UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report: July 21, 2011 (Date of earliest event reported: May 11, 2011)

W&T Offshore, Inc.

(Exact name of registrant as specified in its charter)

1-32414
**(Commission
File Number)**

Texas **(State or Other Jurisdiction of Incorporation)**	**72-1121985** **(I.R.S. Employer Identification No.)**

**Nine Greenway Plaza, Suite 300
Houston, Texas 77046**
(Address of Principal Executive Offices)

713.626.8525
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 9.01 Financial Statements and Exhibits.

On May 13, 2011, W&T Offshore, Inc. (the "Company") filed a current report on Form 8-K (the "Initial 8-K") to report the completion on May 11, 2011 of an acquisition of approximately 21,900 gross acres (21,500 net acres) of oil and gas leasehold interests in the West Texas Permian Basin from Opal Resources LLC and Opal Resources Operating Company LLC (the "Permian Basin Properties").

The Initial 8-K also stated that the required financial statements and pro forma financial information related to the Permian Basin Properties would be filed by an amendment to the Initial 8-K. This amendment on Form 8-K/A amends and supplements the Initial 8-K to include financial statements and pro forma financial information as described in Items 9.01 (a) and 9.01(b). No other amendments are being made to the Initial 8-K.

(a) Financial Statements of Business Acquired.

The audited statement of revenues and direct operating expenses of the Permian Basin Properties for the year ended December 31, 2010 and related notes; and the unaudited statements of revenues and direct operating expenses of the Permian Basin Properties for the three months ended March 31, 2011 and 2010 and related notes are attached as Exhibit 99.1 hereto.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined balance sheets as of March 31, 2011, the unaudited pro forma condensed combined statements of income (loss) for the year ended December 31, 2010 and for the three months ended March 31, 2011, and the related notes showing the pro forma effects of the Permian Basin Properties acquisition are attached as Exhibit 99.2 hereto.

(d) Exhibits.

Exhibit No.	Description
Exhibit 23.1	Consent of PricewaterhouseCoopers, LLP.
Exhibit 23.2	Consent of Netherland Sewell & Associates, Inc.
Exhibit 99.1	Audited statement of revenues and direct operating expenses of the Permian Basin Properties for the year ended December 31, 2010 and related notes; and the unaudited statements of revenues and direct operating expenses of the Permian Basin Properties for the three months ended March 31, 2011 and 2010 and related notes.
Exhibit 99.2	Unaudited pro forma condensed combined balance sheets as of March 31, 2011, the unaudited pro forma condensed combined statements of income (loss) for the year ended December 31, 2010 and for the three months ended March 31, 2011 and the related notes showing the pro forma effects of the Permian Basin Properties acquisition.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

W&T OFFSHORE, INC.
(Registrant)

Dated: July 21, 2011

By: /s/ John D. Gibbons
John D. Gibbons
Senior Vice President, Chief Financial Officer and Chief Accounting Officer

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-157793) and Form S-8 (Nos. 333-159005 and 333-126252) of W & T Offshore, Inc. of our report dated July 21, 2011 relating to the Statement of Revenues and Direct Operating Expenses of the Opal Resources LLC and Opal Resources Operating Company LLC “Permian Basin Properties”, which appears in W & T Offshore, Inc.’s Current Report on Form 8-K/A dated July 21, 2011.

/s/ PricewaterhouseCoopers LLP
Houston, Texas
July 21, 2011

Exhibit 23.2

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

As independent consultants, Netherland, Sewell & Associates, Inc. hereby consents to the references to our firm in the Current Report on Form 8-K/A of W&T Offshore, Inc. to be filed with the Securities and Exchange Commission on or about July 21, 2011, relating to information derived from our reserves report with respect to the reserves of W&T Offshore, Inc. dated May 5, 2011, and entitled "Estimate of Reserves and Future Revenue to the Opal Resources LLC Acquisition Interest in Certain Oil and Gas Properties Located in Spraberry Field Wolfberry Trend, Permian Basin Texas as of December 31, 2010." We further consent to the incorporation by reference of such information derived from our report dated May 5, 2011, in the Registration Statement (Form S-3 No. 333-157793) of W&T Offshore, Inc. and in the related Prospectuses and the Registration Statement (Form S-8 No. 333-159005) pertaining to the W&T Offshore, Inc. Long-Term Compensation Plan and the Registration Statement (Form S-8 No. 333-126252) pertaining to the W&T Offshore, Inc. Directors Compensation Plan.

NETHERLAND, SEWELL & ASSOCIATES, INC.

By: /s/ C.H. (Scott) Rees III, P.E.
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

Dallas, Texas
July 20, 2011

Report of Independent Auditors

To the Board of Directors and Shareholders of W&T Offshore, Inc. and Subsidiaries

In our opinion, the accompanying statement of revenues and direct operating expenses present fairly, in all material respects, the revenues and direct operating expenses of certain oil and gas properties of Opal Resources LLC and Opal Resources Operating Company LLC (the "Permian Basin Properties") for the year ended December 31, 2010 in conformity with generally accepted accounting principles in the United States of America, using the basis of presentation described in Note 2. This financial statement is the responsibility of Opal Resources LLC, Opal Resources Operating Company LLC and W&T Offshore Inc. management. Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying financial statement reflects the revenues and direct operating expenses of the Permian Basin Properties using the basis of presentation described in Note 2 and are not intended to be a complete presentation of the financial position, results of operations, or cash flows of the Permian Basin Properties.

/s/ PricewaterhouseCoopers LLP
Houston, Texas
July 21, 2011

PERMIAN BASIN PROPERTIES

STATEMENT OF REVENUES AND DIRECT OPERATING EXPENSES

	Twelve Months Ended December 31, 2010
	(in thousands)
Revenues	$ 29,759
Direct operating expenses	7,885
Revenues in excess of direct operating expenses	$ 21,874

See accompanying notes

PERMIAN BASIN PROPERTIES

NOTES TO STATEMENT OF REVENUES AND DIRECT OPERATING EXPENSES

1. The Properties

On May 11, 2011, W&T Offshore, Inc. ("W&T") acquired certain oil and natural gas property interests from Opal Resources LLC and Opal Operating Company LLC ("Opal"), referred to herein as the "Permian Basin Properties," pursuant to a certain purchase and sale agreement. The effective date of the transaction was January 1, 2011. The stated purchase price of $366 million is subject to customary effective-date adjustments and closing adjustments. The adjusted purchase price as of the date of this statement was $399.5 million and is subject to further post-closing adjustments. Final settlement could occur as early as the third quarter of 2011. The Permian Basin Properties consist primarily of approximately 21,900 gross leasehold acres (21,500 net acres) in the West Texas Permian Basin.

2. Basis of Presentation

The accompanying audited statement includes revenues from oil, natural gas liquids and natural gas production and direct lease operating expenses associated with the Permian Basin Properties. For purposes of this statement, all properties identified in the purchase and sale agreement between Opal and W&T are included herein. Revenues and direct operating expenses are presented on the accrual basis of accounting and were derived from Opal's historical accounting records. During the period presented, the Permian Basin Properties were not accounted for as a separate division or legal entity by Opal, therefore, certain costs such as depreciation, depletion and amortization, accretion of asset retirement obligations, general and administrative expenses, interest, and corporate income taxes were not allocated to the individual properties. Accordingly, full separate financial statements prepared in accordance with generally accepted accounting principles are not presented because the information necessary to prepare such statements is neither readily available on an individual property basis nor practicable to obtain in these circumstances. As such, this financial statement is not intended to be a complete presentation of the revenues and expenses of the Permian Basin Properties and is not indicative of the financial condition or results of the operation of the Permian Basin Properties going forward due to the changes in the business and the omission of various operating expenses as described above. The historical statement of revenue and direct operating expenses of the Permian Basin Properties is presented in lieu of the full financial statements required under Item 3-05 of Securities and Exchange Commission ("SEC") Regulation S-X.

Revenue Recognition – Oil, natural gas liquids, natural gas and other related revenues are recognized when production is sold to purchasers at a fixed or determinable price, when delivery has occurred and title has transferred, and when collectability is reasonably assured. Revenues are reported net of overriding royalties, other royalties and other revenue interest due to third parties.

During 2010, sales to customers were as follows: LPC Crude Oil, Inc. 67.2%; Plains Marketing LP 22.9%; DCP Midstream 9.9%. The loss of any single significant customer or contract could have a material adverse short-term effect; however, it is not likely the loss of any single customer or contract would have material a long-term effect as such customers and arrangements could be replaced with similar terms and conditions.

Direct Operating Expenses – Direct operating expenses are recognized when incurred and are net working interest expenses related to the Permian Basin Properties. Direct operating expenses include lease and well repairs, production taxes, gathering and transportation, maintenance, utilities, payroll and other direct operating expenses.

3. Subsequent Events

Subsequent events have been evaluated for recognition and disclosure through July 21, 2011, the date the financial statement was available to be issued.

4. Supplemental Oil and Gas Disclosures (unaudited)

The following tables summarize the net ownership interest in the estimated proved reserves and the standardized measure of discounted future net cash flows related to the proved reserves for the Permian Basin Properties. The standardized measure presented here excludes income taxes as the tax basis for the Permian Basin Properties is not applicable on a go-forward basis. The other components of the standardized measure were determined in accordance with the authoritative guidance of the Financial Accounting Standards Board ("FASB") and the SEC effective for December 31, 2010.

There are numerous uncertainties in estimating quantities of proved reserves, which incorporate estimates of the future rates of production, the timing of development expenditures and other assumptions. The following reserve data represent estimates only and are inherently imprecise and may be subject to substantial revisions as additional information becomes available, such as reservoir performance, additional drilling, technological advancements and other factors. Decreases in the prices of oil and natural gas could have an adverse effect on the carrying value of the proved reserves, reserve volumes and revenues, profitability and cash flow. Similarly, the standardized measure incorporates various assumptions such as prices, costs, production rates and discounts rates that are inherently imprecise. Actual results could be materially different and the results may not be comparable to estimates disclosed by other oil and gas companies.

W&T engaged an independent petroleum consultant, Netherland, Sewell & Associates, Inc., to estimate reserves of the Permian Basin Properties as of December 31, 2010. For the proved reserves, the commodity prices used for the December 31, 2010 period, adjusted for items specific to the properties, were $76.53 per barrel for oil, $32.87 per barrel for natural gas liquids and $4.11 per Mcf for natural gas. Prices used in the reserve estimate were based on the twelve-month unweighted average of the first-of-the-month price for each month for the period January through December 2010. For oil and NGLs volumes, the average price was adjusted by lease for quality, transportation fees and a regional price difference. For natural gas volumes, the average price was adjusted by lease for energy content, transportation fees and a regional price difference. All prices are held constant through the production period. The reserve data as of December 31, 2009 was derived from Opal's records and, after adjusting for production in 2010, all changes were classified as changes in estimates as additional detail was not available. Similarly, the standardized measure of discounted cash flows as of December 31, 2009 and the changes for the twelve months ended December 31, 2010 were computed using data from Opal's records and changes were computed using data that could be reasonably obtained or estimated.

Proved Reserves

Proved reserves are estimated quantities of oil, natural gas liquids and natural gas which geological and engineering data demonstrate, with reasonable certainty, to be recoverable in future years from known reservoirs under existing economic and operating conditions (i.e., prices and costs) existing at the time the estimate was made. Proved developed reserves are proved reserves that can be expected to be recovered through existing wells and equipment in place and under operating methods being utilized at the time the estimates were made. All of the reserves are located onshore in the state of Texas.

The following table sets forth estimated net quantities of the proved, proved developed and proved undeveloped oil, natural gas liquids and natural gas reserves.

	Oil (MBbls)	NGLs (MBbls)	Natural Gas (MMcf)	Total Oil, NGLs and Natural Gas (MBoe) (1)	Total Oil, NGLs and Natural Gas (MMcfe) (1)
Proved reserves as of December 31, 2009	20,568	9,039	25,083	33,788	202,725
Production	(348)	(66)	(183)	(445)	(2,669)
Revision of previous estimates	664	(2,374)	(7,638)	(2,983)	(17,897)
Proved reserves as of December 31, 2010	20,884	6,599	17,262	30,360	182,159
Year-end proved developed reserves:					
December 31, 2010	4,831	1,293	3,397	6,691	40,144
December 31, 2009	1,180	560	1,554	1,999	11,992
Year-end proved undeveloped reserves:					
December 31, 2010	16,053	5,306	13,865	23,669	142,015
December 31, 2009	19,388	8,479	23,529	31,789	190,733

(1) The conversion of barrels to cubic feet equivalent was determined using the ratio of six Mcf of natural gas to one barrel of crude oil, condensate or natural gas liquids (totals may not compute due to rounding). The conversion ratio does not assume price equivalency and the price per Mcfe for oil and natural gas liquids may differ significantly from the price per Mcf for natural gas.

Standardized Measure

The standardized measure is the estimated net future cash inflows from proved reserves less estimated future production and development costs, estimated plugging and abandonment costs, and a discount factor. Production costs do not include depreciation, depletion and amortization of capitalized acquisition, exploration and development costs. Future cash inflows represent expected revenues from production of period-end quantities of proved reserves based on the unweighted average of first-of-the-month commodity prices and any fixed and determinable future price changes provided by contractual arrangements in existence at year end. Price changes based on inflation, federal regulatory changes and supply and demand are not considered. Estimated future production costs related to period-end proved reserves are based on period-end costs. Such costs include, but are not limited to, production taxes and direct operating costs. Inflation and other anticipatory costs are not considered until the actual cost change takes effect. As mentioned above, the standardized measure presented here does not include the effects of income taxes.

In calculating the standardized measure, future net cash inflows were estimated by using future production of period-end proved reserves and assume continuation of existing economic conditions. Future production and development costs are based on estimated costs in effect at the end of the respective period with no escalations. Estimated future net cash flows have been discounted to their present values based on a 10% annual discount rate in accordance with the FASB's authoritative guidance.

The standardized measure does not purport, nor should it be interpreted, to present the fair market value of the oil, NGLs and natural gas reserves. These estimates reflect proved reserves only and ignore, among other things, future changes in prices and costs, revenues that could result from probable reserves which could become proved reserves in the future, and the risks inherent in reserve estimates. Accordingly, the estimates of future net cash flows from proved reserves and the present value thereof may not be materially correct when judged against actual subsequent results. Further, since prices and costs do not remain static, and no price or cost changes have been considered, the results are not necessarily indicative of the fair market value of estimated proved reserves, and the results may not be comparable to estimates disclosed by other oil and gas producers.

Standardized measure of discounted future net cash flows before income taxes relating to proved oil, NGLs and natural gas reserves is as follows:

	December 31, 2010 (in thousands)
Standardized Measure	
Future cash inflows	$ 1,886,213
Future costs:	
Production	(514,726)
Development	(391,068)
Dismantlement and abandonment	(4,440)
Income taxes (1)	—
Future net cash inflows before 10% discount	975,979
10% annual discount factor	(725,978)
	$ 250,001

(1) Income taxes were excluded because the tax basis is not applicable on a go-forward basis.

Changes to the standardized measure of discounted cash flows before income taxes relating to our proved oil, NGLs and natural gas reserves are as follows:

	December 31, 2010 (in thousands)
Changes in Standardized Measure	
Standardized measure, beginning of year	$ 134,618
Sales and transfers of oil and gas produced, net of production costs	(21,874)
Net change in price, net of future production costs	116,153
Changes in future development costs	(42,981)
Previously estimated development costs incurred	80,255
Revision in quantity estimates	(34,516)
Accretion of discount	13,462
Other changes	4,884
Net increase in standardized measure	115,383
Standardized measure, end of year	$ 250,001

The standardized measure of discounted future cash flows (discounted at 10%) as of the beginning of the year and the changes during 2010 were developed as follows:

1. Sales and transfers were based on historical data provided by Opal.
2. Net change in price, future development costs and revision in quantity estimates was determined utilizing data from Opal's records and W&T's records.
3. The previously estimated future development costs incurred was based on historical data provided by Opal.
4. Accretion of discount was estimated using a 10% factor on the balance at the beginning of the year.

PERMIAN BASIN PROPERTIES

UNAUDITED INTERIM STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010
	(in thousands)	
Revenues	$14,023	$ 5,628
Direct operating expenses	3,448	1,053
Revenues in excess of direct operating expenses	$10,575	$ 4,575

See accompanying notes

NOTES TO UNAUDITED INTERIM STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES

1. The Properties

On May 11, 2011, W&T Offshore, Inc. ("W&T") acquired certain oil and natural gas property interests from Opal Resources LLC and Opal Operating Company LLC ("Opal"), referred to herein as the "Permian Basin Properties," pursuant to a certain purchase and sale agreement. The effective date of the transaction was January 1, 2011. The stated purchase price of $366 million is subject to customary effective-date adjustments and closing adjustments. The adjusted purchase price as of the date of this statement was $399.5 million and is subject to further post-closing adjustments. Final settlement could occur as early as the third quarter of 2011. The Permian Basin Properties consist primarily of approximately 21,900 gross leasehold acres (21,500 net acres) in the West Texas Permian Basin.

2. Basis of Presentation

The accompanying unaudited statements includes revenues from oil, natural gas liquids and natural gas production and direct lease operating expenses associated with the Permian Basin Properties. For purposes of these statements, all properties identified in the purchase and sale agreement between Opal and W&T are included herein. Revenues and direct operating expenses are presented on the accrual basis of accounting and were derived from Opal's historical accounting records. During the period presented, the Permian Basin Properties were not accounted for as a separate division or legal entity by Opal, therefore, certain costs such as depreciation, depletion and amortization, accretion of asset retirement obligations, general and administrative expenses, interest, and corporate income taxes were not allocated to the individual properties. Accordingly, full separate financial statements prepared in accordance with generally accepted accounting principles are not presented because the information necessary to prepare such statements is neither readily available on an individual property basis nor practicable to obtain in these circumstances. As such, these financial statements are not intended to be a complete presentation of the revenues and expenses of the Permian Basin Properties and are not indicative of the financial condition or results of the operation of the Permian Basin Properties going forward due to the changes in the business and the omission of various operating expenses as described above. The historical statements of revenue and direct operating expenses of the Permian Basin Properties are presented in lieu of the full financial statements required under Item 3-05 of Securities and Exchange Commission ("SEC") Regulation S-X.

In the opinion of management, the accompanying unaudited interim statements include all adjustments considered necessary for a fair presentation. Interim period results are not necessarily indicative of the results of operations for a full year.

Revenue Recognition – Oil, natural gas liquids, natural gas and other related revenues are recognized when production is sold to purchasers at a fixed or determinable price, when delivery has occurred and title has transferred, and when collectability is reasonably assured. Revenues are reported net of overriding royalties, other royalties and other revenue interest due to third parties.

Direct Operating Expenses – Direct operating expenses are recognized when incurred and are net working interest expenses related to the Permian Basin Properties. Direct operating expenses include lease and well repairs, production taxes, gathering and transportation, maintenance, utilities, payroll and other direct operating expenses.

W&T OFFSHORE, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Introduction

On May 11, 2011, W&T Offshore, Inc. ("W&T") acquired certain oil and natural gas property interests from Opal Resources LLC and Opal Operating Company LLC ("Opal"), referred to herein as the "Permian Basin Properties." Additional details of the acquisition are described in the notes to these financial statements. These unaudited pro forma financial statements are prepared due to the acquisition being significant to the Company on a combined basis.

The accompanying unaudited pro forma condensed combined financial statements and accompanying notes of W&T as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010 ("Pro Forma Statements"), which have been prepared by W&T management, are derived from (a) the unaudited consolidated financial statements of W&T as of and for the three months ended March 31, 2011 included in its Quarterly Report on Form 10-Q; (b) the unaudited statement of revenues and direct operating expenses of the Permian Basin Properties for the three months ended March 31, 2011; (c) the audited consolidated financial statements of W&T as of and for the year ended December 31, 2010 included in its Annual Report on Form 10-K; and (d) the audited statement of revenues and direct operating expenses of the Permian Basin Properties for the year ended December 31, 2010.

These Pro Forma Statements are provided for illustrative purposes only and are not necessarily indicative of the results that actually would have occurred had the transaction been in effect on the dates or for the periods indicated, or of the results that may occur in the future. The pro forma statements of income (loss) are not necessarily indicative of W&T's operations going forward because the presentation of the operations of the Permian Basin Properties is limited to only revenues and direct operating expenses related thereto, while other operating expenses related to these properties have been excluded. The unaudited pro forma condensed combined balance sheets were prepared assuming the purchase of the Permian Basin Properties, including purchase price adjustments to date, and assumed related financing transactions occurred on March 31, 2011. The unaudited pro forma condensed combined statements of income (loss) were prepared assuming the purchase of the Permian Basin Properties, including purchase price adjustments to date, and assumed related financing transactions occurred on January 1, 2010. These Pro Forma Statements should be read in conjunction with W&T's Annual Report on Form 10-K for the year ended December 31, 2010, the Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 and the audited Statement of Revenues and Direct Operating Expenses for the Permian Basin Properties listed as Exhibit 99.1 to this Current Report on Form 8-K/A.

W&T OFFSHORE, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEETS
AS OF MARCH 31, 2011

	Historical	Permian Basin Properties	Pro Forma Adjustments	Pro Forma
		(In thousands)		
Assets				
Current assets:				
Cash and cash equivalents	$ 58,393	$ —	$ (282)(b)	$ 58,111
Receivables:				
Oil and natural gas sales	82,346	—	—	82,346
Joint interest and other	22,180	—	—	22,180
Insurance	3,875	—	—	3,875
Income taxes	723	—	—	723
Total receivables	109,124	—	—	109,124
Prepaid expenses and other assets	28,813	—	—	28,813
Total current assets	196,330	—	(282)	196,048
Property and equipment – at cost:				
Oil and natural gas properties and equipment (full cost method, of which $66,596 for Historical and $84,720 for Permian Basin were excluded from amortization	5,263,334	399,501(a)	—	5,662,835
Furniture, fixtures and other	15,921	—	—	15,921
Total property and equipment	5,279,255	399,501	—	5,678,756
Less accumulated depreciation, depletion and amortization	4,087,133	—	—	4,087,133
Net property and equipment	1,192,122	399,501	—	1,591,623
Restricted deposits for asset retirement obligations	32,206	—	—	32,206
Other assets	6,495	—	—	6,495
Total assets	$1,427,153	$399,501	$ (282)	$1,826,372
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable	$ 44,037	$ —	$ —	$ 44,037
Undistributed oil and natural gas proceeds	27,152	—	—	27,152
Asset retirement obligations	110,252	—	—	110,252
Accrued liabilities	44,119	—	—	44,119
Total current liabilities	225,560	—	—	225,560
Long-term debt	450,000	396,976(a)	—	846,976
Asset retirement obligations, less current portion	281,927	382(a)	—	282,309
Deferred taxes and other liabilities	30,426	2,143(a)	—	32,569
Commitments and contingencies	—	—	—	—
Shareholders' equity:				
Common stock (e)	1	—	—	1
Additional paid-in capital	379,355	—	—	379,355
Retained earnings	84,051	—	(282)(b)	83,769
Treasury stock, at cost	(24,167)	—	—	(24,167)
Total shareholders' equity	439,240	—	(282)	438,958
Total liabilities and shareholders' equity	$1,427,153	$399,501	$ (282)	$1,826,372

See accompanying notes

W&T OFFSHORE, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF INCOME (LOSS)
FOR THE YEAR ENDED DECEMBER 31, 2010

	Historical	Permian Basin Properties	Pro Forma Adjustments	Pro Forma
	(In thousands, except per share amounts)			
Revenues	$705,783	$29,759(c)	$ —	$735,542
Operating costs and expenses:				
Lease operating expenses	169,670	6,443(c)	—	176,113
Production taxes	1,194	1,434(c)	—	2,628
Gathering and transportation	16,484	8(c)	—	16,492
Depreciation, depletion and amortization	268,415	—	27,290 (d)	295,705
Asset retirement obligation accretion	25,685	—	31 (e)	25,716
General and administrative expenses	53,290	—	—	53,290
Derivative loss	4,256	—	—	4,256
Total costs and expenses	538,994	7,885	27,321	574,200
Operating income/(loss)	166,789	21,874	(27,321)	161,342
Interest expense:				
Incurred	43,101	—	11,529 (f)	54,630
Capitalized	(5,395)	—	(3,282)(g)	(8,677)
Other income	710	—	—	710
Income/(loss) before income tax expense	129,793	21,874	(35,568)	116,099
Income tax expense/(benefit)	11,901	—	(4,793)(h)	7,108
Net income/(loss)	$117,892	$21,874	$ (30,775)	$108,991
Basic and diluted earnings per common share	$ 1.58			$ 1.46
Weighted average shares outstanding	73,685			73,685

See accompanying notes

W&T OFFSHORE, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF INCOME (LOSS)
FOR THE THREE MONTHS ENDED MARCH 31, 2011

	Historical	Permian Basin Properties	Pro Forma Adjustments	Pro Forma
	(In thousands, except per share amounts)			
Revenues	$210,855	$ 14,023(c)	$ —	$224,878
Operating costs and expenses:				
Lease operating expenses	52,405	2,776(c)	—	55,181
Production taxes	288	664(c)	—	952
Gathering and transportation	4,553	8(c)	—	4,561
Depreciation, depletion and amortization	65,738	—	8,884 (d)	74,622
Asset retirement obligation accretion	8,354	—	8 (e)	8,362
General and administrative expenses	18,129	—	—	18,129
Derivative loss	23,840	—	—	23,840
Total costs and expenses	173,307	3,448	8,892	185,647
Operating income/(loss)	37,548	10,575	(8,892)	39,231
Interest expense:				
Incurred	10,136	—	2,685 (f)	12,821
Capitalized	(1,412)	—	(857)(g)	(2,269)
Other income	7	—	—	7
Income/(loss) before income tax expense	28,831	10,575	(10,720)	28,686
Income tax expense/(benefit)	10,182	—	(51)(h)	10,131
Net income/(loss)	$ 18,649	$ 10,575	$ (10,669)	$ 18,555
Basic and diluted earnings per common share	$ 0.25			$ 0.25
Weighted average shares outstanding	74,004			74,004

See accompanying notes

1. Basis of Presentation

On May 11, 2011, W&T Offshore, Inc. ("W&T") acquired certain oil and natural gas property interests from Opal Resources LLC and Opal Operating Company LLC ("Opal"), referred to herein as the "Permian Basin Properties," pursuant to a certain purchase and sale agreement. The effective date of the transaction was January 1, 2011. The stated purchase price of $366 million is subject to customary effective-date adjustments and closing adjustments. The adjusted purchase price to date was $399.5 million and is subject to further post-closing adjustments. Final settlement could occur as early as the third quarter of 2011. The Permian Basin Properties consist primarily of approximately 21,900 gross leasehold acres (21,500 net acres) in the West Texas Permian Basin. These unaudited pro forma financial statements are prepared due to the acquisition being significant to the Company on a combined basis.

The historical financial information is derived from the historical consolidated financial statements of W&T and the historical statements of revenues and direct operating expenses of the Permian Basin Properties (which were based on information provided by Opal). The unaudited pro forma condensed combined balance sheet was prepared assuming the purchase of the Permian Basin Properties, including purchase price adjustments to date, and assumed related financing transaction occurred on March 31, 2011. The unaudited pro forma condensed combined statements of income (loss) were prepared assuming the purchase of the Permian Basin Properties, including purchase price adjustments to date, and assumed related financing transaction occurred on January 1, 2010. The adjustments provided in Footnote 2 below assume the entire transaction was financed with borrowings due to the cash and cash equivalents balances for these assumed acquisition dates being less than the cash and cash equivalents on hand used on the actual close date of May 11, 2011.

The pro forma adjustments were based on information and estimates by management to be directly related to the purchase of the Permian Basin Properties. If the transaction had been in effect on the dates or for the periods indicated, the results may have been substantially different. For example, W&T may have operated the assets differently than Opal, realized sales prices may have been different and costs of operating the properties may have been different. These unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and may or may not provide an indication of results in the future.

2. Pro Forma Adjustments and Other Information

The following adjustments were made in the preparation of the condensed combined financial statements:

(a) The adjusted purchase price as reported below is subject to further adjustments. We expect final settlement to occur as early as the third quarter of 2011. For these pro forma financial statements, the cash consideration is assumed to be funded from borrowings from the revolving bank credit facility and no amounts were used from cash on hand. The adjusted purchase price as of June 30, 2011 is comprised of the following components (in thousands):

Cash consideration:	
Evaluated properties including equipment	$312,706
Unevaluated properties	84,270
Non-cash consideration:	
Asset retirement obligation	382
Long-term liability	2,143
Total	$399,501

(b) Incremental transaction expenses related to the purchase of Permian Basin Properties were $0.3 million and were assumed to be funded from cash on hand.

(c) Revenues and direct operating expenses were derived from the historical records of Opal.

(d) Depreciation, depletion and amortization ("DD&A") was estimated using the full-cost method and determined as the incremental DD&A expense due to adding the Permian Basin costs, reserves and production into the computation. The purchase price allocation included $84.7 million allocated to the pool of unevaluated properties for oil and gas interests. Accordingly, no DD&A expense was estimated for the unevaluated properties.

(e) Asset retirement obligation and related accretion was estimated by the management of W&T.

(f) Interest expense was computed using interest rates that were in effect during the applicable time period and it was assumed that six-month LIBOR borrowings were made as allowed under the revolving bank credit facility. The assumed interest rates ranged from 3.1% to 3.5%. A reduction in the revolving bank credit facility commitment fee related to the assumed borrowings was netted against the computed incremental interest expense.

(g) Incremental capitalized interest was computed for the addition of $84.7 million allocated to the pool of unevaluated properties and the capitalization interest rate was adjusted for the assumed borrowings.

(h) Income tax was computed using the 35% corporate rate.

3. Supplemental Oil and Gas Disclosures

Oil and Natural Gas Reserve Information

The following table presents certain unaudited pro forma information concerning W&T's proved oil and natural gas reserves as of December 31, 2010 assuming the acquisition of the Permian Basin Properties occurred on January 1, 2010. There are numerous uncertainties in estimating quantities of proved reserves and in providing the future rates of production and timing of development expenditures. The following reserve data represent estimates only and are inherently imprecise and may be subject to substantial revisions as additional information such as reservoir performance, additional drilling, technological advancements and other factors become available. Decreases in the prices of oil and natural gas could have an adverse effect on the carrying value of the proved reserves and reserve volumes.

	W&T		Permian Basin Properties (1)		W&T Pro Forma			
							Total Equivalent Reserves (3)	
	Oil and NGLs (MMBbls)	Natural Gas (Bcf)	Oil and NGLs (MMBbls)	Natural Gas (Bcf)	Oil and NGLs (2) (MMBbls)	Natural Gas (Bcf)	Natural Gas Equivalent (Bcfe)	Barrel Equivalent (MMBoe)
Proved reserves at December 31, 2009	34.2	165.8	29.6	25.1	63.8	190.9	573.7	95.6
Revisions of previous estimates	1.0	14.6	(1.7)	(7.6)	(0.7)	7.0	2.4	0.4
Extension and discoveries	1.7	19.1	—	—	1.7	19.1	29.2	4.9
Purchase of minerals in place	8.4	101.5	—	—	8.4	101.5	152.0	25.3
Production	(7.1)	(44.7)	(0.4)	(0.2)	(7.5)	(44.9)	(89.7)	(14.9)
Proved reserves at December 31, 2010	38.2	256.3	27.5	17.3	65.7	273.6	667.6	111.3
Year-end proved developed reserves:								
2010	27.0	229.1	6.1	3.4	33.1	232.5	431.4	71.9
2009	23.7	141.3	1.7	1.6	25.4	142.9	295.5	49.3
Year-end proved undeveloped reserves:								
2010	11.2	27.2	21.4	13.9	32.6	41.1	236.2	39.4
2009	10.5	24.5	27.9	23.5	38.4	48.0	278.2	46.3

(1) Available data for the Permian Basin Properties included only year end reserves and production data. All other changes were classified as revisions of previous estimates.
(2) NGLs comprised approximately 20% of the oil and NGLs pro forma reserves and approximately 11% of the pro forma total equivalent reserves as of December 31, 2010.
(3) The conversion to cubic feet equivalent and barrels of equivalent measures determined using the ratio of six Mcf of natural gas to one Bbl of crude oil, condensate or natural gas liquids (totals may not compute due to rounding). The conversion ratio does not assume price equivalency, and the price per Mcfe for oil and natural gas liquids may differ significantly from the price per Mcf for natural gas.

Standardized Measure of Discounted Future Net Cash Flows

The following tables present certain unaudited pro forma information concerning the standardized measure of discounted cash flows of W&T's as of December 31, 2010, together with the changes therein, assuming the acquisition of the Permian Basin Properties occurred on January 1, 2010. Future cash inflows represent expected revenues from production of period-end quantities of proved reserves based on the unweighted average of first-day-of-the-month commodity prices for the year ended December 31, 2010. All prices are adjusted by lease for quality, transportation fees, energy content and regional price differentials. Future production, development costs and asset retirement obligations are based on costs in effect at the end of the year with no escalations. Estimated future net cash flows, net of future income taxes, have been discounted to their present values based on a 10% annual discount rate.

The standardized measure of discounted future net cash flows does not purport, nor should it be interpreted, to present the fair market value of the oil and natural gas reserves. These estimates reflect proved reserves only and ignore, among other things, future changes in prices and costs, revenues that could result from probable reserves which could become proved reserves in 2011 or later years and the risks inherent in reserve estimates. The standardized measure of discounted future net cash flows relating to W&T's and the Permian Basin Properties proved oil and natural gas reserves consolidated on a pro forma basis is as follows (in thousands):

Standardized Measure of Future Discounted Cash Flows as of December 31, 2010

	W&T	Permian Basin Properties	Pro Forma Adjustments (1)	Pro Forma
Future cash inflows	$ 3,953,655	$1,886,213	$ —	$ 5,839,868
Future costs:				
Production	(1,011,552)	(514,726)	—	(1,526,278)
Development	(243,570)	(391,068)	—	(634,638)
Dismantlement and abandonment	(520,490)	(4,440)	—	(524,930)
Income taxes	(495,696)	—	(201,554)	(697,250)
Future net cash inflows before 10% discount	1,682,347	975,979	(201,554)	2,456,772
10% discount	(503,275)	(725,978)	149,925	(1,079,328)
Standardized measure as of December 31, 2010	$ 1,179,072	$ 250,001	$ (51,629)	$ 1,377,444

(1) Income tax related to the Permian Basin Properties acquired and discounted using the discount factor ratio in the Permian Basin Properties standardized measure computation.

The following table sets forth the changes in the standardized measure of discounted future net cash flows relating to W&T's and the Permian Basin Properties proved oil and natural gas reserves consolidated on a pro forma basis (in thousands):

Changes to the Standardized Measure of Future Discounted Cash Flows for the Year Ended December 31, 2010

	W&T	Permian Basin Properties	Pro Forma Adjustments (1)	Pro Forma
Standardized measure – beginning of year 2010	$ 660,396	$134,618	$ —	$ 795,014
Increases/(decreases):				
Sales and transfers, net of production costs	(521,551)	(21,874)	—	(543,425)
Net change in sales and transfer prices, net of production costs	367,575	116,153	—	483,728
Extensions and discoveries, net of future costs	143,612	—	—	143,612
Changes in estimated future development costs	(59,124)	(42,981)	—	(102,105)
Previously estimated development costs incurred during the year	97,188	80,255	—	177,443
Revisions of quantity of estimates	94,735	(34,516)	—	60,219
Accretion of discount	68,862	13,462	—	82,324
Net change in income taxes	(221,226)	—	(51,629)	(272,855)
Purchase of reserves in place	624,302	—	—	624,302
Changes due to production rates (timing) and other	(75,697)	4,884	—	(70,813)
Net increase/(decrease)	518,676	115,383	(51,629)	582,430
Standardized measure – end of year 2010	$1,179,072	$250,001	$ (51,629)	$1,377,444

(1) Income tax related to the Permian Basin Properties acquired and discounted using the discount factor ratio in the Permian Basin Properties standardized measure computation.