

# **Operational Update**

**August 25, 2009** 



# **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 for the year ended December 31, 2008 and subsequent quarterly reports on Form 10-Q. You should not place undue reliance on these forward-looking statements which speak only as of the date of this presentation and the associated press release. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

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## **Presentation Outline**

- Oil & Gas Production
- Assets under Construction Update
- Contracting Services
- Questions & Answers



Pipeline to PLET welding for ENI Longhorn



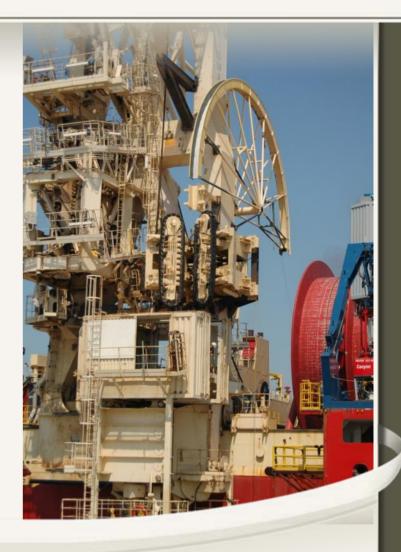
### Oil & Gas Production

- Noonan Gas Production
  - Sea Robin pipeline additional hurricane damage discovered by operator
  - Current estimate for Sea Robin pipeline return to service: November 1, 2009
  - ±40 mmcfe/day (net) of production curtailed
- Q3 GOM production rates affected by a variety of mechanical issues:
  - East Cameron 339/346 (±14mmcfe/d) pipeline leak
  - High Island 557 (±5 mmcfe/d) HIOS compressor fire (production resumed)
  - East Cameron 346 (±11 mmcfe/d) due to a production tubing failure
  - Main Pass 233 (±5 mmcfe/d) subsea flow line plug
  - These issues expected to be resolved by the beginning of Q4
- Current Q3 production estimate: 8.5-9.5 bcfe (assuming no hurricane disruption)
- Current 2009 production estimate: 43-47 bcfe (assuming no hurricane disruption)



### Oil & Gas Production

- Danny production
  - Pipeline welding underway at our new Ingleside spool base
  - Express pipelay vessel to install pipeline estimated start date of Oct. 1, 2009
  - Estimated first production expected to occur Q1, 2010
- Phoenix production
  - Helix Producer 1: installation of production modules – expected completion Q1, 2010
  - Remaining subsea infrastructure to be performed by internal assets
  - Estimated first production to occur Q2, 2010



Combined initial flow rates of ±100 mmcfe/day with ~80% oil



### **Vessels Under Construction**





### Progressing as planned

#### **Well Enhancer**

- All marine tests have been completed
- Vessel to leave Rotterdam this week for offshore well intervention tower operational tests
- Vessel expected to start work as well intervention vessel in UK North Sea sector in September

#### Caesar

- Thrusters and engines have been commissioned.
- Living quarters being used
- Commissioning of cranes and pipelay systems is progressing well
- Incline test completed successfully
- Sea trials in China scheduled for September
- Transits to Gulf of Mexico in Q4



### **Vessels Under Construction - Continued**



### Progressing as planned

#### **Helix Producer I**

- Fabrication of production modules foundation and installation of external thrusters and turret porches and supports ongoing
- Review of engineering and plans by Lloyds and USGC is continuing
- Installation of 2,500 te. production modules to start in October when foundations in place and yard heavy cranes and access available
- Expect deployment in Phoenix field in second guarter of 2010



DTS

**Production Modules** 



# **Contracting Services**

- New shore base facility in Ingleside, Texas fully operational
  - Pipe stalk length 5,230 feet
  - 300' x 700'slip can accommodate two Helix Subsea Construction vessels side by side
- Welding of Helix Danny 36-mile
  8 x 12-inch pipe-in-pipe began early August



Helix Danny pipe welding



Automated pipe tension system



Aerial view of Ingleside Shore Base



# **Contracting Services - Continued**

- Market conditions have softened, as expected
- Some reallocation of vessels to internal use
  - Express installation of Danny pipeline (Q4)
  - Intrepid installation of Phoenix subsea infrastructure (2009, 2010)
  - Q4000, Intrepid some usage for ERT P & A activity
- Express presently in shipyard in Spain for 30 days regulatory dry-dock, and as scheduled, will transit to GOM in early September for Danny pipeline installation



Canyon Trencher ROV mobilization



