital of the Company and any other shares of the Company into which such shares are reclassified or reconstituted.

"Confidential Information" has the meaning set forth in Section 3.3.

"control" (including its correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise) of a Person.

"Directed Opportunity" has the meaning set forth in Section 3.6.

"Director" means any member of the Board.

"Exchange" means the New York Stock Exchange or such other stock exchange or securities market on which the Common Shares are listed or quoted.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Independent Director" means an "independent director" as such term is used in the listing requirements of the Exchange.

"Investor Designee" has the meaning set forth in Section 2.1(a).

"Investor Group" means any of the Blackstone Group or the Warburg Group.

"Investor Parties" means each party to this Agreement (other than the Company), together with its Permitted Assigns.

"IPO" has the meaning set forth in the Recitals.

"IPO Date" has the meaning set forth in the Recitals.

"IPO Expenses" means, with respect to any Person, any and all reasonable out-of-pocket expenses (other than underwriting discounts and commissions) incurred or accrued by such Person in connection with the IPO or any underwriting agreement entered into in accordance therewith, including, (i) all fees and expenses of complying with all applicable securities laws, (iii) all road show, printing, messenger and delivery expenses, (iii) the fees and disbursements of counsel and (iv) other fees and expenses of such Person.

"Law" means any statute, law, regulation, ordinance, rule, injunction, order, decree, governmental approval, directive, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority.

"Permitted Assigns" means with respect to any of the Investor Parties, their respective Affiliates who are a Transferee of Common Shares (which are transferred other than pursuant to a widely distributed public sale) that agrees in writing to become party to, and be bound to the same extent as its transferor by the terms of, this Agreement, in customary form; provided, that upon such Transfer, such Permitted Assign shall be deemed to be the "Investor Party" hereto for all purposes herein.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Representative" means, with respect to either Investor Group, the applicable Director(s) nominated by any member of such Investor Group (and/or any Observer appointed by such Investor Group), any individual appointed to a Board committee or committee of the Company or any of its Subsidiaries pursuant to a direct or indirect recommendation or nomination by any member of such Investor Group, and such Investor Group's and each of its Affiliates' respective directors, managers, officers, partners, members, principals, employees, professional advisers and agents.

"Specified Party" has the meaning set forth in Section 3.6.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which: (i) if a corporation, a majority of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, representatives or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (ii) if a limited liability company, partnership, association or other business entity, a majority of the total voting power of capital stock (or equivalent ownership interest) of the limited liability company, partnership, association or other business entity is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

"Total Number of Directors" means, as of any time of determination, the total number of Directors comprising the Board at such time.

"Transfer" (including its correlative meanings, "Transferor", Transferee" and "Transferred") means, with respect to any security, directly or indirectly, to sell, contract to sell, give, assign, hypothecate, pledge, charge, encumber, grant a security interest in, offer, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any economic, voting or other rights in or to such security. When used as a noun, "Transfer" shall have such correlative meaning as the context may require.

"VCOC Shareholder" has the meaning set forth in Section 2.3(a).

"Warburg Group" means the entities listed on Schedule A hereto under the heading "Warburg Group" as such schedule may be amended from time to time, and their respective successors and Permitted Assigns.

1.2 Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party. Unless the context otherwise requires: (i) " or" is disjunctive but not exclusive, (ii) words in the singular include the plural, and in the plural include the singular, (iii) whenever the words " include", "includes" or "including" are used in this Agreement, they are deemed to be followed by the words " without limitation", and (iv) the words "hereof", "herein", and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified.

ARTICLE II. CORPORATE GOVERNANCE MATTERS

2.1 Board of Directors.

(a) The members of the Board shall be nominated and elected in accordance with the Bye-laws and the provisions of this Agreement. On the IPO Date, the Board shall consist of nine members, each of which shall be a "Director". As of the IPO Date, the initial Board shall be comprised of the following individuals:

John R. Kemp III
Brian F. Maxted
David I. Foley
Jeffrey A. Harris
David B. Krieger
Prakash A. Melwani
Adebayo O. Ogunlesi
Chris Tong
Christopher A. Wright

So long as the Board consists of nine Directors and subject to the remainder of this Section 2.1, (i) two such Directors shall be nominated by the Blackstone Group (which the Nominating and Corporate Governance Committee or similar committee of the Board shall nominate, and the entire Board shall recommend, for election by the Company's shareholders at the next successive general meeting of shareholders), (ii) two such Directors shall be nominated by the Warburg Group (which the Nominating and Corporate Governance Committee or similar committee of the Board shall nominate, and the entire Board shall recommend, for election by the Company's shareholders at the next successive general meeting of shareholders), (iii) one such Director shall be the then serving Chief Executive Officer of the Company, (iv) three such Directors shall be Independent Directors nominated by the Nominating and

Corporate Governance Committee or similar committee (which the entire Board shall recommend for election by the Company's shareholders at the next successive general meeting of shareholders), and (v) any other such Directors shall be nominated by the Nominating and Corporate Governance Committee or similar committee of the Board (which the entire Board shall recommend for election by the Company's shareholders at the next successive general meeting of shareholders). Each specified Investor Group nominee shall be referred to herein as an " Investor Designee".

(b) Notwithstanding anything herein to the contrary, following the IPO Date, each of (1) the Blackstone Group and/or their Permitted Assigns and (2) the Warburg Group and/or their Permitted Assigns, shall have the right, but not the obligation, to nominate to the Board a number of designees equal to:

(i) two Directors (or if the size of the Board is increased, twenty-five percent of the Total Number of Directors, rounded to the nearest whole number (with one-half being rounded upward)), so long as (x) such Investor Group collectively beneficially owns twenty percent or more of the issued and outstanding Common Shares (that are eligible to vote at an annual general meeting of shareholders) and (y) such Investor Group (and/or its respective Affiliates) collectively beneficially owns fifty percent or more of the Common Shares owned by such Investor Group immediately prior to the completion of the IPO; and

(ii) one Director (or if the size of the Board is increased, twelve and one half percent of the Total Number of Directors, rounded to the nearest whole number (with one-half being rounded upward)), so long as such Investor Group collectively beneficially owns seven and one half percent or more of the issued and outstanding Common Shares (that are eligible to vote at an annual general meeting of shareholders) (in the case of this clause (ii), if such Investor Group is not entitled to nominate additional Directors);

provided, that the foregoing clauses (i) and (ii) shall not limit the number of individuals the Blackstone Group and/or their Permitted Assigns and the Warburg Group and/or their Permitted Assigns may nominate to the Board; provided further, that other than as otherwise set forth in this Section 2.1 (including this Section 2.1(b)) the Board shall have no obligation to nominate and recommend for election designees nominated by the Blackstone Group and/or their Permitted Assigns or the Warburg Group and/or their Permitted Assigns.

For purposes of calculating the number of Directors that the Blackstone Group and/or the Warburg Group (and/or their respective Permitted Assigns) are entitled to designate pursuant to the immediately preceding sentence, any fractional amounts shall automatically be rounded to the nearest whole number (with one-half being rounded upward) and any such calculations shall be made on a pro forma basis, including, for the avoidance of doubt, taking into account any increase in the size of the Board. In the event that the Blackstone Group and/or the Warburg Group (and/or their Permitted Assigns) has nominated less than the total number of designees such Investor Group (and/or their Permitted Assigns) shall be entitled to nominate pursuant to this Section 2.1(b), the Blackstone Group and/or the Warburg Group (and/or their Permitted Assigns) shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Directors shall take all necessary corporate action to (x) enable the Blackstone Group and Warburg Group (and/or their Permitted Assigns), as the case may be, to nominate such additional individuals, whether by increasing the size of the Board, subject to the maximum number of Directors set forth in Bye-law 29 of the Bye-laws of the Company, or otherwise and (y) to designate such additional individuals nominated by the Blackstone Group (and/or their Permitted Assigns) and/or the Warburg Group (and/or their Permitted Assigns) to fill such newly-created vacancies. In the event, and each time, that the number of Directors whom the Blackstone Group and/or the Warburg Group (and/or their respective Permitted Assigns) has the right to nominate decreases by one pursuant to

this Section 2.1(b), one of the Investor Designees of such Investor Group shall, unless the Board otherwise requests, resign immediately (and such Investor Group shall use its best efforts to obtain a resignation of one of its Investor Designees) or the Company shall use its best efforts to cause one Investor Designee of such Investor Group to resign (or be removed) from the Board and each committee thereof.

(c) In accordance with the Bye-laws, from and after the date on which the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company (the " Classifying Date"), the Company shall cause the Directors to be, and the Directors shall be, divided into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of Directors constituting the entire Board. The Board is hereby authorized to assign members of the Board in office at the Classifying Date to such classes. Each Director shall serve for a term ending on the date of the third annual general meeting of shareholders next following the annual general meeting of shareholders at which such Director was elected, provided that Directors initially designated as Class I Directors ("Class I Directors") shall serve for a term ending on the date of the first annual general meeting of shareholders following the Classifying Date, Directors initially designated as Class II Directors (" Class II Directors") shall serve for a term ending on the second annual general meeting of shareholders following the Classifying Date, and Directors initially designated as Class III Directors (" Class III Directors") shall serve for a term ending on the date of the third annual general meeting of shareholders following the Classifying Date. The Investor Designees shall be allocated to the longest duration classes and, unless otherwise agreed by the Blackstone Group and the Warburg Group, the Investor Designees of each Investor Group shall be apportioned equitably within an applicable class as compared to the Investor Designees of the other Investor Group .

(d) In the event that a vacancy is created at any time by the removal, bankruptcy, death, disability or resignation of any Director designated pursuant to this Section 2.1, the remaining Directors and the Company shall cause the vacancy created thereby to be filled, as soon as possible, (i) in the case of a vacancy created by an Investor Designee, by a new designee of the applicable Investor Group (and/or its Permitted Assigns) that had the right to designate such former Director, (ii) in the case of a vacancy created by the Chief Executive Officer and/or Independent Directors, so long as the Board shall consist of nine Directors, by a replacement Chief Executive Officer and/or Independent Director, as applicable, and (iii) in the case of any other vacancy, by a person nominated by the Nominating and Corporate Governance Committee, and in the case of each of clauses (i), (ii) and (iii), the Company hereby agrees to take, at any time and from time to time, all actions necessary to accomplish the filling of a vacancy pursuant to this Section 2.1(d).

(e) Each Investor Group shall have the right to appoint an Observer to the Board; provided, however, an Investor Group shall cease to have the right to designate an Observer to the Board in the event that such Investor Group ceases to have the right to designate a Director pursuant to this Section 2.1. Each Observer shall have the same obligation to keep confidential any information furnished to it in connection with its role as Observer as Directors have in regards to such information, whether such obligation is as a result of provisions in this Agreement, the Bye-laws or any other legal or regulatory requirement to which the Directors are subject.

(f) At each general meeting of shareholders of the Company at which Directors of the Company are to be elected, the Company agrees to include in the slate of nominees recommended by the Board the persons designated pursuant to this Section 2.1 and to use its best efforts to cause the election of each such designee to the Board at each such meeting, including nominating such individuals to be elected as Directors as provided herein.

(g) Each Investor Party agrees to vote, and to procure the vote of each of its applicable Permitted Assigns to vote, in person or by proxy, or to act by written consent (if applicable) with respect to, all Common Shares or other equity securities of the Company having the right to vote for the election of Directors beneficially owned by it to cause the election of the Investor Designees, and for so long as the Board shall consist of nine Directors, the then serving Chief Executive Officer and three Independent Directors, nominated by the Nominating and Corporate Governance Committee or similar committee and in each case, recommended by the Board for election by the Company's shareholders at the annual general meeting of shareholders and to take all other steps within such Person's power to ensure that the composition of the Board is as set forth in this Section 2.1. Notwithstanding anything in this Section 2.1(g) to the contrary, any obligation on the part of either Investor Group to vote, and/or to procure the vote of each of its applicable Permitted Assigns to vote, in person or by proxy, or to act by written consent (if applicable) for (i) the Chief Executive Officer and three Independent Directors pursuant to this Section 2.1(g) shall automatically terminate when the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company and (ii) any Investor Designees pursuant to this Section 2.1(g) shall automatically terminate on the date on which either Investor Group collectively beneficially owns less than seven and one half percent of the issued and outstanding Common Shares (provided, however, from and after the date on which the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company, any obligation on the part of the Investor Groups to vote, and/or to procure the vote of each of its applicable Permitted Assigns to vote, in person or by proxy, or to act by written consent (if applicable) for any Investor Designees shall automatically terminate (if not then already terminated) on the date on which either Investor Group acquires (individually, or aggregated with acquisitions by the other Investor Group) 1.5% (or more) of the issued and outstanding Common Shares in any rolling 12-month period).

2.2 Committees. As of the IPO Date, the Board has designated each of the following committees: a Nominating and Corporate Governance Committee, a Compensation Committee, an Audit and Risk Committee and a Health Safety and Environmental Committee. As of the IPO Date, the Nominating and Corporate Governance Committee, Compensation Committee and Audit and Risk Committee shall be comprised of the persons identified in the section titled "*MANAGEMENT — Committees of the Board of Directors*" in the Company's Form S-1/A filed with the U.S. Securities and Exchange Commission on March 21, 2011. As of the IPO Date, the Health Safety and Environmental Committee will be comprised of the following people: Christopher A. Wright, Chris Tong and Brian F. Maxted. Beginning with the annual general meeting of shareholders in 2012, or, in the event of a vacancy that arises prior to that date, and for so long as the Investor Parties (and/or their respective Affiliates) constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company, and subject to applicable Law and Exchange governance standards, (x) the Investor Groups, by mutual agreement, shall have the right, but not the obligation, to designate members (who shall be their director designees) to board committees as follows: (i) 50% of the members of any Nominating and Corporate Governance Committee or similar committee of the Board, (ii) a majority of the members of any Compensation Committee or similar committee of the Board and (iii) one member by each Investor Group of any Health Safety and Environmental Committee or similar committee of the Board. Each committee of the Board shall include at least one Director who is not an Investor Designee. In the event that the Investor Parties (and/or their respective Affiliates) no longer constitute a group that beneficially owns more than fifty percent of the outstanding voting power of the Company, each Investor Group shall continue to have the right to designate at least one member of each committee of the Board for so long as may be permitted under applicable Law and Exchange governance standards; provided, however, an Investor Group shall cease to have such right to designate a committee member in the event that such Investor Group ceases to have the right to designate a Director pursuant to Section 2.1.

2.3 VCOC Matters.

(a) With respect to each Investor Party and, at the request of an Investor Party, each Affiliate thereof that indirectly has an interest in the Company, in each case that is intended to qualify as a "venture capital operating company" (as defined in 29 C.F.R. ss. 2510.3-101(d) (a " VCOC Shareholder"), the Company shall execute a side letter with each VCOC Shareholder in the form attached hereto as Annex B and each VCOC Shareholder shall have the supplemental rights and obligations provided in such side letter.

ARTICLE III. COVENANTS

3.1 Books and Records; Access. The Company shall, and shall cause its Subsidiaries to, keep proper books, records and accounts, (i) in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and each of its Subsidiaries in accordance with U.S. generally accepted accounting principles and (ii) that will permit the Company and its Subsidiaries to prepare accurately its income tax returns. The Company shall, and shall cause its Subsidiaries to, permit each Investor Group and their respective Representatives, at reasonable times and upon reasonable prior notice to the Company, to review the books and records of the Company or any of such Subsidiaries and to discuss the affairs, finances and condition of the Company or any of such Subsidiaries with the officers of the Company or any such Subsidiary; provided, however, that the Company shall not be required to disclose any information of the Company subject to attorney-client privilege so long as the Company has used its reasonable best efforts to enter into an arrangement pursuant to which it may provide such information to such Investor Group without the loss of any such privilege.

3.2 Periodic Reporting.

(a) The Company will promptly deliver to each Investor Group when available one copy of each annual report on Form 10-K and quarterly report on Form 10-Q of the Company, as filed with the SEC. In the event the Company is not required to file an annual report on Form 10-K or quarterly report on Form 10-Q, the Company may, in lieu of the requirements of the preceding sentence, deliver, or cause to be delivered, the following to each Investor Group:

(i) as soon as available, but not later than ninety days after the end of each fiscal year of the Company, a copy of the audited consolidated balance sheet of the Company and its Subsidiaries as of the end of such fiscal year and the related statements of operations and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous year, all in reasonable detail; and

(ii) commencing with the fiscal period ending after March 31, 2011, as soon as available, but in any event not later than forty five days or such later time as permitted under applicable securities law after the end of each of the first three fiscal quarters of each fiscal year, the unaudited consolidated balance sheet of the Company and its Subsidiaries, and the related statements of operations and cash flows for such quarter and for the period commencing on the first day of the fiscal year and ending on the last day of such quarter;

(b) The Company shall deliver or cause to be delivered to each Investor Group:

(i) to the extent otherwise prepared by the Company, operating and capital expenditure budgets and periodic information packages relating to the operations and cash flows of the Company and its Subsidiaries; and

(ii) such other reports and information as may be reasonably requested by any Investor Party (and/or any of its Permitted Assigns); provided, however, that the Company shall not be required to disclose any information of the Company subject to attorney-client privilege so long as the Company has used its reasonable best efforts to enter into an arrangement pursuant to which it may provide such information to the Investor Parties without the loss of any such privilege.

3.3 Confidentiality. Each Investor Party agrees to hold, and to use its reasonable efforts to cause its Authorized Recipients to hold, in strict confidence the books and records of the Company and all information relating to the Company's properties, operations, financial condition or affairs, in each case, which was furnished to it pursuant to the terms of this Agreement (collectively, " Confidential Information"). Notwithstanding anything herein to the contrary, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of an unauthorized disclosure by an Investor Party, (ii) is or becomes available to an Investor Party or any of its Authorized Recipients (as defined below) on a non-confidential basis from a third party source, which source, to the knowledge of such Investor Party, is not bound by a legal duty of confidentiality to the Company in respect of such Confidential Information or (iii) is independently developed by an Investor Party or its Authorized Recipients. Notwithstanding anything herein to the contrary, an Investor Party may disclose any Confidential Information to (x) any of its Representatives and (y) any other member of the Investor Group of which it is a member (the Persons in clause (x) and (y), collectively, " Authorized Recipients"). If an Investor Party or any of its Authorized Recipients is required or requested by law or regulation or any legal or judicial process to disclose any Confidential Information, or disclosure of Confidential Information is requested by any governmental authority having authority over such Investor Party or Authorized Recipient, such Investor Party or Authorized Recipient, as the case may be, may disclose only such portion of such Confidential Information as may be required or requested without liability hereunder.

3.4 Indemnification Agreements. The Company shall, as of the IPO Date, enter into and maintain in effect an indemnification agreement with each Investor Designee in such form as has been previously agreed to by each of the Company, the Blackstone Group and the Warburg Group.

3.5 IPO Expenses. The Company shall pay all IPO Expenses of the Company and each Investor Group in connection with the IPO.

3.6 Corporate Opportunities. To the fullest extent permitted by applicable law, the Company, on behalf of itself and its Subsidiaries, waives and renounces any right, interest or expectancy of the Company and/or its Subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to or business opportunities of which any of the Blackstone Group or the Warburg Group or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Company and its Subsidiaries) (each, a "Specified Party") gain knowledge, even if the opportunity is competitive with the business of the Company or its Subsidiaries or one that the Company or its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty (statutory, fiduciary, contractual or otherwise) to communicate or offer such business opportunity to the Company and, to the fullest extent permitted by applicable law, shall not be liable to the Company or any of its Subsidiaries for breach of any statutory, fiduciary, contractual or other duty, as a director or otherwise, by reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present or communicate such business opportunity, or information regarding such business opportunity, to the Company or its Subsidiaries. Notwithstanding anything in this Section 3.6 to the contrary, a Specified Party who is a director of the Company and who is offered a business opportunity for the Company or its

Subsidiaries in his or her capacity solely as a director of the Company (a " Directed Opportunity") shall be obligated to communicate such Directed Opportunity to the Company; provided, however, that all of the protections of this Section 3.6 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including the ability of the Specified Parties to pursue or acquire such Directed Opportunity, directly or indirectly, or to direct such Directed Opportunity to another person.

ARTICLE IV. MISCELLANEOUS

4.1 Termination. This Agreement shall terminate as it relates to each member of an Investor Group on the earlier to occur of: (i) such time as such Investor Group beneficially owns less than one percent of the issued and outstanding Common Shares and (ii) upon the delivery of a written notice by such Investor Group to the Company requesting that this Agreement terminate as it relates to each member of such Investor Group.

4.2 Notices. Any notice, communication, request, instruction or other document to be given hereunder by any party hereto to another party hereto shall be in writing, shall be and shall be deemed given when (i) delivered personally, (ii) five Business Days after being sent by certified or registered mail, postage prepaid, return receipt requested, (iii) one Business Day after being sent by Federal Express or other nationally recognized overnight courier, or (iv) sent by email (and subsequently confirmed by the recipient within twenty-four hours thereafter by telephone or reply email), in each case, to the parties at the following addresses (or at such other address for a party as shall be specified by notice from such party):

if to the Company:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda
Attn: Assistant Secretary
Email: bermuda@conyersdill.com

if to any member of the Blackstone Group:

c/o The Blackstone Group L.P.
345 Park Avenue, 31st Floor
New York, New York 10154
Attn: David I. Foley
Prakash A. Melwani
Email: foley@blackstone.com
melwani@blackstone.com

with a required copy (which shall not constitute notice or constructive notice) to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attn: Wilson S. Neely
Email: wneely@stblaw.com

if to any member of the Warburg Group:

c/o Warburg Pincus LLC
450 Lexington Ave
New York, New York 10017
Attn: Scott Arenare
Email: sarenare@warburgpincus.com

with a required copy (which shall not constitute notice or constructive notice) to:

Vinson & Elkins LLP
First City Tower
1001 Fannin Street, Suite 2500
Houston, Texas 77002
Attn: Scott N. Wulfe
Email: swulfe@velaw.com

4.3 Further Assurances. The parties hereto will use their best efforts to sign such further documents, cause such meetings to be held, resolutions passed, exercise their votes and do and perform and cause to be done such further acts and things as may be necessary in order to give full effect to this Agreement and every provision hereof; provided, however, that nothing herein shall require the Investor Parties to take any action that would cause such Investor Parties (and/or their respective Affiliates) to constitute a group after such Investor Parties' respective obligations to vote, and to procure the vote of each of its applicable Permitted Assigns to vote, in person or by proxy, or to act by written consent (if applicable) for the Investor Designees of the Investor Group terminate pursuant to Section 2.1(g).

4.4 Assignment. Neither the Company nor any of the Investor Parties shall assign or transfer all or any part of this Agreement without the prior written consent of the other parties hereto; provided, however, that the Investor Parties shall be entitled to assign, in whole or in part, to any of their Permitted Assigns without such prior written consent. Except as otherwise provided herein, this Agreement will inure to the benefit of and be binding on the parties hereto and their respective successors and permitted assigns.

4.5 Amendment; Waiver. This Agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the parties hereto; provided, that (i) the Company shall promptly amend and update Schedule A following any applicable Transfer of Common Shares by an Investor Party to any of its Permitted Assigns, (ii) designate on such updated Schedule A under the applicable heading as appropriate, whether such transferee is a member of the Blackstone Group or the Warburg Group (which designation shall be based on the transferor's prior designation as a member of either such Investor Group) and (iii) the Company shall provide prompt written notice of such updated Schedule A to each Investor Party. No waiver by any party of any of the provisions hereof will be effective unless explicitly set forth in writing and executed by the party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, will be deemed to constitute a waiver by the party taking such action of compliance with any covenants or agreements contained herein. The waiver by any party hereto of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach.

4.6 Third Parties. Except with respect to Section 2.3, this Agreement does not create any rights, claims or benefits inuring to any Person that is not a party hereto nor create or establish any third party beneficiary hereto.

4.7 Governing Law. This Agreement will be governed by, and construed in accordance with, the laws of the State of New York.

4.8 Jurisdiction. The courts of the State of New York and the United States District Court located in New York, New York in the Borough of Manhattan shall have exclusive jurisdiction over the parties with respect to any dispute or controversy between them arising under or in connection with this agreement and, by execution and delivery of this agreement, each of the parties to this Agreement submits to the exclusive jurisdiction of those courts, including the *in personam* and subject matter jurisdiction of those courts, waives any objections to such jurisdiction on the grounds of venue or *forum non conveniens*, the absence of *in personam* or subject matter jurisdiction and any similar grounds, consents to service of process by mail (in accordance with the notice provisions of this Agreement) or any other manner permitted by Law, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement.

4.9 WAIVER OF JURY TRIAL. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF A LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (III) IT MAKES SUCH WAIVERS VOLUNTARILY AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THISSECTION 4.9.

4.10 Specific Performance. Each of the parties hereto acknowledges and agrees that in the event of any breach of this Agreement by any of them, the non-breaching party would be irreparably harmed and could not be made whole by monetary damages. Each party accordingly agrees to waive the defense in any action for specific performance that a remedy at law would be adequate and that the parties, in addition to any other remedy to which they may be entitled at law or in equity, shall be entitled to compel specific performance of this Agreement.

4.11 Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein. This Agreement supersedes all other prior agreements and understandings between the parties with respect to such subject matter.

4.12 Headings. The section headings contained in this Agreement are for reference purposes only and will not affect the meaning or interpretation of this Agreement.

4.13 Severability. If one or more of the provisions, paragraphs, words, clauses, phrases or sentences contained herein, or the application thereof in any circumstances, is held invalid,

illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision, paragraph, word, clause, phrase or sentence in every other respect and of the remaining provisions, paragraphs, words, clauses, phrases or sentences hereof shall not be in any way impaired, it being intended that all rights, powers and privileges of the parties hereto shall be enforceable to the fullest extent permitted by Law.

4.14 Counterparts. This Agreement may be executed in any number of counterparts (including via facsimile or electronic mail in PDF format), each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument.

4.15 Effectiveness. This Agreement shall become effective upon completion of the IPO on the IPO Date; provided, that this Agreement shall be of no force and effect (i) prior to the completion of the IPO and (ii) if the IPO has not been consummated within ten (10) Business Days from the date of this Agreement.

4.16 Bye-laws. In the event of any ambiguity or conflict arising between the terms of Section 2.1 or 2.2 of this Agreement and those of the Company's memorandum of association and/or Bye-laws, the terms of Sections 2.1 and 2.2 of this Agreement shall prevail. Once an Investor Group ceases to have the right to designate a director pursuant to the terms of this Agreement, such Investor Group agrees that it shall not seek to enforce such right to designate a director pursuant to Schedule A of the Company's Bye-laws; provided, however, that nothing shall prohibit such Investor Group from making any nominations of persons for election to the Board or the proposal of other business pursuant to, and in accordance with, the Company's Bye-laws.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement or caused this Agreement to be executed on its behalf as of the date first written above.

KOSMOS ENERGY LTD.

By: _____
Name:
Title:

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV L.P.

By: Blackstone Management Associates (Cayman) IV L.P., its General Partner

By: Blackstone LR Associates (Cayman) IV Ltd., its General Partner

By: _____

BLACKSTONE CAPITAL PARTNERS (CAYMAN) IV-A L.P.

By: Blackstone Management Associates (Cayman) IV L.P., its General Partner

By: Blackstone LR Associates (Cayman) IV Ltd., its General Partner

By: _____

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A L.P.

By: BCP IV GP L.L.C., its General Partner

By: _____

BLACKSTONE PARTICIPATION PARTNERSHIP (CAYMAN) IV L.P.

By: BCP IV GP L.L.C., its General Partner

By: _____

BLACKSTONE FAMILY INVESTMENT PARTNERSHIP (CAYMAN) IV-A SMD L.P.

By: Blackstone Family GP L.L.C., its General Partner

By: _____

WARBURG PINCUS INTERNATIONAL PARTNERS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS INTERNATIONAL PARTNERS I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

WP-WPIP INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS PRIVATE EQUITY VIII, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

WARBURG PINCUS NETHERLANDS PRIVATE EQUITY VIII I, C.V.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

WP-WP VIII INVESTORS, L.P.

By: Warburg Pincus Partners LLC, its General Partner
By: Warburg Pincus & Co., its managing member

By: _____
Name: Jeffrey A. Harris
Title: Partner

Schedule A

(as of [•], 2011)

Blackstone Group

1. Blackstone Capital Partners (Cayman) IV L.P.
2. Blackstone Capital Partners (Cayman) IV-A L.P.
3. Blackstone Family Investment Partnership (Cayman) IV-A L.P.
4. Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P.
5. Blackstone Participation Partnership (Cayman) IV L.P.

Warburg Group

1. Warburg Pincus International Partners, L.P.
2. Warburg Pincus Netherlands International Partners I, C.V.
3. WP-WPIP Investors, L.P.
4. Warburg Pincus Private Equity VIII, L.P.
5. Warburg Pincus Netherlands Private Equity VIII I, C.V.
6. WP-WP VIII Investors, L.P.

KOSMOS ENERGY LTD.

[ ], 20[ ]

[VCOC INVESTOR]
[ADDRESS]

Dear Sir/Madam:

Reference is made to the Shareholders Agreement dated as of [•], 2011 by and among Kosmos Energy Ltd. (the "Company"), [ ] (the "VCOC Investor") and the other shareholders of the Company identified therein (as amended, modified or supplemented from time to time, the " Shareholders Agreement") to which a form of this letter agreement is attached as Annex B.

The Company hereby agrees that for so long as a VCOC Investor, directly or indirectly through one or more conduit subsidiaries, continues to hold, together with its affiliates, securities of the Company representing (or convertible into equity securities of the Company representing) at least one percent of the total voting power of the Company's equity securities, without limitation or prejudice of any the rights provided to such VCOC Investor under the Shareholders Agreement or any other agreement relating to the Company, the Company shall:

1) Provide such VCOC Investor or its designated representative with:

   a. the right to visit and inspect any of the offices and properties of the Company and its subsidiaries and inspect and copy the books and records of the Company and its subsidiaries, at such times as the VCOC Investor shall reasonably request;

   b. as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Company, consolidated balance sheets of the Company and its subsidiaries as of the end of such period, and consolidated statements of income and cash flows of the Company and its subsidiaries for the period then ended prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis, except as otherwise noted therein, and subject to the absence of footnotes and to year-end adjustments;

   c. as soon as available and in any event within 120 days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company and its subsidiaries as of the end of such year, and consolidated statements of income and cash flows of the Company and its subsidiaries for the year then ended prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis, except as otherwise noted therein, together with an auditor's report thereon of a firm of established national reputation;

   d. to the extent the Company is required by law or pursuant to the terms of any outstanding indebtedness of the Company to prepare such reports, any annual reports, quarterly reports and other periodic reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, actually prepared by the Company as soon as available; and

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e. to the extent consistent with applicable law (and with respect to information which requires public disclosure, only following the Company's public disclosure thereof through applicable securities law filings or otherwise), copies of all materials provided to the Company's Board of Directors; provided, that the Company will not be obligated to furnish to the VCOC Investor or its designated representative with such portion of any such material as is reasonably necessary to protect any critical attorney-client privilege of the Company.

2) Make appropriate officers and/or directors of the Company available periodically and at such times as reasonably requested by such VCOC Investor for consultation with the VCOC Investor or its designated representative with respect to matters relating to the business and affairs of the Company and its subsidiaries;

3) To the extent consistent with applicable law (and with respect to events which require public disclosure, only following the Company's public disclosure thereof through applicable securities law filings or otherwise), inform such VCOC Investor or its designated representative in advance with respect to any significant corporate actions; and

4) If the VCOC Investor's regular outside counsel experienced in such matters determines in writing that other rights of consultation are reasonably necessary under applicable legal authorities promulgated after the date to preserve the qualification of the VCOC Investor's investment in the Company as a "venture capital investment" for purposes of the United States Department of Labor Regulation published at 29 C.F.R. Section 2510.3-101(d)(3)(i) (the "Plan Asset Regulation") provide such VCOC Investor or its designated representative which such other rights; provided, however, the parties agree that any such rights of consultation shall be of a nature consistent with and similar to those granted above in paragraph 2 and nothing in this letter agreement shall be deemed to require the Company to grant to the VCOC Investor any additional rights in respect of the governance or management of the Company.

The Company agrees to consider, in good faith, the recommendations of the VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Company.

The VCOC Investor agrees, and will require each designated representative of the VCOC Investor to agree, to hold in confidence and not use or disclose to any third party (other than its legal counsel and accountants) any Confidential Information as defined below provided to or learned by such party in connection with the VCOC Investor's rights under this letter agreement.

Each Investor Party agrees to hold, and to use reasonable efforts to cause its Authorized Recipients to hold, in strict confidence the books and records of the Company and all information relating to the Company's properties, operations, financial condition or affairs, in each case, which was furnished to it pursuant to the terms of this Agreement (collectively, "Confidential Information"). Notwithstanding anything herein to the contrary, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of an unauthorized disclosure by an Investor Party, (ii) is or becomes available to an Investor Party or any of its Authorized Recipients (as defined below) on a non-confidential basis from a third party source, which source, to the knowledge of such Investor Party, is not bound by a legal duty of confidentiality to the Company in respect of such Confidential Information or (iii) is independently developed by an Investor Party or its Authorized Recipients. Notwithstanding anything herein to the contrary, an Investor Party may disclose any Confidential Information to (x) any of its Representatives and (y) any other member of the Investor Group of which it is a member (the Persons in clause (x) and (y), collectively, "Authorized Recipients"). If an

Investor Party or any of its Authorized Recipients is required or requested by law or regulation or any legal or judicial process to disclose any Confidential Information, or disclosure of Confidential Information is requested by any governmental authority having authority over such Investor Party or Authorized Recipient, such Investor Party or Authorized Recipient, as the case may be, may disclose only such portion of such Confidential Information as may be required or requested without liability hereunder.

This letter agreement and the rights and the duties of the parties hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware and may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

KOSMOS ENERGY LTD.

By: _____

Name:

Title:

Agreed and acknowledged as of the date first above written:

[VCOC INVESTOR]

By: , its General Partner

By:

By: _____
Name:
Title:

Exhibit 10.21

KOSMOS ENERGY LTD.
LONG TERM INCENTIVE PLAN

Section 1. *Purpose*. The purpose of the Kosmos Energy Ltd. Long Term Incentive Plan (the "**Plan**") is to motivate and reward those employees and other individuals who are expected to contribute significantly to the success of Kosmos Energy Ltd. (the " **Company**") and its Affiliates to perform at the highest level and to further the best interests of the Company and its shareholders.

Section 2. *Definitions*. As used in the Plan, the following terms shall have the meanings set forth below:

(a) "**Affiliate**" means, except as provided in Section 2(h), (i) any entity that, directly or indirectly, is controlled by the Company and (ii) any entity in which the Company has a significant equity interest, in each case as determined by the Committee.

(b) "**Award**" means any Option, SAR, Restricted Stock, RSU, Performance Award or Other Stock-Based Award granted under the Plan.

(c) "**Award Document**" means any agreement, contract or other instrument or document evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.

(d) "**Beneficial Owner**" has the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.

(e) "**Beneficiary**" means a person entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of such Participant's death. If no such person is named by a Participant, or if no Beneficiary designated by such Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at such Participant's death, such Participant's Beneficiary shall be such Participant's estate.

(f) "**Board**" means the board of directors of the Company.

(g) "**Cause**" means, with respect to any Participant, "cause" as defined such Participant's Employment Agreement, if any, or if not so defined, except as otherwise provided in such Participant's Award Document, such Participant's:

(i) failure to perform his or her duties to the Company or any Affiliate (other than any such failure resulting from his or her physical or mental incapacity);

(ii) having engaged in misconduct, negligence or a breach of fiduciary duty, or breach of any applicable Employment Agreement;

(iii) having been convicted of, or having entered a plea bargain or settlement admitting guilt or the imposition of unadjudicated probation for, any crime of moral turpitude or felony under any applicable law;

(iv) breach of any restrictive covenant to which he or she is subject contained in any applicable Employment Agreement or other agreement with the Company or any Affiliate;

(v) breach of any policy of the Company or any Affiliate, including without limitation any such policy that relates to expense management, human resources or the Foreign Corrupt Practices Act;

(vi) unlawful use or possession of illegal drugs on the premises of the Company or any Affiliate or while performing his or her duties to the Company or any Affiliate; or

(vii) commission of an act of fraud, embezzlement or misappropriation, in each case, against the Company or any Affiliate.

(h) "**Change in Control**" means the occurrence of any one or more of the following events:

(i) any Person (other than the Initial Investors (as defined below), the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the shareholders of the Company immediately prior to the occurrence with respect to which the evaluation is being made in substantially the same proportions as their ownership of the common shares of the Company) becomes the Beneficial Owner (except that a Person shall be deemed to be the Beneficial Owner of all shares that any such Person has the right to acquire pursuant to any agreement or arrangement or upon exercise of conversion rights, warrants or options or otherwise, without regard to the 60-day period referred to in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities;

(ii) during any period of 12 consecutive months, individuals who at the beginning of such period constitute the Board, and any new director whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such 12-month period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

(iii) the consummation of a merger, amalgamation or

consolidation of the Company with any other entity, other than a merger, amalgamation or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such merger, amalgamation or consolidation; or

(iv) the consummation of a transaction (or series of transactions within a 12-month period) that constitutes the sale or disposition of all or substantially all of the consolidated assets of the Company having a gross fair market value of 50% or more of the total gross fair market value of all of the consolidated assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of the common shares of the Company immediately prior to such sale or disposition), and the subsequent distribution of the proceeds from such transaction (or series of transactions) to the Company's shareholders having a fair market value that is greater than 50% of the fair market value of the Company and its subsidiaries immediately prior to such transaction (or series of transactions).

For purposes of clause (i) above, "**Initial Investors**" means the "Blackstone Group," the "Warburg Group" and their respective "Affiliates" (as all such terms are defined in that certain Shareholders Agreement dated as of [ ], 2011, by and among the Company and the other parties thereto).

(i) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(j) "**Committee**" means the Compensation Committee of the Board or such other committee as may be designated by the Board. If the Board does not designate the Committee, references herein to the "Committee" shall refer to the Board.

(k) "**Covered Employee**" means an individual who is (i) either a "covered employee" or expected by the Committee to be a "covered employee," in each case within the meaning of Section 162(m)(3) of the Code or (ii) expected by the Committee to be the recipient of compensation (other than Section 162(m) Compensation) in excess of $1,000,000 for the tax year of the Company with regard to which a deduction in respect of such individual's Award would be claimed.

(l) "**Disability**" means, with respect to any Participant, "disability" as defined in such Participant's Employment Agreement, if any, or if not so defined, except as otherwise provided in such Participant's Award Document, at any time that the Company or any Affiliate sponsors a long-term disability plan that covers such Participant, "disability" as defined in such plan for the purpose of determining such Participant's eligibility for benefits; *provided* that if such plan contains multiple definitions of disability, then "Disability" shall refer to that definition of disability which, if Participant qualified for such benefits, would provide coverage for the longest period. The determination of whether Participant has a Disability shall be made by the person or persons required to make final disability determinations under such plan. At any time that the Company and the Affiliates do not sponsor a long-term disability plan that covers such Participant, Disability shall mean Participant's physical or mental incapacity that renders him or her unable for a period of 90 consecutive days or an aggregate of 120 days in any consecutive 12-month period to perform his or her duties to the Company or any Affiliate.

(m) "**Effective Date**" means the date on which the Plan is adopted by the Board.

(n) "**Employment Agreement**" means any employment, severance, consulting or similar agreement between the Company or any of its Affiliates and a Participant.

(o) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(p) "**Fair Market Value**" means with respect to Shares, the closing price of a Share on the date in question (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred) on the principal stock market or exchange on which the Shares are quoted or traded, or if Shares are not so quoted or traded, fair market value as determined by the Committee, and with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(q) "**Good Reason**" means, with respect to any Participant, "good reason" as defined in such Participant's Employment Agreement, if any, or if not so defined, except as otherwise provided in such Participant's Award Document, the occurrence of any of the following events, in each case without such Participant's consent:

(i) a reduction in such Participant's base salary or target bonus, other than any such reduction that applies generally to similarly situated employees of the Company and the Affiliates;

(ii) relocation of the geographic location of such Participant's principal place of employment by more than 50 miles; or

(iv) a material reduction in such Participant's duties or responsibilities that occurs within two years following a Change in Control;

provided that, in each case, (A) such Participant shall provide the Company with written notice specifying the circumstances alleged to constitute Good Reason within 90 days following the first occurrence of such circumstances, (B) the Company shall have 30 days following receipt of such notice to cure such circumstances, and (C) if the Company has not cured such circumstances within such 30-day period, then the date of such Participant's Termination of Service must occur not later than 60 days after the end of such 30-day period.

(r) "**Incentive Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that meets the requirements of Section 422 of the Code.

(s) "**Intrinsic Value**" means, with respect to an Option or SAR Award, (i) the price or implied price per Share in a Change in Control or other event over (ii) the exercise or hurdle price of such Award multiplied by (iii) the number of Shares covered by such Award.

(t) "**IPO Awards**" means Awards granted in connection with the initial public offering of the Shares.

(u) "**Lock Up Agreement**" means any agreement between the Company or any of its Affiliates and a Participant that provides for restrictions on the transfer of Shares held by such Participant.

(v) "**Non-Qualified Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that is not an Incentive Stock Option.

(w) "**Option**" means an Incentive Stock Option or a Non-Qualified Stock Option.

(x) "**Other Stock-Based Award**" means an Award granted pursuant to Section 10.

(y) "**Participant**" means the recipient of an Award granted under the Plan.

(z) "**Performance Award**" means an Award granted pursuant to Section 9.

(aa) "**Performance Period**" means the period established by the Committee at the time any Performance Award is granted or at any time thereafter during which any performance goals specified by the Committee with respect to such Award are measured.

(bb) "**Person**" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including "group" as defined in Section 13(d) thereof.

(cc) "**Replacement Award**" means an Award granted in assumption of, or in substitution for, an outstanding award previously granted by a company acquired by the Company or with which the Company combines.

(dd) "**Restricted Stock**" means any Share granted pursuant to Section 8.

(ee) "**RSU**" means a contractual right granted pursuant to Section 8 that is denominated in Shares. Each RSU represents a right to receive the value of one Share (or a percentage of such value) in cash, Shares or a combination thereof. Awards of RSUs may include the right to receive dividend equivalents.

(ff) "**SAR**" means any right granted pursuant to Section 7 to receive upon exercise by a Participant or settlement, in cash, Shares or a combination thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise or settlement over (ii) the exercise or hurdle price of the right on the date of grant, or if granted in connection with an Option, on the date of grant of the Option.

(gg) "**Section 162(m) Compensation**" means "qualified performance-based compensation" under Section 162(m) of the Code.

(hh) "**Shares**" means shares of the Company's common shares.

(ii) "**Termination of Service**" means, with respect to any Participant:

(i) the cessation of all services performed by such Participant for the Company and the Affiliates, including by reason of death or Disability; or

(ii) the permanent decrease in the level of services performed by such Participant for the Company and the Affiliates (whether as an employee or as an independent contractor) to no more than 20 percent of the average level of services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period

(or the full period of services to the Company and the Affiliates, if such Participant has been providing such services for less than 36 months).

Section 3. *Eligibility.*

(a) Any employee, non-employee director, consultant or other advisor of, or any other individual who provides services to, the Company or any Affiliate shall be eligible to be selected to receive an Award under the Plan.

(b) Holders of options and other types of awards granted by a company acquired by the Company or with which the Company combines are eligible for grants of Replacement Awards under the Plan.

Section 4. *Administration.*

(a) The Plan shall be administered by the Committee. The Committee shall be appointed by the Board and shall consist of not fewer than three directors of the Board. To the extent necessary to comply with applicable regulatory regimes, any action by the Committee shall require the approval of Committee members who are (i) independent, within the meaning of and to the extent required by applicable rulings and interpretations of the applicable stock market or exchange on which the Shares are quoted or traded; (ii) a non-employee director within the meaning of Rule 16b-3 under the Exchange Act; and (iii) an outside director pursuant to Section 162(m) of the Code. The Board may designate one or more directors as alternate members of the Committee who may replace any absent or disqualified member at any meeting of the Committee. To the extent permitted by applicable law, the Committee may delegate to one or more officers of the Company the authority to grant Awards, except that such delegation shall not be applicable to any Award for a person then covered by Section 16 of the Exchange Act. The Committee may issue rules and regulations for administration of the Plan. It shall meet at such times and places as it may determine.

(b) Subject to the terms of the Plan and applicable law, the Committee (or its delegate) shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards (including Replacement Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, Shares, other Awards, other property, net settlement, or any combination thereof, or canceled, repurchased, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, repurchased, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances cash, Shares, other Awards, other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the

election of the holder thereof or of the Committee; (vii) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (viii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (ix) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(c) All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, its shareholders and Participants and any Beneficiaries thereof.

Section 5. *Shares Available for Awards.*

(a) Subject to adjustment as provided in Section 5(c) and except for Replacement Awards and IPO Awards, (i) the maximum number of Shares available for issuance under the Plan shall not exceed 24,503,000 Shares and (ii) no Participant may receive under the Plan in any calendar year (A) Options and SARs that relate to more than 2,450,300 Shares; (B) Restricted Stock, RSUs and Other Stock-Based Awards that relate to more than 2,450,300 Shares or (C) Performance Awards that relate to more than 2,450,300 Shares.

(b) Any Shares subject to an Award (other than a Replacement Award or IPO Award), that expires, is canceled, repurchased, forfeited or otherwise terminates without the delivery of such Shares, including (i) the number of Shares surrendered or withheld in payment of any grant, purchase, exercise or hurdle price of an Award or taxes related to an Award and (ii) any Shares subject to an Award to the extent that Award is settled without the issuance of Shares, shall again be, or shall become, available for issuance under the Plan.

(c) In the event that, as a result of any dividend or other distribution (whether in the form of cash, Shares or other securities, but excluding any ordinary cash dividend), recapitalization, stock split, reverse stock split, reorganization, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, an adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall adjust equitably any or all of:

(i) the number and type of Shares (or other securities) which thereafter may be made the subject of Awards, including the aggregate and individual limits specified in Section 5(a);

(ii) the number and type of Shares (or other securities) subject to outstanding Awards; and

(iii) the grant, purchase, exercise or hurdle price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award;

provided, however, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

(d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or Shares acquired by the Company.

Section 6. *Options.* The Committee is authorized to grant Options to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option shall be determined by the Committee; *provided*, *however*, that, except in the case of Replacement Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option.

(b) The term of each Option shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such Option.

(c) The Committee shall determine the time or times at which an Option may be exercised in whole or in part.

(d) The Committee shall determine the method or methods by which, and the form or forms, including cash, Shares, other Awards, other property, net settlement, or any combination thereof, having a Fair Market Value on the exercise date equal to the relevant exercise price, in which payment of the exercise price with respect thereto may be made or deemed to have been made.

(e) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code.

Section 7. *Stock Appreciation Rights.* The Committee is authorized to grant SARs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) SARs may be granted under the Plan to Participants either alone ("freestanding") or in addition to other Awards granted under the Plan ("tandem") and may, but need not, relate to a specific Option granted under Section 6.

(b) The exercise or hurdle price per Share under a SAR shall be determined by the Committee; *provided*, *however*, that, except in the case of

Replacement Awards, such exercise or hurdle price shall not be less than the Fair Market Value of a Share on the date of grant of such SAR.

(c) The term of each SAR shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such SAR.

(d) The Committee shall determine the time or times at which a SAR may be exercised or settled in whole or in part.

Section 8. *Restricted Stock and RSUs.* The Committee is authorized to grant Awards of Restricted Stock and RSUs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) Shares of Restricted Stock and RSUs shall be subject to such restrictions as the Committee may impose (including any limitation on the right to vote a Share of Restricted Stock or the right to receive any dividend, dividend equivalent or other right), which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(b) Any share of Restricted Stock granted under the Plan shall be evidenced by entry in the register of members of the Company and in such other manner as the Committee may deem appropriate, including issuance of a share certificate or certificates. In the event any share certificate is issued in respect of shares of Restricted Stock granted under the Plan, such certificate shall be registered in the name of such Participant and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock.

(c) If the Committee intends that an Award granted under this Section 8 shall constitute or give rise to Section 162(m) Compensation, then, to the extent the Committee determines the following to be necessary under Section 162(m) of the Code, such Award may be structured in accordance with the requirements of Section 9(b), including the performance criteria and the Award limitation set forth therein, and any such Award shall be considered a Performance Award for purposes of the Plan.

(d) The Committee may provide in an Award Document that an Award of Restricted Stock is conditioned upon such Participant making or refraining from making an election with respect to the Award under Section 83(b) of the Code. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Restricted Stock, such Participant shall be required to file promptly a copy of such election with the Company.

Section 9. *Performance Awards.* The Committee is authorized to grant Performance Awards to Participants with the following terms and conditions and

with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) Performance Awards may be denominated as a cash amount, number of Shares or a combination thereof and are Awards which may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the right of a Participant to exercise the Award or have it settled, and the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions. Subject to the terms of the Plan, the performance goals to be achieved during any Performance Period, the length of any Performance Period, the amount of any Performance Award granted and the amount of any payment or transfer to be made pursuant to any Performance Award shall be determined by the Committee.

(b) Every Performance Award shall, if the Committee intends that such Award should constitute Section 162(m) Compensation and the Committee determines the following to be necessary under Section 162(m) of the Code, include a pre-established formula, such that payment, retention or vesting of the Award is subject to the achievement during a Performance Period or Performance Periods, as determined by the Committee, of a level or levels of, or increases in, in each case as determined by the Committee, one or more of the following performance measures with respect to the Company: captured prospects, prospecting licenses signed, operated prospects matured to drill ready, drilling programs commenced, drillable prospects, capabilities and critical path items established, operating budget, third-party capital sourcing, captured net risked resource potential, acquisition cost efficiency, acquisitions of oil and gas interests, increases in proved, probable or possible reserves, finding and development costs, recordable or lost time incident rates, overhead costs, general and administration expense, market price of a Share, cash flow, reserve value, net asset value, earnings, net income, operating income, cash from operations, revenue, margin, EBITDA (earnings before interest, taxes, depreciation and amortization), EBITDAX (earnings before interest, taxes, depreciation, amortization and exploration expense), net capital employed, return on assets, shareholder return, reserve replacement, return on equity, return on capital employed, production, assets, unit volume, sales, market share, or strategic business criteria consisting of one or more objectives based on meeting specified goals relating to acquisitions or divestitures, each as determined in accordance with generally accepted accounting principles, where applicable, as consistently applied by the Company. Performance criteria may be measured on an absolute (*e.g.*, plan or budget) or relative basis. Relative performance may be measured against a group of peer companies, a financial market index or other acceptable objective and quantifiable indices. Except in the case of an award intended to

qualify as Section 162(m) Compensation, if the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which the Company conducts its business, or other events or circumstances render the performance objectives unsuitable, the Committee may modify the performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable. Performance measures may vary from Performance Award to Performance Award, respectively, and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative. The Committee shall have the power to impose such other restrictions on Awards subject to this Section 9(b) as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements for Section 162(m) Compensation. Notwithstanding any provision of the Plan to the contrary, to the extent required by Section 162(m) of the Code, the Committee shall not be authorized to increase the amount payable under any Award to which this Section 9(b) applies upon attainment of such pre-established formula.

(c) *Settlement of Performance Awards; Other Terms.* Settlement of Performance Awards shall be in cash, Shares, other Awards, other property, net settlement, or any combination thereof, in the discretion of the Committee. Performance Awards will be settled only after the end of the relevant Performance Period. The Committee may, in its discretion, increase or reduce the amount of a settlement otherwise to be made in connection with a Performance Award but, to the extent required by Section 162(m) of the Code, may not exercise discretion to increase any amount payable to a Covered Employee in respect of a Performance Award intended to qualify as Section 162(m) Compensation. Any settlement that changes the form of payment from that originally specified shall be implemented in a manner such that the Performance Award and other related Awards do not, solely for that reason, fail to qualify as Section 162(m) Compensation. The Committee shall specify the circumstances in which, and the extent to which, Performance Awards shall be paid or forfeited, including by way of repurchase by the Company at par value, in the event of a Participant's Termination of Service.

Section 10. *Other Stock-Based Awards.* The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of Shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, purchase rights for Shares, Awards with value and payment contingent upon performance of the Company or business units thereof or any other factors designated by the Committee. The Committee shall determine the terms and conditions of such Awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 10 shall be purchased for such consideration, paid for at such times, by such methods and in such forms, including cash, Shares, other

Awards, other property, or any combination thereof, as the Committee shall determine. Cash awards, as an element of or supplement to any other Award under the Plan, may also be granted pursuant to this Section 10.

Section 11. *Effect of Termination of Service or a Change in Control on Awards.*

(a) The Committee may provide, by rule or regulation or in any Award Document, or may determine in any individual case, the circumstances in which, and the extent to which, an Award may be exercised, settled, vested, paid or forfeited, including by way of repurchase by the Company at par value, in the event of a Participant's Termination of Service prior to the end of a Performance Period or exercise or settlement of such Award.

(b) The Committee may set forth the treatment of an Award upon a Change in Control in the applicable Award Document.

(c) In the case of an Option or SAR Award, except as otherwise provided in the applicable Award Document, upon a Change in Control, a merger or consolidation involving the Company or any other event with respect to which the Committee deems it appropriate, the Committee may cause such Award to be canceled in consideration of (i) the full acceleration of such Award and either (A) a period of at least ten days prior to such Change in Control to exercise the Award or (B) a payment in cash or other consideration to such Participant who holds such Award in an amount equal to the Intrinsic Value of such Award (which may be equal to but not less than zero), which, if in excess of zero, shall be payable upon the effective date of such Change in Control, merger, consolidation or other event or (ii) a substitute award (which immediately upon grant shall have an Intrinsic Value equal to the Intrinsic Value of such Award).

Section 12. *General Provisions Applicable to Awards.*

(a) Awards shall be granted for such cash or other consideration, if any, as the Committee determines; *provided* that in no event shall Awards be issued for less than such minimal cash consideration as may be required by applicable law.

(b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award or any award granted under any other plan of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other plan of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or settlement of an Award may be

made in the form of cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined by the Committee in its discretion at the time of grant, and may be made in a single payment or transfer, in installments or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments.

(d) Except as may be permitted by the Committee or as specifically provided in an Award Document, (i) no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant otherwise than by will or pursuant to Section 12(e) and (ii) during a Participant's lifetime, each Award, and each right under any Award, shall be exercisable only by such Participant or, if permissible under applicable law, by such Participant's guardian or legal representative. The provisions of this Section 12(d) shall not apply to any Award that has been fully exercised or settled, as the case may be, and shall not preclude forfeiture, including by way of repurchase by the Company at par value, of an Award in accordance with the terms thereof.

(e) A Participant may designate a Beneficiary or change a previous Beneficiary designation at such times prescribed by the Committee by using forms and following procedures approved or accepted by the Committee for that purpose.

(f) All certificates for Shares and/or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock market or exchange upon which such Shares or other securities are then quoted, traded or listed, and any applicable securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(g) The Committee may impose restrictions on any Award with respect to non-competition, confidentiality and other restrictive covenants as it deems necessary or appropriate in its sole discretion.

Section 13. *Amendments and Termination.*

(a) Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Document or in the Plan, the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; *provided, however*, that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is required by applicable law or the rules of the stock market or exchange, if any, on which the Shares are principally quoted, traded or

listed (ii) the consent of the affected Participant, if such action would materially adversely affect the rights of such Participant under any outstanding Award, except to the extent any such amendment, alteration, suspension, discontinuance or termination is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations. Notwithstanding anything to the contrary in the Plan, the Committee may amend the Plan in such manner as may be necessary to enable the Plan to achieve its stated purposes in any jurisdiction in a tax-efficient manner and in compliance with local rules and regulations.

(b) The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any Award theretofore granted, prospectively or retroactively, without the consent of any relevant Participant or holder or Beneficiary of an Award; *provided, however*, that no such action shall materially adversely affect the rights of any affected Participant or holder or Beneficiary under any Award theretofore granted under the Plan, except to the extent any such action is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations; *provided further* that, except as provided in Section 5(c), no such action shall directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise price of any Award established at the time of grant thereof; and *provided further*, that the Committee's authority under this Section 13(b) is limited in the case of Awards subject to Section 9(b), as provided in Section 9(b).

(c) Except as provided in Section 9(b), the Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of events (including the events described in Section 5(c)) affecting the Company, or the financial statements of the Company, or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(d) The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry the Plan into effect.

Section 14. *Miscellaneous.*

(a) No employee, Participant or other person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient. Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The

Company, in its sole discretion, maintains the right to make available future grants under the Plan.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any Affiliate. Further, the Company or the applicable Affiliate may at any time dismiss a Participant, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Document or in any other agreement binding the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Award Document.

(c) Nothing contained in the Plan shall prevent the Company from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(d) The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other Awards, other property, net settlement, or any combination thereof) of applicable withholding taxes due in respect of an Award, its exercise or settlement or any payment or transfer under such Award or under the Plan and to take such other action (including providing for elective payment of such amounts in cash or Shares by such Participant) as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(e) If any provision of the Plan or any Award Document is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award Document, such provision shall be stricken as to such jurisdiction, person or Award, and the remainder of the Plan and any such Award Document shall remain in full force and effect.

(f) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(g) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash or other securities shall be paid or transferred in lieu of any fractional Shares, or

whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

Section 15. *Effective Date of the Plan.* The Plan shall be effective as of the Effective Date.

Section 16. *Term of the Plan.* No Award shall be granted under the Plan after the earliest to occur of (i) the tenth year anniversary of the Effective Date, (ii) the maximum number of Shares available for issuance under the Plan have been issued or (iii) the Board terminates the Plan in accordance with Section 13(a). However, unless otherwise expressly provided in the Plan or in an applicable Award Document, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

Section 17. *Section 409A of the Code.* With respect to Awards subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any Award Document shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition will be interpreted and deemed amended so as to avoid this conflict . Notwithstanding anything else in the Plan, if the Board considers a Participant to be one of the Company's "specified employees" under Section 409A of the Code at the time of such Participant's Termination of Service, any distribution that otherwise would be made to such Participant with respect to this Award as a result of such termination shall not be made until the date that is six months after such Termination, except to the extent that earlier distribution would not result in such Participant's incurring interest or additional tax under Section 409A of the Code.

Exhibit 10.22

KOSMOS ENERGY LTD.
ANNUAL INCENTIVE PLAN

SECTION 1. *Purpose*. The purpose of the Kosmos Energy Ltd. Annual Incentive Plan (the "**Plan**") is to incentivize executives and other employees of Kosmos Energy Ltd. and its subsidiaries and affiliates (collectively, the "**Company**") to attain annual performance objectives, thereby furthering the best interests of the Company and its shareholders.

SECTION 2. *Eligibility*. Each employee of the Company (each, a "**Participant**") shall be eligible to receive an annual cash bonus under the Plan for each fiscal year during which such Participant is employed with the Company. Each Participant who is employed for less than a full fiscal year shall be eligible for a pro rata bonus under the Plan for such year.

SECTION 3. *Executive and Senior Manager Bonuses*. For each fiscal year, objective criteria for determining the bonus payable to each Participant who is an executive or senior manager of the Company shall be established by the Compensation Committee of the Company's Board of Directors (the "**Committee**") based on such Participant's base salary, a specified target bonus percentage, specified key performance indicators, individual performance goals and/or any other objective criteria that the Committee deems appropriate including, without limitation, performance goals based on the performance measures enumerated in Section 9(b) of the Kosmos Energy Ltd. Long Term Incentive Plan (the "**LTIP**"). The actual amount of the bonus payable to such Participant shall be approved by the Committee based on the attainment of the applicable objective criteria; *provided* that the Committee may increase or decrease such amount based on such subjective criteria as the Committee deems appropriate including, without limitation, such Participant's individual performance. For each fiscal year, the Committee shall identify the executives and senior managers for purposes of this Section 3.

SECTION 4. *Staff Bonuses*. For each fiscal year, the Committee shall approve a bonus pool for the Participants who are not executives or senior managers of the Company for such year in an amount based on such employees' base salaries, specified target bonus percentages, specified key performance indicators, individual performance goals and/or any other objective criteria that the Committee deems appropriate including, without limitation, performance goals based on the performance measures enumerated in Section 9(b) of the LTIP. The Company's chief executive officer shall recommend for the Committee's approval the actual amount of each such Participant's bonus for such year, based on the attainment of the applicable objective criteria and any subjective criteria as the chief executive officer shall deem appropriate including, without limitation, such Participant's individual performance; *provided* that the aggregate amount of

such bonuses shall not exceed the amount of the bonus pool approved by the Committee for such year.

SECTION 5. *General Provisions*.

(a) *Maximum Annual Bonus*. In no event shall the annual cash bonus paid under the Plan to any individual Participant for a single fiscal year exceed $10 million.

(b) *Restrictions on Transfer*. The rights of a Participant with respect to any bonus under the Plan shall not be transferable other than by will or the laws of descent and distribution.

(c) *Tax Withholding*. Whenever a bonus under the Plan is to be paid to a Participant, the Company may withhold therefrom, or from any other amounts payable to or in respect of such Participant, an amount sufficient to satisfy any applicable tax withholding requirements related thereto.

(d) *Unfunded Status of Bonuses*. The Plan is intended to constitute an "unfunded" plan. With respect to any bonus not yet paid to a Participant, nothing contained in the Plan shall give such Participant any rights that are greater than those of a general creditor of the Company.

(e) *Amendment and Termination*. The Committee may amend or terminate the Plan at any time.

Exhibit 10.23

KOSMOS ENERGY LTD.
LONG TERM INCENTIVE PLAN

Non-Qualified Stock Option Award Agreement

You have been granted an option (the "**Option**") to purchase Shares on the following terms and subject to the provisions of Attachment A and the Kosmos Energy Ltd. Long Term Incentive Plan (the "**Plan**"). Unless defined in this Award Agreement (including Attachment A, this " **Agreement**"), capitalized terms will have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan will prevail.

Participant	[Full name]
Number of Shares Underlying the Option	[●] Shares
Exercise Price per Share	$[Fair Market Value of Share on Grant Date]
Grant Date	[●]
Expiration Date	[7th anniversary of Grant Date]
Vesting	Subject to Section 2 of Attachment A, one-fourth of the Option shall vest on each of the first four anniversaries of the Grant Date if the Participant does not experience a Termination of Service at any time prior to the applicable vesting date. Further, subject to Section 2 of Attachment A, if a Change in Control occurs and the Participant does not experience a Termination of Service from the Grant Date to the first anniversary of the date of such Change in Control, then the portion of this Option that has not vested pursuant to the preceding sentence shall fully vest on the first anniversary of the date of such Change in Control.

Attachment A

Non-Qualified Stock Option Award Agreement
Terms and Conditions

Grant to: [ ]

Section 1. *Grant of Option.* Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants the Option to the Participant on the Grant Date on the terms set forth on the cover page of this Agreement, as more fully described in this Attachment A. The Option is intended to be a Non-Qualified Stock Option, and is not intended to be an Incentive Stock Option. The Option is granted under the Plan, which is incorporated herein by reference and made a part of this Agreement.

Section 2. *Vesting of Option upon Termination of Service.*

(a) [For executives at the level of SVP or above on the Grant Date:] *Death, Disability, without Cause or for Good Reason*. In the event of the Participant's Termination of Service at any time due to the Participant's death or Disability, by the Company or any Affiliate without Cause or by the Participant for Good Reason, any unvested portion of the Option shall fully vest as of the date of such termination, and the Option shall remain exercisable until the earlier of (x) one year following such termination and (y) the Expiration Date.

(a) [For other employees:] *Death or Disability; without Cause or for Good Reason within One Year After a Change in Control*. In the event of the Participant's Termination of Service (x) at any time due to the Participant's death or Disability or (y) on the date upon which a Change in Control occurs or within one year thereafter by the Company or any Affiliate without Cause or by the Participant for Good Reason, then, in any such case, any unvested portion of the Option shall fully vest as of the date of such termination, and the Option shall remain exercisable until the earlier of (A) one year following such termination and (B) the Expiration Date.

(b) *For Cause*. In the event of the Participant's Termination of Service for Cause, the entire unexercised portion of the Option, whether vested or unvested, shall be forfeited as of the date of such termination without any payment to the Participant.

(c) *For Any Other Reason*. In the event of the Participant's Termination of Service at any time under circumstances not described in Sections 2(a) or 2(b), any unvested portion of the Option shall be forfeited as of the date of such termination without any payment to the Participant, and any vested portion of the Option shall remain exercisable until the

earlier of (x) 30 days following such termination and (y) the Expiration Date.

Section 3. *Exercise of Option.*

(a) *Right to Exercise*. The vested portion of the Option shall be exercisable on or prior to the Expiration Date in accordance with the applicable provisions of this Agreement and the Plan.

(b) *Method of Exercise*.

(i) The Participant (or his or her representative, devisee or heir, as applicable) may exercise any portion of the Option that has become exercisable as to all or any of the Shares then available for purchase by delivering to the Company written notice specifying the number of whole Shares to be purchased, together with payment in full of the Payment Amount (as defined in Section 3(c)).

(ii) No Shares shall be issued pursuant to the exercise of the Option unless such issuance and such exercise comply with all applicable laws and regulations. Assuming such compliance, for income tax purposes such Shares shall be considered transferred to the Participant on the date on which the Option is exercised with respect to such Shares.

(c) *Method of Payment*. Payment of the aggregate Exercise Price and any required tax withholding (the " **Payment Amount**") shall be made by any of the following, or a combination thereof, at the election of the Participant:

(i) cash or check; or

(ii) if permitted by the Committee, in its sole discretion, pursuant to such procedures as the Committee may require, by the Participant's (x) transferring to the Company, effective as of the exercise date, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of the exercise date equal to the Payment Amount, (y) electing to have the Company retain a portion of the Shares purchased upon exercise of the Option having an aggregate Fair Market Value as of the exercise date equal to the Payment Amount or (z) delivering irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the Payment Amount; or

(iii) by any other method acceptable to the Committee.

(d) *Transferability*. The Option may not be assigned, sold, transferred or otherwise be subject to alienation by the Participant other than by will; *provided* that the designation of a beneficiary shall not constitute an assignment, sale, transfer or alienation.

Section 4. *Miscellaneous Provisions.*

(a) *Notices*. All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Kosmos Energy Ltd.
c/o Kosmos Energy, LLC
8176 Park Lane, Suite 500
Dallas, Texas 75231
Attention: [●]
Facsimile: [●]

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver.* No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Assignment*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(e) *Successors and Assigns; No Third Party Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(g) *Participant Undertaking*. The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Option pursuant to the provisions of this Agreement.

(h) *Plan.* The Participant acknowledges and understands that material definitions and provisions concerning the Option and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(i) *Dispute Resolution.* If any dispute arising out of or relating to this Agreement or the Plan, or the breach thereof, cannot be settled through negotiation, the parties agree first to try in good faith to settle such dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties fail to settle such dispute within 30 days after the commencement of such mediation, such dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the arbitral award rendered may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

KOSMOS ENERGY LTD.

By: _____
Name:
Title:

_____
[Participant]

Exhibit 10.24

KOSMOS ENERGY LTD.
LONG TERM INCENTIVE PLAN

Restricted Stock Award Agreement
[Exchange]

You have been granted Restricted Stock (this "**Award**") on the following terms and subject to the provisions of Attachment A and the Kosmos Energy Ltd. Long Term Incentive Plan (the "**Plan**"). Unless defined in this Award agreement (including Attachment A, this " **Agreement**"), capitalized terms will have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan will prevail.

Participant	[Full name]
Number of Shares Underlying Award	[●] Shares (to the extent not vested as of any applicable date, the "**Restricted Shares**")
Grant Date	[Closing date of IPO]
Vesting	Subject to Section 3 of Attachment A, [insert remaining vesting schedule of the unvested profit units to which this award relates] if the Participant does not experience a Termination of Service at any time prior to the applicable vesting date. Further, subject to Section 3 of Attachment A, if a Change in Control occurs and the Participant does not experience a Termination of Service from the Grant Date to the first anniversary of the date of such Change in Control, then the Restricted Shares that have not vested pursuant to the preceding sentence shall fully vest on such first anniversary.

Attachment A

Restricted Stock Award Agreement
Terms and Conditions

Grant to: [Full name]

Section 1. *Grant of Restricted Stock Award.* Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants this Award to the Participant on the Grant Date on the terms set forth on the cover page of this Agreement, as more fully described in this Attachment A. This Award is granted under the Plan, which is incorporated herein by this reference and made a part of this Agreement.

Section 2. *Issuance of Shares.*

(a) The Restricted Shares shall be evidenced by entry into the register of members of the Company; *provided*, *however*, that the Committee may determine that the Restricted Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. In the event that any share certificate is issued in respect of the Restricted Shares, such certificate shall (i) be registered in the name of the Participant, (ii) bear an appropriate legend referring to the terms, conditions and restrictions applicable to the Restricted Shares and (iii) be held in custody by the Company.

(b) *Voting Rights.* The Participant shall have voting rights with respect to the Restricted Shares.

(c) *Dividends*. All cash and other dividends and distributions, if any, that are paid with respect to the Restricted Shares shall be paid currently to the Participant.

(d) *Transferability*. Unless and until the Restricted Shares become vested in accordance with this Agreement, the Restricted Shares shall not be assigned, sold, transferred or otherwise be subject to alienation by the Participant.

(e) *Section 83(b) Election*. If the Participant chooses, the Participant may make an election under Section 83(b) of the Code with respect to the Restricted Shares, which would cause the Participant currently to recognize income for U.S. federal income tax purposes in an amount equal to the excess (if any) of the Fair Market Value of the Restricted Shares (determined as of the Grant Date) over the amount, if any, that the Participant paid for the Restricted Shares, which excess will be subject to U.S. federal income tax. The form for making a Section 83(b) election is attached as Attachment B. **The Participant acknowledges that (i) the Participant is solely responsible for the decision whether or not to make a Section 83(b) election, and the Company is not making any recommendation with respect thereto, (ii) it is the Participant's**

sole responsibility to timely file the Section 83(b) election within 30 days after the Grant Date, if the Participant decides to make such election, and (iii) if the Participant does not make a valid and timely Section 83(b) election, the Participant will be required to recognize ordinary income at the time of vesting on any future appreciation on the Restricted Shares.

(f) *Withholding Requirements*. The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the Restricted Shares (or any dividend or distribution thereon), and the Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Committee, in its sole discretion, may permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is equal to the minimum amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

(g) *No Further Rights or Entitlement with Respect to Profit Units*. The Participant acknowledges and agrees that the Restricted Shares were issued in exchange for the [ ] Profit Units granted to Participant on , 20 , by Kosmos Energy Holdings, and that the Participant shall have no further rights or entitlements of any kind with respect to such Profit Units.

Section 3. *Accelerated Vesting and Forfeiture upon Termination of Service.*

(a) [For executives at the level of SVP or above on the Grant Date:] *Death, Disability, without Cause or for Good Reason*. In the event of the Participant's Termination of Service at any time due to the Participant's death or Disability, by the Company or any Affiliate without Cause or by the Participant for Good Reason, the Restricted Shares shall fully vest.

(a) [For other employees:] *Death or Disability; without Cause or for Good Reason within One Year After a Change in Control*. In the event of the Participant's Termination of Service (x) at any time due to the Participant's death or Disability or (y) on the date upon which a Change in Control occurs or within one year thereafter by the Company or any Affiliate without Cause or by the Participant for Good Reason, then, in any such case, the Restricted Shares shall fully vest.

(b) *For Any Other Reason*. In the event of the Participant's Termination of Service at any time under circumstances not described in Section 3(a), the Restricted Shares shall be forfeited in their entirety without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

(c) *Effect of Vesting.* Subject to the provisions of this Agreement, upon the vesting of any of the Restricted Shares, the restrictions under this Award with respect to such Shares shall lapse. Subject to any applicable Lock Up Agreement, such Shares shall be fully assignable, saleable and transferable by the Participant, and the Company shall deliver such Shares to the Participant by transfer to the Depository Trust Company for the benefit of the Participant or by delivery of a share certificate registered in the Participant's name and such transfer shall be evidenced in the register of members of the Company.

Section 4. *Miscellaneous Provisions*.

(a) *Notices*. All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Kosmos Energy Ltd.
c/o Kosmos Energy, LLC
8176 Park Lane, Suite 500
Dallas, Texas 75231
Attention: [●]
Facsimile: [●]

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous

arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver*. No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Assignment*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(e) *Successors and Assigns; No Third Party Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(g) *Participant Undertaking*. The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Restricted Shares pursuant to the provisions of this Agreement.

(h) *Plan.* The Participant acknowledges and understands that material definitions and provisions concerning the Restricted Shares and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(i) *Dispute Resolution*. If any dispute arising out of or relating to this Agreement or the Plan, or the breach thereof, cannot be settled through negotiation, the parties agree first to try in good faith to settle such dispute by mediation administered by the American Arbitration Association under its

Commercial Mediation Rules. If the parties fail to settle such dispute within 30 days after the commencement of such mediation, such dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the arbitral award rendered may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

KOSMOS ENERGY LTD.

By: _____
Name:
Title:

_____
[Name of Participant]

Attachment B

SECTION 83(b) ELECTION

This statement is being made under Section 83(b) of the Internal Revenue Code, pursuant to Treas. Reg. Section 1.83-2.

(1) The taxpayer performing the services is:

Name:
Address:
Social Security Number:

(2) The property with respect to which the election is being made is common shares (the "**Restricted Shares**"), par value $.01 per share, of Kosmos Energy Ltd. (the "**Company**").

(3) The Restricted Shares were transferred on .

(4) The taxable year in which the election is being made is the calendar year .

(5) The Restricted Shares are not transferable and are subject to a substantial risk of forfeiture within the meaning of Section 83(c)(1) of the Internal Revenue Code until and unless specified conditions are satisfied or a specified event occurs, in each case as set forth in the Company's Long Term Incentive Plan and the Restricted Stock Award Agreement pursuant to which the Restricted Shares were issued.

(6) The fair market value of the Restricted Shares at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is $ per share.

(7) The amount paid by the taxpayer for the Restricted Shares is $ per share.

(8) A copy of this statement has been furnished to the Company, for whom the taxpayer will be performing services underlying the transfer of the Restricted Shares.

(9) This statement is executed on .

Spouse (if any)

Taxpayer

This statement must be filed with the Internal Revenue Service Center with which you filed your last U.S. federal income tax return within 30 days after the grant date of the Restricted Shares. This filing should be made by registered or certified mail, return receipt requested. You are also required to (i) deliver a copy of this statement to the Company and (ii) attach a copy of this statement to your federal income tax return for the taxable year that includes the grant date (and may also be required to attach a copy of this statement to your state income tax return for such year). You should also retain a copy of this statement for your records.

Exhibit 10.25

KOSMOS ENERGY LTD.
LONG TERM INCENTIVE PLAN

Restricted Stock Award Agreement
[Service Vesting]

You have been granted Restricted Stock (this "**Award**") on the following terms and subject to the provisions of Attachment A and the Kosmos Energy Ltd. Long Term Incentive Plan (the "**Plan**"). Unless defined in this Award agreement (including Attachment A, this " **Agreement**"), capitalized terms will have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan will prevail.

Participant	[Full name]
Number of Shares Underlying Award	[●] Shares (to the extent not vested as of any applicable date, the "**Restricted Shares**")
Grant Date	[●]
Vesting	Subject to Section 3 of Attachment A, one-fourth of the Restricted Shares shall vest and become non-forfeitable on each of the first four anniversaries of the Grant Date if the Participant does not experience a Termination of Service at any time prior to the applicable vesting date. Further, subject to Section 3 of Attachment A, if a Change in Control occurs and the Participant does not experience a Termination of Service from the Grant Date to the first anniversary of the date of such Change in Control, then the Restricted Shares that have not vested pursuant to the preceding sentence shall fully vest on such first anniversary.

Attachment A

Restricted Stock Award Agreement
Terms and Conditions

Grant to: [Full name]

Section 1. *Grant of Restricted Stock Award.* Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants this Award to the Participant on the Grant Date on the terms set forth on the cover page of this Agreement, as more fully described in this Attachment A. This Award is granted under the Plan, which is incorporated herein by this reference and made a part of this Agreement.

Section 2. *Issuance of Shares.*

(a) The Restricted Shares shall be evidenced by entry into the register of members of the Company; *provided*, *however*, that the Committee may determine that the Restricted Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. In the event that any share certificate is issued in respect of the Restricted Shares, such certificate shall (i) be registered in the name of the Participant, (ii) bear an appropriate legend referring to the terms, conditions and restrictions applicable to the Restricted Shares and (iii) be held in custody by the Company.

(b) *Voting Rights.* The Participant shall have voting rights with respect to the Restricted Shares.

(c) *Dividends*. All cash and other dividends and distributions, if any, that are paid with respect to the Restricted Shares shall be paid currently to the Participant.

(d) *Transferability*. Unless and until the Restricted Shares become vested in accordance with this Agreement, the Restricted Shares shall not be assigned, sold, transferred or otherwise be subject to alienation by the Participant.

(e) *Section 83(b) Election*. If the Participant chooses, the Participant may make an election under Section 83(b) of the Code with respect to the Restricted Shares, which would cause the Participant currently to recognize income for U.S. federal income tax purposes in an amount equal to the excess (if any) of the Fair Market Value of the Restricted Shares (determined as of the Grant Date) over the amount, if any, that the Participant paid for the Restricted Shares, which excess will be subject to U.S. federal income tax. The form for making a Section 83(b) election is attached as Attachment B. **The Participant acknowledges that (i) the Participant is solely responsible for the decision whether or not to make a Section 83(b) election, and the Company is not making any recommendation with respect thereto, (ii) it is the Participant's**

sole responsibility to timely file the Section 83(b) election within 30 days after the Grant Date, if the Participant decides to make such election, and (iii) if the Participant does not make a valid and timely Section 83(b) election, the Participant will be required to recognize ordinary income at the time of vesting on any future appreciation on the Restricted Shares.

(f) *Withholding Requirements*. The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the Restricted Shares (or any dividend or distribution thereon), and the Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Committee, in its sole discretion, may permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is equal to the minimum amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

Section 3. *Accelerated Vesting and Forfeiture upon Termination of Service.*

(a) [For executives at the level of SVP or above on the Grant Date:] *Death, Disability, without Cause or for Good Reason*. In the event of the Participant's Termination of Service at any time due to the Participant's death or Disability, by the Company or any Affiliate without Cause or by the Participant for Good Reason, the Restricted Shares shall fully vest.

(a) [For other employees:] *Death or Disability; without Cause or for Good Reason within One Year After a Change in Control*. In the event of the Participant's Termination of Service (x) at any time due to the Participant's death or Disability or (y) on the date upon which a Change in Control occurs or within one year thereafter by the Company or any Affiliate without Cause or by the Participant for Good Reason, then, in any such case, the Restricted Shares shall fully vest.

(b) *For Any Other Reason*. In the event of the Participant's Termination of Service at any time under circumstances not described in Section 3(a), the Restricted Shares shall be forfeited in their entirety without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

(c) *Effect of Vesting.* Subject to the provisions of this Agreement, upon the vesting of any of the Restricted Shares, the restrictions under this Award with respect to such Shares shall lapse. Subject to any applicable Lock Up Agreement, such Shares shall be fully assignable, saleable and transferable by the Participant, and the Company shall deliver such Shares to the Participant by transfer to the Depository Trust Company for the benefit of the Participant or by delivery of a share certificate registered in the Participant's name and such transfer shall be evidenced in the register of members of the Company.

Section 4. *Miscellaneous Provisions*.

(a) *Notices*. All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Kosmos Energy Ltd.
c/o Kosmos Energy, LLC
8176 Park Lane, Suite 500
Dallas, Texas 75231
Attention: **[●]**
Facsimile: **[●]**

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver.* No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Company may amend

or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Assignment*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(e) *Successors and Assigns; No Third Party Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(g) *Participant Undertaking*. The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Restricted Shares pursuant to the provisions of this Agreement.

(h) *Plan.* The Participant acknowledges and understands that material definitions and provisions concerning the Restricted Shares and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(i) *Dispute Resolution*. If any dispute arising out of or relating to this Agreement or the Plan, or the breach thereof, cannot be settled through negotiation, the parties agree first to try in good faith to settle such dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties fail to settle such dispute within 30 days after the commencement of such mediation, such dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the arbitral award rendered may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

KOSMOS ENERGY LTD.

By: _____
Name:
Title:

_____
[Name of Participant]

Attachment B

SECTION 83(b) ELECTION

This statement is being made under Section 83(b) of the Internal Revenue Code, pursuant to Treas. Reg. Section 1.83-2.

(1) The taxpayer performing the services is:

Name:
Address:
Social Security Number:

(2) The property with respect to which the election is being made is common shares (the "**Restricted Shares**"), par value $.01 per share, of Kosmos Energy Ltd. (the "**Company**").

(3) The Restricted Shares were transferred on .

(4) The taxable year in which the election is being made is the calendar year .

(5) The Restricted Shares are not transferable and are subject to a substantial risk of forfeiture within the meaning of Section 83(c)(1) of the Internal Revenue Code until and unless specified conditions are satisfied or a specified event occurs, in each case as set forth in the Company's Long Term Incentive Plan and the Restricted Stock Award Agreement pursuant to which the Restricted Shares were issued.

(6) The fair market value of the Restricted Shares at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is $ per share.

(7) The amount paid by the taxpayer for the Restricted Shares is $ per share.

(8) A copy of this statement has been furnished to the Company, for whom the taxpayer will be performing services underlying the transfer of the Restricted Shares.

(9) This statement is executed on .

Spouse (if any) Taxpayer

This statement must be filed with the Internal Revenue Service Center with which you filed your last U.S. federal income tax return within 30 days after the grant date of the Restricted Shares. This filing should be made by registered or certified mail, return receipt requested. You are also required to (i) deliver a copy of this statement to the Company and (ii) attach a copy of this statement to your federal income tax return for the taxable year that includes the grant date (and may also be required to attach a copy of this statement to your state income tax return for such year). You should also retain a copy of this statement for your records.

Exhibit 10.26

KOSMOS ENERGY LTD.
LONG TERM INCENTIVE PLAN

Restricted Stock Award Agreement
[Performance Vesting]

You have been granted Restricted Stock (this "**Award**") on the following terms and subject to the provisions of Attachment A and the Kosmos Energy Ltd. Long Term Incentive Plan (the "**Plan**"). Unless defined in this Award agreement (including Attachment A, this " **Agreement**"), capitalized terms will have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan will prevail.

Participant	[Full name]
Number of Shares Underlying Award	[●] Shares (to the extent not vested as of any applicable date, the "**Restricted Shares**")
Grant Date	[●]
Vesting	Subject to Section 3 of Attachment A, the Restricted Shares shall vest and become non-forfeitable to the extent that both the applicable "Service Condition" and the applicable "Performance Condition" (as such terms are defined below) with respect to such Shares are satisfied.
Service Condition	The "**Service Condition**" shall be satisfied with respect to one-fourth of each of the Restricted Shares on each of the first four anniversaries of the Grant Date, in each case if the Participant does not experience a Termination of Service at any time prior to the applicable anniversary date. Further, if a Change in Control occurs and the Participant does not experience a Termination of Service from the Grant Date to the first anniversary of the date of such Change in Control, then the portion of the Service Condition that has not been satisfied pursuant to the preceding sentence shall be fully satisfied on such first anniversary.
Performance Condition	The "**Performance Condition**" [insert applicable performance condition(s)]. Further, if a Change in Control occurs prior to the satisfaction of a Performance Condition pursuant to the preceding sentence, such Performance Condition shall be fully satisfied on the date of such Change in Control.

Attachment A

Restricted Stock Award Agreement
Terms and Conditions

Grant to: [Full name]

Section 1. *Grant of Restricted Stock Award.* Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants this Award to the Participant on the Grant Date on the terms set forth on the cover page of this Agreement, as more fully described in this Attachment A. This Award is granted under the Plan, which is incorporated herein by this reference and made a part of this Agreement.

Section 2. *Issuance of Shares.*

(a) The Restricted Shares shall be evidenced by entry into the register of members of the Company; *provided*, *however*, that the Committee may determine that the Restricted Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. In the event that any share certificate is issued in respect of the Restricted Shares, such certificate shall (i) be registered in the name of the Participant, (ii) bear an appropriate legend referring to the terms, conditions and restrictions applicable to the Restricted Shares and (iii) be held in custody by the Company.

(b) *Voting Rights.* The Participant shall have voting rights with respect to the Restricted Shares.

(c) *Dividends*. Until the Service Condition is satisfied with respect to a Restricted Share, the dividends and other distributions that are paid or distributed with respect to such Restricted Share (whether in the form of Shares or other property (including cash)) (referred to herein as "Distributions") shall be subject to the risk of forfeiture applicable to such Restricted Share and shall be held by the Company or other depository as may be designated by the Committee as a depository for safekeeping. If the Restricted Share to which such Distributions relate is forfeited (including by way of repurchase by the Company at its par value) prior to the satisfaction of the Service Condition applicable to such Restricted Share, then such Distributions shall be forfeited to the Company at the same time as such Restricted Share is so forfeited. If the Service Condition applicable to the Restricted Share to which such Distributions relate is satisfied in accordance with this Agreement, then such Distributions shall be paid and distributed to the Participant as soon as administratively feasible after such Service Condition is satisfied (but in no event later than March 15 of the calendar year following the calendar year in which such Service Condition is satisfied), and Distributions with respect to such Restricted Share that occur after satisfaction of the Service Condition and prior to the forfeiture, if any, of such Restricted Share (including by way of repurchase by the Company at its par value)

shall be paid currently to the Participant. Distributions paid or distributed with respect to Restricted Shares shall bear such legends, if any, as may be determined by the Committee to reflect the terms and conditions of this Agreement and to comply with applicable securities laws.

(d) *Transferability*. Unless and until the Restricted Shares become vested in accordance with this Agreement, the Restricted Shares shall not be assigned, sold, transferred or otherwise be subject to alienation by the Participant.

(e) *Section 83(b) Election*. If the Participant chooses, the Participant may make an election under Section 83(b) of the Code with respect to the Restricted Shares, which would cause the Participant currently to recognize income for U.S. federal income tax purposes in an amount equal to the excess (if any) of the Fair Market Value of the Restricted Shares (determined as of the Grant Date) over the amount, if any, that the Participant paid for the Restricted Shares, which excess will be subject to U.S. federal income tax. The form for making a Section 83(b) election is attached as Attachment B. **The Participant acknowledges that (i) the Participant is solely responsible for the decision whether or not to make a Section 83(b) election, and the Company is not making any recommendation with respect thereto, (ii) it is the Participant's sole responsibility to timely file the Section 83(b) election within 30 days after the Grant Date, if the Participant decides to make such election, and (iii) if the Participant does not make a valid and timely Section 83(b) election, the Participant will be required to recognize ordinary income at the time of vesting on any future appreciation on the Restricted Shares.**

(f) *Withholding Requirements*. The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the Restricted Shares (or any dividend or distribution thereon), and the Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Committee, in its sole discretion, may permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Committee may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is equal to the minimum amount required to be withheld. If the Committee permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

Section 3. *Accelerated Vesting and Forfeiture.*

(a) *Termination of Service.*

(i) [For executives at the level of SVP or above on the Grant Date:] *Death, Disability, without Cause or for Good Reason*. In the event of the Participant's Termination of Service at any time due to the Participant's death or Disability, by the Company or any Affiliate without Cause or by the Participant for Good Reason, (x) the Restricted Shares, if any, for which the applicable Performance Condition is satisfied as of such termination shall fully vest and (y) the Service Condition shall be deemed to be satisfied for the Restricted Shares, if any, for which the applicable Performance Condition is not satisfied as of such termination, which Restricted Shares shall remain subject to such Performance Condition.

(ii) [For executives at the level of SVP or above on the Grant Date:] *Without Good Reason*. In the event of the Participant's Termination of Service at any time by the Participant without Good Reason, (x) the Restricted Shares, if any, for which the applicable Service Condition is satisfied as of such termination shall remain subject to the applicable Performance Condition and (y) the Restricted Shares, if any, for which the applicable Service Condition is not satisfied as of such termination shall be forfeited in their entirety without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

(i) [For other employees:] *Death or Disability; without Cause or for Good Reason within One Year After a Change in Control*. In the event of the Participant's Termination of Service (x) at any time due to the Participant's death or Disability or (y) on the date upon which a Change in Control occurs or within one year thereafter by the Company or any Affiliate without Cause or by the Participant for Good Reason, then, in any such case, (x) the Restricted Shares, if any, for which the applicable Performance Condition is satisfied as of such termination shall fully vest and (y) the Service Condition shall be deemed to be satisfied for the Restricted Shares, if any, for which the applicable Performance Condition is not satisfied as of such termination, which Restricted Shares shall remain subject to such Performance Condition.

(ii) [For other employees:] *Without Cause or by the Participant under Circumstances Not Described in Section 3(a)(i)* . In the event of the Participant's Termination of Service at any time under circumstances not described in Section 3(a)(i) by the Company or any Affiliate without Cause or by the Participant for any reason, (x) the Restricted Shares, if any, for which the applicable Service Condition is satisfied as of such

termination shall remain subject to the applicable Performance Condition and (y) the Restricted Shares, if any, for which the applicable Service Condition is not satisfied as of such termination shall be forfeited in their entirety without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

(iii) *For Cause*. In the event of the Participant's Termination of Service at any time by the Company or any Affiliate for Cause, the Restricted Shares shall be forfeited in their entirety without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

(b) *Effect of Vesting.* Subject to the provisions of this Agreement, upon the vesting of any of the Restricted Shares, the restrictions under this Award with respect to such Shares shall lapse. Subject to any applicable Lock Up Agreement, such Shares shall be fully assignable, saleable and transferable by the Participant, and the Company shall deliver such Shares to the Participant by transfer to the Depository Trust Company for the benefit of the Participant or by delivery of a share certificate registered in the Participant's name and such transfer shall be evidenced in the register of members of the Company.

(c) *Effect of Failure to Achieve Performance Condition*. On the [●] anniversary of the Grant Date, any of the Restricted Shares for which the applicable Performance Condition is not satisfied as of such date shall be forfeited without any payment to the Participant or, in the Committee's sole discretion, if required pursuant to applicable law to effect such forfeiture, the Company may repurchase the Restricted Shares at their par value.

Section 4. *Miscellaneous Provisions*.

(a) *Notices*. All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Kosmos Energy Ltd.
c/o Kosmos Energy, LLC
8176 Park Lane, Suite 500
Dallas, Texas 75231
Attention: [●]
Facsimile: [●]

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver.* No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Assignment*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(e) *Successors and Assigns; No Third Party Beneficiaries*. This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(f) *Counterparts*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(g) *Participant Undertaking*. The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Restricted Shares pursuant to the provisions of this Agreement.

(h) *Plan.* The Participant acknowledges and understands that material definitions and provisions concerning the Restricted Shares and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(i) *Dispute Resolution*. If any dispute arising out of or relating to this Agreement or the Plan, or the breach thereof, cannot be settled through negotiation, the parties agree first to try in good faith to settle such dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. If the parties fail to settle such dispute within 30 days after the commencement of such mediation, such dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the arbitral award rendered may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

KOSMOS ENERGY LTD.

By: _____
Name:
Title:

_____
[Name of Participant]

Attachment B

SECTION 83(b) ELECTION

This statement is being made under Section 83(b) of the Internal Revenue Code, pursuant to Treas. Reg. Section 1.83-2.

(1) The taxpayer performing the services is:

Name:
Address:
Social Security Number:

(2) The property with respect to which the election is being made is common shares (the "**Restricted Shares**"), par value $.01 per share, of Kosmos Energy Ltd. (the "**Company**").

(3) The Restricted Shares were transferred on .

(4) The taxable year in which the election is being made is the calendar year .

(5) The Restricted Shares are not transferable and are subject to a substantial risk of forfeiture within the meaning of Section 83(c)(1) of the Internal Revenue Code until and unless specified conditions are satisfied or a specified event occurs, in each case as set forth in the Company's Long Term Incentive Plan and the Restricted Stock Award Agreement pursuant to which the Restricted Shares were issued.

(6) The fair market value of the Restricted Shares at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is $ per share.

(7) The amount paid by the taxpayer for the Restricted Shares is $ per share.

(8) A copy of this statement has been furnished to the Company, for whom the taxpayer will be performing services underlying the transfer of the Restricted Shares.

(9) This statement is executed on .

Spouse (if any)

Taxpayer

This statement must be filed with the Internal Revenue Service Center with which you filed your last U.S. federal income tax return within 30 days after the grant date of the Restricted Shares. This filing should be made by registered or certified mail, return receipt requested. You are also required to (i) deliver a copy of this statement to the Company and (ii) attach a copy of this statement to your federal income tax return for the taxable year that includes the grant date (and may also be required to attach a copy of this statement to your state income tax return for such year). You should also retain a copy of this statement for your records.

Exhibit 10.30

[FORM OF] EXECUTIVE EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "**Agreement**") dated as of **[●]**, is made by and between Kosmos Energy, LLC, a Texas limited liability company (the "**Company**"), and [●] ("**Executive**").

WHEREAS, immediately prior to the closing of the underwritten public offering of common shares of Kosmos Energy Ltd., the Company's parent, pursuant to a registration statement on Form S-1 to be filed with the Securities and Exchange Commission (the time immediately prior to such closing, the "**Effective Time**"), the Company desires to employ Executive, and Executive desires to accept such employment, in each case, on the terms set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the Company and Executive agree as follows:

ARTICLE 1
EFFECTIVENESS; TERM OF AGREEMENT

Section 1.01. *Effectiveness; Term of Agreement.* Subject to Article 4, Executive shall be employed by the Company for the **[●]** period commencing at the Effective Time; *provided* that such initial period shall be automatically extended for successive one-year periods unless not later than six months prior to the expiration of such initial period or any one-year extension period thereafter the Company or Executive shall give written notice to the contrary (such initial period and all successive one-year extension periods thereafter, if any, the "**Term**").

ARTICLE 2
POSITIONS AND DUTIES

Section 2.01. *Employment; Positions.* During the Term, Executive shall serve as **[●]** of the Company and shall report to the [Board of Directors of the Company (the "**Board**"),] [Chief Executive Officer of the Company,] [and the Company shall cause Executive to be appointed to the Board as of the Effective Time and to be nominated for election to the Board at each applicable shareholder meeting thereafter].

Section 2.02. *Duties and Services.* Executive agrees to serve in the position(s) assigned pursuant to Section 2.01 and to perform diligently and to the best of his abilities the duties and services pertaining to such position(s), as well as such additional duties and services that Executive from time to time may be reasonably directed to perform by the Company. Executive's employment shall

also be subject to the policies maintained and established by the Company that are of general applicability to the Company's senior executives, as such policies may be amended from time to time.

Section 2.03. *Offices.* Executive agrees to serve without additional compensation, if elected or appointed thereto, as a director of the Company or any Affiliate and as a member of any committees of the board of directors of any such entity, and in one or more executive positions of any Affiliate. " **Affiliate**" means any entity that owns or controls, is owned or controlled by, or is under common control with, the Company.

Section 2.04. *Other Interests.* Executive agrees, during the Term, to devote substantially all of his business time, energy and best efforts to the business and affairs of the Company and its Affiliates. Notwithstanding the foregoing, the parties acknowledge and agree that Executive may engage in and manage his passive personal investments and engage in charitable and civic activities; *provided*, that such activities shall be permitted so long as they do not conflict with the business and affairs of the Company or interfere with Executive's performance of his duties hereunder.

ARTICLE 3
COMPENSATION AND BENEFITS

Section 3.01. *Base Salary.* The Company shall pay Executive an annual base salary (the " **Base Salary**") at the initial annual rate of $[●], payable in regular installments in accordance with the Company's usual payment practices. The Base Salary is subject to increase, but not decrease, in the sole discretion of the [Board] [Board of Directors of the Company (the " **Board**")].

Section 3.02. *Bonuses.* For each fiscal year during the Term, Executive shall be eligible to receive a bonus (the " **Annual Bonus**") based on criteria determined in the discretion of the Board or a committee thereof. The target amount of the Annual Bonus (the " **Target Bonus**") for a fiscal year shall be not less than [●]% of the Base Salary, and the actual amount of the Annual Bonus, if any, shall be determined in the discretion of the Board or a committee thereof and shall be paid to Executive on the same date as annual bonuses for such year are paid to the Company's other senior executives.

Section 3.03. *Other Benefits.* During the Term, Executive shall be permitted to participate in all benefit plans and programs of the Company, which are now, or may hereafter be, available to the Company's other senior executives and shall be entitled to the following fringe benefits: club dues, financial planning and executive health program.

Section 3.04. *Expenses.* The Company shall reimburse Executive for all reasonable business expenses incurred by Executive in performing services

hereunder, including all travel and living expenses while away from home on business or at the request of and in the service of the Company; *provided*, in each case, that such expenses are incurred and accounted for in accordance with the policies and procedures established by the Company. Any such reimbursement of expenses shall be made by the Company upon or as soon as practicable following receipt of supporting documentation reasonably satisfactory to the Company (but in any event not later than the close of Executive's taxable year following the taxable year in which the expense is incurred).

Section 3.05. *Vacation and Sick Leave.* During the Term, Executive shall be entitled to sick leave and paid vacation in accordance with the Company's policies applicable to its senior executives.

ARTICLE 4
TERMINATION OF EMPLOYMENT

Section 4.01. *Termination of Employment.* Executive's employment with the Company shall terminate upon Executive's death or Disability and may be terminated at any time by the Company, with or without Cause, or by Executive, with or without Good Reason. For all purposes of this Agreement, Executive shall be considered to have terminated employment with the Company when he incurs a Separation from Service.

"**Cause**" means (i) the willful failure of Executive to substantially perform his duties as an employee of the Company (other than any such failure resulting from Executive's physical or mental incapacity), (ii) Executive's having engaged in willful misconduct, gross negligence or a breach of fiduciary duty, or Executive's willful breach of this Agreement, in each case that results in demonstrable harm to the Company or any Affiliate, (iii) Executive's having been convicted of, or having entered a plea bargain or settlement admitting guilt or the imposition of unadjudicated probation for, any felony under the laws of the United States, any state or the District of Columbia, or a crime of similar import in a foreign jurisdiction, (iv) Executive's breach of any of the covenants contained in Article 7, other than any such breach that causes no demonstrable or non-trivial damage to the Company, (v) Executive's material breach of any Company policy, including without limitation any such policy that relates to expense management, human resources or the Foreign Corrupt Practices Act, (vi) Executive's unlawful use or possession of illegal drugs on the Company's premises or while performing his duties and responsibilities hereunder, or (vii) Executive's commission of an act of fraud, embezzlement or misappropriation, in each case, against the Company or any Affiliate; *provided* that, in each case (except for circumstances described in clauses (iii), (vi) or (vii) above), the Company shall provide Executive with written notice specifying the circumstances alleged to constitute Cause, and, if possible, Executive shall have 30 days following receipt of such notice to cure such circumstances. For purposes of the definition of Cause, no act, or failure to act, on the part of Executive shall be considered "willful" unless it is

done, or omitted to be done, by Executive in bad faith or without reasonable belief that his action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer of the Company (other than Executive, if he is serving in such capacity) or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of the Company.

"**Disability**" means, at any time that the Company or an Affiliate sponsors a long-term disability plan that covers Executive, "disability" as defined in such plan for the purpose of determining Executive's eligibility for benefits; *provided* that if such plan contains multiple definitions of disability, then "Disability" shall refer to that definition of disability which, if Executive qualified for such benefits, would provide coverage for the longest period. The determination of whether Executive has a Disability shall be made by the person or persons required to make final disability determinations under such plan. At any time that the Company or an Affiliate does not sponsor such a plan, Disability shall mean Executive's physical or mental incapacity that renders him unable for a period of 90 consecutive days or an aggregate of 120 days in any consecutive 12-month period to perform his duties hereunder.

"**Good Reason**" means the occurrence of any of the following events without Executive's consent: (i) a reduction in the Base Salary or the Target Bonus, other than any such reduction that applies generally to similarly situated executives of the Company, (ii) relocation of the geographic location of Executive's principal place of employment by more than 50 miles from Dallas, Texas, (iii) the expiration of the Term following the Company's election not to extend the Term pursuant to Section 1.01 or (iv) a material reduction in Executive's duties or responsibilities that occurs within two years following a Change in Control; *provided* that, in each case, (a) Executive shall provide the Company with written notice specifying the circumstances alleged to constitute Good Reason within 90 days following the first occurrence of such circumstances, (b) if possible, the Company shall have 30 days following receipt of such notice to cure such circumstances, and (c) if the Company has not cured such circumstances within such 30-day period, Executive shall terminate his employment not later than 60 days after the end of such 30-day period.

"**Change in Control**" has the meaning assigned to it in the Company's Long Term Incentive Plan as in effect as of the Effective Time.

"**Separation from Service**" means, the (i) cessation of all services performed by Executive for the Company or (ii) permanent decrease in the level of services performed by Executive for the Company (whether as an employee or as an independent contractor) to no more than 20 percent of the average level of services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services to the

Company, if Executive has been providing services to the Company for less than 36 months).

Section 4.02. *Deemed Resignations.* Unless otherwise agreed to in writing by the Company and Executive prior to the termination of Executive's employment, any termination of Executive's employment shall constitute an automatic resignation of Executive, as applicable: (a) as an officer of the Company and each Affiliate; (b) from the Board; (c) from the board of directors or similar governing body of any Affiliate; and (d) from the board of directors or similar governing body of any corporation, limited liability entity or other entity in which the Company or any Affiliate holds an equity interest and with respect to which board or similar governing body Executive serves as the Company's or such Affiliate's designee or other representative.

ARTICLE 5
SEVERANCE BENEFITS

Section 5.01. *Termination for Cause.* If Executive's employment with the Company is terminated by the Company for Cause then, upon such termination, Executive shall be entitled to receive only the Accrued Obligations. " **Accrued Obligations**" means any (a) unpaid Base Salary through the date of such termination, (b) expenses owed to Executive under the Company's expense reimbursement policy, (c) accrued vacation pay owed to Executive pursuant to the Company's vacation policy, (d) amount accrued and arising from Executive's participation in, or benefits accrued under, any employee benefit plans, programs or arrangements maintained by the Company, and (e) such other or additional benefits as may be, or become, due to Executive under the applicable terms of applicable plans, programs, agreements, corporate governance documents and other arrangements of the Company and any Affiliate.

Section 5.02. *Resignation without Good Reason.* If Executive's employment with the Company is terminated by Executive without Good Reason, Executive shall be entitled to receive (a) the Accrued Obligations and (b) any earned but unpaid Annual Bonus with respect to the fiscal year prior to the fiscal year in which such termination occurs, paid on the date on which annual bonuses for such year are paid to senior executives whose employment with the Company has not terminated.

Section 5.03. *Death or Disability*. If Executive's employment with the Company terminates due to Executive's death or Disability, Executive shall be entitled to receive (a) the Accrued Obligations, (b) any earned but unpaid Annual Bonus with respect to the fiscal year prior to the fiscal year in which such termination occurs, paid on the date on which annual bonuses for such year are paid to senior executives whose employment with the Company has not terminated, and (c) an amount equal to (i) the Annual Bonus that Executive would have been entitled to receive, based on actual performance through the end of the

fiscal year in which such termination occurs and determined as if he had continued his employment with the Company through the end of such year, multiplied by (ii) a fraction, the numerator of which is the number of days Executive was employed hereunder during such year and the denominator of which is the number of days in such year, which amount shall be paid on the date on which annual bonuses for such year are paid to senior executives whose employment with the Company has not terminated.

Section 5.04. *Termination without Cause or for Good Reason*. If Executive's employment with the Company is terminated by the Company without Cause or by the Executive for Good Reason, Executive shall be entitled to receive (a) the Accrued Obligations, (b) any earned but unpaid Annual Bonus with respect to the fiscal year prior to the fiscal year in which such termination occurs, paid on the date on which annual bonuses for such year are paid to senior executives whose employment with the Company has not terminated, and (c) subject to Section 8.08:

(i) a lump sum cash payment, paid on the 60th day after such termination, in an amount equal to the sum of the Base Salary and the Target Bonus then in effect; *provided*, *however*, [(a) if such termination occurs on or within two years following a Change in Control, the amount of such payment shall equal two times the sum of the Base Salary and the Target Bonus then in effect, and (b)] if Executive terminates his employment for Good Reason following a reduction in the Base Salary or the Target Bonus, the Base Salary or the Target Bonus, as applicable, for purposes of this Section 5.04(i) shall be the Base Salary or the Target Bonus, as applicable, in effect as of immediately prior to such reduction;

(ii) an amount equal to (a) the Annual Bonus that Executive would have been entitled to receive, based on actual performance through the end of the fiscal year in which such termination occurs and determined as if he had continued his employment with the Company through the end of such year, multiplied by (b) a fraction, the numerator of which is the number of days Executive was employed hereunder during such year and the denominator of which is the number of days in such year, which amount shall be paid on the later of (A) the 60th day after such termination and (B) the date on which annual bonuses for such year are paid to senior executives whose employment with the Company has not terminated; *provided*, that if such Annual Bonus is intended to constitute performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "**Code**"), then this Section 5.04(ii) shall apply only to the extent that the applicable performance criteria with respect to such Annual Bonus have been satisfied as certified by a committee of the Board as required under Section 162(m) of the Code; and

(iii) during the portion, if any, of the Continuation Period that Executive elects to continue coverage for him and his eligible dependents under the Company's group health plans under the Consolidated Omnibus Budget

Reconciliation Act of 1985, as amended, the amount, if any, that the Company shall charge Executive to effect and continue such coverage shall not exceed the amount, if any, that it charges to active senior executives for similar coverage. "**Continuation Period**" means the period beginning on the date of termination of Executive's employment with the Company and ending on the date that is 18 months after the date of such termination; *provided* that if the parties reasonably determine that continuing such coverage after December 31 of the calendar year following the calendar year in which such termination occurs could result in adverse tax to Executive, such period shall end on such December 31 and the Company shall pay Executive on such December 31, for each full or partial month that the Continuation Period is less than 18 months, an amount equal to the difference, if any, between (A) the actual cost to Executive for such continuation coverage for the month following the last day of the Continuation Period and (B) the amount, if any, the Company charges active senior executives for similar coverage for such month.

ARTICLE 6
STATEMENTS CONCERNING NON-DISPARAGEMENT PARTIES AND EXECUTIVE

Section 6.01 *Statements Concerning the Non-Disparagement Parties* . Executive shall refrain, both during his employment with the Company and thereafter, from publishing any oral or written statements about the Non-Disparagement Parties that (i) are slanderous, libelous or defamatory, (ii) disclose private or confidential information about the Non-Disparagement Parties or any of their business affairs, (iii) constitute an intrusion into the seclusion or private lives of any current or former officers, employees, consultants, agents or representatives of the Non-Disparagement Parties, (iv) give rise to unreasonable publicity about the private lives of any current or former officers, employees, consultants, agents or representatives of the Non-Disparagement Parties, (v) place the Non-Disparagement Parties in a false light before the public, or (vi) constitute a misappropriation of the name or likeness of the Non-Disparagement Parties. Notwithstanding the restrictions set forth in this Section 6.01, Executive may make any communication required by law; *provided, however*, that any such communication shall only be permitted to the minimum extent necessary to satisfy any legal obligation and, prior to any such communication, Executive shall provide the Company as much advance notice (except where such notice is prohibited by law) of any such communication as is practicable so that the Company may seek an appropriate protective order or other form of relief. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded the Non-Disparagement Parties under this provision are in addition to any and all rights and remedies otherwise afforded by law. "**Non-Disparagement Parties**" means the Company, any Affiliate, any current or former officer, director, manager, shareholder or other equity owner, employee, consultant, advisor, agent or representative of the Company or any Affiliate, any

current or former participant in projects with or involving the Company or any Affiliate (and their respective affiliates), any current or former vendor to the Company or any Affiliate and any federal, national, regional, state or local government located in the Restricted Area (as defined in Section 7.02(b)), those governments' subdivisions and controlled entities, including their state-controlled oil companies and their respective agents, civil servants, advisors, employees and other representatives, whether elected or not.

Section 6.02 *Statements Concerning Executive*. The Company shall refrain, both during Executive's employment with the Company and thereafter, from publishing any oral or written statements about Executive that (i) are slanderous, libelous or defamatory, (ii) disclose private or confidential information about Executive or any of Executive's business affairs, (iii) constitute an intrusion into the seclusion or private life of Executive, (iv) give rise to unreasonable publicity about the private life of Executive, (v) place the Executive in a false light before the public, or (vi) constitute a misappropriation of the name or likeness of Executive. Notwithstanding the restrictions set forth in this Section 6.02, the Company may make any communication required by law; *provided, however,* that any such communication shall only be permitted to the minimum extent necessary to satisfy any legal obligation and, prior to any such communication, the Company shall provide Executive as much advance notice (except where such notice is prohibited by law) of any such communication as is practicable so that Executive may seek an appropriate protective order or other form of relief. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded Executive under this provision are in addition to any and all rights and remedies otherwise afforded by law. As used in this Section 6.02, "**Executive**" includes Executive and his affiliates.

ARTICLE 7
RESTRICTIVE COVENANTS

Section 7.01. *Disclosure to Executive.* The Company shall disclose to Executive and place Executive in a position to have access to or develop confidential information and Inventions (as defined in Section 7.04) of the Company; and shall entrust Executive with business opportunities of the Company; and shall place Executive in a position to develop business good will on behalf of the Company. As used in this Article 7, the " **Company**" includes the Company and the Affiliates.

Section 7.02 *Non-Competition and Non-Solicitation.*

(a) Executive and the Company agree to the non-competition and non-solicitation provisions of this Section 7.02 in consideration for the confidential information provided by the Company to Executive pursuant to this Agreement, to protect the trade secrets and confidential information of the Company disclosed

or entrusted to Executive by the Company or created or developed by Executive for the Company, to protect the business goodwill of the Company developed through the efforts of Executive and/or the business opportunities disclosed or entrusted to Executive by the Company and as an additional incentive for the Company to enter into this Agreement.

(b) Subject to the exceptions set forth in Section 7.02(c), Executive expressly covenants and agrees that during the period Executive is employed by the Company hereunder and for one year following the end of Executive's employment with the Company (the " **Prohibited Period**") (i) Executive will refrain from carrying on or engaging in, directly or indirectly, any Competing Business in the Restricted Area and (ii) Executive will not, and Executive will cause Executive's affiliates not to, directly or indirectly, own, manage, operate, join, become an employee of, partner in, owner or member of (or an independent contractor to), control or participate in, be connected with or loan money to, sell or lease equipment or property to, or otherwise be affiliated with any business, individual, partnership, firm, corporation or other entity which engages in a Competing Business in the Restricted Area, as Executive expressly agrees that each of the foregoing activities would represent carrying on or engaging in a Competitive Business, as prohibited by this Section 7.02(b). "**Competing Business**" means any business, individual, partnership, firm, corporation or other entity which wholly or in any significant part engages in any business competing with the Business in the Restricted Area; "**Restricted Area**" means the acreage outside of the United States in which (x) the Company conducts operations or owns assets or (y) prior to termination of Executive's employment, the Board has authorized the Company to conduct operations or own assets, and any acreage that directly abuts such acreage; and " **Business**" means the exploration for, and the development and production of, oil and natural gas and the acquisition of leases, real property and other contracts and similar interests in connection therewith, as such business may be expanded or altered by the Company during the period of Executive's employment by the Company; *provided*, that any business or endeavor shall cease to be the "Business" if the Company is not or ceases to be engaged in such business or endeavor.

(c) Notwithstanding the restrictions contained in Section 7.02(b): (i) Executive or any of Executive's affiliates may own an aggregate of not more than 2% of the outstanding stock of any class of any corporation engaged in a Competing Business, if such stock is listed on a national securities exchange or regularly traded in the over-the-counter market by a member of a national securities exchange, without violating the provisions of Section 7.02(b); *provided* that neither Executive nor any of Executive's affiliates has the power, directly or indirectly, to control or direct the management or affairs of any such corporation and is not involved in the management of such corporation (except to the extent permitted in clause (ii) of this sentence); and (ii) Executive may serve in a senior executive or director capacity for a corporation or other entity which (directly or through its subsidiaries) is engaged in a Competing Business, without violating

the provisions of Section 7.02(b); *provided* that (A) the revenues attributable to such Competing Business for the four fiscal quarters of such corporation ending on or before the date of the commencement of Executive's service in such capacity comprise less than 10% of the consolidated total revenue of such corporation for such four fiscal quarters and (B) none of Executive's significant activities in such capacity require or include being directly involved in the Competing Business.

(d) Executive further expressly covenants and agrees that during the Prohibited Period, Executive shall not, directly or indirectly, encourage, solicit or induce any (i) individual employed by, or individual or entity providing consulting services to, the Company to terminate such employment or services; *provided*, that the foregoing shall not be violated by general advertising not targeted at employees or consultants of the Company; (ii) customer, supplier, licensee or other business relation of the Company to cease doing business with or materially reduce the amount of business conducted with the Company, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company; or (iii) assist any other party in the activities described in (i) or (ii).

(e) Executive and the Company agree and acknowledge that the limitations as to time, geographical area and scope of activity to be restrained as set forth in this Section 7.02 are reasonable and do not impose any greater restraint than is necessary to protect the legitimate business interests of the Company. Executive and the Company also acknowledge that money damages would not be sufficient remedy for any breach of this Section 7.02 by Executive, and the Company shall be entitled to enforce the provisions of this Section 7.02 by terminating payments then owing to Executive under this Agreement or otherwise and to specific performance and injunctive relief as remedies for such breach or any threatened breach. Such remedies shall not be deemed the exclusive remedies for a breach of this Section 7.02 but shall be in addition to all remedies available at law or in equity, including the recovery of damages from Executive and Executive's agents. However, if it is determined that Executive has not committed a breach of this Section 7.02, then the Company shall resume the payments and benefits due under this Agreement and promptly pay to Executive all payments and benefits that had been suspended pending such determination.

(f) Executive hereby represents to the Company that Executive has read and understands, and agrees to be bound by, the terms of this Section 7.02. Executive acknowledges that the geographic scope and duration of the covenants contained in this Section 7.02 are the result of arm's-length bargaining and are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Business, (ii) Executive's level of control over and contact with the Business in all jurisdictions in which it is conducted, (iii) the fact that the Business is conducted throughout the Restricted Area and (iv) the amount of confidential information that Executive is receiving in connection with the performance of Executive's duties hereunder. It is the desire and intent of the

parties that the provisions of this Section 7.02 be enforced to the fullest extent permitted under applicable laws, whether now or hereafter in effect and therefore, to the extent permitted by applicable laws, Executive and the Company hereby waive any provision of applicable law that would render any provision of this Section 7.02 invalid or unenforceable.

(g) The Company and Executive agree that the foregoing restrictions are reasonable under the circumstances and that any breach of the covenants contained in this Section 7.02 would cause irreparable injury to the Company. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses anywhere in the Restricted Area during the Prohibited Period, but acknowledges that Executive will receive sufficient consideration from the Company to justify such restriction. Further, Executive acknowledges that Executive's skills are such that Executive can be gainfully employed in non-competitive employment, and that the agreement not to compete will not prevent Executive from earning a living. Nevertheless, if any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company and Executive intend to make this provision enforceable under the law or laws of all applicable States, Provinces and other jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal. Such modification shall not affect the payments made to Executive under this Agreement.

Section 7.03. *Nondisclosure of Confidential and Proprietary Information.*

(a) Except in connection with the faithful performance of Executive's duties for the Company or pursuant to Section 7.03(c) or (d), Executive shall, in perpetuity, maintain in confidence and shall not directly, indirectly or otherwise, (i) use, disseminate, disclose or publish, or use for his benefit or the benefit of any person, firm, corporation or other entity, any (A) confidential or proprietary information or trade secrets of or relating to the Company (including, without limitation, intellectual property in the form of patents, trademarks and copyrights and applications thereof, ideas, inventions, works, discoveries, improvements, information, documents, formulae, practices, processes, methods, developments, source code, modifications, technology, techniques, data, programs, other know-how or materials, in each case, that are confidential and/or proprietary and owned, developed or possessed by the Company, whether in tangible or intangible form) or (B) confidential or proprietary information with respect to the Company's operations, processes, products, inventions, business practices, strategies, business plans, finances, principals, vendors, suppliers, customers, potential customers, marketing methods, costs, prices, contractual relationships, regulatory status, prospects and compensation paid to employees or other terms of employment or

(ii) deliver to any person, firm, corporation or other entity any document, record, notebook, computer program or similar repository of or containing any such confidential or proprietary information or trade secrets. The parties stipulate and agree that as between them the foregoing matters are important, material and confidential proprietary information and trade secrets and materially affect the successful conduct of the businesses of the Company (and any successor or assignee of the Company).

(b) Upon the termination of Executive's employment with the Company for any reason, Executive will promptly deliver to the Company all correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents and electronically stored information, in each case, that are confidential or proprietary to the Company, or any other confidential or proprietary documents (including electronically stored information) concerning the Company's customers, business plans, strategies, products or processes.

(c) Executive may respond to a lawful and valid subpoena or other legal process relating to the business of the Company or the performance of his duties on behalf of the Company but shall (i) give the Company prompt notice thereof, (ii) make available to the Company and its counsel the documents and other information sought that are not subject to a binding confidentiality agreement and (iii) assist such counsel at the Company's expense in resisting or otherwise responding to such process.

(d) Nothing in this Agreement shall prohibit Executive from (i) disclosing information and documents when required by law, subpoena, court order or legal process, (ii) disclosing information and documents to his immediate family members or, for the purpose of securing legal or tax advice, attorney or tax adviser (provided that the persons to whom such disclosures are made shall be informed of their obligation to maintain the strict confidentiality of any information provided to them), (iii) disclosing the post-employment restrictions in this Agreement in confidence to any potential new employer or person or entity to whom he may provide consulting services, or (iv) retaining, at any time, his personal correspondence and rolodex or address book and documents related to his own personal benefits, entitlements and obligations.

Section 7.04. *Inventions.* All rights to discoveries, inventions, improvements and innovations (including all data and records pertaining thereto) related to the business of the Company, whether or not patentable, copyrightable, registrable as a trademark, or reduced to writing, that Executive may discover, invent or originate during the period of his employment with the Company, either alone or with others and whether or not during working hours or by the use of the facilities of the Company ("**Inventions**"), shall be the exclusive property of the Company. Executive shall promptly disclose all Inventions to the Company, shall execute at the request of the Company any assignments or other documents the Company may deem reasonably necessary to protect or perfect its rights therein,

and shall assist the Company, upon reasonable request and at the Company's expense, in obtaining, defending and enforcing the Company's rights therein. Executive hereby appoints the Company as his attorney-in-fact to execute on his behalf any assignments or other documents reasonably deemed necessary by the Company to protect or perfect its rights to any Inventions.

Section 7.05. *Injunctive Relief.* It is recognized and acknowledged by Executive that a breach of the covenants contained in Sections 7.03 and 7.04 will cause irreparable damage to the Company and its goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, Executive agrees that in the event of a breach of any of the covenants contained in Sections 7.03 and 7.04, in addition to any other remedy which may be available at law or in equity, the Company will be entitled to specific performance and injunctive relief.

ARTICLE 8
GENERAL

Section 8.01. *Survivorship.* The respective rights and obligations of the parties shall survive any termination of this Agreement to the extent necessary for the intended preservation of such rights and obligations.

Section 8.02. *Payment Obligations Absolute.* The Company's obligation to pay Executive the amounts and to make the arrangements provided herein shall be absolute and unconditional and shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company (including its subsidiaries) may have against him or anyone else. All amounts payable by the Company shall be paid without notice or demand. Executive shall not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Agreement, and the obtaining of any such other employment shall in no event effect any reduction of the Company's obligations to make (or cause to be made) the payments and arrangements required to be made under this Agreement.

Section 8.03. *Successors.* This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company, by merger or otherwise. This Agreement shall also be binding upon and inure to the benefit of Executive and his estate. If Executive shall die prior to full payment of amounts due pursuant to this Agreement, such amounts shall be payable pursuant to the terms of this Agreement to his estate.

Section 8.04. *Severability.* Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction by reason of applicable law shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof,

and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 8.05. *Non-alienation.* Executive shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or the rights hereunder, except by will or the laws of descent and distribution.

Section 8.06. *Notices.* Any notices or other communications provided for in this Agreement shall be sufficient if in writing. In the case of Executive, such notices or communications shall be effectively delivered if hand-delivered to Executive at his principal place of employment or if sent by registered or certified mail to Executive at the last address he has filed with the Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by registered or certified mail to the Company at its principal executive offices.

Section 8.07. *Controlling Law and Waiver of Jury Trial.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas. With respect to any claim or dispute related to or arising under this Agreement, Executive and the Company hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts located in Dallas County, Texas. **Each of the parties hereto hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement or the transactions contemplated hereby.**

Section 8.08. *Release and Delayed Payment Restriction.*

(a) As a condition to the receipt of any payment or benefit under Section 5.04(c), Executive shall first execute a release in the form attached hereto as Exhibit A (with such changes therein as the Company may reasonably require to reflect changes in applicable law and the circumstances relating to the termination of Executive's employment), releasing the Company and certain other persons and entities from certain claims and other liabilities.

(b) The release described in Section 8.08(a) must be effective and irrevocable within 55 days after the date of the termination of Executive's employment with the Company. Notwithstanding any provision in this Agreement to the contrary, if the payment of any amount or benefit under this Agreement would be subject to additional taxes and interest under Section 409A of the Code because the timing of such payment is not delayed as provided in Section 409A(a)(2)(B)(i) of the Code and the regulations thereunder, then any such payment or benefit that Executive would otherwise be entitled to during the first six months following the date of the termination of Executive's employment shall be accumulated and paid or provided, as applicable, on the date that is six months after the date of the termination of Executive's employment (or if such date does not fall on a business day of the Company, the next following business day of the Company), or such earlier date upon which such amount can be paid or

provided under Section 409A of the Code without being subject to such additional taxes and interest. If this Section 8.08(b) becomes applicable such that the payment of any amount is delayed, any payments that are so delayed shall accrue interest on a non-compounded basis, from the date such payment would have been made had this Section 8.08(b) not applied to the actual date of payment, at the prime rate of interest announced by JPMorgan Chase Bank (or any successor thereto) at its principal office in New York on the date of the termination of Executive's employment (or the first business day following such date if such termination does not occur on a business day) and shall be paid in a lump sum on the actual date of payment of the delayed payment amount. Executive hereby agrees to be bound by the Company's determination of its "specified employees" (as such term is defined in Section 409A of the Code) in accordance with any of the methods permitted under the regulations issued under Section 409A of the Code.

Section 8.09. *Unfunded Obligation.* The obligation to pay amounts under this Agreement is an unfunded obligation of the Company, and no such obligation shall create a trust or be deemed to be secured by any pledge or encumbrance on any property of the Company.

Section 8.10. *No Right to Continued Employment.* Executive and the Company recognize and agree that, subject to the terms of this Agreement, (a) the Company may terminate Executive's employment at any time, for any reason or no reason at all, and (b) Executive may terminate his employment at any time, for any reason or no reason at all.

Section 8.11. *Withholding of Taxes and Other Executive Deductions.* The Company may withhold from any benefits and payments made pursuant to this Agreement (whether actually or constructively made to Executive or treated as included in Executive's income under Section 409A of the Code) all federal, state, city, foreign and other applicable taxes and withholdings as may be required pursuant to any law or governmental regulation or ruling and all other customary deductions made with respect to the Company's employees generally.

Section 8.12. *Entire Agreement.* This Agreement, including Exhibit A attached hereto, constitutes the entire agreement of the parties with regard to the subject matter hereof and supersedes any and all prior understandings, agreements or correspondence between the parties. Any modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.

Section 8.13. *No Waiver.* The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

Section 8.14. *Counterparts*. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Signatures begin on the following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

EXECUTIVE

By: _____
Name:
Title:

KOSMOS ENERGY, LLC

By: _____
Name:
Title:

EXHIBIT A

FORM OF RELEASE

For and in consideration of certain payments and other benefits due to [•] ("**Executive**") pursuant to the Employment Agreement (the "**Employment Agreement**") dated as of [•] between Kosmos Energy, LLC, a Texas limited liability company (the "**Company**"), and Executive, and for other good and valuable consideration, Executive hereby agrees, for Executive, Executive's spouse and child or children (if any), and Executive's heirs, beneficiaries, devisees, executors, administrators, attorneys, personal representatives, successors and assigns, to forever release, discharge and covenant not to sue the Company and its divisions, affiliates, subsidiaries, parents, branches, predecessors, successors, assigns, and, with respect to such entities, their officers, directors, trustees, employees, agents, shareholders or other equity owners, administrators, general or limited partners, members, representatives, attorneys, insurers and fiduciaries, past, present and future (the "**Released Parties**") from any and all claims of any kind arising out of, or related to, his employment with the Company, its affiliates or subsidiaries (collectively, with the Company, the "**Affiliated Entities**") or Executive's separation from employment with the Affiliated Entities, which Executive now has or may have against the Released Parties, whether known or unknown to Executive, by reason of facts which have occurred on or prior to the date that Executive has signed this Release. Such released claims include, without limitation, any and all claims relating to the foregoing under federal, state or local laws pertaining to employment, including, without limitation, the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Fair Labor Standards Act, as amended, the Americans with Disabilities Act, as amended, the Reconstruction Era Civil Rights Act, as amended, the Rehabilitation Act of 1973, as amended, the Family and Medical Leave Act of 1992, as amended, and any and all state or local laws regarding employment discrimination, the payment of wages and/or federal, state or local laws of any type or description regarding employment, including but not limited to any claims arising from or derivative of Executive's employment with the Affiliated Entities, as well as any and all such claims under state contract or tort law. By signing this Release, Executive is bound by it. Anyone who succeeds to Executive's rights and responsibilities, such as heirs or the executor of Executive's estate, is also bound by this Release. This Release also applies to any claims brought by any person or agency or class action under which Executive may have a right or benefit. Notwithstanding this release of liability, nothing in this Release prevents Executive from filing any non-legally waivable claim (including a challenge to the validity of this Release) with the Equal Employment Opportunity Commission (the "**EEOC**") or comparable state or local agency or participating in any investigation or proceeding conducted by the EEOC or comparable state or local agency; however, Executive understands and

agrees that Executive is waiving any and all rights to recover any monetary or personal relief or recovery as a result of such EEOC or comparable state or local agency proceeding or subsequent legal actions.

Executive has read this Release carefully, acknowledges that he has been given at least [21] [45] days to consider all of its terms and has been and is hereby advised to consult with an attorney and any other advisors of Executive's choice prior to executing this Release, and Executive fully understands that by signing below Executive is voluntarily giving up any right which Executive may have to sue or bring any other claims against the Released Parties, including any rights and claims under the Age Discrimination in Employment Act. Executive also understands that Executive has a period of seven days after signing this Release within which to revoke this Release, and that neither the Company nor any other person is obligated to make any payments or provide any other benefits to Executive pursuant to the Employment Agreement until eight days have passed since Executive's signing of this Release without Executive's signature having been revoked, other than any accrued obligations or other benefits payable pursuant to the terms of the Company's normal payroll practices or employee benefit plans. Finally, Executive expressly represents that he has not been forced or pressured in any manner whatsoever to sign this Release, and Executive agrees to all of its terms voluntarily.

Notwithstanding anything else herein to the contrary, this Release shall not affect: (i) the Company's obligations under any compensation or employee benefit plan, program or arrangement (including, without limitation, obligations to Executive under the Employment Agreement or any stock option, stock award or agreements or obligations under any pension, deferred compensation or retention plan) provided by the Affiliated Entities where Executive's compensation or benefits are intended to continue or Executive is to be provided with compensation or benefits, in accordance with the express written terms of such plan, program or arrangement, beyond the date of Executive's termination and (ii) rights to indemnification Executive may have under (A) applicable law, (B) any other agreement between Executive and a Released Party or (C) as an insured under any director's and officer's liability insurance policy now or previously in force.

This Release is final and binding and may not be changed or modified except in a writing signed by both parties.

Date

[Executive]

[Kosmos Energy, LLC]

Date:

By: _____

Name:

Title: