

THE MERIDIAN RESOURCE CORPORATION

CHARTER OF THE AUDIT COMMITTEE

The purpose of the Audit Committee of the Board is to assist the Board and as required by law, regulation and Board directive, act on behalf of the Board, in its oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the engagement of the Company's independent auditors and their qualifications and independence, and (iv) the performance of the Company's internal audit function and independent auditors, in addition to preparing the report the SEC rules require be included in the Company's annual proxy statement. This Charter sets out the structure and responsibilities of the Audit Committee.

I. Structure and Qualifications

The Audit Committee shall consist of at least three directors all of whom shall be independent and all of whom shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. The Chair of the Audit Committee shall have such accounting, financial or other experience as shall be required by the rules of the Securities and Exchange Commission and by the New York Stock Exchange.

To be considered independent the director must meet the requirements of the Corporate Governance Rules of the New York Stock Exchange and Rule 10A-3(b)(1) of the rules and regulations under the Securities Exchange Act of 1934.

If an Audit Committee member simultaneously serves on the audit committee of more than two other public companies, then the Board must determine that such simultaneous service would not impair the ability of such member to effectively serve on the Company's audit committee and disclose such determination in the annual proxy statement.

Additionally, the Audit Committee shall have at least one audit committee financial expert within the meaning of Item 401(h)(2) of Regulation S-K of the Securities and Exchange Commission.

II. Meetings

The Audit Committee shall meet at least four times a year. One of such meetings shall immediately precede the completion and release of the annual financial results of the Company and one of such meetings shall be subsequent to such release and shall receive any applicable report by the Company's independent auditors with respect to the prior year's audit and shall review and approve the audit plan for the current fiscal year. Both of such meetings shall include representatives of the independent auditors and shall include an opportunity for the Committee to meet with the independent auditors separately from management.

III. Responsibilities

The Audit Committee shall:

1. Review the accounting policies, procedures, and practices of the Company, including critical accounting policies and practices, internal accounting systems and financial reporting processes and procedures with management and with the Company's independent auditors and review any issues identified by management or the independent auditors regarding accounting and financial policies and procedures and any alternative treatment of financial information discussed by management and the independent auditors, including the treatment preferred by the independent auditors.
2. Review and approve in advance in accordance with Section 10A-3(i) of the Securities Exchange Act of 1934 all auditing and non-audit services provided by the Company's independent auditors. The Committee may delegate advance approval of such engagements to a member thereof provided such approvals are reviewed with the Committee at its next meeting.
3. Review and discuss the annual financial statements and quarterly financial statements of the Company with management and the independent auditors, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", including in such review an inquiry as to the independent auditors' characterization of the accounting principles selected by management and judgments made by management material to the presentation of such financial statement.
4. Obtain and review, at least annually, a formal written report from the Company's independent auditors delineating: (a) the independent auditors' 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 any steps taken to deal with any such issues; and (c) all relationships between the independent auditor and the Company. Based on such report and the work of the independent auditor, the Audit Committee shall evaluate the qualifications, performance and independence of the independent auditor and report thereon to the Board.

5. Possess the sole authority to select, retain, evaluate, oversee, set compensation for and, when appropriate, terminate the independent auditors. In connection with such selections, the Audit Committee shall advise the independent auditors that they are to report to the Committee.
6. Review any accounting changes which have a material impact on the obligations or financial statements of the Company; review filings made with the Securities and Exchange Commission as required; and hold such other conferences or undertake such other reviews with management and with the independent auditors as the Committee may deem appropriate or as the independent auditors may request.
7. Inquire of management and the independent auditors to assure that the independent auditors have not engaged in any prohibited activities within the provisions of section 10A(g) of the Securities Exchange Act of 1934.
8. Discuss with management of the Company the Company's philosophy and approach to earnings press releases, as well as to financial information and earnings guidance provided to analysts and rating agencies, including the type of information to be disclosed and the type of presentations to be made.
9. Obtain advice and assistance from outside legal, accounting, or other advisors, as necessary to carry out its duties. Pursuant to approval of this Charter, no further requirement of Board approval for such engagements is required and the Company shall provide all funding necessary to engage the independent auditors, to engage such outside legal, accounting or other advisors and for the administrative needs of the Audit Committee.
10. Discuss the Company's major financial risk exposures and the guidelines, policies and practices regarding risk assessment and risk management, including derivative policies, insurance programs and steps management has taken to monitor and control major financial risks.
11. Meet separately with management, with internal auditors or other personnel responsible for the internal audit function, and with independent auditors.
12. Review with the independent auditor any audit problems or difficulties encountered in the course of the audit, including any restrictions in the scope of the independent auditor's activities or

on access to requested information and any disagreements with management and management's response. Also, the Audit Committee shall obtain from the independent auditors copies of all written communications to management of the Company in any way related to the Company's financial statements or reports or the integrity of the Company's financial books, records, practices or procedures.

13. Set clear hiring policies for employees or former employees of the independent auditors.
14. Report regularly to the Board and review with the Board any issues relating to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.
15. Conduct an annual review of the work of the Audit Committee, including review of: (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; (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the financial statements of the Company; and (d) the type and presentation of information that has been included in earnings press releases, paying particular attention to any use of "pro forma," or "adjusted" non-GAAP, information, as well as financial information and earnings guidance provided to analysts and rating agencies.
16. Establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls and auditing matters and for the confidential, anonymous submission by employees of the Company of concern regarding questionable accounting or auditing matters.
17. Review at least annually all transactions between the Company and its executive officers and directors, including transactions with affiliates of executive officers or directors, other than

compensation arrangements approved by the Compensation Committee of the Board, employee benefit arrangements made available generally to the employees, and compensation of directors.

18. Review and annually approve a code of ethics for the senior financial officer of the Company as required by section 406 of the Sarbanes-Oxley Act of 2002.
19. Conduct at least annually a performance evaluation of the Audit Committee.

IV. Compensation

Director's and Board Committee fees are the only compensation an Audit Committee member may receive from the Company. If a director satisfies the definition of an independent director, then his or her receipt of a pension or other form of deferred compensation from the Company for prior service, provided such compensation is not contingent in any way on continued service, will not preclude him or her from satisfying the requirement that director's fees are the only form of compensation he or she receives from the Company.