



Audit Committee Charter

As Amended and Restated
January 6, 2017

The Board of Directors (the "Board") of Energy XXI Gulf Coast, Inc. (the "Company") has established the Audit Committee of the Board (the "Audit Committee" or the "Committee") with the authority, responsibility and duties described in this Audit Committee Charter (this "Charter").

Purpose

The purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Company and the audits of the Company's financial statements. In that regard, the Audit Committee assists the Board in monitoring (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 auditors, and (4) the compliance by the Company with legal and regulatory requirements.

Committee Membership

The Committee shall be composed of at least three (3) directors who shall satisfy the following criteria:

Each member of the Committee shall be determined by the Board to be "independent" as defined and to the extent required by the applicable Securities and Exchange Commission ("SEC") rules and the applicable listing standards of the NASDAQ Stock Market ("NASDAQ"), as they may be amended from time to time, for purposes of audit committee membership.

Each Committee member shall be "financially literate," as the Company's Board interprets such qualification in its business judgment in accordance with applicable laws, regulations and NASDAQ listing standards. At least one Committee member must be a "financially sophisticated audit committee member" as required by NASDAQ listing standards. The designation or determination by the Board of a person as an audit committee financial expert will not impose on such person individually, on the Committee, or on the Board as a whole, any greater duties, obligations or liability than would exist in the absence of such designation or determination. To effectively perform his or her role, each Committee member will obtain an understanding of the detailed responsibilities of Committee membership as well as the Company's business, operations and risks.

No director shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the previous three years. Committee members shall not simultaneously serve on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to serve effectively on the Committee. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board.

Committee members shall be appointed by the Board on the recommendation of the Nomination and Governance Committee. Each member of the Committee shall be elected for a one-year term. The election of members of the Committee shall be held each year at the first meeting of the Board following the annual meeting of stockholders. Should a member of the Committee, for any reason, be unable to serve for the term to which he or she was elected, the vacancy may be filled by a majority vote of the Board at its next meeting.

Any member of the Committee may be removed by the Board at any time, with or without cause.

Committee Chair and Secretary of the Committee

One of the members shall serve as the chairperson of the Committee (the "Committee Chair"). The Committee Chair shall be appointed by the Board for a one-year term coinciding with the Committee Chair's term as a member of the Committee. The corporate secretary of the Company shall act as secretary of meetings of the Committee, unless a different secretary shall be elected or appointed by the Committee.

Committee Authority and Responsibilities

The Audit Committee shall have the sole authority to appoint, determine funding for, and oversee the outside auditors (subject, if applicable, to shareholder ratification). The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall pre-approve all auditing services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimis exception for non-audit services that are approved by the Audit Committee prior to the completion of the audit. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to engage and determine funding for independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company and to any advisors employed by the Audit Committee, as well as funding for the payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Committee may, in its discretion, if allowed by applicable laws and regulations, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee composed of at least two members. The Committee also hereby delegates to the Committee Chair the authority to pre-approve audit and non-audit services to be performed by the Company's Auditor as provided for in pre-approval policies adopted from time to time by the Committee, provided that any pre-approval decisions made by the Committee Chair shall be presented to the full Committee at each of its scheduled meetings.

The Committee shall report regularly to the Board, with respect to such matters as are relevant to the Committee's discharge of its responsibilities, and with respect to such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Committee Chair or any other member of the Committee designated by the Committee to make this report. The Committee shall present its conclusions with respect to the Auditor's qualifications, performance, and independence to the full Board at least annually. The

Committee shall, based on its review and discussion of the matters underlying the annual audit committee report, recommend to the Board that each year's audited financial statements be included in the Company's annual report on Form 10-K.

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee. The Committee shall conduct such evaluations and review in such manner as it deems appropriate and shall submit itself to the review and evaluation of the Board.

The Audit Committee shall review and reassess the adequacy of the Charter annually and recommend any proposed changes to the Board. Any amendment or other modification to the Charter shall be made only by majority vote of the full Board.

The Charter shall be made available on the Company's website and the Company will disclose in its annual proxy statement that the Charter is available on or through its website and provide the website address.

The Audit Committee shall to the extent it deems appropriate:

Financial Statement and Disclosure Matters

- Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operations", and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
- Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
- Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
- Review and discuss with the independent auditor any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- Review and meet separately with management on a periodic basis to discuss matters related to the Company's internal control over financial reporting and other matters related to the Company's internal audit function.
- Review and discuss with management (including the senior internal audit executive) and the independent auditor the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.
- Review and discuss quarterly reports from the independent auditors on:
 - all critical accounting policies and practices to be used;

- all alternative treatments of financial information within generally accepted accounting principles (“GAAP”) that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
 - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with management the Company’s earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
 - Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company’s financial statements.
 - 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.
 - 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, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
 - Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 16, Communication with Audit Committees.
 - Review disclosures made to the Audit Committee by the Company’s CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company’s internal controls.
 - Ensure that a public announcement of the Company’s receipt of an audit opinion that contains a going concern qualification is made promptly.

Oversight of the Company’s Relationship with the Independent Auditor

- Review and evaluate the lead partner of the independent auditor team.
- Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor’s internal quality-control procedures, (b) any material issues raised by the most recent internal 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 (c) any steps taken to deal with any such issues. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor’s quality controls are adequate and the provision of permitted non-

audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.

- Obtain from the independent auditor a formal written statement delineating all relationships between the independent auditor and the Company. It is the responsibility of the Audit Committee to actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and for purposes of taking, or recommending that the full Board take, appropriate action to oversee the independence of the outside auditor.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.
- Set policies for the Company's hiring of employees or former employees of the independent auditor.
- Discuss with the independent auditor material issues on which the national office of the independent auditor was consulted by the Company's audit team.
- Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

Oversight of the Company's Internal Audit Function

- Ensure that the Company has an internal audit function to provide management and the Committee with ongoing assessments of the Company's risk management processes, system of internal control and Compliance Programs.
- Review and discuss the responsibilities, budget, and staffing of the Company's internal audit function.
- Review the appointment and replacement of the head of the internal auditing department.
- Periodically review internal audit activities and results.
- Review the appointment and replacement of the senior internal auditing executive each year.
- Review the significant reports to management prepared by the internal auditing department and management's responses.
- Discuss with the independent auditor and management the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

- Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.

- Obtain reports from management, the Company's senior internal auditing executive and the independent auditor that the Company and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics.
- Prepare any and all reports required to be prepared and/or disclosed by the Committee pursuant to the rules of the SEC (including the audit committee report that the SEC's rules require the Company to include in its annual proxy statement), the listing standards of any exchange upon which the Company's securities are listed for trading, or any other applicable laws and regulations.
- Approve all related party transactions.
- 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.
- Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
- Discuss with the Company's General Counsel or other appropriate person legal matters that may have a material impact on the financial statements or the Company's compliance policies.
- Review annually the adequacy of succession planning of the Company's accounting and financial personnel.

Procedures

- Meetings. The Audit Committee shall meet as often as it determines necessary but not less frequently than quarterly. Meetings of the Audit Committee may be called by either the Committee Chair (with simultaneous notice of such meeting provided to the Chairman of the Board) or the Chairman of the Board. The Audit Committee shall meet periodically in separate executive sessions with management, the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Audit Committee deem appropriate. The Audit Committee may request any other director or any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Audit Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law of the Company's bylaws. The Audit Committee may also act by unanimous written consent in lieu of a meeting.

- Quorum and Approval. A majority of the members of the Audit Committee shall constitute a quorum. The Audit Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. In the event an equal number of affirmative votes and negative votes are cast on a matter before the Audit Committee, such tie vote shall be broken by a vote cast by the first independent, non-member of the Committee, using the following order: the Chairman of the Board, the lead independent director of the

Board, the Nomination and Governance Committee Chairman and the Compensation Committee Chairman.

- Rules. The Audit Committee may determine additional rules and procedures, including designation of a chairperson pro tempore in the absence of the Committee Chair, at any meeting thereof.
- Reports. The Audit Committee shall maintain written minutes of its meetings and make regular reports to the Board, directly or through the Committee Chair.
- Fees. Each member of the Committee shall be paid the fee set by the Board for his or her services as a member of the Committee or as Committee Chair.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.