
**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): **December 15, 2011 (December 9, 2011)**

Helix Energy Solutions Group, Inc.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction
of incorporation)

001-32936

(Commission
File Number)

95-3409686

(IRS Employer
Identification No.)

400 North Sam Houston Parkway East, Suite 400

Houston, Texas

(Address of principal executive offices)

77060

(Zip Code)

281-618-0400

(Registrant's telephone
number, including area code)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 9, 2011, the Compensation Committee (the “Committee”) of the Board of Directors of Helix Energy Solutions Group, Inc. (the “Company”) determined and approved the base salaries, the 2012 Target Bonus (payable in 2013), and the value of the Long-Term Incentive Award consisting of a) a performance-based Long-Term Incentive Cash Award (the “Cash Award”) under our 2009 Long-Term Incentive Cash Plan; b) a performance-based restricted share units award (the “Performance Units Award”) under our 2005 Long-Term Incentive Plan; and c) a time-vested restricted stock award (the “Restricted Stock Award”) under our 2005 Long-Term Incentive Plan, for each of the Company’s executive officers. The following table sets forth only the material changes to the base salary, Target Bonus and Long-Term Incentive Award, as applicable, for those executive officers listed in the “Summary Compensation Table” in the Company’s proxy statement for its 2011 annual meeting of shareholders (the “Named Executive Officers”). If a Named Executive Officer is not listed below there were no material changes to such officer’s base salary, 2012 Target Bonus, or the value of the Long-Term Incentive Award to that officer.

Name and Title	Base Salary ⁽¹⁾	2012 Target Bonus ⁽²⁾	Long-Term Incentive Award ⁽³⁾⁽⁴⁾
Anthony Tripodo, Executive Vice President and Chief Financial Officer	\$480,000	no change	no change
Johnny Edwards, Executive Vice President – Oil & Gas	\$380,000	\$ 575,000	\$ 1,025,000

- (1) Base salary will be effective as of March 1, 2012.
- (2) The 2012 cash bonus will be determined and paid on or before March 15, 2013 as determined by the Compensation Committee and as described in the Company’s proxy statement for the annual meeting of shareholders.
- (3) The Long-Term Incentive Award will consist of the following: (a) 50% Cash Award; (b) 25% Performance Units Award; and (c) 25% Restricted Stock Award. For further information regarding the material terms of such awards see Long-Term Incentive Awards below.
- (4) The number of Performance Units and shares pursuant to the Restricted Stock Award granted to each executive officer will be based on the closing price of the Company’s common stock on the last trading day of 2011 (December 30, 2011).

Long-Term Incentive Awards. On December 9, 2011, the Committee also adopted the forms of award for the Cash Award, the Performance Units Award and the Restricted Stock Award. Such forms of award shall be utilized until the Committee determines otherwise. The material terms of those awards are described below. The descriptions of the material terms of the Cash Award, the Performance Units Award and the Restricted Stock Award are qualified in their entirety by reference to each form of award which is incorporated herein by reference. Capitalized Terms not defined herein shall have the definitions ascribed to them in the award agreement, the Company's 2009 Long-Term Cash Incentive Plan or the Company's 2005 Long-Term Incentive Plan, as applicable.

Cash Award

Vesting Schedule

33% of Target Award on 1st anniversary of Grant Date
33% of Target Award on 2nd anniversary of Grant Date
34% of Target Award on 3rd anniversary of Grant Date
100% of Target Award upon Change of Control (less the percentage of Target Award previously achieved for each Vesting Date prior to the Change in Control).

Amount of Award

On each Vesting Date a cash payment is made in an Amount equal to the product of the Target Award multiplied by the percentage of Target Award achieved based on the vesting schedule (the "Period Award") and then multiplying the Period Award by the quotient obtained by dividing the Average Price by an amount equal to 115% of the average closing price for the last 20 trading days prior to the award (the "Base Amount"). For purposes of the Award, the Average Price shall be the average of the closing price of the Common Stock for the 20 trading days prior to the Vesting Date. If the Average Price divided by the Base Amount is greater than 2.0, then the quotient shall be deemed to be 2.0 for purposes of determining the amount of the cash payment and (ii) in the event such quotient is less than 0.75, then the quotient shall be deemed to be 0.0 and the executive officer will receive no cash payment.

Termination of Employment

In the event of a termination of employment, any unvested portion of the Award is forfeited.

Performance Units Award

Vesting Schedule

3 year cliff vesting beginning January 1 of the grant date year and ending December 31 of the third Year (the "Performance Period").

Amount of Award

The number of units earned is based on the total shareholder return ("TSR") of the Company relative to its Peer Group ("Relative TSR"). The top and bottom performers are excluded from the group.

The Company and the remaining peers shall then be grouped into quintiles as follows:

Helix's Percentile Rank	Payout as % of Target Award
Highest quintile	200%
Second highest quintile	150%
Middle quintile	100%
Second lowest quintile	50%
Lowest Quintile	0%

TSR = (Ending Stock Price – Beginning Stock Price + Dividends, if any, paid over the Performance Period)/Beginning Stock Price.

Ending and Beginning Stock Price = the average Stock Price for the 20 trading days prior to the ending and beginning dates of the Performance Period.

Stock Price = the closing price for the day as reported on the applicable exchange or market.

TSR of the Company or any member of the Peer Group shall be equitably adjusted to reflect any spin off, stock split, reverse stock split, stock dividend, recapitalization, or reclassification or other similar change in the number of outstanding shares of common stock.

Payment of the Award shall be made in shares of Company stock unless the Committee determines to make the payment in cash.

Change of Control	100% of units vest. Amount payable is based on Relative TSR calculated at the beginning of the performance period and ending on the effective date of the Change in Control.
Termination due to Death, Disability or Retirement	Number of units vesting is determined by multiplying the number units granted by a fraction, the numerator of which is the number of full months between the beginning of the Performance Period and the date of termination due to death, Disability or Retirement and the denominator of which is 36.
Employment or Severance Agreement	If the executive officer is a party to an employment and/or severance agreement with the Company or a participant in a severance plan of the Company that provides for accelerated vesting of restricted stock units that were scheduled to vest within a specified period, the units will be treated as scheduled to vest within such specified period if the Performance Period for such units is scheduled to end within such specified period and the Relative TSR for the Performance Period results in a payout for the units.
Restricted Stock Award	
Vesting Schedule	Forfeiture restrictions lapse: 33% on 1 st anniversary of Grant Date 33% on 2 nd anniversary of Grant Date 34% on 3 rd anniversary of Grant Date 100% upon Change of Control
Other material terms	Same as previous grants

Index to Exhibits

Exhibit No.	Description
10.1	Form of Cash Award Agreement
10.2	Form of Performance Units Award Agreement.
10.3	Form of Restricted Stock Award Agreement.

HELIX ENERGY SOLUTIONS GROUP, INC.
2009 LONG-TERM INCENTIVE CASH PLAN
PERFORMANCE AWARD AGREEMENT

Award Recipient: [NAME]
Target Award: \$ XXX,XXX
Award Term: Three years beginning on the Grant Date
Grant Date: January [], 201__

The Compensation Committee (the "Committee") of the Board of Directors of Helix Energy Solutions Group, Inc., a Minnesota corporation (the "Company"), hereby awards to you, effective as of the Grant Date set forth above (the "Grant Date"), the opportunity to earn a long-term cash incentive award for the Award Term set forth above (the "Award Term") under the Company's 2009 Long-Term Cash Incentive Plan, as amended from time to time (the "Plan").

1. Grant of Award. The Company hereby grants you a cash payment opportunity (the "Award") based upon the Target Award set forth above (the "Target Award"), on the terms and conditions hereinafter set forth. The Award is made pursuant to the terms of the Plan, which is incorporated herein by reference and made a part of this Performance Award Agreement. Capitalized terms not otherwise defined herein shall have the same meaning assigned to such terms in the Plan.

2. Award Periods. You shall receive an Award based upon the Target Award in accordance with the following schedule, provided that your employment with the Company has not terminated prior to the applicable vesting date set forth below (each a "Vesting Date"):

<u>Vesting Date</u>	<u>Percentage of Target Award Achieved</u>
First Anniversary of Grant Date	33% of Target Award
Second Anniversary of Grant Date	Additional 33% of Target Award
Third Anniversary of Grant Date	Additional 34% of Target Award
Occurrence of a Change in Control	100% of Target Award (less the percentage of Target Award previously achieved for each Vesting Date occurring prior to the Change in Control)

3. Amount of Award. On each Vesting Date, the Company shall make a cash payment to you in an amount equal to the product of the Target Award multiplied by the percentage of Target Award achieved based on the above table (the "Period Award") and then multiplying the Period Award by the quotient obtained by dividing the Average Price by *[\$note – this will be 115% of the average closing price for the last 20 trading days prior to the award]* (the "Base Amount"). For purposes of this Section 3, the Average Price shall be the average of the closing price of the Common Stock for the 20 trading days prior to the Vesting Date. Notwithstanding anything to the contrary in this Section 3, (i) in the event the Average Price divided by the Base Amount is greater than 2.0, then the quotient shall be deemed to be 2.0 for purposes of determining the amount of the cash payment and (ii) in the event such quotient is less than 0.75, then the quotient shall be deemed to be 0.0 and you will receive no cash payment.

4. Termination of Employment. In the event that your employment with the Company terminates, then the portion of the Award with respect to which a Vesting Date has not yet occurred shall be deemed forfeited, shall automatically be canceled and shall have no further force or effect.

5. Tax Withholding. The Company shall deduct from any distributions under this Performance Award Agreement any federal, state, or local taxes required by law to be withheld with respect to the Award.

6. Governing Law. This Performance Award Agreement shall be construed, administered and governed in all respects under and by the applicable laws of the State of Texas, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation to the substantive law of another jurisdiction.

7. No Right to Awards or Continued Employment. Neither the Plan nor this Performance Award Agreement constitutes a contract of employment between you and the Company. Neither the Plan nor this Performance Award Agreement shall be held or construed as giving you any right to be retained by the Company or any affiliate of the Company.

8. Non-Assignable and Non-Transferable. The Award may not be commuted, sold, assigned, pledged, attached, mortgaged, alienated or otherwise transferred or encumbered by you and any purported commutation, sale, assignment, pledge, attachment, alienation, or encumbrance shall be void and unenforceable against the Company and its affiliates.

HELIX ENERGY SOLUTIONS GROUP, INC.

By: _____
Name: Owen Kratz
Title: President and Chief Executive Officer

Acknowledged and Agreed by Award Recipient:

AWARD RECIPIENT:

Signature: _____

Printed Name: _____

PERFORMANCE SHARE UNIT AWARD AGREEMENT
Helix Energy Solutions Group, Inc.
2005 Long-Term Incentive Plan

This Performance Share Unit Award Agreement (the "Agreement") is made by and between Helix Energy Solutions Group, Inc. (the "Company" or "Helix") and _____ (the "Employee") effective as of _____, 20__ ("Grant Date"), pursuant to the *Helix Energy Solutions Group, Inc. 2005 Long-Term Incentive Plan* (the "Plan"), which is incorporated by reference herein in its entirety.

WHEREAS, the Company desires to grant to the Employee the performance share units specified herein (the "Units"), subject to the terms and conditions of the Plan and the terms and conditions of this Agreement; and

WHEREAS, the Employee desires to be granted the Units subject to the terms and conditions of this Agreement and the Plan;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. The Plan. The Plan, a copy of which has been made available to the Employee, is incorporated by reference and made a part of this Agreement as if fully set forth herein. This Agreement uses a number of defined terms that are defined in the Plan or in the body of this Agreement. These defined terms are capitalized wherever they are used.

2. Award.

(a) The Compensation Committee of the Board of Directors of the Company (the "Committee") has awarded to the Employee, and on the Grant Date, the Company hereby grants to the Employee, _____ Units, which constitute Restricted Stock Units under the Plan and which are subject to the terms and conditions of this Agreement and the Plan. The Employee has the opportunity to earn up to 200% of the _____ Units granted hereby based upon the performance criteria described in Section 2(c).

(b) Depending on the Company's achievement of the performance goals specified in Section 2(c) during the three-year period beginning January 1, 20__ and ending December 31, 20__ (the "Performance Period"), the Employee shall be entitled to a payment equal to the value of the Units determined pursuant to Section 2(d) if, except as otherwise provided in Section 3, the Employee remains actively employed with the Company and/or its Affiliate(s) through the end of the Performance Period.

(c) The amount paid with respect to the Units shall be based upon the Company's total shareholder return relative to the total shareholder return of the Company's "Peer Group" listed on Schedule A attached hereto ("Relative TSR"). The top and bottom performer shall be excluded from the group. The Company and the remaining peers shall then be grouped into quintiles as follows:

Helix's Percentile Rank	Payout as % of Target Award
Highest quintile	200%
Second highest quintile	150%
Middle quintile	100%
Second lowest quintile	50%
Lowest Quintile	0%

"Total Shareholder Return" or "TSR" = (Ending Stock Price – Beginning Stock Price + Dividends, if any, paid over the Performance Period)/Beginning Stock Price.

Ending and Beginning Stock Price = the average Stock Price for the 20 trading days prior to the ending and beginning dates of the Performance Period.

Stock Price = the closing price for the day as reported on the applicable exchange or market.

TSR of the Company or any member of the Peer Group shall be equitably adjusted to reflect any spin off, stock split, reverse stock split, stock dividend, recapitalization, or reclassification or other similar change in the number of outstanding shares of common stock.

(d) The amount payable to the Employee pursuant to this Agreement, if any, shall be paid in shares of Stock of the Company, unless the Committee determines to make payment in cash. Any Units payable to the Employee shall be calculated by multiplying the number of Units awarded to the Employee by the Performance Percentage set forth above for the level of achievement of the performance criteria set forth in Section 2(c). By way of example, if the Company ranked seventh in Relative TSR (i.e. was in the middle quintile), 100% of the Units would be payable to the Employee. The cash value payable shall be determined by multiplying the number of Units payable by the Fair Market Value of a share of Stock on the date determined by the Committee.

(e) Except as provided in Section 3(b), payment of amounts due shall be made between the January 1 immediately following the end of the Performance Period and the March 15 immediately following the end of the Performance Period.

3. Early Termination; Change of Control.

(a) In the event of the Employee's termination of employment prior to the end of the Performance Period due to (i) death, (ii) disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code of 1986, as amended (the "Code") ("Disability"), or (iii) Retirement (as hereinafter defined), the Employee shall vest in a number of Units determined by

multiplying the number of Units granted by a fraction, the numerator of which is the number of full months between the beginning of the Performance Period and the date of termination due to death, Disability or Retirement and the denominator of which is thirty-six (36). The Committee shall determine the number of Units vested and the amount to be paid to the Employee or his estate in accordance with Section 2(e) based on the Relative TSR performance criteria for the entire Performance Period. As used herein, "Retirement" is defined as the voluntary termination of employment at or after age 55 with at least five years of service and the Employee not, at any time on or before the date that is two years following termination of employment, accepting employment with, acquiring a 5% or more equity or participation interest in, serving as a consultant, advisor, director or agent of, directly or indirectly soliciting or recruiting any employee of the Company who was employed at any time during Employee's service with the Company, or otherwise assisting in any other capacity or manner any company or enterprise that is directly or indirectly in competition with or acting against the interests of the Company or any of its lines of business, except for any service or assistance that is provided at the request or with the written permission of the Company. Any accelerated vesting pursuant to this Section 3(a) shall not affect the time of payment under this Agreement.

(b) In the event of a Change of Control during the Performance Period, the Employee shall vest in all of the Units granted to the Employee under this Agreement. The amount paid with respect to the Units will be determined based on the Relative TSR performance criteria as set forth in Section 2(c); however, the total shareholder return of the Company and the Peer Group will be determined over an adjusted performance period, defined as the period beginning on the original beginning date of the Performance Period and ending on the effective date of the Change of Control. If the award is payable in cash, the cash value payable shall be determined by multiplying the number of Units payable by the Fair Market Value of a share of Stock on the date of the Change of Control. Payment shall be made to the Employee upon the date of the Change of Control. Notwithstanding the foregoing, if the Change of Control does not qualify as a "change in control event" under Department of Treasury Regulation section 1.409A-3(i)(5)(i), then payment shall be made at the time specified in Section 2(e).

(c) The Units may also vest under circumstances provided in any employment agreement between the Employee and the Company or other severance arrangements established by the Company. If the Employee is a party to an employment and/or severance agreement with the Company or a participant in a severance plan of the Company that provides for accelerated vesting of restricted stock units that were scheduled to vest within a specified period, the Units will be treated as scheduled to vest within such specified period if the Performance Period for such Units is scheduled to end within such specified period and the Relative TSR for the Performance Period results in a payout for the Units. By way of example, if an Employee's employment is terminated by the Company under circumstances that would entitle the Employee to the acceleration of vesting of restricted stock units that are scheduled to vest within the next twelve months and the Employee holds Units with a Performance Period ending within the next twelve months, the Employee would receive a payout for those Units in accordance with the terms of this Agreement based on the Company's Relative TSR for the Performance Period. Any accelerated vesting pursuant to this Section 3(c) shall not affect the time of payment under this Agreement.

4. Tax Withholding. To the extent that the receipt or payout of the Units results in income to the Employee for federal, state or local income or employment tax purposes with respect to which the Company or any of its Affiliates has a withholding obligation, if the payment is in cash the Company or the Affiliate, as applicable, shall withhold all applicable tax from any cash payable for the Units, or if payment is in shares of Stock of the Company, you shall deliver to the Company at the time of receipt such amount of money as the Company may require to meet its or its Affiliate's obligation under applicable tax laws or regulations, and if you fail to do so, the Company is authorized to withhold from any shares issued under this Agreement sufficient to satisfy the withholding obligation based on the last per share sales price of the Company's common stock for the trading day immediately preceding the date that the withholding obligation arises.

5. Employment Relationship. For purposes of this Agreement, the Employee shall be considered to be in the employment of the Company and its Affiliates as long as the Employee has an employment relationship with the Company and its Affiliates. The Committee shall determine any questions as to whether and when there has been a termination of such employment relationship, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.

6. Not an Employment Agreement. This Agreement is not an employment agreement, and no provision of this Agreement shall be construed or interpreted to create an employment relationship between the Employee and the Company and its Affiliates or guarantee the right to remain employed by the Company and its Affiliates for any specified term.

7. Notices. Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, by telegram, telex, telecopy or similar facsimile means, by certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the then current address of the Company's Principal Corporate Office, and to the Employee at the Employee's address indicated beneath the Employee's signature on the execution page of this Agreement, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means); and when delivered (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.

8. Amendment and Waiver. This Agreement may be amended, modified or superseded only by written instrument executed by the Company and the Employee. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Employee. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner effect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.

9. Governing Law and Severability. This Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law provisions. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect.

10. Successors and Assigns. This Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and subject to Section 3(a), to the Employee, the Employee's permitted assigns, executors, administrators, agents, legal and personal representatives.

11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.

12. Section 409A. This Agreement shall be construed and interpreted to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and any regulations or other guidance promulgated thereunder ("Section 409A"). Neither the Company nor the members of the Committee shall be liable for any determination or action taken or made with respect to this Agreement or the Units granted thereunder.

13. Non-Transferability. Neither this Agreement nor the rights of Employee hereunder shall be transferable by the Employee during his or her life other than by will or pursuant to applicable laws of descent and distribution, subject to Section 3(a) herein. No rights or privileges of the Employee in connection herewith shall be transferred, assigned, pledged or hypothecated by Employee or by any other person in any way, whether by operation of law, or otherwise, and shall not be subject to execution, attachment, garnishment or similar process. In the event of any such occurrence, this Agreement shall automatically be terminated and shall thereafter be null and void.

14. Entire Agreement. The Plan and this Agreement contain the entire agreement between the parties with respect to the subject matter contained herein and may not be modified, except as provided herein or in the Plan or as it may be amended from time to time by a written document signed by each of the parties hereto. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained herein made prior to the execution of the Agreement shall be void and ineffective for all purposes.

15. Unsecured Promise to Pay. The Company's obligation under the Plan and this Agreement is an unsecured and unfunded promise to pay benefits that may be earned in the future. The Company shall have no obligation to set aside, earmark or invest any fund or money with which to pay its obligations under this Agreement. The Employee or any successor in interest shall be and remain a general creditor of the Company in the same manner as any other creditor having a general claim for matured and unpaid compensation.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its duly authorized representative, and the Employee has executed this Agreement, all effective as of the date first above written.

HELIX ENERGY SOLUTIONS GROUP, INC.

By: _____
Owen Kratz
President and Chief Executive Officer

EMPLOYEE:

Name: _____
Address: _____

PEER GROUP COMPANIES

ATP Oil & Gas Corp.
Atwood Oceanics, Inc.
Cameron International Corporation
Dril-Quip, Inc.
Energy XXI Ltd.
FMC Technologies, Inc
Global Industries, Ltd.
McDermott International Inc.
Oceaneering International, Inc.
Oil States International, Inc.
Petrofac Limited
Rowan Companies, Inc.
Stone Energy Corp.
Superior Energy Services, Inc.
TETRA Technologies, Inc.
W&T Offshore, Inc.

If any Peer Group company's Relative TSR shall cease to be publicly available (due to a business combination, receivership, bankruptcy or other event) or if any such company is no longer publicly held, the Committee shall exclude that company from the Peer Group and select a substitute Peer Group company if required for the peer group to consist of 15 companies.

Once a company is removed from the Peer Group as described above, that company shall be treated as having been removed from the Peer Group for the entire Performance Period and the substitute Peer Group company shall be treated as included in the Peer Group for the entire Performance Period.

RESTRICTED STOCK AWARD AGREEMENT
Helix Energy Solutions Group, Inc.
2005 Long Term Incentive Plan

This Restricted Stock Award Agreement (the "Agreement") is made by and between Helix Energy Solutions Group, Inc. (the "Company") and _____ ("Employee") effective as of the __ day of January, 201__ ("Grant Date"), pursuant to the *Helix Energy Solutions Group, Inc. 2005 Long Term Incentive Plan*, (the "Plan"), which is incorporated by reference herein in its entirety.

WHEREAS, the Company desires to grant to the Employee the shares of equity securities specified herein (the "Shares"), subject to the terms and conditions of the Plan and the terms and conditions of this Agreement; and

WHEREAS, the Employee desires to have the opportunity to hold Shares subject to the terms and conditions of this Agreement and the Plan;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Definitions.** For purposes of this Agreement, the following terms shall have the meanings indicated:

(a) "Forfeiture Restrictions" shall mean any prohibitions and restrictions set forth herein with respect to the sale or other disposition of Shares issued to the Employee hereunder and the obligation to forfeit and surrender such shares to the Company.

(b) "Restricted Shares" shall mean the Shares that are subject to the Forfeiture Restrictions under this Agreement.

Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Plan.

2. **Grant of Restricted Shares.** Effective as of the Grant Date, the Company shall cause to be issued in the Employee's name in book entry form the following Shares as Restricted Shares: _____ shares of the Company's common stock, no par value. The Company shall also cause any shares of Stock or rights to acquire shares of Stock distributed by the Company in respect of Restricted Shares during any Period of Restriction (the "Retained Distributions"), to be issued in the Employee's name in book entry form. During the Period of Restriction such book entry shall refer to restrictions to the effect that ownership of such Restricted Shares (and any Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions,

terms, and conditions provided in the Plan and this Agreement. The Employee shall have the right to vote the Restricted Shares awarded to the Employee and to receive and retain all regular dividends paid in cash or property (other than Retained Distributions), and to exercise all other rights, powers and privileges of a holder of Shares, with respect to such Restricted Shares, with the exception that (a) the Employee shall not be entitled to delivery of the stock certificate or certificates representing such Restricted Shares until the Forfeiture Restrictions applicable thereto shall have expired, (b) the Company shall retain custody of all Retained Distributions made or declared with respect to the Restricted Shares (and such Retained Distributions shall be subject to the same restrictions, terms and conditions as are applicable to the Restricted Shares) until such time, if ever, as the Restricted Shares with respect to which such Retained Distributions shall have been made, paid, or declared shall have become vested, and such Retained Distributions shall not bear interest or be segregated in separate accounts and (c) the Employee may not sell, assign, transfer, pledge, exchange, encumber, or dispose of the Restricted Shares or any Retained Distributions during the Period of Restriction. In accepting the award of Shares set forth in this Agreement the Employee accepts and agrees to be bound by all the terms and conditions of the Plan and this Agreement. Employee accordingly is executing a stock power endorsed in blank, which will permit transfer to the Company of all or any portion of the Restricted Shares and any securities constituting Retained Distributions which shall be forfeited in accordance with the Plan and this Agreement.

3. **Transfer Restrictions.** The Shares granted hereby may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, to the extent then subject to the Forfeiture Restrictions. Any such attempted sale, assignment, pledge, exchange, hypothecation, transfer, encumbrance or disposition in violation of this Agreement shall be void and the Company shall not be bound thereby. Further, the Shares granted hereby that are no longer subject to Forfeiture Restrictions may not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable federal or state securities laws. The Employee also agrees (i) that the Company may refuse to cause the transfer of the Shares to be registered on the applicable stock transfer records if such proposed transfer would, in the opinion of counsel satisfactory to the Company, constitute a violation of any applicable securities law and (ii) that the Company may give related instructions to the transfer agent, if any, to stop registration of the transfer of the Shares.

4. **Vesting.** The Shares that are granted hereby shall be subject to Forfeiture Restrictions. The Forfeiture Restrictions shall lapse as to the Shares that are granted hereby in accordance with the following schedule, provided that the Employee's employment with the Company and its Affiliates has not terminated prior to the lapse date:

<u>Lapse Date</u>	<u>Number of Restricted Shares as to which Forfeiture Restrictions Lapse</u>
First Anniversary of Grant Date	33% of Grant
Second Anniversary of Grant Date	66% of Grant
Third Anniversary of Grant Date	100% of Grant
<i>Occurrence of a Change in Control</i>	100% of Grant

Except as may otherwise provided in the Plan, if the Employee's employment with the Company and all of its Affiliates terminates for any reason prior to the lapse date, including due to the death or disability of the Employee, the Forfeiture Restrictions then applicable to the Restricted Shares shall not lapse and the number of Restricted Shares then subject to the Forfeiture Restrictions shall be forfeited to the Company. Upon the lapse of the Forfeiture Restrictions with respect to Shares granted hereby the Company shall cause the reference to such restrictions to be removed from the book entry for such Shares, or, if requested by the Employee, shall cause to be delivered to the Employee a stock certificate representing such Shares, and such Shares shall be transferable by the Employee (except to the extent that any proposed transfer would, in the opinion of counsel satisfactory to the Company, constitute a violation of applicable securities law). Notwithstanding any other provision of this Agreement, in no event will the Forfeiture Restrictions expire prior to the satisfaction by the Employee of any liability arising under Section 6 of this Agreement.

5. **Capital Adjustments and Reorganizations.** The existence of the Restricted Shares shall not affect in any way the right or power of the Company or any company the stock of which is awarded pursuant to this Agreement to make or authorize any adjustment, recapitalization, reorganization or other change in its capital structure or its business, engage in any merger or consolidation, issue any debt or equity securities, dissolve or liquidate, or sell, lease, exchange or otherwise dispose of all or any part of its assets or business, or engage in any other corporate act or proceeding.

6. **Tax Withholding.** To the extent that the receipt of the Restricted Shares or the lapse of any Forfeiture Restrictions results in income to the Employee for federal, state or local income or employment tax purposes with respect to which the Company has a withholding obligation, the Employee shall deliver to the Company at the time of such receipt or lapse, as the case may be, such amount of money as the Company may require to meet its obligation under applicable tax laws or regulations, and, if the Employee fails to do so, the Company is authorized to withhold from the Shares granted hereby or from any cash or stock remuneration then or thereafter payable to the Employee in any capacity any tax required to be withheld by reason of such resulting income.

The Company shall permit the Employee to satisfy the Employee's tax obligation that arises at the time of the lapse of restrictions on the Restricted Shares by delivering to the Employee a reduced number of Restricted Shares. In such case, the number of Restricted Shares on which the restrictions are lapsing shall be reduced by that number of Shares equal in value to the minimum statutory federal, state and local withholding tax obligation resulting from such vesting. Although the terms of the Plan permit this withholding procedure only if permitted by the Committee, the right to handle the withholding tax in this manner may not be withdrawn by the Committee, if the Employee is subject to Section 16 of the Exchange Act.

7. **Employment Relationship.** For purposes of this Agreement, the Employee shall be considered to be in the employment of the Company and its Affiliates as long as the Employee has an employment relationship with the Company and its Affiliates. The Committee shall determine any questions as to whether and when there has been a termination of such employment relationship, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.

8. **Section 83(b) Election.** The Employee shall not exercise the election permitted under section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the Restricted Shares without the written approval of the Chief Financial Officer of the Company. If the Chief Financial Officer of the Company permits the election, the Employee shall timely pay the Company the amount necessary to satisfy the Company's attendant tax withholding obligations, if any.

9. **No Fractional Shares.** All provisions of this Agreement concern whole Shares. If the application of any provision hereunder would yield a fractional share, such fractional share shall be rounded down to the next whole share if it is less than 0.5 and rounded up to the next whole share if it is 0.5 or more.

10. **Not an Employment Agreement.** This Agreement is not an employment agreement, and no provision of this Agreement shall be construed or interpreted to create an employment relationship between the Employee and the Company and its Affiliates or guarantee the right to remain employed by the Company and its Affiliates for any specified term.

11. **Further Restriction on Transfer.** If the Employee is an officer or affiliate of the Company under the Securities Act of 1933, the Employee consents to the placing on the book entry for the Shares an appropriate note restricting resale or other transfer of the Shares except in accordance with such Act and all applicable rules thereunder.

12. **Notices.** Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, by telegram, telex, telecopy or similar facsimile means, by certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the then current address of the Company's Principal Corporate Office, and to the Employee at the Employee's address indicated beneath the Employee's signature on the execution page of this Agreement, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means); and when delivered (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.

13. **Amendment and Waiver.** This Agreement may be amended, modified or superseded only by written instrument executed by the Company and the Employee. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Employee. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner effect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.

14. **Governing Law and Severability.** This Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law provisions. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect.

15. **Successors and Assigns.** Subject to the limitations which this Agreement imposes upon the transferability of the Shares granted hereby, this Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and to the Employee, the Employee's permitted assigns, executors, administrators, agents, legal and personal representatives.

16. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Employee has executed this Agreement, all effective as of the date first above written.

HELIX ENERGY SOLUTIONS GROUP, INC.

By: _____
Name: Owen Kratz
Title: President and Chief Executive Officer

EMPLOYEE:

Name: _____
Address: _____

IRREVOCABLE STOCK POWER

KNOW ALL MEN BY THESE PRESENTS, That the undersigned, For Value Received, has bargained, sold, assigned and transferred and by these presents does bargain, sell, assign and transfer unto Helix Energy Solutions Group, Inc., a Minnesota corporation (the "Company"), the Shares transferred pursuant to the Restricted Stock Award Agreement dated effective «Date», between the Company and the undersigned; and subject to and in accordance with such Restricted Stock Award Agreement the undersigned does hereby constitute and appoint the Secretary of the Company the undersigned's true and lawful attorney, IRREVOCABLY, to sell assign, transfer, hypothecate, pledge and make over all or any part of such Shares and for that purpose to make and execute all necessary acts of assignment and transfer thereof, and to substitute one or more persons with like full power, hereby ratifying and confirming all that said attorney or his substitutes shall lawfully do by virtue hereof.

IN WITNESS WHEREOF, the undersigned has executed this Irrevocable Stock Power effective the __ day of _____, 201__.

Name: