
**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): June 10, 2016

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:

- 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))
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Item 7.01 Regulation FD Disclosure.

In May 2016, W&T Offshore, Inc. (the “Company”) and certain holders of the Company’s outstanding 8.500% Senior Notes due 2019 (the “Notes”) and the Company’s 9.00% second lien term loan, including the largest holder of both debt instruments, began discussions regarding a potential exchange transaction involving the Notes (a “Possible Exchange Transaction”). The Company executed confidentiality agreements (the “Confidentiality Agreements”) with such noteholders and other holders of the Notes (together, the “Noteholders”) to facilitate discussions regarding a Possible Exchange Transaction.

Pursuant to the Confidentiality Agreements, the Company agreed to publicly disclose certain information disclosed to the Noteholders upon the occurrence of events set forth in the Confidentiality Agreements. In May 2016, the Company and the financial advisor for the largest Noteholder (the “Noteholder Financial Advisor”) engaged in discussions regarding a variety of proposed terms. On May 16, 2016, these discussions resulted in the terms of a Possible Exchange Transaction, substantially consistent with those set forth in Exhibit 99.1 to this Current Report on Form 8-K. These terms were acceptable to the Company and presented by the Noteholder Financial Advisor as acceptable to the largest Noteholder. On June 9, 2016, the Noteholder Financial Advisor conveyed the latest revised terms of a Possible Exchange Transaction to the Company, substantially consistent with those set forth in Exhibit 99.2 to this Current Report on Form 8-K. The Company and the Noteholders have not reached an agreement on the terms of a Possible Exchange Transaction.

In connection with a Possible Exchange Transaction, the Company also proposed the terms of a \$75.0 million term loan (the “Possible Term Loan”), which would be issued by the Company to lenders for cash, on the terms set forth in the term sheet, dated June 7, 2016, attached as Exhibit 99.3 to this Current Report on Form 8-K. In connection with revised terms conveyed by the largest Noteholder on June 9, 2016, the largest Noteholder proposed to backstop the Possible Term Loan at an interest rate of 11.00% per annum. The Company and the Noteholders have not reached an agreement on the terms of the Possible Term Loan.

In addition, in connection with the discussions described above, the Company provided additional business information to certain of the Noteholders substantially consistent with the information set forth in Exhibit 99.4 to this Current Report on Form 8-K.

The information in this Current Report on Form 8-K, including Exhibits 99.1, 99.2, 99.3 and 99.4 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--|
| 99.1 | Terms related to a Possible Exchange Transaction, as of May 16, 2016. |
| 99.2 | Revised terms related to a Possible Exchange Transaction, as of June 9, 2016. |
| 99.3 | Proposed Term Sheet from the Company to certain Noteholders dated June 7, 2016, related to the Possible Term Loan. |
| 99.4 | Additional business information. |

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: June 10, 2016

By: /s/ John D. Gibbons

John D. Gibbons

Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u> |
|---------------------------|---|
| 99.1 | Proposed terms conveyed by the financial advisor for certain of the Noteholders to the Company, related to a Possible Exchange Transaction. |
| 99.2 | Revised terms conveyed by certain Noteholders to the Company, related to a Possible Exchange Transaction. |
| 99.3 | Proposed Term Sheet from the Company to certain Noteholders dated June 7, 2016, related to the Possible Term Loan. |
| 99.4 | Additional business information. |

Proposed Terms as of May 16, 2016

- New Money**
 - \$75 million of new money 1.5 lien to be raised
 - Up to \$180 million of 2nd lien exchange loans pursuant to terms below
- New Exchange Loans and Notes**
 - Same terms as the existing 2nd lien except that the coupon will be PIK-toggle for the first three coupons (i.e. through November 2017)
 - 10.75% PIK / 9% Cash interest rate
- Unsecured Notes**
 - Exchange into new 2nd lien exchange loans at a ratio of 20 (\$200 per \$1,000 note)
 - 1.5 bond points in cash (up to \$13.5 million) (\$15 per \$1,000 note)
 - 45% ownership of Company pro forma for the issuance, assuming 100% participation (69 shares per \$1,000 note)
 - Offered to 100% of unsecured noteholders

Proposed Terms as of June 9, 2016

- New Money**
 - Certain Noteholders will backstop \$75 million New 1.5 Lien Term Loan at 11% cash interest
 - Up to \$180 million of 2nd lien exchange loans under same terms as preliminary agreement
- New Exchange Loans and Notes**
 - Up to \$270 million of unsecured exchange notes due 2021 pursuant to terms below:
 - Coupon will be 1% cash pay for two years (through 6/30/18) and 8.5% cash pay thereafter (5NC2)
 - Exchange into new 2nd lien exchange loans at a ratio of 20 (\$200 per \$1,000 note)
 - Exchanging notes receive new unsecured exchange notes at a ratio of 30 (\$300 per \$1,000 note)
- Unsecured Notes**
 - 45% ownership of Company pro forma for the issuance, assuming 100% participation (69 shares per \$1,000 note)
 - Offered to 100% of unsecured noteholders
 - No cash payment

W&T Offshore, Inc.
Senior Secured 1.5 Lien Term Loan
Summary of Indicative Terms and Conditions
 June 7, 2016

The following outline is a summary of the proposed terms of a new senior secured 1.5 lien term loan (the New Term Loan Indebtedness) issued by W&T Offshore, Inc. (the Issuer). This Summary of Indicative Terms and Conditions is intended merely as an outline of certain of the material terms of the proposed New Term Loan Indebtedness. It is not intended to limit the scope of discussion and negotiation of any matters not consistent with the specific matters set forth herein.

New Term Loan Indebtedness

| | |
|---------------------------------|--|
| <u>Issuer:</u> | W&T Offshore, Inc. |
| <u>Issue:</u> | New 1.5 lien term loan |
| <u>Ranking:</u> | Senior Secured 1.5 Lien |
| <u>Collateral:</u> | Secured by a 1.5 lien security interest in all of the collateral securing the Issuer's existing revolving credit facility |
| <u>Facility Size:</u> | \$75 million |
| <u>Interest Rate:</u> | [TBD] |
| <u>Interest Payment Dates:</u> | [TBD] |
| <u>Maturity Date:</u> | February 15, 2020 |
| <u>Call Protection:</u> | Callable at 101 in year 1 and callable at par thereafter |
| <u>Negative Covenants:</u> | "Credit Facility" basket of \$[300] million for RBL indebtedness only with corresponding permitted lien basket <i>Pari passu</i> liens prohibited |
| <u>Financial Covenants</u> | First lien leverage ratio through the 1.5 lien of 2.75x, stepping down to 2.25x on September 30, 2017 |
| <u>Intercreditor Agreement:</u> | A mutually agreeable intercreditor agreement between the RBL lenders and the agent to the New Term Loan Indebtedness |
| <u>Conditions Precedent</u> | RBL amendment Exchange transaction completed with at least 70% noteholder participation [2 nd lien term loan amendment] |

Guidance

(\$ in millions)

| | Estimate Full Year-2016 | | Actuals 2015 |
|--------------------------------------|-------------------------|----------|-----------------|
| | Range | Midpoint | |
| Estimated Production | | | |
| Oil & NGLs (MMBbls) | 8.5 - 9.3 | 8.9 | 9.4 |
| Natural Gas (Bcf) | 37.9 - 41.9 | 39.9 | 46.2 |
| Total (Bcfe) | 88.8 - 98.2 | 93.5 | 102.3 |
| Total (MMBoe) | 14.8 - 16.4 | 15.6 | 17.0 |
| Mboe per day | 40,437 - 44,809 | 42,623 | 46,709 |
| Operating Expenses | | | |
| Lease operating expenses | \$166 - \$184 | \$ 175.0 | \$ 192.8 |
| Gathering, trans. & prod. taxes | \$22 - \$24 | \$ 23.0 | \$ 20.2 |
| General and administrative | \$61 - \$68 | \$ 64.5 | \$ 73.1 |
| Income tax rate | 5.4% | 5.4% | 16.3% |
| Capital Structure | | | |
| | Range | | |
| Pro forma debt outstanding (a) | \$555 - \$771 | | |
| Pro forma liquidity (b) | \$360 - \$383 | | |
| Annualized cash interest expense (c) | \$34.5 - \$68.8 | | |

- (a) As of March 31, 2016 pro forma for the exchange transaction assuming 70% -100% participation, raising a new \$75 million term loan, and repayment of the revolving bank credit facility
- (b) As of March 31, 2016 pro forma for the exchange transaction assuming 70% -100% participation, raising a new \$75 million term loan, the payment of all transaction related fees and expenses, and the payment of other financial obligations
- (c) Range assumes that the revolving bank credit facility is repaid in full and a 10% interest rate on the new \$75 million term loan; low-end of range assumes 100% participation in the exchange transaction and PIK-election on new 2nd lien loans; high-end of range assumes 70% participation in the exchange transaction and cash-pay election on new 2nd lien loans