

W&T Offshore Announces Bolt-on Acquisition of Producing Properties in the Gulf of Mexico

HOUSTON, April 05, 2022 (GLOBE NEWSWIRE) -- W&T Offshore, Inc. (NYSE: WTI) (“W&T” or the “Company”) today announced that it has acquired the remaining working interests in the oil and gas producing properties purchased earlier this year from an undisclosed private seller. The assets are located in Federal shallow waters in the central region of the Gulf of Mexico at Ship Shoal 230, South Marsh Island 27/Vermilion 191, and South Marsh Island 73 fields. The transaction had an effective date and closing date of April 1, 2022. Cash consideration of approximately \$17.5 million was paid to the seller using cash on hand. Key highlights of the transaction are as follows:

- Adds internally-estimated proved reserves of approximately 1.4 million barrels of oil equivalent (Boe) (70% oil) and proved and probable, or 2P, reserves of 2.0 million Boe (75% oil) as of December 31, 2021 assuming strip pricing as of March 2, 2022;
- Estimated net sales rate of approximately 900 Boe per day (~80% oil);
- Adds an average of 20% working interest in over 50 gross producing wells currently operated by the Company across three shallow water fields; and
- Provides additional upside from additional pay sands in existing well bores and potential opportunities for future drilling.

Tracy W. Krohn, Chairman and Chief Executive Officer, commented, “We were pleased when we were able to purchase our initial interests in these fields in the first quarter of the year and this transaction further consolidates our ownership over those assets. As was noted when we announced the original acquisition earlier this year, the assets are very complementary to our existing assets with a solid base of proved reserves and strong free cash flow and upside potential. Acquisitions such as this one are one way that we create value for our shareholders, and we will continue to seek other accretive transactions.”

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. As of December 31, 2021, the Company had working interests in 43 fields in federal and state waters and has under lease approximately 606,000 gross acres, including approximately 419,000 gross acres on the Gulf of Mexico Shelf and approximately 187,000 gross acres in the Gulf of Mexico deepwater. A majority of the Company’s daily production is derived from wells it operates. For more information on W&T, please visit the Company’s website at www.wtoffshore.com.

Forward-Looking and Cautionary Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect our current views with respect to future events, based on what we believe are reasonable estimates and assumptions. No assurance can be given, however, that these events will occur or that our estimates will be correct. These statements are subject to risks and uncertainties that could cause actual results to differ materially including, among other things, market conditions, oil and gas price volatility, uncertainties inherent in oil and gas production operations and estimating reserves, uncertainties of the timing and impact of bringing new wells online and repairing and restoring infrastructure hurricane damage, unexpected future capital expenditures, competition, the success of our risk management activities, governmental regulations, uncertainties and other factors discussed in W&T Offshore's Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent Form 10-Q reports found at www.sec.gov or at our website at www.wtoffshore.com under the Investor Relations section. Investors are urged to consider closely the disclosures and risk factors in these reports. Additionally, the estimates of proved and possible reserves included in this release were not estimated under SEC rules and guidelines, including the SEC's twelve-month average commodities pricing, the use of which could result in different estimates.



Source: W&T Offshore, Inc.