



Helix Announces Another Deepwater Gulf of Mexico Discovery

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HOUSTON, July 16 /PRNewswire-FirstCall/ -- Helix Energy Solutions (NYSE: HLX) announced that its wholly-owned subsidiary, Energy Resource Technology GOM (ERT) has made a second discovery in Garden Banks Block 506, approximately 145 miles offshore from Galveston, Texas, in 2,700 feet of water in the Gulf of Mexico. The 100% owned and operated "Danny" exploratory well has been drilled and wireline logs and repeat formation tests confirm the presence of high quality oil in a single sand body. Preliminary analysis indicates reserve potential of around 50 bcfe.

The well is currently being completed and it is anticipated that the Danny discovery will be developed, in conjunction with the development of the Noonan reservoir, via a subsea tie back system to our 100% owned and operated East Cameron block 381 platform located approximately 31 miles to the north in 370 feet of water. First production from Danny is expected in the second half of 2008.

Martin Ferron, President and Chief Executive Officer of Helix, stated, "When we announced the acquisition of Remington Oil and Gas last year we pointed to the deepwater prospect portfolio as a potential source of significant production and contracting services value. We have now made two very successful steps in unlocking that value, which bodes well for the remaining inventory. With these first two discoveries, the ultimate value created from the deepwater prospect portfolio alone could well exceed the total acquisition price.

"Noonan and Danny will be developed with our marine assets within approximately eighteen months of discovery with a combined finding and development (F&D) cost of less than \$2/mcfe. Therefore both the pace and cost of the F&D work are at the leading edge of performance in the deepwater Gulf of Mexico."

Helix Energy Solutions, headquartered in Houston, Texas, is an international offshore energy company that provides development solutions and other key life of field services to the open energy market as well as to our own oil and gas business unit. That business unit is a prospect generation, exploration, development and production company. Employing our own key services and methodologies, we seek to lower finding and development costs, relative to industry norms.

This press release contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are statements that could be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings, any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K for the year ending December 31, 2006. We assume no obligation and do not intend to update these forward-looking statements.

SOURCE Helix Energy Solutions Group, Inc.

CONTACT: Wade Pursell, Chief Financial Officer of Helix Energy Solutions Group, Inc., +1-281-618-0400, fax, +1-281-618-0505