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 23, 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 2.02 Results of Operations and Financial Condition.

On February 23, 2011, Helix Energy Solutions Group, Inc. ("Helix") issued a press release announcing its fourth quarter and year-end results of operation for the period ended December 31, 2010. Attached hereto as Exhibit 99.1, and incorporated by reference herein, is the press release.

Item 7.01 Regulation FD Disclosure.

On February 23, 2011, Helix issued a press release announcing its fourth quarter and year-end results of operation for the period ended December 31, 2010. In addition, on February 24, 2011, Helix is making a presentation (with slides) to analysts and investors regarding its financial and operating results. Attached hereto as Exhibits 99.1 and 99.2, respectively, and incorporated by reference herein are the press release and the slides for the Fourth Quarter Earnings Conference Call Presentation issued by Helix. The presentation materials will also be posted beginning on February 24, 2011 in the *Presentations* section under *Investor Relations of Helix's website, www.helixesg.com.*

Item 9.01 Financial Statements and Exhibits.

(c) *Exhibits.*

Number	Description
99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 23, 2011 reporting financial results for the fourth quarter of 2010 and for the year ending December 31, 2010.
99.2	Fourth Quarter Earnings Conference Call Presentation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 23, 2011

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Anthony Tripodo

Anthony Tripodo
Executive Vice President and Chief Financial Officer

Index to Exhibits

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99.1	Press Release of Helix Energy Solutions Group, Inc. dated February 23, 2011 reporting financial results for the fourth quarter of 2010 and for the year ending December 31, 2010.
99.2	Fourth Quarter 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 **&# 160; 11-004**

Date: February 23, 2011 **Contact: Stephen Powers**
Director, Finance & Investor Relations

Helix Reports Fourth Quarter and Full Year 2010 Results

HOUSTON, TX – Helix Energy Solutions Group, Inc. (NYSE: HLX) reported a net loss of $49.8 million, or $(0.48) per diluted share, for the fourth quarter of 2010 compared with a net loss of $55.7 million, or $(0.53) per diluted share, for the same period in 2009, and net income of $26.2 million, or $0.25 per diluted share, in the third quarter of 2010. The net loss for the year ended December 31, 2010 was $127.1 million, or $(1.22) per diluted share, compared with net income of $101.9 million, or $0.96 per diluted share, for the year ended December 31, 2009.

Fourth quarter 2010 results included the following items:

- Non-cash impairment charge of $16.7 million to write-off the carrying value of goodwill and a $7.1 million deferred tax asset valuation allowance attributable to our Southeast Asia well operations subsidiary (total of $23.9 million after-tax).
- Impairment charges totaling $9.2 million primarily associated with a reduction in carrying values of certain oil and gas properties and $6.4 million related to expiring offshore leases ($10.2 million after-tax).
- Loss associated with the Lufeng project offshore China of $21.4 million ($22.4 million after-tax) related to weather, downhole and mechanical issues.

The net impact of these items in the fourth quarter, after income taxes, was $(0.54) per diluted share.

Owen Kratz, President and Chief Executive Officer of Helix, stated, “Aside from the loss on the Lufeng project and non-cash impairment charges in the fourth quarter, we made progress in a rather challenging market. We commenced production in our Phoenix field, maintained strong utilization and margins in our well operations business, and generated incremental free cash flow as our liquidity increased to $787 million at December 31, 2010 from $700 million at September 30, 2010. Subsequent to year end, Clean Gulf Associates and 20 independent E&P operators in the Gulf of Mexico contracted with us for the Helix Fast Response System, which we believe should help restart permitting and drilling activity in the region.”

* * * * *

Summary of Results [1] [2]

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

	Quarter Ended			Twelve Months Ended	
	December 31		September 30	December 31	
	2010	2009	2010	2010	2009
Revenues	$ 306,337	$ 180,048	$ 392,669	$ 1,199,838	$ 1,461,687
Gross Profit (Loss):					
Operating [3]	$ 31,790	$ 21,039	$ 87,891	$ 223,031	$ 388,095
	10%	*12%*	*22%*	*19%*	*27%*
Oil and Gas Impairments [4],[5]	(9,212)	(55,940)	(897)	(181,083)	(120,550)
Exploration Expense [6]	(6,496)	(21,520)	(442)	(8,276)	(24,383)
Total	$ 16,082	$ (56,421)	$ 86,552	$ 33,672	$ 243,162
Net Income (Loss) Applicable to Common Shareholders [7]	$ (49,821)	$ (55,697)	$ 26,161	$ (127,102)	$ 101,867
Diluted Earnings (Loss) Per Share	$ (0.48)	$ (0.53)	$ 0.25	$ (1.22)	$ 0.96
Adjusted EBITDAX [8]	$ 95,310	$ 58,572	$ 143,072	$ 430,326	$ 490,092

Note: Footnotes listed at end of press release.

Fourth quarter 2009 results included the following items on a pre-tax basis:

- Impairment charges of $55.9 million primarily associated with a reduction in carrying values of 12 oil and gas properties due to a revision in reserve estimates.
- Non-cash exploration and other charges of $22.6 million primarily related to costs associated with offshore lease expirations.

The net impact of these items in the fourth quarter of 2009, after income taxes, was $(0.49) per diluted share.

Segment Information, Operational and Financial Highlights [1]
(in thousands, unaudited)

	Three Months Ended		
	December 31,		September 30,
	2010	2009	2010
Revenues:			
Contracting Services	$ 185,291	$ 150,736	$ 238,531
Production Facilities	20,131	1,134	74,458
Oil and Gas	136,502	71,450	95,566
Intercompany Eliminations	(35,587)	(43,272)	(15,886)
Total	$ 306,337	$ 180,048	$ 392,669
Income (Loss) from Operations:			
Contracting Services	$ (8,148)	$ 21,593	$ 31,015
Goodwill Impairment [2]	(16,743)	-	-
Production Facilities	6,403	(1,378)	44,520
Oil and Gas [3]	17,048	(3,715)	(3,206)
Gain (Loss) on Oil and Gas Derivative Commodity Contracts	(1,555)	6,157	161
Oil and Gas Impairments [4]	(9,212)	(55,940)	(897)
Exploration Expense [5]	(6,496)	(21,520)	(442)
Corporate	(10,367)	(13,895)	(10,767)
Intercompany Eliminations	(390)	(9,562)	(286)
Total	$ (29,460)	$ (78,260)	$ 60,098
Equity in Earnings of Equity Investments	$ 6,537	$ 5,177	$ 6,221

Note: Footnotes listed at end of press release.

Contracting Services

- o Subsea Construction and Robotics revenues decreased in the fourth quarter of 2010 compared to the third quarter of 2010 attributable to the *Caesar* going into the shipyard for planned maintenance and upgrades and lower ROV and chartered vessel utilization. Overall, our utilization rate for our owned and chartered construction vessels decreased to 84% in the fourth quarter of 2010 from 97% in the third quarter of 2010. Further, Robotics utilization declined to 60% in the fourth quarter of 2010 from 68% in the third quarter of 2010.

- oWell Operations revenues decreased in the fourth quarter of 2010 compared to the third quarter of 2010 despite higher overall utilization (90% compared to 83%). The decrease in revenues was due primarily to the reduction in scope on the Lufeng field abandonment project offshore China. The *Normand Clough* is now deployed by the Clough Helix joint venture on a construction project offshore China. Further, the *Q4000* returned to previously contracted lower day rate work in the fourth quarter of 2010 (deferred by our response to BP Macondo).

- Gross profit margins for our Contracting Services business were 1% in the fourth quarter of 2010 compared to 18% in the third quarter of 2010. Gross profit margins in the fourth quarter of 2010 were negatively impacted by the loss on the Lufeng project, the *Q4000* working on previously contracted lower margin work coming off of the BP Macondo spill containment operations in the third quarter of 2010 and lower Robotics utilization.

Production Facilities

- The *HP I* completed its contract with BP and mobilized back to our Phoenix field in October. Production from the Phoenix field commenced on October 19, 2010.

Oil and Gas

- Oil and Gas revenues increased in the fourth quarter of 2010 compared to the third quarter of 2010 due primarily to increased oil production and higher oil prices. Production in the fourth quarter of 2010 totaled 13.7 Bcfe compared to 10.4 Bcfe in the third quarter of 2010.

- The average prices realized for natural gas, including the effect of settled gas hedge contracts, totaled $6.11 per thousand cubic feet of gas (Mcf) in the fourth quarter of 2010 compared to $6.13 per Mcf in the third quarter of 2010. For oil, including the effects of settled oil hedge contracts, we realized $80.11 per barrel in the fourth quarter of 2010 compared to $73.63 per barrel in the third quarter of 2010.

- Our February 2011 oil and gas production rate has averaged 162 million cubic feet of natural gas equivalent per day (MMcfe/d) through February 22, 2011, compared to an average of 149 MMcfe/d in the fourth quarter of 2010 and an average of 113 MMcfe/d in the third quarter of 2010.

- We currently have oil and gas hedge contracts in place totaling 25.5 Bcfe (2.4 million barrels of oil and 11.1 Bcf of gas) in 2011 and 3.0 Bcf of gas in 2012.

Other Expenses

- Selling, general and administrative expenses were 9.9% of revenue in the fourth quarter of 2010, 6.8% in the third quarter of 2010 and 15.7% in the fourth quarter of 2009. Fourth quarter 2009 selling, general and administrative expenses were negatively impacted by increased bad debt expense and increased legal expenses.

- Net interest expense and other of $21.5 million in the fourth quarter of 2010 was comparable to the $21.4 million in the third quarter of 2010. Net interest expense decreased to $23.7 million in the fourth quarter of 2010 compared with $25.5 million in the third quarter of 2010.

Financial Condition and Liquidity

- Consolidated net debt at December 31, 2010 decreased to $967 million from $1.03 billion at September 30, 2010. At December 31, 2010, we had no outstanding borrowings under our revolver. Our total liquidity at December 31, 2010 was approximately $787 million, consisting of cash on hand of $391 million and revolver availability of $396 million. Net debt to book capitalization as of December 31, 2010 was 43%. (Net debt to book capitalization is a non-GAAP measure. See reconciliation attached hereto.)

- As of December 31, 2010, we were in compliance with all covenants and restrictions under our various loan agreements.

- We incurred capital expenditures (including capitalized interest) totaling $33 million in the fourth quarter of 2010, compared to $31 million in the third quarter of 2010 and $119 million in the fourth quarter of 2009.

Footnotes to "Summary of Results":

(1) Results of Helix RDS Limited, our former reservoir consulting business, were included as discontinued operations for all periods presented in our comparative condensed consolidated statements of operations.
(2) Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%. Our remaining interest was accounted for under the equity method of accounting through September 23, 2009. Subsequent to September 23, 2009, our investment in Cal Dive was accounted for as an available for sale security.
(3) Fourth quarter 2010 included $2.3 million of expense related to a weather derivative contract and $0.1 million of hurricane-related costs. Third quarter 2010 included $9.4 million of expense related to a weather derivative contract and $0.9 million of hurricane-related costs. Fourth quarter 2009 included $2.5 million of expense related to a weather derivative contract and $0.6 million of hurricane-related costs.
(4) Fourth quarter 2010 oil and gas impairments of $9.2 million were primarily related to a reduction in carrying value of certain oil and gas properties. Fourth quarter 2009 oil and gas impairments were attributable to a revision in estimated reserves associated with twelve fields resulting from mechanical and/or production related issues.
(5) Full year 2010 impairments were comprised of the impairments described in item [4] above, $7.0 million in the first quarter of 2010 primarily resulting from a decline in natural gas prices, $4.1 million in the first quarter of 2010 for our non-domestic oil and gas property, $159.9 million in the second quarter of 2010 resulting from a significant reduction in our estimates of proved reserves, and $0.9 million in the third quarter of 2010 associated with a revised estimated asset reclamation obligation of one non-producing field. Full year 2009 impairments were comprised of the impairments described in item [4] above, $51.5 million of additional asset retirement and impairment costs resulting fro m Hurricane *Ike* recorded in the second quarter of 2009 and $11.5 million of additional oil and gas property revisions following estimated reserve reductions at June 30, 2009.
(6) Fourth quarter 2010 included $6.4 million of exploration costs associated with offshore lease expirations. Fourth quarter 2009 included $20.1 million of exploration costs associated with offshore lease expirations.
(7) Twelve months ended December 31, 2010 included a payment of $17.5 million to settle litigation related to the termination of a 2007 international construction contract.

Non-GAAP measure. See reconciliation attached hereto.

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

(1) Results of Helix RDS Limited, our former reservoir consulting business, were included as discontinued operations for all periods presented in our comparative condensed consolidated statements of operations.
(2) Fourth quarter 2010 included a non-cash impairment charge of $16.7 million to reduce the carrying value of goodwill attributable to our Southeast Asia well operations subsidiary.
(3) Fourth quarter 2010 included $2.3 million of expense related to a weather derivative contract and $0.1 million of hurricane-related costs. Fourth quarter 2009 included $2.5 million of expense related to a weather derivative contract and $0.6 million of hurricane-related costs. Third quarter 2010 included $9.4 million of expense related to a weather derivative contract and $0.9 million of hurricane-related costs.
(4) Fourth quarter 2010 oil and gas impairments of $9.2 million were primarily related to a reduction in carrying value of certain oil and gas properties. Fourth quarter 2009 oil and gas impairments were attributable to a revision in estimated reserves associated with twelve fields resulting from mechanical and/or production related issues.
(5) Fourth quarter 2010 included $6.4 million of exploration costs associated with offshore lease expirations. Fourth quarter 2009 included $20.1 million of exploration costs associated with offshore lease expirations.

* * * * *

Conference Call Information

Further details are provided in the presentation for Helix's quarterly conference call to review its fourth quarter and full year 2010 results (see the "Investor Relations" page of Helix's website, www.HelixESG.com). The call, scheduled for 9:00 a.m. Central Standard Time on Thursday, February 24, 2011, will be audio webcast live from the "Investor Relations" page of Helix's website. Investors and other interested parties wishing to listen to the conference via telephone may join the call by dialing 800-734-8582 for persons in the United States and +1-212-231-2905 for international participants. The passcode is "Tripodo". A replay of the conference will be available under "Investor Relations" by selecting the "Audio Archives" link from the same page beginning approximately two hours after the completion of the conference call.

Helix Energy Solutions Group, headquartered in Houston, Texas, is an international offshore energy company that provides development solutions and other key life of field services to the open energy market as well as to our own oil and gas business unit.

Reconciliation of Non-GAAP Financial Measures

Management evaluates Company performance and financial condition using certain non-GAAP metrics, primarily Adjusted EBITDAX, net debt and net debt to book capitalization. We calculate Adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our Adjusted EBITDAX calculation. Net debt is calculated as the sum of financial debt less cash and equivalents on hand. Net debt to book capitalization is calculated by dividing net debt by the sum of net debt, convertible preferred stock and shareholders' equity. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company, and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statement concerning developments; any statements regarding future economic conditions or performance; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors including but not limited to the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; employee management issues; uncertainties inherent in the exploration for and development of oil and gas and in estimating reserves; complexities of global political and economic developments; geologic risks, volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission ("SEC"), including the Company's most recently filed Annual Report on Form 10-K and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements except as required by the securities laws.

HELIX ENERGY SOLUTIONS GROUP, INC.

Comparative Condensed Consolidated Statements of Operations

(in thousands, except per share data)	Three Months Ended Dec. 31, 2010	Three Months Ended Dec. 31, 2009	Twelve Months Ended Dec. 31, 2010	Twelve Months Ended Dec. 31, 2009
	(unaudited)		(unaudited)	
Net revenues:				
Contracting services	$ 169,835	$ 108,598	$ 774,469	$ 1,076,349
Oil and gas	136,502	71,450	425,369	385,338
	306,337	180,048	1,199,838	1,461,687
Cost of sales:				
Contracting services	162,075	89,373	600,083	854,975
Oil and gas	112,472	69,636	376,724	218,617
Oil and gas impairments	9,212	55,940	181,083	120,550
Exploration expense	6,496	21,520	8,276	24,383
	290,255	236,469	1,166,166	1,218,525
Gross profit (loss)	16,082	(56,421)	33,672	243,162
Goodwill impairment	(16,743)	-	(16,743)	-
Gain (loss) on oil and gas derivative commodity contracts	(1,555)	6,157	1,088	89,485
Gain on sale of assets, net	3,159	246	9,405	2,019
Selling, general, and administrative expenses	(30,403)	(28,242)	(122,078)	(130,851)
Income (loss) from operations	(29,460)	(78,260)	(94,656)	203,815
Equity in earnings of equity investments	6,537	5,177	19,469	32,329
Gain (loss) on subsidiary equity transaction	(2,240)	-	(2,240)	77,343
Net interest expense and other	(21,498)	(11,526)	(86,280)	(51,495)
Income (loss) before income taxes	(46,661)	(84,609)	(163,707)	261,992
Provision for (benefit of) income taxes	2,364	(30,374)	(39,598)	95,822
Income (loss) from continuing operations	(49,025)	(54,235)	(124,109)	166,170
Discontinued operations, net of tax	-	(722)	(44)	9,581
Net income (loss), including noncontrolling interests	(49,025)	(54,957)	(124,153)	175,751
Less: net income applicable to noncontrolling interests	(786)	(680)	(2,835)	(19,697)
Net income (loss) applicable to Helix	(49,811)	(55,637)	(126,988)	156,054
Preferred stock dividends	(10)	(60)	(114)	(748)
Preferred stock beneficial conversion charges	-	-	-	(53,439)
Net income (loss) applicable to Helix common shareholders	$ (49,821)	$ (55,697)	$ (127,102)	$ 101,867
Weighted Avg. Common Shares Outstanding:				
Basic	104,111	103,007	103,857	99,136
Diluted	104,111	103,007	103,857	105,720
Basic earnings (loss) per share of common stock:				
Continuing operations	$ (0.48)	$ (0.52)	$ (1.22)	$ 0.92
Discontinued operations	-	(0.01)	-	0.09
Net income (loss) per share of common stock	$ (0.48)	$ (0.53)	$ (1.22)	$ 1.01
Diluted earnings (loss) per share of common stock:				
Continuing operations	$ (0.48)	$ (0.52)	$ (1.22)	$ 0.87
Discontinued operations	-	(0.01)	-	0.09
Net income (loss) per share of common stock	$ (0.48)	$ (0.53)	$ (1.22)	$ 0.96

Comparative Condensed Consolidated Balance Sheets

ASSETS **(in thousands)**	**Dec. 31, 2010**	**Dec. 31, 2009**	***LIABILITIES & SHAREHOLDERS' EQUITY*** **(in thousands)**	**Dec. 31, 2010**	**Dec. 31, 2009**
	(unaudited)			(unaudited)	
Current Assets:			Current Liabilities:		
Cash and equivalents	$ 391,085	$ 270,673	Accounts payable	$ 159,381	$ 155,457
Accounts receivable	226,704	172,678	Accrued liabilities	198,237	200,607
Other current assets	123,065	122,209	Current mat of L-T debt (1)	10,179	12,424
Total Current Assets	740,854	565,560	Total Current Liabilities	367,797	368,488
Net Property & Equipment:			Long-term debt (1)	1,347,753	1,348,315
Contracting Services	1,452,837	1,470,582	Deferred income taxes	413,639	442,607
Oil and Gas	1,074,243	1,393,124	Asset retirement obligations	170,410	182,399
Equity investments	187,031	189,411	Other long-term liabilities	5,777	4,262
Goodwill	62,494	78,643	Convertible preferred stock (1)	1,000	6,000
Other assets, net	74,561	82,213	Shareholders' equity (1)	1,285,644	1,427,462
Total Assets	$ 3,592,020	$ 3,779,533	Total Liabilities & Equity	$ 3,592,020	$ 3,779,533

(1) Net debt to book capitalization - 43% at December 31, 2010. Calculated as total debt less cash and equivalents ($966,847) divided by sum of total net debt, convertible preferred stock and shareholders' equity ($2,253,491).

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three and Twelve Months Ended December 31, 2010

Earnings Release:

Reconciliation From Net Income to Adjusted EBITDAX:

	4Q10	4Q09	3Q10	2010	2009
	(in thousands)				
Net income (loss) applicable to common shareholders	$ (49,821)	$ (55,697)	$ 26,161	$ (127,102)	$ 101,867
Non-cash impairment	21,549	52,578	897	193,420	72,372
(Gain) loss on asset sales	(919)	198	(13)	(7,138)	(87,694)
Preferred stock dividends	10	60	10	114	54,187
Income tax provision (benefit)	2,364	(30,246)	17,965	(39,600)	86,035
Net interest expense and other	21,484	11,300	21,385	86,192	47,861
Depreciation and amortization	94,147	58,859	76,225	316,164	247,372
Exploration expense	6,496	21,520	442	8,276	24,383
Adjusted EBITDAX (including Cal Dive)	$ 95,310	$ 58,572	$ 143,072	$ 430,326	$ 546,383
Less: Previously reported contribution from Cal Dive	$ -	$ -	$ -	$ -	$ (56,291)
Adjusted EBITDAX	$ 95,310	$ 58,572	$ 143,072	$ 430,326	$ 490,092

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our adjusted EBITDAX calculation. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Helix Energy Solutions Group, Inc.
Reconciliation of Non GAAP Measures
Three Months Ended December 31, 2010

Earnings Release:

Reconciliation of significant items:

	4Q10	4Q09
	(in thousands, except earnings per share data)	
Property impairments and other charges:		
Property impairments	$ 9,212	$ 55,940
Exploration expenses	6,394	20,606
Goodwill impairment	16,743	-
Lufeng loss	21,431	-
Asset impairments and inventory charges	-	2,006
Tax provision (benefit) associated with above	2,755	(27,493)
Property impairments and other charges, net:	$ 56,535	$ 51,059
Diluted shares	104,111	103,007
Net after income tax effect per share	$ 0.54	$ 0.49

February 24, 2011

Fourth Quarter 2010 Conference Call

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All such statements, other than statements of historical fact, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of financial items; projections of contracting services activity; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of properties or wells; projections of utilization; any statements of the plans, strategies and objectives of management for future operations; any statements concerning developments; and any statements of assumptions underlying any of the foregoing. These statements involve certain assumptions we made based on our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are reasonable and appropriate under the circumstances. The forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; actions by governmental and regulatory authorities; operating hazards and delays; employee management issues; local, national and worldwide economic conditions; uncertainties inherent in the exploration for and development of oil and gas and in estimating reserves; complexities of global political and economic developments; geologic risks, volatility of oil and gas prices and other risks described from time to time in our reports filed with the Securities and Exchange Commission (“SEC”), including the Company’s most recently filed Annual Report on Form 10-K and in the Company’s other filings with the SEC. Free copies of the reports can be found at the SEC’s website, www.SEC.gov. You should not place undue reliance on these forward-looking statements which speak only as of the date of this presentation and the associated press release. We assume no obligation or duty and do not intend to update these forward-looking statements except as required by the securities laws.

References to quantities of oil or gas include amounts we believe will ultimately be produced, and may include “proved reserves” and quantities of oil or gas that are not yet classified as “proved reserves” under SEC definitions. Statements of oil and gas reserves are estimates based on assumptions and may be imprecise. Investors are urged to consider closely the disclosure regarding reserves in our most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.

Presentation Outline

Caesar **installing EOG Toucan pipeline offshore Trinidad**

Executive Summary

Executive Summary

($ in millions, except per share data)

	Quarter Ended			Year Ended	
	12/31/2010	12/31/2009	9/30/2010	12/31/2010	12/31/2009
Revenues	**$ 306**	**$ 180**	**$ 393**	**$ 1,200**	**$ 1,462** (A)
Gross Profit (Loss):					
Operating	32	21	88	223	388 (B)
	10%	12%	22%	19%	27%
Oil & Gas Impairments and Write-offs	(16)	(77)	(1)	(189)	(145)
Total	$ 16	$ (56)	$ 87	$ 34	$ 243
Goodwill Impairment	17 (C)	-	-	17 (C)	-
Net Income (Loss)	**$ (50)** (D)	**$ (56)**	**$ 26**	**$ (127)** (E)	**$ 102** (F)
Diluted Earnings (Loss) Per Share	**$ (0.48)**	**$ (0.53)**	**$ 0.25**	**$ (1.22)**	**$ 0.96**
Adjusted EBITDAX (G)(H)					
Contracting Services	$ 26	$ 41	$ 102	$ 250	$ 193
Oil & Gas	80	40	51	254	355
Corporate / Elimination	(11)	(22)	(10)	(74)	(58)
Adjusted EBITDAX	**$ 95**	**$ 59**	**$ 143**	**$ 430**	**$ 490**

(A) Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%; thereafter, our remaining interest was accounted for under the equity method of accounting until September 23, 2009, when we sold substantially all of our remaining interest in Cal Dive. Revenues from our Shelf Contracting business totaled $404.7 million.

(B) Included revenues in first quarter 2009 of $73.5 million of previously disputed Oil and Gas accrued royalties.

(C) Included a $16.7 million non-cash charge to write off goodwill associated with our Southeast Asia well operations subsidiary in fourth quarter 2010.

(D) Included a $7.1 million deferred tax asset valuation allowance associated with our Southeast Asia well operations subsidiary in fourth quarter 2010.

(E) Included a $17.5 million ($11.5 million after income taxes) charge related to settlement of litigation regarding a 2007 international construction contract in first quarter 2010 as well as a $7.1 million deferred tax asset valuation allowance associated with our Southeast Asia well operations subsidiary in fourth quarter 2010.

(F) After $53.4 million of non-cash charges related to convertible preferred stock in first quarter 2009.

(G) See non-GAAP reconciliations on slides 27-28.

(H) EBITDAX excludes Cal Dive contribution in all periods presented.

Executive Summary

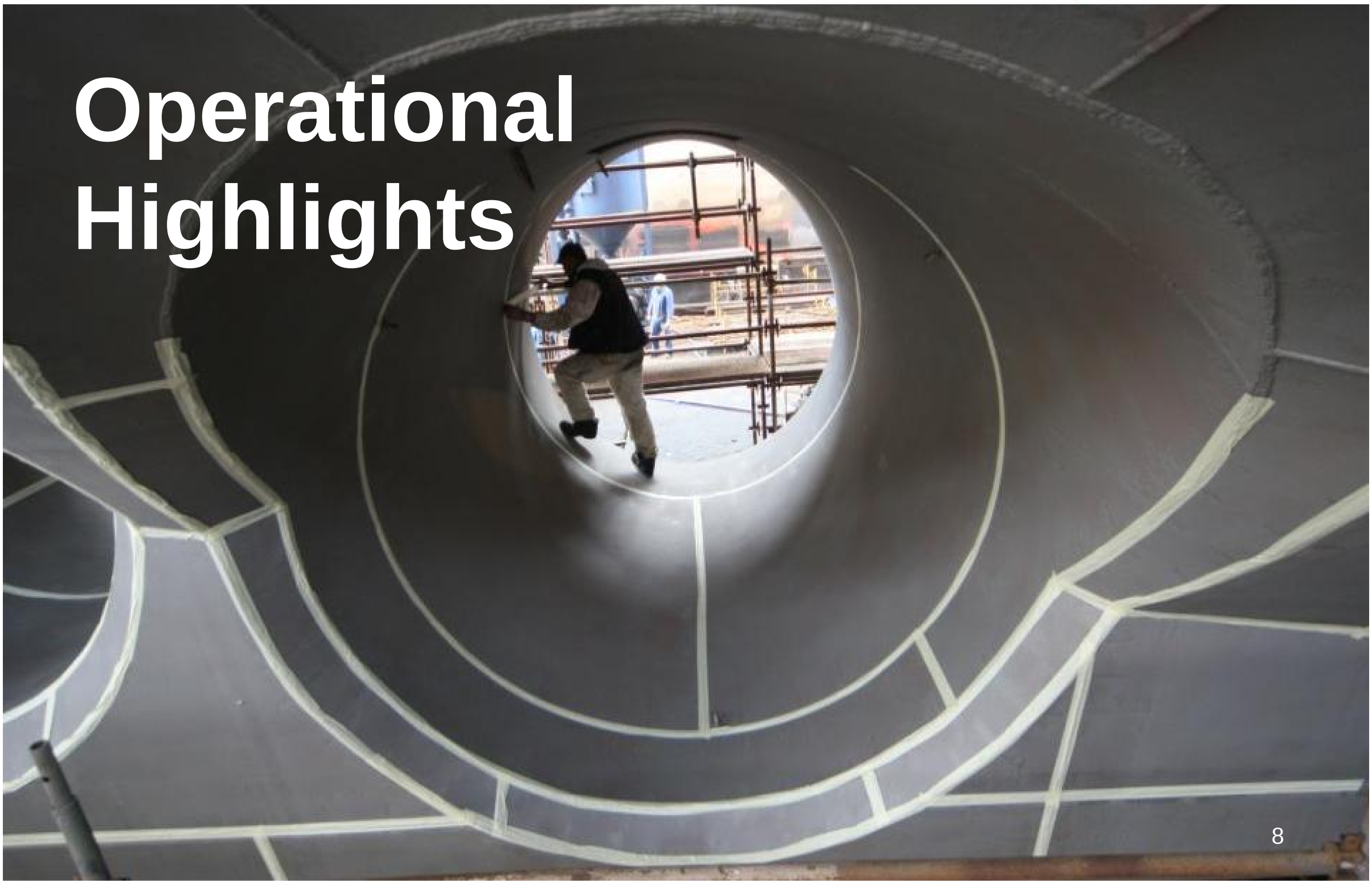
- Q4 2010 as reported EPS of $(0.48) per share
  - Non-cash impairment charge of $16.7 million to write-off the carrying value of goodwill and a $7.1 million deferred tax asset valuation allowance attributable to our Southeast Asia well operations subsidiary (total of $23.9 million after-tax)
  - Impairment charges totaling $9.2 million primarily associated with a reduction in carrying values of certain oil and gas properties and $6.4 million related to expiring offshore leases ($10.2 million after-tax)
  - Loss associated with the Lufeng project offshore China of $21.4 million ($22.4 million after-tax) related to weather, downhole and mechanical issues
  - Above three items totaled $53.8 million pre-tax ($56.5 million after-tax), or a loss of $(0.54) per share
- Balance sheet continues to improve
  - Cash increased to $391 million at 12/31/2010 from $325 million at 9/30/2010
  - Liquidity* increased to $787 million at 12/31/2010 from $700 million at 9/30/2010
  - Net debt decreased to $967 million at 12/31/2010 from $1.03 billion at 9/30/2010
- Contracting Services and Production Facilities
  - *Helix Producer I (HP I)* began to process Phoenix field production in October
  - Helix Fast Response System (HFRS) utilization agreements signed with 20 independent E&P operators in the GOM (Q1 2011)

*Liquidity as we define it is equal to cash and cash equivalents ($391 million), plus available capacity under our revolving credit facility ($396 million).

Executive Summary

- Oil and Gas
  - Fourth quarter average production rate of approximately 149 Mmcfe/d (51% oil)
  - Phoenix production commenced on 10/19/2010 after *HP I* returned from BP spill containment operations
  - Q1 production through February 22 averaged approximately 162 Mmcfe/d (63% oil)
    - Phoenix production averaged 72 Mmcfe/d for the same period
    - Little Burn completion permit secured (now pending rig)
- Oil and gas production totaled 13.7 Bcfe in Q4 2010 versus 10.4 Bcfe in Q3 2010
  - Avg realized price for oil of $80.11 / bbl ($73.63 / bbl in Q3 2010), inclusive of hedges
  - Avg realized price for gas of $6.11 / Mcf ($6.13 / Mcf in Q3 2010), inclusive of hedges

Operational Highlights



Contracting Services

($ in millions, except percentages)

	Quarter Ended		
	December 31		Sept 30
	2010	2009	2010
Revenues (A)			
Contracting Services	$ 185	$ 151	$ 239
Production Facilities	20	1	74
Total Revenue	$ 205	$ 152	$ 313
Gross Profit (A)			
Contracting Services	$ 3	$ 31	$ 42
Profit Margin	*1%*	*20%*	*18%*
Production Facilities	6	(1)	45
Profit Margin	*32%*	*n/a*	*60%*
Total Gross Profit	$ 9	$ 30	$ 87
Gross Profit margin	*4%*	*19%*	*28%*

(A) See non-GAAP reconciliation on slides 27-28. Amounts are prior to intercompany eliminations.

- Gross margins adversely impacted by losses on lump sum Lufeng field abandonment project offshore China ($21.4 million in Q4)
- Strong contribution from Robotics business
- *Caesar* returned to GOM for upgrades in December

Coiled Tubing being deployed into North Sea well from Well Enhancer

Equity in Earnings of Equity Investments

($ in millions)

	Quarter Ended			Year Ended	
	December 31		Sept 30		
	2010	2009	2010	12/31/2010	12/31/2009
Independence Hub	$ 4	$ 5	$ 4	$ 18	$ 22
Deepwater Gateway (Marco Polo)	1	1	1	5	4
CloughHelix JV	1	-	1	(4)	-
Cal Dive (A)	-	-	-	-	8
Other	-	(1)	-	-	(2)
Equity in Earnings	$ 6	$ 5	$ 6	$ 19	$ 32

(A) Results of Cal Dive, our former Shelf Contracting business, were consolidated through June 10, 2009, at which time our ownership interest dropped below 50%; thereafter, our remaining interest was accounted for under the equity method of accounting until September 23, 2009, when we sold substantially all of our remaining interest in Cal Dive.

Contracting Services - Well Ops

GOM

- *Q4000* worked for Noble, Newfield and Mariner in the fourth quarter
- Strong outlook for 2011

North Sea

- *Seawell* and *Well Enhancer* enjoyed 85% utilization in the fourth quarter; a delay in completing the coiled tubing unit on the *Well Enhancer* prevented full utilization for the quarter
- *Well Enhancer* commenced coiled tubing operations
- Completed the Statoil Cat B FEED study for a new well intervention semi-submersible for offshore Norway and are currently bidding for the supply and services contract
- Strong outlook anticipated for both vessels in 2011

Asia Pacific

- Deployed the *Normand Clough* on the CNOOC Lufeng field abandonment contract in South China Sea
- Project loss due to weather, downhole and mechanical issues
- *Normand Clough* now deployed on COOEC (offshore China) construction work through Q3

The Compensated Coiled Tubing Lift Frame on the Well Enhancer during its first coiled tubing operation

Contracting Services - Robotics

- Enjoyed good utilization for five chartered ROV support vessels
- *Island Pioneer* and *Deep Cygnus* with Canyon trenchers *T750* and *iTrencher* active in GOM/North Sea with prospects for West Africa and backlog for the *iTrencher*
- *Olympic Canyon* enjoyed full utilization working on India Reliance project
- *Olympic Triton* currently off hire for crane upgrades; backlog of work when vessel returns to service
- Generated non-oilfield revenues of $36.5 million on power cable burial projects in 2010

Canyon ROV working on Jubilee project offshore Ghana

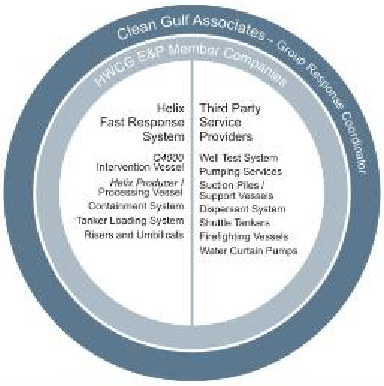
Contracting Services - Subsea Construction

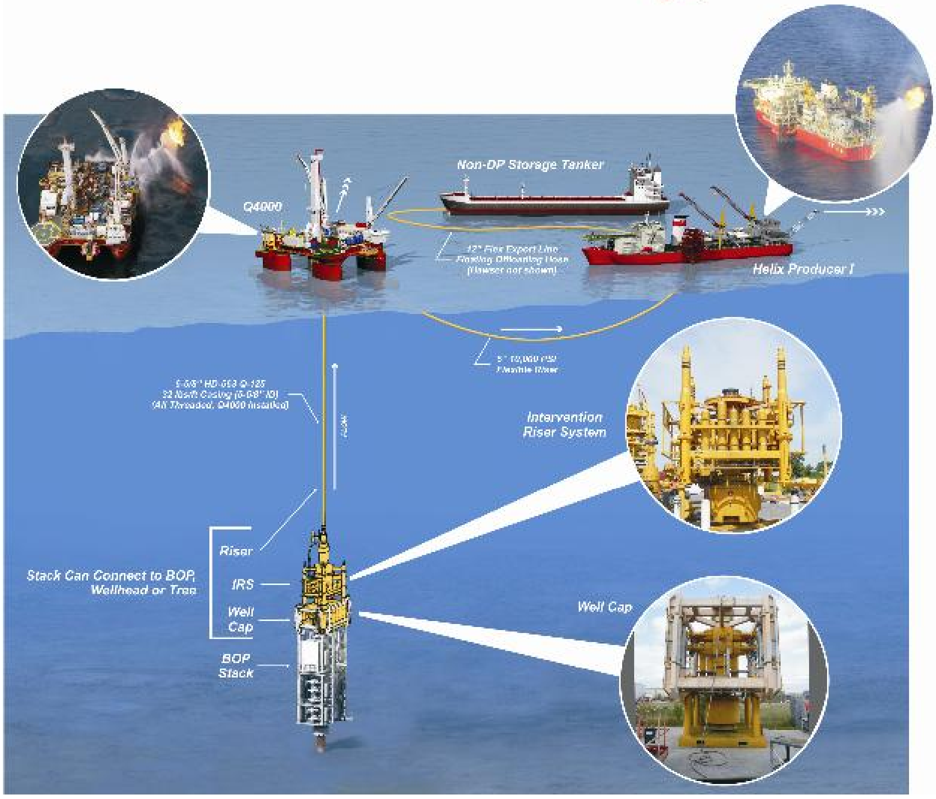
- *Caesar* completed EOG Toucan pipelay operation in Trinidad; then entered shipyard for planned maintenance and upgrades
- *Intrepid* performed pipelay operations in Trinidad and the GOM
- *Express* completed pipelay operations for BP's Calisto, Mariner's Balboa and Newfield's Gladden projects in the GOM
- *Deep Cygnus* retained on short-term charter to perform umbilical installation for BP's Calisto project

Caesar deploying pipeline for EOG Toucan project

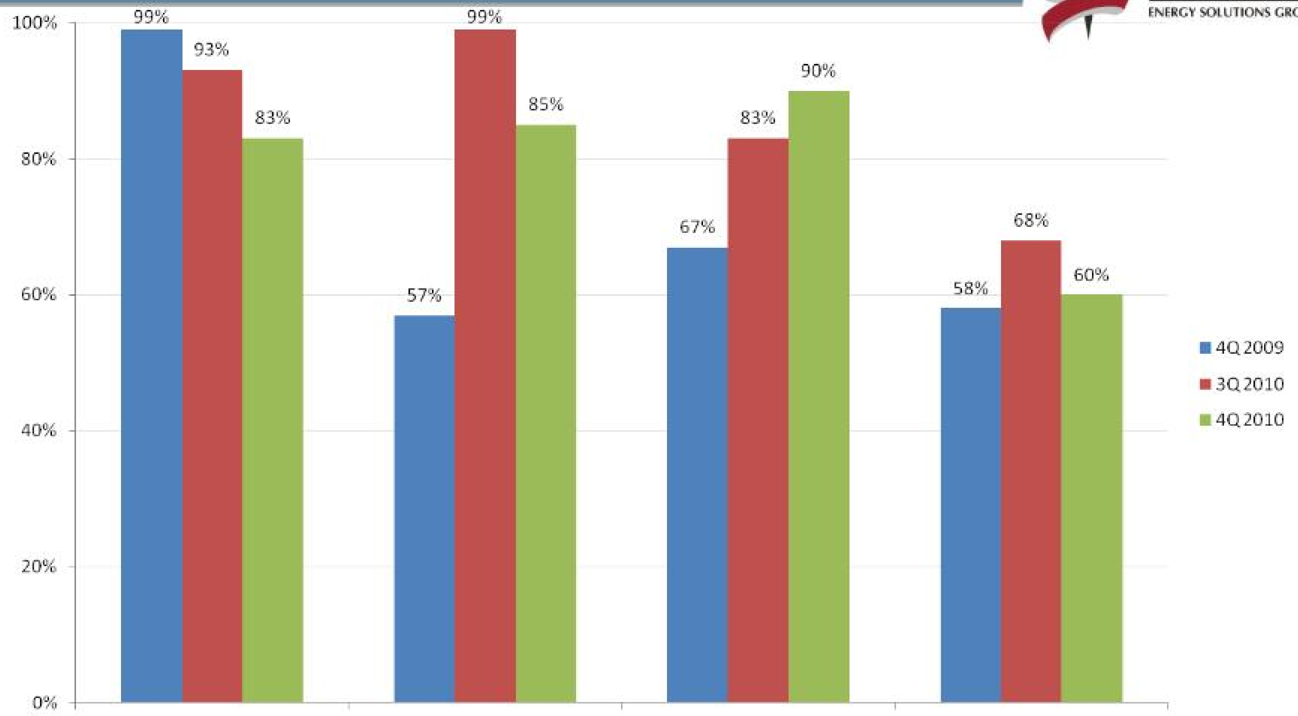
Helix Fast Response System (HFRS)

- Utilizes vessels and subsea systems proven in Macondo spill response
- Interim system is ready for deployment
- Enhanced system will capture and process up to 55,000 bpd in water depths to 8,000 feet (ready in Q2 2011)
- 20 independent E&P operators have signed on to include HFRS in future drilling permits





Contracting Services Utilization



Subsea Construction Vessels
- Intrepid
- Express
- Caesar (in service 5/31/10)

ROV / Trencher Support Vessels
- Olympic Canyon **(1)**
- Island Pioneer **(1)**
- Deep Cygnus **(1)**
- Normand Fortress **(1)**
- Olympic Triton (thru 10/23/2010) **(1)**

Well Intervention Vessels
- Seawell
- Well Enhancer
- Q4000
- Normand Clough **(1)**

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

(1) Chartered vessels.

Oil & Gas

Financial Highlights

($ in millions, except production and price data)

	Quarter Ended		
	December 31		Sept 30
	2010	2009	2010
Revenue	$ 137	$ 71	$ 96
Gross Profit - Operating	24	1	2
Oil & Gas Impairments (A)	(9)	(56)	(1)
Exploration Expense (B)	(7)	(21)	-
Total	$ 8	$ (76)	$ 1
Gain (loss) on Oil & Gas Derivative Contracts	$ (2)	$ 6	$ -
Production (Bcfe):			
Shelf	5.5	5.9	4.7
Deepwater	8.2	3.8	5.7
Total	13.7	9.7	10.4
Oil (Mmbls)	1.2	0.6	0.8
Gas (Bcf)	6.7	6.3	5.9
Total (Bcfe)	13.7	9.7	10.4
Average Commodity Prices (C):			
Oil / Bbl	$ 80.11	$ 71.48	$ 73.63
Gas / Mcf	$ 6.11	$ 7.97	$ 6.13

(A) Fourth quarter 2010 and 2009 impairments primarily associated with the reduction in carrying values of certain oil and gas properties due to year-end revisions in reserves.

(B) Primarily consisted of $6.4 million and $20.1 million of costs associated with expiring offshore leases in the fourth quarters of 2010 and 2009, respectively.

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

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

	Quarter Ended					
	December 31				Sept 30	
	2010		2009		2010	
	Total	per Mcfe	Total	per Mcfe	Total	per Mcfe
DD&A (A)	**$ 69**	**$ 5.07**	**$ 41**	**$ 4.24**	**$ 54**	**$ 5.24**
Operating and Other:						
Operating Expenses (B)	$ 30	2.19	$ 17	1.73	$ 27	2.64
Workover	4	0.32	2	0.22	4	0.36
Transportation	3	0.20	2	0.18	2	0.18
Repairs & Maintenance	2	0.14	4	0.43	3	0.25
Other	4	0.32	3	0.33	2	0.19
Total Operating & Other	**$ 43**	**3.17**	**$ 28**	**2.89**	**$ 38**	**3.62**
Total	**$ 112**	**$ 8.24**	**$ 69**	**$ 7.13**	**$ 92**	**$ 8.86**

(A) Included accretion expense.

(B) Excluded exploration expenses of $6.5, $21.5 and $0.4 million (of which $6.4, $20.1 and $0.0 million related to unproved property write-offs), and abandonment costs of $(0.3), $0.0 and $0.2 million for the quarters ended December 31, 2010, December 31, 2009 and September 30, 2010, respectively. Included $2.3, $2.5 and $9.4 million related to a weather derivative contract for the quarters ended December 31, 2010, December 31, 2009 and September 30, 2010, respectively.

Oil & Gas - Reserve Report Highlights

At December 31, 2010

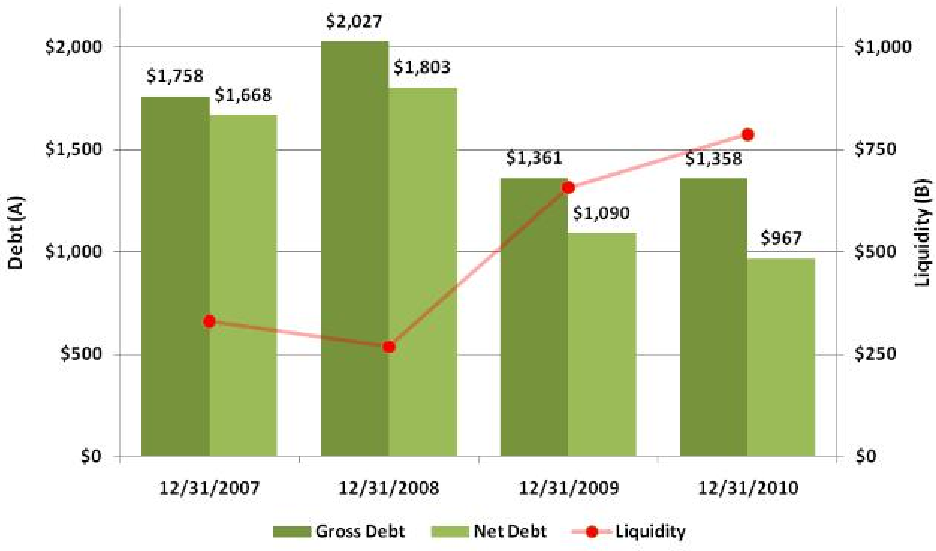
	Proved Developed	Proved Undeveloped	Total
Total Reserves (Bcfe)	146	230	**376**
Shelf	87	79	**166**
Deepwater	59	151	**210**
Oil (mmbbls)	12	13	**25**
Gas (Bcf)	76	151	**227**
SEC Case PV-10 (pre-tax, in millions)	**$ 490**	**$ 840**	**$ 1,330**
PV-10 Forward Strip Price* (pre-tax, in millions)	**$ 681**	**$ 1,032**	**$ 1,713**

* Based on NYMEX Henry Hub gas and WTI oil forward strip prices at December 31, 2010.

Key Balance Sheet Metrics

Debt and Liquidity Profile

($ amounts in millions)



Liquidity of approximately $787 million at 12/31/2010

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

(B) Liquidity as we define it is equal to cash and cash equivalents ($391 million), plus available capacity under our revolving credit facility ($396 million).

2011 Outlook

2011 Outlook

Broad Metrics	2011 Forecast	2010 Actual
Oil and Gas Production	49 Bcfe	47 Bcfe
EBITDAX	$475 million	$430 million
CAPEX	$225 million	$179 million

Commodity Price Deck		2011 Forecast	2010 Actual
Hedged	Oil	$87.11 / bbl	$75.27 / bbl
	Gas	$4.80/ mcf	$6.01 / mcf

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

2011 Outlook

- **Contracting Services**
  - Strong backlog for the *Q4000, Well Enhancer* and *Seawell* in 2011
  - Reduced visibility for Robotics utilization in first half of 2011
  - Current regulatory environment in the GOM limits short-term opportunities in Subsea Construction and Robotics businesses
  - Continued focus on trenching/cable burial business
- **Production Facilities**
  - *HP I* continues Phoenix field production and upgrades for spill response capabilities
- **Oil and Gas**
  - Forecasted 2011 overall production up slightly from 2010 levels
    - ~ 60% oil and 65% deepwater
    - Assumes no significant storm disruptions
    - Assumes Little Burn completed and producing by late Q2 (completion permit received, rig pending)

2011 Outlook

- **Capital Expenditures**
  - Contracting Services ($65 million)
    - No major vessel projects or dry docks planned for 2011
    - Completion of HFRS upgrades in Q1
    - Incremental investment in Robotics business
    - Additional capital expenditures required if awarded Statoil Cat B project
  - Oil and Gas ($160 million)
    - Focus capital investment on fast payback projects funded with operating cash flow
    - Little Burn completion by late Q2 (completion permit received, rig pending)
    - Drill two wells in the 2nd half of the year (subject to permitting)
      - Kathleen in the Bushwood field
      - Wang in the Phoenix field
    - Shelf platform construction and opportunistic workovers

Summary of Hedging Positions *

Oil (Bbls)	Swaps	Total Volume Hedged	Swap Pricing
2011	2,405,000	2,405,000	$ 81.35
Natural Gas (mcf)			
2011	11,095,000	11,095,000	$ 5.00
2012	3,000,000	3,000,000	$ 4.77
Subtotals (mcfe)			
2011	25,525,000	25,525,000	
2012	3,000,000	3,000,000	
Grand Totals	**28,525,000**	**28,525,000**	

* As of February 23, 2011

Non-GAAP Reconciliations

Non-GAAP Reconciliations

Adjusted EBITDAX *($ in millions)*

	Quarter Ended			Year Ended	
	December 31		Sept 30	December 31	
	2010	2009	2010	2010	2009
Net income (loss) applicable to common shareholders	$ (50)	$ (56)	$ 26	$ (127)	$ 102
Non-cash impairments	22	53	1	193	72
Gain on asset sales	(1)	-	-	(7)	(87)
Preferred stock dividends	-	-	-	-	54
Income tax provision (benefit)	2	(30)	18	(39)	86
Net interest expense and other	22	11	22	86	48
Depreciation and amortization	94	59	76	316	247
Exploration expense	6	22	-	8	24
Adjusted EBITDAX (including Cal Dive)	$ 95	$ 59	$ 143	$ 430	$ 546
Less: Previously reported contribution from Cal Dive	-	-	-	-	(56)
Adjusted EBITDAX	$ 95	$ 59	$ 143	$ 430	$ 490

We calculate Adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization and exploration expense. Further, we do not include earnings from our interest in Cal Dive in any periods presented in our Adjusted EBITDAX calculation. These non-GAAP measures are useful to investors and other internal and external users of our financial statements in evaluating our operating performance because they are widely used by investors in our industry to measure a company's operating performance without regard to items which can vary substantially from company to company, and help investors meaningfully compare our results from period to period. Adjusted EBITDAX should not be considered in isolation or as a substitute for, but instead is supplemental to, income from operations, net income or other income data prepared in accordance with GAAP. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to our reported results prepared in accordance with GAAP. Users of this financial information should consider the types of events and transactions which are excluded.

Non-GAAP Reconciliations

Revenue and Gross Profit As Reported ($ in millions)

	Quarter Ended		
	December 31		Sept 30
	2010	2009	2010
Revenues			
Contracting Services	$ 185	$ 151	$ 239
Production Facilities	20	1	74
Intercompany elim. - Contracting Services	(25)	(43)	(16)
Intercompany elim. - Production Facilities	(10)	-	-
Revenue as Reported	$ 170	$ 109	$ 297
Gross Profit			
Contracting Services	$ 3	$ 31	$ 42
Production Facilities	6	(1)	45
Intercompany elim. - Contracting Services	-	(10)	-
Intercompany elim. - Production Facilities	-	-	-
Gross Profit as Reported	$ 9	$ 20	$ 87
Gross Profit Margin	5%	18%	29%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