
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): March 12, 2018

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

SECTION 7 – REGULATION FD

Item 7.01 Regulation FD Disclosures.

A copy of the press release issued by W&T Offshore, Inc. (the “Company”) on March 12, 2018, to announce the formation and initial funding of a drilling program, as described and furnished as Exhibit 99.1 to this Current Report on Form 8-K, is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information presented under this Item 7.01 and set forth in the attached press release included in Exhibit 99.1 to this report is deemed to be “furnished” solely pursuant to Item 7.01 of this report and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information or the exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.

SECTION 8 – OTHER EVENTS

Item 8.01 Other Events.

The Company and two initial investors have formed and initially funded a limited liability company that is expected to jointly participate with the Company in the exploration, drilling and development of up to 14 identified drilling projects from Company-held leases and producing acreage in the Gulf of Mexico over the next three years (collectively, including the Company’s retained interests in these proposed projects, the “Drilling Program”). The Company anticipates obtaining total cash commitments for the Drilling Program of up to \$419.6 million, including W&T Offshore’s maximum commitment of up to \$83.9 million, for development of the 14 identified drilling projects in the Gulf of Mexico with potential to expand the program over time with additional projects. The Drilling Program should allow the Company to develop its drilling inventory at a faster pace and with significantly reduced capital outlay.

The lead initial investor in the limited liability company is an entity owned and controlled by funds managed by HarbourVest Partners, a major Boston based private equity fund manager. A minority investment has also been made in the limited liability company by an entity owned and controlled by Mr. Tracy W. Krohn, Chairman and Chief Executive Officer of the Company, and his family. The Krohn entity’s investment, which consists of an approximate 4% equity and profits interest in the limited liability company, was made on the same terms and conditions as were negotiated by the Company with the lead initial investor, and was authorized and pre-approved by the board of directors of the Company subject to a cap on maximum investment.

W&T has contributed 88.94% of its working interest and associated assets in the 14 identified drilling projects from its existing drilling inventory to the limited liability company entity and retained the remaining 11.06% of its working interest in the proposed projects, consisting of 11 deepwater projects and 3 projects on the continental shelf. W&T is the operator of a number of the projects in the Drilling Program. In addition to contributing the above described working interests, the Company has made an initial cash commitment to the limited liability company of \$20.6 million, which is subject to an increase up to \$37.5 million when additional investors join the Drilling Program. The Company has also agreed to fund certain cost overruns on Drilling Program wells above budgeted amounts subject to limitations. The initial investors and the Company have made initial cash capital commitments in the aggregate of \$230.5 million for the Drilling Program, which includes initial capital commitments of the Company of \$25.5 million for its estimated share of costs related to its retained working interest. These aggregate capital commitments from the initial investors and the Company are subject to an increase up to a maximum of \$275.9 million, including a maximum commitment from the Company of \$83.9 million (including its estimated share of costs associated with the retained working interest), when additional investors join the Drilling Program. The entity affiliated with Mr. Krohn and family has made an initial cash capital commitment to the limited liability company of \$9.2 million, which commitment can be increased up to \$16.8 million when additional investors join the Drilling Program.

W&T anticipates that more institutional investors will join the Drilling Program which would sufficiently increase the total cash commitment to drill the full complement of 14 identified projects, although there is no assurance that the Drilling Program will be fully funded. In the event all 14 identified projects are not drilled in the Drilling Program, the working interests related to the undrilled wells will be reassigned to the Company.

As a result of its combined investment in the limited liability company and its retained working interest in the Drilling Program wells, the Company will initially receive 30.0% of the net revenues from the Drilling Program wells for contributing 20.0% of the total well costs plus associated leases and providing access to available infrastructure. This includes 12.5% of all cash distributions from the limited liability company that the Company is entitled to receive plus distributions in respect of its cash capital commitment to the limited liability company that the Company is entitled to receive on the same terms as are applicable to the initial investors. Upon the initial investors in the limited liability company achieving certain return thresholds in cash distributions, the Company's aggregate share of well net revenue will increase to 38.4%, including its share of net revenues associated with its retained working interest.

The Company has received an initial cash reimbursement of approximately \$19.8 million (net of its initial cash contribution for its interest in the limited liability company) for costs already incurred in relation to the drilling of some of the initial Drilling Program wells that have already commenced drilling.

Under the limited liability company agreement, the business and affairs of the limited liability company are managed by a board of five directors, which will consist of three directors selected by HarbourVest and other investors (in the event additional investors join the Drilling Program), Mr. Krohn, as selected by the Company, and an additional independent director to be selected by majority investors in the limited liability company subject to consent of the Company. Day-to-day operations of the limited liability company will be managed by the Company pursuant to a management services agreement.

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01 Exhibit

(d) Exhibit. The following exhibit is filed as part of this report (but shall be considered “filed” for purposes of Section 18 of the Exchange Act or other purposes as set forth in Item 7.01 of this Current Report on Form 8-K):

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of W&T Offshore, Inc. dated March 12, 2018.

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: March 16, 2018

By: /s/ John D. Gibbons

John D. Gibbons

Senior Vice President and Chief Financial Officer



PRESS RELEASE

FOR IMMEDIATE RELEASE

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**W&T Offshore Announces Gulf of Mexico Joint Exploration and
Development Program with Investor Group**

HOUSTON, March 12, 2018 – W&T Offshore, Inc. (NYSE: WTI) today announced that it has entered into joint exploration and development agreements with a group of investors (“Investor Group”) to drill up to 14 specified projects in the Gulf of Mexico over the next three plus years (the “Drilling Program”).

Key Highlights of the Drilling Program:

- Anticipated project level commitment of up to \$419.6 million, including W&T Offshore’s commitment, for development of 14 identified projects in the Gulf of Mexico with potential to upsize over time with additional projects
- W&T initially receives 30.0% of the net revenues from the drilling program wells for contributing 20.0% of the total well costs plus associated leases and providing access to available infrastructure
- Upon the Investor Group achieving certain return thresholds, W&T’s share of well net revenue increases to 38.4%
- Allows W&T to develop its drilling inventory at a faster pace and with a greatly reduced capital outlay
- W&T receives an initial cash reimbursement of approximately \$20 million for costs already incurred in relation to the drilling of some of the initial wells that had already commenced drilling or where some work activity had commenced on wells that are included in the drilling program

Mr. Tracy Krohn, W&T Offshore’s Chairman and Chief Executive Officer, stated, “We are extremely pleased to form this multi-year joint exploration and development program that will allow us to continue unlocking the value of our significant drilling opportunities while drastically reducing our capital expenditures. The Drilling Program will allow us to accelerate the development of our high return inventory to bring significant cash back to the corporate entity, while maintaining the flexibility to manage our balance sheet and pursue additional accretive

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acquisition opportunities in the Gulf of Mexico as other operators exit. Plus, by contributing inventory and our operating expertise, W&T will receive both a front-end and back-end promote that should compensate us for the leases that we are contributing and also substantially enhance our return on investment,” concluded Mr. Krohn.

W&T and the initial Investor Group have formed a joint venture investment entity that will jointly participate in the drilling and development of a specified group of wells on W&T-held leases and producing acreage in the Gulf of Mexico. The Investor Group is led by an entity owned and controlled by funds managed by HarbourVest Partners, a Boston based private equity fund sponsor with over \$40 billion of assets under management. The initial Investor Group will also include a minority investment by an entity owned and controlled by Mr. Krohn and his family. The Krohn entity will invest on the same terms and conditions as were negotiated with HarbourVest Partners and its investment will be limited to 4% of total invested capital of the joint venture.

The initial Investor Group and W&T have agreed to an aggregate initial capital commitment of \$230.5 million (subject to increase up to a maximum commitment of \$275.9 million upon additional investors joining the Drilling Program), which is sufficient to fund the drilling, completion and tie-in of a number of the project wells. W&T expects that more institutional investors will join the Drilling Program shortly which would increase the total cash commitment to drill the full complement of 14 projects.

W&T is contributing 88.94% of its working interest in the 14 projects to the joint venture entity and retaining an 11.06% working interest. The group of wells is from W&T's existing drilling inventory and is expected to be drilled over the next three years. W&T has also agreed to make a cash commitment to the joint venture entity for approximately 8.94% of the total cash commitments to the entity. The total initial W&T cash commitment to the Drilling Program, including its commitment with respect to its retained working interest, is \$46.1 million (which is subject to an increase to a maximum commitment of \$83.9 million upon additional investors joining the Drilling Program).

After taking into account the working interest retained by W&T and the interests in the joint venture entity received by W&T, the Investor Group will initially receive 70% of the net revenues from the group of wells for 80% of the total well costs, while W&T will initially receive 30% of net revenues for 20% of the total well costs. Total well costs include drilling, completion and tie-in of each of the wells in the program, as well as plug and abandonment obligations. W&T is the operator of a number of the wells in the program. Once the Investor Group participating in a well in the drilling program achieves certain return thresholds with respect to that well, W&T will receive 38.4% of the net revenues attributable to that well.



Stifel Nicolaus / Eaton Partners acted as exclusive placement agent and structuring adviser to W&T Offshore.

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 49 producing fields in federal and state waters and has under lease approximately 700,000 gross acres, including approximately 470,000 gross acres on the Gulf of Mexico Shelf and approximately 230,000 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.

Forward-Looking 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 our expectations on future events, based on what we believe are reasonable assumptions and expectations at the time of this press release, including, without limitation, our expectations that we will drill all 14 identified projects under the Drilling Program and that other investors will invest sufficient funds in the Drilling Program to do so. No assurance can be given, however, that these events will occur. 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, 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, 2017 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.

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