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): August 1, 2007

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**	**77060**
(Address of principal executive offices)	(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):

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

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

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

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

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Item 2.02 Results of Operations and Financial Condition.

On August 1, 2007, Helix Energy Solutions Group, Inc. (“Helix”) issued a press release announcing its second quarter results of operation for the period ended June 30, 2007. Attached hereto as Exhibits 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 August 1, 2007, Helix issued a press release announcing its second quarter results of operation for the period ended June 30, 2007. In addition, on August 2, 2007, 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 2007 Earnings Conference Call Presentation issued by Helix.

This information is not deemed to be “filed” for the purposes of Section 18 of the 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 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
99.1	Press Release of Helix Energy Solutions Group, Inc. dated August 1, 2007 reporting financial results for the second quarter of 2007.
99.2	Second Quarter 2007 Earnings Conference Call Presentation.

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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: August 1, 2007

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ A. WADE PURSELL
A. Wade Pursell
Executive Vice President and Chief Financial Officer

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Index to Exhibits

Exhibit No.	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated August 1, 2007 reporting financial results for the second quarter of 2007.
99.2	Second Quarter 2007 Earnings Conference Call Presentation.

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 **07-016**

Date: August 1, 2007

Contact: **Wade Pursell**
Title: **Chief Financial Officer**

Helix Reports Second Quarter Results

HOUSTON, TX —Helix Energy Solutions (NYSE: HLX) reported second quarter net income of $65.8 million, or $0.70 per diluted share, excluding three non-recurring items recorded by its majority owned subsidiary, Cal Dive International, Inc. Including the non-recurring items, Helix reported second quarter net income of $57.7 million, or $0.61 per diluted share.

The non-recurring items recorded by Cal Dive in the second quarter include $11.8 million in non-cash equity losses and a related asset impairment charge in connection with Cal Dive's investment in Offshore Technology Solutions Limited ("OTSL"), a Trinidad and Tobago entity in which Cal Dive owns a 40% minority interest, and a $2.0 million cash settlement, subject to final negotiation of a court-approved settlement agreement, to be paid for a civil claim by the Department of Justice related to the Stolt and Torch acquisitions in 2005. Cal Dive also reported a $1.7 million gain on a sale of a portable saturation diving asset during the second quarter.

Summary of Results
(in thousands, except per share amounts and percentages)

	Second Quarter		First Quarter	Six Months	
	2007	2006	2007	2007	2006
Revenues	$410,574	$305,013	$396,055	$806,629	$596,661
Gross Profit	141,765	131,692	135,615	277,380	233,958
	35%	43%	34%	34%	39%
Net Income	57,702	69,139	55,820	113,522	124,528
	14%	23%	14%	14%	21%
Diluted Earnings Per Share	0.61	0.83	0.60	1.21	1.51

Martin Ferron, President and Chief Executive Officer of Helix, stated, "We expected Q2 earnings to be similar to those reported for Q1 and actually posted an improved result, even after the negative impact of the non-recurring items described above. This improvement was also achieved despite another very busy quarter for marine asset maintenance, with the *Intrepid* and several key Cal Dive vessels undergoing regulatory drydockings during the period. That maintenance work is now largely behind us, except for the planned upgrade to the *Q4000*, and we are anticipating a strong second half of the year for Contracting Services.

"In our Oil and Gas business unit we had another very successful quarter with the drill bit, going six for six with exploratory wells. This takes our success record to 12 for 12 for the first half of the year and improves our proven reserve base by around 140 bcfe. On the production front we plan to bring several key shelf development projects onstream in the second half of the year, and our deepwater development projects remain on schedule to boost output next year.

"We have updated the assessment of the key variables that drive our earnings for the year and this will be covered in the conference call tomorrow. Based on our analysis we are comfortable with the present consensus earnings estimate for 2007 of $3.26/share, subject to no further significant deterioration in the natural gas price. We have created very meaningful future value in our deepwater development projects portfolio and, as set out in our initial earnings guidance, we may monetize part of that value, in order to reduce debt and contribute to near term earnings."

Financial Highlights

- Revenues: The $105.6 million increase in year-over-year second quarter revenues was driven primarily by an increase in oil and gas sales of $61.0 million due primarily to the production added from the acquisition of Remington Oil and Gas Corporation. The remaining increase was due to improvements in contracting services revenues due to much better market conditions.
- Margins: 35% is eight points less than the year ago quarter due primarily to significant out of service days for Cal Dive's vessels in regulatory drydocks (373 days in 2Q 2007 vs. 89 days in 2Q 2006) and an increased DD&A rate for oil and gas production due to the Remington acquisition.
- SG&A: $33.4 million increased $6.0 million from the same period a year ago due primarily to increased overhead to support our growth. This level of SG&A was 8% of second quarter revenues, down from the 9% in the year ago quarter.
- Equity in Earnings: Net losses of $4.7 million is comprised of the $11.8 million impairment / equity losses in Cal Dive's minority interest in OTSL offset by $7.0 million for our share of earnings for the quarter of Deepwater Gateway, L.L.C.'s earnings relating to the Marco Polo facility and demand fees relating to the Independence Hub facility.
- Income Tax Provision: The Company's effective tax rate for the quarter was 35%, compared to 34% for last year's second quarter due primarily to the nondeductibility of the OTSL charges and the DOJ reserve.
- Balance Sheet: Total consolidated debt as of June 30, 2007 was $1.4 billion. This includes $140 million under Cal Dive's revolving facility which is non-recourse to Helix. This represents 43% net debt to book capitalization and with $735 million of adjusted EBITDAX during the last twelve months, this represents 1.8 times trailing twelve month adjusted EBITDAX.

Further details are provided in the presentation for Helix's quarterly conference call (see the Investor Relations page of www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Daylight Time on Thursday, August 2, 2007, will be webcast live. A replay will be available from the Audio Archives page on our 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.

This press release contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are statements that could be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K, as amended by our Form 10-K/A filed on June 18, 2007 (“2006 Form 10-K”), for the year ending December 31, 2006 and any subsequent reports on Form 10-Q. We assume no obligation and do not intend to update these forward-looking statements.

HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006
	(Unaudited)			
Net revenues	$ 410,574	$ 305,013	$ 806,629	$ 596,661
Cost of sales	268,809	173,321	529,249	362,703
Gross profit	141,765	131,692	277,380	233,958
Gain on sale of assets, net	5,684	16	5,684	283
Selling and administrative	33,388	27,414	63,988	48,442
Income from operations	114,061	104,294	219,076	185,799
Equity in earnings of investments	(4,748)	4,520	1,356	10,756
Net interest expense and other	14,286	2,983	27,298	5,440
Income before income taxes	95,027	105,831	193,134	191,115
Income tax provision	33,261	35,887	66,384	64,978
Minority interest	3,119	—	11,338	—
Net income	58,647	69,944	115,412	126,137
Preferred stock dividends	945	805	1,890	1,609
Net income applicable to common shareholders	$ 57,702	$ 69,139	$ 113,522	$ 124,528
Weighted Avg. Shares Outstanding:				
Basic	90,047	78,462	90,021	78,216
Diluted	95,991	83,965	95,262	83,659
Earnings Per Share:				
Basic	$ 0.64	$ 0.88	$ 1.26	$ 1.59
Diluted	$ 0.61	$ 0.83	$ 1.21	$ 1.51

Comparative Condensed Consolidated Balance Sheets

ASSETS (in thousands)	June 30, 2007	Dec. 31, 2006	***LIABILITIES & SHAREHOLDERS' EQUITY*** (in thousands)	June 30, 2007	Dec. 31, 2006
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents	$ 96,390	$ 206,264	Accounts payable	$ 268,877	$ 240,067
Short term investments	10,000	285,395	Accrued liabilities	188,148	199,650
Accounts receivable	368,226	370,709	Income taxes payable	—	147,772
Other current assets	76,832	61,532	Current mat of L-T debt (1)	26,165	25,887
Total Current Assets	551,448	923,900	Total Current Liabilities	483,190	613,376
			Long-term debt (1)	1,386,011	1,454,469
Net Property & Equipment:			Deferred income taxes	476,094	436,544
Contracting Services	928,467	800,503	Decommissioning liabilities	140,682	138,905
Oil and Gas	1,608,929	1,411,955	Other long-term liabilities	4,231	6,143
Equity investments	212,319	213,362	Minority interest	73,152	59,802
Goodwill	828,228	822,556	Convertible preferred stock (1)	55,000	55,000
Other assets, net	137,758	117,911	Shareholders' equity (1)	1,648,789	1,525,948
Total Assets	$4,267,149	$4,290,187	Total Liabilities & Equity	$4,267,149	$4,290,187

(1) Net debt to book capitalization — 43% at June 30, 2007. Calculated as total debt less cash and equivalents and short-term investments $1,305,786 divided by sum of total debt less cash and equivalents and short-term investments, convertible preferred stock and shareholders' equity $3,009,575

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Six Months Ended June 30, 2007

Earnings Release:

Balance Sheet: "...1.8 times trailing twelve month adjusted EBITDAX."

Reconciliation From Net Income to Adjusted EBITDAX (excluding gain on sale of Cal Dive IPO in 4Q06 and non-recurring items: OTSL impairment and DOJ accrual in 2Q07):

	2Q07	1Q07	4Q06	3Q06	2Q06
		(in thousands, except ratio)			
Net income applicable to common shareholders	$ 57,702	$ 55,820	$ 65,948	$ 57,029	69,139
Preferred stock dividends	945	945	945	804	805
Income tax provision	30,456	28,617	34,166	31,409	35,887
Net interest expense and other	13,605	12,331	13,981	15,103	2,983
Non-cash stock compensation expense	3,546	3,267	2,797	1,910	2,251
Depreciation and amortization	71,918	67,558	61,809	63,879	34,346
Exploration expense	2,978	1,190	1,820	19,520	(330)
Non-recurring items	8,602	—	—	—	—
Share of equity investments:					
Depreciation	1,965	1,004	1,004	1,004	1,003
Interest expense, net	(38)	(57)	(70)	(59)	(43)
Adjusted EBITDAX	$ 191,679	$170,675	$182,400	$190,599	$146,041
Trailing Twelve Months Adjusted EBITDAX	$ 735,353				
Net Debt at June 30, 2007 *(a)*	$1,305,786				
Ratio	1.8				

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, exploration expense, non-cash stock compensation expense and our share of depreciation, net interest expense and taxes from our equity investments. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. Adjusted EBITDAX margin is defined as adjusted EBITDAX divided by net revenues. 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.

(a) Total debt less cash, cash equivalents and short term investments

EXHIBIT 99.2

HELIX ENERGY SOLUTIONS

Second Quarter 2007 Earnings Conference Call August 2, 2007

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such statements, other than statements of historical fact, are statements that could be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments, performance or industry rankings; and any statements of assumptions underlying any of the foregoing. Although we believe that the expectations set forth in these forward-looking statements are reasonable, they do involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments; geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K as amended by our Form 10-K/A for the year ended December 31, 2006 filed on June 18, 2007 ("2006 Form 10-K") for the year ending December 31, 2006 and subsequent quarterly reports on Form 10-Q. You should not place undue reliance on these forward-looking statements which speak only as of the date of this press release and presentation. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. Statements of proved reserves are only estimates and may be imprecise. Any reserve estimates provided in this presentation that are not specifically designated as being estimates of proved reserves may include not only proved reserves but also other categories of reserves that the SEC's guidelines strictly prohibit the Company from including in filings with the SEC. Investors are urged to consider closely the disclosure in the Company's 2006 Form 10-K.

Presentation Outline

I. Summary of Results

II. Operational Highlights by Segment

   A. Contracting Services

   B. Oil & Gas

III. Earnings Guidance Analysis

IV. Questions & Answers

Net Income Reconciliation

	Amount in Thousands	Diluted EPS
Net income before non-recurring items	$65,786	$0.70
Equity loss and impairment charge in Cal Dive's minority investment in OTSL, net of tax	<10,466>	<0.11>
Reserve for Cal Dive DOJ settlement, net of tax	<2,000>	<0.02>
Gain on sale of Cal Dive diving asset	1,383	0.01
Minority interest adjustments for above items	2,999	0.03
Net income, as reported	$57,702	$0.61

Summary of Results

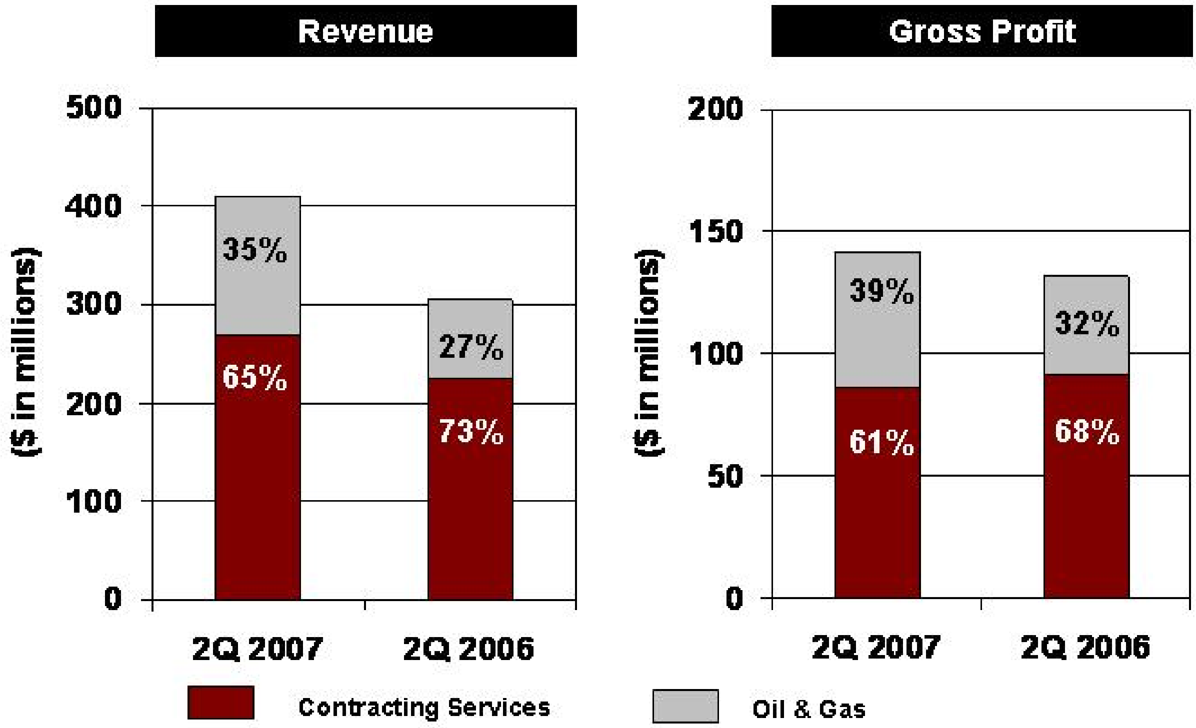
($ in millions, except per share data)

	Second Quarter 2007	Second Quarter 2006	First Quarter 2007
Revenues	$410.6	$305.0	$396.1
Gross Profit	$141.8	$131.7	$135.6
Margins	*35%*	*43%*	*34%*
Net Income	$65.8[2]	$69.1	$55.8
Margins	*16%*[2]	*23%*	*14%*
Diluted EPS	$0.70[2]	$0.83	$0.60
Adjusted EBITDAX[1]	$191.7[2]	$146.0	$170.7
Margins	*47%*[2]	*48%*	*43%*

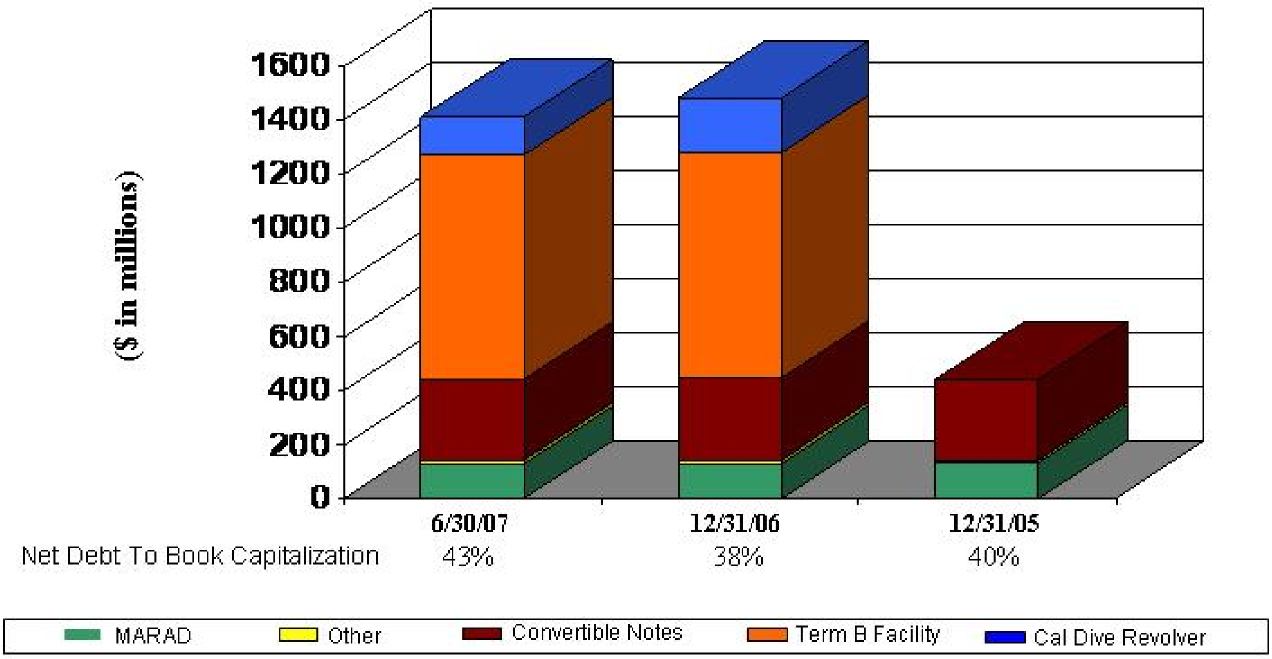
Note 1: See GAAP reconciliation on slide 26.

Note 2: Excludes impact of non-recurring items: OTSL impairment , DOJ settlement accrual and sale of diving asset (see slide 4).

Revenue and Gross Profit by Segment



Long Term Debt



Contracting Services – Division Reporting (1)

(in millions, except percentages)	Second Quarter				First Quarter	
Revenues (A)	**2007**		**2006**		**2007**	
Deepwater Construction	$82.3		$62.6		$92.5	
Shelf Construction	135.3		124.8		149.2	
Well Operations	63.3		39.7		35.4	
Reservoir/Well Tech	9.1		10.3		9.8	
Contracting Services	$290.0		$237.4		$286.9	
Gross Profit (A)		Margin		Margin		Margin
Deepwater Construction	$20.8	25%	$20.7	33%	$29.5	32%
Shelf Construction	45.6	34%	60.9	49%	58.0	39%
Well Operations	21.4	34%	7.9	20%	3.7	10%
Reservoir/Well Tech	2.7	30%	3.3	32%	3.0	31%
Contracting Services	$90.5	31%	$92.8	39%	$94.2	33%
Equity in Earnings						
Production Facilities	$7.0		$4.6		$5.2	
OTSL (minority owned by Cal Dive)	($11.8)		($0.2)		$0.9	

A. Amounts are before intercompany eliminations. See GAAP reconciliation on slide 27.

Contracting Services – Division Reporting (2)

	Second Quarter		First Quarter
Utilization	2007	2006	2007
Deepwater – Pipelay	70%	85%	93%
– Robotics	86%	75%	70%
Shelf Construction	63%	87%	70%
Well Operations	94%	83%	65%
Marco Polo Production			
Facility Throughput (MBOE)	3,532	2,951	2,978

Contracting Services - Images of the Quarter

Well Ops SEA Pty completes subsea project for BHP in Griffin field offshore Australia

Intrepid completes dry-dock

Q4000 receives 60 day/year 3 year Well Intervention contract in GOM.

Canyon's ROV Drill Units being deployed on minerals project offshore Papua New Guinea

Helix Producer I leaves dry-dock

Canyon takes possession of *Olympic Canyon* vessel to start 3 year charter

Contracting Services – Commentary

Express

750 Trencher

Overall

- Revenues increased by 22% year over year and by 1% from Q1 due to asset additions and strengthening market conditions.
- Extensive asset downtime for regulatory maintenance skewed gross profitability downwards for the quarter, but we anticipate a return to 35% plus gross profit margins for the balance of the year.

Deepwater Construction

- The *Intrepid* was dry-docked during the quarter and the *Express* completed a legacy modest profit contract. Both assets are now fully booked through much of 2008 at good rates, with the *Express* due to leave for the significant contract for Allseas on the Reliance project, offshore India, during Q3.
- Canyon had a record quarter and contributed over 60% of the division gross profit. Demand for both ROV and pipe burial services were very strong and required the charter of several support vessels. A demanding pipe burial project which required rock cutting was completed offshore South Africa, and ROV drill work was started on a deepwater mining project offshore Papua, New Guinea.

Contracting Services – Commentary (2)

Shelf Construction

- Cal Dive's fleet utilization was down 24 points year over year due to extensive catch up vessel maintenance. All key assets are now back to work and the outlook for the rest of the year is encouraging. See separate earnings release and conference call for this majority owned subsidiary.

Well Operations

- The *Seawell* enjoyed a record quarter in the North Sea, with full utilization, and the highest effective average day rate ever achieved in her near twenty years of operations. The outlook for the second half has improved due to the replacement of a relinquished Q3 slot at higher rates.

- The *Q4000* had a much better quarter and actually achieved 30% plus gross profit margins on the work she was able to execute. She will enter dry-dock in late August for the extensive station keeping upgrade and the installation of drilling equipment. Her medium term outlook has been boosted by the award of a 60 day/year 3 year well intervention contract at good rates.

Contracting Services – Commentary (3)

- Q2 also saw the completion of a very successful well operations project offshore Australia, using portable intervention equipment designed and built by SEATRAC. Early in Q3 we completed the acquisition of 100% of SEATRAC, which will now operate as our Well Ops SEA business unit.

Reservoir/Well Tech Services

- Helix RDS did well to keep gross profit margins flat at 30% in a difficult market for the recruitment and retention of consulting personnel.

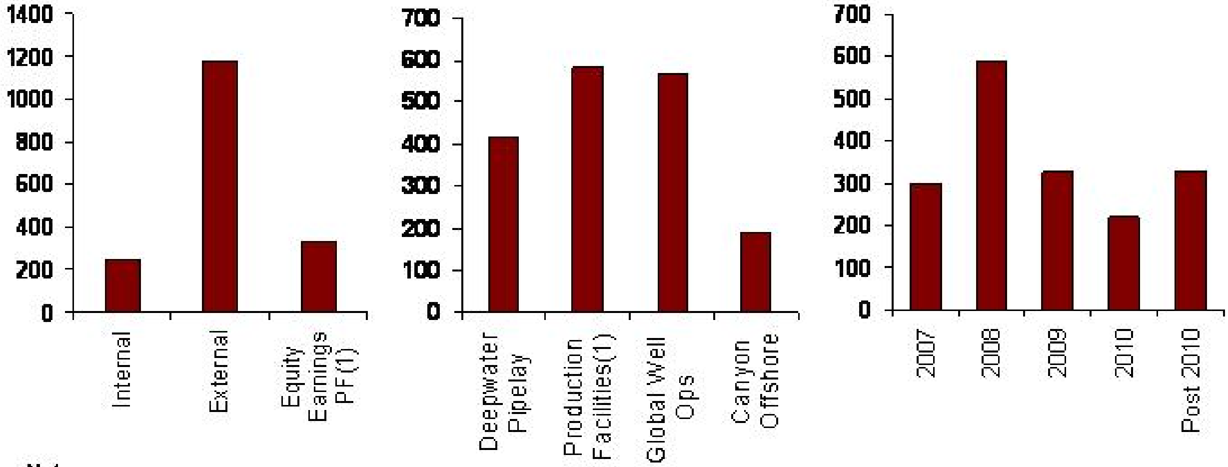
Production Facilities

- Production throughput at Marco Polo improved by 18% from Q1 and reached 46,000 BOEPD by the end of the period. Throughput should be further boosted by two Genghis Khan wells coming online in the second half.
- Production throughput commenced at the Independence Hub in mid-July and the operator expects a significant ramp-up from existing fields by the end of the year.

Contracting Services Backlog (excl. Cal Dive)

$ in millions as of 7/1/2007

Total: $1.75 Billion



Notes

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

Assumptions

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

Oil & Gas – Financial Highlights

	Second Quarter		First Quarter
	2007	2006	2007
Revenue (in millions)	$142.1	$81.1	$131.0
Gross Profit (in millions)	$55.7	$41.5	$48.6
Margin	39%	51%	37%
Production (BCFe)			
• Shelf	12.6	6.0	12.2
• Deepwater	3.2	2.5	3.4
Average Commodity Prices (net of hedging impact):			
• Oil / Bbl	$62.32	$64.98	$56.36
• Gas / Mcf	$8.06	$8.04(A)	$7.66
• Hedge gain (in millions)	$0.2	$1.4	$2.1

(A) Includes effect of NGLs.

Oil & Gas – Statistics [A]

(in millions, except per Mcfe data)

	Second Quarter				First Quarter	
	2007		2006		2007	
	Total	Per Mcfe	Total	Per Mcfe	Total	Per Mcfe
Operating Expenses	$22.9	$1.45	$9.7	$1.12	$22.0	$1.41
Exploration Expense [B]	3.0	0.19	(0.3)	(0.04)	1.2	0.08
Repair & Maintenance	4.1	0.26	10.1	1.17	6.6	0.42
DD&A	48.5	3.08	17.8	2.06	46.9	3.01
Other	6.2 [C]	0.40	2.4	0.27	3.8	0.25
	$84.7	$5.38	$39.7	$4.58	$80.5	$5.17

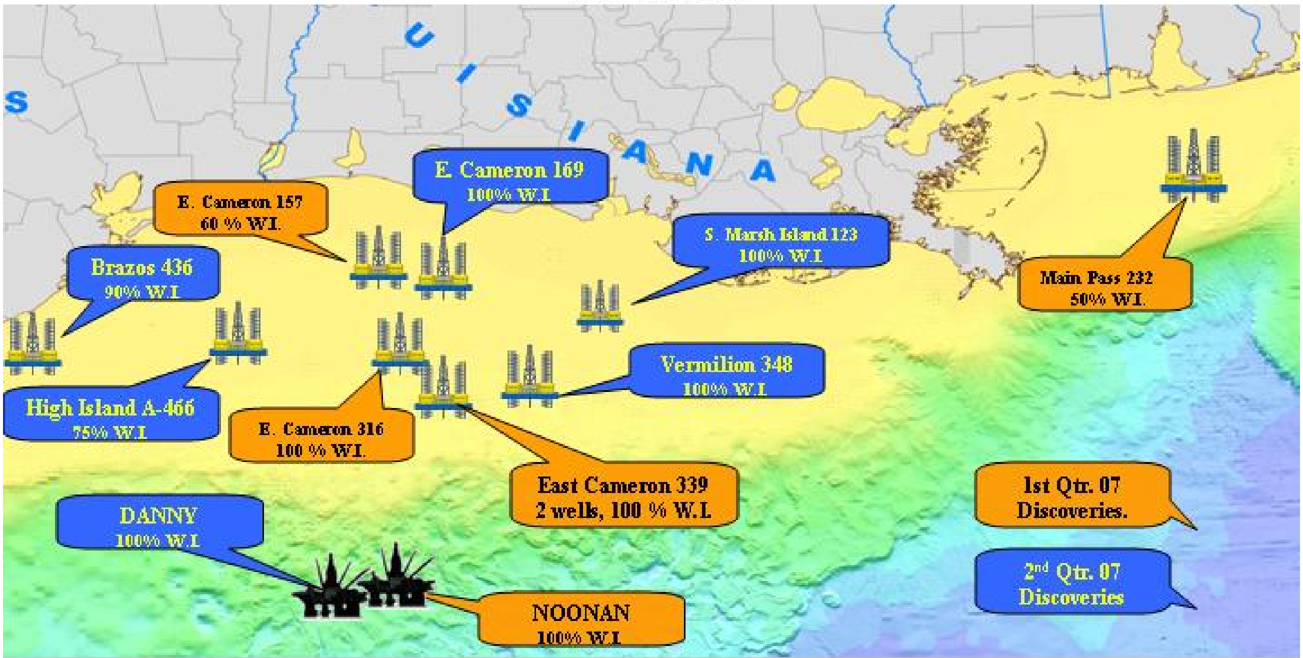
[A] Gulf of Mexico only.

[B] Includes expenditures on seismic data.

[C] Includes abandonment overruns related to hurricanes, net of insurance.

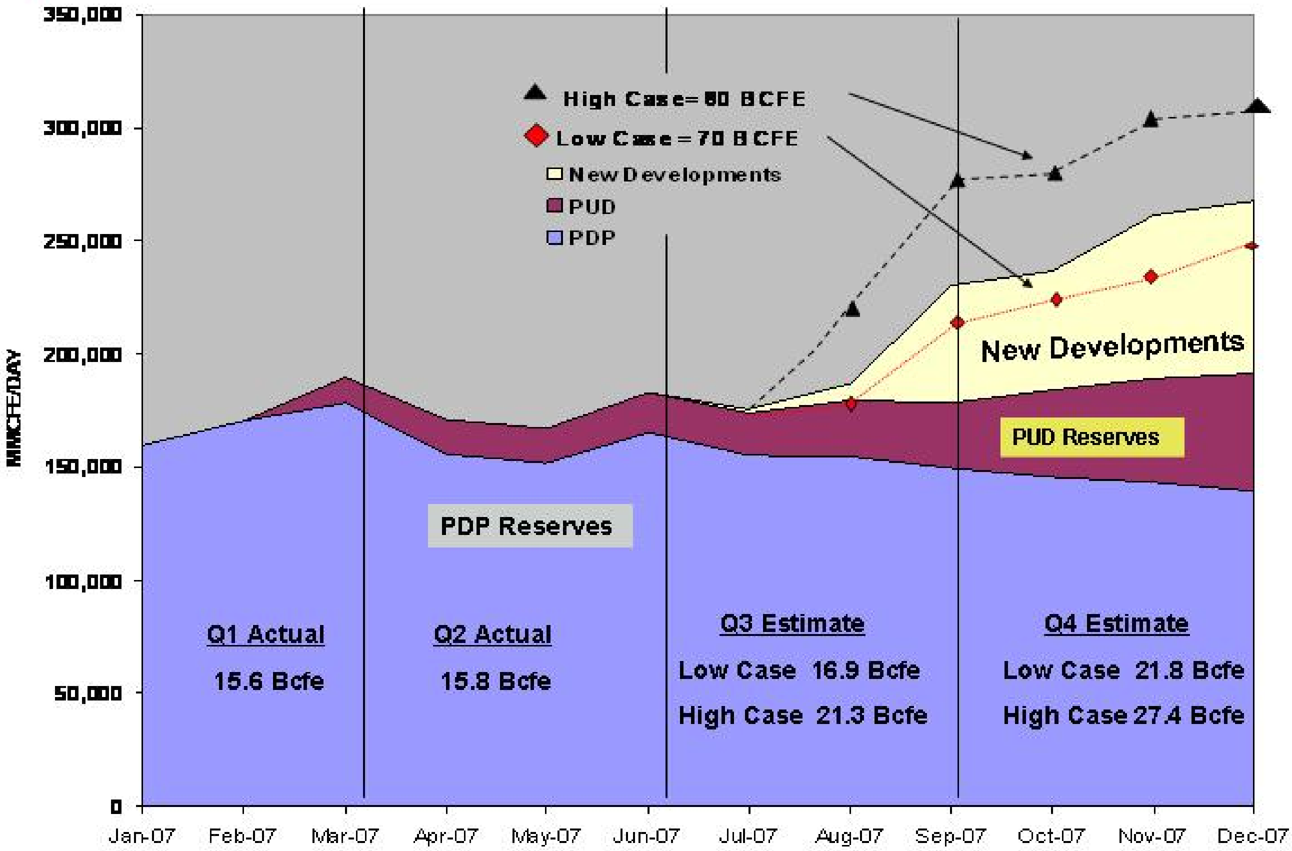
Exploration Program

1/07 to 7/07



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

2007 Production Estimate



Major Shelf Development Projects

Project Name	Working Interest %	Estimated Initial Rate *Predominant Hydrocarbon Phase* (Net MMCFE/D)	Est. 1st Production
East Cameron 339	100	13 *Oil*	Q3 2007
East Cameron 157/169	60/100	15 *Gas*	Q3 2007
East Cameron 316	100	13 *Gas*	Q3 2007
Brazos 436	90	6 *Gas*	Q3 2008
High Island 466	75	8 *Gas*	Q4 2008
Vermilion 348	100	8 *Gas*	Q4 2008
Main Pass Project	20-50	*14* *Gas*	Q4 2008

Deepwater Development Projects

Project Name	Working Interest	Estimated Initial Rate *Predominant Hydrocarbon Phase*	1st Production
	%	(Net MMCFE/D)	Est.
Atwater Valley 426 *"Bass Lite"*	18	20 *Gas*	Q1 2008
Garden Banks 506 *"Danny"* *"Noonan"*	100	100 *Oil & Gas*	Q3 2008
Green Canyon 236/237 *"Phoenix"*	100	175 *Oil*	Q3 2008

Helix Hedges - As Of July 31, 2007

Production Period	Instrument Type	Average Monthly Volumes	Weighted Average Price
Crude Oil			
August - December 2007	Collars	100 MBbl	$50.00 – $67.98
October – December 2007	Forward Sale	28 MBbl	72.20
January – December 2008	Forward Sale	45 MBbl	72.20
January – June 2008	Collars	60 MBbl	55.00 – 73.58
July – December 2008	Collars	30 MBbl	60.00 – 82.38
Natural Gas			
October – December 2007	Forward Sale	583,333 MMBtu	7.91
August – December 2007	Collars	1,283,333 MMBtu	7.50 – 10.10
January – December 2008	Forward Sale	769,133 MMBtu	8.41
January – December 2008	Collars	900,000 MMBtu	7.32 – 10.87

Key Guidance Variables – YTD Performance

($ in millions)

	Annual						
Contracting Services	**-**	**Low**	**Mid**	**High**	**+**	**YTD Actual**	**Commentary**
Revenues (A)		$1,060		$1,200		$577	Should trend higher following completion of the bulk of the vessel maintenance program
EBITDA Margins (B)		35%		40%		32%	
Gross Profit Deferral		$25.0		$20.0		$8.0	Should be higher in second half due to active program of construction work on ERT development projects
Production Facilities – Equity in Earnings		$35.0		$45.0		$12.2	Expected ramp up of production at Independence Hub could bring us to low case
Minority Interest – Cal Dive		$29.4		$36.2		$11.2	Good second half should lead to expected case (excluding impact of OTSL)

Present Trend

A. Actual YTD revenues are before intercompany elimination. See GAAP reconciliation on slide 27.

B. See GAAP reconciliation on slides 28 and 29 .

Key Guidance Variables – YTD Performance (2)

	Annual						
Oil & Gas	**–**	**Low**	**Mid**	**High**	**+**	**YTD Actual**	**Commentary**
Oil Price ($/Bbl)		$55		$65		$59.31	At this point we expect full year oil and gas prices to be near the top and bottom of the respective ranges
Natural Gas Price ($/Mcf)		$7.00		$8.00		$7.86	
Production (Bcfe)		85		95		31.4	Revised range is 70 - 80 bcfe (see slide 18)
LOE ($/Mcfe)		$1.30		$1.20		$1.43	Quarterly performance should improve as production increases
DD&A ($/Mcfe)		$2.90		$2.80		$3.04	
Exploration Expense (in millions)		$35		$30		$4.2	Q2 was third successive quarter with minimal dry hole expense

Present Trend

Key Guidance Variables – YTD Performance (3)

(in millions, except percentages)

Corporate	-	Low	Mid	High	+	YTD Actual		Commentary
SG&A (% of Revenue)		8%		7%		8%		Projected decline in 2H related to production ramp-up may be offset by incentive payment accruals
Effective Tax Rate		35%		34%		34%		
Interest Expense (A)		$70		$60		$28		Quarterly expense will increase as CAPEX is incurred
Average Shares Outstanding		96.5		96.5		95.3		Adjusted for trading price of stock
CAPEX:								
Contracting Services		$435		$580		$164		Some discretionary items deferred or cancelled
Oil & Gas		$415		$470		$283		Trend is to the high side due to exploration success

(A) Net of interest income and capitalized interest

Present Trend

NON-GAAP MEASURE RECONCILIATIONS

Non-GAAP Measure Reconciliations

Slide 5 (Summary of Results):

Reconciliation From Net Income to Adjusted EBITDAX (excluding impact of non-recurring items: OTSL impairment and DOJ accrual in 2Q07):

	2Q07	2Q06	1Q07
	(in thousands, except percentages)		
Net income applicable to common shareholders	$ 57,102	$ 69,139	$ 55,620
Preferred stock dividends	945	805	945
Income tax provision	30,456	35,887	28,617
Net interest expense and other	13,605	2,963	12,331
Non-cash stock compensation expense	3,546	2,251	3,267
Depreciation and amortization	71,918	31,346	67,558
Exploration expense	2,918	(330)	1,190
Non-recurring items (see slide 5)	8,602	-	-
Share of equity investments:	-	-	-
Depreciation	1,965	1,003	1,004
Interest expense, net	(38)	(13)	(51)
Adjusted EBITDAX	$ 191,679	$ 146,041	$ 170,675
Net Revenues	$ 410,574	$ 305,013	$ 396,055
Adjusted EBITDAX Margin (Adjusted EBITDAX / Net Revenues)	47%	48%	43%

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, exploration expense, non-cash stock compensation expense and our share of depreciation, net interest expense and taxes from our equity investments. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. Adjusted EBITDAX margin is defined as adjusted EBITDAX divided by net revenues. 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 Measure Reconciliations cont.

Slide 8 (Contracting Services):	2Q07	2Q06	1Q07
	(in thousands, except percentages)		
Revenues:			
Deepwater Construction	$ 82,285	$ 62,616	$ 92,537
Shelf Construction	135,258	124,764	149,226
Well Operations	63,275	39,711	35,379
Reservoir/Well Tech	9,159	10,263	9,801
Intercompany elimination Deepwater Construction	(13,990)	(7,818)	(11,761)
Intercompany elimination Shelf Construction	(4,584)	(3,236)	(7,259)
Intercompany elimination Well Operations	(2,911)	(2,397)	(2,835)
Revenues as Reported	$ 268,492	$ 223,903	$ 265,088
Gross Profit:			
Deepwater Construction	$ 20,834	$ 20,717	$ 29,529
Shelf Construction	45,565	60,943	57,952
Well Operations	21,372	7,880	3,704
Reservoir/Well Tech	2,671	3,320	3,002
Corp & Ops Support	(1,806)	(1,670)	(1,741)
Intercompany elimination Deepwater Construction	(657)	(248)	(2,018)
Intercompany elimination Shelf Construction	(1,951)	(749)	(3,395)
Intercompany elimination Well Operations	-	-	-
Gross Profit as Reported	$ 86,028	$ 90,193	$ 87,033
Gross Profit Margin	32%	40%	33%

Non-GAAP Measure Reconciliations cont.

Slide 22:

Contracting Services EBITDA Margins:

	2007 Estimate	
	Low	**High**
	(in thousands, except percentages)	
Income from operations	$ 273,000	$ 381,000
Plus: Equity in earnings of investment	-	-
Plus: Depreciation and amortization	94,000	94,000
EBITDA	$ 367,000	$ 475,000
Revenues	$ 1,060,000	$ 1,200,000
EBITDA Margin (EBITDA /Revenues)	35%	40%

Non-GAAP Measure Reconciliations cont.

Slide 22:

Contracting Services EBITDA Margins (amounts before intercompany eliminations):

	2007
	(in thousands, except percentages)
Income from operations	$ 139,528
Plus: Equity in earnings of OTSL	(7,907)
Plus: Equity in earnings of production facilities investments and other	12,197
Plus: Depreciation and amortization	33,660
Plus: Stock compensation expense	5,194
EBITDA	$ 182,672
Revenues	$ 576,920
EBITDA Margin (EBITDA /Revenues)	32%