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 26, 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 N. Sam Houston Parkway E., 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))

Item 2.02 Results of Operations and Financial Condition.

On February 26, 2007, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its results of operation for the three- and twelve-month periods ended December 31, 2006. Attached hereto as Exhibits 99.1 and 99.2, respectively, and incorporated by reference herein are the press release and Fourth Quarter 2006 Earnings Conference Call Presentation issued by Helix.

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 8.01 Other Events.

On February 26, 2007 Helix issued a press release announcing an update on certain drilling activity. Such press release is attached hereto as Exhibit 99.3 and incorporated by reference herein.

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 February 26, 2007 reporting financial results for the fourth quarter of and fiscal year 2006.
99.2	Fourth Quarter 2006 Earnings Conference Call Presentation.
99.3	Press Release of Helix Energy Solutions Group, Inc. dated February 26, 2007.

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 26, 2007

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ A. WADE PURSELL

A. Wade Pursell

Senior Vice President and Chief Financial Officer

Index to Exhibits

Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 26, 2007 reporting financial results for the fourth quarter of and fiscal year 2006.
99.2	Fourth Quarter 2006 Earnings Conference Call Presentation.
99.3	Press Release of Helix Energy Solutions Group, Inc. dated February 26, 2007.

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		**07-004**
	Contact:	**Wade Pursell**
Date: February 26, 2007	**Title:**	**Chief Financial Officer**

Helix Reports 2006 Annual Results

HOUSTON, TX —Helix Energy Solutions (NYSE: HLX) reported net income for the year ended December 31, 2006 of $344.0 million, or $3.87 per share. In December 2006 we completed a carve-out IPO of our Shelf Contracting segment ("Cal Dive") selling 27% of that business. Removing the total impact of executing this transaction (i.e., gain on sale net of tax effect, incremental SG&A) annual results would have been net income of approximately $253 million, or $2.85 per share. Net income for the fourth quarter was $162.5 million, or $1.73 per share, which included a gain from the Cal Dive IPO of $97 million net of tax, or $1.02 per share.

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

	Fourth Quarter		Third Quarter	Twelve Months	
	2006	2005	2006	2006	2005
Revenues	$395,839	$264,028	$ 374,424	$1,366,924	$799,472
Gross Profit	150,980	95,852	130,470	515,408	283,072
	38%	36%	35%	38%	35%
Net Income	162,479	56,006	57,029	344,036	150,114
	41%	21%	15%	25%	19%
Diluted Earnings Per Share	1.73	0.69	0.60	3.87	1.86

Martin Ferron, President and Chief Executive Officer of Helix, stated, "2006 was a very notable year for the evolution of our unique business model. We not only grew earnings by 53% over 2005 levels, but also set the foundation for further growth over the medium term by taking key strategic steps for the two strands of our business: contracting services and oil/gas production. These initiatives are highlighted in the slide presentation that will be used as the basis of our earnings conference call tomorrow.

"While 2006 was a busy year for acquisitions and organic growth investments, the theme for 2007 will very much be strong execution. Our focus is on delivering our projected operating results and managing the important capital projects that will enhance our future returns. I am confident that the very talented personnel of Helix will once again rise to this challenge.

“In December, we provided 2007 Earnings Guidance in a range of $3.35 — $4.75 and stated that this included 100% of Cal Dive’s results. Our outlook for the year hasn’t changed. However, we are now able, along with Cal Dive, to provide specific guidance on that business. We estimate Cal Dive’s net income for 2007 will be between $118 million and $136 million. Accordingly, we are adjusting our guidance to $3.02 to $4.37 per share to reflect the minority interest (27%) in Cal Dive’s earnings. As discussed in December, we estimate approximately 40% of our 2007 earnings will be in the first half of the year with 60% in the second half.”

Financial Highlights

- Gain on Sale: In December 2006, we completed a carve-out IPO of our Shelf Contracting segment (Cal Dive) selling 27% of that business for net proceeds of $265 million. Cal Dive also borrowed $200 million and distributed it to us as a dividend in December. We recognized a book gain of $236 million ($97 million after taxes) as a result of these transactions.
- Revenues: The $131.8 million increase in year-over-year fourth quarter revenues was driven primarily by significant improvements in contracting services revenues due to the introduction of newly acquired assets and much better market conditions. In addition, Oil and Gas sales increased $53.8 million due primarily to the production added from the Remington acquisition.
- Margins: 38% is two points higher than the year ago quarter, and three points better than last quarter, due primarily to the aforementioned improvements in contracting services market conditions. In our Oil and Gas segment, reduced facility repair costs in 4Q 2006 versus 4Q 2005 offset the margin impact of lower realized gas prices.
- SG&A: $40.8 million increased $19.6 million from the same period a year ago due primarily to increased overhead to support the Company’s growth and bonus accruals in 4Q as financial targets were exceeded. This level of SG&A was 10% of fourth quarter revenues, compared to 8% in the year ago quarter.
- Equity in Earnings: $5.5 million reflects primarily our share of Deepwater Gateway, L.L.C.’s earnings for the quarter relating to the *Marco Polo* facility.
- Income Tax Provision: Backing out the impact of the IPO, the Company’s effective tax rate for the quarter was 34% which is higher than the 27% rate in last year’s fourth quarter which included some adjustments due primarily to the Company’s ability to realize foreign tax credits due to improved profitability both domestically and in foreign jurisdictions.
- Shares Outstanding: On July 1, 2006, Helix acquired Remington Oil & Gas Corporation for approximately $1.4 billion paying approximately 58% with cash and 42% with Helix stock. The additional shares were the primary cause of total diluted shares outstanding increasing to 94.5 million for the fourth quarter 2006 from 82.9 million in the fourth quarter 2005. This increase was partially offset by the Company buying back $50 million (1.7 million shares) of its stock in the open market during the fourth quarter.
- Balance Sheet: Total consolidated debt as of December 31, 2006 was $1.5 billion. This includes $201 million under Cal Dive’s new revolving facility which is non-recourse to Helix. We had $492 million of cash and liquid investments on hand as of December 31, 2006. This represents 38% net debt to book capitalization and with $889 million of EBITDAX in 2006, this represents 1.7 times trailing twelve month EBITDAX.

Further details are provided in the presentation for Helix’s quarterly conference call (see the Investor Relations page of www.HelixESG.com). In addition, reconciliations of non-GAAP measures are included on the Investor Relations page of our website. The call, scheduled for 9:00 a.m. Central Standard Time on Tuesday, February 27, 2007, will be webcast live. A replay will be available from the Audio Archives page.

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 reservoirs. Our oil and gas business 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.

FORWARD-LOOKING STATEMENTS

This press release and attached presentation contain 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 relating to services; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K for the year ending December 31, 2005 and subsequent quarterly reports on Form 10-Q. We assume no obligation and do not intend to update these forward-looking statements.

Exhibit 99.2

HELIX ENERGY SOLUTIONS

Fourth Quarter 2006
Earnings Conference Call
February 27, 2007

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such statements, other than statements of historical fact, are statements that could be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings relating to services; and any statements of assumptions underlying any of the foregoing. Although [we] [Helix] believes that the expectation effected in these forward-looking statements are reasonable, they do involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K for the year ending December 31, 2005 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 Annual Report on Form 10-K for the year ending December 31, 2006, which we expect to file on March 1, 2007.

Presentation Outline

I. Summary of Results

II. Operational Highlights by Segment

  A. Contracting Services

  B. Oil & Gas

III. Status of Capital Projects (Services)

IV. Questions & Answers

2006 Results – IPO Impact

($MM, except per share data)

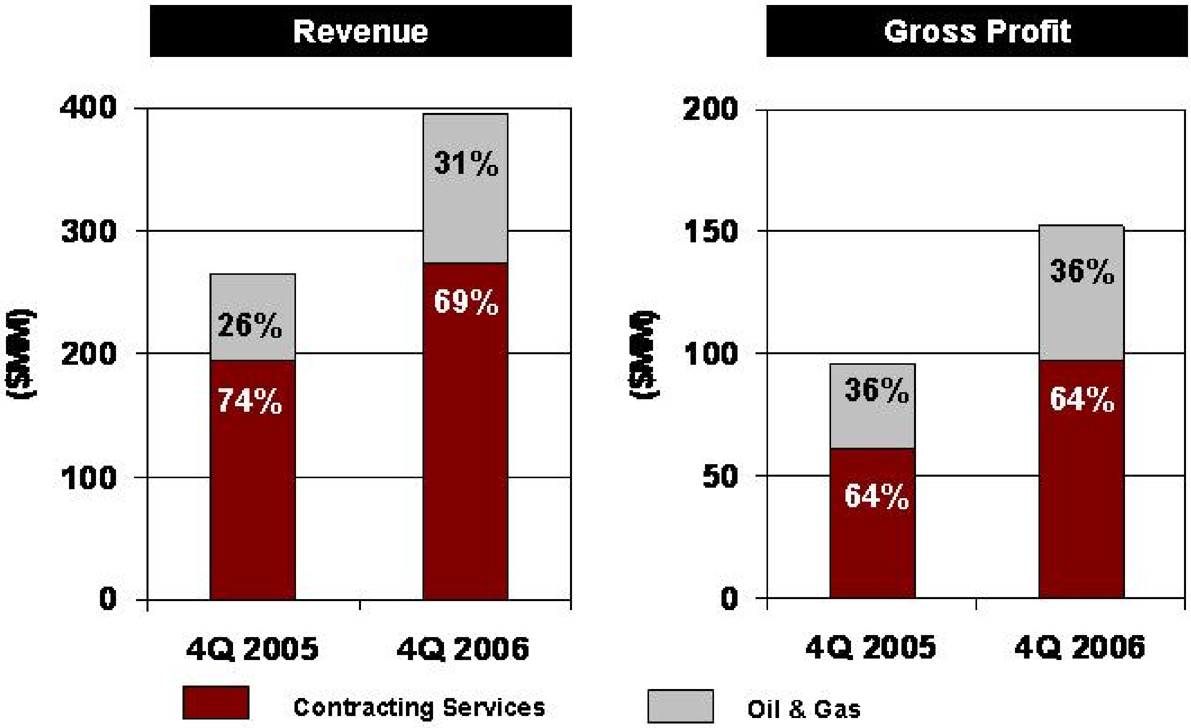
Reported Net Income	$344.0
Fourth Quarter Gain on Sale, net of tax	<96.5>
Incremental Overhead during 2006 ($8MM pre-tax)	5.3
Net Income, ex. IPO impact	$252.8
Diluted EPS	$2.85

Summary of Results

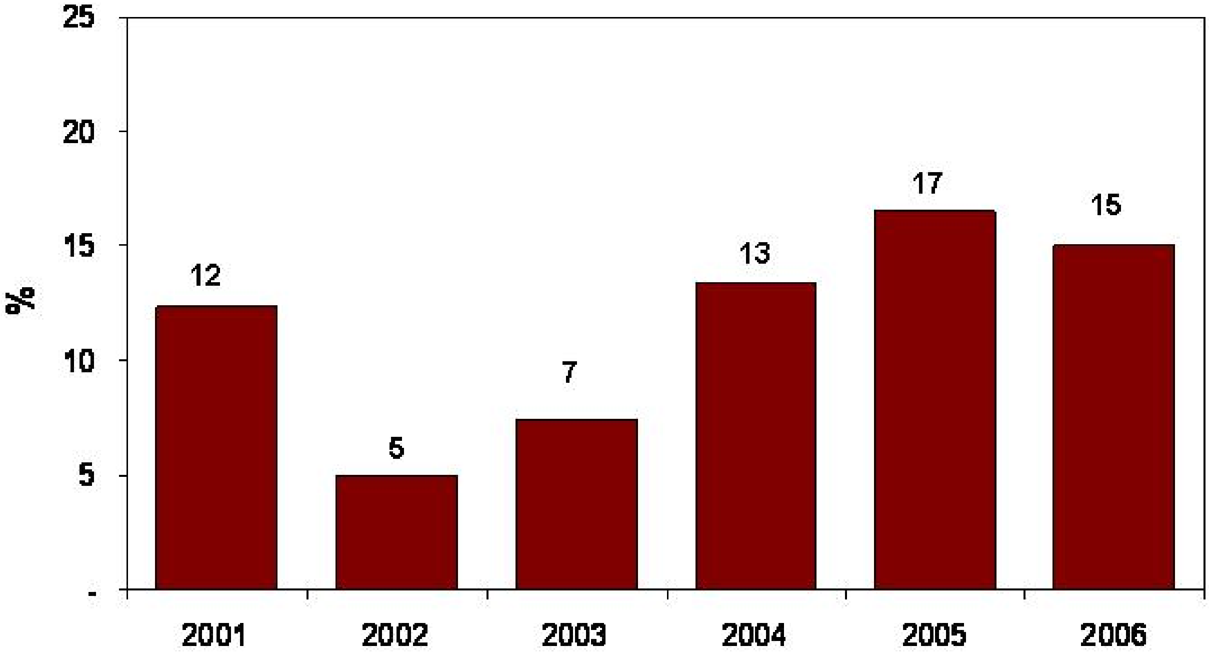
($MM, except per share data)	Fourth Quarter		Third Quarter
	2006	2005	2006
Revenues	$395.8	$264.0	$374.4
Gross Profit	151.0	95.9	130.5
Margins	*38%*	*36%*	*35%*
Net Income	162.5	56.0	57.0
Margins	*41%*	*21%*	*15%*
Diluted EPS	1.73	0.69	0.60
EBITDAX[(1)]	405.8	109.3	191.0
Margins	*103%*	*41%*	*51%*

Note 1: See reconciliation in the attached financial summary

Revenue and Gross Profit by Segment

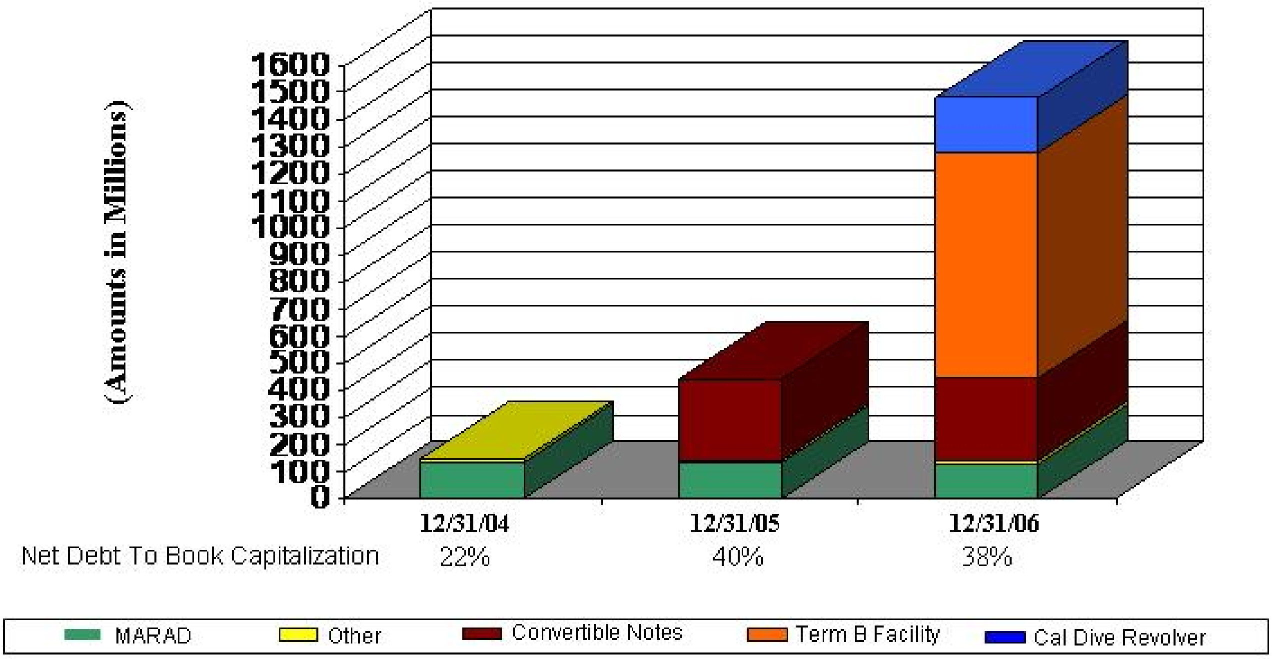


Return on Capital Invested

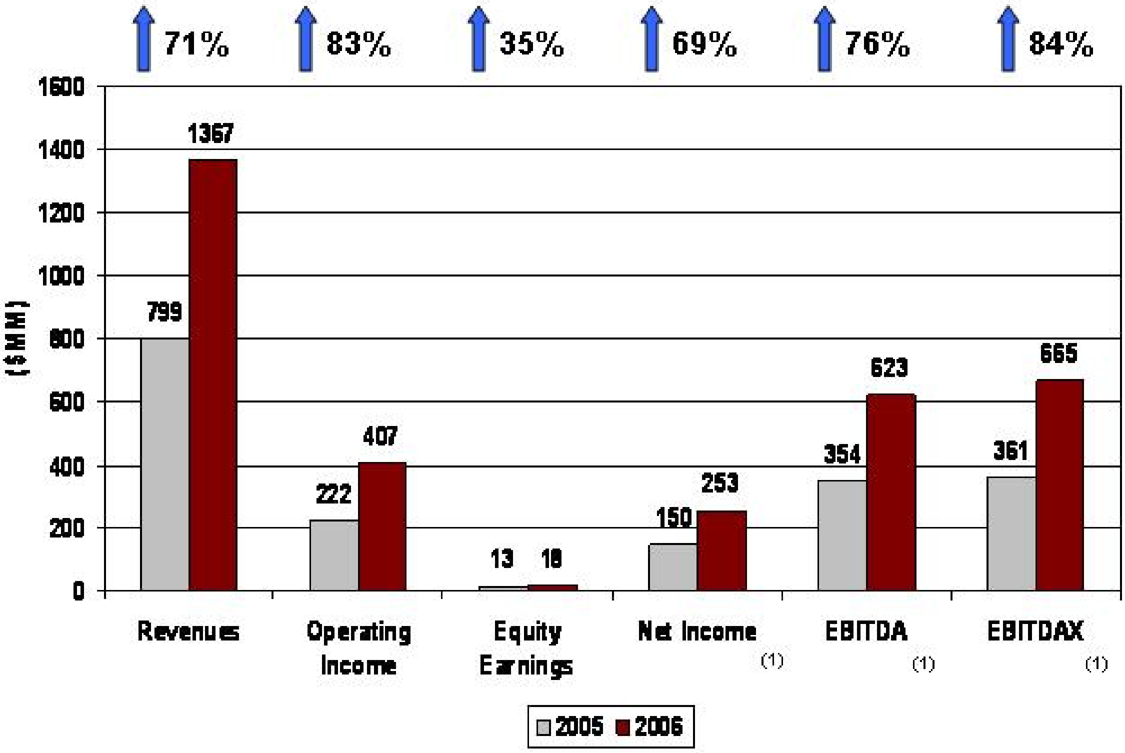


(See GAAP reconciliation at Company's website – www.HelixESG.com)

Long Term Debt



Continuation of Growth Story in 2006

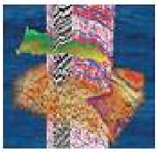


(1) 2006 results exclude the impact of the Gain on Sale in the Cal Dive IPO and estimated incremental overhead costs during the year.

2006 Highlights

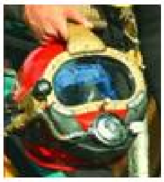
- Announcement of New Build Well Intervention Vessel for North Sea
- Planning of Drilling Upgrade for *Q4000*
- Planning for *H4500*

- Acquisition of Remington Oil & Gas
- Acquisition of Phoenix (a.k.a. Typhoon) Field



- Integration of Helix RDS

- Investment in 4 New ROVs



- Integration of Torch and Stolt (GOM) Acquisitions
  Partial IPO of Cal Dive
- Purchase of Caesar and Planning of Conversion
  Completion of Upgrade of Express

- Continuation of *Independence Hub* Construction
- Commencement of *Helix Producer I* Conversion

Contracting Services Summary

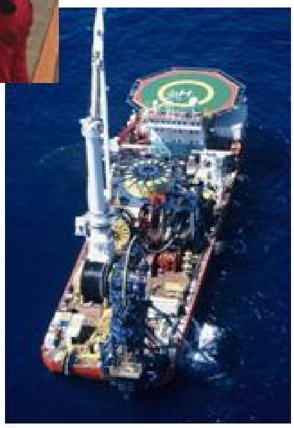
($MM)	Fourth Quarter		Third Quarter
	2006	2005	2006
Revenues	285.8	203.2	251.2
Gross Profit	98.3	60.8	91.9
GPM	*34%*	*30%*	*37%*

Note:
1. Amounts are before intercompany eliminations

Fourth Quarter Review

- Overall revenues increased by 14% sequentially mainly driven by the return to service of the *Q4000* and *Express*, the introduction of the *Kestrel* and a full quarter of contributions from the assets acquired from Fraser Diving.
- Gross profit margins showed a five point improvement year over year and were off two points sequentially, with the latter largely due to seasonality and international start up costs.

Deepwater Construction



($MM)	Fourth Quarter 2006	Fourth Quarter 2005	Third Quarter 2006
Revenues	98.0	61.5	72.6
Gross Profit	28.8	18.3	24.5
GPM	29%	30%	34%
Utilization:			
Pipelay	95%	96%	66%
Robotics	67%	75%	82%

Note: amounts are before intercompany eliminations

Fourth Quarter Review

- The *Express* returned to work in early October after completion of the upgrade program and had good utilization in the North Sea, while the *Intrepid* had another excellent quarter of performance in the Gulf of Mexico.
- Canyon Offshore , our robotics division, had another strong quarter to cap a record year, although ROV utilization did drop off due to seasonality, especially in the North Sea region.

Deepwater Construction

First Quarter and 2007 Outlook:

- Both the *Intrepid* and the *Express* have strong backlogs and pricing continues to escalate in accordance with our expectations. The *Express* is due to leave for the year long, project in East Indian waters, during Q3.
- The *Intrepid* has a 30 day drydocking scheduled for Q2.
- We expect Q1 to be similar to Q4/06 for our robotics group with the seasonal slowdown in North Sea ROV activity continuing into early Q2.
- The robotics group recently received an LOI with a major contractor for a significant pipe burial contract.

Shelf Construction

	Fourth Quarter		Third Quarter
($MM)	2006	2005	2006
Revenues	137.0	97.1	128.4
Gross Profit	53.6	33.6	57.7
GPM	*39%*	*35%*	*45%*
Utilization	*77%*	*85%*	*83%*

Note: amounts are before intercompany eliminations

CAL DIVE INTERNATIONAL

Fourth Quarter Review

- These results will be discussed on a separate Cal Dive Conference call at 11:00 AM today (2/27/2007)

Well Operations

($MM)	Fourth Quarter 2006	Fourth Quarter 2005	Third Quarter 2006
Revenue	41.4	39.1	40.8
Gross Profit	14.5	9.4	8.3
GPM	35%	24%	20%
Utilization	*85%*	*98%*	*86%*

Note: Amounts are before intercompany eliminations.

Fourth Quarter Review

- The *Seawell* achieved full utilization on a winter intervention campaign for Shell on old contract rates, while the *Q4000* returned to higher margin well operations work following the replacement of a rebuilt thruster.

First Quarter and 2007 Outlook

- The *Seawell* commenced the new contract with Shell, on better terms in January and she entered dry-dock in mid February for 30 days of maintenance. After that she is booked for the rest of the year at good rates.
- The *Q4000* has a good backlog of both construction and well intervention work before she is due to enter her scheduled dry-dock in Q3 that is expected to last 75 days. The drilling package will also be installed during that time.

2007 Drydock Schedule

	Q1	Q2	Q3	Q4
Eclipse (A)	X			
Cal Diver II (A)	X			
Seawell	X			
Kestrel (A)		X		
Intrepid		X		
American Triumph (A)		X		
Brave (A)		X		
Q4000			X	
Mr. Jack (A)			X	
Sterling Pony (A)			X	
American Star (A)			X	

(A) Cal Dive vessel

Production Facilities

	Fourth Quarter 2006	Fourth Quarter 2005	Third Quarter 2006
Equity in Earnings ($MM)	5.3	3.1	5.1
Production Throughput (MBOE)	3,653	1,109	3,148

Fourth Quarter Review

- Production through *Marco Polo* improved sequentially but continued below expectations due to well start-up delays and a *K2-North* well shut-in due to safety valve failure. By late in the fourth quarter, combined production from the *Marco Polo* and five *K2/K2 North* wells was about 46,000 BOED. Integration of the *Independence Hub* topsides and Hull occurred as planned.

First Quarter and 2007 Outlook

- *Marco Polo*: The field operator began well-work on the GC608 wells in late Q4 and still expects to add 2,000 to 5,000 BOEPD from these wells. They also expect to have a rig available during Q1 2007 to repair the K2N valve and bring this well back online at 7,000 to 8,000 BOEPD. The *Genghis Khan* PUD sale to the Shenzi Partners was closed in early Q1 2007 with a commitment to tie-back up to three wells through the existing infrastructure beginning in June.
- *Independence Hub:* Installation of the Hub is underway with mechanical completion still expected by the end of March and production start-up is likely to occur in Q3. We will receive $11 million in demand fees per year and approximately $1.8 million for every 100 mmcfed of throughput.

Reservoir and Well Tech Services

($MM)	Fourth Quarter 2006	Third Quarter 2006
Revenues	9.4	9.5
Gross Profit	3.1	3.0
GPM	*33%*	*32%*

Fourth Quarter Review

- Revenue and gross profit were essentially flat with Q3 levels. For this first full year since the acquisition of Helix RDS, revenue exceeded our expectations by 8% and gross margins were one point better. This was achieved as a result of being able to achieve utilization levels and higher professional fees than those originally budgeted.

First Quarter and 2007 Outlook

- Since staff recruitment and retention remain our key challenges in a very competitive market place, Q1 revenue and gross profit are expected to remain in line with in Q4/06. Continued modest growth is predicted for 2007 as a whole.

Oil & Gas – Financial Highlights

	Fourth Quarter		Third Quarter
	2006	2005	2006
Revenue ($MM)	123.2	69.4	145.0
Gross Profit ($MM)	53.7	35.1	44.6
GPM	44%	51%	31%
Production (BCFe)			
• Shelf	12.9	4.6	13.3
• Gunnison	2.2	2.1	2.3
Average Commodity Prices (net of hedging impact):			
• Oil / Bbl	$56.11	$54.31	$62.55
• Gas / Mcf	$7.36	$11.36	$7.61
• Hedge gain (loss) ($MM)	2.1	(6.2)	0.6

Oil & Gas – Statistics

LOE ($MM except per Mcfe amounts)	Fourth Quarter		Third Quarter
	2006	2005	2006
Operating Expenses	$23.5	$10.6	$26.8
Repair & Maintenance	.1	8.0	6.9
Total LOE	$23.6	$18.6	$33.7
Per McFe	$1.59	$2.80	$2.16
DD&A	$45.5	$15.6	$48.8
Per McFe	$3.06	$2.34	$3.13

Proved Reserves (BcFe)	Dec 31, 2006	Dec 31, 2005	Pro Forma Dec. 31, 2005
PDP	141.5	44.0	154.2
PDNP	94.7	57.9	107.2
PUD	300.0	123.4	242.8
Total	536.2	225.3	504.2

Oil & Gas - Commentary

Fourth Quarter Review:

- Shelf Production was 0.5 BCFe lower sequentially, and was around 0.9 BCFe lower than the bottom of our expectation range due to continued pipeline shut-ins and the late start up of production from the deepwater *Tiger* field. Natural gas made up 59% of the overall Q4 production.
- We incurred no 'dry-hole' cost in the quarter and have now drilled seven consecutive successful wells since the last earnings release, including the deepwater *Noonan* prospect (see slide 22).

First Quarter and 2007 Outlook:

- We are still suffering from the impact of pipeline shut-ins, but the extent is now down to < 10 mmcfed.
- Production from the deepwater *Tiger* field started in late December and an additional Shelf discovery will be brought onstream during the quarter.
- Our overall production estimate for Q1 is 15 – 18 BCFe and we still expect total production for 2007 to be in the range of 85 – 95 BCFe.
- Production will ramp up as we convert PUDs, via development work, as illustrated on slides 23 and 24.
- Exciting near term drilling activity includes either the second prospect in the *Noonan* area or the *Bishop* prospect in Green Canyon 250.

Exploration Drilling Results Update

Location	Working Interest	Net Risked Reserves Potential (BCFE)	Comments
S. Marsh Island - 80A3	60%	8	Discovery
S. Timbalier 145 #1	75%	8	Discovery
E. Cameron 339 #1	100%	12 – 24 2 Wells	Discovery Drilling #2 Well
Main Pass 232 #1	50%	4	Discovery
Main Pass 211 #1	50%	5	Discovery
Garden Banks 506 #1- Noonan	100%	100 +	Discovery
E. Cameron 157 #1	60%	13	Discovery

PUD Drilling/Completion Activity

Well Name	Working Interest %	Operator	Current Activity
Main Pass185 #1	50	Cimarex	Waiting on Pipeline
Main Pass 200 #1	50	Cimarex	Completing/ Waiting on pipeline
Main Pass 241 #1	50	Cimarex	Waiting on Pipeline
West Cameron 170 C-2	42	NEXEN	Producing
Atwater Valley 426 "Bass Lite"	18	Mariner	Drilling/Completing 2 wells
Garden Banks 344 "Devil's Island"	100/65	ERT	Q3/Q4 Drilling
Garden Banks 668 "Gunnison"	20	Anadarko	Well Planned for Q3

Development Projects – Near Term

Project Name	Working Interest	Current Activity	Estimated Initial Rate	1st Production
	%		(Net MMCFE/D 6:1)	Est. Start Date
Eugene Island 391	60	Flowline Installed	5	2/15/07
Eugene Island 302	60	Flowline Installed	5	2/15/07
West Cameron 342	100	Waiting on Platform/Pipeline Install	4	Q2/07
Vermilion 162	100	Waiting on Platform/Pipeline Install	5	Q2/07
South Timbalier 145	75	Planning Development	3	Q3/07
East Cameron 339	100	Planning Development	10	Q3/07
Main Pass Area 5 Developments	20-50	Completing Wells Subsea tie-backs	15-20	Q2-Q3/07
East Cameron 157	60	Planning Development	5-10	Q3/07

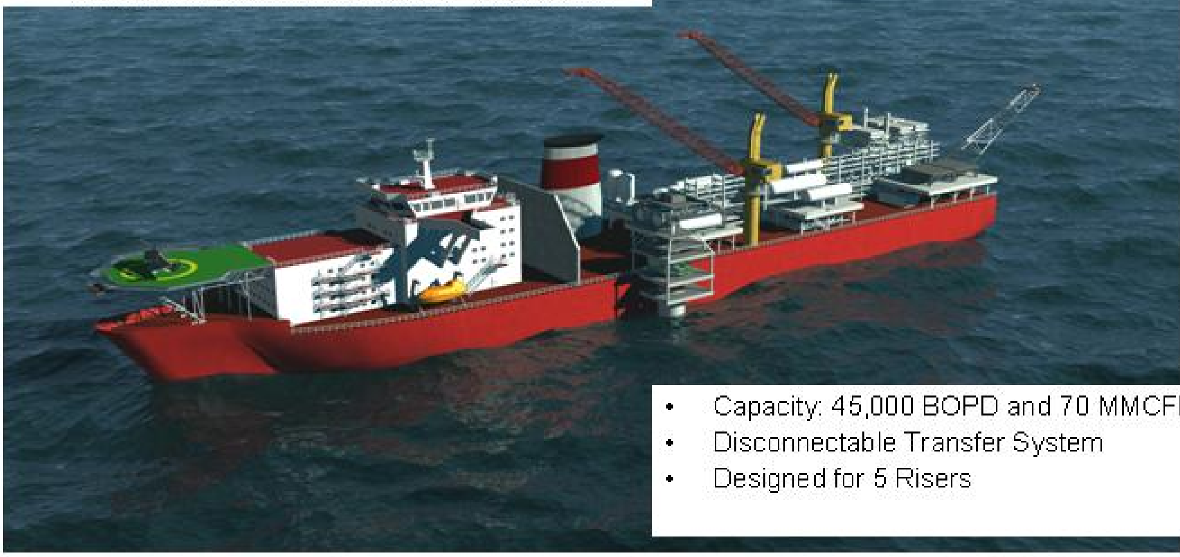
Helix Hedges - As Of February 26, 2007

Production Period	Instrument Type	Average Monthly Volumes	Weighted Average Price
Crude Oil			
December 2006	Collars	125 MBbl	$44.00 - $70.48
January 2007 - December 2007	Collars	98 MBbl	49.74 - 66.96
January 2007 – June 2007	Forward Sale	40 MBbl	70.83
January 2008 – June 2008	Collars	60 MBbl	75.58
Natural Gas			
January 2007 – June 2007	Collars	650,000 MMBtu	7.85 – 12.90
July 2007 – December 2007	Collars	1,083,333 MMBtu	7.50 – 10.10
January 2007 - June 2007	Forward Sale	750,833 MMBtu	9.49
January 2008 – March 2008	Collars	600,000 MMBtu	7.50 – 12.55

Organic Growth Capital Projects

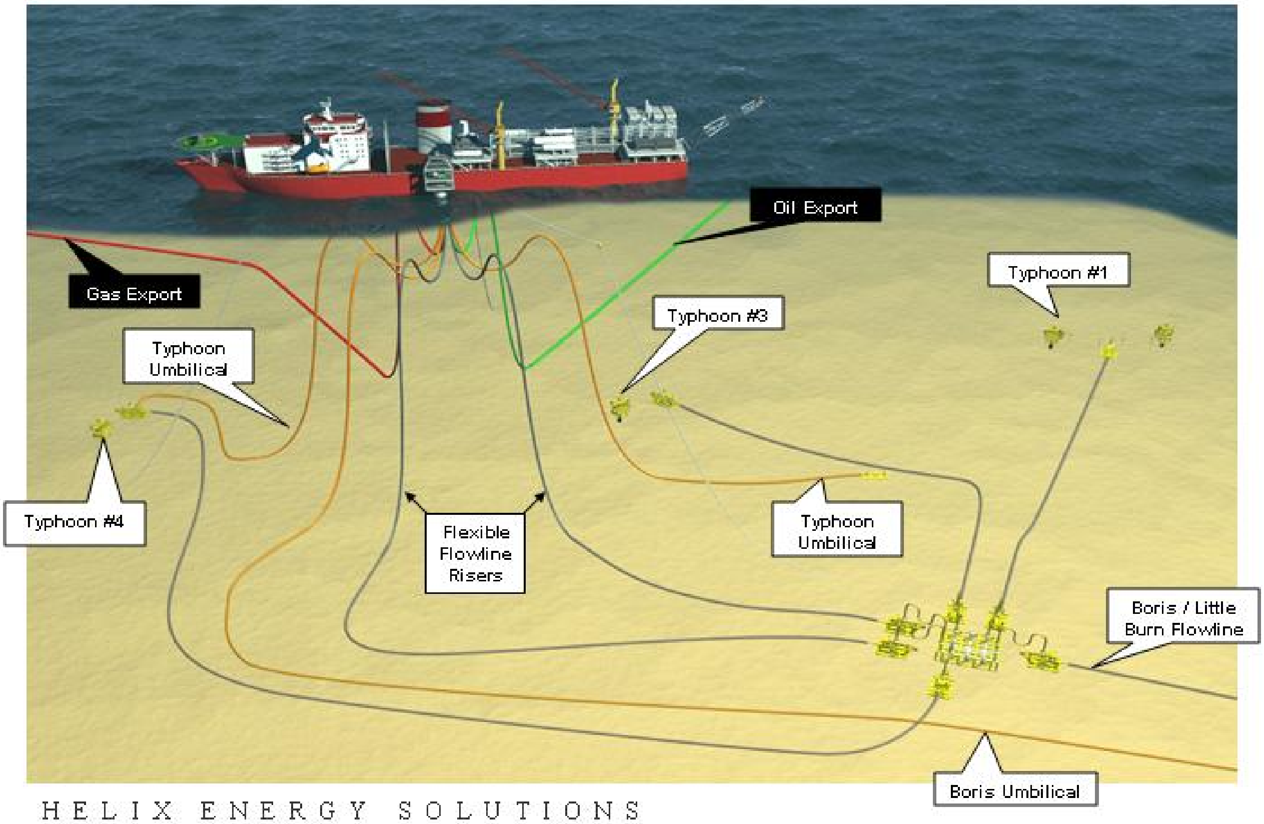
DP Floating Production Unit - Helix Producer I

- To be installed on Phoenix field in GOM (formerly known as Typhoon)
- Initial conversion scheduled to be complete end of 2007
- Installation and hook-up of processing facilities on target for completion mid 2008
- Total estimated cost net to Helix - $140 million



- Capacity: 45,000 BOPD and 70 MMCFD
- Disconnectable Transfer System
- Designed for 5 Risers

Phoenix Field Development



HELIX ENERGY SOLUTIONS

Organic Growth Capital Projects

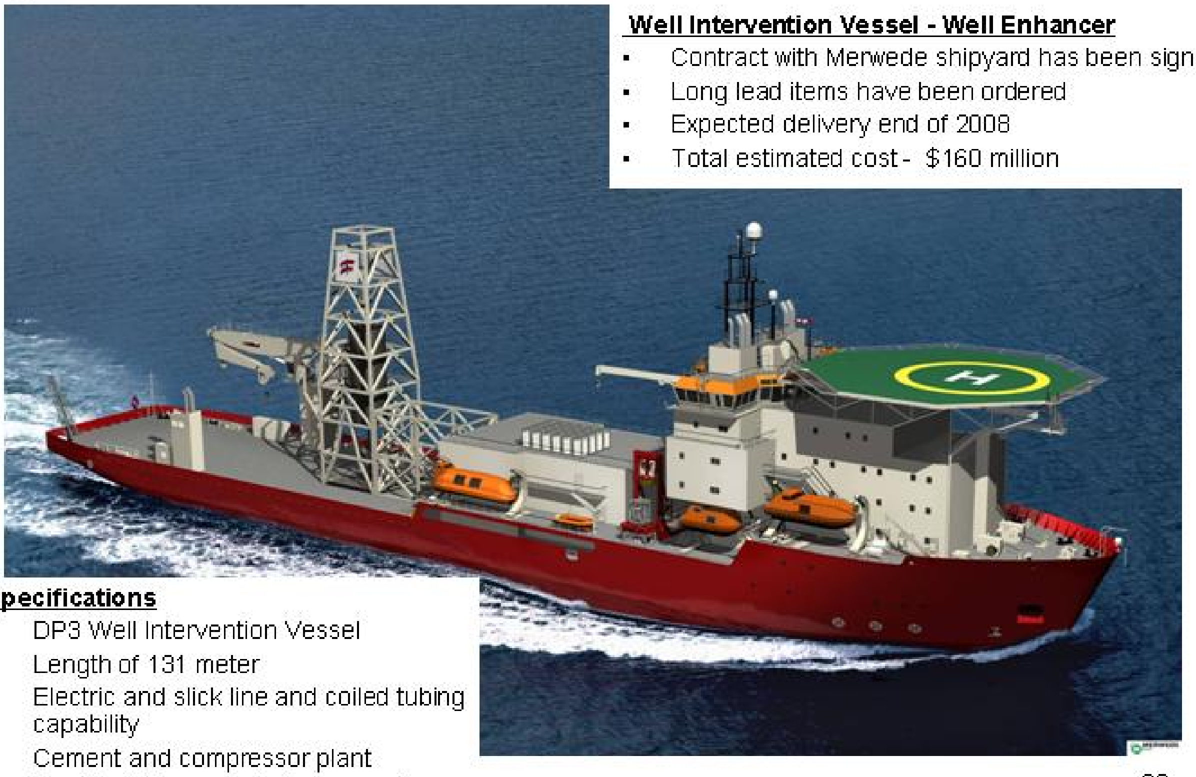
Pipelay Vessel - Caesar

- Vessel expected to arrive at COSCO yard in Shanghai early March
- Conversion on schedule to be completed end of 2007
- Total estimated cost - $138 million

Organic Growth Capital Projects

Well Intervention Vessel - Well Enhancer

- Contract with Merwede shipyard has been signed
- Long lead items have been ordered
- Expected delivery end of 2008
- Total estimated cost - $160 million



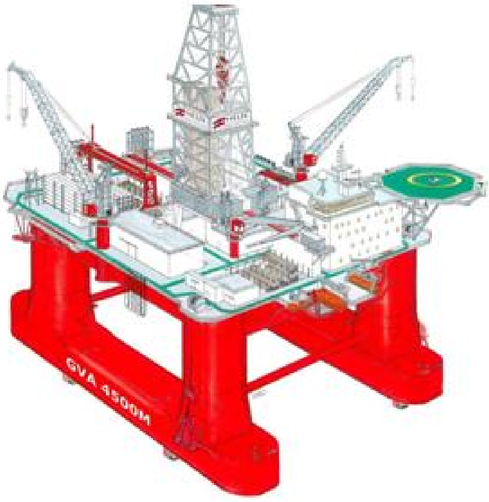
Specifications

- DP3 Well Intervention Vessel
- Length of 131 meter
- Electric and slick line and coiled tubing capability
- Cement and compressor plant
- Dual bell 18 man sat-dive spread
- Two work class ROV's

Organic Growth Capital Projects

<u>Deepwater Drilling Semi - H4500</u>

- Long lead items have been purchased
- Detailed design for RFP and model testing completed
- Firm prices from shipyards being solicited



<u>FPSO Shiraz</u>

- Formed 50/50 JV with AGR Group, a Norwegian-based oil technology and services group
- JV acquired fuel supply vessel from the Australian Commonwealth Government
- Plan to convert tanker into FPSO or EPTV for deployment in South East Asia

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		**07-003**
	Contact:	**Wade Pursell**
Date: February 26, 2007	**Title:**	**Chief Financial Officer**

Helix Announces a Deepwater Gulf of Mexico Discovery

HOUSTON, TX —Helix Energy Solutions Group, Inc. (NYSE: HLX) today announced an update on drilling activity at its 100% owned "*NOONAN*" prospect on Garden Banks Block 506, located approximately 145 miles offshore from Galveston, Texas in 2,700 feet of water. Since operations commenced in October, we have completed the drilling of an exploratory well and two appraisal sidetracks. Formation evaluation from wireline logs, pressure analysis, and sidewall cores, acquired late last week, have successfully delineated our reservoir for completion of the well.

While it is still premature to finalize a reserve estimate, sufficient pay was encountered to point to reserve potential of at least 100 bcfe. Development plans being screened include a fast track subsea tie-back to selected infrastructure located in shallower water. First production should be achieved in the second half of 2008.

Martin Ferron, President and Chief Executive Officer of Helix, stated, "We are obviously very pleased to have made a commercial discovery with the first prospect drilled from the deepwater inventory acquired as part of the Remington Oil and Gas transaction last year. This demonstrates the considerable potential value of our deepwater resources, especially since we have over twenty high quality prospects left to drill and the highly skilled personnel necessary to identify and secure more prospects in the future.

"The drilling of the deepwater prospect inventory, particularly with the *Q4000*, should create significant production returns and provide incremental contracting backlog to supplement an already buoyant medium term deepwater service outlook. All of the development work for *Noonan* will be performed using Helix assets and services and we estimate that this work will generate around $100 million of revenue at market rates.

"As stated in our recent earnings guidance conference call, this deepwater success is not factored into our projected growth rates for 2008 and beyond. Also we may sell up to 50% of our interest to cover development costs and provide cash for possible debt reduction and/or stock repurchase. This would also allow us to recognize the profit on the related services work as it is performed with respect to the share owned by the partner. Our share will be recognized through reduced DD&A charges over the production life of the field."

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 entity. Employing our own key services and methodologies, we seek to lower finding and development costs, relative to industry norms.

FORWARD-LOOKING STATEMENTS

This press release contain 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 relating to services; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Report on Form 10-K for the year ending December 31, 2005 and subsequent quarterly reports on Form 10-Q. We assume no obligation and do not intend to update these forward-looking statements.