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## **W&T Offshore Announces a Highly Successful Deep Sand Development Well and Discovers New and Deeper Productive Reservoirs at Ship Shoal 349 Mahogany Field**

HOUSTON, Jan. 5, 2017 /PRNewswire/ -- W&T Offshore, Inc. (NYSE: WTI) announced today that its Ship Shoal 359 A-18 well has logged 149 feet of net oil pay in five zones and extended the size and depth of the Mahogany field. The SS 349 A-18 well was drilled on the western side of the Mahogany field to extend the productive limit of the 'T' sand, which was discovered in mid-2013 by the A-14 well. The A-18 well not only confirmed that the 'T' sand is present and oil bearing on the west side of the field but it also logged and penetrated four additional attractive pay sands in addition to the main 'T' sand target. After casing the 'T' sand, the Company drilled an exploratory tail (approximately 950 feet deeper) beneath the main well target to test seismic reflectors imaged with its newest 3D seismic data and discovered an additional pay interval in a deeper 'U' sand interval. The success of the A-18 well is expected to generate additional drilling locations for the company. W&T holds a 100% working interest in the Mahogany field.

Tracy Krohn, W&T Offshore's Chairman and CEO, stated, "After pausing our Mahogany field development drilling program since early 2015 when commodity prices slipped, we are very pleased to have resumed drilling activity there to further unlock the significant potential of this huge field. We are benefitting from our recent analysis of our new WAZ seismic data over the field, which allows us to more clearly image the sub-salt formations and assess the additional upside of this field.

"With a number of development and low-risk exploration locations yet to be drilled, the Mahogany field is expected to be the cornerstone of our capital program in 2017 and possibly beyond. Our focus on lowering drilling and operating costs in the Gulf of Mexico, combined with Mahogany's outstanding reservoir characteristics and existing infrastructure on the Shelf, delivers very compelling economic returns for our shareholders.

"The A-18 well allowed the Company to acquire its first core data from this important reservoir with rock permeability estimated to exceed one darcy, confirming the excellent flow potential of this exceptional reservoir. By comparison, the permeability of shale plays in the Permian Basin is often stated as having permeabilities in nanodarcies. A nanodarcy is one billionth of a darcy, which is obviously significantly less than a darcy," concluded Mr. Krohn.

Tom Murphy, W&T Offshore's COO, stated, "The A-18 success exceeded our pre-drill expectations and underscores the large potential in the prolific Mahogany 'T' sand. It achieved our main well objectives in the primary target zone and logged 149 feet of pay in a total of five reservoirs. By design, the well penetrated the field's historic producing intervals -

the 'P' and 'Q' sands - in the highest structural position in the field's history. This sets up a very attractive attic recovery project in an area of the field with good water drive characteristics and recovery efficiency.

"Our exploratory tail has confirmed the presence of hydrocarbon-bearing sands in a trapped position beneath our currently productive 'T' sand and further extends the vertical column in the field to these previously unpenetrated reservoirs. The well's success is expected to generate several high-quality additions to our organic drilling inventory, including a future extension of the main 'T' sand based on this most recent penetration, a crestal development well opportunity to exploit the western 'P' and 'Q' attic area, and deeper drilling opportunities to exploit and target the newly discovered deep 'U' sand.

"Now that we have confirmed that the 'U' sand is oil bearing below our deepest current producing sand depth, the Company will evaluate opportunities to exploit this newly discovered resource potential across the field and will also look to continue extending the field's vertical oil column," Mr. Murphy concluded.

The SS 349 A-18 well was drilled to a total vertical depth of approximately 20,000 feet in a water depth of 372 feet. It will initially be completed in the main objective Upper 'T' Sand and is expected to be placed on production early in the first quarter of 2017. The well completion will be set up for a low-cost future recompletion to the untested deeper 'U' sand, and the three additional sands in the 'P' and 'Q' intervals will be exploited as future recompletions or will be considered for further development well locations to accelerate value.

## **About W&T Offshore**

W&T Offshore, Inc. is an independent oil and natural gas producer with operations offshore in the Gulf of Mexico and has grown through acquisitions, exploration and development. The Company currently has working interests in approximately 54 fields in federal and state waters (50 producing and four fields capable of producing) and has under lease approximately 750,000 gross acres, including approximately 450,000 gross acres on the Gulf of Mexico Shelf and approximately 300,000 gross acres in the deepwater. A majority of the Company's daily production is derived from wells it operates. For more information on W&T Offshore, please visit the Company's website at [www.wtoffshore.com](http://www.wtoffshore.com).

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