

ENERGY PARTNERS LTD  
Form DFAN14A  
September 18, 2006

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the Securities**  
**Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for the use of the Commission only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

**ENERGY PARTNERS, LTD.**

(Name of Registrant As Specified In Its Charter)

**ATS INC.**

an indirect wholly owned subsidiary of

**WOODSIDE PETROLEUM LTD.**

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing party:

4) Date filed:

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**EXHIBIT INDEX**

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**EXHIBIT INDEX**

Exhibit No.

99.1 Press Release issued by ATS Inc., dated September 18, 2006

99.2 Australian Stock Exchange Announcement issued by Woodside Petroleum Ltd., dated September 18, 2006

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News Release

**ATS RESPONDS TO ENERGY PARTNERS BOARD'S RECOMMENDATION REGARDING ITS ALL CASH PREMIUM TENDER OFFER***Energy Partners stockholders deserve to receive a premium for their shares rather than pay a premium**Energy Partners Board's actions further entrench its directors and management*

*ATS legal challenge results in Energy Partners stockholders regaining right to act by majority written consent*  
Covington, Louisiana, September 18, 2006 ATS Inc., a subsidiary of Woodside Petroleum Ltd. (ASX: WPL), Australia's largest publicly listed oil and gas company, is disappointed that the Board of Directors of Energy Partners, Ltd. (NYSE: EPL) recommended to its stockholders that they reject the ATS cash offer of \$23.00 per share, which is subject to an increase to \$24.00 per share under certain circumstances.

EPL stockholders should question why the EPL Board continues to recommend diluting the ownership of existing stockholders and significantly increasing the Company's debt in order to pay a premium to Stone Energy stockholders under the proposed EPL and Stone Energy merger agreement, instead of recommending the ATS all cash offer.

Under the ATS cash offer EPL stockholders would receive a premium of 25% (30% in certain circumstances) to EPL's closing price of \$18.40 on August 25, 2006, the last trading day prior to the announcement of the ATS offer.

ATS believes that its offer is even more valuable to EPL stockholders today than when first announced given the subsequent and substantial decrease in crude oil and natural gas prices as shown below:

**Natural Gas Prices (\$/MMBTU)**

|  | 08/25/2006 | 09/15/2006 | % Change |
|--|------------|------------|----------|
| Henry Hub Spot Price   | \$ 7.40    | \$ 4.40    | (41%)    |
| New York Mercantile Exchange Average Futures Contract (Next 12 months) | \$ 9.32    | \$ 7.45    | (20%)    |

Source: Bloomberg Energy Service

**Crude Oil Prices (\$/BBL)**

|  | 08/25/2006 | 09/15/2006 | % Change |
|--|------------|------------|----------|
| West Texas Intermediate (Cushing)  | \$ 72.13   | \$ 63.33   | (12%)    |
| New York Mercantile Exchange Average Futures Contract Price (Next 12 months) | \$ 75.24   | \$ 67.09   | (11%)    |

Source: Bloomberg Energy Service

Since August 25, 2006, the last day of trading prior to the ATS announcement of its offer, the share prices of EPL's peers, identified by EPL in their proxy statement, have fallen substantially (approximately 10% on average and 13% on an equity market capitalization weighted average).

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In light of this decline, ATS believes its offer now represents even better value for EPL stockholders than when originally announced. In addition, it remains more attractive than either the merger with Stone Energy or EPL remaining a stand-alone entity.

ATS President Mark Chatterji said EPL stockholders should be disappointed by their Board's actions to frustrate the freedom of choice for stockholders, some of which would siphon value from the Company's stockholders to the Company's management.

By adopting a poison pill and implementing excessive change of control severance benefits for executives and other employees, EPL management becomes further entrenched. One has to question if the EPL Board of Directors is committed to realizing value for its stockholders and acting in the stockholders' best interests, Mr. Chatterji said. ATS is pleased that on September 13, 2006 EPL announced revisions to its bylaws, which removed the 85% supermajority requirement for any action to be taken by the written consent of the EPL stockholders. EPL's Board effectively recognized ATS's claim that the 85% supermajority requirement was an invalid method of restricting the stockholders' statutory right to act by written majority consent.

ATS remains confident that EPL stockholders will send a clear message to the EPL Board and management by voting against the Stone Energy transaction.

ATS commenced its cash tender offer on August 31, 2006 and the offer expires at 12:00 midnight, New York City time on Thursday September 28, 2006, unless extended.

The complete terms and conditions of the offer are set forth in the Offer to Purchase and related Letter of Transmittal, copies of which are available by contacting the Information Agent for the offer, Innisfree M&A Incorporated. Stockholders may call toll-free: (877) 456-3427; banks and brokers may call collect: (212) 750-5833.

Media Contact: Roger Martin

Telephone: 011 61 8 9348 4591

**IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC:** ATS has filed a preliminary proxy statement with the SEC relating to a solicitation of proxies from the stockholders of Energy Partners, Ltd. in connection with its proposed special meeting of stockholders and will file a definitive proxy statement with the SEC. ATS will also file a preliminary consent statement with the SEC relating to a consent solicitation to remove each of the members of Energy Partners, Ltd.'s board of directors and to elect nominees of ATS to the Energy Partners, Ltd. board of directors. The definitive proxy statement and definitive consent statement will each be mailed to the stockholders of Energy Partners, Ltd. **EPL STOCKHOLDERS ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT, THE DEFINITIVE CONSENT STATEMENT AND OTHER RELEVANT DOCUMENTS WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** Investors and stockholders may obtain a free copy of the preliminary proxy statement, and when available, the definitive proxy statement, the preliminary consent statement and the definitive consent statement and other relevant documents filed by ATS at the SEC's web site at <http://www.sec.gov>. The definitive proxy statement and definitive consent statement (each when available) and such other documents may also be obtained for free from ATS by directing such requests to Innisfree M&A Incorporated, 501 Madison Avenue, 20th Floor, New York, New York 10022, stockholders call toll-free at (877) 456-3427 (banks and brokers call collect at (212) 750-5833). ATS, its parent, Woodside Petroleum Ltd and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies and consents from stockholders of Energy Partners, Ltd. in respect of the proposed transaction. The identity of and information regarding persons who, under the SEC rules, may be considered participants in the solicitation of proxies and/or consents from EPL stockholders for use at EPL's

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special meeting or otherwise are contained in the preliminary proxy statement filed with the SEC by ATS and will be contained in the preliminary consent statement when filed with the SEC.

**This press release is for informational purposes only and does not constitute an offer or invitation to purchase nor a solicitation of an offer to sell any securities of EPL.** ATS Inc. has previously filed a Schedule TO with the SEC containing an offer to purchase all of the outstanding shares of common stock of EPL for \$23 per share. The tender offer is being made solely by means of the offer to purchase and the exhibits filed with respect thereto (including the related letter of transmittal), which contains the full terms and conditions of the tender offer. Investors and security holders are urged to read the offer to purchase and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they contain (or will contain) important information. Investors and security holders may obtain a free copy of the offer to purchase and other relevant documents (including the exhibits to the offer to purchase) at the SEC's Web Site at the address provided above. The offer to purchase and such other documents may also be obtained free of charge from ATS by directing such request to: Innisfree M&A Incorporated at the address provided above.



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**ASX Announcement  
(ASX:WPL)**

**Monday 18 September 2006  
5:15 PM (AWST)**

**Media**

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**Investors**

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**Woodside subsidiary responds to EPL Board recommendation on tender offer**

ATS Inc., a subsidiary of Woodside Petroleum Ltd., is disappointed that the Board of Directors of Energy Partners, Ltd. has recommended to its stockholders that they reject the ATS cash offer of US\$23.00 per share, which is subject to an increase to US\$24.00 per share under certain circumstances.

Attached is a media release issued by ATS.

Woodside Petroleum Ltd., GPO Box D188, Perth, Western Australia 6000. Tel: +61 8 9348 4000  
www.woodside.com.au      A.B.N. 55 00 4 898 962

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