

W&T OFFSHORE, INC.

**CHARTER OF COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS**

I. PURPOSE

The primary purposes of the Compensation Committee are to carry out the Board of Directors' overall responsibility relating to the compensation of the Company's senior executives and to produce an annual report on executive compensation for inclusion in the Corporation's proxy statement and required reports in accordance with applicable rules and regulations.

II. COMPOSITION

The Compensation Committee will be comprised of two or more directors selected by the Board and may be removed by the Board in its discretion. A majority of the members shall constitute a quorum. Each member will meet the standards of independence or other qualifications required from time to time by the New York Stock Exchange. Each member must also qualify as a "non-employee director" under rule 16b-3 of the Securities and Exchange Commission (the "SEC") and an "outside director" as defined by Section 162(m) of the Internal Revenue Code; and may not be part of a compensation committee interlock within the meaning of SEC Regulation S-K. The Compensation Committee's chairperson shall be designated by the Board. The Compensation Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, subject to any limitations or reporting requirements established by law or the Company's procedures.

III. MEETINGS

The Compensation Committee will meet at least four times annually or more frequently if the Committee determines it to be necessary. The agenda for meetings will be prepared by the Committee chair with input from Committee members. The Compensation Committee will maintain written minutes of all its meetings and provide a copy of all such minutes to every member of the Board. The Committee shall act only on the affirmative vote of a majority of the members present at a meeting where a quorum is present or by unanimous written consent.

IV. AUTHORITY AND RESPONSIBILITIES

The Compensation Committee will have the following authority and responsibilities:

1. To review and approve on an annual basis the corporate goals and objectives relevant to the compensation of the CEO.
2. To set the salary and other cash and equity compensation for the CEO. In determining the long-term incentive component of the CEO's compensation, the Committee

should also consider the Company's performance and the relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, the awards given to the Company's CEO in past years, and other criteria established by the Committee.

3. To review and approve on an annual basis the evaluation process and compensation for the Company's officers and senior management.

4. To evaluate the performance of the Company's executive officers and senior management and approve the annual salary and other cash and equity compensation for such executive officers.

5. To provide oversight of management's decisions concerning the performance and compensation of other company officers.

6. To review the Company's incentive compensation and other stock-based plans and recommend changes in such plans to the board as needed. The Committee shall exercise the authority of the board of directors with respect to the administration of such plans.

7. To oversee the regular and annual evaluation of the Company's management including its Chief Executive Officer, Chief Financial Officer and other persons serving in the Company's senior management ranks.

8. To review and discuss the Compensation Discussion and Analysis required by Regulation S-K Item 402(b) with management, and based on such review and discussions recommend to the Board whether the Compensation Discussion and Analysis should be included in the Company's annual report on Form 10-K, proxy statement on Schedule 14A or information statement on Schedule 14C, as well as prepare and publish the Compensation Committee Report as required by Regulation S-K Item 407 (e) (5)

9. In its sole discretion, the Compensation Committee may retain or obtain the advice of a compensation consultant, independent legal counsel or other advisor. If the Compensation Committee engages a compensation consultant, independent legal counsel or other advisor, then the Compensation Committee is directly responsible for the appointment, compensation and oversight of such consultant, counsel or advisor.

10. Prior to engaging independent legal counsel, a compensation consultant or other advisors, to analyze the relationship of such advisor with the members of the Compensation Committee, management and the Company as a whole. This analysis shall include the factors identified by the SEC and NYSE that affect the independence of compensation advisors.

11. The Company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel or other advisor retained by the Compensation Committee.

12. To take such other actions and do other such things as may be referred to it from time to time by the Board.

V. REPORTS AND EVALUATION

The Committee shall report its actions and any recommendations to the Board after each Committee meeting. The Compensation Committee will annually complete an evaluation of the Committee's own performance and provide a report of that assessment to the Board.

VI. RESOURCES AND AUTHORITY OF THE COMMITTEE

The Committee has the authority in its sole discretion to retain and oversee the work of such independent compensation consultants, legal counsel or other advisors, as it deems appropriate, and to approve the fees and expenses of such advisors. Without limiting the foregoing, the Committee will have sole authority to retain and terminate any compensation consultant to be used to assist the Committee in the evaluation of CEO or senior executive compensation.

VII. COMMITTEE CHARTER.

The Committee shall also perform other activities related to this Charter as requested by the Board, including: (i) a review and assessment of the adequacy of this Charter annually and request for Board approval of any proposed changes; and (ii) ensure that this Charter is published or otherwise made publicly available as required by rules and regulations established by the SEC and the New York Stock Exchange. This Charter supersedes any prior charters of the Committee.