

CORPORATE CODE OF BUSINESS CONDUCT AND ETHICS

1. Purpose

This Corporate Code of Business Conduct and Ethics (this “Code”) contains the policies that relate to the legal and ethical standards of conduct of employees, officers, directors, consultants and agents (together, “Covered Persons”) of Energy Partners, Ltd. (together with its controlled subsidiaries and affiliated entities, “EPL” or the “Company”). This Code sets forth the Company’s expectations regarding the conduct of Covered Persons while acting on the Company’s behalf and also provides guidelines regarding administration of the Code.

2. General

This Code recognizes that no asset of our Company is more valuable than the confidence that the public, the business community, stockholders, business associates, customers, contractors, suppliers, employees and governmental and regulatory authorities have in our ethical behavior. EPL is committed to a high standard of conduct and expects Covered Persons to put EPL’s interests ahead of their own. Unscrupulous dealings, non-compliance with laws, rules and regulations (foreign or domestic; federal, state or local) or other dishonest or unethical business practices by any Covered Person constitutes a serious violation of this policy.

3. Conflicts of Interest

A “conflict of interest” occurs when an individual’s private interest interferes in any way — or even appears to interfere — with the interests of EPL. A conflict situation can arise when a Covered Person takes actions or has private, commercial or financial interests that may make it difficult to fulfill his or her duties to the Company objectively and effectively. Conflicts of interest also arise when a Covered Person, or a member of his or her family, receives improper personal benefits as a result of his or her position in or relationship with EPL. Loans to, or guarantees of obligations of, such persons are of special concern.

The Company has established the following guidelines with respect to conflicts of interest:

- (a) No employee or officer shall have a direct or indirect interest in any business enterprise which is a competitor, customer, supplier or contractor of EPL. However, if the business enterprise has securities listed on a national securities exchange or NASDAQ and the employee’s ownership interest is 1% or less of the equity capitalization of the business enterprise, such interest will not contravene this Paragraph 3(a).

- (b) No employee or officer shall, directly or indirectly, purchase or participate in the purchase of any mineral lease, severed mineral rights or mineral royalties.
- (c) No employee, officer or director shall have outside interests which materially interfere with the time and attention that such employee person should devote to EPL.
- (d) It is not a conflict of interest for an employee, officer or director to obtain services from persons or entities who also provide services to the Company, including legal, accounting or brokerage services, loans from banks or insurance from insurance companies, at rates customary for similarly situated customers. Furthermore, no relationship involving an employee or non-executive officer that is disclosed to and affirmatively determined by the General Counsel to be immaterial and no relationship involving an executive officer or director that is disclosed to and affirmatively determined by the Audit Committee to be immaterial (and no action incidentally benefiting any such director, officer or employee as a result of such relationship) shall be deemed a conflict of interest within the meaning of this Code.

4. Confidentiality

No Covered Person shall, for any reason, publicly disclose or misuse confidential information entrusted to him or her by EPL or its business associates, customers, suppliers or contractors, except that such information may be disclosed to the extent required by law following notification to EPL's General Counsel. Confidential information includes all non-public information that might be of use to competitors, or harmful to EPL or its customers, if disclosed. Confidential information also includes all non-public information that is learned about the Company's business associates, customers, suppliers and contractors that is not in the public domain. The obligation to preserve confidential information shall continue even after the Covered Person's employment, agency or director relationship with the Company ends. Any documents, papers, records or other tangible items that contain trade secrets or proprietary information are the property of the Company.

5. Corporate Opportunities

Covered Persons are prohibited from (i) taking for themselves personally opportunities that are discovered through the use of EPL property, information or position; (ii) using EPL property, information, or position for personal gain; and (iii) competing with EPL. Employees, officers and directors owe a duty to EPL to advance its legitimate interests when the opportunity to do so arises. Non-employee directors are permitted to pursue any opportunity that is presented to him or her other than primarily in such person's capacity as a director of EPL.

6. Fair dealing

Each Covered Person should endeavor to deal fairly with EPL's business associates, customers, suppliers, contractors, competitors and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

7. Protection and proper use of Company assets

All Covered Persons should protect EPL's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on EPL's profitability. All Company assets should be used for legitimate business purposes.

8. Political Contributions

- (a) EPL supports the right of its employees, officers and directors to participate actively in the political process and its employees, officers and directors are at liberty to undertake personal political activities so long as such activities are solely in an individual capacity and not as a representative of EPL.
- (b) An employee's and officer's personal lawful political contributions, or decision not to make political contributions, will not influence his or her compensation, job security or opportunities for advancement.
- (c) EPL shall not make any contributions or expenditures, directly or indirectly, to any political party or candidate unless such contribution or expenditure is in full compliance with applicable state and federal laws and is expressly approved in advance by EPL's Board of Directors as being in the best interests of EPL.

9. Gifts and Payments

- (a) No Covered Person or any member of his or her immediate family shall accept any benefit, gift, favor, discount or entertainment, the nature of which exceeds common courtesies extended in accepted business practice or which raises any implication that could be construed as affecting the employee's or officer's judgment or decision-making, from any person or entity with which EPL does business.
- (b) No Covered Person shall make any gift or payment, nor extend any favor, discount or entertainment, the nature of which exceeds common courtesies extended in accepted business practice, to any person or entity with which EPL does business.

- (c) No Covered Person shall directly or indirectly promise to give, authorize the giving of or give anything of value to any foreign official, any foreign political party or official thereof or any candidate for foreign political office for the purpose of:
 - (i) Influencing any act of decision of such person or entity in his or its official capacity, including a decision to fail to perform his or its official functions, or
 - (ii) Inducing such person or entity to use his or its influence with a foreign government or instrumentality to affect or influence any act or decision,

in either case in order to assist EPL in obtaining or retaining business for or with or directing business to, any person.

10. Trading in EPL Securities

- (a) EPL encourages employees, officers and directors to invest, but not to speculate, in EPL stock. In order to avoid any appearance that any employee, officer or director is speculating in EPL stock, no employee, officer or director will engage in short sales, or trade in puts, calls, or other options on EPL stock, other than the exercise of any options or warrants granted by EPL. If an employee, officer or director believes that unusual circumstances make such transactions in EPL stock appropriate, such person must get advance approval from EPL's General Counsel.
- (b) The U.S. securities laws and EPL's Corporate policy prohibit trading in securities of any company (including our Company) based on material, non-public information acquired as a result of employment by EPL. Covered Persons are also prohibited from communicating non-public information to any person (including spouse or other family members) for other than legitimate corporate purposes. The penalties for violation of the applicable laws are severe and can include criminal as well as civil penalties. Any violation also constitutes a breach of an employee's ethical obligations to EPL and will be cause for immediate disciplinary action, which may include termination.
- (c) Information is "material" if it might be significant to a decision to buy, sell or hold a particular security or significantly affect such security's market price, such as interim earnings, oil and gas discoveries or dry holes or possible acquisitions or divestitures. Information becomes "public" within a reasonable period of time (generally not less than 24 hours) after it has been disclosed in a manner to ensure its availability to the investing public, such as a press release.

11. Public Company Reporting

It is essential that all reports and documents filed with, or submitted to, the Securities and Exchange Commission, as well as other public communications made by the Company, provide full, fair, accurate, timely and understandable disclosure. Each employee and officer is expected to carefully consider all inquiries by Company representatives related to the Company's public disclosure requirements and promptly supply complete and accurate responses.

12. Exceptions, Interpretation and Approval Procedures

Questions about compliance with this Code or matters for which an exception or interpretation is desired should be forwarded to EPL's General Counsel. It should be noted that a violation of this Code might, under certain circumstances, also constitute a criminal act. Any waivers of this Code for executive officers or directors may only be made by the Board of Directors or the Audit Committee and must be disclosed to shareholders.

EPL realizes that situations may arise when an employee is not certain if particular activities would constitute a violation of this Code. Disclosure of these situations to EPL is imperative to protect the interests of our Company. It is the responsibility of each employee to be knowledgeable of the requirements of this Code and present to EPL all potential violations before any action is taken on the part of the employee. EPL encourages employees to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation. Additionally, employees should report violations of laws, rules, regulations or this Code, and any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest, to the Company's General Counsel. If that is not appropriate or if a satisfactory resolution is not obtained, call the Company's confidential reporting hotline at (866) 335-6417 to anonymously report the issue. EPL will not allow retaliation for reports made in good faith. Any violation of this Code will be cause for immediate disciplinary action, which may include termination of employment. To promote a more effective understanding of this Code, the following interpretations and procedures are provided:

Interpretations:

13. Conflict of Interest

For purposes of Section 3(a) of this Code, the term “**direct or indirect interest**” includes, but is not limited to, you or any member of your immediate family acting in any capacity (i.e., officer, partner, consultant, employee, distributor, agent, etc.) for suppliers, contractors, subcontractors, customers, consultants or other entities with which EPL does business.

14. Gifts and Payments

For purposes of Section 9(a) of this Code, the term “benefit, gift, favor, discount or entertainment, the nature of which exceeds common courtesies extended in accepted business practice” includes, but is not limited to, direct or indirect acceptance of payment, services, loans, discounts, gifts, trips, entertainment or other favors. Loans from insurance companies or banking institutions offered at normal rates of interest are excluded from this interpretation.

Approval and Disclosure Procedures for Section 9(a) of this Code:

Non-Officer Employees: Prior to the acceptance of, or participation in, any gift, entertainment, trip, discount, loan service or other favor with exceeds \$500.00 in value or business meal for which the employee’s portion (including family members and other guests of the employee) exceeds \$500.00 in value, an employee must complete the attached form and submit it to the Chief Executive Officer of EPL or his designee for approval. If approval is not granted, the employee may not proceed with the acceptance of the gift or participation in the activity. If approval is granted, the employee may proceed with the acceptance of the gift or participation in the activity. The original Request for Approval form should be maintained by the approving party, with a copy forwarded to EPL’s General Counsel.

Officers: Officers of the Company shall advise the Chief Executive Officer of the acceptance of a gift or participation in an activity the value of which exceeds the foregoing threshold.

Failure to make proper disclosure as described above or proceeding with any activity prior to the receipt of approval may result in disciplinary action, including termination of employment.

Questions about compliance or matters for which an exception or interpretation is desired should be discussed with EPL’s General Counsel.