Raymond James Investor Conference
March 3, 2008

Slide 22:

Reconciliation From Net Income to Adjusted EBITDAX (excluding impact of non-recurring items: excluding noncash gain on Cal Dive investment in 4Q07, gain on sale of Cal Dive IPO in 4Q06 and non-recurring items: OTSL impairment, DOJ accrual, and sale of diving assets in 2Q07:

Reconciliation from Net Income to EBITDAX ($ in thousands)	2003	2004	2005	2006	2007	2008E
Net income applicable to common shareholders	$ 32,771	$ 79,916	$ 150,114	$ 252,805	$ 218,160	$ 321,000
Accretion and dividends on preferred stock	1,437	2,743	2,454	3,358	3,716	3,000
Cumulative effect of accounting change	(530)	-	-	-	-	-
Income tax provision	18,993	43,034	75,019	133,253	106,119	178,000
Net interest expense and other	3,403	5,265	7,559	34,524	56,703	82,000
Non-cash stock compensation expense	-	-	1,381	8,523	13,060	-
Depreciation and amortization	70,793	108,305	110,683	193,205	320,235	317,000
Non-cash impairment	-	-	790	-	73,950	13,000
Exploration expense	-	-	6,465	43,115	16,847	26,000
Non-recurring items	-	-	-	-	8,602	-
Share of Equity Investments:						
Depreciation	-	3,009	4,427	4,960	6,423	-
Interest expense, net	-	2,179	1,608	289	(239)	-
Adjusted EBITDAX	$ 126,867	$ 244,451	$ 360,500	$ 674,032	$ 823,576	$ 940,000

We calculate adjusted EBITDAX as earnings before net interest expense, taxes, depreciation and amortization, exploration expense, non-cash stock compensation expense and our share of depreciation, net interest expense and taxes from our equity investments. Further, we reduce adjusted EBITDAX for the minority interest in Cal Dive that we do not own. Adjusted EBITDAX margin is defined as adjusted EBITDAX divided by net revenues. 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.

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Return on Capital Invested ($ in thousands):

	2003	2004	2005	2006	2007
Income from Operations	$ 56,161	$ 130,958	$ 235,146	$ 416,775	$ 526,466
Tax Effected Earnings	35,909	86,118	157,642	274,389	321,659
Total Capital (average quarterly shareholders' equity, plus long term debt, less *Gunnison, Marco Polo, Independence Hub, Noonan, Danny, Phoenix, Well Enhancer, Caesar*, and *Helix Producer I* investments in 2003 - 2007)	486,184	642,855	954,633	1,797,875	2,841,614
ROCI	7%	13%	17%	15%	11%