UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 19, 2010**

HELIX
ENERGY SOLUTIONS GROUP

Helix Energy Solutions Group, Inc.
(Exact name of registrant as specified in its charter)

Minnesota (State or other jurisdiction of incorporation)	**001-32936** (Commission File Number)	**95-3409686** (IRS Employer Identification No.)

400 North Sam Houston Parkway East, Suite 400 **Houston, Texas** (Address of principal executive offices)	**77060** (Zip Code)

281-618-0400
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

|_| Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

|_| Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

|_| Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

|_| Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

Amendment No. 3 to Credit Agreement

Helix Energy Solutions Group, Inc., a Minnesota corporation ("Helix"), as borrower, Bank of America, N.A., as administrative agent, swing line lender and L/C issuer and the lenders party to the Credit Agreement (as defined below) have entered into Amendment No. 3 to Credit Agreement dated as of February 19, 2010 (the "Third Amendment") which amends the existing Credit Agreement dated as of July 3, 2006, as amended by Amendment No. 1 to Credit Agreement dated November 29, 2007 and Amendment No. 2 to the Credit Agreement dated October 9, 2009 (the "Credit Agreement"), by and among Helix, Bank of America, N.A., as administrative agent, swing line lender and L/C issuer and the lenders party thereto. The Third Amendment was executed and delivered on February 19, 2010.

The Third Amendment, among other things:

- increases the consolidated leverage ratio that Helix is required to comply with from the current permitted leverage ratio of 3.50 to 1.00. Beginning with the quarter ending March 31, 2010, the ratio will be changed as follows:
    - March 31, 2010 – 5.00 to 1.00
    - June 30, 2010 – 5.50 to 1.00
    - September 30, 2010 – 5.00 to 1.00
    - December 31, 2010 – 4.50 to 1.00
    - March 31, 2011 and thereafter – 4.00 to 1.00
- adds a new covenant for "Consolidated Senior Secured Leverage Ratio." Helix is required to comply with this new covenant beginning with the quarter ending March 31, 2010. The ratio will be as follows:
    - March 31 and June 30, 2010 – 2.50 to 1.00
    - September 30, 2010 – 2.25 to 1.00
    - December 31, 2010 and thereafter – 2.00 to 1.00
- increases the margin on Revolving Loans by 0.50% should the consolidated leverage ratio exceed 4.50 to 1.00 and increases the margin on the Term Loan by 0.25% if consolidated leverage is less than 4.50 to 1.00 and 0.50% if consolidated leverage is equal to or greater than 4.50 to 1.00.

The foregoing summary of the provisions of the Third Amendment is a general description, does not purport to be complete and is qualified in its entirety by reference to the full and complete terms of such agreement which are attached hereto as Exhibit 10.1 and are incorporated by reference herein.

Item 2.02 Results of Operations and Financial Condition.

On February 24, 2010, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its fourth quarter and year-end results of operation for the period ended December 31, 2009. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

This information is not deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liabilities of that section, and such information is not incorporated by reference into any registration statements or other document filed under the Securities Act of 1933, as amended ("Securities Act"), or the Exchange Act, regardless of the general incorporation language contained in such filing, except as shall be expressly set forth by specific reference to this filing.

Item 7.01 Regulation FD Disclosure.

On February 24, 2010, Helix issued a press release announcing its fourth quarter and year-end results of operation for the period ended December 31, 2009. In addition, on February 25, 2010, Helix is making a presentation (with slides) to analysts and investors regarding its financial and operating results. Attached hereto as Exhibits 99.1 and 99.2, respectively, and incorporated by reference herein are the press release and the slides for the Fourth Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials will also be posted beginning on February 24, 2010 in the *Presentations* section under *Investor Relations* of Helix's website, www.helixesg.com.

This information is not deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liabilities of that section, and such information is not incorporated by reference into any registration statements or other document filed under the Securities Act of 1933, as amended ("Securities Act"), or the Exchange Act, regardless of the general incorporation language contained in such filing, except as shall be expressly set forth by specific reference to this filing.

Item 9.01 Financial Statements and Exhibits.

(c) *Exhibits.*

Number	Description
10.1	Amendment No. 3 to Credit Agreement, dated as of February 19, 2010, by and among Helix, as borrower, Bank of America, N.A., as administrative agent, and the lenders named thereto.
99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 24, 2010 reporting financial results for the fourth quarter of 2009 and for the year ending December 31, 2009.
99.2	Fourth Quarter Earnings Conference Call Presentation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 24, 2010

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Anthony Tripodo

Anthony Tripodo

Executive Vice President and

Chief Financial Officer

Index to Exhibits

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EXHIBIT 10.1

[Execution Version]

AMENDMENT NO. 3 TO CREDIT AGREEMENT

This Amendment No. 3 to Credit Agreement, dated as of February 19, 2010, (this "Amendment"), is entered into by **HELIX ENERGY SOLUTIONS GROUP, INC.**, a Minnesota corporation (the "Borrower"), the lenders party to the Credit Agreement described below, and **BANK OF AMERICA, N.A.**, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and L/C Issuer.

INTRODUCTION

Reference is made to the Credit Agreement dated as of July 3, 2006 (as modified from time to time, the "Credit Agreement"), among the Borrower, the lenders from time to time party thereto (collectively, the "Lenders" and individually, a "Lender"), and the Administrative Agent.

The Borrower has requested, and the Lenders and the Administrative Agent have agreed, on the terms and conditions set forth herein, to make certain amendments to the Credit Agreement.

THEREFORE, in connection with the foregoing and for other good and valuable consideration, the Borrower, the Lenders, and the Administrative Agent hereby agree as follows:

Section 1. Definitions; References. Unless otherwise defined in this Amendment, each term used in this Amendment that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement.

Section 2. Amendment of Credit Agreement.

(a) Section 1.01 of the Credit Agreement is hereby amended by inserting the following definitions in appropriate alphabetical order:

"Consolidated Funded Senior Secured Indebtedness" means all Consolidated Funded Indebtedness that is secured by a Lien on any property, other than Indebtedness owing to the United States Department of Transportation in connection with the Title XI financing of the *Q4000*.

"Consolidated Senior Secured Leverage Ratio" means, as of the last day of any period of four consecutive fiscal quarters, the ratio of (a) Consolidated Funded Senior Secured Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters most recently ended. For purposes of calculating the Consolidated Senior Secured Leverage Ratio as of any date, Consolidated EBITDA shall be calculated on a pro forma basis (as certified by the Borrower to the Administrative Agent and as reasonably approved by the Administrative Agent) assuming that (without duplication) all Acquisitions and other asset acquisitions, mergers and consolidations made and (without duplication) all Dispositions and other asset dispositions completed, and any Indebtedness incurred or repaid in connection therewith, during the four consecutive fiscal quarters then most recently ended have been made or incurred or repaid on the first day of such period (but without any adjustment for projected cost savings or other synergies.

(b) Section 1.01 of the Credit Agreement is hereby amended by replacing the definition of "Applicable Margin" in its entirety with the following:

"Applicable Margin" means, from time to time, the following percentages per annum, based, in the case of Revolving Credit Loans and Letter of Credit Fees, upon the Consolidated Leverage Ratio and status of the applicable Revolving Credit Lender as an Extending Revolving Credit Lender or Non-Extending Revolving Credit Lender, and, in the case of Term Loans, upon the Consolidated Leverage Ratio, as set forth below:

Applicable Margin – Non-Extending Revolving Credit Lenders

Pricing Level	Consolidated Leverage Ratio	Commitment Fee	Eurodollar Rate (Revolving Credit Loans) +	Letters of Credit	Base Rate (Revolving Credit Loans) +
1	Less than 0.75x	0.20%	1.00%	1.00%	0.00%
2	Greater than or equal to 0.75x but less than 1.25x	0.25%	1.25%	1.25%	0.25%
3	Greater than or equal to 1.25x but less than 1.75x	0.30%	1.50%	1.50%	0.50%
4	Greater than or equal to 1.75x but less than 2.25x	0.375%	1.75%	1.75%	0.75%
5	Greater than or equal to 2.25x but less than 2.75x	0.375%	2.00%	2.00%	1.00%
6	Greater than or equal to 2.75x but less than 4.5x	0.50%	2.25%	2.25%	1.25%
7	Greater than or equal to 4.5x	0.50%	2.75%	2.75%	1.75%

Applicable Margin – Extending Revolving Credit Lenders

Pricing Level	Consolidated Leverage Ratio	Commitment Fee	Eurodollar Rate (Revolving Credit Loans) +	Letters of Credit	Base Rate (Revolving Credit Loans) +
1	Less than 1.50x	0.50%	3.00%	3.00%	2.00%
2	Greater than or equal to 1.50x but less than 2.00x	0.50%	3.25%	3.25%	2.25%
3	Greater than or equal to 2.00x but less than 2.50x	0.50%	3.50%	3.50%	2.50%
4	Greater than or equal to	0.50%	3.75%	3.75%	2.75%

	2.50x but less than 3.00x				
5	Greater than or equal to 3.00x but less than 4.5x	0.50%	4.00%	4.00%	3.00%
6	Greater than or equal to 4.5x	0.50%	4.50%	4.50%	3.50%

For the avoidance of doubt, to the extent a Revolving Credit Lender has both an Extended Revolving Credit Commitment and a Non-Extended Revolving Credit Commitment, the foregoing Applicable Margins shall apply ratably to the Obligations owing to such Lender in proportion to the percentage of the Extended Revolving Credit Commitment and Non-Extended Revolving Credit Commitment, respectively, comprising such Lender's Revolving Credit Commitment.

Applicable Margin

Pricing Level	Consolidated Leverage Ratio	Eurodollar Rate – Term Loans	Base Rate – Term Loans
1	Less than 4.5x	2.25%	1.25%
2	Greater than or equal to 4.5x	2.50%	1.50%

Initially, the Applicable Margin for Revolving Credit Loans, Letter of Credit Fees and Term Loans shall be determined based upon the Consolidated Leverage Ratio specified in the Compliance Certificate delivered by the Borrower for the fiscal quarter ending September 30, 2009. Thereafter, any increase or decrease in the Applicable Margin for Revolving Credit Loans, Letter of Credit Fees and Term Loans resulting from a change in the Consolidated Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate indicating such change is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then Pricing Level 7, in the case of Non-Extending Revolving Credit Lenders, Pricing Level 6 in the case of Extending Revolving Credit Lenders, and Pricing Level 2, in the case of Term Lenders, shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered until such Compliance Certificate is delivered to the Administrative Agent.

(c) The Credit Agreement is hereby amended by replacing Section 7.11(b) in its entirety with the following:

(b) Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio as of the end of any fiscal quarter of the Borrower to be greater than the following amounts for each of the following corresponding periods:

Period	Ratio
For the fiscal quarter ending December 31, 2009	3.50 to 1.00
For the fiscal quarter ending March 31, 2010	5.00 to 1.00
For the fiscal quarter ending June 30, 2010	5.50 to 1.00
For the fiscal quarter ending September 30, 2010	5.00 to 1.00
For the fiscal quarter ending December 31, 2010	4.50 to 1.00
For the fiscal quarter ending March 31, 2011 and thereafter	4.00 to 1.00

(d) The Credit Agreement is hereby amended by inserting the following Section 7.11(d) in appropriate alphabetical order:

(d) Consolidated Senior Secured Leverage Ratio. Permit the Consolidated Senior Secured Leverage Ratio as of the end of any fiscal quarter of the Borrower to be greater than the following amounts for each of the following corresponding periods:

Period	Ratio
For the fiscal quarters ending March 31, 2010 and June 30, 2010	2.50 to 1.00
For the fiscal quarter ending September 30, 2010	2.25 to 1.00
For the fiscal quarter ending December 31, 2010 and thereafter	2.00 to 1.00

(e) The Credit Agreement is hereby amended by replacing Exhibit D in its entirety with Exhibit D attached hereto.

Section 3. Representations and Warranties. The Borrower represents and warrants that (a) the execution, delivery, and performance of this Amendment by each Loan Party are within the corporate or equivalent power and authority of such Loan Party and have been duly authorized by all necessary corporate or other organizational action, (b) this Amendment, and the Credit Agreement as amended hereby, constitute legal, valid, and binding obligations of each Loan Party, enforceable against each Loan Party in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws of general applicability affecting the enforcement of creditors' rights and the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law); (c) the representations and warranties of the Borrower and each other Loan Party contained in each Loan Document are true and correct in all material respects as of the date of this Amendment, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; (d) no Default or Event of Default exists under the Loan Documents; and (e) the Liens under the Security Documents are valid and subsisting.

Section 4. Effect on Credit Documents. Except as amended herein, the Credit Agreement and all other Loan Documents remain in full force and effect as originally executed. Nothing herein shall act as a waiver of any of the Administrative Agent's or any Lender's rights under the Loan Documents as amended, including the waiver of any default or event of default, however denominated. The Borrower acknowledges and agrees that this Amendment shall in no manner impair or affect the validity or enforceability of the Credit Agreement. This Amendment is a Loan Document for the purposes of the provisions of the other Loan Documents. Without limiting the foregoing, any breach of representations, warranties, and covenants under this Amendment may be a default or event of default under the other Loan Documents.

Section 5. Effectiveness. This Amendment shall become effective, and the Credit Agreement shall be amended as provided for herein, upon the satisfaction on or prior to February 26, 2010, of the following conditions:

(a) the Administrative Agent (or its counsel) shall have received (i) counterparts hereof duly executed and delivered by a duly authorized officer of the Borrower, each Guarantor, and by the Lenders whose consent is required to effect the amendments contemplated hereby;

(b) the Administrative Agent (or its counsel) shall have received each of the items listed on the Closing Documents List attached hereto as Exhibit A, each in form and substance reasonably acceptable to the Administrative Agent and, where applicable, duly executed and delivered by a duly authorized officer of each applicable Loan Party; and

(c) the Administrative Agent shall have received, or shall concurrently receive (i) for the account of each applicable Lender, an amendment fee as mutually agreed between the Borrower and such Lenders, and (ii) for the account of the applicable Person, payment of all other fees payable in connection with this Amendment.

Section 6. Reaffirmation of Guaranty. By its signature hereto, each Guarantor represents and warrants that such Guarantor has no defense to the enforcement of the Guaranty, and that according to its terms the Guaranty will continue in full force and effect to guaranty the Borrower's obligations under the Credit Agreement and the other amounts described in the Guaranty following the execution of this Amendment.

Section 7. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

Section 8. Miscellaneous. The miscellaneous provisions set forth in Article X of the Credit Agreement apply to this Amendment. This Amendment may be signed in any number of counterparts, each of which shall be an original, and may be executed and delivered electronically and by telecopier.

Section 9. ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[signature page follows]

EXECUTED as of the first date above written.

HELIX ENERGY SOLUTIONS GROUP, INC.

By:
Name:
Title:

CANYON OFFSHORE, INC., a Texas corporation
CANYON OFFSHORE INTERNATIONAL CORP., a Texas corporation
ENERGY RESOURCE TECHNOLOGY GOM, INC., a Delaware corporation
HELIX INGLESIDE LLC, a Delaware limited liability company
HELIX OFFSHORE INTERNATIONAL, INC., a Texas corporation
HELIX SUBSEA CONSTRUCTION, INC., a Delaware corporation
HELIX VESSEL HOLDINGS LLC, a Delaware limited liability company
NEPTUNE VESSEL HOLDINGS LLC, a Delaware limited liability company
VULCAN MARINE HOLDINGS LLC, a Delaware limited liability company
VULCAN MARINE TECHNOLOGY LLC, a Delaware limited liability company
HELIX WELL OPS INC., a Texas corporation

By:
Name:
Title:

BANK OF AMERICA, N.A., as Administrative Agent

By:
Name:
Title:

BANK OF AMERICA, N.A., as a Lender, L/C Issuer and Swing Line Lender

By:
Name:
Title:

[other signature pages provided separately]

EXHIBIT 99.1

PRESSRELEASE

www.HelixESG.com

Helix Energy Solutions Group, Inc. · 400 N. Sam Houston Parkway E., Suite 400 · Houston, TX 77060-3500 · 281-618-0400 · fax: 281-618-0505

For Immediate Release **10-003**

Contact: **Tony Tripodo**
Date: **February 24, 2010** **Title:** **Chief Financial Officer**

Helix Reports Fourth Quarter 2009 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported a net loss of $55.7 million, or $(0.53) per diluted share, for the fourth quarter of 2009 compared with a net loss of $861.2 million, or $(9.48) per diluted share, for the same period in 2008, and net income of $3.9 million, or $0.04 per diluted share, in the third quarter of 2009. Net income for the year ended December 31, 2009 was $101.9 million, or $0.96 per diluted share, compared with a net loss of $639.1 million, or $(7.05) per diluted share, for the year ended December 31, 2008.

Fourth quarter 2009 results included the following items on a pre-tax basis:

- Impairment charges of $55.9 million primarily associated with a reduction in carrying values of twelve oil and gas properties due to a revision in reserve estimates.

- Non-cash exploration and other charges of $22.6 million primarily related to costs associated with offshore lease expirations.

The net impact of these items in the fourth quarter, after income taxes, was $0.49 per diluted share.

Owen Kratz, President and Chief Executive Officer of Helix, stated, “Our fourth quarter results reflected continued weakness in the contracting services market. We had anticipated this slowdown and as a result, diverted much of our pipelay and construction support assets to internal use to complete the necessary infrastructure for two of our deepwater oil and gas developments, Danny and Phoenix. The combination of a weak market and capacity devoted to internal use weighed heavily on our fourth quarter results. In addition, repairs to a third party pipeline servicing our Noonan natural gas field were not completed until early January, thus impacting our fourth quarter oil and gas production. Looking forward, the outlook is better. Customer activity is picking up and we expect utilization in the contracting services business to improve as 2010 unfolds. Furthermore, we are poised to increase our oil and gas production in 2010. I am pleased to announce that production from our Danny oil field commenced in early February and with the completion of third party pipeline repairs, we have increased production from the Noonan gas field. We are putting the finishing touches on the *Helix Producer I* and we expect to commence production from the Phoenix oilfield by mid-year.”

Fourth quarter 2009 results excluded approximately $15 million of realized gains associated with the cash settlement of natural gas contracts that were previously recognized as unrealized gains in the first three quarters of 2009.

Third quarter 2009 results included the following items on a pre-tax basis:

- A $17.9 million gain from the sale of 23.2 million shares of Cal Dive common stock.

- A $10.4 million charge associated with a weather derivative contract entered into in July 2009 to mitigate against possible losses during the 2009 hurricane season.

The net impact of these two items in the third quarter, after income taxes, was $0.07 per diluted share.

Fourth quarter 2008 results included the following items on a pre-tax basis:

- Non-cash impairment charges of $907.6 million, including $715.0 million to reduce the carrying value of goodwill and $192.6 million to reduce the carrying value of certain oil and gas properties.
- Other non-cash exploration charges of $26.6 million related primarily to the write off of two suspended exploratory wells.
- A $6.7 million pre-tax loss associated with the sale of the Bass Lite field located in Atwater Valley Block 426 in December 2008.

The net impact of these two items in the fourth quarter of 2008, after income taxes, was $9.49 per diluted share.

* * * * *

Summary of Results (1) (2)

(in thousands, except per share amounts and percentages, unaudited)

	Quarter Ended			Years Ended	
	December 31,		September 30,	December 31,	
	2009	2008	2009	2009	2008
Revenues	$180,048	$534,439	$216,025	$1,461,687	$2,114,074
Gross Profit:					
Operating (3)	$21,039	$85,142	$5,058	$388,095	$620,792
	12%	*16%*	*2%*	*27%*	*29%*
Oil and Gas Impairments (4), (5)	(55,940)	(192,620)	(1,537)	(120,550)	(215,675)
Exploration Expense	(21,520)	(27,072)	(904)	(24,383)	(32,926)
Total	$(56,421)	$(134,550)	$2,617	$243,162	$372,191
Net Income (Loss) Applicable to Common Shareholders	$(55,697)	$(861,154)	$3,895	$101,867	$(639,122)
Diluted Earnings (Loss) Per Share	$(0.53)	$(9.48)	$0.04	$0.96	$(7.05)
Adjusted EBITDAX (6)	$58,572	$55,339	$38,306	$490,092	$575,272

Segment Information, Operational and Financial Highlights (1)
(in thousands, unaudited)

	Three Months Ended		
	December 31,		September 30,
	2009	2008	2009
Revenues:			
Contracting Services	$150,736	$293,135	$175,091
Shelf Contracting (2)	-	261,656	-
Production Facilities	5,888	-	5,888
Oil and Gas (3)	71,450	46,022	63,715
Intercompany Eliminations	(48,026)	(66,374)	(28,669)
Total	$180,048	$534,439	$216,025
Income (Loss) from Operations:			
Contracting Services	$7,698	$29,034	$10,132
Shelf Contracting (2)	-	69,946	-

Production Facilities	(1,378)	(285)	(1,388)
Oil and Gas [(3)]	(3,715)	(55,878)	(23,599)
Goodwill Impairment	-	(704,311)	-
Gain on Oil and Gas Derivative Commodity Contracts	6,157	18,894	4,598
Oil and Gas Impairments [(4)]	(55,940)	(192,620)	(1,537)
Exploration Expense	(21,520)	(27,072)	(904)
Intercompany Eliminations	(9,562)	(4,316)	(1,971)
Total	$(78,260)	$(866,608)	$(14,669)
Equity in Earnings of Equity Investments	$5,177	$6,132	$13,385

Contracting Services

- Subsea Construction revenues decreased from the third quarter of 2009 attributable primarily to lower utilization of our owned and chartered construction vessels (71% in the fourth quarter of 2009 compared with 77% for the third quarter of 2009). Further, certain fourth quarter contracts were completed at lower contract rates compared to similar type contracts in the third quarter as we experienced a weaker services market. Furthermore, a greater portion of our asset base was utilized for internal oil and gas development, and thus contributed to a relatively high level of intercompany revenue elimination.

- Well Operations revenues increased in the fourth quarter of 2009 compared with the third quarter of 2009 due primarily to the realization of higher contract day rates for the *Q4000*. Further, our newest well operations vessel, *Well Enhancer*, was placed in service in the fourth quarter in the North Sea and generated $12.8 million of revenues. The increased revenues were partially offset by lower utilization rates for our well operations vessels (67% in fourth quarter of 2009 for three vessels compared to 92% in the third quarter of 2009 for two vessels).

- Robotics revenues decreased in the fourth quarter of 2009 compared to the third quarter of 2009 following the completion of a trenching campaign in the third quarter and reflecting the general market weakness. There were no trenching revenues in the fourth quarter of 2009. Robotics asset utilization decreased to 58% in the fourth quarter of 2009 from 74% in the third quarter of 2009.

Oil and Gas

- Oil and Gas revenues increased $7.7 million to $71.5 million in the fourth quarter of 2009 due primarily to higher commodity prices realized for our oil production. Production in the fourth quarter of 2009 totaled 9.7 Bcfe compared to 9.8 Bcfe in the third quarter of 2009. The average prices realized for natural gas, including the effect of settled natural gas hedge contracts, totaled $7.97 per thousand cubic feet of gas (Mcf) in the fourth quarter of 2009 compared to $8.02 per Mcf in the third quarter of 2009. For oil, including the effects of settled hedge contracts, we realized $71.48 per barrel in the fourth quarter of 2009 compared to $68.86 per barrel in the third quarter of 2009.

- The Company's oil and gas production rate at February 23, 2010 approximated 145 million cubic feet of natural gas equivalent per day (MMcfe/d) as compared to 94 MMcfe/d at December 31, 2009. Third party repairs to the pipeline servicing the Noonan gas reservoir in our Bushwood field were completed in early January 2010. Separately, we commenced production from the Danny oil reservoir also in the Bushwood field on February 2, 2010.

- We have entered into oil and gas hedge contracts for approximately 25 Bcf of natural gas and 2.5 million barrels of oil to cover a significant portion of our forecasted production for 2010.

Other Expenses

- Selling, general and administrative expenses were 15.7% of revenue in the fourth quarter of 2009, 10.1% in the third quarter of 2009, and 7.5% in the fourth quarter of 2008. Selling, general and administrative expenses increased compared to the third quarter of 2009 due to increased bad debt expenses and higher legal expenses.

- Net interest expense and other increased to $11.5 million in the fourth quarter of 2009 from $10.3 million in the third quarter of 2009. Net interest expense increased to $11.9 million in the fourth quarter of 2009 compared with $7.3 million in the third quarter of 2009. The increase in net interest expense was attributable to a reduction in capitalized interest of $3.5 million in the fourth quarter compared with the third quarter due primarily to the completion of the *Well Enhancer* in October 2009.

Financial Condition and Liquidity

- Consolidated net debt at December 31, 2009 increased to $1.1 billion from $950 million as of September 30, 2009. We had no borrowings under our revolver and our availability was $386 million at December 31, 2009. Together with cash on hand of $271 million and our revolver availability, our total liquidity was approximately $657 million at December 31, 2009. Net debt to book capitalization as of December 31, 2009 was 43%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation attached hereto.)

- As of December 31, 2009, we were in compliance with our debt covenants under our various loan agreements. On February 19, 2010, we amended our senior credit facility by revising the consolidated leverage ratio covenant test and adding an additional senior secured debt leverage ratio test. The amendment is effective for periods beginning on or after March 31, 2010.

- We incurred capital expenditures (including capitalized interest) totaling $119 million in the fourth quarter of 2009, compared to $87 million in the third quarter of 2009 and $134 million in the fourth quarter of 2008. For the year ended December 31, 2009, capital expenditures totaled $328 million. These amounts exclude all Cal Dive capital expenditures in the periods noted.

Footnotes to “Summary of Results”:

[1]Results of Helix RDS Limited, our former reservoir consulting business, included as discontinued operations for all periods presented in our comparative condensed consolidated statements of operations.

[2]Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%. Our remaining interest was accounted for under the equity method of accounting through September 23, 2009. Subsequent to September 23, 2009 our investment in Cal Dive was accounted for as an available for sale security.

[3]Fourth quarter of 2009 included $2.5 million of expense related to a weather derivative contract and $0.6 million of hurricane-related costs. Third quarter of 2009 included $10.4 million of expense related to a weather derivative contract and $5.1 million of hurricane-related costs.

[4]Fourth quarter 2009 oil and gas impairments were attributable to the revision in estimated reserves associated with twelve fields resulting from mechanical and/or production related issues. Impairments in the fourth quarter of 2008 were due primarily to the deterioration of certain fields' economics following significant drops in both oil and natural gas prices during the period.

[5]Full year 2009 impairments were comprised of the impairments described in item [4] above, $51.5 million of additional asset retirement and impairment costs resulting from Hurricane *Ike* recorded in the second quarter of 2009 and $11.5 million of additional oil and gas property revisions following estimated reserve reductions at June 30, 2009. Full year 2008 oil and gas impairments included $6.7 million related to our deepwater Tiger field damaged by Hurricane *Ike* in the third quarter of 2008 and $14.6 million associated with the unsuccessful Devil's Island development well in the first quarter of 2008.

[6]Non-GAAP measure. See reconciliation attached hereto.

Footnotes to “Segment Information, Operational and Financial Highlights”:

[1] Results of Helix RDS Limited, our former reservoir consulting business, were included as discontinued operations for all periods presented in our comparative condensed consolidated statements of operations.

[2] Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%. Our remaining interest was accounted for under the equity method of accounting through September 23, 2009. Subsequent to September 23, 2009 our investment in Cal Dive was accounted for as an available for sale security.

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[4] Fourth quarter 2009 oil and gas impairments were attributable to the revision in estimated reserves associated with twelve fields resulting from mechanical and/or production related issues. Impairments in the fourth quarter of 2008 were due primarily to the deterioration of certain fields' economics following significant drops in both the oil and natural gas prices during the period.

* * * * *

Further details are provided in the presentation for Helix's quarterly conference call to review its fourth quarter and full year 2009 results (see the “Investor Relations” page of Helix's website, www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Standard Time on Thursday, February 25, 2010, will be audio webcast live from the “Investor Relations” page of Helix's website. Investors and other interested parties wishing to listen to the call via telephone may join the call by dialing 800 475 0212 (Domestic) or 1 312 470 7004 (International). The pass code is Tripodo. A replay will be available from the Audio Archives page on Helix's website.

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.

Management evaluates Company performance and financial condition using certain non-GAAP metrics, primarily Adjusted EBITDAX, net debt and net debt to book capitalization. We calculate Adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our Adjusted EBITDAX calculation. Net debt is calculated as the sum of financial debt less cash and equivalents on hand. Net debt to book capitalization is calculated by dividing net debt by the sum of net debt, convertible preferred stock and shareholders' equity. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company, and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

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 "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of 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 forward looking statements are subject to a number of known and unknown risks, uncertainties and other factors including the performance of contracts by suppliers, customers and partners; employee management issues; uncertainties inherent in the exploration for and development of oil and gas and in estimating reserves; complexities of global political and economic developments; geologic risks, volatility of oil and gas prices 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, 2008 and any subsequent Quarterly Report on Form 10-Q. We assume no obligation and do not intend to update these forward-looking statements except as required by the securities laws.

HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Dec. 31, 2009	Three Months Ended Dec. 31, 2008	Twelve Months Ended Dec. 31, 2009	Twelve Months Ended Dec. 31, 2008
	(unaudited)		(unaudited)	
Net revenues:				
Contracting services	$ 108,598	$ 488,417	$ 1,076,349	$ 1,568,221
Oil and gas	71,450	46,022	385,338	545,853
	180,048	534,439	1,461,687	2,114,074
Cost of sales:				
Contracting services	89,373	358,223	854,975	1,135,429
Oil and gas	69,636	91,074	218,617	357,853
Oil and gas impairments	55,940	192,620	120,550	215,675
Exploration expense	21,520	27,072	24,383	32,926
	236,469	668,989	1,218,525	1,741,883
Gross profit (loss)	(56,421)	(134,550)	243,162	372,191
Goodwill and other indefinite-lived intangible impairments	-	704,311	-	704,311
Gain on oil and gas derivative commodity contracts	6,157	18,894	89,485	21,599
Gain on sale of assets, net	246	(6,422)	2,019	73,471
Selling and administrative expenses	28,242	40,219	130,851	177,172
Income (loss) from operations	(78,260)	(866,608)	203,815	(414,222)
Equity in earnings of investments	5,177	6,132	32,329	31,854
Gain on subsidiary equity transaction	-	-	77,343	-
Net interest expense and other	11,526	34,184	51,495	111,098
Income (loss) before income taxes	(84,609)	(894,660)	261,992	(493,466)
Provision (benefit) of income taxes	(30,374)	(64,859)	95,822	86,779
Income (loss) from continuing operations	(54,235)	(829,801)	166,170	(580,245)
Income (loss) from discontinued operations, net of tax	(722)	(11,483)	9,581	(9,812)
Net income (loss), including noncontrolling interests	(54,957)	(841,284)	175,751	(590,057)
Net income applicable to noncontrolling interests	680	19,320	19,697	45,873
Net income (loss) applicable to Helix	(55,637)	(860,604)	156,054	(635,930)
Preferred stock dividends	60	550	748	3,192
Preferred stock beneficial conversion charges	-	-	53,439	-
Net income (loss) applicable to Helix common shareholders	$ (55,697)	$ (861,154)	$ 101,867	$ (639,122)
Weighted Avg. Common Shares Outstanding:				
Basic	103,007	90,802	99,136	90,650
Diluted	103,007	90,802	105,720	90,650
Basic earnings (loss) per share of common stock:				
Net income (loss) from continuing operations	($0.52)	($9.36)	$0.92	($6.94)
Net income (loss) from discontinued operations	($0.01)	($0.12)	$0.09	($0.11)
Net income (loss) per share of common stock	($0.53)	($9.48)	$1.01	($7.05)
Diluted earnings (loss) per share of common stock:				
Net income (loss) from continuing operations	($0.52)	($9.36)	$0.87	($6.94)
Net income (loss) from discontinued operations	($0.01)	($0.12)	$0.09	($0.11)
Net income (loss) per share of common stock	($0.53)	($9.48)	$0.96	($7.05)

Comparative Condensed Consolidated Balance Sheets

ASSETS **(in thousands)**	**Dec. 31, 2009**	**Dec. 31, 2008**	***LIABILITIES & SHAREHOLDERS' EQUITY*** **(in thousands)**	**Dec. 31, 2009**	**Dec. 31, 2008**
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents	$ 270,673	$ 223,613	Accounts payable	$ 155,457	$ 344,807
Accounts receivable	172,678	545,106	Accrued liabilities	200,607	234,451
Other current assets	122,209	191,304	Income taxes payable	-	-
			Current mat of L-T debt (1)	12,424	93,540
Total Current Assets	565,560	960,023	Total Current Liabilities	368,488	672,798
Net Property & Equipment:			Long-term debt (1) (2)	1,348,315	1,933,686
Contracting Services	1,470,582	1,876,795	Deferred income taxes	442,607	615,504
Oil and Gas	1,393,124	1,541,648	Decommissioning liabilities	182,399	194,665
Equity investments	189,411	196,660	Other long-term liabilities	4,262	81,637
Goodwill	78,643	366,218	Convertible preferred stock (1)	6,000	55,000
Other assets, net	82,213	125,722	Shareholders' equity (1)	1,427,462	1,513,776
Total Assets	$ 3,779,533	$ 5,067,066	Total Liabilities & Equity	$ 3,779,533	$ 5,067,066

(1) Net debt to book capitalization - 43% at December 31, 2009. Calculated as total debt less cash and equivalents ($1,090,066) divided by sum of total net debt, convertible preferred stock and shareholders' equity ($2,523,528).

(2) Reflects impact of retrospective adoption of accounting standard which required bifurcation of Helix's convertible senior notes between debt and equity components. Impact on December 31, 2009 and December 31, 2008 was a reduction in debt totaling $26.9 million and $34.8 million, respectively.

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Twelve Months Ended December 31, 2009

Earnings Release:

Reconciliation From Net Income to Adjusted EBITDAX:

	4Q09	4Q08	3Q09	2009	2008
			(in thousands)		
Net income (loss) applicable to common shareholders	$ (55,697)	$ (861,154)	$ 3,895	$ 101,867	$ (639,122)
Non-cash impairment	52,578	894,577	533	72,372	917,632
(Gain) loss on asset sales	198	6,422	(17,869)	(87,694)	(73,471)
Preferred stock dividends	60	550	125	54,187	3,192
Income tax provision (benefit)	(30,246)	(67,117)	1,415	86,035	67,136
Net interest expense and other	11,300	31,842	10,192	47,861	101,492
Depreciation and amortization	58,859	79,299	46,315	247,372	306,047
Exploration expense	21,520	27,072	904	24,383	32,926
Adjusted EBITDAX (including Cal Dive)	$ 58,572	$ 111,491	$ 45,510	$ 546,383	$ 715,832
Less: Previously reported contribution from Cal Dive	$ -	$ (56,152)	$ (7,204)	$ (56,291)	$ (140,560)
Adjusted EBITDAX	$ 58,572	$ 55,339	$ 38,306	$ 490,092	$ 575,272

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our adjusted EBITDAX calculation. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three Months Ended December 31, 2009

Earnings Release:

Reconciliation of unusual items:

		4Q09
		(in thousands, except per share data)
Non-cash property impairments:		
Property impairments		55,940
Tax provision		(19,579)
Non-cash property impairments, net:	$	36,361
Diluted shares		103,007
Per share	$	0.35
Non-cash exploration charges:		
Exploration charges		20,606
Tax provision		(7,212)
Non-cash exploration charges, net:	$	13,394
Diluted shares		103,007
Per share	$	0.13
Non-cash other charges:		
Asset impairments		1,306
Inventory charges		700
Tax provision		(702)
Non-cash other charges, net:	$	1,304
Diluted shares		103,007
Per share	$	0.01

February 24, 2010

Fourth Quarter 2009 Conference Call

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 "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of properties or wells; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments, performance or industry rankings; and any statements of assumptions underlying any of the foregoing. These statements involve certain assumptions we made based on our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are reasonable and appropriate under the circumstances. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; uncertainties inherent in the exploration for and development of oil and gas and in estimating reserves; complexities of global political and economic developments; geologic risks, volatility of oil and gas prices 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 ended December 31, 2008 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 presentation and the associated press release. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

References to quantities of oil or gas may include amounts we believe will ultimately be produced, but that are not classified as "proved reserves" under SEC definitions. Statements of oil and gas reserves are estimates based on assumptions and may be imprecise. Investors are urged to consider closely the disclosure regarding reserves in our 2008 Form 10-K.

Presentation Outline

Phoenix Project DTS buoy loadout

Executive Summary

($ in millions, except per share data)

	Quarter Ended			Year Ended	
	12/31/2009	12/31/2008 (A)	9/30/2009 (A)	12/31/2009 (A)	12/31/2008 (A)
Revenues	**$ 180**	**$ 534**	**$ 216**	**$ 1,462**	**$ 2,114**
Gross Profit (Loss):					
Operating	$ 21	$ 85	$ 5	$ 388	$ 621
	12%	*16%*	*2%*	*27%*	*29%*
Oil & Gas Impairments/ARO Increases	(56)	(193)	(1)	(121)	(216)
Exploration Expense	(21)	(27)	(1)	(24)	(33)
Total	$ (56)	$ (135)	$ 3	$ 243	$ 372
Goodwill Impairments	-	704	-	-	704
Net Income (Loss)	**$ (56)**	**$ (861)**	**$ 4**	**$ 102**	**$ (639)**
Diluted Earnings (Loss) Per Share	**$ (0.53)**	**$ (9.48)**	**$ 0.04**	**$ 0.96**	**$ (7.05)**
Adjusted EBITDAX (B)(C)					
Contracting Services	$ 29	$ 47	$ 28	$ 148	$ 224
Oil & Gas	40	11	12	355	372
Elimination	(10)	(3)	(2)	(13)	(21)
Adjusted EBITDAX	**$ 59**	**$ 55**	**$ 38**	**$ 490**	**$ 575**

(A) Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%; thereafter, our remaining interest was accounted for under the equity method of accounting until September 23, 2009, when we reduced our holdings with the sale of the substantial majority of our remaining interest in Cal Dive. First half revenues from our Shelf Contracting business totaled $405 million.

(B) See non-GAAP reconciliations on slides 25-27.

(C) Excludes Cal Dive contribution in all periods presented.

Executive Summary

Fourth quarter results reflect the following matters on a pre-tax basis:

- $55.9 million of “non-cash” impairment charges due to reserve-related revisions on oil and gas properties
- $22.6 million of other “non-cash” charges primarily due to the write-off of the book value associated with certain exploration leases

The after-tax effect of the above two items on EPS totaled $0.49 per diluted share.

- Q4 results excluded realized hedge gains of approximately $15 million for natural gas hedge mark-to-market adjustments previously recognized as unrealized gains in the first three quarters of 2009

Executive Summary

- Contracting Services
  - Continued weak activity levels in general
  - Subsea Construction capacity diverted to internal oil and gas field development projects - - as a result, significant intercompany eliminations
  - *Well Enhancer* entered fleet in Q4
- Oil and Gas
  - Continued delay in start up of transmission line for Noonan gas (January 2010 start up vs. mid-Q4 expectation) reduced expected Q4 production
  - Exit year end production rate of 94 Mmcfe/d
  - Current production rate of 145 Mmcfe/d
    - Danny oil production start-up in early February, 2010
    - Noonan gas rates ≈37 Mmcf/d

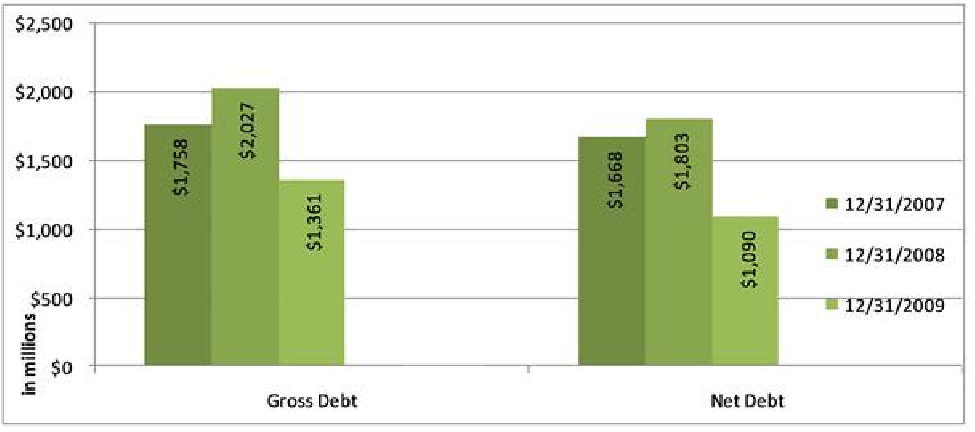
Executive Summary

- Oil and gas production totaled 9.7 Bcfe for Q4 2009 versus 9.8 Bcfe in Q3 2009; 43.8 Bcfe in total for 2009
  - Avg realized price for oil of $71.48 / bbl ($68.86 / bbl in Q3 2009), including effect of settled hedges
  - Avg realized price for gas of $7.97/ Mcf ($8.02 / Mcf in Q3 2009), including the effect of settled hedges
- Balance sheet remains strong
  - Net debt balance decreased by $713 million in 2009
  - Liquidity* of $657 million at year end
  - Credit facility covenants in compliance
    - Q4 2009: Credit facility extended to November 2012 along with increased commitments of $435 million through June 2011
    - Q1 2010: Additional amendments put into place revising leverage ratio and adding additional senior secured leverage covenant ratio

*Liquidity is equal to cash and cash equivalents ($271 million), plus available capacity under our revolving credit facility ($386 million).

Significant Balance Sheet Improvements

Debt (A)



Liquidity (B) of $657 million at 12/31/09

(A) Includes impact of debt discount under our Convertible Senior Notes.

(B) Defined as available revolver capacity ($386 million) plus cash ($271 million).

2010 Outlook

- Contracting Services demand in 1H 2010 will continue to be soft, with a rebound anticipated in 2H 2010
- Contracting Services asset utilization on Danny oil pipeline and Phoenix field development will continue to impact financial results in Q1
- Capital expenditures of approximately $200 million planned for 2010
  - $85 million relates to completion of major vessel projects
  - Oil and Gas capital expenditures of approximately $86 million, excluding P&A of approximately $61 million
- Improved liquidity and debt levels (see slide 8)
  - Expect to reduce net debt levels further by 12/31/2010
  - Expect to increase liquidity further by 12/31/2010

2010 Outlook

Broad Metrics	2010 Higher End	2010 Lower End	2009
Production Range	60 Bcfe	50 Bcfe	44 Bcfe
EBITDA	$550 million	$450 million	$490 million
CAPEX	$200 million	$200 million	$328 million (A)

Commodity Price Deck		2010 Higher End	2010 Lower End	2009 (B)
Hedged	Oil	$74.75 / bbl	$74.59 / bbl	$67.11 / bbl
	Gas	$5.87 / mcf	$6.00 / mcf	$7.75 / mcf

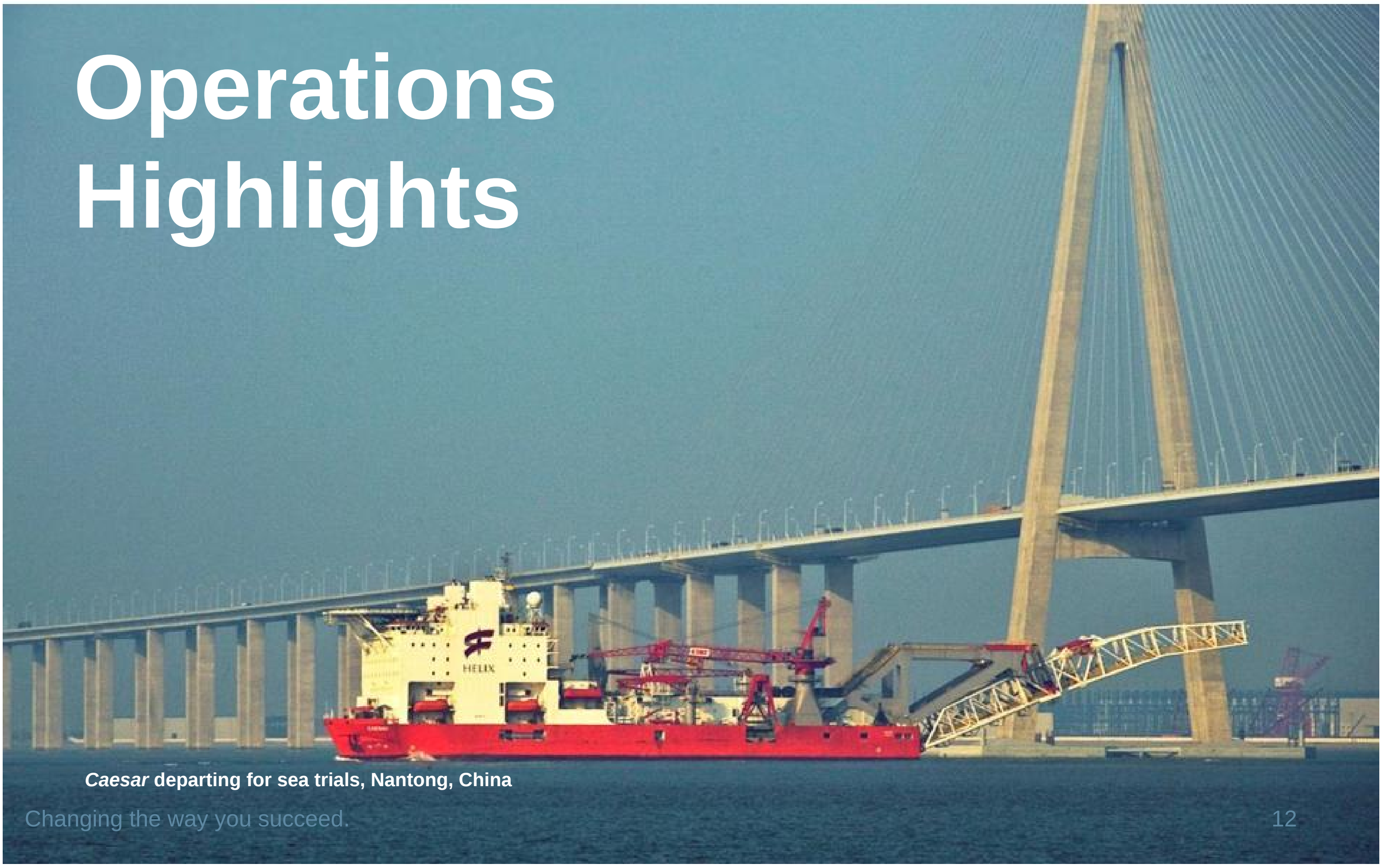
(A) Inclusive of capitalized interest of $48 million.
(B) Including effect of settled natural gas hedge contracts.

2010 Outlook

Key Oil and Gas Assumptions	Production Rates		
	2010 Higher End	2010 Lower End	2009
Noonan gas (well performance)	55 Mmcfe/d by March 1, 2010	35 Mmcfe/d all year	20 Mmcfe/d
Phoenix expected start-up	Mid- Q2 >70 Mmcfe/d	Mid-year >70 Mmcfe/d	0
Hurricanes	No Significant Disruption	Significant Disruption	Lingering 2008 Hurricane Effects

Note: 2009 year end reserve estimate reductions for Noonan gas wells to increase DD&A rates in 2010 vs. prior expectations

Operations Highlights

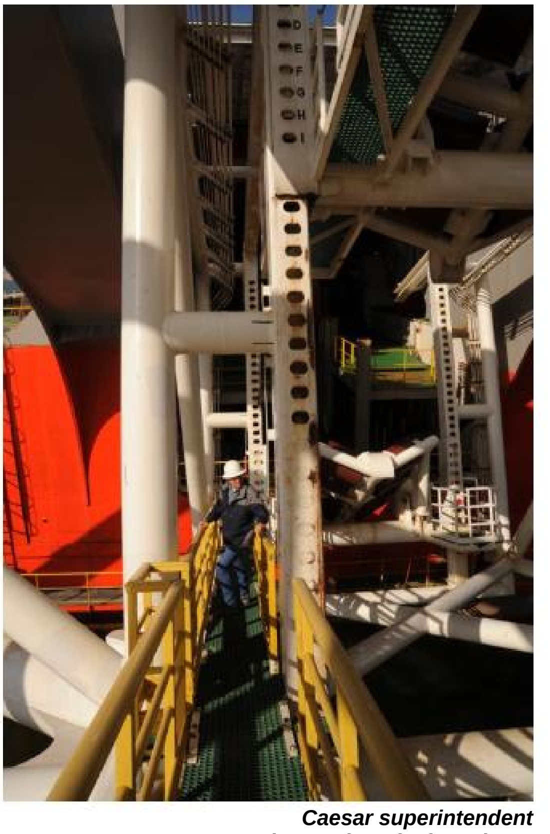


Caesar **departing for sea trials, Nantong, China**

Contracting Services

Subsea Construction

- High utilization, but significant portion used for internal E&P development
    - *Express* installed the 36-mile Danny pipe-in-pipe (8x12 -inch) in the GOM for Helix Oil & Gas
    - *Intrepid* worked on Helix Phoenix project and various other projects as DSV
- *Caesar* in transit to GOM from China in 4Q2009 (arrived in Ingleside on 1/31/2010)
    - Initial internal project to install 7 mile, 12-inch gas pipeline on OCS in Gulf of Mexico in April 2010
    - Awarded 46 mile, 20-inch gas pipeline installation project in Gulf of Mexico for summer 2010
- *Outlook for 2010 expected to improve by mid year*



Caesar superintendent inspecting pipelay stinger

Contracting Services

<u>ROV - - Robotics</u>

- Seasonal low utilization
- *Island Pioneer* with deepwater trenching spread transiting from North Sea to GOM and *Olympic Triton* transiting from GOM to Ghana
- *Olympic Canyon* continues to operate for Reliance offshore India on long term IRM contract
- *Northern Canyon* (North Sea) and *Seacor Canyon* (SEA) were idle for the majority of the quarter
- *Northern Canyon* charter not extended
- *Outlook for 2010 is improving*

Olympic Triton underway to begin Anadarko Jubilee project in Ghana

Contracting Services

Well Operations

North America

- *Q4000* installed production buoy for Phoenix field
- Started 100-day deepwater well Intervention / P&A campaign for Shell
- *Outlook for 2010 looks positive*

North Sea

- Seasonal low utilization
- *Seawell* worked for BP, Total and Talisman in the NorthSea . Vessel dry-dock in January / February 2010
- *Well Enhancer* worked approx. 53 days in the quarter for Nexen and Shell with good operating performance
- *Outlook for 2010 expected to improve by end of Q1*

Asia Pacific

- Operations still being impacted by refurbishment of the Subsea Intervention Lubricator and Vessel Deployment System
- Entered into JV with Clough Ltd. to provide subsea services in the Asia Pacific region, using the *Normand Clough* vessel
- *Outlook for 2010 is expected to improve*

Testing WOAPAC's Subsea Intervention Lubricator System

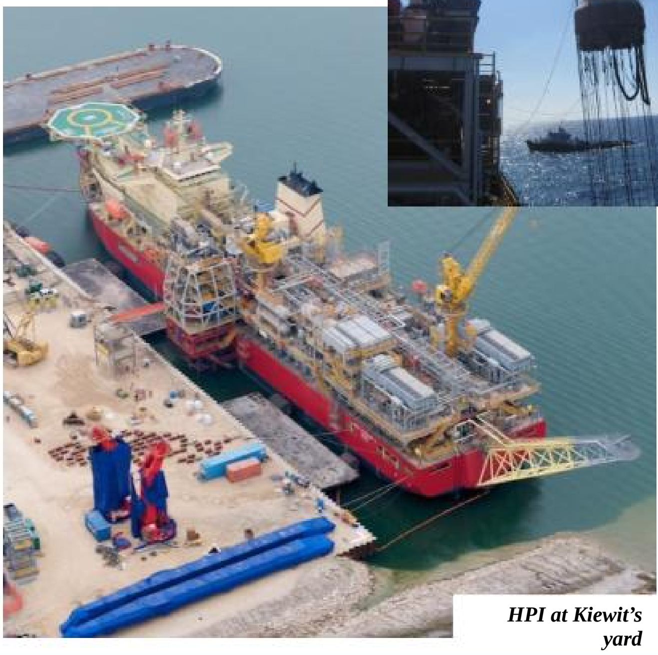
Marine Capital Projects

Caesar in Ingleside

HPI in Ingleside

Helix Producer I

DTS Buoy being installed by Q4000



HPI at Kiewit's yard

Phoenix Green Canyon Block 237

- DTS Buoy has been installed
- Subsea flowlines, export pipelines and umbilicals have been installed
- Intrepid in DSV mode to pull-in the flexible risers and umbilicals through DTS buoy late February / early March
- Production scheduled to start mid-year

Helix Producer I (HPI)

- Vessel installation and hook-up of topside modules, flare boom, external thrusters and turret completed
- Commissioning of topside processing plant ongoing
- Incline test successfully completed
- US Coast Guard Systems acceptance is ongoing
- Expect the vessel to depart for sea trials late 1Q 2010

Contracting Services

($ in millions, except percentages)

	Quarter Ended		
	December 31		Sept 30
	2009	2008 (A)	2009 (A)
Revenues (B)			
Contracting Services	$ 151	$ 293	$ 175
Shelf Contracting	-	262	-
Total Revenue	$ 151	$ 555	$ 175
Gross Profit (B)			
Contracting Services (C)	$ 30	$ 45	$ 28
Profit Margin	20%	15%	16%
Shelf Contracting	-	89	-
Profit Margin	0%	34%	0%
Total Gross Profit	$ 30	$ 134	$ 28
Gross Profit margin	20%	24%	16%
Equity in Earnings (D)	$ 5	$ 6	$ 13

(A) Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%; thereafter, our remaining interest was accounted for under the equity method of accounting until September 23, 2009, when we reduced our holdings with the sale of the substantial majority of our remaining interest in Cal Dive.

(B) See non-GAAP reconciliation on slides 25-27. Amounts are prior to intercompany eliminations.

(C) Includes corporate and operational support overheads.

(D) Amounts primarily represent equity in earnings of Marco Polo and Independence Hub investments and equity in earnings from Cal Dive from June 11 through September 23, 2009.

Contracting Services

Revenue and Gross Profit by Division ($ in millions)

	Quarter Ended		
	December 31		Sept 30
	2009	2008	2009
Revenues (A)			
Subsea Construction	$ 98	$ 227	$ 126
Well Operations	53	66	49
Revenue Before Eliminations	$ 151	$ 293	$ 175
Gross Profit (A)			
Subsea Construction	$ 19	$ 19	$ 19
Well Operations	11	26	9
Gross Profit Before Eliminations	$ 30	$ 45	$ 28
Gross Profit Margin	20%	15%	16%

(A) Amounts are before intercompany eliminations. See non-GAAP reconciliation on slides 25-27.

Contracting Services

Vessel Utilization*	Quarter Ended December 31 **2009**	**2008**	Sept 30 **2009**
Contracting Services			
Subsea Construction Vessels (A)	71%	86%	77%
Well Operations	67%	93%	92%
Robotics	58%	80%	74%
Production Facilities Throughput			
Marco Polo (MBOE)	2,446	447	2,236
Independence Hub (BCFE)	57.9	79.8	69.3

(A) Includes vessels on long-term charters.

* Utilization includes internal work.

Oil & Gas

Financial Highlights

	Quarter Ended		
	December 31		Sept 30
	2009	2008	2009
Revenue (millions)	$ 71	$ 46	$ 64
Gross Profit - Operating	2	(29)	(15)
Hurricane Expenses, Net	(1)	(16)	(5)
Oil & Gas Impairments (A)	(56)	(193)	(1)
Exploration Expense (B)	(21)	(27)	(1)
Total	$ (76)	$ (265)	$ (22)
Gain on Oil & Gas Derivative Contracts	$ 6	$ 19	$ 5
Production (Bcfe):			
Shelf	5.9	5.8	6.8
Deepwater	3.8	0.6	3.0
Total	9.7	6.4	9.8
Average Commodity Prices (C):			
Oil / Bbl	$ 71.48	$ 66.53	$ 68.86
Gas / Mcf	$ 7.97	$ 7.43	$ 8.02

(A) Impairments related to reduction in carrying values of certain oil and gas properties due to reserve revisions, including $29.9 million of hurricane-related impairments in Q4 2008.

(B) Includes $20.1 and $8.0 million of impairment charges associated with certain exploration leases for the quarters ended December 31, 2009 and December 31, 2008, respectively.

(C) Including effect of settled hedges and MTM derivative contracts.

Operating Costs ($ in millions, except per Mcfe data)

	Quarter Ended					
	December 31				September 30	
	2009		2008		2009	
	Total	per Mcfe	Total	per Mcfe	Total	per Mcfe
DD&A (A)	**$ 41**	**$ 4.24**	**$ 49**	**$ 7.63**	**$ 35**	**$ 3.56**
Operating and Other (B):						
Operating Expenses (C)	$ 17	1.73	$ 14	2.21	$ 25	2.56
Workover	2	0.22	1	0.17	6	0.61
Transportation	2	0.18	1	0.10	3	0.31
Repairs & Maintenance	4	0.43	4	0.66	4	0.42
Other	3	0.33	1	0.07	2	0.25
Total Operating & Other	**$ 28**	**2.89**	**$ 21**	**3.21**	**$ 40**	**4.15**
Total	**$ 69**	**$ 7.13**	**$ 70**	**$ 10.84**	**$ 75**	**$ 7.71**

(A) Included accretion expense.

(B) Excluded hurricane-related repairs of $0.6, $15.9 and $5.1 million, net of insurance recoveries, for the quarters ended December 31, 2009, December 31, 2008 and September 30, 2009, respectively.

(C) Included $2.5 and $10.4 million related to a weather derivative contract for the quarters ended December 31, 2009 and September 30, 2009, respectively. Excluded exploration expenses of $21.5, $27.1 and $0.9 million, and abandonment of $0.0, $6.0 and $2.9 million for the quarters ended December 31, 2009, December 31, 2008 and September 30, 2009, respectively.

Oil & Gas - Reserve Report Highlights

At December 31, 2009

	Proved Developed	Proved Undeveloped	Total
Total Reserves (Bcfe)	214	364	578
Shelf	112	125	237
Deepwater	102	239	341
Oil (mmbbls)	15	15	30
Gas (Bcf)	125	274	399
SEC Case PV-10 (pre-tax, in millions)	$546	$746	$1,292
PV-10 Forward Strip Price* (pre-tax, in millions)	$1,129	$1,574	$2,703

* Based on NYMEX Henry Hub gas and WTI oil forward strip prices at December 31, 2009.

Summary of Jan - Dec 2010 Hedging Positions*

Oil (Bbls)	Forward Sales	Collars	Swaps	Total Volume Hedged	Forward Pricing	Swap Pricing	Average Collar Price Floor	Average Collar Price Ceiling
2010	-	1,200,000	1,315,000	2,515,000		$ 75.44	$ 62.50	$ 80.73
Natural Gas (mcf)								
2010	-	12,045,000	12,950,000	24,995,000		$ 5.82	$ 6.00	$ 6.70
Grand Totals (Mmcfe)	**-**	**19,245,000**	**20,840,000**	**40,085,000**				

* As of February 24, 2010.

Non-GAAP Reconciliations

Non GAAP Reconciliations

Adjusted EBITDAX *($ in millions)*

	Quarter Ended			Year Ended	
	December 31		Sept 30	December 31	
	2009	2008	2009	2009	2008
Net income applicable to common shareholders	$ (56)	$ (861)	$ 4	$ 102	$ (639)
Non-cash impairments	53	894	1	72	918
Gain on asset sales	-	6	(18)	(87)	(73)
Preferred stock dividends	-	1	-	54	3
Income tax provision	(30)	(67)	1	86	67
Net interest expense and other	11	32	10	48	101
Depreciation and amortization	59	79	46	247	306
Exploration expense	22	27	1	24	33
Adjusted EBITDAX (including Cal Dive)	$ 59	$ 111	$ 45	$ 546	$ 716
Less: Previously reported contribution from Cal Dive	-	(56)	(7)	(56)	(141)
Adjusted EBITDAX	$ 59	$ 55	$ 38	$ 490	$ 575

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we do not include earnings from our former interest in Cal Dive in any periods presented in our adjusted EBITDAX calculation. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Non GAAP Reconciliations

Revenue and Gross Profit As Reported ($ in millions)

	Quarter Ended December 31 2009	Quarter Ended December 31 2008	Sept 30 2009
Revenues			
Contracting Services	$ 151	$ 293	$ 175
Shelf Contracting	-	262	-
Intercompany elim. - Contracting Services	(43)	(46)	(23)
Intercompany elim. - Shelf Contracting	-	(21)	-
Revenue as Reported	$ 108	$ 488	$ 152
Gross Profit			
Contracting Services	$ 30	$ 45	$ 28
Shelf Contracting	-	89	-
Intercompany elim. - Contracting Services	(10)	(3)	(2)
Intercompany elim. - Shelf Contracting	-	(1)	-
Gross Profit as Reported	$ 20	$ 130	$ 26
Gross Profit Margin	19%	27%	17%

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