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): **July 25, 2011**

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

Minnesota	**001-32936**	**95-3409686**
(State or other jurisdiction of incorporation)	(Commission File Number)	(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 2.02 Results of Operations and Financial Condition.

On July 25, 2011, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its second quarter results of operation for the period ended June 30, 2011. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

Item 7.01 Regulation FD Disclosure.

On July 25, 2011, Helix issued a press release announcing its second quarter results of operation for the period ended June 30, 2011. In addition, on July 26, 2011, 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 Second Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials will also be posted beginning on July 26, 2011 in the *Presentations* section under *Investor Relations* of Helix's website, www.HelixESG.com.

Item 9.01 Financial Statements and Exhibits.

(c) *Exhibits.*

Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated July 25, 2011 reporting financial results for the second quarter of 2011.
99.2	Second Quarter 2011 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: July 25, 2011

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Anthony Tripodo
Anthony Tripodo
Executive Vice President and Chief Financial Officer

Index to Exhibits

Exhibit No.	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated July 25, 2011 reporting financial results for the second quarter of 2011.
99.2	Second Quarter 2011 Conference Call Presentation.

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 **11-013**

Date: July 25, 2011 **Contact: Stephen Powers**
Director, Finance & Investor Relations

Helix Reports Second Quarter 2011 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported net income of $41.3 million, or $0.39 per diluted share, for the second quarter of 2011 compared with a net loss of $85.6 million, or $(0.82) per diluted share, for the same period in 2010, and net income of $25.9 million, or $0.24 per diluted share, in the first quarter of 2011. The net income for the six months ended June 30, 2011 was $67.2 million, or $0.63 per diluted share, compared with a net loss of $103.4 million, or $(1.00) per diluted share, for the six months ended June 30, 2010.

Owen Kratz, President and Chief Executive Officer of Helix, stated, "Our Contracting Services segment rebounded nicely in the second quarter, allowing us to follow a good first quarter with an even better one. Both our Well Intervention and Robotics businesses saw a sharp increase in activity and performance levels while our pipelay business continued to lag due to a weak Gulf of Mexico business environment. During the second quarter, we repaid $111 million of debt while increasing the size and extending the maturity of our credit facility, an indicator of the continued strengthening of our balance sheet."

* * * * *

Summary of Results

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

	Quarter Ended			Six Months Ended	
	June 30		March 31	June 30	
	2011	2010	2011	2011	2010
Revenues	$ 338,319	$ 299,262	$ 291,607	$ 629,926	$ 500,832
Gross Profit (Loss):					
Operating	$ 130,858	$ 66,216	$ 77,422	$ 208,280	$ 103,350
	39%	*22%*	*27%*	*33%*	*21%*
Oil and Gas Impairments [1]	(22,721)	(159,862)	-	(22,721)	(170,974)
Exploration Expense [2]	(7,939)	(1,172)	(346)	(8,285)	(1,338)
Total	$ 100,198	$ (94,818)	$ 77,076	$ 177,274	$ (68,962)
Net Income (Loss) Applicable to Common Shareholders [3]	$ 41,313	$ (85,551)	$ 25,857	$ 67,170	$ (103,442)
Diluted Earnings (Loss) Per Share	$ 0.39	$ (0.82)	$ 0.24	$ 0.63	$ (1.00)
Adjusted EBITDAX [4]	$ 175,840	$ 130,539	$ 149,219	$ 325,059	$ 191,944

Note: Footnotes listed at end of press release.

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

	Three Months Ended		
	June 30,		March 31,
	2011	2010	2011
Revenues:			
Contracting Services	$ 171,353	$ 202,317	$ 131,537
Production Facilities	20,545	21,391	15,570
Oil and Gas	172,458	102,586	168,859
Intercompany Eliminations	(26,037)	(27,032)	(24,359)
Total	$ 338,319	$ 299,262	$ 291,607
Income (Loss) from Operations:			
Contracting Services	$ 30,565	$ 43,781	$ 3,266
Production Facilities	11,920	12,977	5,956
Oil and Gas	73,724	3,609	53,586
Gain on Oil and Gas Derivative Commodity Contracts	-	2,482	-
Oil and Gas Impairments (1)	(22,721)	(159,862)	-
Exploration Expense (2)	(7,939)	(1,172)	(346)
Corporate	(9,112)	(12,597)	(10,441)
Intercompany Eliminations	(19)	(6,114)	90
Total	$ 76,418	$ (116,896)	$ 52,111
Equity in Earnings of Equity Investments	$ 5,887	$ 1,656	$ 5,650

Note: Footnotes listed at end of press release.

Contracting Services

- Subsea Construction and Robotics revenues increased in the second quarter of 2011 compared to the first quarter of 2011 primarily due to increased chartered vessel utilization in our Robotics division for ROV support operations and increased utilization in our trenching business. Overall our utilization rate for our owned and chartered vessels increased to 71% in the second quarter of 2011 from 48% in the first quarter of 2011. ROV and trenching utilization increased to 54% in the second quarter of 2011 compared to 49% in the first quarter of 2011.

- Well Intervention revenues increased in the second quarter of 2011 due primarily to increased utilization of our vessels in both the North Sea and the Gulf of Mexico. Vessel utilization in the North Sea increased to 87% in the second quarter of 2011 from 68% in the first quarter of 2011. Vessel utilization in the Gulf of Mexico increased to 93% in the second quarter of 2011 from 88% in the first quarter of 2011. On a combined basis, vessel utilization increased to 89% in the second quarter of 2011 compared to 77% in the first quarter of 2011.

Production Facilities

- The *Helix Producer I* (*HP I*) continued its deployment on the Phoenix field throughout the second quarter of 2011.

- The first quarterly retainer fee due for our deepwater spill containment system, the Helix Fast Response System (HFRS), was received in the second quarter of 2011. There are currently 24 independent operators participating in a spill response consortium that centers on the HFRS.

Oil and Gas

- Oil and Gas revenues increased in the second quarter of 2011 compared to the first quarter of 2011 due primarily to increased commodity prices partially offset by lower oil and gas production. Production in the second quarter of 2011 totaled 12.7 Bcfe compared to 14.4 Bcfe in the first quarter of 2011.

- The average price realized for oil, including the effects of settled oil hedge contracts, totaled $101.43 per barrel in the second quarter of 2011 compared to $90.49 per barrel in the first quarter of 2011. For natural gas and natural gas liquids (NGLs), including the effect of settled natural gas hedge contracts, we realized $6.17 per thousand cubic feet of gas (Mcf) in the second quarter of 2011 compared to $5.77 per Mcf in the first quarter of 2011.

- We recorded $22.7 million in oil and gas impairment charges in the second quarter of 2011 primarily associated with six of our Gulf of Mexico oil and gas properties and our only non-domestic (UK) oil and gas property. The impairment charges primarily reflect a premature end of these fields' production lives either through actual depletion or as a result of capital allocation decisions affecting third party operated fields.

- As a result of better than expected production rates at our Phoenix field, we revised our proved reserve estimates resulting in a favorable adjustment to DD&A rates in the second quarter of 2011 (net of adjustments in other fields) of approximately $9.2 million.

- The Little Burn well was completed successfully in late May and was brought into production through the *HP I* in the last few days.

- Our July 2011 oil and gas production rate has averaged approximately 114 million cubic feet of natural gas equivalent per day (MMcfe/d) through July 24, 2011, compared to an average of 139 MMcfe/d in the second quarter of 2011 and an average of 160 MMcfe/d in the first quarter of 2011. Production from the Phoenix field was impacted for a portion of July due to scheduled downtime of a third party pipeline servicing our Phoenix field. As the Phoenix field is brought back into production along with the Little Burn well, we expect our oil and gas production rate to approximate 155 MMcfe/d in late July.

- We currently have oil and gas hedge contracts in place totaling 13.5 Bcfe (1.5 million barrels of oil and 4.4 Bcf of gas) for the remainder of 2011 (July through December) and 17.0 Bcfe (2.0 million barrels of oil and 5.0 Bcf of gas) in 2012.

Other Expenses

- Selling, general and administrative expenses were 7.0% of revenue in the second quarter of 2011, 8.6% in the first quarter of 2011 and 8.2% in the second quarter of 2010.

- Net interest expense and other increased to $24.0 million in the second quarter of 2011 from $22.3 million in the first quarter of 2011. Net interest expense increased to $25.3 million in the second quarter of 2011 compared with $24.2 million in the first quarter of 2011, due primarily to non-cash deferred financing cost charges associated with the $109 million repayment of our term loan upon amendment of our senior credit agreement.

Financial Condition and Liquidity

- In June 2011, we amended and extended our senior credit agreement. We increased our revolver capacity from $435 million to $600 million and extended the maturity date to July 2015 (or January 2016 if certain unsecured debt is refinanced or repaid in full by July 1, 2015). Additionally, we repaid $109 million of our term loan reducing the principal balance to $300 million. Further, we extended the maturity date of our term loan to July 2015 (or July 2016 if certain unsecured debt is refinanced or repaid in full by July 1, 2015).

- Consolidated net debt at June 30, 2011 decreased to $833 million from $916 million as of March 31, 2011. We had no outstanding borrowings under our revolver. Our total liquidity at June 30, 2011 was approximately $965 million, consisting of cash on hand of $414 million and revolver availability of $551 million. Net debt to book capitalization as of June 30, 2011 was 38%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation attached hereto.)

- As of June 30, 2011, we were in compliance with all covenants and restrictions under our various loan agreements.

- We incurred capital expenditures (including capitalized interest) totaling $75 million in the second quarter of 2011, compared to $44 million in the first quarter of 2011 and $37 million in the second quarter of 2010.

Footnotes to "Summary of Results":

(1) Second quarter 2011 oil and gas impairments of $22.7 million primarily associated with six of our Gulf of Mexico oil and gas properties and our only non-domestic (UK) oil and gas property. The impairment charges primarily reflect a premature end of these fields' production lives either through actual depletion or as a result of capital allocation decisions affecting third party operated fields. Second quarter 2010 oil and gas impairments of $159.9 million related to reduction of the carrying values of certain oil and gas properties due to reserve revisions. First quarter 2010 impairments on our U.S. oil and gas properties ($7.0 million) were due primarily to the deterioration of certain fields' economics following a significant decrease in natural gas prices during the period. We also impaired our U.K. offshore property ($4.1 million) during the first quarter of 2010. The U.K. impairment was offset by a gain on the reacquisition of our 50% co-owner's interest in the U.K. field.

(2) Second quarter 2011 included $6.6 million of exploration costs associated with an offshore lease expiration.

(3) First quarter 2010 included a payment of $17.5 million to settle litigation related to the termination of a 2007 international construction contract.

(4) Non-GAAP measure. See reconciliation attached hereto.

Footnotes to "Segment Information, Operational and Financial Highlights":

(1) Second quarter 2011 oil and gas impairments of $22.7 million primarily associated with six of our Gulf of Mexico oil and gas properties and our only non-domestic (UK) oil and gas property. The impairment charges primarily reflect a premature end of these fields' production lives either through actual depletion or as a result of capital allocation decisions affecting third party operated fields. Second quarter 2010 oil and gas impairments of $159.9 million related to reduction of the carrying values of certain oil and gas properties due to reserve revisions.

(2) Second quarter 2011 included $6.6 million of exploration costs associated with an offshore lease expiration.

* * * * *

Conference Call Information

Further details are provided in the presentation for Helix's quarterly conference call to review its second quarter 2011 results (see the "Investor Relations" page of Helix's website, www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Daylight Time on Tuesday, July 26, 2011, will be audio webcast live from the "Investor Relations" page of Helix's website. Investors and other interested parties wishing to listen to the conference via telephone may join the call by dialing 800-734-8582 for persons in the United States and +1-212-231-2905 for international participants. The passcode is "Tripodo". A replay of the conference will be available under "Investor Relations" by selecting the "Audio Archives" link from the same page beginning approximately two hours after the completion of the conference call.

Helix Energy Solutions Group, 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.

Reconciliation of Non-GAAP Financial Measures

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. 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.

Forward-Looking Statements

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; 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 but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; 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 most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. 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 Jun. 30, 2011	2010	Six Months Ended Jun. 30, 2011	2010
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net revenues:				
Contracting services	$ 165,861	$ 196,676	$ 288,609	$ 307,531
Oil and gas	172,458	102,586	341,317	193,301
	338,319	299,262	629,926	500,832
Cost of sales:				
Contracting services	116,521	140,126	223,428	226,374
Oil and gas	98,879	94,092	206,503	172,446
Oil and gas impairments	22,721	159,862	22,721	170,974
	238,121	394,080	452,652	569,794
Gross profit (loss)	100,198	(94,818)	177,274	(68,962)
Gain on oil and gas derivative commodity contracts	-	2,482	-	2,482
Gain (loss) on sale of assets, net	(22)	(14)	(6)	6,233
Selling, general and administrative expenses	(23,758)	(24,546)	(48,739)	(65,047)
Income (loss) from operations	76,418	(116,896)	128,529	(125,294)
Equity in earnings of equity investments	5,887	1,656	11,537	6,711
Gain on subsidiary equity transaction	-	-	753	-
Net interest expense and other	(24,025)	(22,199)	(46,354)	(43,419)
Income (loss) before income taxes	58,280	(137,439)	94,465	(162,002)
Provision for (benefit of) income taxes	16,171	(52,366)	25,721	(59,927)
Net income (loss), including noncontrolling interests	42,109	(85,073)	68,744	(102,075)
Less: net income applicable to noncontrolling interests	(786)	(444)	(1,554)	(1,273)
Net income (loss) applicable to Helix	41,323	(85,517)	67,190	(103,348)
Preferred stock dividends	(10)	(34)	(20)	(94)
Net income (loss) applicable to Helix common shareholders	$ 41,313	$ (85,551)	$ 67,170	$ (103,442)
Weighted Avg. Common Shares Outstanding:				
Basic	104,673	104,125	104,573	103,610
Diluted	105,140	104,125	105,024	103,610
Earnings (Loss) Per Share of Common Stock:				
Basic	$ 0.39	$ (0.82)	$ 0.63	$ (1.00)
Diluted	$ 0.39	$ (0.82)	$ 0.63	$ (1.00)

Comparative Condensed Consolidated Balance Sheets

ASSETS (in thousands)	Jun. 30, 2011	Dec. 31, 2010	*LIABILITIES & SHAREHOLDERS' EQUITY* (in thousands)	Jun. 30, 2011	Dec. 31, 2010
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents	$ 414,189	$ 391,085	Accounts payable	$ 148,142	$ 159,381
Accounts receivable	232,709	226,704	Accrued liabilities	190,226	198,237
Other current assets	110,334	123,065	Current mat of L-T debt (1)	7,759	10,179
Total Current Assets	757,232	740,854	Total Current Liabilities	346,127	367,797
Net Property & Equipment:			Long-term debt (1)	1,239,893	1,347,753
Contracting Services	1,462,393	1,452,837	Deferred income taxes	431,821	413,639
Oil and Gas	1,012,917	1,074,243	Asset retirement obligations	166,458	170,410
Equity investments	188,772	187,031	Other long-term liabilities	5,432	5,777
Goodwill	62,902	62,494	Convertible preferred stock (1)	1,000	1,000
Other assets, net	76,421	74,561	Shareholders' equity (1)	1,369,906	1,285,644
Total Assets	$ 3,560,637	$ 3,592,020	Total Liabilities & Equity	$ 3,560,637	$ 3,592,020

Net debt to book capitalization - 38% at June 30, 2011. Calculated as total debt less cash and equivalents ($833,463) divided by sum of total net debt, convertible preferred stock and shareholders' equity ($2,204,369).

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Six Months Ended June 30, 2011

Earnings Release:

Reconciliation From Net Income to Adjusted EBITDAX:

	2Q11	2Q10	1Q11	2011	2010
			(in thousands)		
Net income (loss) applicable to common shareholders	$ 41,313	$ (85,551)	$ 25,857	$ 67,170	$ (103,442)
Non-cash impairments	11,573	159,862	-	11,573	170,974
(Gain) loss on asset sales	22	41	(769)	(747)	(6,206)
Preferred stock dividends	10	34	10	20	94
Income tax provision (benefit)	16,171	(52,366)	9,550	25,721	(59,929)
Net interest expense and other	24,022	22,144	22,320	46,342	43,323
Depreciation and amortization	74,790	85,203	91,905	166,695	145,792
Exploration expense	7,939	1,172	346	8,285	1,338
Adjusted EBITDAX	$ 175,840	$ 130,539	$ 149,219	$ 325,059	$ 191,944

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. 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

July 26, 2011

Deep Cygnus performing trenching and cable burial operations at the Greater Gabbard Offshore Wind Farm in the North Sea

Second Quarter 2011 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; projections of contracting services activity; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of properties or wells; projections of utilization; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments; 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; actions by governmental and regulatory authorities; operating hazards and delays; employee management issues; local, national and worldwide economic conditions; 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 most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC. Free copies of the reports can be found at the SEC's website, www.SEC.gov. 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 include amounts we believe will ultimately be produced, and may include "proved reserves" and quantities of oil or gas that are not yet 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 most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

Presentation Outline

- **Executive Summary**

  Summary of Q2 2011 Results (pg. 4)
- **Operational Highlights by Segment**

  Contracting Services (pg. 9)

  Oil & Gas (pg. 16)
- **Key Balance Sheet Metrics** (pg. 19)
- **2011 Outlook** (pg. 21)
- **Non-GAAP Reconciliations** (pg. 25)
- **Questions & Answers**

Executive Summary

Executive Summary

($ in millions, except per share data)

	Quarter Ended			Six Months Ended	
	6/30/2011	6/30/2010	3/31/2011	6/30/2011	6/30/2010
Revenues	**$ 338**	**$ 299**	**$ 292**	**$ 630**	**$ 501**
Gross Profit:	131	66	77	208	103
Operating	39%	22%	27%	33%	21%
Oil & Gas Impairments/ARO Increases	(23)	(160)	-	(23)	(171)
Exploration Expense	(8)	(1)	-	(8)	(1)
Total	$ 100	$ (95)	$ 77	$ 177	$ (69)
Net Income (Loss)	**$ 41**	**$ (85)**	**$ 26**	**$ 67**	**$ (103)**
Diluted Earnings (Loss) Per Share	**$ 0.39**	**$ (0.82)**	**$ 0.24**	**$ 0.63**	**$ (1.00)**
Adjusted EBITDAX (A)					
Contracting Services	$ 69	$ 75	$ 36	$ 105	$ 122
Oil & Gas	115	74	123	238	122
Corporate / Elimination	(8)	(18)	(10)	(18)	(52)
Adjusted EBITDAX	**$ 176**	**$ 131**	**$ 149**	**$ 325**	**$ 192**

(A) See non-GAAP reconciliations on slides 26-27.

Executive Summary

- Q2 2011 EPS of $0.39 per diluted share driven by strong results from oil and gas business, robust well intervention and production facilities businesses, and recovery in robotics business
- Balance sheet continues to improve
  - Amended and extended senior credit agreement
    - Increased revolver capacity from $435 million to $600 million; extended maturity to July 2015 (or January 2016 if certain unsecured debt has been refinanced or repaid in full by July 1, 2015)
    - Repaid $109 million of our term loan and extended maturity to July 2015 (or July 2016 if certain unsecured debt has been refinanced or repaid in full by July 1, 2015)
  - Cash decreased to $414 million at 6/30/2011 from $441 million at 3/31/2011 after debt repayment
  - Liquidity* increased to $965 million at 6/30/2011 from $837 million at 3/31/2011
  - Gross debt decreased to $1.25 billion at 6/30/2011 from $1.36 billion at 3/31/2011
  - Net debt decreased to $833 million at 6/30/2011 from $916 million at 3/31/2011
- Contracting Services
  - Continuing strength in well intervention business in the Gulf of Mexico and North Sea
  - Improved chartered vessel and trenching utilization in the robotics business
  - Continued weakness in the Gulf of Mexico subsea construction and robotics markets reflecting regulatory impact on drilling and development activity

*Liquidity as we define it is equal to cash and cash equivalents ($414 million), plus available capacity under our revolving credit facility ($551 million).

Executive Summary

- Oil and Gas
  - o Second quarter average production rate of 139 Mmcfe/d (68% oil)
  - o Production through July 24 averaged approximately 114 Mmcfe/d (~70% oil)
    - § July production impacted by scheduled downtime of third party pipeline servicing Phoenix field
      - § Phoenix field impacted for approximately 10 days in July
      - § Phoenix field back in production around July 20
      - § Little Burn well completed successfully in late May and brought on production in last few days
    - § With Phoenix back on production, along with Little Burn well, production rate expected to approximate 155 Mmcfe/d in late July (~ 70% oil)
- Oil and gas production totaled 12.7 Bcfe in Q2 2011 versus 14.4 Bcfe in Q1 2011
  - o Avg realized price for oil of $101.43 / bbl ($90.49 / bbl in Q1 2011), inclusive of hedges
  - o Avg realized price for natural gas and natural gas liquids (NGLs) of $6.17 / Mcf ($5.77 / Mcf in Q1 2011), inclusive of hedges
    - § Gas price realizations benefited from sales of natural gas liquids
    - § NGL production of 0.8 Bcfe in both Q1 and Q2 2011

Operational Highlights

Contracting Services

($ in millions, except percentages)

	Quarter Ended		
	June 30		March 31
	2011	2010	2011
Revenues (A)			
Contracting Services	$ 171	$ 202	$ 131
Production Facilities	21	21	16
Total Revenue	$ 192	$ 223	$ 147
Gross Profit (A)			
Contracting Services	$ 38	$ 50	$ 11
Profit Margin	*22%*	*25%*	*8%*
Production Facilities	12	13	6
Profit Margin	*59%*	*61%*	*39%*
Total Gross Profit	$ 50	$ 63	$ 17
Gross Profit margin	*26%*	*28%*	*11%*

(A) See non-GAAP reconciliation on slides 26-27. Amounts are prior to intercompany eliminations.

- 89% utilization in Well Ops
- Weak GOM market continues to impact Subsea Construction
- *Caesar* in shipyard undergoing planned upgrades
- Containment system retainer fee commences

***Express* performing pipelay operations in the Gulf of Mexico**

Equity in Earnings of Equity Investments

($ in millions)

	Quarter Ended June 30 2011	Quarter Ended June 30 2010	March 31 2011
Independence Hub	$ 4	$ 5	$ 4
Deepwater Gateway (Marco Polo)	1	1	1
CloughHelix JV	1	(4)	$ -
Equity in Earnings	$ 6	$ 2	$ 5

Contracting Services - Well Ops

GOM

- *Q4000* worked for Shell on multiple projects throughout the second quarter
- 93% utilization in the second quarter
- Strong outlook anticipated for rest of 2011 and backlog building for 2012

North Sea

- *Seawell* and *Well Enhancer* posted a combined 87% utilization in the second quarter
- *Seawell* utilization was impacted by downtime to repair a thruster in June
- Strong outlook anticipated for both vessels for the rest of 2011
- Contracting activity strong

Asia Pacific

- *Normand Clough* working for CloughHelix JV on a day rate construction project for COOEC offshore China through Q3
- Wellhead cutting system completed two wellhead removals in Q2

Q4000 operating in the Gulf of Mexico

Contracting Services - Robotics

- Strong robotics utilization in Europe and West Africa
- UK projects utilizing the *I-Trencher* and *T-750* extended into Q4
- ROVDrill upgrades completed and scheduled for deployment to the UK in late Q3 to focus on coring projects
- Expanding focus on renewable energy market such as wind farm development
  - New chartered vessel, *Grand Canyon*, under construction with 2012 delivery
  - Building new trencher, the *T-1200*, to be paired with the *Grand Canyon*

T-750 being deployed for trenching work in the North Sea

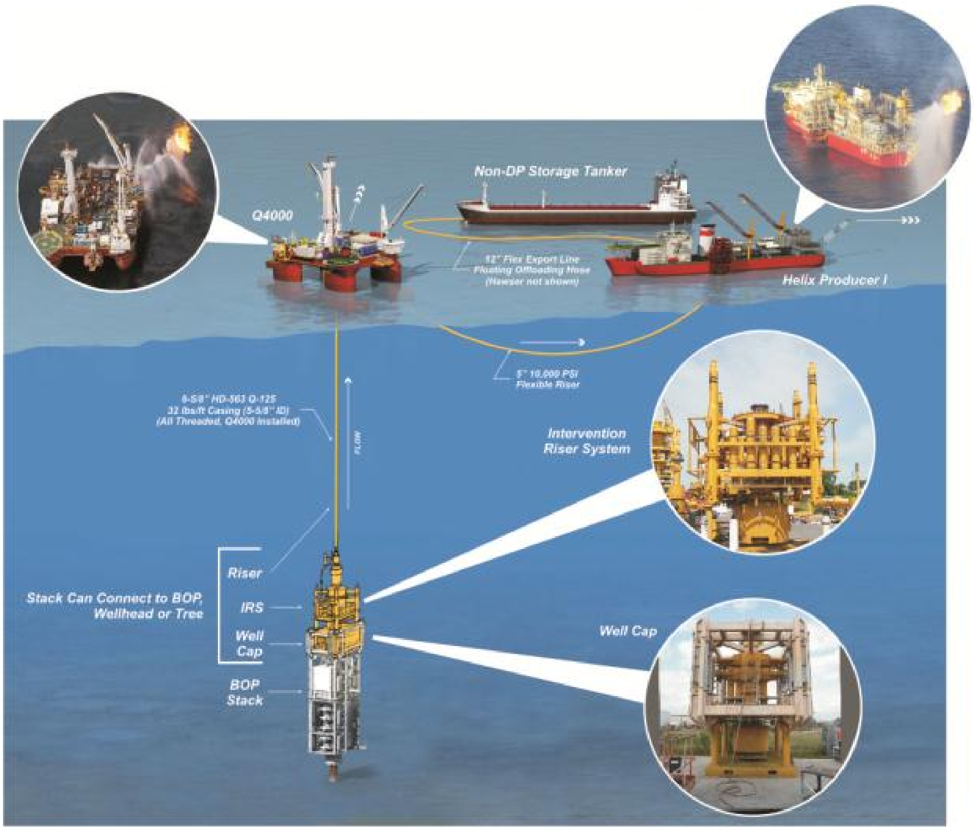
Contracting Services - Subsea Construction

- Low Q2 utilization for the *Intrepid* resulting from continued weak GOM market, partially offset by 82% utilization for the *Express*
- Customer permitting issues continued to impact utilization
- *Express* completed pipelay operations for Deep Gulf Energy, Walter Oil & Gas and internal projects in the GOM
- *Intrepid* returned to work at the end of the quarter
- *Caesar* remained in the shipyard all of Q2 undergoing planned maintenance and upgrades

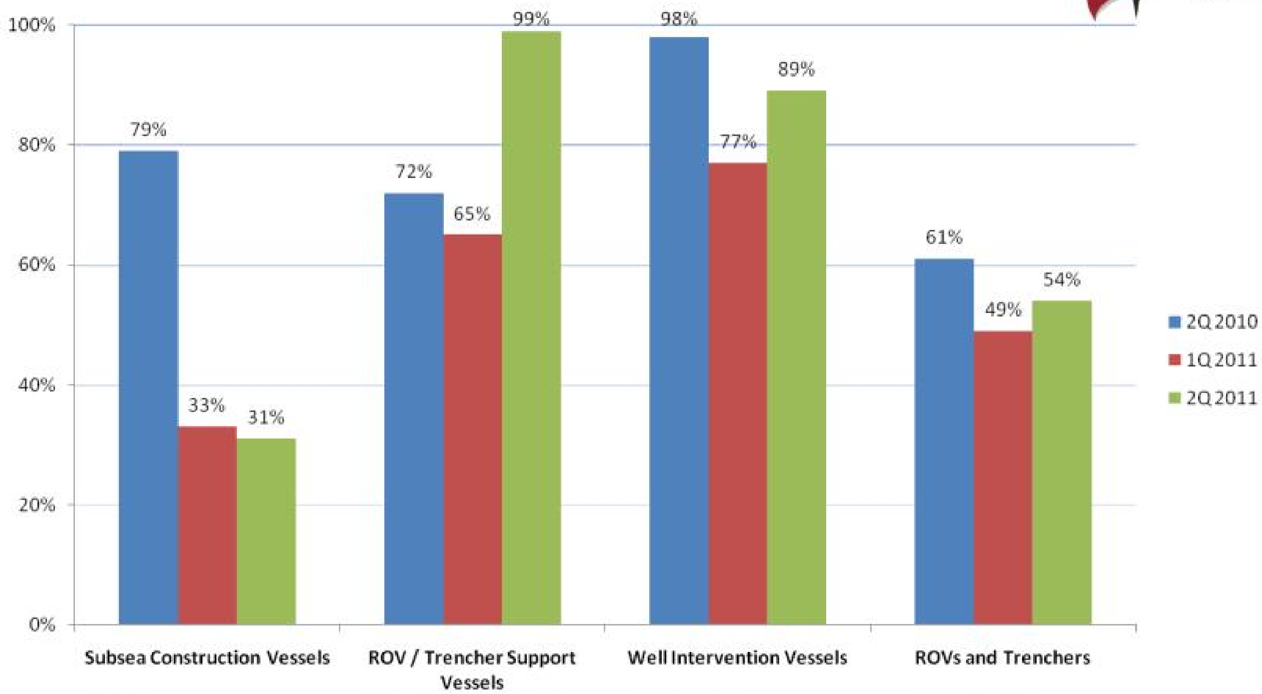
Welding and spooling pipe at Ingleside Spoolbase

Helix Fast Response System (HFRS)

- Utilizes vessels and subsea systems proven in Macondo spill response
- Capability to capture and process up to 55,000 bpd in water depths to 10,000 feet at 15,000 psi
- 24 independent E&P operators have signed on to include HFRS in drilling permit applications
- Cited as spill response plan in 14 approved deepwater permits to date



Contracting Services Utilization



Subsea Construction Vessels
- *Intrepid*
- *Express*
- *Caesar* **(1)**

ROV / Trencher Support Vessels
- *Olympic Canyon* **(2)**
- *Island Pioneer* **(2)**
- *Deep Cygnus* **(2)**
- *Normand Clipper* **(2)**
- *Olympic Triton* **(2)**

Well Intervention Vessels
- *Seawell*
- *Well Enhancer*
- *Q4000*

ROVs and Trenchers
- 39 ROVs
- 2 ROVDrill Units
- 5 Trenchers

(1) Vessel in shipyard during second quarter undergoing planned maintenance and upgrades.
(2) Chartered vessels.

Oil & Gas

Financial Highlights

($ in millions, except production and price data)

	Quarter Ended June 30 2011	Quarter Ended June 30 2010	March 31 2011
Revenue	$ 172	$ 103	$ 169
Gross Profit - Operating	82	10	61
Oil & Gas Impairments and ARO Increases (A)	(23)	(160)	-
Exploration Expense (B)	(8)	(1)	-
Total	$ 51	$ (151)	$ 61
Gain (loss) on Oil & Gas Derivative Contracts	$ -	$ 2	$ -
Production (Bcfe):			
Shelf	4.6	4.9	4.7
Deepwater	8.1	7.0	9.7
Total	12.7	11.9	14.4
Oil (Mmbls)	1.4	0.8	1.5
Gas (Bcf)	4.1	7.1	5.4
Total (Bcfe)	12.7	11.9	14.4
Average Commodity Prices (C):			
Oil / Bbl	$ 101.43	$ 72.59	$ 90.49
Gas / Mcf	$ 6.17	$ 6.10	$ 5.77

(A) Second quarter 2011 impairments primarily associated with six of our Gulf of Mexico oil and gas properties and our only non-domestic (UK) oil and gas property. The impairment charges primarily reflect a premature end of these fields' production lives either through actual depletion or as a result of capital allocation decisions affecting third party operated fields. Second quarter 2010 impairments primarily associated with the reduction in carrying values of 15 GOM properties due to a revision in mid-year reserves.

(B) Primarily consisted of $6.6 million of costs associated with an offshore lease expiration in the second quarter of 2011.

(C) Including effect of settled hedges and mark-to-market derivative contracts.

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

	Quarter Ended					
	June 30				March 31	
	2011		2010		2011	
	Total	per Mcfe	Total	per Mcfe	Total	per Mcfe
DD&A (A)	**$ 52**	**$ 4.13**	**$ 67**	**$ 5.67**	**$ 69**	**$ 4.82**
Operating and Other:						
Operating Expenses (B)	$ 29	2.32	$ 16	1.33	$ 31	2.13
Workover	2	0.18	3	0.29	3	0.18
Transportation	1	0.11	1	0.09	2	0.17
Repairs & Maintenance	3	0.24	2	0.15	2	0.16
Other	3	0.26	2	0.13	3	0.23
Total Operating & Other	**$ 38**	**3.11**	**$ 24**	**1.99**	**$ 41**	**2.87**
Total	**$ 90**	**$ 7.24**	**$ 91**	**$ 7.66**	**$ 110**	**$ 7.69**

(A) Included accretion expense. Q2 2011 DD&A rate positively affected (approximately $9.2 million) due primarily to increased proved reserves at our Phoenix field as a result of better than expected production rates (net of adjustments in other fields).

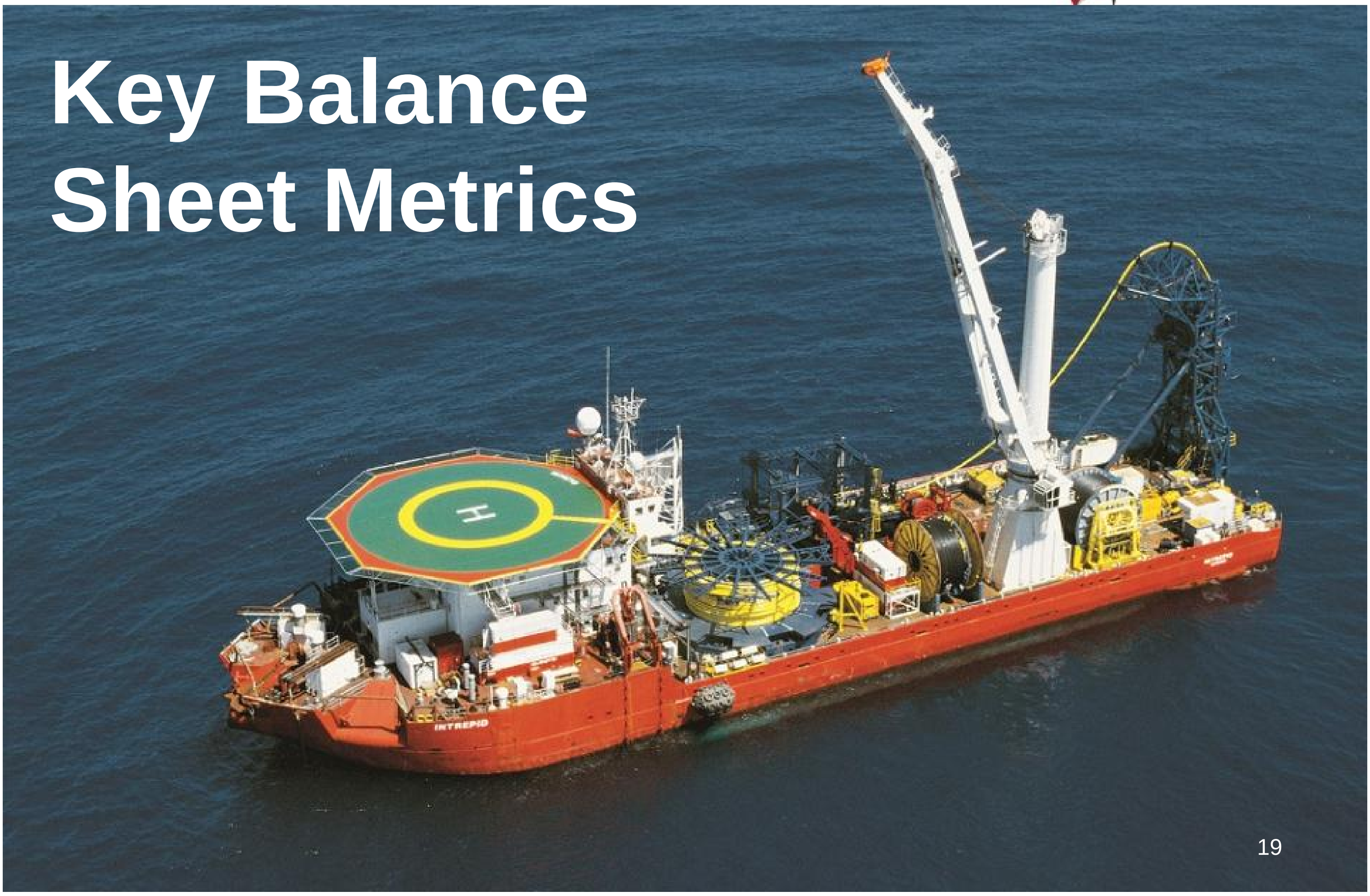
(B) Excluded exploration expense, net hurricane-related costs (reimbursements) and abandonment costs.

Summary of Jul 2011 - Dec 2012 Hedging Positions *

Oil (Bbls)	Collars	Swaps	Total Volume Hedged	Pricing Basis	Swap Pricing	Average Collar Price Floor	Average Collar Price Ceiling
2011	320,000	1,055,000	1,375,000	WTI	$ 82.49	$ 95.00	$ 124.70
2011	150,000	-	150,000	Brent		$ 100.00	$ 122.80
2012	900,000	-	900,000	WTI		$ 96.67	$ 118.57
2012	1,100,000	-	1,100,000	Brent		$ 100.00	$ 120.25
Natural Gas (mcf)							
2011	-	4,355,000	4,355,000	Henry Hub	$ 4.97		
2012	2,000,000	3,000,000	5,000,000	Henry Hub	$ 4.77	$ 4.75	$ 5.09
Subtotals (mcfe)							
2011	2,820,000	10,685,000	13,505,000				
2012	14,000,000	3,000,000	17,000,000				
Grand Totals	**16,820,000**	**13,685,000**	**30,505,000**				

** As of July 24, 2011.*

Key Balance Sheet Metrics



Debt and Liquidity Profile

Liquidity of approximately$965 million at 6/30/2011

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

(B) Liquidity, as we define it, is equal to cash and cash equivalents ($414 million), plus available capacity under our revolving credit facility ($551 million).

2011 Outlook

2011 Outlook

Broad Metrics	2011 Forecast (revised)	2011 Forecast (original)	2010 Actual
Oil and Gas Production	***50 Bcfe***	49 Bcfe	47 Bcfe
EBITDAX	***$575+ million***	$475 million	$430 million
CAPEX	***$275 million***	$225 million	$179 million

Commodity Price Deck		2011 Forecast (revised)	2011 Forecast (original)	2010 Actual
Hedged	Oil	***$94.64 / bbl***	$87.11 / bbl	$75.27 / bbl
	Gas	***$5.43/ mcf***	$4.80/ mcf	$6.01 / mcf

We expect to continue to improve our liquidity position in 2011.

2011 Outlook

- **Contracting Services**
  - Strong backlog for the *Q4000, Well Enhancer* and *Seawell* in 2011
  - Continued robotics utilization recovery in second half of 2011, driven primarily by activity outside the GOM
  - Backlog for *Express* and *Intrepid* improved, although some backlog subject to customer permitting
  - *Express* scheduled to work in the North Sea in the second half of 2012
  - Expect *Well Enhancer* to work in West Africa this winter
  - Continued focus on trenching and cable burial business with non-oilfield projects growing
- **Production Facilities**
  - *HP I* continues production at Phoenix field and completes upgrades for spill response capabilities
- **Oil and Gas**
  - Forecasted 2011 overall production of 50 Bcfe
    - 66% oil and 61% deepwater
    - Assumes no significant storm disruptions

2011 Outlook

- **Capital Expenditures**
  - Contracting Services ($110 million)
    - No major vessel projects planned for 2011
    - *Caesar* thruster upgrade continues through Q3
    - Incremental investment in robotics business
  - Oil and Gas ($165 million)
    - Focus capital investment on oil development with relatively fast payback
    - Drill two wells in the 2nd half of the year (subject to permitting)
      - Kathleen in the Bushwood field
      - Wang in the Phoenix field
    - Shelf platform construction and opportunistic workovers

Non-GAAP Reconciliations

Non-GAAP Reconciliations

Adjusted EBITDAX *($ in millions)*

	Quarter Ended			Six Months Ended	
	June 30		March 31	June 30	
	2011	2010	2011	2011	2010
Net income (loss) applicable to common shareholders	$ 41	$ (85)	$ 26	$ 67	$ (103)
Non-cash impairments	12	160	-	12	171
Gain on asset sales	-	-	(1)	(1)	(6)
Preferred stock dividends	-	-	-	-	-
Income tax provision (benefit)	16	(52)	10	26	(60)
Net interest expense and other	24	22	22	46	43
Depreciation and amortization	75	85	92	167	146
Exploration expense	8	1	-	8	1
Adjusted EBITDAX	$ 176	$ 131	$ 149	$ 325	$ 192

We calculate Adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization and exploration expense. 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		
	June 30		March 31
	2011	2010	2011
Revenues			
Contracting Services	$ 171	$ 202	$ 131
Production Facilities	21	21	16
Intercompany elim. - Contracting Services	(14)	(24)	(13)
Intercompany elim. - Production Facilities	(12)	(3)	(11)
Revenue as Reported	$ 166	$ 196	$ 123
Gross Profit			
Contracting Services	$ 38	$ 50	$ 11
Production Facilities	12	13	6
Intercompany elim. - Contracting Services	-	(4)	-
Intercompany elim. - Production Facilities	-	(2)	-
Gross Profit as Reported	$ 50	$ 57	$ 17
Gross Profit Margin	30%	29%	14%

HELIX
ENERGY SOLUTIONS GROUP