



**Capital One Southcoast
2007 Energy Conference
New Orleans, Louisiana
December 4, 2007**



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such 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 relating to services; and any statements of assumptions underlying any of the foregoing. Although Helix believes that the expectations reflected in these forward-looking statements are reasonable, they do involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. 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 and subsequent quarterly reports on Form 10-Q. You should not place undue reliance on these forward-looking statements which speak only as of the date of this press release and presentation. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

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Presentation Outline



- I. Helix Strategy
- II. Contracting Services
- III. Oil & Gas
- IV. Financial Information
- V. Appendix



Helix Strategy



Two Stranded Strategy

Contracting Services

Reservoir & Well Tech Services



Drilling



Production Facilities



Construction



Well Ops

'Cost Reduction' Focus



Niche
Assets & Services



External Market

& =

Oil & Gas Production



Internal Market

Lower Life
Cycle Costs

Backlog At
Market Rates

'Marginal' Field Focus

Reduced
Cyclicality
Steady Growth
And Superior
Financial
Returns



Near Term Strategic Initiatives

Key Steps

- Continue to Add Capacity to Key Contracting Services
- Generate Prospects and Focus Exploration Drilling on:
 - Low Risk Shallow Water Program
 - Deepwater Prospects which can be drilled with Q4000
- Convert PUDs to PDPs
- Monetize Services and Assets which do not Minimize F&D Costs
- Continue to Expand Model Internationally

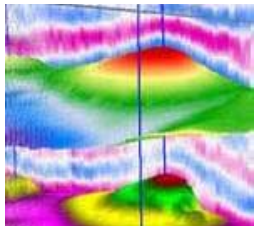


Contracting Services



Focus on Exploitation Cost Reductions

Reservoir & Well Technology



Drilling/Completion



Production Facilities



Construction



Well Ops



Key Assets

120 +
Engineers

Q4000

Mobile
Production Units

*Intrepid
Express
Caesar
ROVs*

Q4000
Sea well

Value Creating Methodologies

Reservoir
Management

Slimbore
Wells

Floater
Re-Deployment

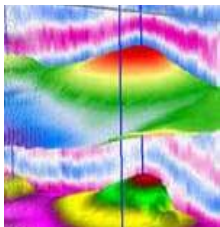




Pipe
Burial

Non-Drill Rig
Intervention

‘Full cycle cost can be reduced by at least 20% compared to conventional approaches’



Organic Growth via Asset Additions

	<u>Reservoir Technology</u>	<u>Drilling/Completion</u>	<u>Production Facilities</u>	<u>Construction</u>	<u>Well Ops</u>
					
Current Assets	120 + Engineers	Q4000	- Marco Polo TLP (50%) - Independence Hub Semi (20%)	<u>Pipelay</u> - Intrepid - Express <u>ROV</u> - 33ROVs - 5 Trenchers - 2 ROV Drill Units - 4 Chartered Vessels <u>Shelf Construction</u> - 73% of Cal Dive	- Q4000 - Seawell - Mobile SIL
Planned Additions	As market dictates	- Q4000 Drilling Upgrade - H4500?	- Helix Producer I - Shiraz	- Caesar - 2000HPTrencher - 4 ROVs	- Well Enhancer

Doubling Service Asset Base (see CAPEX details in Appendix)



Major Capital Projects – Contracting Services

MSV Caesar



MSV Well Enhancer



DP FPU Helix Producer I



MSV Q4000

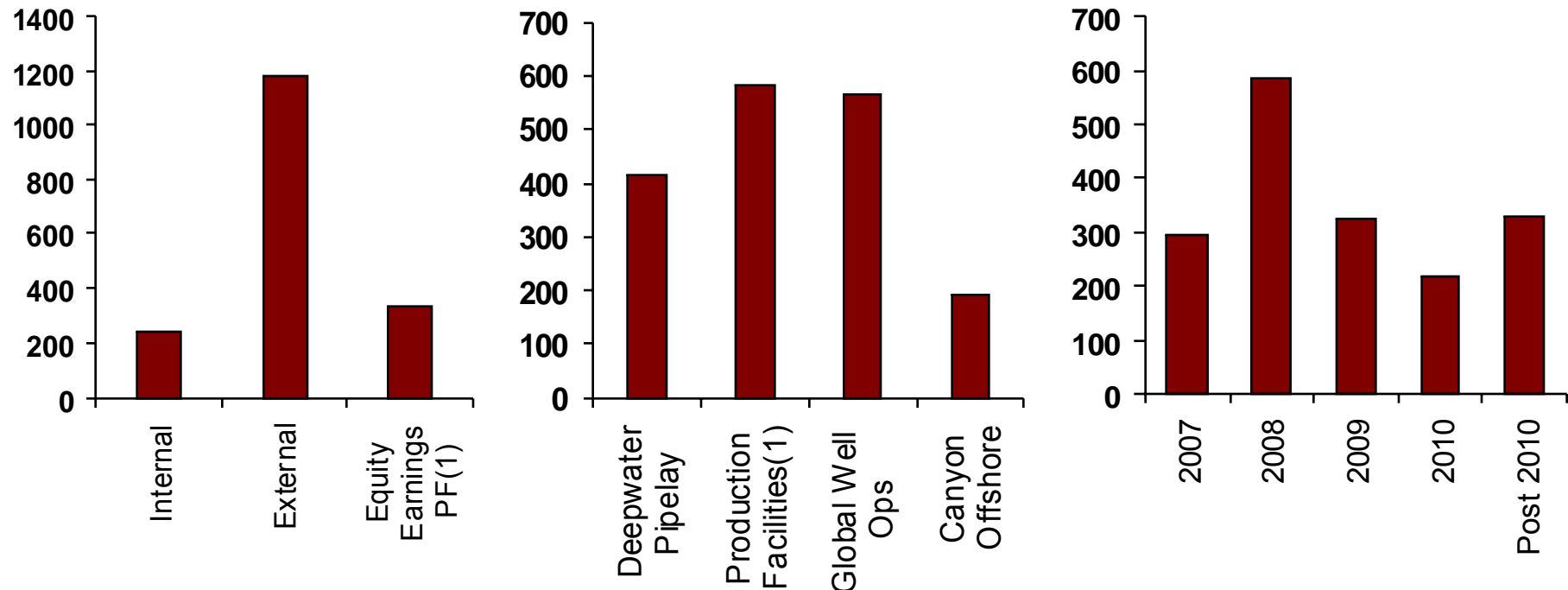




Contracting Services Backlog (excl. Cal Dive)

\$ in millions as of 7/1/2007

Total: \$1.75 Billion



Notes

1. Production Facilities backlog consists of (i) expected equity earnings from Deepwater Gateway, L.L.C. and Independence Hub LLC and (ii) contracted revenue from the *Helix Producer I*

Assumptions

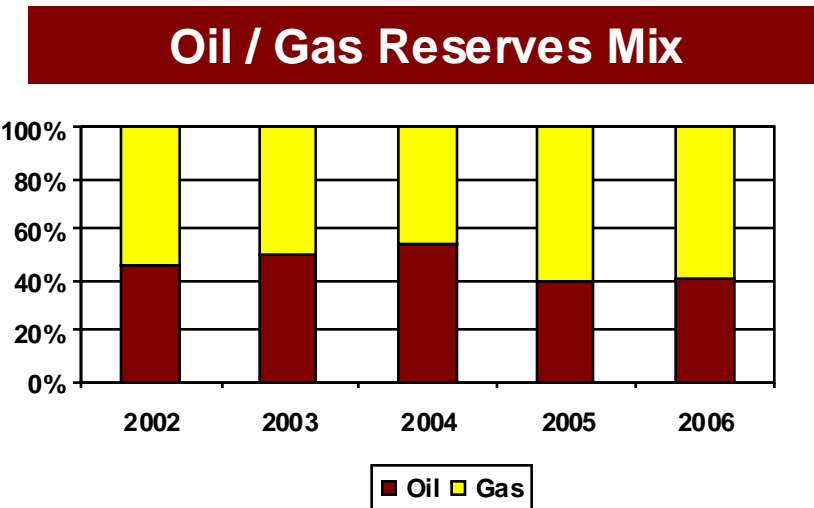
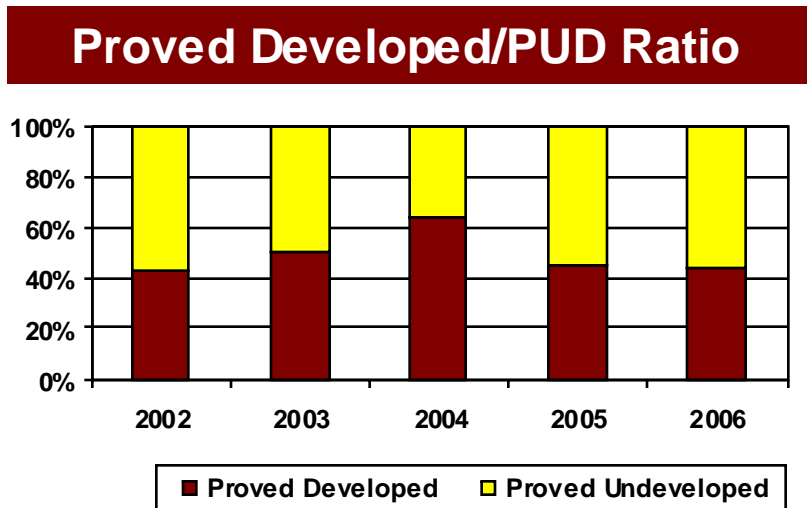
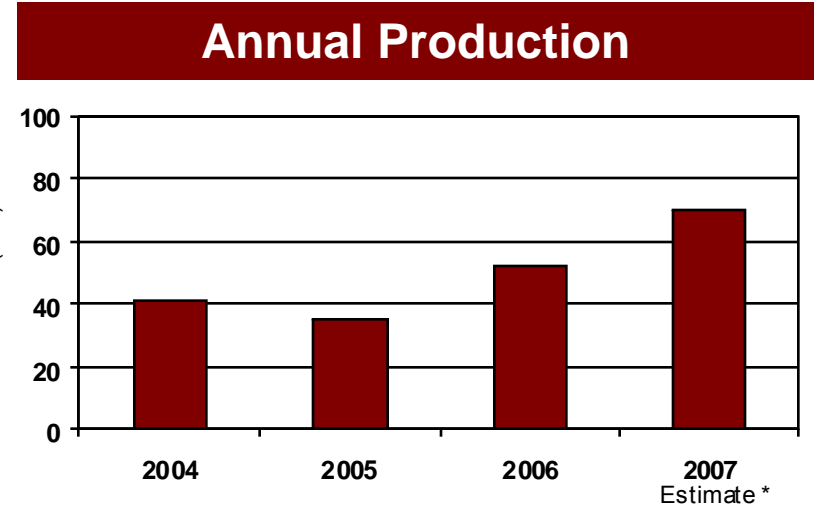
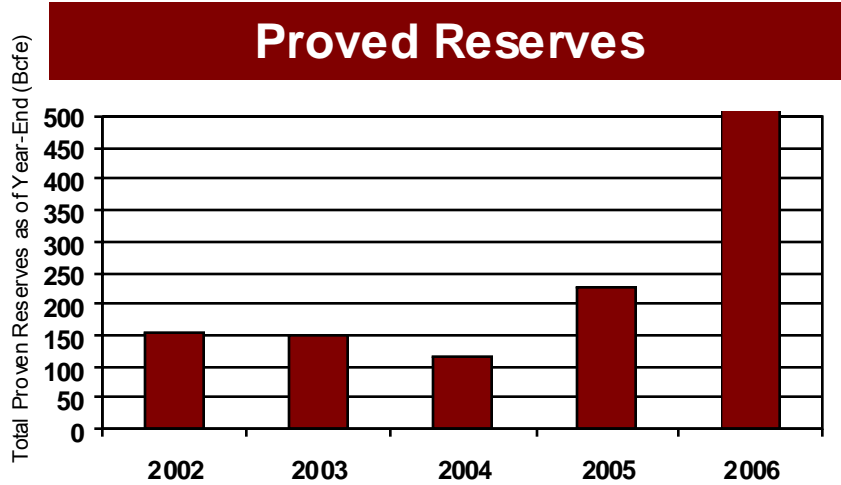
- Backlog based on contracted work including LOIs
- Internal work for ERT (*Q4000*, *Intrepid*, *Helix Producer I*)
- Assumes minority partner on Phoenix
- Does not include any turnkey or EPIC projects; or low margin procurement mark-ups
- Full year 2007 budgeted revenue and equity earnings is \$530 MM



Oil & Gas



Reserve Profile



* Estimates reflect low end of guidance range



Oil & Gas: Focus on Marginal Fields

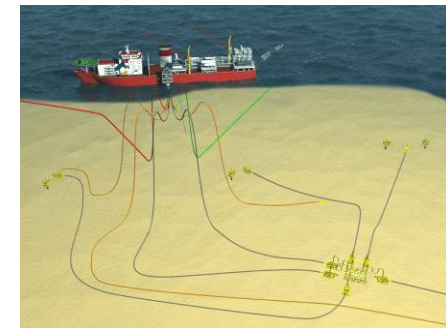
Mature Properties
(Shallow Water)

: *Camelot* Acquisition
in North Sea



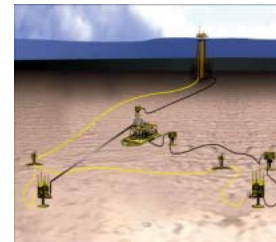
Mature Properties
(Deepwater)

: *Phoenix* Acquisition
in Gulf of Mexico



Marginal Development
(Deepwater)

: Drilling/Development of
Noonan and Danny in Gulf
of Mexico



‘Marginal’ : Fields/Prospects that are not material/significant to larger E&P Companies.

Offers contracting opportunities over the course of a full cycle.



Strategy in Action

Mature Properties (Shallow Water) - *Camelot* Field

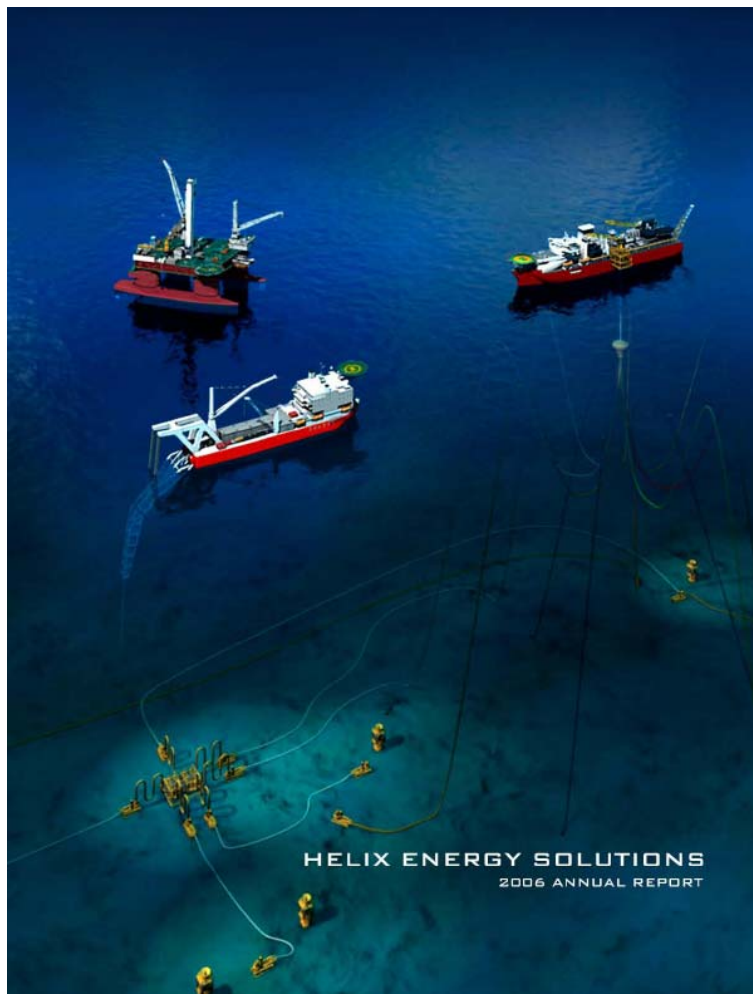


- Mature property no longer wanted by major operator
- Value will be unlocked by rejuvenation of existing production and tie back of nearby PUD reserves.
- Important first North Sea transaction.



Strategy in Action

Mature Properties (Deepwater) – *Phoenix* Field

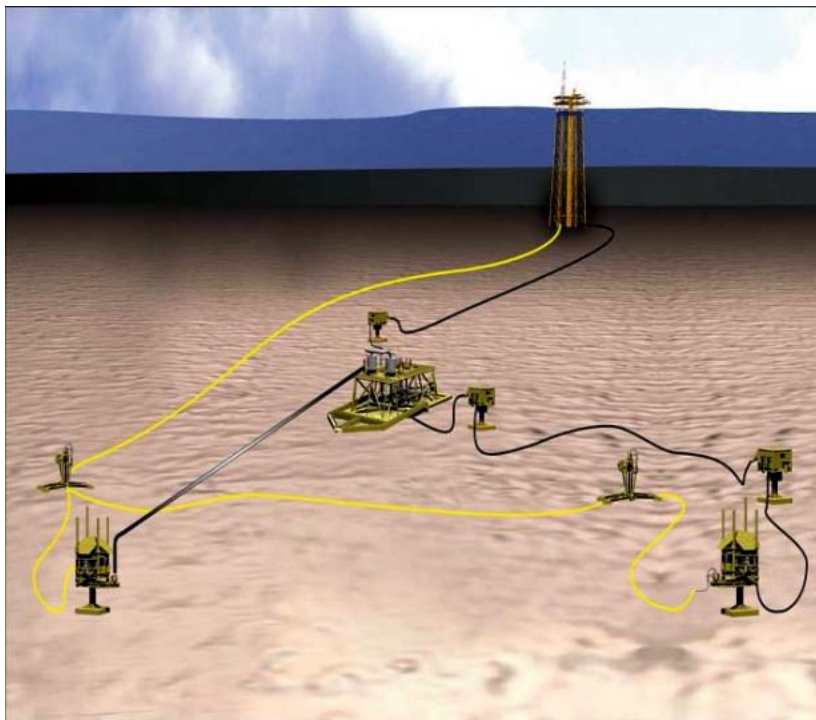


- Production facility on *Typhoon* Field destroyed during 2005 hurricane season.
- Field acquired and renamed *Phoenix*.
- Value will be unlocked by the use of a mobile production unit that should produce several fields sequentially over its lifetime.
- Upside from several satellite prospects that can be drilled with the *Q4000*.



Strategy in Action

Deepwater Developments – *Noonan & Danny Fields*

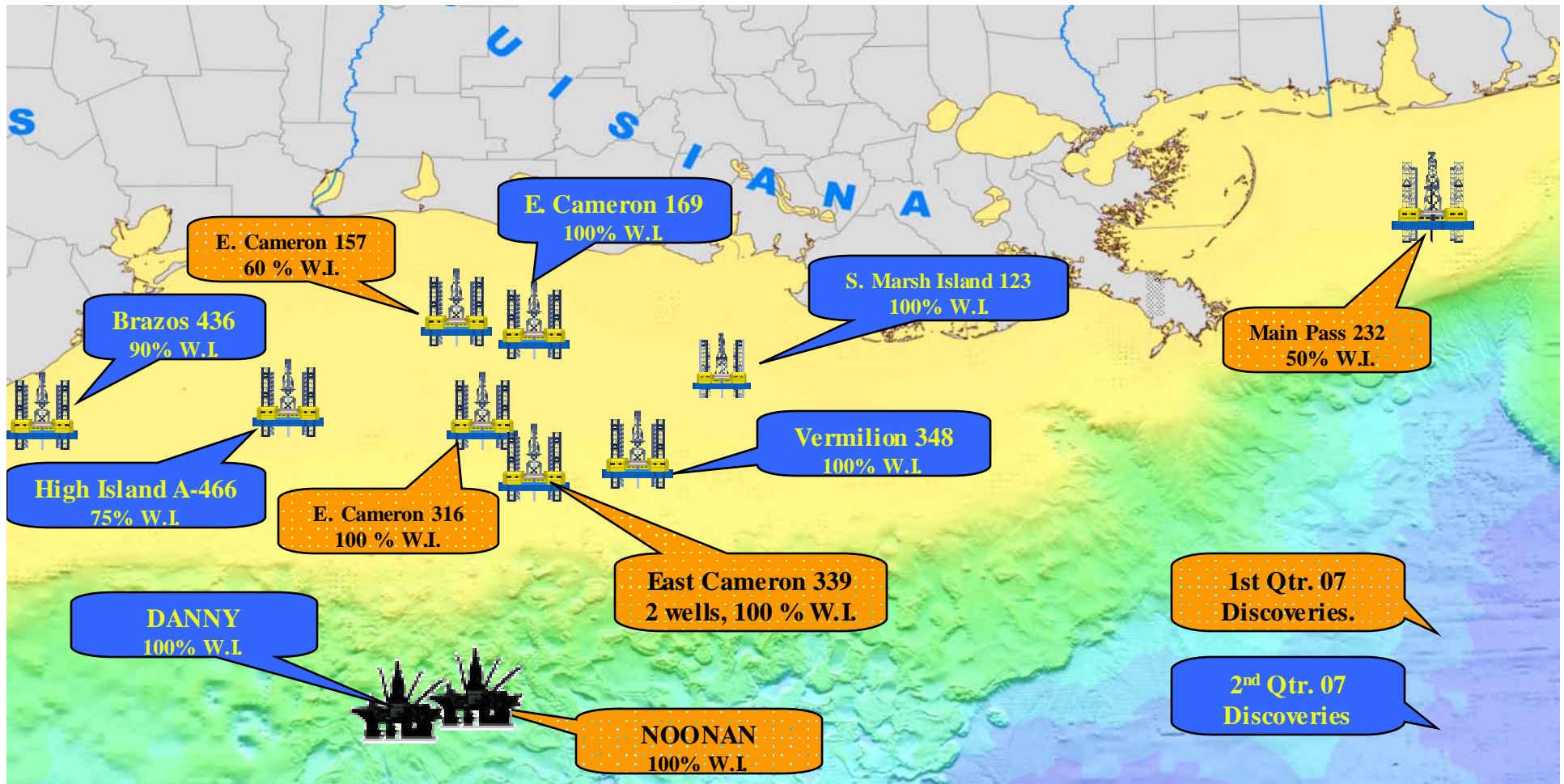


- Low risk, mid water drilling prospects generated in-house.
- Discoveries of at least 150 Bcfe announced in 1H/07
- Fields relatively close to existing infrastructure and therefore can be developed cheaply and quickly.
- Expected F&D cost < \$2.00 Mcfe.
- First Production within 18 months of discovery.
- We have several similar prospects that can be 'Exploited' using our services group.



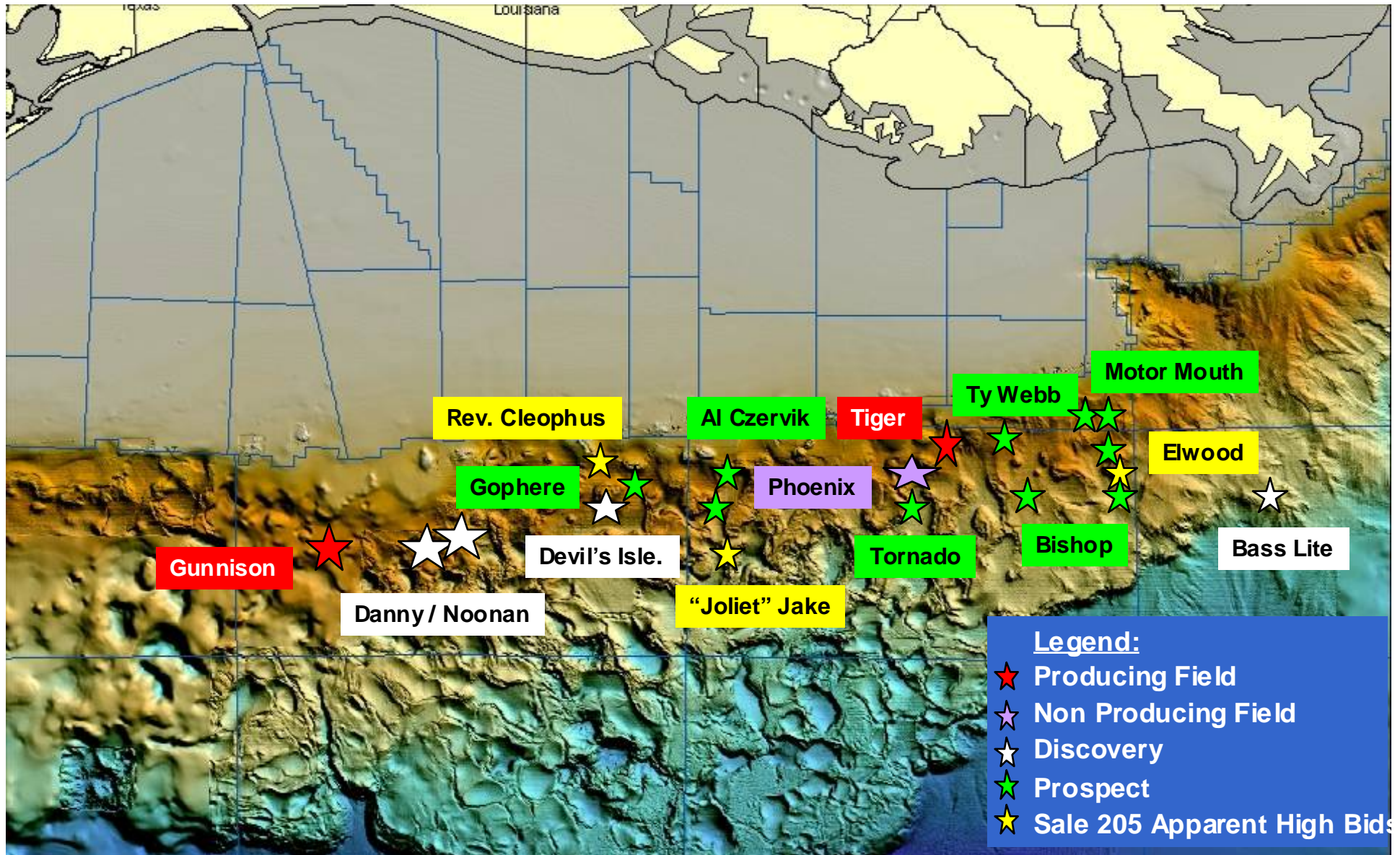
Exploration Program

1/07 to 7/07



- 12 of 12 Exploratory Wells Were Discoveries (1/07-7/07), 19 of 21 Since 7/06
- Est. Discovered 2007 Reserves: 140 BCFE Proven: 330 BCFE P+P+P
- Est. Finding & Development Cost < \$2.50 MCFE

ERT Deepwater Portfolio – Main Fields/Prospects



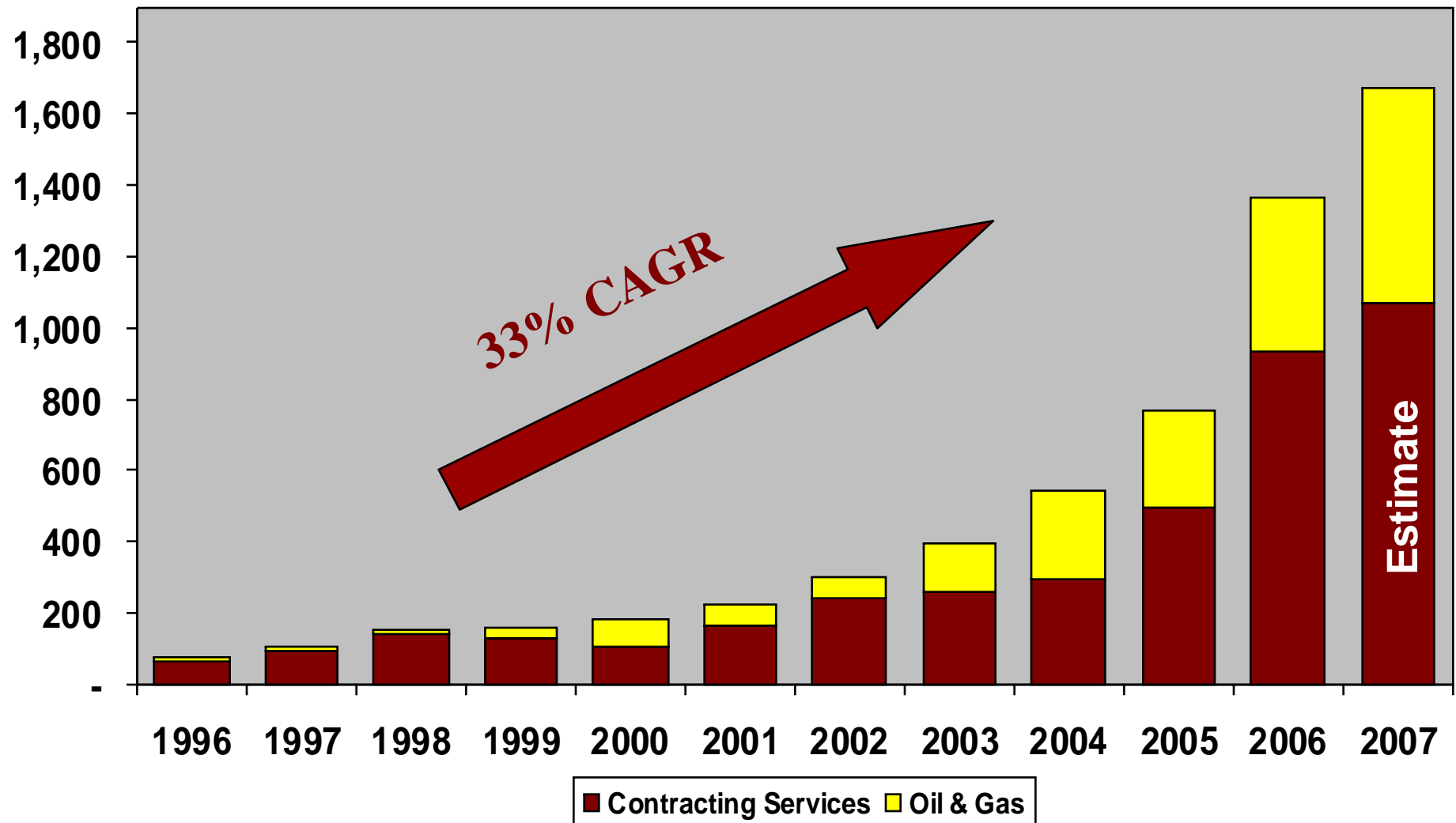


Financial Information



Consistent Top Line Growth

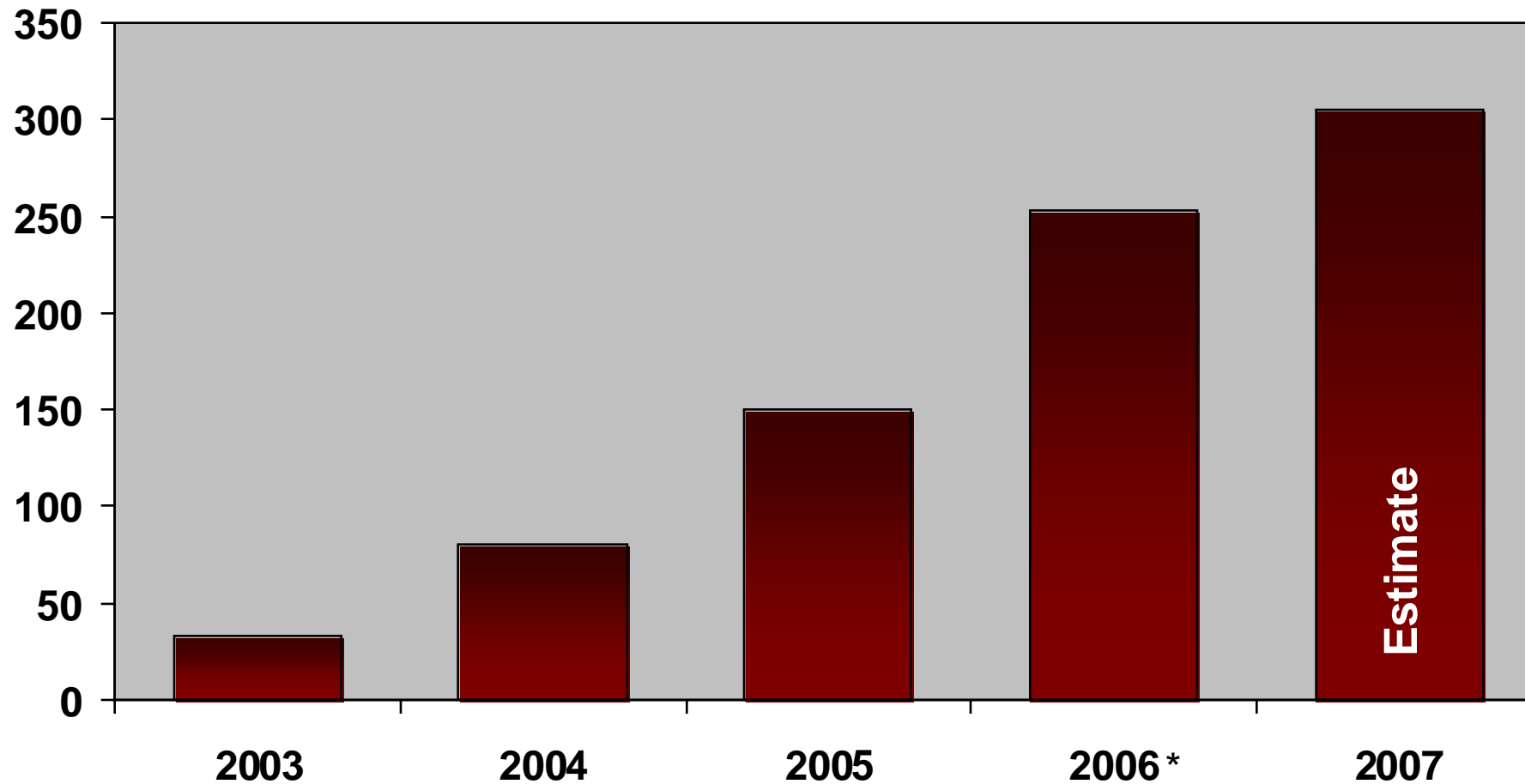
Revenues in Millions





Bottom Line

Net Income in Millions

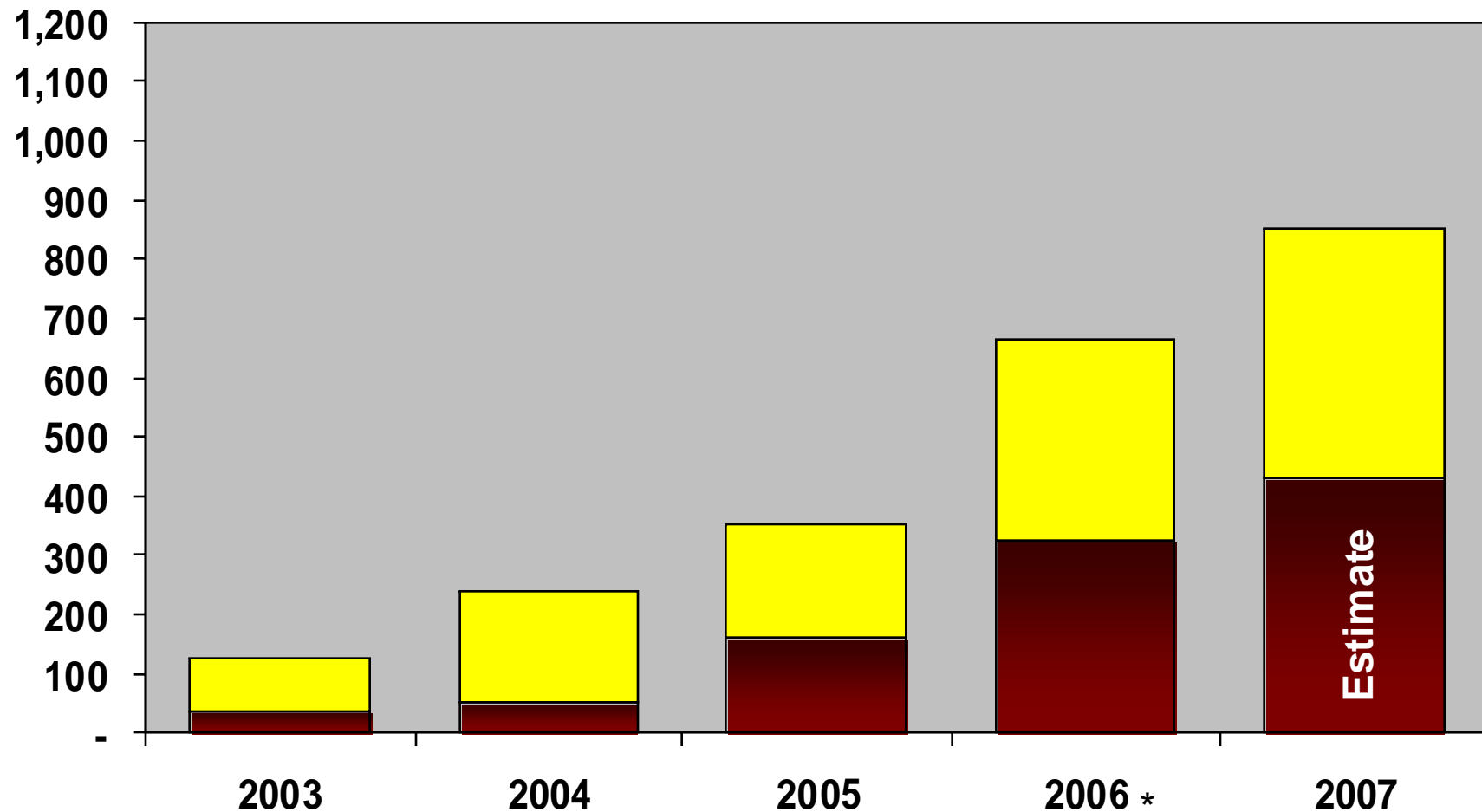


* 2006 results exclude the impact of the gain on sale in the Cal Dive IPO and estimated incremental overhead costs during the year.



Significant Cash Generation

EBITDAX in Millions (see GAAP reconciliation at www.HelixESG.com)



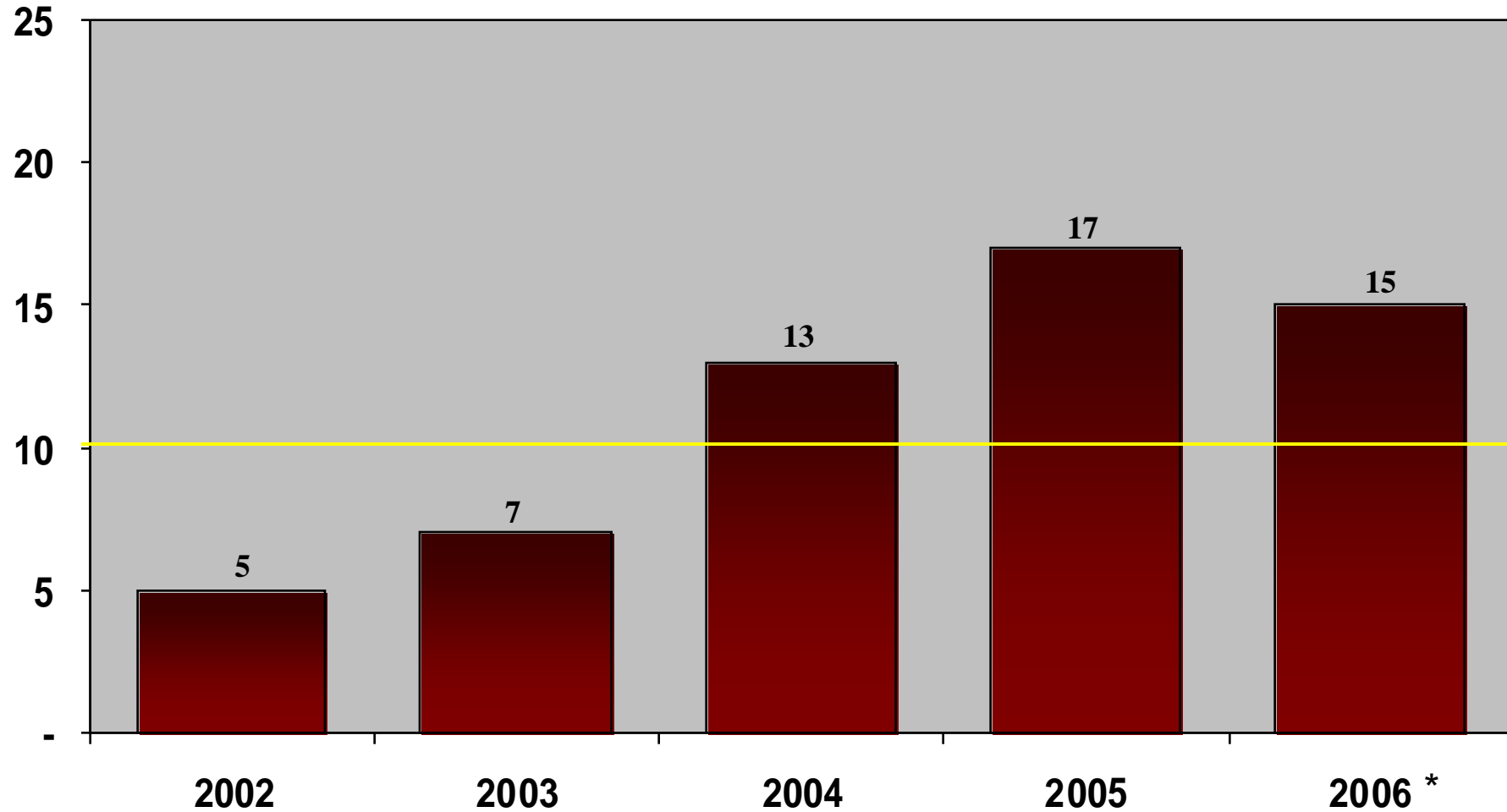
* 2006 results exclude the impact of the gain on sale in the Cal Dive IPO and estimated incremental overhead costs during the year.

■ Contracting Services ■ Oil & Gas



Return on Capital Invested

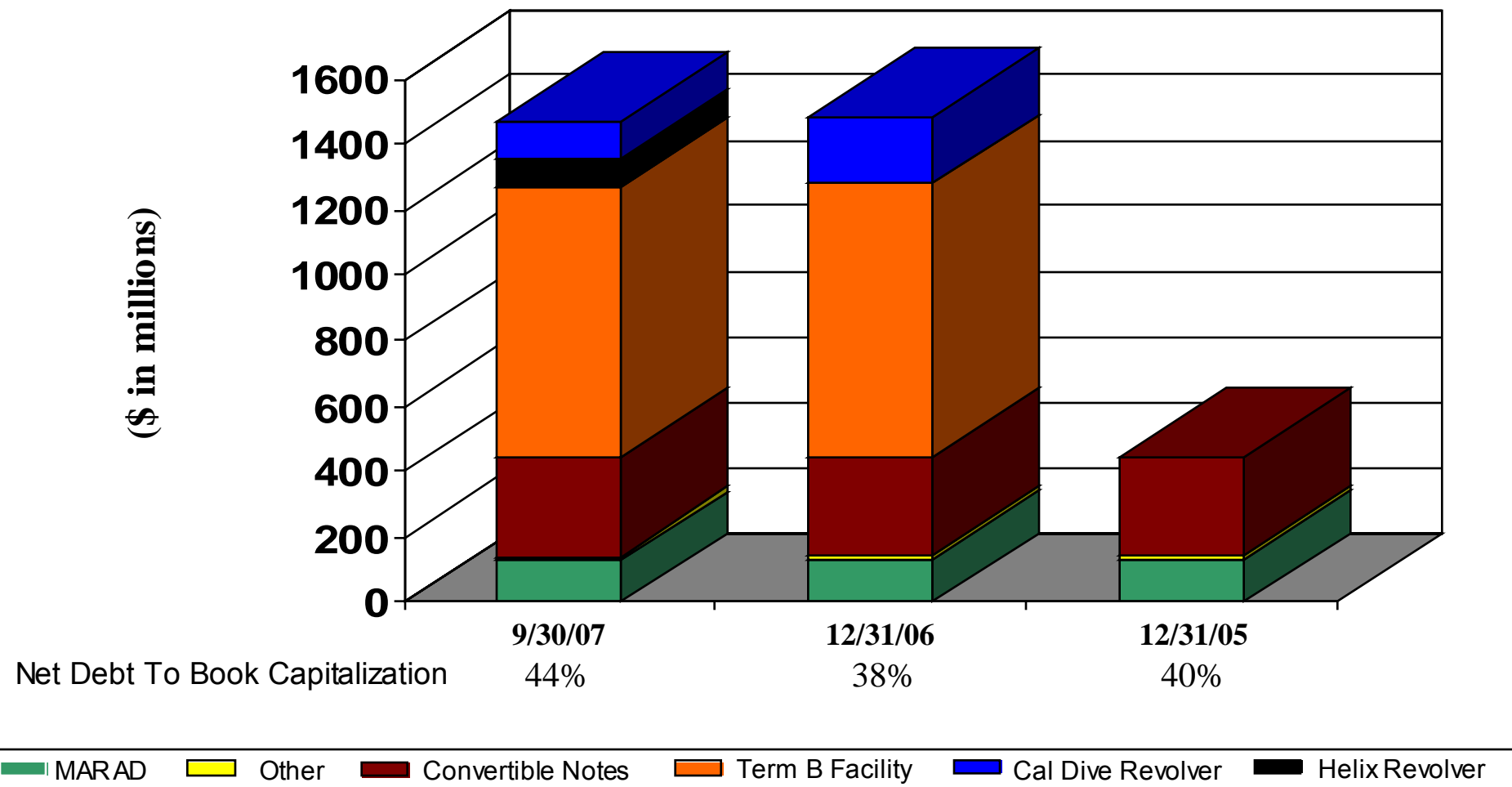
Percentage (see calculation at Company's website – www.HelixESG.com)



* 2006 results exclude the impact of the gain on sale in the Cal Dive IPO and estimated incremental overhead costs during the year.



Long Term Debt





2007 CAPEX Program

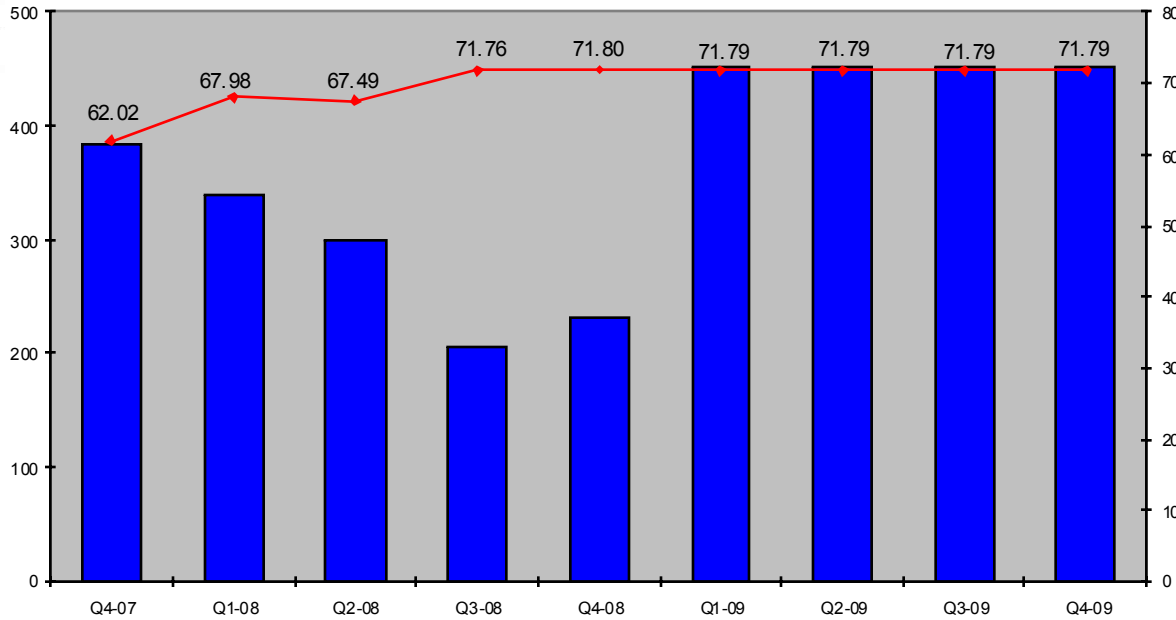
(\$ in Millions)

<u>Contracting Services</u>	<u>2007</u>	<u>Comments</u>
Drilling	\$75	Q4000 Upgrade, H4500 Study
Production Facilities	100	Helix Producer I, Shiraz
Construction	160	Caesar, ROVs, Plencher
Well Operations	110	Well Enhancer, Seatrac
Maintenance CAPEX & other	75	
Total Contracting Services	\$520	
<u>Oil & Gas</u>		
Exploration	\$240	Low Risk Shelf & Noonan / Danny
Development (PUD → PDP)	\$360	Development well at Noonan added in Q4.
Total Oil & Gas	\$600	
Total 2007 CAPEX	\$1,120	



Hedging Update

Oil (kbbbls)



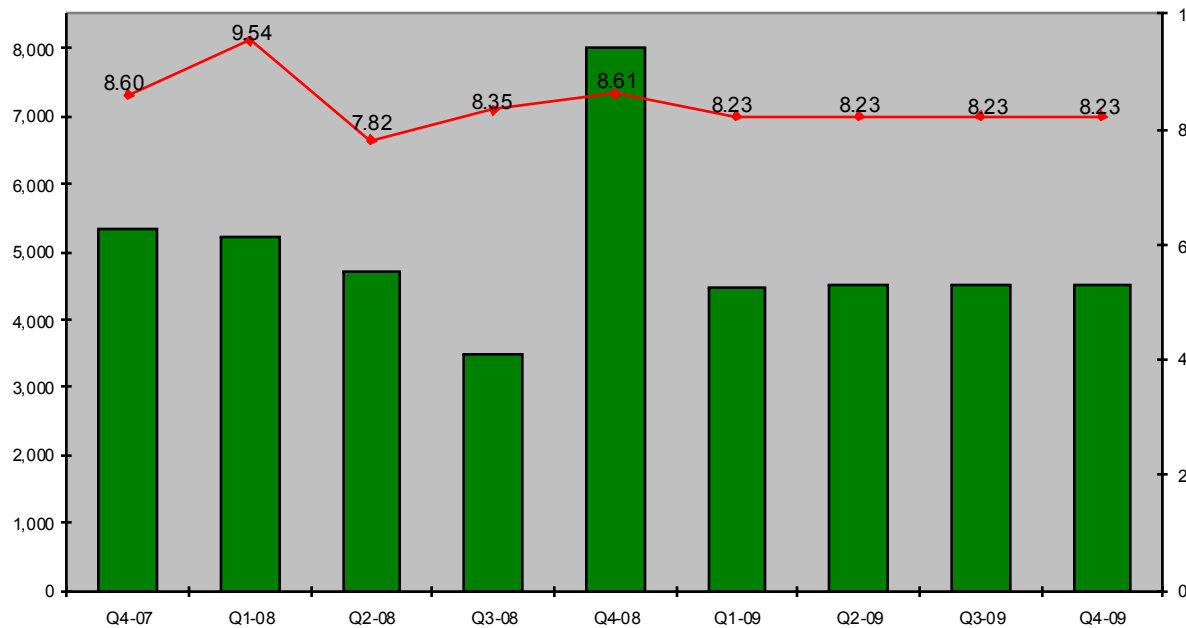
64.3 Bcfe hedged through 2009.

Minimum revenue from hedges

= \$579 m

See detail in Appendix

Gas (mcf)





Helix Energy Solutions



HLX
LISTED
NYSE®



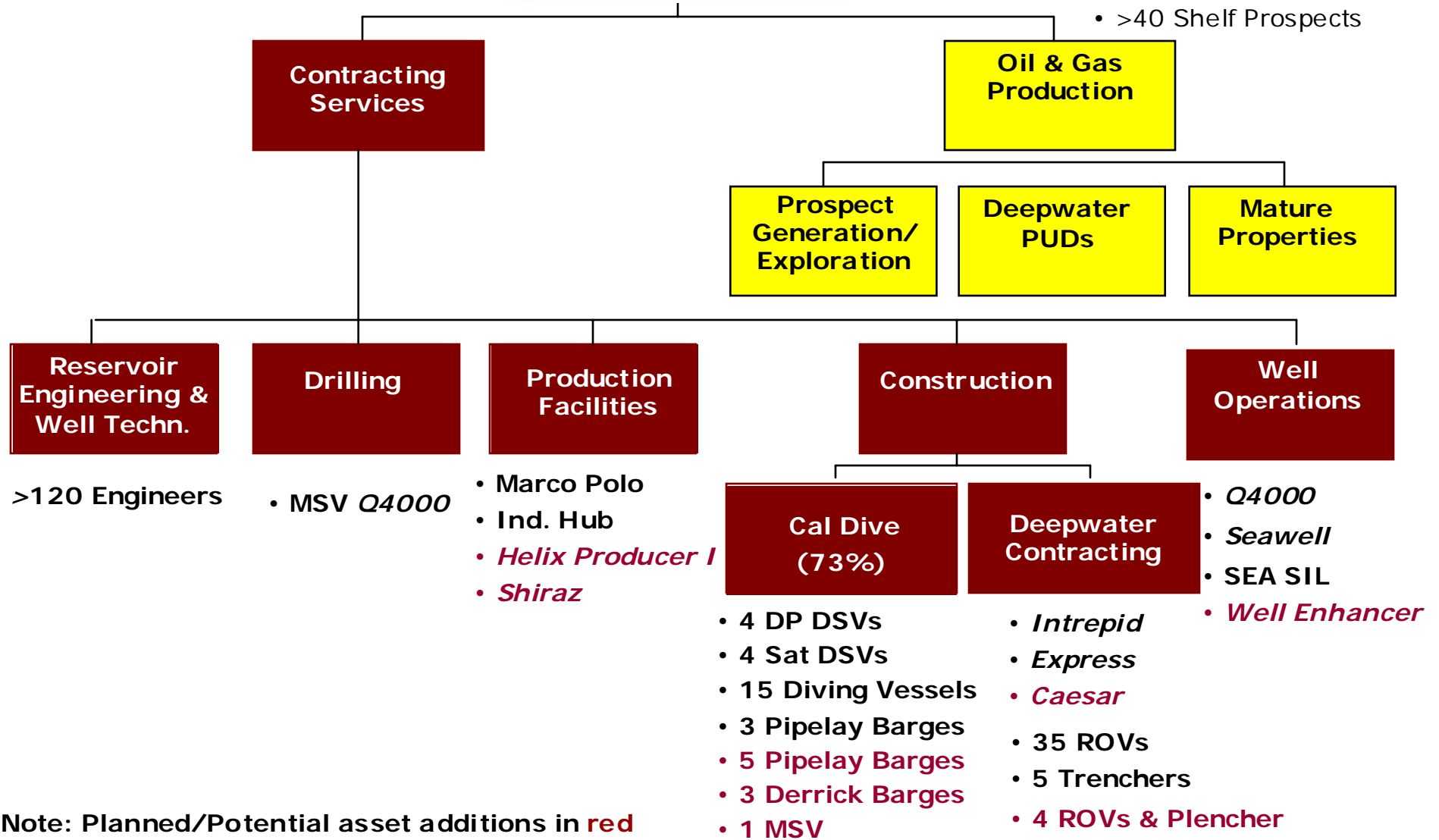
APPENDIX



Structure / Resources



- >500 Bcfe
- >20 Deep Prospects
- >40 Shelf Prospects



Note: Planned/Potential asset additions in red



Oil & Gas



Major Shelf Development Projects

Project Name	Working Interest %	Estimated Initial Rate <i>Predominant Hydrocarbon Phase</i> (Net MMCFE/D)	Est. 1st Production/ Actual Start Date
<i>East Cameron 339</i>	100	13 <i>Oil</i>	Q3 2007 9/15/07
<i>East Cameron 157/169</i>	60/100	15 <i>Gas</i>	Q3 2007 8/20/07
<i>East Cameron 316</i>	100	13 <i>Gas</i>	Q3 2007 10/19/07
<i>Brazos 436</i>	90	6 <i>Gas</i>	Q3 2007 9/10/07
<i>High Island 466</i>	75	8 <i>Gas</i>	Q4 2007 Delayed 30 Days
<i>Vermilion 348</i>	100	8 <i>Gas</i>	Q4 2007 Delayed 30 Days
<i>Main Pass Project</i>	20-50	14 <i>Gas</i>	Q1 2008 Delayed 275 Days



Deepwater Development Projects

Project Name	Operator Working Interest %	Estimated Peak Rate <i>Expected Predominant Hydrocarbon Phase</i> (Net MMCFE/D)	Activity Update	1st Production Est.
Atwater Valley 426 <i>"Bass Lite"</i>	Mariner 18	15 <i>Gas</i>	Laying/ Flowline/Umbilical	Q1 2008
Garden Banks 506 <i>"Danny"</i> <i>"Noonan"</i>	ERT 100	140 <i>Oil & Gas</i>	Currently Drilling <i>"Noonan"</i> Development Well	Q3 2008/ Q1 2009
Green Canyon 236/237 <i>"Phoenix"</i>	ERT 70	120 <i>Oil</i>	Sold 30% W.I. To Sojitz GOM Deepwater, Inc.	Q3 2008
Garden Banks 344 <i>"Devil's Island"</i>	ERT 100/65	50 <i>Oil</i>	Drill/Complete* Sidetrack Q1 2008	Q4 2008*

**Subject to rig availability*



Summary of 2007 – 2009 Hedging Positions

Helix Energy Solutions Group, Inc. Summary of 2007 - 2009 Hedging Positions

<i>Oil (Bbls)</i>	Forward Sales	Collars	Total Volume Hedged	Forward Pricing	Average Collar Price		Revenue at Collar Floor (a)
					Floor	Ceiling	
4th Quarter 2007	85,000	300,000	385,000	\$ 72.20	\$ 50.00	\$ 68.28	\$ 21,137,000
2008	535,000	540,000	1,075,000	\$ 72.20	\$ 56.67	\$ 76.51	\$ 69,228,800
2009	1,800,000	-	1,800,000	\$ 71.79	\$ -	\$ -	\$ 129,222,000
<i>Natural Gas (mcf)</i>							
4th Quarter 2007	1,750,000	3,600,000	5,350,000	\$ 7.91	\$ 7.50	\$ 10.37	\$ 40,842,500
2008	13,730,200	7,650,000	21,380,200	\$ 8.35	\$ 7.32	\$ 10.87	\$ 170,645,170
2009	18,002,400	-	18,002,400	\$ 8.23	\$ -	\$ -	\$ 148,159,752
<i>Totals (mcf)</i>							
4th Quarter 2007	2,260,000	5,400,000	7,660,000				\$ 61,979,500
2008	16,940,200	10,890,000	27,830,200				\$ 239,873,970
2009	28,802,400	-	28,802,400				\$ 277,381,752
Grand Totals	48,002,600	16,290,000	64,292,600				\$ 579,235,222 (a)

(a) Total revenues at the collar ceilings would be \$633 million.



Contracting Services



Services - Reservoir and Well Technology

Transforming subsurface uncertainty into value



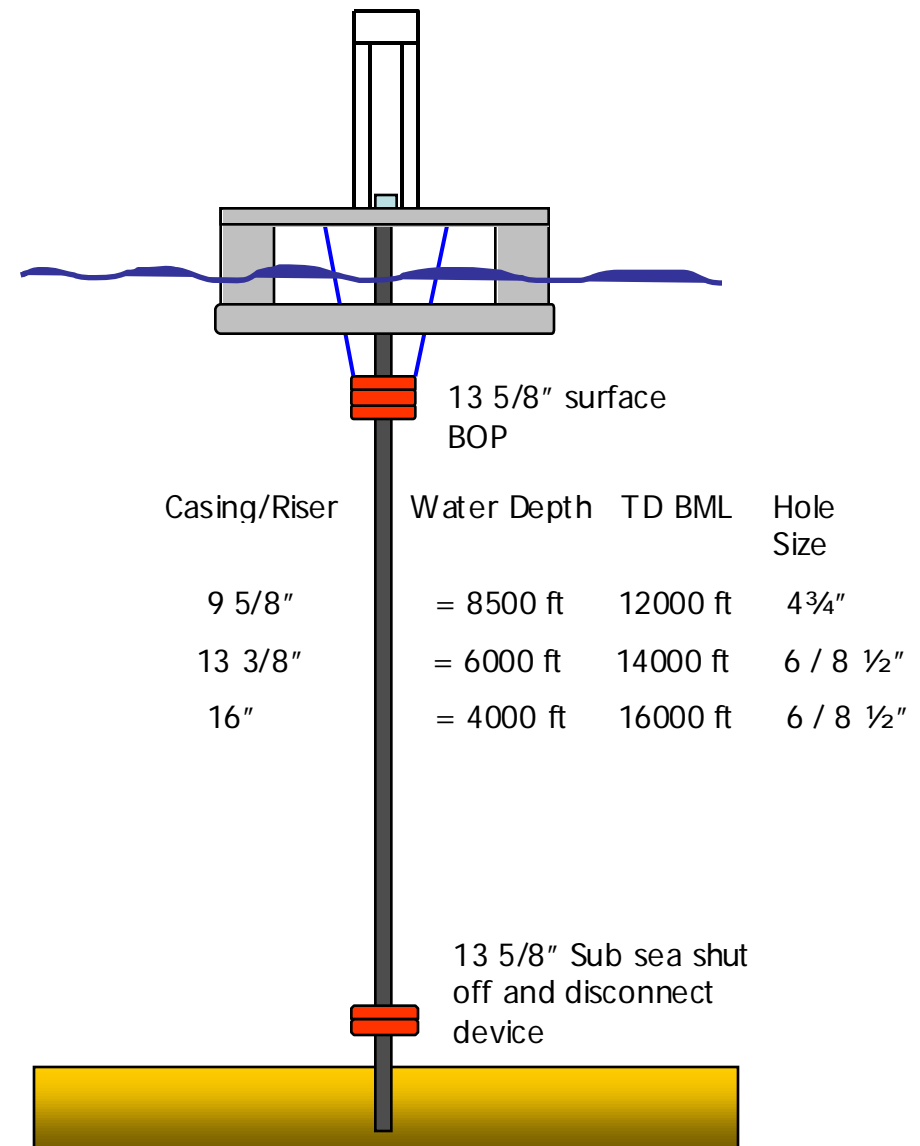
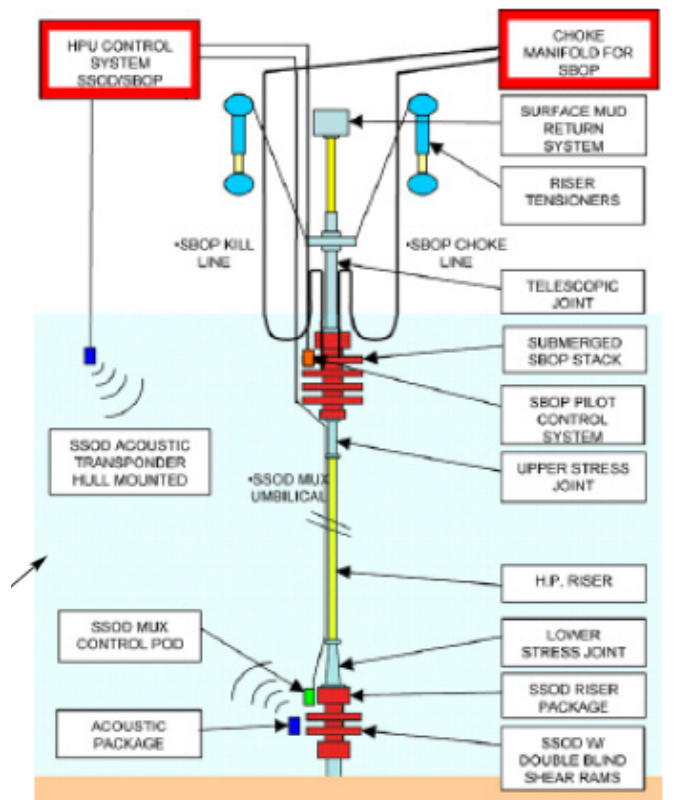
Helix RDS is a world class provider of reservoir and well technology services to the upstream oil and gas industry. The combination of our business scale, service scope, track record and independence make Helix RDS a unique service partner. This capability and experience continues to transform subsurface uncertainty into significant value for our clients around the globe.

- [CoreTeams™](#) - outsourced integrated reservoir management and well technology capabilities
- [OnDemand™](#) - consultancy services
- [Pulse™](#) - online analysis of upstream data
- [FaultFinder™](#) - high definition analysis of faulting
- [FlowDoctor™](#) - flow assurance service
- [LogDoctor™](#) - formation evaluation services
- [ProductionMentor™](#) - production optimization
- [PromotePartner™](#) service offered to oil and gas companies to help maximise the value of an asset through a promote, farm out or divestment process.
- [SandMentor™](#) - sand production analyzer
- [WellDoctor™](#) is our well integrity assurance service



Services – Drilling and Completion

- Combination of proven surface BOP and slimhole D&C technology
- Modular packages
 - Preserve multi-service capability
- Limit subsea equipment
 - Subsea shutoff device only
- Niche deepwater application
 - 2000 – 6000 ft +
 - Normally pressured





Services – Production Facilities

Existing



Marco Polo TLP (50%)

- Located in 4,300 ft. in Green Canyon 608
- Processing capacity:
 - 120,000 BOPD
 - 300 MMCFD
- Host facility for
 - Marco Polo
 - K2 Unit
 - Genghis Khan (2007)



Independence Hub (20%)

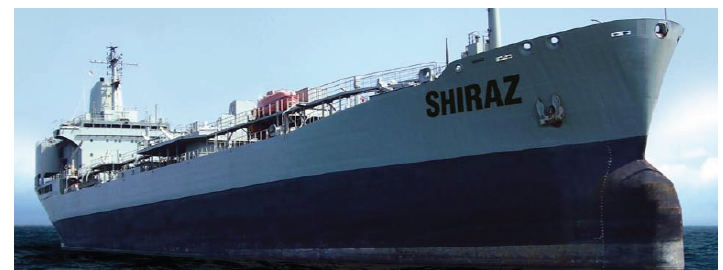
- Located in 8,000 ft. in Mississippi Canyon Block 920
- Processing capacity of 1 BCF
- Host for 10 gas fields in Eastern Gulf of Mexico
- Commenced production in July 2007

New



Helix Producer (78%)

- To be located on Phoenix field in 2,000 ft. in Green Canyon Block 236
- Processing capacity:
 - 45,000 BOPD
 - 70 MMCFD



FPSO Shiraz (50%)

- FEED study completed; awaiting customer
- Processing capacity 20,000 BOPD
- Storage capacity 200,000 barrels



Services - Construction

Deepwater Construction



- Technically diverse DP Fleet consisting of reeled pipelay vessels Express and Intrepid and S-Lay vessel Caesar (2008)
- Specialized Assets Target Niche Markets
- Global Operations

Robotics



- Work Class ROV Systems
- Trenching/Burial Expertise
- DP Vessels
- Global Operations



Shelf Construction



- Under Cal Dive International; Helix owns 73% interest in Cal Dive
- Sat and Surface Diving
- Construction and abandonment
- Inspection, repair and maintenance



Services – Well Operations

US Market

- ◆ Life of field services
- ◆ Recognized industry leader
- ◆ Alternative to drill rig
- ◆ 25% - 50% cost advantage
- ◆ Riser based technology
- ◆ Market growing rapidly with tree deployments



Q4000

UK Market

- ◆ Established position in largest world market
- ◆ Property sales to Independents
- ◆ SIL based technology
- ◆ Signed 4 year \$250 million well intervention contract with Shell for North Sea
- ◆ Announced construction of new well intervention vessel



Seawell

SEA Market

- ◆ Emerging well intervention market
- ◆ Acquired SEATRAC and renamed Well Ops SEA
- ◆ Own VDS and SIL based technology
- ◆ Subcontractor for 3-year Woodside well intervention program



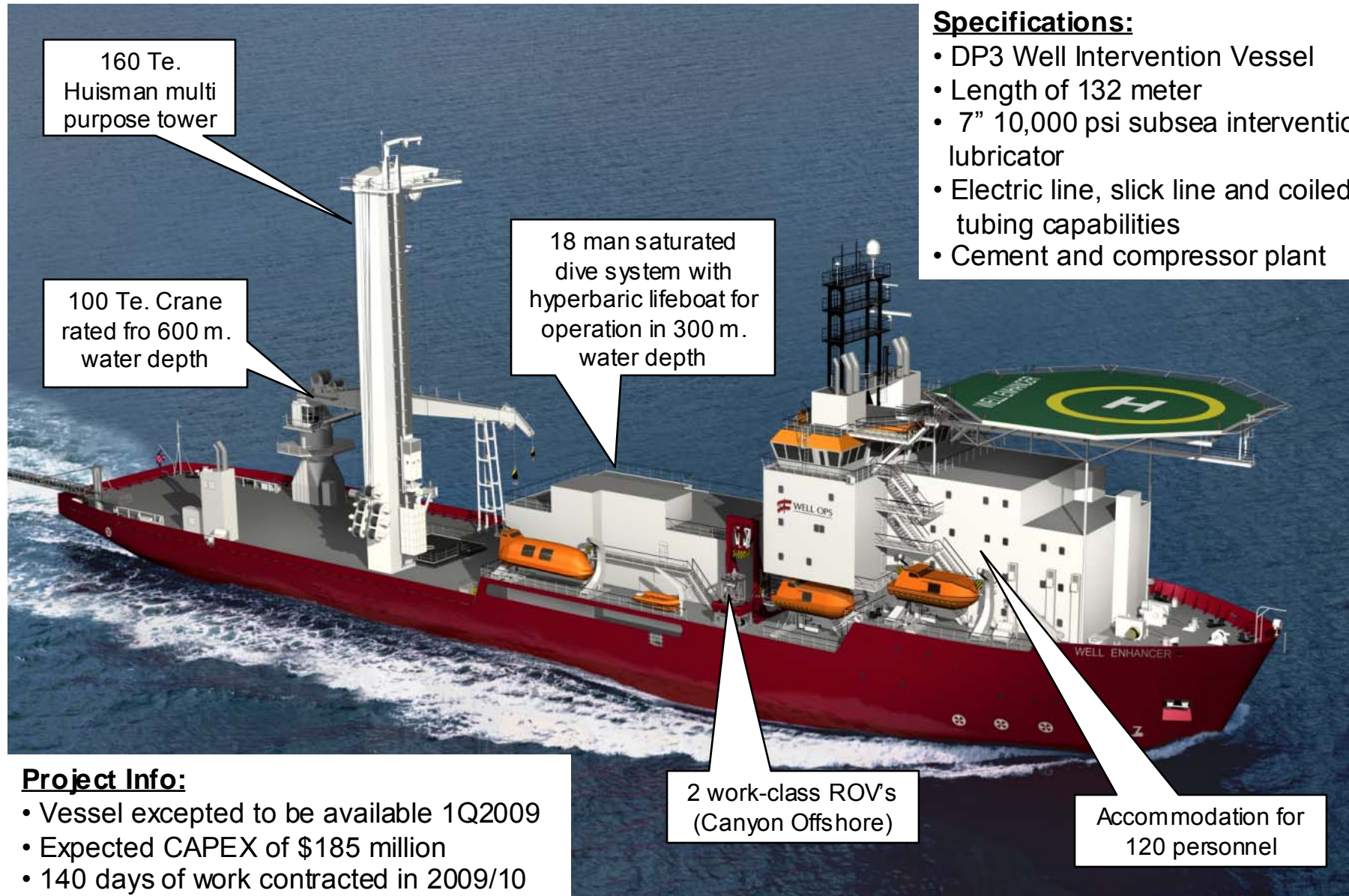
SEATRAC



MSV Well Enhancer

Specifications:

- DP3 Well Intervention Vessel
- Length of 132 meter
- 7" 10,000 psi subsea intervention lubricator
- Electric line, slick line and coiled tubing capabilities
- Cement and compressor plant



Project Info:

- Vessel excepted to be available 1Q2009
- Expected CAPEX of \$185 million
- 140 days of work contracted in 2009/10



DP FPU Helix Producer I (“HPI”)

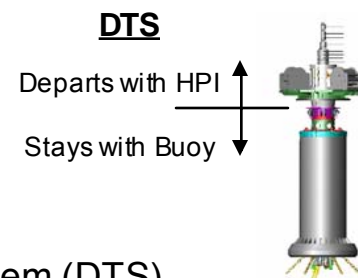


Project Info:

- Vessel at Victor Lenac shipyard in Croatia and expected to arrive in the US in 1Q 2008
- Fabrication of ten topsides modules ongoing at Kiewit Offshore Services in Ingleside, Texas
- Installation of modules onto HPI and hook-up to take at Kiewit yard in 2Q2008 with offshore deployment on Phoenix field in 3Q2008
- CAPEX \$190 million (8/8th and inclusive of vessel acquisition cost)

Specifications:

- DP2 Vessel
- Length of 162 meter
- Processing capacity:
 - 45,000 BOPD
 - 70 MMCFD
- Disconnectable transfer system (DTS)
- Connected to export pipelines with flexible risers
- High pressure gas compression and oil pumping



Characteristics

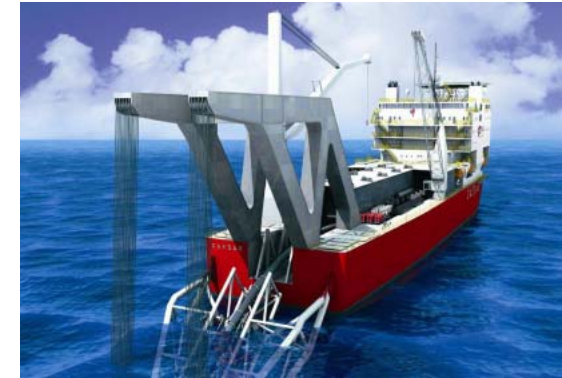
- Low cost floating production unit (FPU)
- Disconnectable (less hurricane risk)
- Re-deployable as FPU worldwide (also as early production test vessel)



MSV Caesar S-Lay Vessel



Conversion



Specifications:

- Length: 146 meter
- Transit Speed 13 knots
- Tension: 405 mT
- A&R Winch
- Pipe Range: 4" to 36"
- Stinger Length: 90 meter
- Main Crane: 300 mT
- Pipe Transfer Crane: 36 mT
- A-Frame: 450 mT



Tensioners



Shipyard Sponson Fabrication

Project Info:

- Vessel at COSCO yard in Nantong China
- First project in 2Q2008
- Project Conversion Cost: \$165 million (inclusive of vessel acquisition cost)

Contracted Work:

- ERT Danny Noonan; dual 8-inch 34 mile flowlines in 3,000 ft. in GOM (2008)
- Murphy Thunder Hawk (GOM); flowlines & export pipelines with SCR's in 6,000 ft. (2008)
- BP Skarv Udan; 80 km 26-inch gas export pipeline in 1400 ft. offshore Norway (2009)



Q4000 Vessel and Drilling Upgrade

Vessel Upgrade

- Installation of 2 x 900 HP bow thrusters (making total of 8 thrusters)
- Installation of two 54" OD cross braces
- Upgrade from MOU to MODU
- Installation of variable frequency drives on existing thrusters to reduce load and fuel consumption and wear
- Re-building of all existing thrusters
- Overhaul of all engines
- Regulatory dry-dock frequency to be extended from 30 months to 60 months



Project Info:

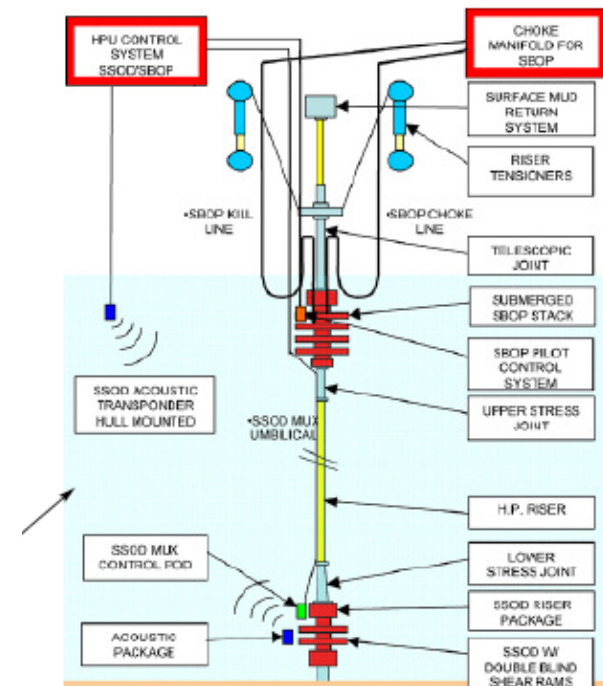
- Upgrades to coincide with regulatory dry-dock in 3-4Q2007
- Total cost of drilling and vessel upgrades, overhauls and regulatory dry-dock is ~\$80 million

2008 Contracted Work

- ~180 days for ERT (Helix) in (top hole) drilling / completion mode (contracted)
- 60 days for Shell in well intervention mode (contracted)
- 120 days for third parties in (top hole) drilling / completion and / or well intervention mode (bidding)

Drilling Upgrade

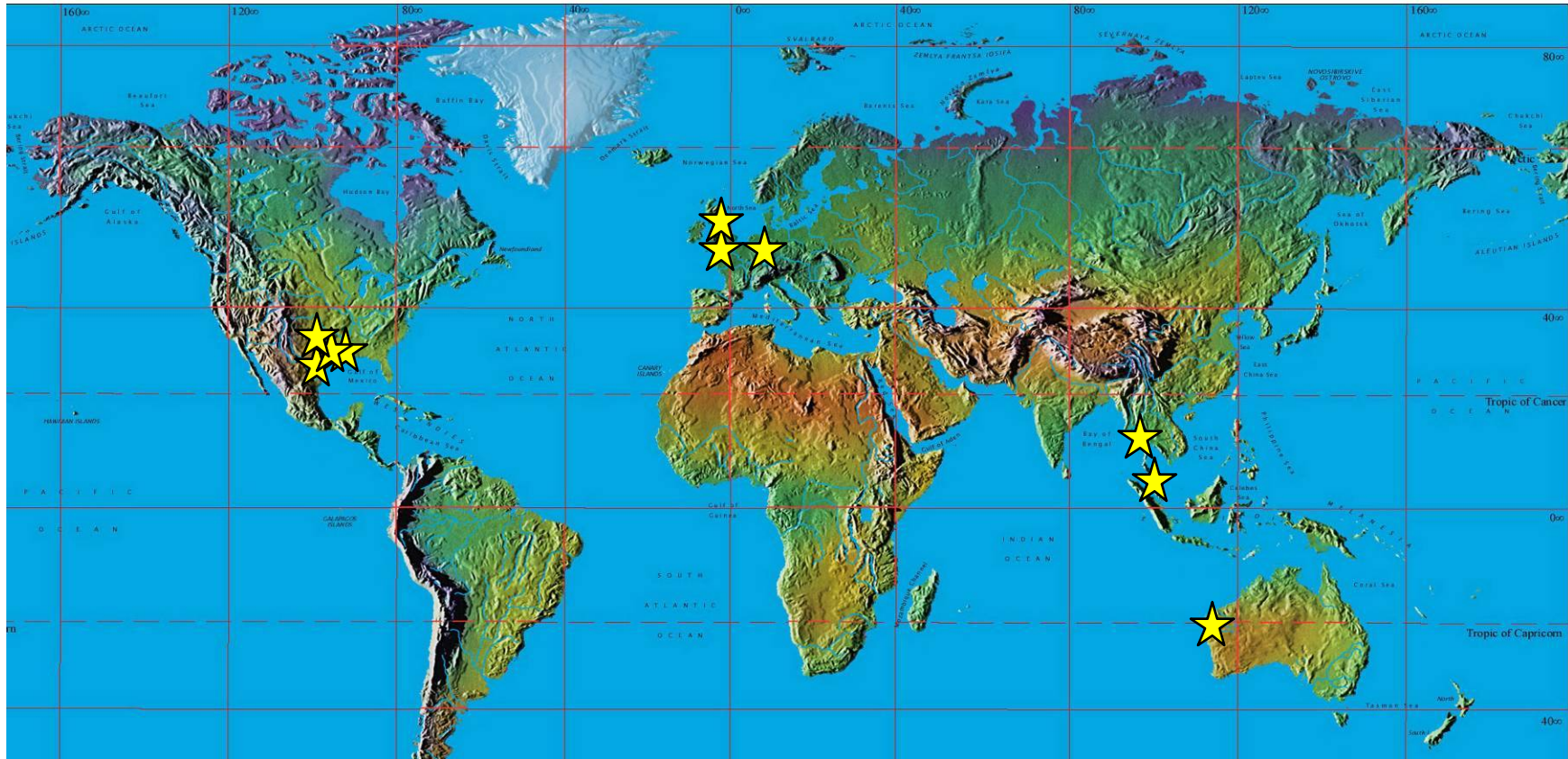
- Installation of surface mud return system and cement modules (4 deck modules and 3 below deck modules)
- Installation of 8 x 200 kips riser tensioners
- 13-5/8" Surface BOP stack with subsea shut-off device



Riser and Subsea System



We Are 'Exporting' Our Business Model



- Houston
- Rotterdam
- Perth



- Houston
- Dallas
- Aberdeen



- London
- Aberdeen
- Kuala Lumpur
- Perth



- Houston
- Aberdeen
- Perth



- Houston
- Aberdeen
- Singapore



- Houston
- New Iberia
- Singapore
- Perth