



**Midwest U.S. Road Show  
August, 2006**

Owen Kratz – Chairman & Chief Executive Officer

Wade Pursell – Chief Financial Officer



# Forward-Looking Statements

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*This press release and attached presentation contain forward-looking statements that involve risks, uncertainties and assumptions that could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, are statements that could be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, any projections of revenue, gross margin, expenses, earnings or losses from operations, or other financial items; future production volumes, results of exploration, exploitation, development, acquisition and operations expenditures, and prospective reserve levels of property or wells; any statements of the plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings relating to services; any statements regarding future economic conditions or performance; any statements of expectation or belief; any statements regarding the anticipated results (financial or otherwise) of the merger of Remington Oil and Gas Corporation into a wholly-owned subsidiary of Helix; and any statements of assumptions underlying any of the foregoing. The risks, uncertainties and assumptions referred to above include the performance of contracts by suppliers, customers and partners; employee management issues; complexities of global political and economic developments, geologic risks and other risks described from time to time in our reports filed with the Securities and Exchange Commission (“SEC”), including the Company’s Annual Report on Form 10-K for the year ending December 31, 2005; and, with respect to the Remington merger, actual results could differ materially from Helix’s expectations depending on factors such as the combined company’s cost of capital, the ability of the combined company to identify and implement cost savings, synergies and efficiencies in the time frame needed to achieve these expectations, prior contractual commitments of the combined companies and their ability to terminate these commitments or amend, renegotiate or settle the same, the combined company’s actual capital needs, the absence of any material incident of property damage or other hazard that could affect the need to effect capital expenditures, any unforeseen merger or acquisition opportunities that could affect capital needs, the costs incurred in implementing synergies and the factors that generally affect both Helix’s and Remington’s respective businesses. Actual actions that the combined company may take may differ from time to time as the combined company may deem necessary or advisable in the best interest of the combined company and its shareholders to attempt to achieve the successful integration of the companies, the synergies needed to make the transaction a financial success and to react to the economy and the combined company’s market for its exploration and production. We assume no obligation and do not intend to update these forward-looking statements.*



# Presentation Outline

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- I. Helix Strategy
- II. Contracting Services
- III. Oil & Gas Production
- IV. Financial Information



# Strategy



# Two Stranded Strategy

**Contracting Services**



**&**

**Oil & Gas Production**



**=**

**Reduced  
Cyclicality  
(Steady Growth)  
And Superior  
Financial  
Returns**



# Helix: A Full Cycle Energy Service Company

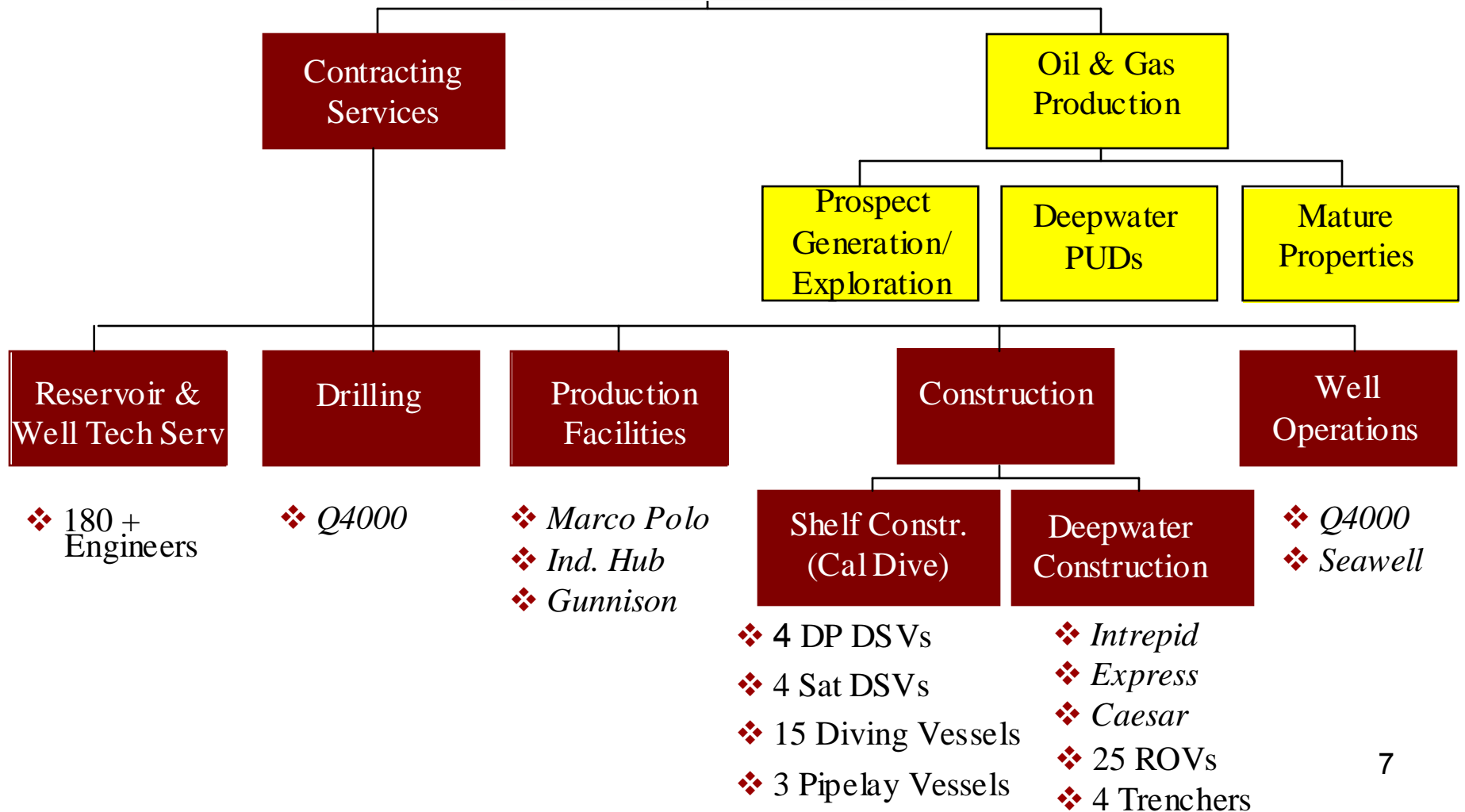
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We provide development solutions and related services to the energy market and specialize in the exploitation of 'marginal fields', which are mature, small, stranded or in another way economically challenged. We are able to create greater value than E&P companies by owning key services and controlling the methodologies that lower exploitation costs (F&D / LOE).



# Structure / Resources





# Application of Contracting Services

Exploration



Appraisal



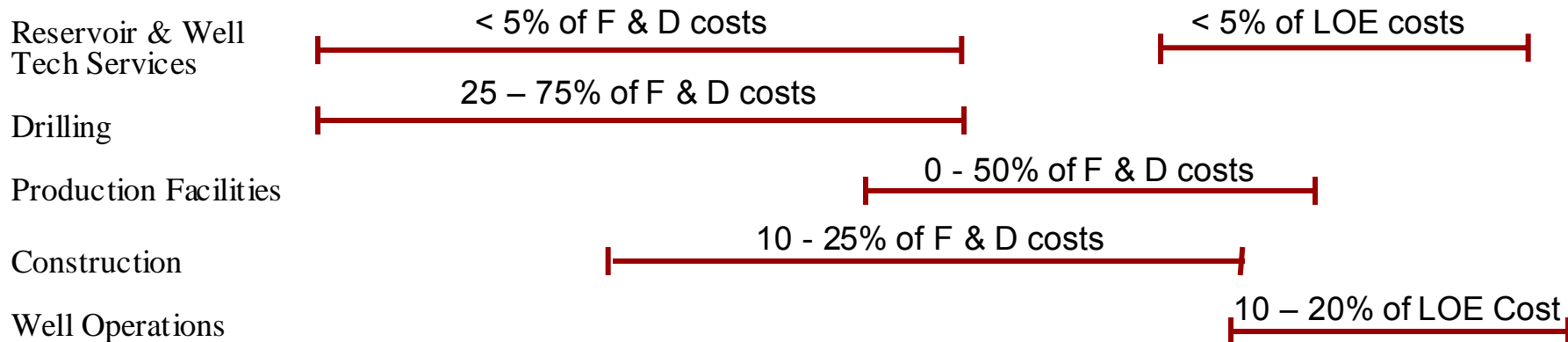
Development



Production



Abandonment

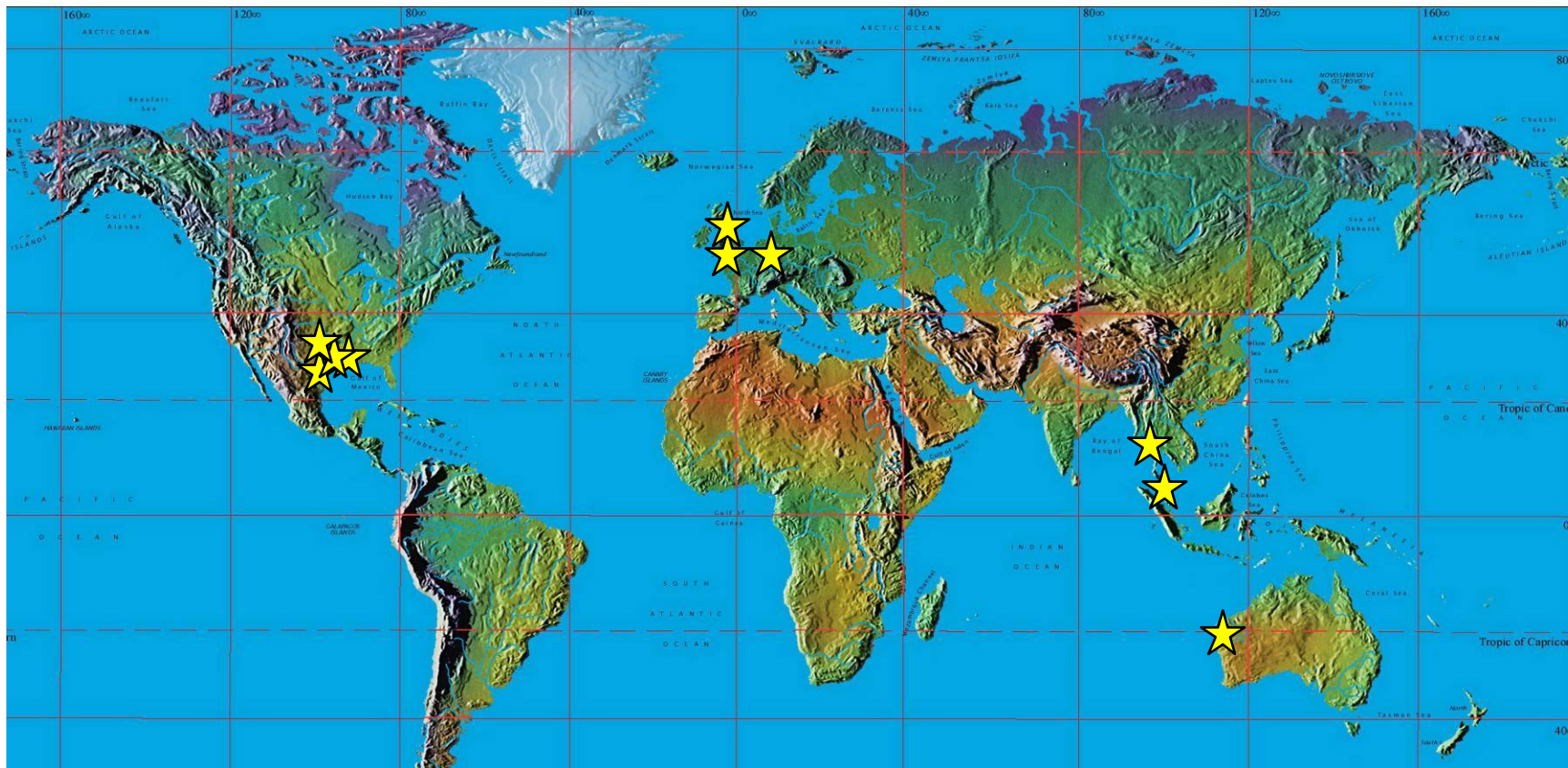


**'Full cycle cost can be reduced by at least 20% compared to conventional approaches'**





# Our Offices



- Houston
- Port Arthur
- New Iberia
- Lafayette
- Rotterdam



- Houston
- Dallas
- Aberdeen



- London
- Aberdeen
- Kuala Lumpur
- Perth



- Houston
- Aberdeen



- Houston
- Aberdeen
- Singapore



# Contracting Services



# Two Stranded Approach



**External  
Contracting**

**&**

**Production  
Contracting**

**=**

**Internal Backlog  
And  
Superior Return  
on Capital**

**Reservoir &  
Well Tech  
Services**



**Drilling**



**Production  
Facilities**



**Construction**



**Well Ops.**



# Services - Reservoir and Well Technology

*Transforming subsurface uncertainty into value*

**HELIX RDS**

Helix RDS is a world class provider of reservoir and well technology services to the upstream oil and gas industry. The combination of our business scale, service scope, track record and independence make Helix RDS a unique service partner. This capability and experience continues to transform subsurface uncertainty into significant value for our clients around the globe.

- [CoreTeams™](#) - outsourced integrated reservoir management and well technology capabilities
- [OnDemand™](#) - consultancy services
- [Pulse™](#) - online analysis of upstream data
- [FaultFinder™](#) - high definition analysis of faulting
- [FlowDoctor™](#) - flow assurance service
- [LogDoctor™](#) - formation evaluation services
- [ProductionMentor™](#) - production optimization
- [PromotePartner™](#) service offered to oil and gas companies to help maximise the value of an asset through a promote, farm out or divestment process.
- [SandMentor™](#) - sand production analyzer
- [WellDoctor™](#) is our well integrity assurance service



## Services - Drilling

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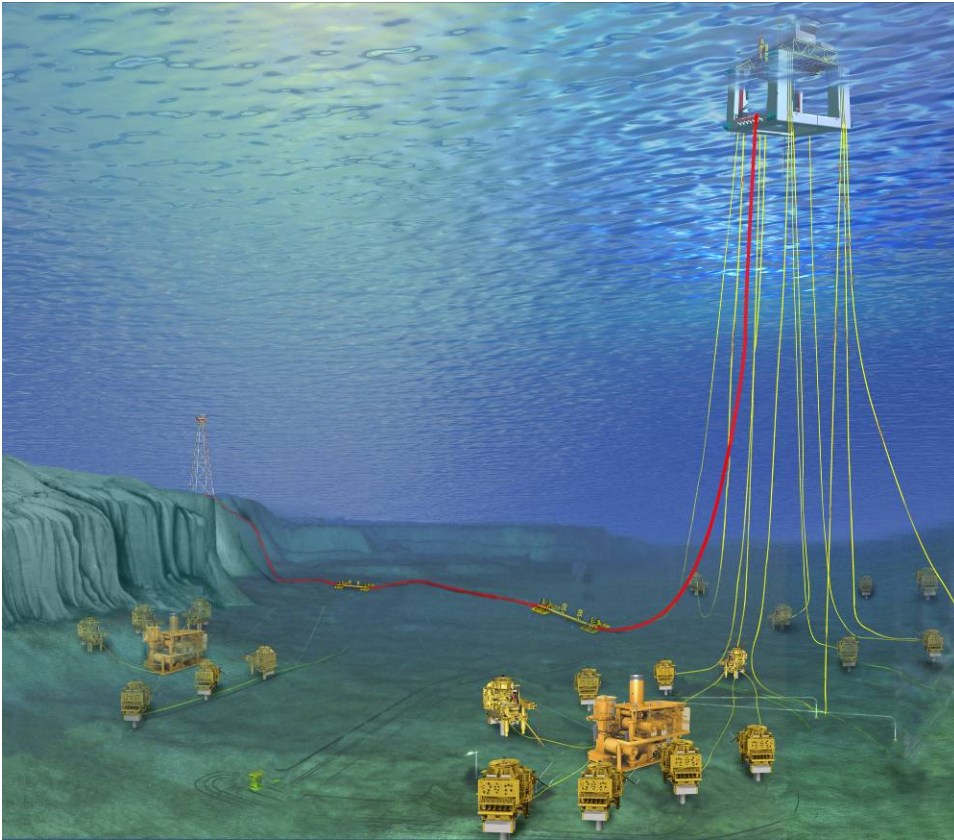
- Q4000 Upgrade
- Addition Of Modular-Based Drilling System
- Hybrid Slimbore Technology
- Designed For Deepwater Exploration And Appraisal
- Scheduled Completion: Early 2007





## Services - Production Facilities

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- Host production facilities capitalizing on “Hub and satellite” field concept of the Deepwater Gulf
- Fixed monthly demand charges and volumetric tariff charges
- Farm-In opportunities
- Installation of facility and Subsea tiebacks



# Services - Construction

## Deepwater Construction



- Technically diverse DP Fleet
- Reel Lay and S-Lay
- Specialized Assets Target Niche Markets
- Deepwater Track Record; installed pipe in 5,600 feet

## Robotics



- Work Class ROV Systems
- Trenching/Burial Expertise
- DP Vessels
- Global Operations

## Shelf Construction



- Sat and Surface Diving
- Construction and abandonment
- Inspection, repair and maintenance



# Services – Well Operations

## US Market

- ◆ Life of field services
- ◆ Recognized industry leader
- ◆ Alternative to drill rig
- ◆ 25% - 50% cost advantage
- ◆ Riser based technology



*Q4000*

## UK Market

- ◆ Established position in largest world market
- ◆ Property sales to Independents
- ◆ SIL based technology



*Seawell*





# Oil & Gas Production



# Oil and Gas Production

## Legacy ERT Operations

- ◆ Formed ERT in 1992
- ◆ Strategy has been to acquire mature, sunset properties at attractive prices
  - Enjoy exploitation of remaining reserves
  - Operator of 40 fields, 120 platforms and 500 wells
- ◆ Counteract Contracting Services volatility
- ◆ Initial deepwater investment in 2000 via Gunnison
- ◆ Multiple deepwater PUD acquisitions through 2005

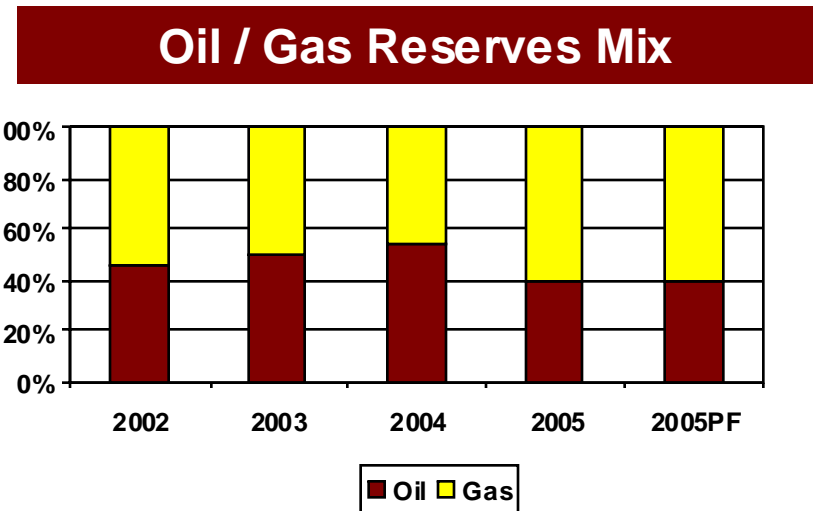
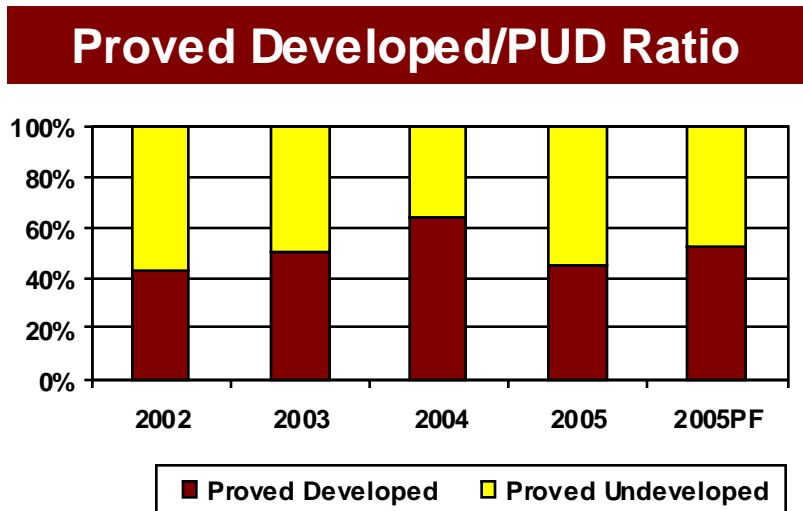
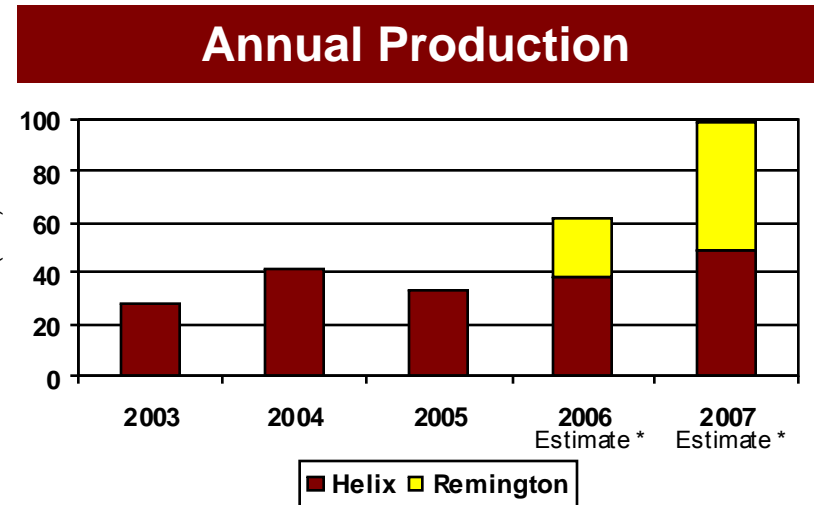
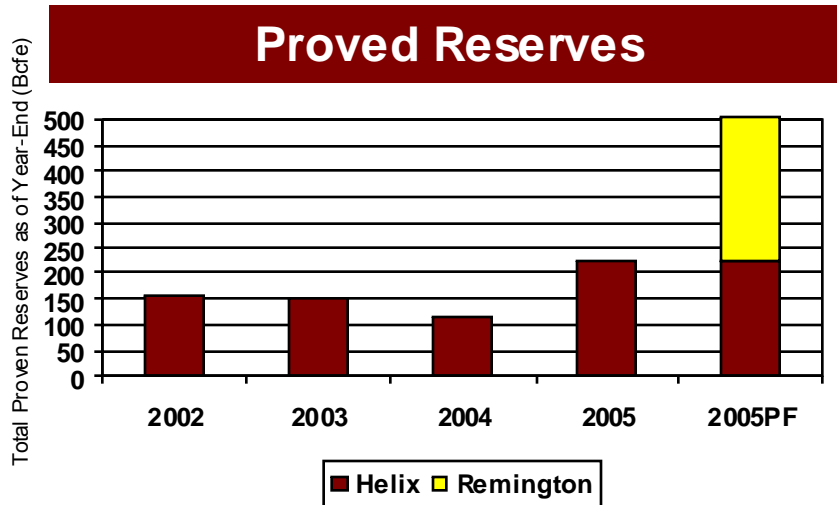
Remington  
Acquisition

## Helix Model

- ◆ Access to both deepwater prospects **and** the means to exploit them
- ◆ Operatorship in deepwater
- ◆ 100% ownership of Remington properties allows Helix to control own destiny
- ◆ Prospect generation
  - Targeting 30% fleet utilization with Remington / ERT activity (backlog > \$1 Billion)
- ◆ Complements expanding deepwater fleet and production expertise
- ◆ Added resources for geographic expansion of model



# Historical and Pro Forma Reserve Profile



\* Estimates reflect mid-point of guidance range



# Remington Prospect Portfolio<sup>3</sup>

- Preliminary Purchase Price Allocation (Provens: \$3.12/mcfe, Prospects: \$0.29/mcfe)
- Bottom-up reserve risk assessment based on historical success rates.
- 5-7 year drilling inventory.
- Targeting 30% fleet **utilization** with Remington/ERT activity.

	Number Of Prospects	Net Unrisked Potential (Bcfe)	Net Risked Potential (Bcfe)	Risked Pretax PV-10 <sup>2</sup>	
				Forward Curve (\$MM)	\$6.00 Gas / \$65 Oil (\$MM)
Low Risk Shelf (Ps > 50%)	48	234	141	\$336	\$170
Deep Shelf/Conventional High Risk	87	1,584	330	983	480
Deepwater	<u>22</u>	<u>2,479</u>	<u>856</u>	<u>2,416</u> <sup>1</sup>	<u>1,920</u> <sup>1</sup>
Total	<u>157</u>	<u>4,297</u>	<u>1,327</u>	<u>\$3,735</u>	<u>\$2,570</u>
Multiple Of Remington Proved Reserves		15x	5x		

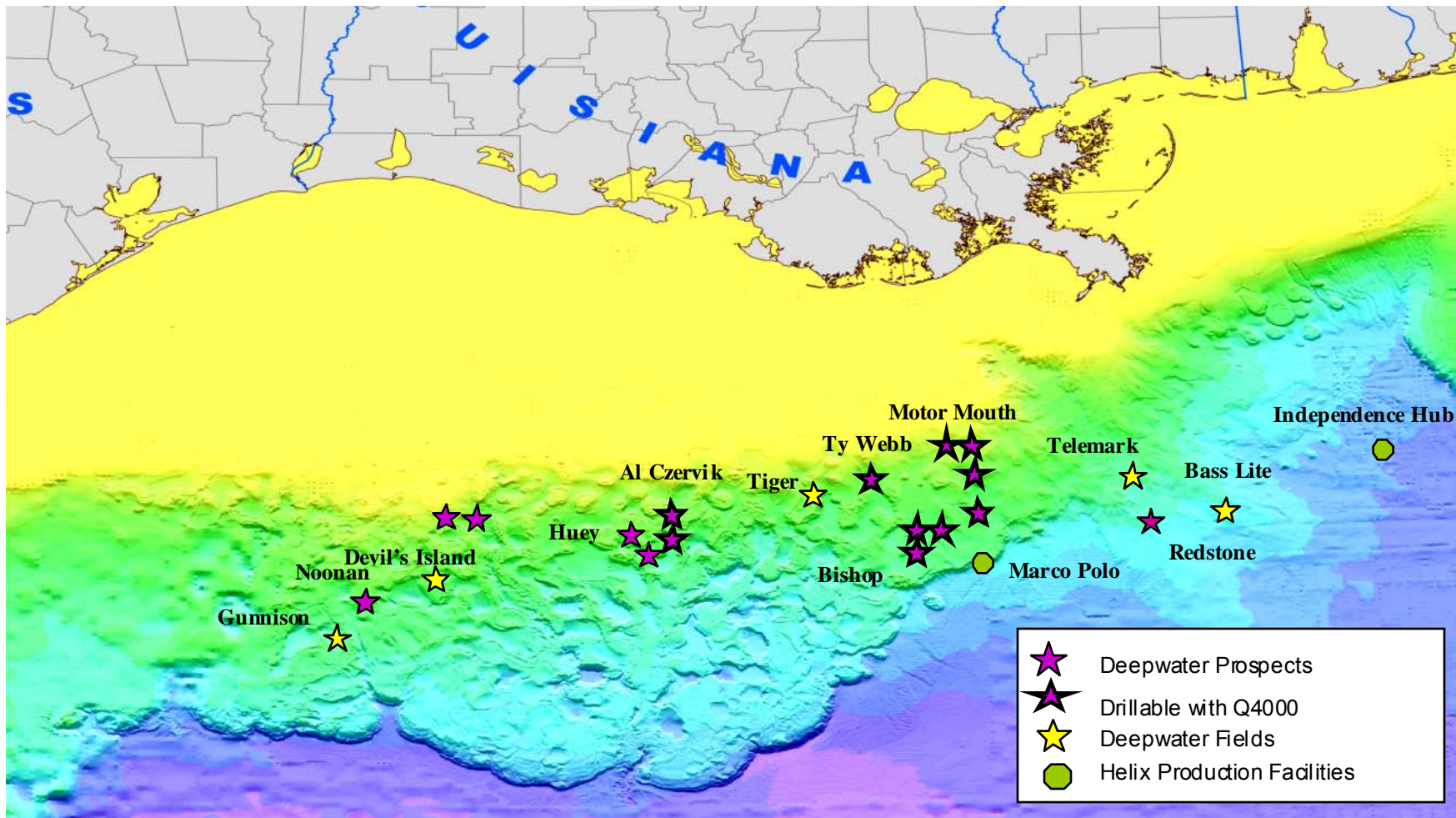
<sup>1</sup> Over \$1 Billion of life of field services involved.

<sup>2</sup> F & D cost of \$2.5 / mcf used throughout.

<sup>3</sup> Does not include present ERT generated prospects.



# Combined Deepwater Portfolio





# High Impact Near Term Drilling Prospects

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<u>Prospect</u>	<u>Status</u>	<u>Working Interest</u>	<u>Estimated First Production Date</u>	<u>Net Risked Reserves</u>	<u>Likely Development Plan</u>
*Noonan GB 506	Spud 2H/06	100%	2Q08	250 bcfe	FPU or Tie Back
*Bishop GC 250	Spud 1H/07	100%	3Q08	200 bcfe	Tie Back
Tiger	Completing	40%	4Q06	15 bcfe	Tie Back
*Huey	Drilling	20%	1Q07	7 bcfe	Tie Back
Devil's Island	Side Tracking	50%	3Q07	12 bcfe	Tie Back
Telemark	Sold in 3Q/06	0%	-	-	-
Bass Lite	Spud 1Q/07	17.5%	4Q07	20 bcfe	Tie Back



# Helix Hedges: As Of July 31, 2006

<u>Production Period</u>	<u>Instrument Type</u>	<u>Average Monthly Volumes</u>	<u>Weighted Average Price</u>
<b><u>Crude Oil</u></b>			
July 2006 – December 2006	Collars	125 MBbl	\$44.00 – \$70.48
January 2007 – December 2007	Collars	50 MBbl	40.00 – 62.15
July 2006 – June 2007	Forward Sale	50.5 MBbl	70.70
<b><u>Natural Gas</u></b>			
July 2006 – December 2006	Collars	600,000 MMBtu	\$ 7.25 – \$13.40
January 2007 – June 2007	Collars	550,000 MMBtu	8.00 – 13.68
July 2007 – December 2007	Collars	233,000 MMBtu	7.50 – 10.79
July 2006 – June 2007	Forward Sale	725,000 MMBtu	9.28



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# Financial Information





## Earnings Guidance Progression

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### 2006

Original Estimate:	\$2.30 - \$3.30
End Q1 Estimate:	\$2.70 – \$3.30
Present Guidance:	\$3.20 - \$3.70

### 2007

Preliminary Estimate:	\$4.00 - \$5.50
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# Key Variables

	2006		2007	
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
<b>Contracting Services:</b>				
Revenues (millions)	\$900	\$1,000	\$1,000	\$1,100
EBITDA Margins **	35%	40%	35%	40%
<b>Production Facilities:</b>				
Equity in Earnings (millions)	\$20	\$24	\$45	\$55
<b>Oil &amp; Gas:</b>				
Oil Price (per bbl)	\$60.00	\$70.00	\$55.00	Strip (\$72.64)
Natural Gas Price (per mcf)	\$5.00	\$7.00	\$6.00	Strip (\$9.18)
Production (BcFe)	57	62.5	90.5	109.5
<b>Corporate:</b>				
SG&A % of Revenue	9%	8%	10%	8%
Effective Tax Rate	35%	34%	35%	34%
Average Shares Outstanding (millions)	91	90	98	96
CAPEX (millions) *	\$660	\$1,000	\$625	\$1,000

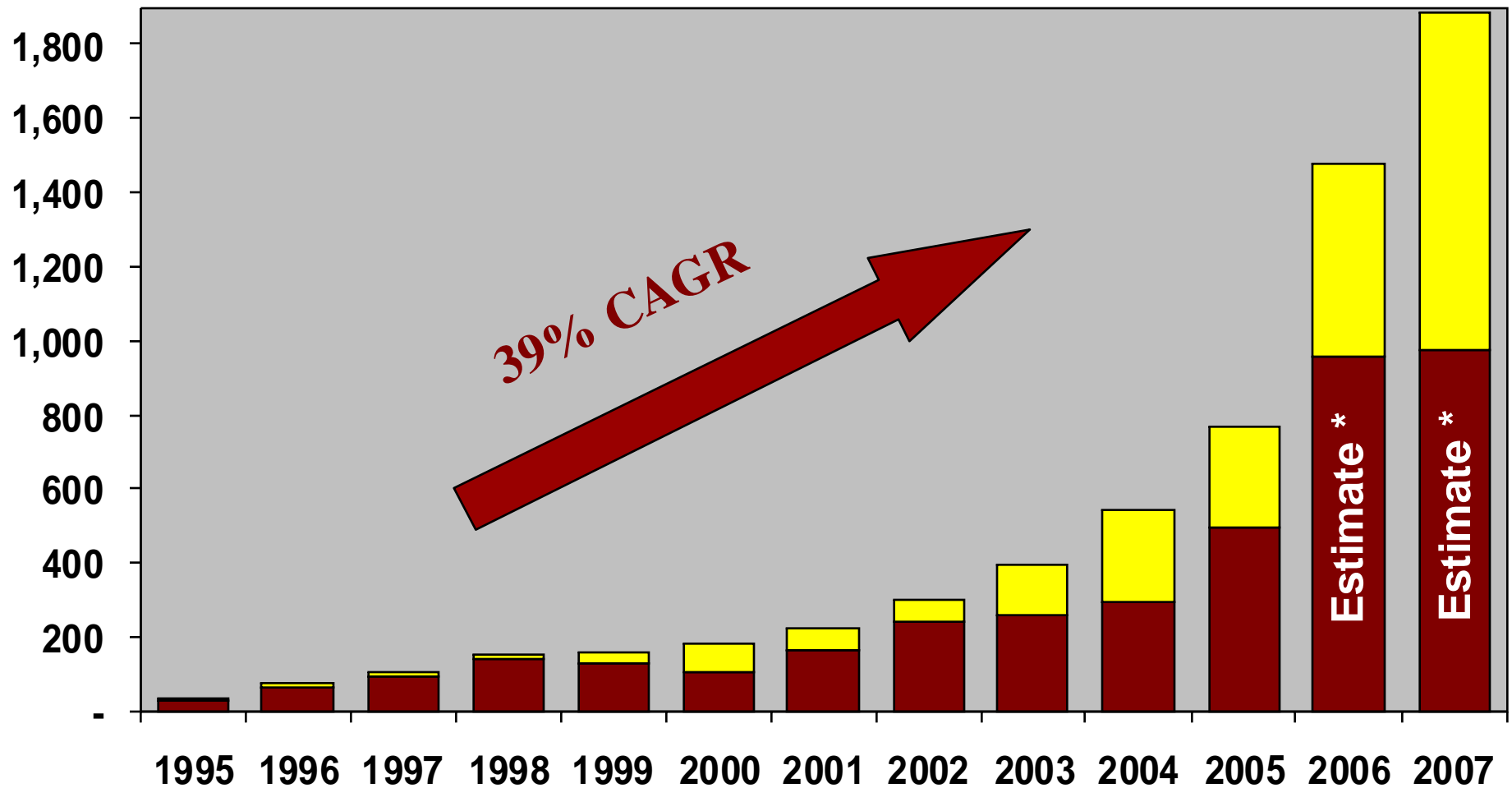
\* Does not include Remington acquisition amount

\*\* See GAAP reconciliation at [www.HelixESG.com](http://www.HelixESG.com)



# Consistent Top Line Growth

Revenues in Millions



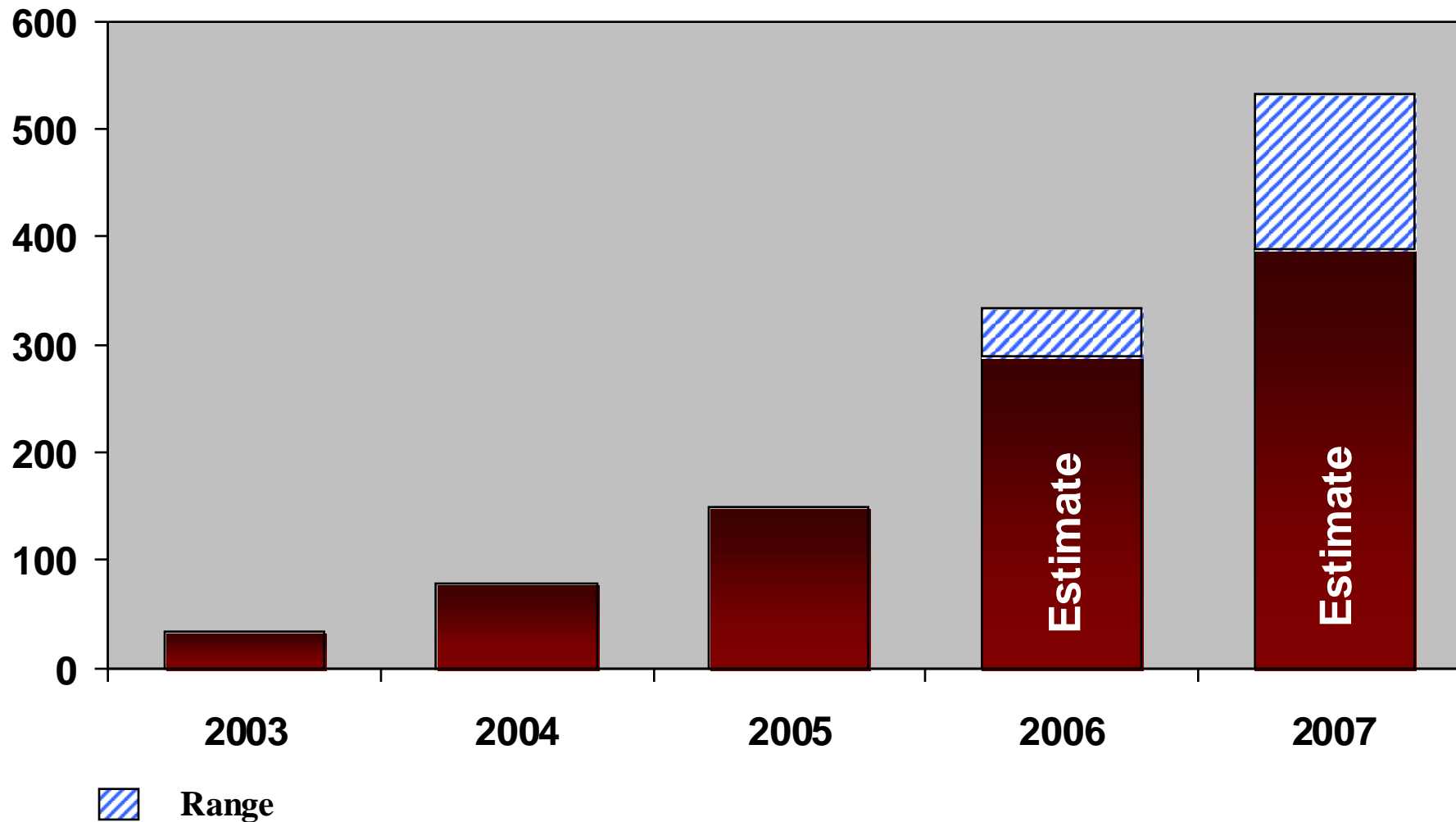
\* Estimates reflect mid-point of guidance range

■ Contracting Services ■ Oil & Gas



# Bottom Line

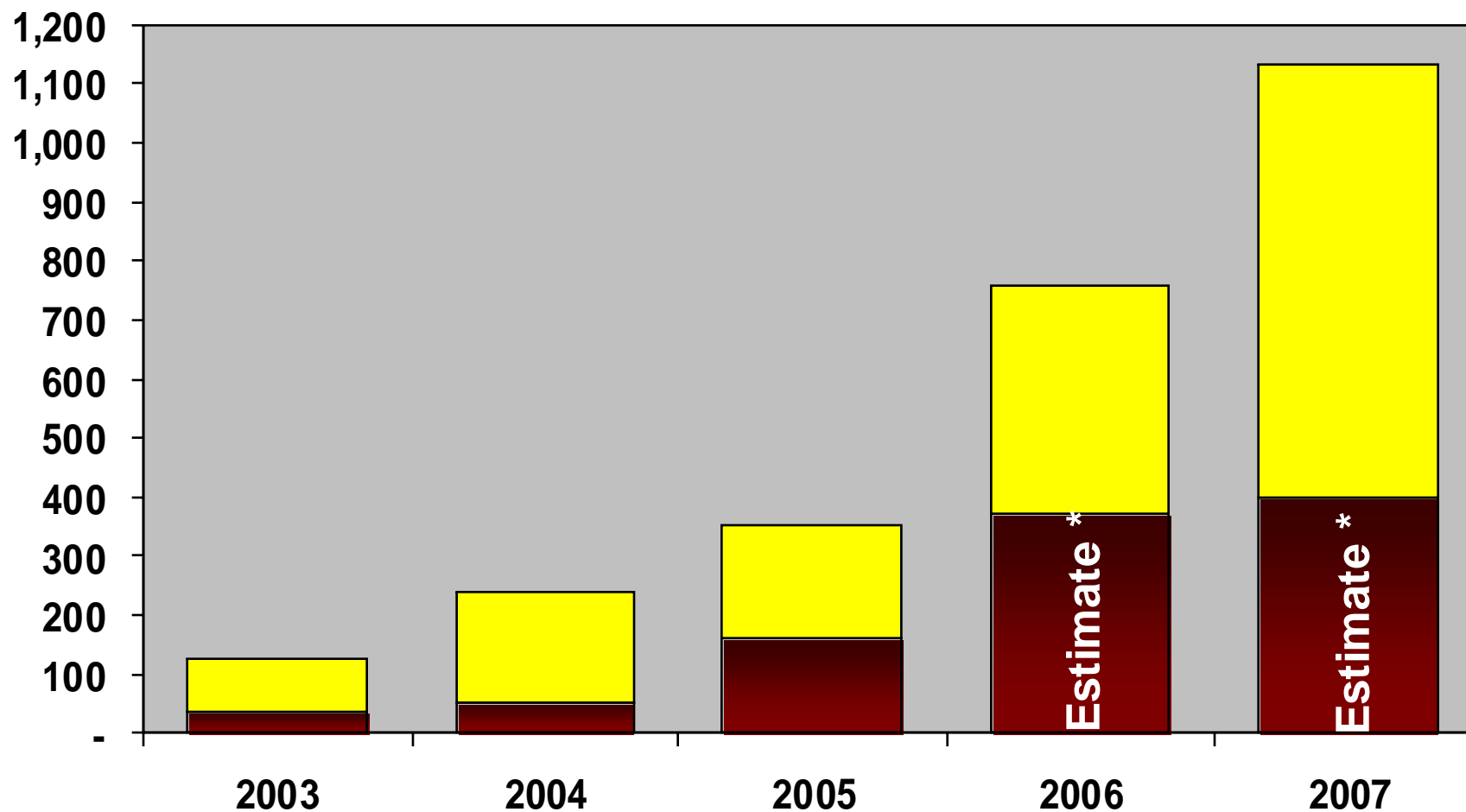
Net Income in Millions





# Significant Cash Generation

EBITDA in Millions (see GAAP reconciliation at [www.HelixESG.com](http://www.HelixESG.com))



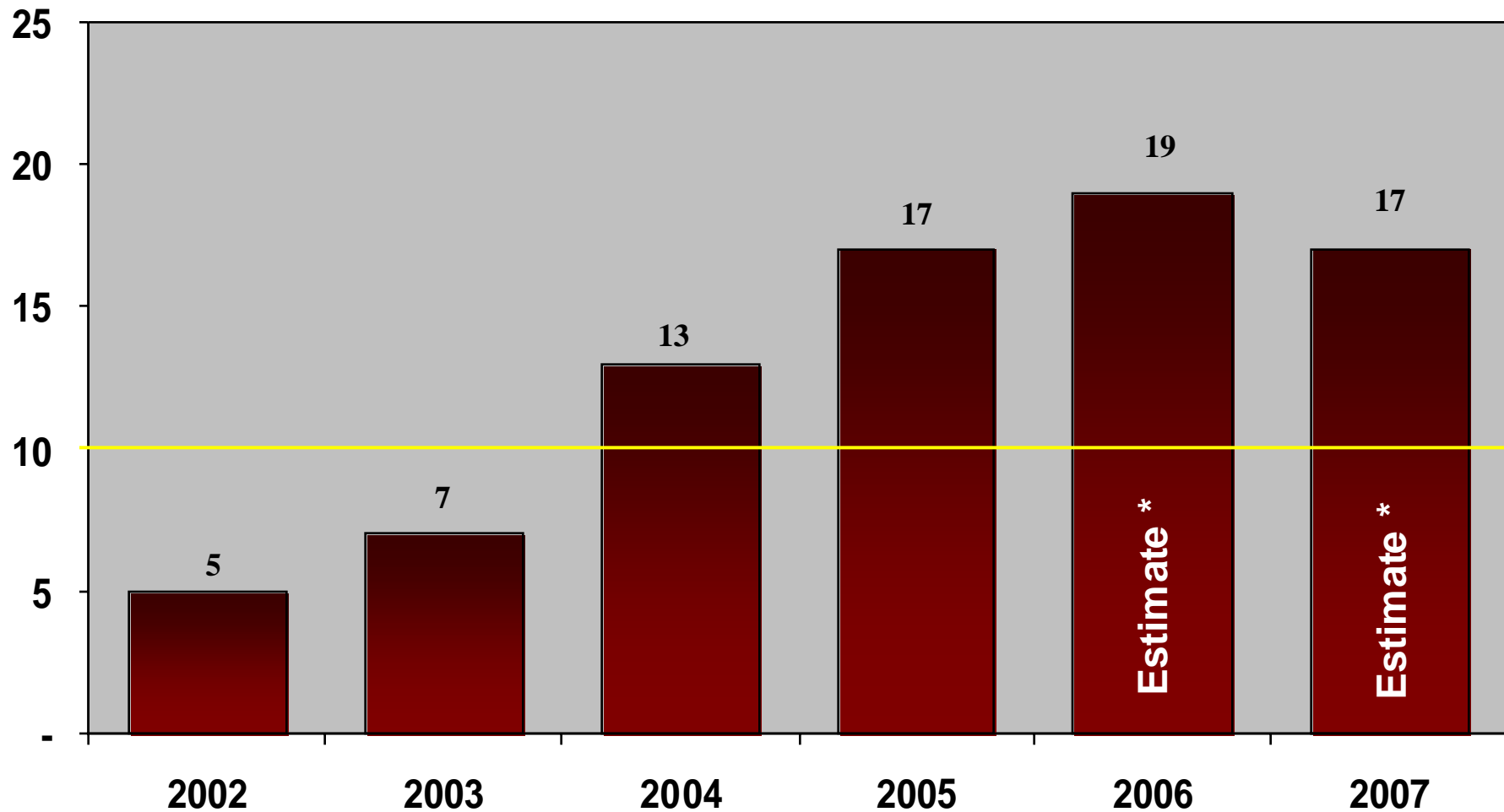
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■ Contracting Services ■ Oil & Gas



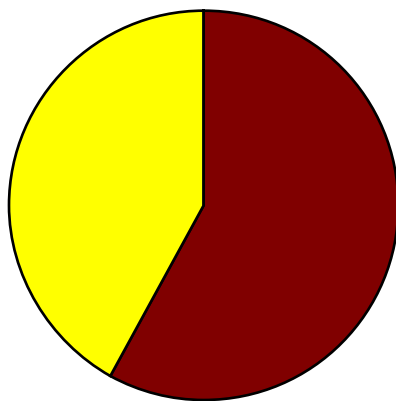
# Return on Capital Invested

Percentage (see calculation at Company's website – [www.HelixESG.com](http://www.HelixESG.com))



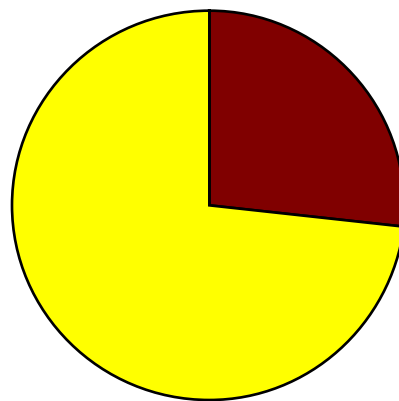


# CAPEX MIX



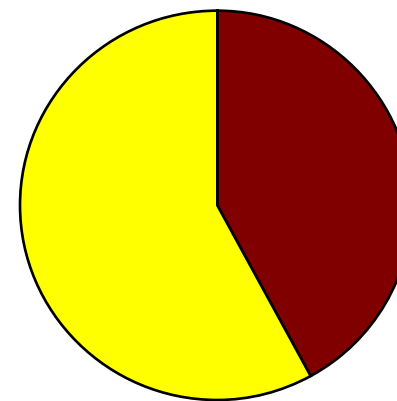
2002 - 2005

\$1 Billion



2006  
Projected

\$ 1.5 Billion



2007 - 2009  
Projected

\$1.3 Billion

 Contracting Services

 Oil & Gas Production



# Further Investment in Services to Continue Growth

	<u>Investment (\$m)</u>			Earnings Impact
	2006	2007	2008	
<b><u>Drilling</u></b>				
– Upgrade to Q4000	39			2007
– Second Q4000 Type Vessel		150	150	2009
<b><u>Production Facilities</u></b>				
– Independence Hub <sup>1</sup>	45			2007
– Mobile FPU (s)		150	80	2008
<b><u>Construction</u></b>				
– Caesar Conversion	60	40		2007
– Upgrade to Express	30			2006
– Cal Dive Initiatives	40			2006
<b><u>Well Operations</u></b>				
– Portable SIL Unit		10		2007
<sup>1</sup> Total Investment = \$75 million	214	350	230	
		Total	\$794 m	32





# Debt Summary

- Projected EBITDA to interest coverage of 13.1x<sup>(2)(3)</sup>.
- Projected Debt Service Coverage of 10.6x<sup>(2)(3)</sup>
- Estimated Debt to TTM EBITDA at Closing: 2 to 1

	As of 7/3/06	Interest Rate
	(\$MM)	
Senior Secured <sup>(1)</sup>	\$ 835	7.25%
Convertible Senior Notes	300	3.25
MARAD	133	4.81
Other	11	N/A
Total	\$1,279	6.05%

Annual Pro Forma Interest Expense: \$77 Million

<sup>1</sup> Floating rate, seven-year term, 1% amortization.

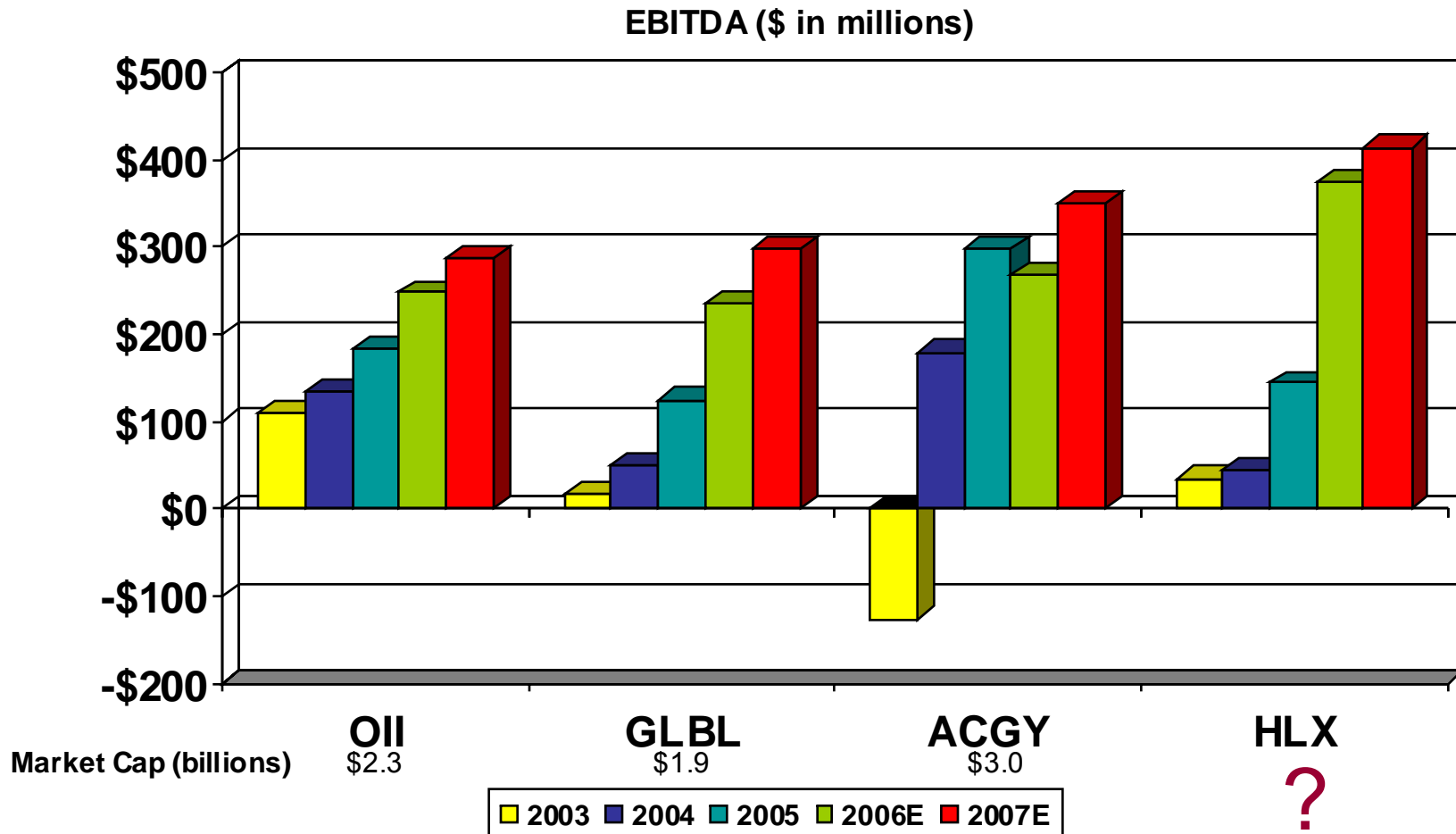
<sup>2</sup> See GAAP reconciliation at Company's website – [www.HelixESG.com](http://www.HelixESG.com).

<sup>3</sup> Projected for the period from July 1, 2006 to June 30, 2007.



# Helix Comps – Services

## Largest Services Provider Among Peers



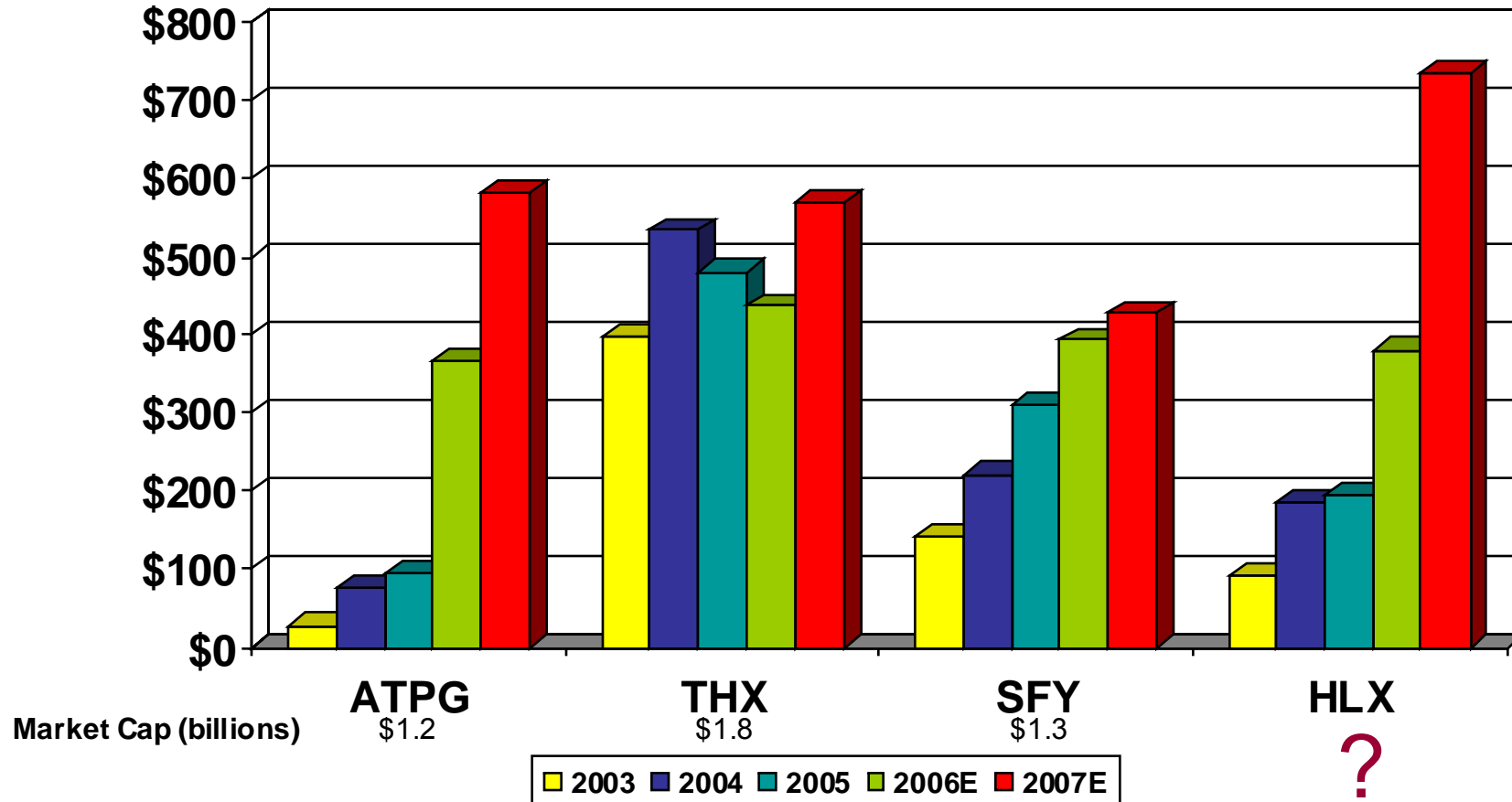
- Helix 2006 & 2007 estimates based on mid-point of guidance range.
- Peer estimates obtained from analyst consensus estimates.



# Helix Comps – Oil And Gas

## 6<sup>th</sup> Largest GOM Shelf Producer

EBITDA (\$ in millions)



- Helix 2006 & 2007 estimates based on mid-point of guidance range.
- Peer estimates obtained from analyst consensus estimates.



# Valuation Analysis Relative to Peers

(Amounts in thousands, except per share data)

<b>EBITDA (A)</b>		<b>2007</b>
Contracting Services		\$372,000
Oil & Gas Production		736,000
Production Facilities		50,000
Total EBITDA		<u>\$1,158,000</u>
<b><u>Valuation Analysis</u></b>	<b>EV/ EBITDA 2007</b>	
	<b><u>Peer Group Multiple (B)</u></b>	
Contracting Services	7.8	\$2,901,600
Oil & Gas Production	4.6	3,385,600
Production Facilities	10.0	500,000
Total Enterprise Value		\$6,787,200
less: Debt (12/31/07E)		1,279,000
plus: Cash (12/31/07E)		500,000
Implied Equity Value		\$6,008,200
Shares Outstanding		98,000
<b>Implied Share Price</b>		<b>\$61.31</b>
<b>Current Share Price</b>		<b>\$39.39</b>

(A) Estimates reflect mid-point of guidance range.

(B) Multiples provided by Raymond James research based on Mean of applicable peer group closing price on July 7, 2006.