

Adopted March 24, 2005

ENERGY PARTNERS, LTD.

AUDIT COMMITTEE CHARTER

The purpose of the Audit Committee, in its capacity as a committee of the Board, is to assist the Board in overseeing (1) the integrity of the financial statements of the Company, (2) the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditor and (4) the compliance by the Company with legal and regulatory requirements.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the responsibility or duty of the Audit Committee to: certify the Company's financial statements, guarantee the auditor's report, plan or conduct audits or determine that the Company's financial statements and disclosures are complete and accurate or are in accordance with generally accepted accounting principles or applicable rules and regulations. It is also not the responsibility of the Audit Committee to assure compliance with laws and regulations or with the Company's Code of Business Ethics, or to set or determine the adequacy of the Company's reserves. These are the responsibilities of management and the independent auditor, as appropriate.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities and it has direct access to the independent auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, independent or outside legal, accounting, or other consultants or experts of its choice as it deems necessary or appropriate in the performance of its duties. The Audit Committee may request any officer or employee of the Company or the Company's counsel or independent auditor to attend any meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Audit Committee shall meet periodically with management, the internal auditors and the independent auditor in separate executive sessions.

Audit Committee Composition

The members of the Audit Committee shall be appointed annually by the Board on the recommendation of the Nominating & Governance Committee. The Audit Committee shall consist of no fewer than three members. The members of the Audit Committee shall meet the independence requirements of the New York Stock Exchange, the Securities and Exchange Commission and other applicable laws, rules and regulations. No Audit Committee member shall simultaneously serve on the audit committee of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of that Audit Committee member effectively to serve on the Audit Committee.

The members of the Audit Committee may be replaced by the Board.

The Audit Committee members must be financially literate, as such qualification is interpreted by the Board in its business judgment. In addition, at least one member must have

accounting or related financial management expertise, as the Board interprets such qualification in its business judgment.

The Audit Committee must have at least one member who is an “audit committee financial expert,” as defined by the SEC, on or prior to the date required by the SEC.

The Audit Committee may delegate authority to an individual member of the committee or to subcommittees to the extent permitted by applicable laws, rules and regulations, including those of the New York Stock Exchange.

A Chairperson may be elected by the Board.

Responsibilities of Audit Committee

General

1. Meet to review and discuss with management and the independent auditor the annual audited financial statements, including reviewing the specific disclosures made in management’s discussion and analysis, and any related certifications required to be made by any officer of the Company, and recommend to the Board whether the audited financial statements should be included in the Company’s Form 10-K.
2. Meet to review and discuss with management and the independent auditor the Company’s quarterly financial statements, including reviewing the specific disclosures made in management’s discussion and analysis and any related certifications required to be made by any officer of the Company, prior to the filing of its Form 10-Q, including the results of the independent auditor’s reviews of the quarterly financial statements.
3. Discuss with management and the independent auditor (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in light of material control deficiencies, (b) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements and (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company’s financial statements.
4. Discuss with management the Company’s earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Audit Committee’s responsibility to discuss earnings releases as well as financial information and earnings guidance may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made, particularly any “pro forma” or “adjusted” non-GAAP information). The Audit Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

5. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
6. Review annually with management and the independent auditors the Company's Code of Business Ethics, as well as review the actions taken to monitor compliance with the Code of Business Ethics.
7. Review any exceptions to the Company's Code of Business Ethics and the actions management has taken to resolve the exceptions.
8. Review with the Company's counsel any legal, regulatory and environmental matters that may have a material impact on the Company's financial statements.
9. Review the responsibilities, budget and staffing of the Company's internal audit program, including the proposed annual audit plan, periodic progress reports on the status of the plan, and summaries of any significant issues raised during the performance of internal audits.
10. Review and assess compliance with all applicable rules and regulations of the SEC and the New York Stock Exchange specifically applicable to the composition and responsibilities of the Audit Committee.

Independent Auditors

The Audit Committee shall be directly responsible for the appointment, compensation (including as to fees and terms) and retention of the independent auditor and for oversight of the work of the independent auditor (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the Audit Committee. The performance of any audit or permitted non-audit services by the independent auditor shall be subject to prior approval in accordance with applicable laws, rules or regulations.

Review the experience and qualifications of the lead partner of the independent auditor.

Obtain and review a report from the independent auditor at least annually describing (a) the auditor's internal quality-control procedures, (b) any material issues raised by the most recent quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm and any steps taken to deal with any such issues, and (c) (to assess the auditor's independence), all relationships between the independent auditor and the Company. After reviewing such report and the independent auditor's work throughout the year, evaluate the qualifications, performance and independence of the independent auditor, taking into account the opinions of management and the Company's internal auditors. In addition to assuring the regular rotation of the lead (or coordinating) audit partner (having primary responsibility for the audit) as required by law, the Audit Committee shall consider whether, in order to assure

continuing auditor independence, there should be regular rotation of the audit firm itself. The Audit Committee shall present its conclusions to the Board and take any actions deemed necessary or desirable by the Audit Committee to satisfy itself as to the qualifications, performance and independence of the independent auditor.

Set clear policies for the Company's hiring of employees or former employees of the independent auditor, but in no event shall any such employee who has participated in any capacity in the audit of the Company be hired in a management position with the Company during the one year period preceding the date of the initiation of the Company's most recent audit.

Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit. In particular, discuss:

- (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the independent auditor, internal auditors or management;
 - (b) Any management or internal control letter provided, or proposed to be provided, by the independent auditor and the Company's response to that letter; and
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
11. Receive, and take any required or appropriate action in relation to, all reports and other communications which the independent auditor is required to make to the Audit Committee, including timely reports concerning:
- (a) all critical accounting policies and practices to be used;
 - (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
 - (c) other material written communications between the independent auditor and the management of the Company, such as any management letter or schedule of unadjusted differences.
12. Discuss with the independent auditors their judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting.
13. Review with the independent auditor any audit problems or difficulties and management's response.

Other Audit Committee Responsibilities

Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Annually prepare an audit committee report as required by the SEC to be included in the Company's annual proxy statement.

Perform any other activities consistent with this Charter, the Company's By-laws and governing law, as the Audit Committee or the Board deems necessary or appropriate.\

The Audit Committee shall make regular reports to the Board.

The Audit Committee shall annually review the Audit Committee's own performance.

The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

Meetings

The Audit Committee may meet as often as may be necessary or appropriate, but must meet at least quarterly. Meetings may be called by the Chairperson of the Committee and/or the President and Chief Executive Officer of the Company. All meetings of the Audit Committee shall be held pursuant to the Bylaws of the Company with regard to notice and waiver thereof, and written minutes of each meeting shall be duly filed in the Company's records. Reports of meetings of the Audit Committee shall be made to the Board at its next regularly scheduled meeting following the Audit Committee meeting accompanied by any recommendations to the Board approved by the Audit Committee.