

HELIX ENERGY SOLUTIONS GROUP INC

Form 424B3

May 30, 2006

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**Filed Pursuant to Rule 424(B)(3)  
File No. 333-132922**

**May 26, 2006**

Dear Remington Oil and Gas Corporation Stockholder:

The board of directors of Remington Oil and Gas Corporation ( Remington ) has unanimously approved a merger agreement with Helix Energy Solutions Group, Inc. (formerly known as Cal Dive International, Inc.) ( Helix ). If Remington stockholders approve and adopt the merger agreement and the merger is subsequently completed, Remington will merge into a subsidiary of Helix and stockholders of Remington will receive (i) 0.436 of a share of Helix common stock and (ii) \$27.00 in cash for each share of Remington common stock owned. The implied value of the stock consideration will fluctuate as the market price of Helix common stock fluctuates. You should obtain current stock price quotations for Remington common stock and Helix common stock. Remington common stock is quoted on the New York Stock Exchange under the symbol REM. Helix common stock is quoted on the Nasdaq National Market System under the symbol HELX. Based on the closing price of Helix s common stock on the Nasdaq on May 24, 2006, the value of the aggregate consideration to be received by Remington stockholders would be approximately \$41.42 per share. Upon completion of the merger, we estimate that Remington s former stockholders will own approximately 14% of the common stock of Helix.

You will be asked to vote on the merger proposal at a special meeting of Remington stockholders to be held on June 29, 2006, at 9:00 a.m., Central Daylight Time, at the Hilton Dallas Park Cities, 5954 Luther Lane, Dallas, Texas 75225. Only holders of record of Remington common stock at the close of business on May 26, 2006, the record date for the special meeting, are entitled to vote at the special meeting.

**After careful consideration, Remington s board of directors has unanimously determined that the merger is advisable and in the best interests of Remington and its stockholders and unanimously recommends that Remington stockholders vote FOR approval and adoption of the merger agreement.**

**Your vote is very important.** Because approval and adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Remington common stock entitled to vote at the special meeting, a failure to vote will have the same effect as a vote against approval and adoption of the merger agreement.

**Whether or not you plan to attend the special meeting, please complete, sign, date and return the enclosed proxy card or voting instruction card in the enclosed envelope as soon as possible so that your shares are represented at the meeting.** This action will not limit your right to vote in person if you wish to attend the special meeting and vote in person.

This document is a prospectus related to the issuance of shares of Helix common stock in connection with the merger and a proxy statement for Remington to use in soliciting proxies for its special meeting of stockholders. Attached to this letter is an important document containing answers to frequently asked questions and a summary description of the merger, followed by more detailed information about Remington, Helix, the proposed merger and the merger agreement. We urge you to read this document carefully and in its entirety. **In particular, you should consider the matters discussed under Risk Factors beginning on page 14 of this proxy statement/prospectus.**

**Remington s board of directors very much appreciates and looks forward to your support.**

Sincerely,

James A. Watt  
*Chairman of the Board and  
Chief Executive Officer*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

This proxy statement/prospectus is dated May 26, 2006 and is first being mailed to stockholders of Remington on or about June 1, 2006.

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**REFERENCES TO ADDITIONAL INFORMATION**

As used in this proxy statement/prospectus, Helix refers to Helix Energy Solutions Group, Inc., formerly known as Cal Dive International, Inc., and its consolidated subsidiaries and Remington refers to Remington Oil and Gas Corporation and its consolidated subsidiaries, in each case, except where the context otherwise requires or as otherwise indicated. This proxy statement/prospectus incorporates important business and financial information about Remington from documents that Remington has filed with the Securities and Exchange Commission but that have not been included in or delivered with this proxy statement/prospectus. For a listing of documents incorporated by reference into this proxy statement/prospectus, please see the section entitled Where You Can Find More Information beginning on page 204 of this proxy statement/prospectus.

**Remington will provide you with copies of this information relating to Remington, without charge, if you request it in writing or by telephone from:**

REMINGTON OIL AND GAS CORPORATION  
8201 Preston Road, Suite 600  
Dallas, Texas 75225-6211  
(214) 210-2650

**In order for you to receive timely delivery of the documents in advance of the Remington special meeting, Remington should receive your request no later than June 15, 2006.**

Helix has supplied all information contained in this proxy statement/prospectus relating to Helix, and Remington has supplied all information contained in or incorporated by reference in this proxy statement/prospectus relating to Remington. Helix and Remington have both contributed to information relating to the merger.

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**Remington Oil and Gas Corporation**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS  
TO BE HELD JUNE 29, 2006**

TO THE STOCKHOLDERS OF REMINGTON OIL AND GAS CORPORATION:

You are cordially invited to attend the special meeting of stockholders of Remington Oil and Gas Corporation, a Delaware corporation ( Remington ), to be held on June 29, 2006, at 9:00 a.m., Central Daylight Time, at the Hilton Dallas Park Cities, 5954 Luther Lane, Dallas, Texas 75225. As described in this proxy statement/prospectus, the special meeting will be held for the following purposes:

1. to consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger dated as of January 22, 2006, by and among Helix Energy Solutions Group, Inc. (formerly known as Cal Dive International, Inc.) and Remington Oil and Gas Corporation, as amended by Amendment No. 1 to Agreement and Plan of Merger dated January 24, 2006, by and among Helix Energy Solutions Group, Inc., Cal Dive Merger Delaware Inc., a wholly owned subsidiary of Helix Energy Solutions Group, Inc., and Remington Oil and Gas Corporation;
2. to consider and vote upon a proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the approval and adoption of the merger agreement; and
3. to consider and transact any other business as may properly be brought before the special meeting or any adjournments or postponements thereof.

**THE BOARD OF DIRECTORS OF REMINGTON HAS CAREFULLY CONSIDERED THE TERMS OF THE MERGER AGREEMENT AND THE MERGER AND BELIEVES THAT THE MERGER IS ADVISABLE AND FAIR TO, AND IN THE BEST INTERESTS OF REMINGTON AND ITS STOCKHOLDERS. THE BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE MERGER AND UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE FOR APPROVAL OF THE MERGER AGREEMENT.**

The Board of Directors of Remington has fixed the close of business on May 26, 2006 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Remington special meeting or any reconvened meeting following an adjournment or postponement thereof. Only stockholders of record at the close of business on such record date are entitled to notice of and to vote at such meeting. A complete list of such stockholders will be available for examination at the Remington special meeting and at Remington's offices at 8201 Preston Road, Suite 600, Dallas, Texas 75225-6211, during ordinary business hours, after June 15, 2006, for the examination by any such stockholder for any purpose germane to the special meeting.

**It is important that your stock be represented at the special meeting regardless of the number of shares you hold. Please promptly mark, date, sign and return the enclosed proxy in the accompanying envelope, whether or not you intend to be present at the special meeting. In some cases, you may be able to instruct your bank or brokerage firm how to exercise your proxy by telephone or the Internet. See Information About the Special Meeting and Voting beginning on page 29. Your proxy is revocable at any time prior to its use at the special meeting.**

**Please do not send your Remington common stock certificates with the enclosed proxy. If the merger is completed, the exchange agent will send you instructions regarding the surrender of your stock certificates.**

By order of the Board of Directors,  
Frank T. Smith, Jr.  
*Corporate Secretary*  
May 26, 2006

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**ANNEXES**

Annex A	Agreement and Plan of Merger dated as of January 22, 2006, by and among Helix Energy Solutions Group, Inc. (formerly known as Cal Dive International, Inc.) and Remington Oil and Gas Corporation, as amended by Amendment No. 1 to Agreement and Plan of Merger dated January 24, 2006, by and among Helix Energy Solutions Group, Inc., Cal Dive Merger Delaware Inc., a wholly owned subsidiary of Helix Energy Solutions Group, Inc., and Remington Oil and Gas Corporation
Annex B	Opinion of Jefferies & Company, Inc., dated January 22, 2006
Annex C	Appraisal and Dissenters Rights under the Delaware General Corporation Law

**No person is authorized to give any information or to make any representation with respect to the matters described in this proxy statement/prospectus other than those contained herein or in the documents incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been authorized by Helix or Remington. This proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy the securities offered by this proxy statement/prospectus or a solicitation of a proxy in any jurisdiction where, or to any person whom, it is unlawful to make such an offer or solicitation. Neither the delivery hereof nor any distribution of securities made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of Helix or Remington since the date hereof or that the information contained or incorporated by reference in this proxy statement/prospectus is correct as of any time subsequent to the date hereof.**

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**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING**

*The following questions and answers briefly address some commonly asked questions about the special meeting and the merger. They may not include all the information that is important to you. We urge you to read carefully this entire proxy statement/prospectus, including the annexes and the other documents we refer to in this proxy statement/prospectus.*

**Frequently Used Terms**

We have generally avoided the use of technical defined terms in this proxy statement/prospectus but a few frequently used terms may be helpful for you to have in mind at the outset. We refer to:

Helix Energy Solutions Group, Inc., a Minnesota corporation formerly known as Cal Dive International, Inc., as Helix ;

Remington Oil and Gas Corporation, a Delaware corporation, as Remington ;

Cal Dive Merger Delaware, Inc., a newly formed Delaware corporation and a wholly owned subsidiary of Helix, as Merger Sub ;

the merger of Remington into Merger Sub and the conversion of shares of Remington common stock into the right to receive cash and shares of Helix common stock as the merger ;

the agreement and plan of merger, as amended, among Helix, Merger Sub and Remington as the merger agreement ;

the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, as the HSR Act or the Hart-Scott-Rodino Act ; and

the General Corporation Law of the State of Delaware as the DGCL.

**About the Merger**

**Q1: What am I voting on?**

A1: Helix is proposing to acquire Remington. You are being asked to vote to approve and adopt the merger agreement. In the merger, Remington will merge into Merger Sub. Merger Sub would be the surviving entity in the merger and would remain a wholly owned subsidiary of Helix, and Remington would no longer be a separate company.

Remington is also seeking your approval of a proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of approval and adoption of the merger agreement and any other matters that may come before the special meeting.

**Q2: What will I receive in exchange for my Remington shares?**

A2:

Upon completion of the merger, you will receive a combination of 0.436 of a share of Helix common stock and \$27.00 in cash, without interest, for each share of Remington common stock that you own. We refer to the aggregate amount of the stock consideration and cash consideration to be received by Remington stockholders pursuant to the merger as the merger consideration.

**Q3: Do I have the option to receive all cash consideration or all stock consideration for my Remington shares?**

A3: No. All Remington stockholders will receive the fixed combination of the cash consideration and the stock consideration for each share of Remington common stock that they own.

**Q4: What are the tax consequences of the merger to me?**

A4: The merger is intended to constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, so that you generally will recognize gain (but not loss) in an amount not to exceed any cash received as part of the merger consideration for United States federal income tax purposes as a result of the merger. The merger is conditioned on the receipt of legal opinions that (i) for U.S. federal income tax purposes, the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, (ii) each of Helix and Remington will be a party to the

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reorganization within the meaning of Section 368(b) of the Internal Revenue Code and (iii) no gain or loss will be recognized by Helix, Remington or Merger Sub as a result of the merger.

For a more complete discussion of the United States federal income tax consequences of the merger, see Material United States Federal Income Tax Consequences beginning on page 52 of this proxy statement/prospectus.

*Tax matters are very complicated and the consequences of the merger to any particular Remington stockholder will depend on that stockholder's particular facts and circumstances. You are urged to consult your own tax advisor to determine your own tax consequences from the merger.*

**Q5: What is the required vote to approve and adopt the merger agreement?**

A5: Holders representing a majority of the outstanding shares of Remington common stock entitled to vote at the special meeting must vote to approve and adopt the merger agreement to complete the merger. No vote of Helix stockholders is required in connection with the merger.

**Q6: What happens if I do not vote?**

A6: Because the required vote of Remington stockholders is based upon the number of outstanding shares of Remington common stock entitled to vote rather than upon the number of shares actually voted, abstentions from voting and broker non-votes will have the same effect as a vote AGAINST approval and adoption of the merger agreement. If you return a properly signed proxy card but do not indicate how you want to vote, your proxy will be counted as a vote FOR approval and adoption of the merger agreement and FOR approval of any proposal to adjourn or postpone the special meeting to solicit additional proxies in favor of approval and adoption of the merger agreement.

**Q7: How does the Remington board of directors recommend I vote?**

A7: The board of directors of Remington unanimously recommends that Remington's stockholders vote FOR approval and adoption of the merger agreement. The Remington board of directors believes the merger is advisable and in the best interests of Remington and its stockholders.

**Q8: Do I have dissenters' or appraisal rights with respect to the merger?**

A8: Yes. Under Delaware law, you have the right to dissent from the merger and, in lieu of receiving the merger consideration, obtain payment in cash of the fair value of your shares of Remington common stock as determined by the Delaware Chancery Court. To exercise appraisal rights, you must strictly follow the procedures prescribed by Section 262 of the DGCL. See The Merger Appraisal and Dissenters' Rights beginning on page 46 of this proxy statement/prospectus. In addition, the full text of the applicable provisions of Delaware law is included as Annex C to this proxy statement/prospectus.

**Q9: Will the rights of a Remington stockholder change as a result of the merger?**

A9: Yes. Through the date of the merger, the rights of Helix shareholders will continue to be governed by Helix's articles of incorporation and bylaws, and the rights of Remington stockholders will continue to be governed by Remington's certificate of incorporation and bylaws. Upon completion of the merger, Remington stockholders will become Helix shareholders and their rights will then be governed by Helix's articles of incorporation and bylaws. Please read carefully the summary of the material differences between the rights of Helix shareholders

and Remington stockholders under Comparison of Stockholders Rights beginning on page 192 of this proxy statement/prospectus.

**Q10: What will happen to shares of Helix common stock in the merger?**

A10: Each outstanding share of Helix common stock will remain outstanding as a share of Helix common stock.

**Q11: Will Remington stockholders be able to trade the Helix common stock that they receive in the merger?**

A11: The shares of Helix common stock issued in connection with the merger will be freely tradable, unless you are an affiliate of Remington, and will be quoted on the Nasdaq National Market System under the symbol HELX. Generally, persons who are deemed to be affiliates (generally directors, officers

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and 10% or greater stockholders) of Remington must comply with Rule 145 under the Securities Act of 1933 if they wish to sell or otherwise transfer any of the shares of Helix common stock they receive in the merger. You will be notified if you are an affiliate of Remington.

**Q12: Are there risks associated with the merger that I should consider in deciding how to vote?**

A12: Yes. There are risks associated with all business combinations, including the merger of our two companies. In particular, the implied value of the stock consideration will fluctuate as the market price of Helix common stock fluctuates. Accordingly, the value of the Helix common stock that Remington stockholders will receive in return for their Remington common stock may be less than or more than the value of the Helix common stock as of the date of the merger agreement or the date of this proxy statement/prospectus. There are a number of other risks that are discussed in this document and in other documents incorporated by reference in this document. **Please read with particular care the more detailed description of the risks associated with the merger discussed under Risk Factors beginning on page 14 of this proxy statement/prospectus.**

**Q13: When do you expect the merger to be completed?**

A13: We are working on completing the merger as quickly as possible. To complete the merger, we must obtain the approval of the Remington stockholders and satisfy or waive all other closing conditions under the merger agreement, which we currently expect should occur in the second quarter of 2006. However, we cannot assure you when or if the merger will occur. See The Merger Agreement Conditions Precedent beginning on page 65 of this proxy statement/prospectus. If the merger occurs, we will promptly make a public announcement of this fact.

**Q14: What will happen to my Remington shares after completion of the merger?**

A14: Upon completion of the merger, your shares of Remington common stock will be canceled and will represent only the right to receive your portion of the merger consideration (or the fair value of your Remington common stock if you seek appraisal rights) and any declared but unpaid dividends that you may be owed. In addition, trading in shares of Remington common stock on the NYSE will cease and price quotations for shares of Remington common stock will no longer be available.

**About the Special Meeting**

**Q15: When and where is the Remington special stockholder meeting?**

A15: The Remington special stockholder meeting will take place on June 29, 2006, at 9:00 a.m., Central Daylight Time, and will be held at the Hilton Dallas Park Cities, 5954 Luther Lane, Dallas, Texas 75225.

**Q16: What will happen at the special meeting?**

A16: At the Remington special meeting, Remington stockholders will vote on a proposal to adopt the merger agreement and on a proposal to approve adjournments or postponements of the special meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger proposal. We cannot complete the merger unless, among other things, Remington's stockholders vote to adopt the merger agreement.

**Q17: Who is entitled to vote at the special meeting?**



A17: Only holders of record of Remington common stock at the close of business on May 26, 2006, which is the date Remington's board of directors has fixed as the record date for the special meeting, are entitled to receive notice of and vote at the special meeting.

**Q18: What is a quorum?**

A18: A quorum is the number of shares that must be present to hold the meeting. The quorum requirement for the Remington special meeting is the holders of a majority of the issued and outstanding shares of Remington common stock as of the record date, present in person or represented by proxy and entitled to vote at the special meeting. A proxy submitted by a stockholder may indicate that all or a portion of the shares represented by the proxy are not being voted with respect to a particular matter. Proxies that are marked "abstain" or for which votes have otherwise been withheld and proxies relating to "street

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name shares that are returned to the relevant company but not voted will be treated as shares present for purposes of determining the presence of a quorum on all matters.

**Q19: How many shares can vote?**

A19: On the record date, Remington had outstanding 28,870,296 shares of common stock, which constitute Remington's only outstanding voting securities. Each Remington stockholder is entitled to one vote on each proposal for each share of Remington common stock held as of the record date.

**Q20: What vote is required?**

A20: The affirmative vote of the holders of a majority of the outstanding shares of Remington common stock entitled to vote at the Remington special meeting is required to adopt the merger agreement. The approval of a proposal to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies, if there are not sufficient votes at the time of the special meeting to approve the other proposal(s), requires the vote of a majority of shares present in person or by proxy at the special meeting and actually voted at that special meeting.

If a quorum is not present at the Remington special meeting, the holders of a majority of the shares entitled to vote who are present in person or by proxy at the meeting may adjourn the meeting.

Even if the votes set forth above are obtained at the special meeting, we cannot assure you that the merger will be completed, because the completion of the merger is subject to the satisfaction or waiver of other conditions discussed in this proxy statement/prospectus.

**Q21: What do I need to do now?**

A21: After carefully reading and considering the information contained and referred to in this proxy statement/prospectus, including its annexes, please authorize your shares of Remington common stock to be voted by returning your completed, dated and signed proxy card in the enclosed return envelope, or vote by telephone or Internet, as soon as possible. To be sure that your vote is counted, please submit your proxy as instructed on your proxy card even if you plan to attend the special meeting in person. DO NOT enclose or return your stock certificate(s) with your proxy card. If you hold shares registered in the name of a broker, bank or other nominee, that broker, bank or other nominee has enclosed or will provide a voting instruction card for use in directing your broker, bank or other nominee how to vote those shares.

**Q22: May I vote in person?**

A22: Yes. You may attend the special meeting of Remington's stockholders and vote your shares in person rather than by signing and returning your proxy card. If you wish to vote in person and your shares are held by a broker, bank or other nominee, you need to obtain a proxy from the broker, bank or nominee authorizing you to vote your shares held in the broker's, bank's or nominee's name.

**Q23: If my shares are held in street name, will my broker, bank or other nominee vote my shares for me?**

A23: Yes, but your broker, bank or other nominee may vote your shares of Remington common stock only if you instruct your broker, bank or other nominee how to vote. If you do not provide your broker, bank or other nominee with instructions on how to vote your street name shares, your broker, bank or other nominee will not be permitted to vote them on the merger agreement. You should follow the directions your broker, bank or

other nominee provides to ensure your shares are voted at the special meeting. Please check the voting form used by your broker, bank or other nominee to see if it offers telephone or Internet voting.

**Q24: May I change my vote?**

A24: Yes. You may change your vote at any time before your proxy is voted at the special meeting. If your shares of Remington common stock are registered in your own name, you can do this in one of three ways.

First, you can deliver to Remington, prior to the special meeting, a written notice stating that you want to revoke your proxy. The notice should be sent to the attention of Mr. Frank T. Smith, Jr.,

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Corporate Secretary, Remington Oil and Gas Corporation, 8201 Preston Road, Suite 600, Dallas, Texas 75225-6211, to arrive by the close of business on June 28, 2006.

Second, prior to the special meeting, you can complete and deliver a new proxy card. The proxy card should be sent to the addressee indicated on the pre-addressed envelope enclosed with your initial proxy card to arrive by the close of business on June 28, 2006. The latest dated and signed proxy actually received by this addressee before the special meeting will be counted, and any earlier proxies will be considered revoked.

If you vote your proxy electronically through the Internet or by telephone, you can change your vote by submitting a different vote through the Internet or by telephone, in which case your later-submitted proxy will be recorded and your earlier proxy revoked.

Third, you can attend the Remington special meeting and vote in person. Any earlier proxy will thereby be revoked automatically. Simply attending the special meeting, however, will not revoke your proxy, as you must vote at the special meeting to revoke a prior proxy.

If you have instructed a broker to vote your shares, you must follow directions you receive from your broker to change or revoke your vote.

If you are a street-name stockholder and you vote by proxy, you may later revoke your proxy instructions by informing the holder of record in accordance with that entity's procedures.

**Q25: How will the proxies vote on any other business brought up at the special meetings?**

A25: By submitting your proxy, you authorize the persons named on the proxy card to use their judgment to determine how to vote on any other matter properly brought before the special meeting. The proxies will vote your shares in accordance with your instructions. If you sign, date and return your proxy without giving specific voting instructions, the proxies will vote your shares FOR the proposals. If you do not return your proxy, or if your shares are held in street name and you do not instruct your bank, broker or nominee on how to vote, your shares will not be voted at the special meeting.

The board of directors of Remington does not intend to bring any other business before the meeting, and it is not aware that anyone else intends to do so. If any other business properly comes before the meeting, it is the intention of the persons named on the proxy cards to vote as proxies in accordance with their best judgment.

**Q26: What is a broker non-vote?**

A26: A broker non-vote occurs when a bank, broker or other nominee submits a proxy that indicates that the broker does not vote for some or all of the proposals, because the broker has not received instructions from the beneficial owners on how to vote on these proposals and does not have discretionary authority to vote in the absence of instructions.

**Q27: Will broker non-votes or abstentions affect the results?**

A27: If you are a Remington stockholder, broker non-votes and abstentions will have the same effect as a vote against the proposal to adopt the merger agreement, but will have no effect on the outcome of the proposal relating to adjournments or postponements of the special meeting, if necessary, to permit further solicitation of proxies. If your shares are held in street name, we urge you to instruct your bank, broker or nominee on how to vote your shares for those proposals on which you are entitled to vote.

**Q28: What happens if I choose not to submit a proxy or to vote?**

A28: If a Remington stockholder does not submit a proxy or vote at the Remington special meeting, it will have the same effect as a vote against the proposal to adopt the merger agreement, but will have no effect on the outcome of the proposal relating to adjournments or postponements of the special meeting, if necessary, to permit further solicitation of proxies.

**Q:29 Why is it important for me to vote?**

A29: We cannot complete the merger without holders of a majority of the outstanding shares of Remington common stock entitled to vote voting in favor of the approval and adoption of the merger agreement.

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**Q30: What happens if I sell my shares of Remington common stock before the special meeting?**

A30: The record date for the special meeting is May 26, 2006, which is earlier than the date of the special meeting. If you hold your shares of Remington common stock on the record date you will retain your right to vote at the special meeting. If you transfer your shares of Remington common stock after the record date but prior to the date on which the merger is completed, you will lose the right to receive the merger consideration for shares of Remington common stock. The right to receive the merger consideration will pass to the person who owns your shares of Remington common stock when the merger is completed.

**General**

**Q31: Should I send in my Remington stock certificates now?**

A31: No. PLEASE DO NOT SEND ANY STOCK CERTIFICATES WITH YOUR PROXY CARD. After the merger is completed, you will receive written instructions informing you how to send in your stock certificates to receive the merger consideration.

**Q32: What does it mean if I get more than one proxy card?**

A32: Your shares are probably registered in more than one account. You should vote each proxy card you receive.

**Q33: Where can I find more information about the special meeting, the merger, Remington or Helix?**

A33: You can find more information about Remington or Helix in each of the companies' respective filings with the Securities and Exchange Commission and, with respect to Helix, with the Nasdaq National Market, and, with respect to Remington, the New York Stock Exchange. If you have any questions about the special meeting, the merger or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or voting instructions, you should contact Remington at the address or phone number below. If your broker holds your shares, you can also call your broker for additional information.

Remington Oil and Gas Corporation  
8201 Preston Road, Suite 600  
Dallas, Texas 75225-6211  
(214) 210-2650

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**SUMMARY**

*This summary highlights selected information from this proxy statement/prospectus, including material terms of the merger, and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should carefully read this entire document, including its Annexes, and the documents to which we refer you. See *Where You Can Find More Information* beginning on page 204 of this proxy statement/prospectus.*

**The Companies (page 69 for Helix and page 123 for Remington)**

**Helix Energy Solutions Group, Inc.**

400 N. Sam Houston Parkway E., Suite 400  
Houston, Texas 77060  
(281) 618-0400

Helix Energy Solutions Group, Inc. (formerly known as Cal Dive International, Inc.), headquartered in Houston, Texas, is an energy services company which provides innovative solutions to the oil and gas industry worldwide for marginal field development, alternative development plans, field life extension and abandonment, with service lines including diving services, shelf and deepwater construction, robotics, well operations, well engineering and subsurface consulting services, platform ownership and oil and gas production.

**Remington Oil and Gas Corporation**

8201 Preston Road, Suite 600  
Dallas, Texas 75225-6211  
(214) 210-2650

Remington Oil and Gas Corporation is an independent oil and gas exploration and production company headquartered in Dallas, Texas, with operations concentrating in the United States onshore and offshore regions of the Gulf Coast.

**The Merger (page 33)**

***General***

On January 22, 2006, the companies agreed to the merger between Remington and Merger Sub under the terms of the merger agreement described in this proxy statement/prospectus and attached as Annex A. The merger agreement is the legal document that governs the merger, and we urge you to read that agreement.

At the effective time of the merger, Remington will merge with and into Merger Sub. Merger Sub will be the surviving company and remain a wholly owned subsidiary of Helix. The separate corporate existence of Remington will cease at the effective time of the merger.

***Exchange of Remington Shares (page 56)***

At the effective time of the merger, each outstanding share of Remington common stock (other than any shares owned directly or indirectly by Remington or Helix and those shares held by dissenting stockholders) will be converted into the right to receive a combination of 0.436 of a share of Helix common stock and \$27.00 in cash, without interest. We refer to the aggregate amount of the stock consideration and cash consideration to be received by Remington

stockholders pursuant to the merger as the merger consideration.

***Fractional Shares (page 55)***

No fractional shares of Helix common stock will be issued in the merger. Instead, you will be entitled to receive cash, without interest, in an amount equal to the fraction of a share of Helix common stock you might otherwise have been entitled to receive multiplied by the market value of a Helix share. The market value of a share of Helix common stock will be determined using the average of the closing sales price per share of Helix common stock on the Nasdaq National Market for the 20 trading days ending on the third trading day before the date the merger closes.



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***Treatment of Remington Stock Options and Restricted Stock (page 56)***

All Remington stock options have vested. At the effective time of the merger, the Remington stock options will be canceled and converted to a right to receive the cash consideration and the stock consideration for each deemed outstanding Remington option share. The number of deemed outstanding Remington option shares attributable to each Remington stock option will be equal to the net number of shares of Remington common stock (rounded to the nearest thousandth of a share) that would have been issued upon a cashless exercise of that Remington stock option immediately before the effective time of the merger. That net number of shares will be computed by deducting from the shares of Remington common stock that would be issued to the option holder a number of deemed surrendered shares of Remington common stock which is equal to the fair value of (i) the exercise price of a Remington stock option to be paid by the option holder and (ii) all amounts required to be withheld and paid by Remington for federal taxes and other payroll withholding obligations as a result of such exercise (using an assumed tax rate of 35%). The fair value of each deemed surrendered share of Remington common stock, for purposes of determining the net number of shares, will be equal to \$27.00 plus (A) 0.436 multiplied by (B) the market value of a share of Helix common stock (to be determined using the average of the closing sales price per share of Helix common stock on the Nasdaq National Market for the 20 trading days ending on the third trading day before the date the merger closes).

All shares of Remington restricted stock that have been issued but have not vested prior to the effective time of the merger will become fully vested at the effective time of the merger.

**Material United States Federal Income Tax Consequences of the Merger to Remington Stockholders (page 52)**

The merger is intended to constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, so that you generally will recognize gain (but not loss) in an amount not to exceed any cash received as part of the merger consideration for United States federal income tax purposes as a result of the merger. The merger is conditioned on the receipt of legal opinions that (i) the merger will constitute a reorganization for United States federal income tax purposes, (ii) each of Helix and Remington will be a party to the reorganization within the meaning of Section 368(b) of the Internal Revenue Code and (iii) no gain or loss will be recognized by Helix, Remington or Merger Sub as a result of the merger.

For a more complete discussion of the United States federal income tax consequences of the merger, see **Material United States Federal Income Tax Consequences** beginning on page 52.

**Tax matters can be complicated and the tax consequences of the merger to Remington stockholders will depend on each stockholder's particular tax situation. You should consult your tax advisors to understand fully the tax consequences of the merger to you.**

**Remington Board of Directors Recommendation to Stockholders (page 38)**

The Remington board of directors has unanimously determined that the merger is advisable and in your best interests and unanimously recommends that you vote FOR the approval and adoption of the merger agreement and any adjournment or postponement of the special meeting

**Opinion of Remington's Financial Advisor (page 39)**

In connection with the proposed merger, Remington's financial advisor, Jefferies & Company, Inc., delivered to Remington's board of directors a written opinion, dated January 22, 2006, as to the fairness, from a financial point of view, to the holders of Remington common stock of the merger consideration. The full text of Jefferies' written opinion, is attached to this proxy statement/prospectus as Annex B. We encourage you to read that opinion carefully

in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the review undertaken by Jefferies in rendering its opinion. **Jefferies opinion was provided to Remington's board of directors in connection with its evaluation of the merger and does not constitute a recommendation to any stockholder as to how he or she should vote on the merger or any matter relevant to the merger agreement.**

**Table of Contents****Helix's Reasons for the Merger (page 38)**

Helix believes the acquisition of Remington is the next logical step in the evolution of Helix's unique production contracting based business model and that the merger joins two well managed companies, providing strategic and financial benefits to shareholders.

These anticipated benefits depend on several factors, including the ability to obtain the necessary approvals for the merger and on other uncertainties. See "Risk Factors" beginning on page 14.

**Ownership of Helix Following the Merger**

Remington stockholders will receive a total of approximately 13.1 million shares of Helix common stock in the merger. The shares of Helix to be received by Remington stockholders in the merger will represent approximately 14% of the outstanding Helix common stock after the merger. This information is based on the number of Helix and Remington shares outstanding on May 26, 2006.

**Board of Directors of Helix Following the Merger (page 57)**

Helix has agreed that, as of the effective time of the merger, Helix will cause James A. Watt, Chairman of the Board and Chief Executive Officer of Remington, to be appointed to the Helix board of directors.

**Market Prices and Share Information**

Helix common stock is quoted on the Nasdaq National Market under the symbol HELX. Remington common stock is quoted on the NYSE under the symbol REM. The following table shows the closing sale prices of Helix and Remington common stock as reported on the Nasdaq National Market and the NYSE, respectively, on January 20, 2006, the last business day preceding the announcement by Helix and Remington of the execution of the merger agreement, and on May 24, 2006, the last practicable day before the distribution of this proxy statement/prospectus. This table also shows the merger consideration equivalent proposed for each share of Remington common stock, which we calculated by multiplying the closing price of Helix common stock on those dates by the exchange ratio of 0.436 and adding the cash consideration of \$27.00.

	<b>Closing Price per Share</b>	
	<b>January 20, 2006</b>	<b>May 24, 2006</b>
Helix common stock	\$ 44.33	\$ 33.08
Remington common stock	\$ 37.96	\$ 41.24
Remington Merger Consideration Equivalent	\$ 46.33	\$ 41.42

Because the 0.436 exchange ratio is fixed and will not be adjusted as a result of changes in the market price of Helix common stock, the merger consideration equivalent will fluctuate with the market price of Helix common stock. The merger agreement does not include a price-based termination right or provisions that would limit the impact of increases or decreases in the market price of Helix common stock. You should obtain current market quotations for the shares of both companies from a newspaper, the Internet or your broker prior to voting on the merger agreement.

**Interests of Certain Remington Officers and Directors in the Merger (page 49)**

When you consider the Remington board's recommendation that Remington stockholders vote in favor of the merger agreement and any adjournment or postponement of the special meeting, you should be aware that some Remington officers and directors may have interests in the merger that may be different from, or in addition to, the interests of other Remington stockholders generally. The Remington board of directors was aware of these interests and considered them, among other matters, in unanimously approving and adopting the merger agreement and unanimously recommending that Remington stockholders vote to approve and adopt the merger agreement. At the close of business on the record date for the Remington special meeting, directors and executive officers of Remington and their affiliates were entitled to vote approximately 3.76% of the shares of Remington common stock outstanding on that date.

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**Conditions to Completion of the Merger (page 65)**

Completion of the merger depends on a number of conditions being satisfied or waived. These conditions include the following:

adoption of the merger agreement by the holders of at least a majority of the outstanding Remington shares entitled to vote at the Remington special meeting;

receipt of consents, approvals, permits and authorizations of governmental authorities or other persons, including expiration or early termination of the waiting period under the Hart-Scott-Rodino Act, required to consummate the transactions contemplated by the merger agreement except where the failure to obtain them would not have a material adverse effect (as defined in the merger agreement) on Helix or materially adversely affect the consummation of the merger;

continued effectiveness of the registration statement of which this proxy statement/prospectus is a part, the absence of a stop order by the Securities and Exchange Commission suspending the effectiveness of the registration statement and the absence of any continuing action, suit, proceeding or investigation by the SEC to suspend such effectiveness;

receipt of all necessary approvals under state securities laws relating to the issuance or trading of the Helix common stock to be issued in the merger;

absence of any temporary restraining order, preliminary or permanent injunction or other order issued by a court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the merger, so long as the parties have used their reasonable efforts to have any applicable decree, ruling, injunction or order vacated;

approval for listing of the Helix shares to be issued in the merger on its stock exchange, upon official notice of issuance;

absence of Remington stockholders exercising their appraisal and dissenters rights with respect to greater than 8% of the outstanding shares of Remington common stock immediately prior to the effective time of the merger;

accuracy as of the closing of the merger of the representations and warranties made by each of Remington, Helix and Merger Sub to the extent specified in the merger agreement;

Remington's, Helix's and Merger Sub's performance in all material respects of their respective covenants and agreements under the merger agreement;

absence of a material adverse change in either Remington's or Helix's condition (financial or otherwise), operations, business, properties or prospects that have or would be reasonably likely to have a material adverse effect (as defined in the merger agreement) on Remington or Helix, respectively;

receipt of opinions by Helix and Remington from their respective tax counsel that the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and

delivery by Helix to the exchange agent of an irrevocable letter of instruction, in a form reasonably satisfactory to Remington, authorizing and directing the transfer to Remington stockholders of the merger consideration.

**Regulatory Approvals (page 45)**

The merger is subject to antitrust laws. Under the Hart-Scott-Rodino Act, the parties cannot complete the merger until they have notified and furnished information to the Federal Trade Commission and the Antitrust Division of the United States Department of Justice and specified waiting periods expire or are terminated. On March 14, 2006, the Federal Trade Commission granted Helix and Remington's request for early termination of the waiting period under the HSR Act.

**Termination of the Merger Agreement (page 66)**

Before the effective time of the merger, the merger agreement may be terminated:

by mutual written consent of Helix and Remington;

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by either Helix or Remington, if:

adoption of the merger agreement and approval of the merger by the Remington stockholders is not obtained;

the parties fail to consummate the merger on or before August 31, 2006, unless the failure is the result of a breach of the merger agreement by the party seeking the termination; or

any governmental authority has issued a final and nonappealable order, decree or ruling or has taken any other final and nonappealable action that restrains, enjoins or prohibits the merger, unless the party seeking the termination has not used all reasonable efforts to remove such injunction, order or decree;

by Helix, if:

Remington materially breaches any of its representations or warranties set forth in the merger agreement or Remington fails to materially perform any of its covenants or agreements under the merger agreement, and, in either case, Remington has not cured the breach or failure within 10 days of receiving notice from Helix of such breach or failure;

Remington's board of directors (1) fails to recommend, or withdraws or modifies in any manner adverse to Helix, the approval or recommendation of the merger agreement, (2) recommends to the Remington stockholders, enters into, or publicly announces its intention to enter into, an agreement or an agreement in principle with respect to a superior proposal, (3) refuses to affirm its approval or recommendation of the merger agreement within 10 business days of any written request from Helix, (4) exempts any person or entity other than Helix from the provisions of the DGCL related to business combinations with interested stockholders or (5) publicly announces its intention to do any of the foregoing;

Remington breaches in any material respect its covenant not to solicit, initiate or knowingly encourage any inquiries, offers or proposals that constitute, or are reasonably likely to lead to, an alternate acquisition proposal or engaged in certain prohibited activities with respect thereto, or publicly announces its intention to do so; or

a competing tender or exchange offer constituting an acquisition proposal has commenced and Remington has not sent Remington stockholders a statement that Remington's board of directors recommends rejection of the acquisition proposal, or Remington publicly announces its intention not to do so;

by Remington, if:

prior to approval by Remington's stockholders of the merger agreement, the Remington board of directors approves a superior proposal; provided, that:

Remington complies with its obligations under the no-solicitation provisions of the merger agreement,

the board of directors of Remington authorizes Remington to enter into a binding agreement with respect to the superior proposal and Remington notifies Helix of the superior proposal,

within three business days of that notice, Remington offers to negotiate with Helix in order to make adjustments to the terms and conditions of the merger agreement so that Remington can proceed with the merger with Helix, and

Remington's board of directors determines in good faith after those negotiations with Helix, upon consulting with Remington's independent financial advisor and outside counsel, that the superior proposal continues to be a superior proposal; see The Merger Agreement Covenants and Agreements Acquisition Proposals beginning on page 61; or

Helix materially breaches any of its representations or warranties set forth in the merger agreement or Helix fails to materially perform any of its covenants or agreements under the merger agreement, and, in either case, Helix has not cured the breach or failure within 10 days of receiving notice from Remington of such breach or failure.



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If the merger agreement is validly terminated, the agreement will become void without any liability on the part of any party unless that party is in breach. However, certain provisions of the merger agreement, including, among others, those provisions relating to expenses and termination fees, will continue in effect notwithstanding termination of the merger agreement.

**Fees and Expenses (page 67)**

Remington must pay to Helix the sum of (i) Helix's documented out of pocket fees and expenses incurred or paid by or on behalf of Helix in connection with the merger or the consummation of any of the transactions contemplated by the merger agreement, including all HSR Act filing fees, fees and expenses of counsel, commercial banks, investment banking firms, accountants, experts, environmental consultants, and other consultants to Helix, up to a maximum amount not to exceed \$2 million, and (ii) \$45 million, in the following circumstances:

if Remington terminates the merger agreement because, prior to approval by Remington's stockholders of the merger agreement, the Remington board of directors approves a superior proposal; provided, that:

Remington complies with its obligations under the no-solicitation provisions of the merger agreement,

the board of directors of Remington authorizes Remington to enter into a binding agreement with respect to the superior proposal and Remington notifies Helix of the superior proposal,

within three business days of that notice, Remington offers to negotiate with Helix in order to make adjustments to the terms and conditions of the merger agreement so that Remington can proceed with the merger with Helix, and

Remington's board of directors determines in good faith after those negotiations with Helix, upon consulting with Remington's independent financial advisor and outside counsel, that the superior proposal continues to be a superior proposal; and

if Helix terminates the merger agreement because:

Remington's board of directors (1) fails to recommend, or withdraws or modifies in any manner adverse to Helix, the approval or recommendation of the merger agreement, (2) recommends to the Remington stockholders, enters into, or publicly announces its intention to enter into, an agreement or an agreement in principle with respect to a superior proposal, (3) refuses to affirm its approval or recommendation of the merger agreement within 10 business days of any written request from Helix, (4) exempts any person or entity other than Helix from the provisions of the DGCL related to business combinations with interested stockholders or (5) publicly announces its intention to do any of the foregoing;

Remington breaches in any material respect its covenant not to solicit, initiate or knowingly encourage any inquiries, offers or proposals that constitute, or are reasonably likely to lead to, an alternate acquisition proposal or engaged in certain prohibited activities with respect thereto, or publicly announces its intention to do so; or

a competing tender or exchange offer constituting an acquisition proposal has commenced and Remington has not sent Remington stockholders a statement disclosing that Remington's board of directors recommends rejection of the acquisition proposal, or Remington publicly announces its intention not to do so.

In general, each of Helix, Merger Sub and Remington will bear its own expenses in connection with the merger agreement and the related transactions except that Helix will pay the fee for filing with the SEC the registration statement of which this proxy statement/prospectus is a part and for complying with any applicable state securities laws and Remington will pay the costs and expenses associated with the mailing of this proxy statement/prospectus to the Remington stockholders and soliciting the votes of the Remington stockholders.

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**No Solicitation by Remington (page 61)**

The merger agreement restricts the ability of Remington to solicit or engage in discussions or negotiations with a third party regarding a proposal to merge with or acquire a significant interest in Remington. However, if Remington receives an acquisition proposal from a third party that is more favorable to Remington stockholders than the terms of the merger agreement and Remington complies with specified procedures contained in the merger agreement, Remington may furnish nonpublic information to that third party and engage in negotiations regarding an acquisition proposal with that third party, subject to specified conditions.

**Accounting Treatment (page 45)**

The combination of the two companies will be accounted for as an acquisition of Remington by Helix using the purchase method of accounting.

**Certain Differences in the Rights of Stockholders (page 56)**

As a result of the merger, the holders of Remington shares will become holders of Helix shares. Remington is a Delaware corporation governed by the Delaware General Corporation Law and the rights of Remington stockholders are currently governed by the certificate of incorporation and bylaws of Remington. Helix is a Minnesota corporation governed by the Minnesota Business Corporation Act and the rights of Helix shareholders are governed by the articles of incorporation and bylaws of Helix.

See page 192 for summaries of material differences between the rights of Remington stockholders and Helix stockholders arising because of differences in the corporate law governing the two companies and in the articles/certificate of incorporation and bylaws of the two companies.

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**RISK FACTORS**

*In addition to the other information included and incorporated by reference into this proxy statement/prospectus, including the matters addressed under the caption **Cautionary Statement Regarding Forward-Looking Statements** beginning on page 23, you should carefully read and consider the following risk factors in evaluating the proposals to be voted on at the special meeting of Remington stockholders and in determining whether to vote for approval and adoption of the merger agreement. Please also refer to the additional risk factors identified in the periodic reports and other documents incorporated by reference into this proxy statement/prospectus and see **Where You Can Find More Information** beginning on page 204.*

**Risks Relating to the Merger**

**The exchange ratio will not be adjusted in the event the value of Helix common stock declines before the merger is completed. As a result, the value of the shares of Helix common stock at the time that Remington stockholders receive them could be less than the value of those shares today.**

In the merger, Remington stockholders will be entitled to receive a combination of 0.436 of a share of Helix common stock and \$27.00 in cash for each share of Remington common stock owned. Helix and Remington will not adjust the exchange ratio for the portion of the merger consideration to be paid in Helix common stock as a result of any change in the market price of shares of Helix common stock between the date of this proxy statement/prospectus and the date that you receive shares of Helix common stock in exchange for your shares of Remington common stock. The market price of Helix common stock will likely be different, and may be lower, on the date you receive your shares of Helix common stock than the market price of shares of Helix common stock as of the date of this proxy statement/prospectus. During the 12-month period ended on May 24, 2006, the most recent practical date prior to the mailing of this proxy statement/prospectus, Helix common stock traded in a range from a low of \$21.99 to a high of \$45.61 and ended that period at \$33.08. See **Comparative Historical and Pro Forma Per Share Information** beginning on page 27 for more detailed share price information. Differences in Helix's stock price may be the result of changes in the business, operations or prospects of Helix, market reactions to the proposed merger, commodity prices, general market and economic conditions or other factors. If the market price of Helix common stock declines after you vote, you may receive less value than you expected when you voted. Neither Helix nor Remington is permitted to terminate the merger agreement or resolicit the vote of Remington stockholders because of changes in the market prices of their respective common stock.

**The merger is subject to certain conditions to closing that, if not satisfied or waived, will result in the merger not being completed.**

The merger is subject to customary conditions to closing, as set forth in the merger agreement. The conditions to the merger include, among others, the receipt of required approvals from Remington's stockholders. If any of the conditions to the merger are not satisfied or, if waiver is permissible, not waived, the merger will not be completed. In addition, under circumstances specified in the merger agreement, Helix or Remington may terminate the merger agreement. As a result, we cannot assure you that we will complete the merger. See **The Merger Agreement** **Conditions Precedent** beginning on page 65 for a discussion of the conditions to the completion of the merger.

**Certain directors and executive officers of Remington have interests and arrangements that are different from, or in addition to, those of Remington's stockholders and that may influence or have influenced their decision to support or approve the merger.**

When considering the recommendation of Remington's board of directors with respect to the merger, holders of Remington common stock should be aware that certain of Remington's directors and executive officers have interests in the merger that are different from, or in addition to, their interests as Remington stockholders and the interests of Remington stockholders generally. These interests include, among other things, the following:

the appointment of one of Remington's current directors to Helix's board of directors;

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two officers of Remington will enter into mutually agreeable employment agreements with Helix upon effectiveness of the merger;

under the terms of the change in control severance agreements entered into between Remington and certain of its officers, if an officer's employment with Remington (or its successor) is terminated during the severance period (as defined in the officer's change in control severance agreement), that officer is entitled to severance benefits, including excise tax gross-up payments;

as of the effective time of the merger, acceleration of vesting of Remington stock options and restricted stock for directors and officers;

indemnification of directors and officers of Remington against certain liabilities arising both before and, in some cases, after the merger; and

liability insurance for certain directors and officers of Remington.

As a result, these directors and executive officers may be more likely to support and to vote to approve the merger than if they did not have these interests. Holders of Remington common stock should consider whether these interests may have influenced these directors and officers to support or recommend approval of the merger. As of the close of business on the record date for the Remington special meeting, these directors and executive officers were entitled to vote approximately 3.76% of the shares of Remington common stock outstanding on that date. These and additional interests of certain directors and executive officers of Remington are more fully described in the sections entitled "Interests of Remington Directors and Executive Officers in the Merger" beginning on page 49 of this proxy statement/prospectus.

**We may face difficulties in achieving the expected benefits of the merger.**

Helix and Remington currently operate as separate companies. Management has no experience running the combined business, and we may not be able to realize the operating efficiencies, synergies, cost savings or other benefits expected from the merger. In addition, the costs we incur in implementing synergies, including our ability to amend, renegotiate or terminate prior contractual commitments of Helix and Remington, may be greater than expected. We also may suffer a loss of employees, customers or suppliers, a loss of revenues, or an increase in operating or other costs or other difficulties relating to the merger.

**Our actual financial position and results of operations may differ significantly and adversely from the pro forma amounts included in this proxy statement/prospectus.**

The unaudited pro forma operating data contained in this proxy statement/prospectus is not necessarily indicative of the results that actually would have been achieved had the proposed merger and Helix's other currently contemplated financing transactions related to the merger been consummated on January 1, 2005, or that may be achieved in the future. We can provide no assurances as to how the operations and assets of both companies would have been run if they had been combined, or how they will be run in the future, which, together with other factors, could have a significant effect on the results of operations and financial position of the combined company.

**Remington will be subject to business uncertainties and contractual restrictions while the merger is pending.**

Uncertainty about the effect of the merger on employees, suppliers, partners, regulators and customers may have an adverse effect on Remington and potentially on Helix. These uncertainties may impair Remington's ability to attract,

retain and motivate key personnel until the merger is consummated, and could cause suppliers, customers and others that deal with Remington to defer purchases or other decisions concerning Remington, or to seek to change existing business relationships with Remington. Employee retention may be particularly challenging during the pendency of the merger, as employees may experience uncertainty about their future roles with Helix. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with Helix, Helix's business following the merger could be harmed. In addition, the merger agreement restricts Remington from making certain acquisitions and taking other specified actions until the merger occurs. These restrictions may prevent Remington from pursuing attractive business opportunities that may arise prior to the completion of the

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merger. See [The Merger Agreement – Covenants and Agreements](#) beginning on page 58 for a description of the restrictive covenants applicable to Remington.

### **The merger agreement limits Remington’s ability to pursue alternatives to the merger.**

The merger agreement contains provisions that could adversely impact competing proposals to acquire Remington. These provisions include the prohibition on Remington generally from soliciting any acquisition proposal or offer for a competing transaction and the requirement that Remington pay to Helix the sum of (i) Helix’s documented out of pocket fees and expenses incurred or paid by or on behalf of Helix in connection with the merger or the consummation of any of the transactions contemplated by the merger agreement, including all HSR Act filing fees, fees and expenses of counsel, commercial banks, investment banking firms, accountants, experts, environmental consultants, and other consultants to Helix, up to a maximum amount not to exceed \$2 million, and (ii) \$45 million, if the merger agreement is terminated in specified circumstances in connection with an alternative transaction. In addition, even if the board of directors of Remington determines that a competing proposal to acquire Remington is superior, Remington may not exercise its right to terminate the merger agreement unless it notifies Helix of its intention to do so and gives Helix at least three business days to propose revisions to the terms of the merger agreement or to make another proposal in response to the competing proposal. See [The Merger Agreement – Covenants and Agreements](#) beginning on page 58 and [The Merger Agreement – Termination](#) beginning on page 66.

Helix required Remington to agree to these provisions as a condition to Helix’s willingness to enter into the merger agreement. These provisions, however, might discourage a third party that might have an interest in acquiring all or a significant part of Remington from considering or proposing that acquisition, even if that party were prepared to pay consideration with a higher value than the current proposed merger consideration. Furthermore, the termination fee may result in a potential competing acquiror proposing to pay a lower per share price to acquire Remington than it might otherwise have proposed to pay.

### **Failure to complete the merger could negatively impact the stock price and the future business and financial results of Remington.**

Although Remington has agreed that its board of directors will, subject to fiduciary exceptions, recommend that its stockholders approve and adopt the merger agreement, there is no assurance that the merger agreement and the merger will be approved, and there is no assurance that the other conditions to the completion of the merger will be satisfied. If the merger is not completed, Remington will be subject to several risks, including the following:

Remington may be required to pay Helix the sum of (i) Helix’s documented out of pocket fees and expenses incurred or paid by or on behalf of Helix in connection with the merger or the consummation of any of the transactions contemplated by the merger agreement, including all HSR Act filing fees, fees and expenses of counsel, commercial banks, investment banking firms, accountants, experts, environmental consultants, and other consultants to Helix, up to a maximum amount not to exceed \$2 million, and (ii) \$45 million, if the merger agreement is terminated under certain circumstances and Remington enters into or completes an alternative transaction;

The current market price of Remington common stock may reflect a market assumption that the merger will occur, and a failure to complete the merger could result in a negative perception by the stock market of Remington generally and a resulting decline in the market price of Remington common stock;

Certain costs relating to the merger (such as legal, accounting and financial advisory fees) are payable by Remington whether or not the merger is completed;



There may be substantial disruption to the business of Remington and a distraction of its management and employees from day-to-day operations, because matters related to the merger (including integration planning) may require substantial commitments of time and resources, which could otherwise have been devoted to other opportunities that could have been beneficial to Remington;

Remington's business could be adversely affected if it is unable to retain key employees or attract qualified replacements; and

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Remington would continue to face the risks that it currently faces as an independent company, as further described in the documents that Remington has filed with the SEC that are incorporated by reference into this proxy statement/prospectus.

In addition, Remington would not realize any of the expected benefits of having completed the merger. If the merger is not completed, these risks may materialize and materially adversely affect Remington's business, financial results, financial condition and stock price.

**The price of Helix common stock may be affected by factors different from those affecting the price of Remington common stock.**

Holders of Remington common stock will receive Helix common stock in the merger. Helix's business is different in many ways from that of Remington (including Helix's significant diving and marine construction business and its greater exposure to international projects), and Helix's results of operations, as well as the price of Helix's common stock, may be affected by factors different from those affecting Remington's results of operations and the price of Remington common stock. The price of Helix common stock may fluctuate significantly following the merger, including fluctuation due to factors over which Helix has no control. For a discussion of Helix's business and certain factors to consider in connection with its business, including risk factors associated with its business, see **Risks Relating to Helix**, **Information About Helix** and **Helix's Historical Consolidated Financial Statements and Supplementary Data** and the notes thereto included in this proxy statement/prospectus. For a discussion of Remington's business and certain factors to consider in connection with its business, including risk factors associated with its business, see Remington's Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2005, which is incorporated by reference into this proxy statement/prospectus. See also the other documents incorporated by reference into this proxy statement/prospectus under the caption **Where You Can Find More Information** beginning on page 204 of this proxy statement/prospectus.

**Helix will have higher levels of indebtedness following the merger than either Helix or Remington had before the merger.**

You should consider that, following the merger, Helix will have higher levels of debt and interest expense than Helix and Remington, together, had immediately prior to the merger. As of March 31, 2006, after giving effect to the merger and other currently contemplated related financings, the combined company and its subsidiaries are expected to have approximately \$1.3 billion of indebtedness outstanding. See **Helix Energy Solutions Group, Inc. Unaudited Pro Forma Combined Balance Sheet** on page 184 of this proxy statement/prospectus. The significant level of combined indebtedness after the merger may have an effect on the combined company's future operations, including:

limiting its ability to obtain additional financing on satisfactory terms to fund its working capital requirements, capital expenditures, acquisitions, investments, debt service requirements and other general corporate requirements;

increasing its vulnerability to general economic downturns, competition and industry conditions, which could place it at a competitive disadvantage compared to its competitors that are less leveraged;

increasing its exposure to rising interest rates because a portion of its borrowings will be at variable interest rates;

reducing the availability of its cash flow to fund its working capital requirements, capital expenditures, acquisitions, investments and other general corporate requirements because it will be required to use a

substantial portion of its cash flow to service debt obligations; and

limiting its flexibility in planning for, or reacting to, changes in its business and the industry in which it operates.

See Proposed Financings on page 202 of this proxy statement/prospectus.

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**The opinion obtained by Remington from its financial advisor does not reflect changes in circumstances between signing the merger agreement and the completion of the merger.**

Jefferies, Remington's financial advisor, delivered a fairness opinion to the Remington board of directors. The opinion states that, as of January 22, 2006, the consideration to be received by Remington stockholders pursuant to the merger agreement was fair from a financial point of view to Remington stockholders. The opinion does not reflect changes that may occur or may have occurred after January 22, 2006, including changes to the operations and prospects of Remington or Helix, changes in general market and economic conditions or other factors. Any such changes, or other factors on which the opinion is based, may significantly alter the value of Remington or Helix or the prices of shares of Remington common stock or Helix common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. For a description of the opinion that Remington received from its financial advisor, see *The Merger Opinion of Remington's Financial Advisor* beginning on page 39. For a description of the other factors considered by Remington's board of directors in determining to approve the merger, see *The Merger Remington's Reasons for the Merger* beginning on page 36 and *The Merger Recommendation of the Remington Board of Directors* beginning on page 38.

**The shares of Helix common stock to be received by Remington stockholders as a result of the merger will have different rights from the shares of Remington common stock.**

Remington stockholders will become Helix stockholders, and their rights as stockholders will be governed by the articles of incorporation and bylaws of Helix and Minnesota corporate law. The rights associated with Remington common stock are different from the rights associated with Helix common stock. See the section of this proxy statement/prospectus titled *Comparison of Stockholders Rights* beginning on page 192 for a discussion of the different rights associated with Helix common stock.

**Remington stockholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.**

After the merger's completion, Remington stockholders will own a significantly smaller percentage of Helix than they currently own of Remington. Following completion of the merger, Remington stockholders will own approximately 14% of the combined company. Consequently Remington stockholders will have less influence over the management and policies of Helix than they currently have over the management and policies of Remington.

**Risks Relating to Helix**

**Helix's Contracting Services business is adversely affected by low oil and gas prices and by the cyclicity of the oil and gas industry.**

Helix's Contracting Services business is substantially dependent upon the condition of the oil and gas industry and, in particular, the willingness of oil and gas companies to make capital expenditures for offshore exploration, drilling and production operations. The level of capital expenditures generally depends on the prevailing view of future oil and gas prices, which are influenced by numerous factors affecting the supply and demand for oil and gas, including, but not limited to:

Worldwide economic activity;

Economic and political conditions in the Middle East and other oil-producing regions;

Coordination by the Organization of Petroleum Exporting Countries, or OPEC;

The cost of exploring for and producing oil and gas;

The sale and expiration dates of offshore leases in the United States and overseas;

The discovery rate of new oil and gas reserves in offshore areas;

Technological advances;

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Interest rates and the cost of capital;

Environmental regulations; and

Tax policies.

The level of offshore construction activity improved somewhat in 2004 and continued the trend in 2005 following higher commodity prices in 2003 through 2005 and significant damage sustained to the Gulf of Mexico infrastructure in Hurricanes *Katrina and Rita*. Helix cannot assure you activity levels will remain the same or increase. A sustained period of low drilling and production activity or the return of lower commodity prices would likely have a material adverse effect on Helix's financial position, cash flows and results of operations.

**The operation of marine vessels is risky, and Helix does not have insurance coverage for all risks.**

Marine construction involves a high degree of operational risk. Hazards, such as vessels sinking, grounding, colliding and sustaining damage from severe weather conditions, are inherent in marine operations. These hazards can cause personal injury or loss of life, severe damage to and destruction of property and equipment, pollution or environmental damage and suspension of operations. Damage arising from such occurrences may result in lawsuits asserting large claims. Helix maintains such insurance protection as it deems prudent, including Jones Act employee coverage, which is the maritime equivalent of workers' compensation, and hull insurance on its vessels. Helix cannot assure you that any such insurance will be sufficient or effective under all circumstances or against all hazards to which it may be subject. A successful claim for which Helix is not fully insured could have a material adverse effect on Helix. Moreover, Helix cannot assure you that it will be able to maintain adequate insurance in the future at rates that it considers reasonable. As a result of market conditions, premiums and deductibles for certain of our insurance policies have increased substantially and could escalate further. In some instances, certain insurance could become unavailable or available only for reduced amounts of coverage. For example, insurance carriers are now requiring broad exclusions for losses due to war risk and terrorist acts and limitations for wind storm damages. As construction activity expands into deeper water in the Gulf and other Deepwater basins of the world, a greater percentage of Helix's revenues may be from Deepwater construction projects that are larger and more complex, and thus riskier, than shallow water projects. As a result, Helix's revenues and profits are increasingly dependent on its larger vessels. The current insurance on Helix's vessels, in some cases, is in amounts approximating book value, which could be less than replacement value. In the event of property loss due to a catastrophic marine disaster, mechanical failure or collision, insurance may not cover a substantial loss of revenues, increased costs and other liabilities, and could have a material adverse effect on Helix's operating performance if it was to lose any of its large vessels.

**Helix's contracting business typically declines in winter, and bad weather in the Gulf or North Sea can adversely affect its operations.**

Marine operations conducted in the Gulf and North Sea are seasonal and depend, in part, on weather conditions. Historically, Helix has enjoyed its highest vessel utilization rates during the summer and fall when weather conditions are favorable for offshore exploration, development and construction activities. Helix typically has experienced its lowest utilization rates in the first quarter. As is common in the industry, Helix typically bears the risk of delays caused by some, but not all, adverse weather conditions. Accordingly, Helix's results in any one quarter are not necessarily indicative of annual results or continuing trends.

**If Helix bids too low on a turnkey contract, it suffers consequences.**

A significant amount of Helix's projects are performed on a qualified turnkey basis where described work is delivered for a fixed price and extra work, which is subject to customer approval, is billed separately. The revenue, cost and gross profit realized on a turnkey contract can vary from the estimated amount because of changes in offshore job conditions, variations in labor and equipment productivity from the original estimates, and the performance of third parties such as equipment suppliers. These variations and risks inherent in the marine construction industry may result in Helix experiencing reduced profitability or losses on projects.

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**Exploration and production of oil and natural gas is a high-risk activity and subjects Helix to a variety of factors that it cannot control.**

Helix's Oil & Gas Production business is subject to all of the risks and uncertainties normally associated with the exploration for and development and production of oil and natural gas, including uncertainties as to the presence, size and recoverability of hydrocarbons. Helix may not encounter commercially productive oil and natural gas reservoirs. Helix may not recover all or any portion of its investment in new wells. The presence of unanticipated pressures or irregularities in formations, miscalculations or accidents may cause Helix's drilling activities to be unsuccessful and result in a total loss of its investment. In addition, Helix often is uncertain as to the future cost or timing of drilling, completing and operating wells.

Projecting future natural gas and oil production is imprecise. Producing oil and gas reservoirs eventually have declining production rates. Projections of production rates rely on certain assumptions regarding historical production patterns in the area or formation tests for a particular producing horizon. Actual production rates could differ materially from such projections. Production rates depend on a number of additional factors, including commodity prices, market demand and the political, economic and regulatory climate.

Further, Helix's drilling operations may be curtailed, delayed or canceled as a result of a variety of factors, including:

unexpected drilling conditions;

title problems;

pressure or irregularities in formations;

equipment failures or accidents;

adverse weather conditions; and

compliance with environmental and other governmental requirements, which may increase our costs or restrict our activities.

**Estimates of Helix's oil and gas reserves, future cash flows and abandonment costs may be significantly incorrect.**

This proxy statement/prospectus contains estimates of Helix's proved oil and gas reserves and the estimated future net cash flows therefrom based upon reports for the year ended December 31, 2004 and 2005, audited by Helix's independent petroleum engineers. These reports rely upon various assumptions, including assumptions required by the Securities and Exchange Commission, as to oil and gas prices, drilling and operating expenses, capital expenditures, abandonment costs, taxes and availability of funds. The process of estimating oil and gas reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each reservoir. As a result, these estimates are inherently imprecise. Actual future production, cash flows, development expenditures, operating and abandonment expenses and quantities of recoverable oil and gas reserves may vary substantially from those estimated in these reports. Any significant variance in these assumptions could materially affect the estimated quantity and value of Helix's proved reserves. You should not assume that the present value of future net cash flows from our proved reserves referred to in this proxy statement/prospectus is the current market value of Helix's estimated oil and gas reserves. In accordance with Securities and Exchange Commission requirements, Helix bases the estimated discounted future net cash flows from its proved reserves on prices and costs on the date of the estimate. Actual future prices and costs may differ materially from those used in the



net present value estimate. In addition, if costs of abandonment are materially greater than Helix's estimates, they could have an adverse effect on financial position, cash flows and results of operations.

**Helix's actual development results are likely to differ from its estimates of its proved reserves. Helix may experience production that is less than estimated and development costs that are greater than estimated in its reserve reports. Such differences may be material.**

As a result of the large property acquisitions made in 2005 (Murphy Shelf package and five Deepwater non-producing fields), 55% of Helix's proven reserves as of December 31, 2005 are PUDs. Estimates of Helix's oil and natural gas reserves and the costs associated with developing these reserves may not be

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accurate. Development of Helix's reserves may not occur as scheduled and the actual results may not be as estimated. Development activity may result in downward adjustments in reserves or higher than estimated costs.

### **Reserve replacement may not offset depletion.**

Oil and gas properties are depleting assets. Helix replaces reserves through acquisitions, exploration and exploitation of current properties. If Helix is unable to acquire additional properties or if it is unable to find additional reserves through exploration or exploitation of its properties, Helix's future cash flows from oil and gas operations could decrease.

### **Helix's oil and gas operations involve significant risks, and Helix does not have insurance coverage for all risks.**

Helix's oil and gas operations are subject to risks incident to the operation of oil and gas wells, including, but not limited to, uncontrollable flows of oil, gas, brine or well fluids into the environment, blowouts, cratering, mechanical difficulties, fires, explosions, pollution and other risks, any of which could result in substantial losses to Helix. Helix maintains insurance against some, but not all, of the risks described above. Drilling for oil and gas involves numerous risks, including the risk that Helix will not encounter commercially productive oil or gas reservoirs. If certain exploration efforts are unsuccessful in establishing proved reserves and exploration activities cease, the amounts accumulated as unproved property costs would be charged against earnings as impairments.

### **Helix may not be able to compete successfully against current and future competitors.**

The businesses in which Helix operates are highly competitive. Several of Helix's competitors are substantially larger and have greater financial and other resources than Helix has. If other companies relocate or acquire vessels for operations in the Gulf or the North Sea, levels of competition may increase and Helix's business could be adversely affected.

### **The loss of the services of one or more of Helix's key employees, or Helix's failure to attract and retain other highly qualified personnel in the future, could disrupt its operations and adversely affect its financial results.**

The industry has lost a significant number of experienced professionals over the years due to, among other reasons, the volatility in commodity prices. Helix's continued success depends on the active participation of its key employees. The loss of its key people could adversely affect Helix's operations. Helix believes that its success and continued growth are also dependent upon its ability to attract and retain skilled personnel. Helix believes that its wage rates are competitive; however, unionization or a significant increase in the wages paid by other employers could result in a reduction in its workforce, increases in the wage rates it pays, or both. If either of these events occurs for any significant period of time, Helix's revenues and profitability could be diminished and its growth potential could be impaired.

### **If Helix fails to effectively manage its growth, its results of operations could be harmed.**

Helix has a history of growing through acquisitions of large assets and acquisitions of companies. Helix must plan and manage its acquisitions effectively to achieve revenue growth and maintain profitability in its evolving market. If Helix fails to effectively manage current and future acquisitions, its results of operations could be adversely affected. Helix's growth has placed, and is expected to continue to place, significant demands on its personnel, management and other resources. Helix must continue to improve its operational, financial, management and legal/compliance information systems to keep pace with the growth of its business.

**Helix may need to change the manner in which it conducts its business in response to changes in government regulations.**

Helix's subsea construction, intervention, inspection, maintenance and decommissioning operations and its oil and gas production from offshore properties, including decommissioning of such properties, are subject to and affected by various types of government regulation, including numerous federal, state and local environmental protection laws and regulations. These laws and regulations are becoming increasingly complex,

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stringent and expensive to comply with, and significant fines and penalties may be imposed for noncompliance. Helix cannot assure you that continued compliance with existing or future laws or regulations will not adversely affect its operations.

**Certain provisions of Helix's corporate documents and Minnesota law may discourage a third party from making a takeover proposal.**

In addition to the 55,000 shares of preferred stock issued to Fletcher International, Ltd. under the First Amended and Restated Agreement dated January 17, 2003, but effective as of December 31, 2002, by and between Helix and Fletcher International, Ltd., Helix's board of directors has the authority, without any action by Helix's shareholders, to fix the rights and preferences on up to 4,945,000 shares of undesignated preferred stock, including dividend, liquidation and voting rights. In addition, Helix's bylaws divide the board of directors into three classes. Helix is also subject to certain anti-takeover provisions of the Minnesota Business Corporation Act. Helix also has employment contracts with all of its senior officers that require cash payments in the event of a change of control. Any or all of the provisions or factors described above may have the effect of discouraging a takeover proposal or tender offer not approved by management and the board of directors and could result in shareholders who may wish to participate in such a proposal or tender offer receiving less for their shares than otherwise might be available in the event of a takeover attempt.

**Helix's operations outside of the United States subject it to additional risks.**

Helix's operations outside of the U.S. are subject to risks inherent in foreign operations, including, without limitation:

the loss of revenue, property and equipment from hazards such as expropriation, nationalization, war, insurrection, acts of terrorism and other political risks,

increases in taxes and governmental royalties;

changes in laws and regulations affecting its operations;

renegotiation or abrogation of contracts with governmental entities;

changes in laws and policies governing operations of foreign-based companies;

currency restrictions and exchange rate fluctuations;

world economic cycles;

restrictions or quotas on production and commodity sales;

limited market access; and

other uncertainties arising out of foreign government sovereignty over its international operations.

In addition, laws and policies of the U.S. affecting foreign trade and taxation may also adversely affect Helix's international operations.

Helix's ability to market oil and natural gas discovered or produced in any future foreign operations, and the price it could obtain for such production, depends on many factors beyond its control, including:

ready markets for oil and natural gas;

the proximity and capacity of pipelines and other transportation facilities;

fluctuating demand for crude oil and natural gas;

the availability and cost of competing fuels; and

the effects of foreign governmental regulation of oil and gas production and sales.

Pipeline and processing facilities do not exist in certain areas of exploration and, therefore, any actual sales of Helix's production could be delayed for extended periods of time until such facilities are constructed.

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement/prospectus, including the documents incorporated by reference, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are generally accompanied by words such as anticipate, expect, intend, plan, believe, seek, could, should, will, project, estimate, look for, and other expressions which convey uncertainty of future events or outcomes.

The expectations set forth in this proxy statement/prospectus and the documents incorporated by reference regarding, among other things, accretion, returns on invested capital, achievement of annual savings and synergies, achievement of strong cash flow, sufficiency of cash flow to fund capital expenditures and achievement of debt reduction targets are only the parties' expectations regarding these matters. Actual results could differ materially from these expectations depending on factors such as:

the factors described under "Risk Factors" beginning on page 14 of this proxy statement/prospectus;

the factors that generally affect Helix's and Remington's businesses as further outlined in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this proxy statement/prospectus, in the case of Helix, and in Remington's Annual Report on Form 10-K and Form 10-K/A for the year ended December 31, 2005 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, in the case of Remington, and elsewhere in this proxy statement/prospectus, including the performance of contracts by suppliers, customers and partners; employee management issues; and complexities of global political and economic developments; and

the fact that, following the merger, the actual results of the combined company could differ materially from the expectations set forth in this proxy statement/prospectus and the documents incorporated by reference depending on additional 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;

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 and any currently unforeseen merger or acquisition opportunities that could affect capital needs; and

the costs incurred in implementing synergies including, but not limited to, our ability to terminate, amend or renegotiate prior contractual commitments of Helix and Remington.

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.

**Table of Contents****SELECTED HISTORICAL AND UNAUDITED PRO FORMA FINANCIAL INFORMATION****Selected Helix Historical Financial Data**

Helix derived the following historical information from its audited consolidated financial statements for the years ended December 31, 2001, 2002, 2003, 2004 and 2005, and from its unaudited condensed consolidated financial statements for the three months ended March 31, 2006 and 2005. The unaudited condensed consolidated financial statements have been prepared by Helix on a basis consistent with the audited financial statements and include, in the opinion of Helix's management, all normal recurring adjustments necessary for a fair presentation of the information. Operating results for the three months ended March 31, 2006 are not necessarily indicative of the results that will be achieved for future periods. You should read this information in conjunction with Helix's Management's Discussion and Analysis of Financial Condition and Results of Operations and Helix's Historical Consolidated Financial Statements and Supplementary Data and the notes to such financial statements included in this proxy statement/prospectus.

	<b>Year Ended December 31,</b>					<b>Three Months Ended</b>	
	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>March 31,</b>	<b>March 31,</b>
						<b>2006</b>	<b>2005</b>
						<b>(Unaudited)</b>	
	<b>(In thousands except per share data)</b>						
Net Revenues	\$ 799,472	\$ 543,392	\$ 396,269	\$ 302,705	\$ 227,141	\$ 291,648	\$ 159,575
Gross Profit	283,072	171,912	92,083	53,792	66,911	102,266	51,873
Equity in Earnings (Losses) of							
Investments	13,459	7,927	(87)			6,236	1,729
Net Income Before Change in							
Accounting Principle	152,568	82,659	33,678	12,377	28,932	56,193	25,961
Cumulative Effect of Change in							
Accounting Principle, net			530				
Net Income	152,568	82,659	34,208	12,377	28,932	56,193	25,961
Preferred Stock Dividends and							
Accretion	2,454	2,743	1,437			804	550
Net Income Applicable to							
Common Shareholders	150,114	79,916	32,771	12,377	28,932	55,389	25,411
Earnings per Common Share(1)							
Basic:							
Earnings per Share Before Change in	1.94	1.05	0.43	0.17	0.45	0.71	0.33

Accounting Principle Cumulative Effect of Change in Accounting Principle			0.01				
Earnings Per Share Diluted:	1.94	1.05	0.44	0.17	0.45	0.71	0.33
Earnings per Share Before Change in Accounting Principle	1.86	1.03	0.43	0.17	0.44	0.67	0.32
Cumulative Effect of Change in Accounting Principle			0.01				
Earnings Per Share	1.86	1.03	0.44	0.17	0.44	0.67	0.32
Total Assets	1,660,864	1,038,758	882,842	840,010	494,296	1,742,851	1,368,169
Long-Term Debt (including current maturities of long-term debt)	447,171	148,560	222,831	227,777	99,548	444,694	443,276
Convertible Preferred Stock	55,000	55,000	24,538			55,000	55,000
Shareholders Equity	629,300	485,292	381,141	337,517	226,349	704,953	514,720

(1) All earnings per share information reflects a two-for-one stock split effective as of the close of business on December 8, 2005.



**Table of Contents****Selected Remington Historical Financial Data**

Remington derived the following historical information from its audited consolidated financial statements for the years ended December 31, 2001, 2002, 2003, 2004 and 2005, and from its unaudited condensed consolidated financial statements for the three months ended March 31, 2006 and 2005. The unaudited condensed consolidated financial statements have been prepared by Remington on a basis consistent with the audited financial statements and include, in the opinion of Remington's management, all normal recurring adjustments necessary for a fair presentation of the information. Operating results for the three months ended March 31, 2006 are not necessarily indicative of the results that will be achieved for future periods. You should read this information in conjunction with Remington's

Management's Discussion and Analysis of Financial Condition and Results of Operations and Remington's consolidated financial statements and the notes thereto included in Remington's Annual Report on Form 10-K and Form 10-K/A for the year ended December 31, 2005, and Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, each incorporated by reference in this proxy statement/prospectus.

	2005	Year Ended December 31,			2001(1)	Three Months Ended	
		2004	2003	2002		March 31, 2006	March 31, 2005
						(Unaudited)	
	(In thousands, except prices, volumes and per share data)						
<b>Financial</b>							
Total Revenue	\$ 270,529	\$ 234,129	\$ 183,052	\$ 104,866	\$ 116,620	\$ 78,098	\$ 59,786
Net income	\$ 70,567	\$ 60,996	\$ 49,924	\$ 11,332	\$ 8,344	\$ 26,383	\$ 16,035
Basic income per share	\$ 2.48	\$ 2.23	\$ 1.61	\$ 0.45	\$ 0.38	\$ 0.92	\$ 0.57
Diluted income per share	\$ 2.37	\$ 2.14	\$ 1.53	\$ 0.42	\$ 0.35	\$ 0.90	\$ 0.56
Total assets	\$ 586,065	\$ 453,114	\$ 359,385	\$ 288,993	\$ 240,432	\$ 620,202	\$ 487,017
Bank Debt	\$	\$	\$ 18,000	\$ 37,400	\$ 71,000	\$	\$
Stockholders Equity	\$ 404,159	\$ 313,960	\$ 241,877	\$ 193,660	\$ 125,338	\$ 433,003	\$ 340,380
Total shares outstanding	28,757	27,849	26,912	26,236	22,651	28,852	28,475
<b>Cash Flow</b>							
Net cash flow from operations	\$ 160,819	\$ 188,582	\$ 153,215	\$ 71,420	\$ 99,025	\$ 50,345	\$ 45,355
Net cash flow used in investing	\$ (189,906)	\$ (148,908)	\$ (115,714)	\$ (92,126)	\$ (119,242)	\$ (42,538)	\$ (47,600)
Net cash flow provided (used in) financing	\$ 9,288	\$ (12,423)	\$ (21,022)	\$ 16,258	\$ 21,463	\$ 1,220	\$ 6,497
<b>Operational</b>							
Proved reserves(2)							
Oil (MBbls)	18,381	16,899	11,619	13,114	13,865		
Gas(MMcf)	168,659	150,699	142,432	124,967	111,920		
Standardized measure of discounted future net cash flows end of	\$ 1,236,983	\$ 638,849	\$ 486,296	\$ 351,042	\$ 199,983		

year(2)

Average sales

price(2)

Oil (per Bbl)	\$	51.24	\$	39.37	\$	29.43	\$	24.27	\$	23.29
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Gas (per Mcf)	\$	8.31	\$	5.97	\$	5.40	\$	3.35	\$	4.02
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Average production

(net sales volume)

Oil (Bbls per day)		4,066		4,588		4,863		4,736		3,378
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Gas (Mcf per day)		60,715		76,869		66,160		47,804		58,265
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- (1) Financial results for 2001 include a \$13.5 million charge for the final settlement of the Phillips Petroleum litigation.
- (2) The quantities of proved oil and gas reserves include only the amounts which Remington reasonably expects to recover in the future from known oil and gas reservoirs under the current economic and operating conditions. Proved reserves include only quantities that Remington can commercially recover using

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current prices, costs, and existing regulatory practices and technology. Remington bases the standardized measure of future discounted net cash flows on year-end prices and costs. Any changes in future prices, costs, regulations, technology, or other unforeseen factors could significantly increase or decrease the proved reserve estimates.

- (3) Remington has not entered into any financial or commodity hedges for oil or gas prices during any of the years presented, therefore, the average sales prices represent actual sales revenue per barrel or Mcf.

**Selected Unaudited Condensed Combined Pro Forma Financial Data**

We derived the following unaudited condensed combined pro forma financial data from Helix's audited consolidated financial statements for the year ended December 31, 2005, Remington's audited consolidated financial statements for the year ended December 31, 2005, Helix's unaudited condensed consolidated financial statements for the three months ended March 31, 2006 and Remington's unaudited condensed consolidated financial statements for the three months ended March 31, 2006. The financial data has been prepared as if the proposed merger and the consummation of Helix's financing transactions related to the proposed merger had occurred on January 1, 2005, for the operating data and as of March 31, 2006, for the balance sheet data. The process of valuing Remington's tangible and intangible assets and liabilities is still in the preliminary stages. Material revisions to our current estimates could be necessary as the valuation process is finalized. The unaudited pro forma operating data set forth below is not necessarily indicative of the results that actually would have been achieved if the proposed merger and the currently contemplated financing transactions related to the merger had been consummated on January 1, 2005, or that may be achieved in the future.

The unaudited pro forma financial statements do not reflect any benefits from potential cost savings or revenue changes resulting from the proposed merger. You should read this information in conjunction with Helix's

Management's Discussion and Analysis of Financial Condition and Results of Operations, Helix's Historical Consolidated Financial Statements and Supplementary Data and the notes thereto, Remington's Management's Discussion and Analysis of Financial Condition and Results of Operations, Remington's consolidated financial statements and notes thereto and the Unaudited Condensed Combined Pro Forma Financial Data included in this proxy statement/prospectus or included in Remington's Annual Report on Form 10-K, Form 10-K/A and Quarterly Report on Form 10-Q incorporated by reference in this proxy statement/prospectus.

	<b>Year Ended December 31, 2005</b>	<b>Three Months Ended March 31, 2006</b>
	<b>(In thousands, except per share amounts)</b>	
<b>Statement of Operations data:</b>		
Net revenues and other income	\$ 1,067,772	\$ 369,465
Net income	162,229	68,478
Net income applicable to common shareholders	159,775	67,674
Earnings per common share:		
Basic(1)	\$ 1.76	\$ 0.74
Diluted(1)	\$ 1.70	\$ 0.71

**As of  
March 31, 2006**

**(In thousands)****Balance Sheet data:**

Total assets	\$	3,586,465
Long term debt (including current maturities of long-term debt)		1,258,918
Convertible preferred stock		55,000
Shareholders' equity		1,263,489

(1) Reflects two-for-one stock split effected as a 100% stock dividend on December 8, 2005.

**Table of Contents****COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE INFORMATION**

Set forth below are the Helix and Remington historical and pro forma amounts per share of common stock for income from continuing operations and book value. The exchange ratio for the pro forma computations is 0.436 of a share of Helix common stock for each share of Remington common stock. The merger consideration is 0.436 of a share of Helix common stock and \$27.00 in cash for each share of Remington common stock outstanding immediately prior to completion of the merger.

The Remington pro forma (equivalent) information shows the effect of the merger from the perspective of an owner of Remington common stock. The information was computed by multiplying the Helix pro forma combined information by the exchange ratio of 0.436. This computation does not include the benefit to Remington stockholders of the cash component of the transaction.

You should read the information below together with the historical financial statements and related notes contained herein, in the case of Helix, and in the Remington Annual Report on Form 10-K and Form 10-K/A for the year ended December 31, 2005 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, in the case of Remington, and other information filed with the SEC and incorporated by reference in this proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 204.

The unaudited pro forma combined data below is for illustrative purposes only. The pro forma adjustments for the balance sheet are based on the assumption that the transaction was consummated on each of the respective dates presented below. The pro forma adjustments for the statements of operations are based on the assumption that the transaction was consummated on January 1, 2005.

The financial results may have been different had the companies always been combined. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been combined or of the future results of the combined company. See *Unaudited Condensed Combined Pro Forma Financial Data* beginning on page 181 for a discussion of the pro forma financial data used in the comparative per-share amounts in the table below.

		<b>Three Months Ended March 31, 2006</b>	<b>Year Ended December 31, 2005</b>
<b>Helix historical(1)</b>			
Net income applicable to common shareholders	basic	\$ 0.71	\$ 1.94
Net income applicable to common shareholders	diluted	0.67	1.86
Cash dividends		0.00	0.00
Book value at end of period		8.99	8.10
<b>Helix pro forma combined(1)</b>			
Net income applicable to common shareholders	basic	\$ 0.74	\$ 1.76
Net income applicable to common shareholders	diluted	0.71	1.70
Cash dividends		0.00	0.00
Book value at end of period		13.80	13.08
<b>Remington historical</b>			

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Net income applicable to common shareholders	basic	\$	0.92	\$	2.48
Net income applicable to common shareholders	diluted		0.90		2.37
Cash dividends			0.00		0.00
Book value at end of period			15.01		14.05
<b>Remington pro forma (equivalent)(2)</b>					
Net income applicable to common shareholders	basic	\$	0.32	\$	0.77
Net income applicable to common shareholders	diluted		0.31		0.74
Cash dividends			0.00		0.00
Book value at end of period			6.02		5.70

(1) Reflects the two-for-one stock split effected as a 100% stock dividend on December 8, 2005.

(2) Does not reflect the \$27.00 in cash per share of Remington common stock to be received as part of the merger consideration.

**Table of Contents****COMPARATIVE MARKET VALUE INFORMATION**

The following table sets forth the closing price per share of Helix common stock and the closing price per share of Remington common stock on January 20, 2006 (the last business day preceding the announcement by Helix and Remington of the execution of the merger agreement) and May 24, 2006 (the most recent practicable trading date prior to the date of this proxy statement/prospectus). The table also presents the equivalent market value per share of Remington common stock on January 20, 2006 and May 24, 2006, for receipt of a combination of 0.436 of a share of Helix common stock and \$27.00 in cash, without interest, for each share of Remington common stock that you own.

You are urged to obtain current market quotations for shares of Helix common stock and Remington common stock before making a decision with respect to the merger.

No assurance can be given as to the market prices of Helix common stock or Remington common stock at the closing of the merger. Because the exchange ratio will not be adjusted for changes in the market price of Helix common stock, the market value of the shares of Helix common stock that holders of Remington common stock will receive at the effective time of the merger may vary significantly from the market value of the shares of Helix common stock that holders of Remington common stock would have received if the merger were consummated on the date of the merger agreement or on the date of this proxy statement/prospectus.

	<b>Closing Price per Share</b>	
	<b>January 20, 2006</b>	<b>May 24, 2006</b>
Helix common stock	\$ 44.33	\$ 33.08
Remington common stock	\$ 37.96	\$ 41.24
Remington Merger Consideration Equivalent	\$ 46.33	\$ 41.42

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**INFORMATION ABOUT THE SPECIAL MEETING AND VOTING**

This proxy statement/prospectus is being furnished to Remington stockholders by Remington's board of directors in connection with the solicitation of proxies from the holders of Remington common stock for use at the special meeting of Remington stockholders and any adjournments or postponements of the special meeting. This proxy statement/prospectus also is being furnished to Remington stockholders as a prospectus of Helix in connection with the issuance by Helix of shares of Helix common stock to Remington stockholders in connection with the merger.

**Date, Time and Place**

The special meeting of stockholders of Remington will be held on June 29, 2006 at 9:00 a.m., Central Daylight Time, at the Hilton Dallas Park Cities, 5954 Luther Lane, Dallas, Texas 75225.

**Matters to Be Considered**

At the special meeting, Remington stockholders will be asked:

to consider and vote upon a proposal to approve and adopt the merger agreement;

to consider and vote upon a proposal to adjourn or postpone the special meeting, if necessary, to solicit additional proxies in favor of the approval and adoption of the merger agreement; and

to consider and transact any other business as may properly be brought before the special meeting or any adjournments or postponements thereof.

At this time, the Remington board of directors is unaware of any matters, other than those set forth in the preceding sentence, that may properly come before the special meeting.

**Stockholders Entitled to Vote**

The close of business on May 26, 2006 has been fixed by Remington's board as the record date for the determination of those holders of Remington common stock who are entitled to notice of, and to vote at, the special meeting and at any adjournments or postponements thereof.

At the close of business on the record date, there were 28,870,296 shares of Remington common stock outstanding and entitled to vote, held by approximately 504 holders of record. A list of the stockholders of record entitled to vote at the special meeting will be available for examination by Remington stockholders for any purpose germane to the meeting. The list will be available at the meeting and for ten days prior to the meeting during ordinary business hours by contacting Remington's Corporate Secretary at 8201 Preston Road, Suite 600, Dallas, Texas 75225-6211.

**Quorum and Required Vote**

Each holder of record of shares of Remington common stock as of the record date is entitled to cast one vote per share at the special meeting on each proposal. The presence, in person or by proxy, of the holders of a majority of the issued and outstanding shares of Remington common stock outstanding as of the record date constitutes a quorum for the transaction of business at the special meeting. The affirmative vote of the holders of a majority of the shares of Remington common stock entitled to vote at the special meeting is required to approve and adopt the merger



agreement.

As of the record date for the special meeting, directors and executive officers of Remington and their affiliates beneficially owned an aggregate of 1,084,621 shares of Remington common stock entitled to vote at the special meeting. These shares represent 3.76% of the Remington common stock outstanding and entitled to vote as of the record date. Although these individuals are not party to any voting agreements with Remington or Helix and do not have any obligations to vote in favor of the approval and adoption of the merger agreement, they have indicated their intention to vote their outstanding shares of Remington common stock in favor of the approval and adoption of the merger agreement.

As of May 26, 2006, Helix and its directors, executive officers and their affiliates owned none of the outstanding shares of Remington common stock.

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### **How Shares Will Be Voted at the Special Meeting**

All shares of Remington common stock represented by properly executed proxies received before or at the special meeting, and not properly revoked, will be voted as specified in the proxies. Properly executed proxies that do not contain voting instructions will be voted FOR the approval and adoption of the merger agreement and any adjournment or postponement of the special meeting.

A properly executed proxy marked Abstain with respect to any proposal will be counted as present for purposes of determining whether there is a quorum at the special meeting. However, because the approval and adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares entitled to vote at the special meeting, an abstention will have the same effect as a vote AGAINST approval and adoption of the merger agreement.

If you hold shares of Remington common stock in street name through a bank, broker or other nominee, the bank, broker or nominee may vote your shares only in accordance with your instructions. If you do not give specific instructions to your bank, broker or nominee as to how you want your shares voted, your bank, broker or nominee will indicate that it does not have authority to vote on the proposal, which will result in what is called a broker non-vote. Broker non-votes will be counted for purposes of determining whether there is a quorum present at the special meeting, but because approval and adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares entitled to vote at the special meeting, broker non-votes will have the same effect as a vote AGAINST the merger agreement.

If any other matters are properly brought before the special meeting, the proxies named in the proxy card will have discretion to vote the shares represented by duly executed proxies in their sole discretion.

### **How to Vote Your Shares**

You may vote in person at the special meeting or by proxy. We recommend you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

You may vote by proxy card, by completing and mailing the enclosed proxy card. If you properly submit your proxy card, in time to vote, one of the individuals named as your proxy will vote your shares of common stock as you have directed. You may vote for or against the proposals submitted at the special meeting or you may abstain from voting.

If you hold shares of Remington common stock through a broker or other custodian, please follow the voting instructions provided by that firm. If you do not return your proxy card, or if your shares are held in a stock brokerage account or held by a bank, broker or nominee, or, in other words, in street name and you do not instruct your bank, broker or nominee on how to vote those shares, those shares will not be voted at the special meeting.

A number of banks and brokerage firms participate in a program that also permits stockholders whose shares are held in street name to direct their vote by the Internet or telephone. This option, if available, will be reflected in the voting instructions from the bank or brokerage firm that accompany this proxy statement/prospectus. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by the Internet or telephone by following the voting instructions enclosed with the proxy from the bank or brokerage firm. The Internet and telephone proxy procedures are designed to authenticate stockholders' identities, to allow stockholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by the Internet or telephone through such a program must be received by 11:59 p.m., New York, New

York time, on June 28, 2006. Requesting a proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by the Internet or by telephone with respect to your shares. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the meeting; however, you must first obtain a signed and properly executed proxy from your bank, broker or nominee to vote your shares held in street name at the special meeting.

If you submit your proxy but do not make specific choices, your proxy will be voted FOR each of the proposals presented.

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### **How to Change Your Vote**

If you are a registered stockholder, you may revoke your proxy at any time before the shares are voted at the special meeting by:

completing, signing and timely submitting a new proxy to the addressee indicated on the pre-addressed envelope enclosed with your initial proxy card by the close of business on June 28, 2006; the latest dated and signed proxy actually received by such addressee before the special meeting will be counted, and any earlier proxies will be considered revoked;

notifying Remington's Corporate Secretary, at 8201 Preston Road, Suite 600, Dallas, Texas 75225-6201, in writing, by the close of business on June 28, 2006, that you have revoked your earlier proxy; or

voting in person at the special meeting.

Merely attending the special meeting will not revoke any prior votes or proxies; you must vote at the special meeting to revoke a prior proxy.

If you hold shares of Remington common stock through a broker or other custodian and you vote by proxy, you may later revoke your proxy instructions by informing the holder of record in accordance with that entity's procedures.

### **Voting by Participants in the Remington Plans**

Under the Remington stock incentive plan, a grantee of restricted shares of Remington common stock has all the rights of a Remington stockholder with respect to those shares, including the right to vote. Accordingly, holders of shares of Remington restricted stock will be entitled to vote at the special meeting in the same way as holders of non-restricted shares of Remington common stock. Beneficial holders of shares of Remington stock held within the Remington 401(k) plan control the voting of those shares.

### **Solicitation of Proxies**

In addition to solicitation by mail, directors, officers and employees of Remington may solicit proxies for the special meeting from Remington stockholders personally or by telephone, facsimile and other electronic means without compensation other than reimbursement for their actual expenses.

The expenses incurred in connection with the filing of this document will be paid for by Helix. The expenses incurred in connection with the printing and mailing this proxy statement/prospectus will be paid for by Remington. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of shares of Remington stock held of record by those persons, and Remington will, if requested, reimburse the record holders for their reasonable out-of-pocket expenses in so doing.

### **Recommendation of the Remington Board of Directors**

The Remington board of directors has unanimously approved the merger agreement and the transactions it contemplates, including the merger. The Remington board of directors determined that the merger is advisable and in the best interests of Remington and its stockholders and unanimously recommends that you vote FOR approval and

adoption of the merger agreement. See *The Merger Remington's Reasons for the Merger* beginning on page 36 and *The Merger Recommendation of the Remington Board of Directors* beginning on page 38 for a more detailed discussion of the Remington board of directors' recommendation.

### **Special Meeting Admission**

If you wish to attend the special meeting in person, you must present either an admission ticket or appropriate proof of ownership of Remington stock, as well as a form of personal identification. If you are a registered stockholder and plan to attend the meeting in person, please mark the attendance box on your proxy card and bring the tear-off admission ticket with you to the meeting. If you are a beneficial owner of Remington common stock that is held by a bank, broker or other nominee, you will need proof of ownership to be admitted to the meeting. A recent brokerage statement or a letter from your bank or broker are examples of proof of ownership.

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No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the meeting.

**PLEASE DO NOT SEND IN ANY REMINGTON STOCK CERTIFICATES WITH YOUR PROXY CARD. After the merger is completed, you will receive written instructions from the exchange agent informing you how to surrender your stock certificates to receive the merger consideration.**

**Adjournment and Postponements**

The special meeting may be adjourned from time to time, to reconvene at the same or some other place, by approval of the holders of common stock representing a majority of the votes present in person or by proxy at the special meeting, whether or not a quorum exists, without further notice other than by an announcement made at the special meeting, so long as the new time and place for the special meeting are announced at that time. If the adjournment is for more than thirty days, or if after the adjournment a new record date is determined for the adjourned special meeting, a notice of the adjourned special meeting must be given to each stockholder of record entitled to vote at the special meeting. If a quorum is not present at the Remington special meeting, holders of Remington common stock may be asked to vote on a proposal to adjourn or postpone the Remington special meeting to solicit additional proxies. If a quorum is not present at the Remington special meeting, the holders of a majority of the shares entitled to vote who are present in person or by proxy may adjourn the meeting. If a quorum is present at the Remington special meeting but there are not sufficient votes at the time of the special meeting to approve the other proposal(s), holders of Remington common stock may also be asked to vote on a proposal to approve the adjournment or postponement of the special meeting to permit further solicitation of proxies.

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**THE MERGER**

**General**

Remington's board of directors is using this document to solicit proxies from the holders of Remington common stock for use at the Remington special meeting, at which holders of Remington common stock will be asked to vote upon approval and adoption of the merger agreement. In addition, Helix is sending this document to Remington stockholders as a prospectus in connection with the issuance of shares of Helix common stock in exchange for shares of Remington common stock in the merger.

The boards of directors of Remington and Helix have unanimously approved the merger agreement providing for the merger of Remington into Merger Sub. Merger Sub, which is wholly owned by Helix, will be the surviving entity in the merger, and upon completion of the merger, the separate corporate existence of Remington will terminate. We expect to complete the merger in the second quarter of 2006.

**Background of the Merger**

The board of directors and senior management of Helix periodically discuss strategic options, including growth by acquisition. Helix has, from time to time, considered business combinations with other energy services companies or oil and gas exploration and production companies. Three service related acquisitions were completed during 2005, and a short list of potential exploration and production target companies was developed by mid-year.

In recent years, Remington has from time to time entered into agreements with Helix for the use of Helix's marine contract services in Remington's offshore oil and gas exploration activities. As a result, Mr. James A. Watt, Chairman and Chief Executive Officer of Remington, and Mr. Martin R. Ferron, President and Chief Operating Officer of Helix, as well as other officers and employees of both companies, have come to know each other. Therefore, from time to time in the past, Messrs. Watt and Ferron discussed contractual arrangements between the companies and general matters regarding their respective businesses and the oil and gas industry.

In October 2005, Helix engaged Simmons & Company International to prepare an overview of Remington, together with a preliminary valuation/comparison analysis. That report was issued on November 14, 2005.

On November 17, 2005, Mr. Ferron contacted Mr. Watt by telephone to set up a meeting to discuss the possibility of a business combination between Helix and Remington.

On November 22, 2005, Mr. Ferron met with Mr. Watt and Mr. Robert P. Murphy, Remington's President and Chief Operating Officer, at Remington's offices in Dallas, Texas. During the meeting, Mr. Ferron expressed an interest in a business combination between Helix and Remington. Mr. Ferron suggested that Helix would be willing to pay a yet-to-be determined premium for the common stock of Remington, and that consideration for the transaction would consist of approximately 75% cash and 25% Helix common stock. Mr. Ferron further stated that, to formulate a proposal, Helix needed to review and evaluate certain non-public Remington operational and financial data. Accordingly, Mr. Ferron requested that Remington consider entering into a confidentiality agreement with Helix and provided Mr. Watt an initial request for information about Remington. Mr. Watt responded that he would discuss with the Remington board of directors Helix's indication of interest and its request for access to non-public information pursuant to a confidentiality agreement.

On November 28, 2005, the board of directors of Remington met by telephonic conference and Mr. Watt and Mr. Murphy reported to the directors the discussions with Mr. Ferron at the November 22, 2005 meeting. Following a discussion of the matter, the board of directors authorized Remington to enter into a confidentiality agreement with Helix, and to conduct exploratory communications with Helix's management regarding a possible business combination. Helix and Remington executed the confidentiality agreement on November 30, 2005. On December 5, 2005, Remington sent to Helix, by overnight courier, a package containing certain information requested by Helix.

On December 6, 2005, Mr. Watt received a letter from Mr. Ferron expressing continued interest in evaluating a potential transaction with Remington and requesting an exclusivity period until February 15,



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2006, during which Remington would not seek or consider alternative business combination transactions. Mr. Ferron's letter also expressed Helix's interest in entering into a merger agreement with Remington by the end of January 2006. Mr. Watt responded that Remington was not in a position to grant that exclusivity to Helix and stated that Remington was not for sale.

On December 9, 2005, Mr. Owen Kratz, Chairman and Chief Executive Officer of Helix, and Mr. Ferron met with Mr. Watt and Mr. Murphy at Remington's offices in Dallas, Texas. At the meeting Messrs. Kratz and Ferron requested further information about Remington's business and operations. They also stated that, in the event of a combination of the companies, they contemplated that Remington would largely remain as a separate unit or division of Helix. During a follow-up telephone conference on December 12, 2005, Mr. Ferron indicated to Messrs. Watt and Murphy that, based on an analysis of publicly available information and the additional information provided to them by Remington, Helix was contemplating a price in the range of \$44 for each share of Remington common stock. Messrs. Watt and Murphy reiterated that Remington was not for sale but that at Helix's request they would discuss the matter with Remington's board of directors.

On December 13, 2005, a regularly scheduled meeting of the Helix board of directors was held at which the Helix board of directors discussed the potential acquisition of Remington and an indicative offer.

Also on December 13, 2005, a regularly scheduled meeting of the board of directors of Remington was held, during which Mr. Watt updated the directors on the conversations to date with Helix. The directors discussed the Helix level of interest and concluded that the tentative indication of value at \$44 per share of Remington common stock warranted continued dialogue with Helix, although the board reiterated that Remington was not for sale and noted that a formal offer had not been submitted. Upon Mr. Watt's request, Remington's board of directors authorized him to retain Jefferies in order to assist the board of directors in assessing Helix's valuation of Remington. On December 14, 2005, Mr. Watt communicated to Mr. Ferron that Remington's board of directors had reviewed Helix's tentative proposal but had not reached a conclusion on it, and confirmed to Helix that Remington was not willing, at that stage of the process, to provide an exclusivity period to Helix.

On December 14, 2005, Mr. Ferron sent another letter to Mr. Watt suggesting that Helix commence its due diligence review of Remington immediately. In the letter Helix proposed, in lieu of an exclusivity period, a break-up fee payable by Remington to Helix of \$10 million prior to the announcement of a merger and \$50 million afterwards. On December 15, 2005, Mr. Ferron sent a third letter to Mr. Watt, indicating a potential offer could be made in the range of \$43 to \$46 per share of Remington common stock, based on approximately 30 million fully diluted shares outstanding, with Helix common stock constituting up to 50% of the consideration. Mr. Watt responded by e-mail that he would review Helix's revised preliminary proposal with Remington's board of directors and advisors.

On December 20, 2005, officers of Remington met with representatives of Jefferies at Remington's offices in Dallas, Texas, to discuss and review Helix's proposal. Remington entered into an engagement agreement with Jefferies on December 21, 2005. Mr. Watt then instructed Jefferies to review and evaluate Helix's proposal and to help evaluate potential alternatives for Remington.

Between December 21 and December 22, 2005, Helix completed technical due diligence with respect to Remington.

On January 5, 2006, the Helix Board of Directors held a telephonic meeting to approve a definitive acquisition offer. The following day, a firm offer of \$45 per Remington share was submitted in writing, with the consideration consisting of 50% cash and 50% Helix common stock. Mr. Watt reiterated to Mr. Ferron that Remington's board of directors had not changed its determination that Remington was not for sale. Mr. Watt also indicated that Remington's board of directors had to assess whether Helix's proposal made sense to Remington's stockholders, and that he would review it with the board of directors and external advisors.

Remington's board of directors met on January 11, 2006 to consider Helix's proposal. At the meeting, Jefferies made a presentation that included an overview of Helix, a preliminary valuation of Remington using different methodologies and a review of alternative strategic options available to Remington. Jefferies provided its evaluation of Helix's proposal in comparison to alternative strategic options and similar recent transactions involving the sale of Gulf of Mexico oil and gas assets. Andrews Kurth LLP, outside legal counsel to

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Remington, then discussed with the Remington board of directors the fiduciary duties of the board under the circumstances. Upon deliberation, the Remington board of directors confirmed that Remington was not for sale, and determined that Remington management should continue discussions with Helix and that Remington and its advisors should seek an increase in the consideration to be paid by Helix. Jefferies was then directed to contact a limited number of additional parties that might have an interest in a potential business combination with Remington at a premium to the market price of Remington's common stock. On January 12, 2005, Mr. Watt informed Mr. Ferron of the discussions of Remington's board of directors. After further negotiations with Helix, on January 13, 2006, Mr. Watt informed the Remington board of directors that Helix had increased its proposed offering price from \$45 to \$46 per share of Remington common stock, approximately 60% of which would be paid in cash and 40% in Helix common stock.

Mr. Watt and Mr. Murphy met with Mr. Ferron at Helix's offices in Houston, Texas on January 16, 2006 to conduct due diligence on Helix and further discuss the prospect of a merger between the companies. At that meeting, Mr. Ferron delivered a letter to Mr. Watt stating an aggregate offer price of \$812,885,625 in cash plus 13,577,577 shares of Helix common stock for the approximately 30.1 million of fully diluted shares of Remington common stock.

On January 18, 2006, the board of directors of Remington met in order to consider Helix's revised proposal. Mr. Watt informed the Remington directors that the proposal was \$46 per share of Remington common stock, based on the closing price of Helix's common stock on January 13, 2006 of \$42.10 per share. Remington stockholders would receive \$27.00 in cash plus 0.4513 of a share of Helix common stock for each outstanding share of Remington common stock. The cash component would be about 58.7% of the total consideration. At the meeting, representatives of Jefferies expressed their oral opinion that they believed they would be able to conclude that the merger consideration to the holders of Remington common stock in the Helix proposal was fair to such holders from a financial point of view. Remington's board of directors then directed Mr. Watt to continue discussions with Helix and report back to the board of directors with a comprehensive definitive offer from Helix. In addition, the board of directors requested that Jefferies prepare to render a fairness opinion with respect to the transaction at the next board meeting. Following the meeting, in a letter dated January 18, 2006, Mr. Watt informed Mr. Ferron that the board of directors of Remington intended to meet again on January 22, 2006 to consider approval of the transaction, provided a mutually acceptable merger agreement was negotiated by then, and Jefferies rendered a fairness opinion acceptable to the board of directors of Remington.

Later on January 18, 2006, Remington distributed a draft merger agreement prepared by Andrews Kurth LLP, Remington's outside legal counsel, to Helix and its outside legal counsel, Fulbright & Jaworski L.L.P. Over the following few days, the managements of Remington and Helix and their respective financial advisors and outside legal counsel engaged in negotiations with respect to the merger agreement.

Between January 19 and January 20, 2006, Helix completed financial and administrative due diligence.

On January 19, 2006, Helix's board of directors held a telephonic meeting regarding the status of the negotiations and discussed a revised offer as a result of information obtained as part of the due diligence review.

On January 20, 2006, Helix representatives notified Mr. Watt that through financial due diligence they had determined that the tax basis of Remington's assets was significantly less than previously estimated. In addition, on January 21, 2006, Remington determined that the Gulf of Mexico exploratory well, South Pass 87 #6, in which Remington had a 50% non-operating working interest, was a dry hole. As a result, Mr. Ferron advised Mr. Watt that Helix was revising its offer and asked Mr. Watt to present the revised offer to the Remington board of directors. Mr. Watt agreed to submit the revised offer to the Remington board of directors and agreed to recommend to the board that the merger agreement be executed reflecting a consideration for each share of fully diluted Remington common stock of \$27.00

in cash and 0.436 of a share of Helix common stock. Based on the closing price of Helix's common stock on January 20, 2006, that final offer represented a consideration of \$46.33 per share of Remington common stock.

Remington's board of directors held a telephonic meeting on the evening of January 22, 2006 to review Helix's revised offer and the proposed transaction. Remington's financial advisors and outside legal counsel also attended the meeting. At the meeting, Remington's board of directors discussed various aspects of the

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proposed transaction, including the proposed merger consideration and the terms of the merger agreement. Jefferies reviewed its analysis of the economic terms of the transaction and its assessment of the fairness of the merger consideration to the holders of Remington common stock from a financial point of view. Jefferies representatives also informed the Remington board that, pursuant to the board's instructions, Jefferies had contacted six other parties to see if they would have an interest in a potential combination with Remington. One of them executed a confidentiality agreement, but none of them expressed an interest in submitting an offer. Jefferies then delivered its written opinion to Remington's board of directors, that, as of the date of the opinion and based on and subject to the matters described in the opinion, the merger consideration to be received in the merger by the holders of Remington common stock, other than Helix and its affiliates, was fair, from a financial point of view, to such holders. Then Remington's outside legal counsel presented a summary of the terms of the merger agreement and discussed various legal issues with Remington's directors. After further discussion on certain aspects of the proposed transaction, Remington's board of directors unanimously approved the merger, the terms of the merger agreement and the transactions contemplated by the merger agreement, and determined to recommend adoption of the merger agreement to the stockholders of Remington.

The board of directors of Helix approved the merger agreement and the transactions contemplated thereby effective as of January 22, 2006.

Late in the evening of January 22, 2006, following the approval by the boards of directors of both companies, Helix and Remington executed the merger agreement. Early in the morning of January 23, 2006, the parties publicly announced the execution of the merger agreement.

### **Remington's Reasons for the Merger**

The Remington board of directors, at a special meeting held on January 22, 2006, unanimously determined that the merger and the merger agreement are advisable, fair to and in the best interests of Remington and its stockholders. The Remington board of directors has approved the merger agreement and unanimously recommends Remington stockholders vote FOR approval and adoption of the merger agreement and the merger.

In reaching its decision, the Remington board of directors consulted with Remington's management and its financial and legal advisors in this transaction. In concluding that the merger is in the best interests of Remington and its stockholders, the Remington board of directors considered a variety of factors, including the following:

the merger consideration of \$27.00 in cash plus 0.436 of a share of Helix common stock, with a combined value equal to \$46.33 per share of Remington common stock based upon the closing price of Helix common stock as reported on the Nasdaq National Market January 20, 2006, the last trading day prior to the date of the public announcement of the merger, represents:

a premium of \$8.44, or approximately 22.28%, over the trailing average closing price of \$37.89 per share for Remington's common stock as reported on the NYSE composite transaction reporting system for the 30 trading days ended January 20, 2006;

a premium of \$8.75, or approximately 23.28%, over the trailing average closing price of \$37.58 per share for Remington's common stock as reported on the NYSE composite transaction reporting system for the five trading days ended January 20, 2006; and

a premium of \$8.37, or approximately 22.05%, over the closing sale price of \$37.96 for Remington's common stock as reported on the NYSE composite transaction reporting system on January 20, 2006, the last trading day prior to the date of the public announcement of the proposed merger;

the financial presentation of Jefferies, including its opinion dated January 22, 2006, to the Remington board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration, as more fully described below under Opinion of Remington's Financial Advisor ;

the Remington board of directors familiarity with, and understanding of, Remington's business, financial condition, results of operations, current business strategy, earnings and prospects, and its

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understanding of Helix's business, financial condition, results of operations, business strategy and earnings (including the report of Remington's management on the results of its due diligence review of Helix);

the possible alternatives to the merger, including:

other acquisition or combination possibilities for Remington;

the possibility of continuing to operate as an independent oil and gas exploration and production company under its current model focused in the Gulf of Mexico; and

adopting a more broad-based but also more risky strategy possibly involving acquisitions and an international component;

the range of possible benefits to Remington's stockholders of those alternatives and the timing and likelihood of accomplishing the goal of any of those alternatives, and the board's assessment that the merger with Helix presents an opportunity superior to those alternatives;

the fact that Remington stockholders will receive a substantial cash payment for their shares, while at the same time retaining a large equity stake in the combined company, which will afford Remington stockholders the opportunity to participate in the future financial performance of a larger, more diversified energy and energy services company; in that regard, the Remington board of directors understood that the volatility of prices for oil and gas would cause the value of the merger consideration to fluctuate, perhaps significantly, but was of the view that on a long-term basis it would be desirable for stockholders to have an opportunity to retain some continuing investment in the post-merger combined company;

the Remington board of directors' understanding, following its review together with Remington's management and financial advisors, of overall market conditions, including then-current and prospective commodity prices and recent trading prices for Remington's common stock, and the board's determination that, in light of these factors, the timing of a potential transaction was favorable to Remington and its stockholders;

the Remington board of directors' understanding, and management's review, of Remington's current and prospective holdings, including Remington's oil and gas reserves in the Gulf of Mexico, and the Remington board of directors' and management's views concerning maximizing the future benefits relating to these holdings in light of Remington's size and position in the oil and gas industry, together with their belief that having ready access to Helix's resources and expertise in the offshore oil and gas services industry would be a major factor in maximizing those future benefits;

the consideration by the Remington board of directors, with the assistance of its advisors, of the general terms and conditions of the merger agreement, including the parties' representations, warranties and covenants, the conditions to their respective obligations as well as the likelihood of consummation of the merger, the proposed transaction structure, the termination provisions of the agreement and the Remington board of directors' evaluation of the likely time period necessary to close the transaction; and

the expectation that the merger would qualify as a reorganization for federal income tax purposes.

The Remington board of directors also considered potential risks associated with the merger in connection with its evaluation of the proposed transaction, including:

the risks of the type and nature described under "Risk Factors" beginning on page 14;

because the merger agreement provides for a fixed exchange ratio, if the price of Helix common stock at the time of the closing of the merger is lower than the price as of the time of signing the merger agreement, the value received by holders of Remington common stock in the merger could be materially less than the value as of the date of the merger agreement;

the risk, which is common in transactions of this type, that the terms of the merger agreement, including provisions relating to Helix's right to obtain information with respect to any alternative proposals and to a three business day negotiating period after receipt by Remington of a superior



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proposal and Remington's payment of a termination fee under specified circumstances, might discourage other parties that could otherwise have an interest in a business combination with, or an acquisition of, Remington from proposing such a transaction;

the interests of certain of Remington's executive officers and directors described under Interests of Remington Directors and Executive Officers in the Merger beginning on page 49;

the restrictions on the conduct of Remington's business prior to the consummation of the merger, requiring Remington to conduct its business in the ordinary course consistent with past practice subject to specific limitations, which may delay or prevent Remington from undertaking business opportunities that may arise pending completion of the merger; and

the risks and contingencies related to the announcement and pendency of the merger, the possibility that the merger will not be consummated and the potential negative effect of public announcement of the merger on Remington's business and relations with customers and service providers, operating results and stock price and Remington's ability to retain key management and personnel.

The foregoing discussion of the information and factors discussed by the Remington board of directors is not exhaustive but does include material factors considered by the Remington board of directors. The Remington board of directors did not quantify or assign any relative or specific weight to the various factors that it considered. Rather, the Remington board of directors based its recommendation on the totality of the information presented to and considered by it. In addition, individual members of the Remington board of directors may have given different weight to different factors.

## **Recommendation of the Remington Board of Directors**

After careful consideration of the matters discussed above, the Remington board of directors concluded that the proposed merger is in the best interest of the stockholders of Remington.

**FOR THE REASONS SET FORTH ABOVE, THE BOARD OF DIRECTORS OF REMINGTON HAS UNANIMOUSLY ADOPTED THE MERGER AGREEMENT AS IN THE BEST INTERESTS OF REMINGTON AND ITS STOCKHOLDERS, AND UNANIMOUSLY RECOMMENDS THAT REMINGTON'S STOCKHOLDERS VOTE FOR THE ADOPTION OF THE MERGER AGREEMENT.**

## **Helix's Reasons for the Merger**

The Helix Board of Directors has approved the merger agreement and believes that the acquisition of Remington is the next logical step in the evolution of Helix's unique production contracting based business model.

Helix believes that the merger joins two well managed companies, providing strategic and financial benefits to shareholders. The benefits include:

The transaction is expected to be accretive to earnings and cash flow;

Remington's prospect generation based growth strategy is highly complementary to Helix's production model and will build on Helix's existing portfolio of proved undeveloped reserves by:

creating extra exploitation value through the deployment of Helix assets for drilling, development, maintenance and abandonment;

accelerating high impact, ready to drill inventory;

adding 4 Tcfe reserve potential (1 Tcfe risked); and

providing 100% working interest in all deepwater prospects;

Remington possesses a highly experienced technical team;

Exploitation of Remington's prospect inventory will provide increased backlog for Helix's contracting services;

Combined Helix and Remington production business on the Outer Continental Shelf has critical mass, including:

operating synergies and purchasing leverage; and

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Remington's seismic library, which can be used across Helix assets; and

Helix can enhance financial results of key deepwater prospects by promoting partnership arrangements.

### **Opinion of Remington's Financial Advisor**

Jefferies has rendered its written opinion, dated January 22, 2006, to the board of directors of Remington to the effect that, as of that date and subject to the assumptions, limitations, qualifications and other matters described in its opinion, the merger consideration to be received in connection with the merger by the holders of Remington common stock (other than Helix and its affiliates) was fair, from a financial point of view, to such holders.

**The full text of Jefferies' written opinion to Remington's board of directors, which sets forth the procedures followed, the assumptions made, qualifications and limitations on the review undertaken and other matters, is attached to this proxy statement/prospectus as Annex B. The summary of Jefferies' opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion, which is incorporated by reference into this proxy statement/prospectus. Holders of Remington common stock are encouraged to read the opinion in its entirety.**

**The opinion of Jefferies does not constitute a recommendation as to how any stockholder should vote on the merger or any matter relevant to the merger agreement.**

### ***General***

Jefferies was selected by Remington's board of directors based on Jefferies' qualifications, expertise and reputation. Jefferies is an internationally recognized investment banking and advisory firm. Jefferies, as part of its investment banking business, is regularly engaged in the evaluation of capital structures, valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements, financial restructurings and other financial services.

In the ordinary course of business, Jefferies and its affiliates may publish research reports regarding the securities of Remington and Helix and their respective affiliates and may trade or hold such securities of Remington and Helix for their own account and for the accounts of their customers and, accordingly, may at any time hold long or short positions in those securities. In the past, Jefferies and its affiliates have provided investment banking services to Remington unrelated to the merger for which they have received compensation, and Jefferies or its affiliates may, in the future, provide investment banking and financial advisory services to Helix for which they would expect to receive compensation.

Pursuant to an engagement letter between Remington and Jefferies dated December 21, 2005, Jefferies was retained to act as financial advisor to Remington in connection with a possible transaction involving Remington. Jefferies also assisted Remington in soliciting expressions of interest in Remington from other parties potentially interested in a transaction with Remington. In consideration for these financial advisory services, Jefferies will receive a fee based on a percentage of the transaction value, which is contingent upon the completion of a transaction such as the merger. On January 19, 2006, the engagement letter was amended to provide that Jefferies would render a written opinion to the board of directors of Remington regarding the fairness of the merger consideration to be received in connection with the merger by the holders of Remington common stock (other than Helix and its affiliates) from a financial point of view. On January 22, 2006, Jefferies rendered its oral opinion to the board of directors of Remington (and subsequently provided a written copy of its opinion) that, as of that date and subject to the assumptions, limitations, qualifications and other matters described in its opinion, the merger consideration to be received in connection with

the merger by the holders of Remington common stock (other than Helix and its affiliates) was fair, from a financial point of view, to such holders. Jefferies received a separate fee of \$1 million for rendering such opinion, which was not contingent upon the completion of the merger. Upon the completion of the merger, a portion of such fee will be credited towards the transaction fee payable pursuant to the initial engagement letter. In addition, Remington has agreed to indemnify Jefferies for certain liabilities arising out of the engagements described above.

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The opinion of Jefferies was one of many factors taken into consideration by Remington's board of directors in making its determination to approve the merger and should not be considered determinative of the views of Remington's board of directors or management with respect to the merger or the merger consideration.

Jefferies did not establish the amount of cash or amount of shares of Helix common stock that will be received in exchange for each share of Remington common stock as consideration for the merger. These amounts were determined pursuant to negotiations between Remington and Helix and were approved by the board of directors of Remington.

***Procedures Followed***

In connection with rendering its opinion, Jefferies has, among other things,:

reviewed a draft of the merger agreement dated January 22, 2006, participated in certain limited negotiations concerning the merger among representatives of Remington and Helix and discussed with the officers of Remington the course of other negotiations with Helix;

reviewed certain financial and other information about Remington and Helix that was publicly available and that Jefferies deemed relevant;

reviewed certain internal financial and operating information, including financial projections relating to Remington that were provided to Jefferies by Remington, taking into account (a) the growth prospects of Remington, (b) Remington's historical and current fiscal year financial performance and track record of meeting its forecasts, and (c) Remington's forecasts going forward and its ability to meet them;

reviewed the corporate budget of Helix for 2006;

met with Remington's and Helix's managements regarding the business prospects, financial outlook and operating plans of Remington and Helix, respectively, and held discussions concerning the impact on Remington and Helix and their prospects of the economy and the conditions in Remington's industry;

reviewed the market prices and valuation multiples for the common stock of Remington and Helix, respectively;

compared the valuation in the public market of companies Jefferies deemed similar to that of Remington in market, services offered, and size;

reviewed public information concerning the financial terms of certain recent transactions that Jefferies deemed comparable to the merger;

performed a discounted cash flow analysis to analyze the present value of the future cash flow streams that Remington has indicated it expects to generate;

reviewed certain proved oil and gas reserve data furnished to Jefferies by Remington and Helix, including the 2004 year end reserve reports for Remington and Helix, respectively, prepared by independent reserve engineers as well as internal 2005 year end projected reserve information of Remington and Helix furnished to Jefferies by Remington and Helix, respectively; and

reviewed the potential pro forma impact of the merger.

In addition, Jefferies conducted such other studies, analyses and investigations and considered such other financial, economical and market factors and criteria as they considered appropriate in arriving at their opinion. Jefferies analyses must be considered as a whole. Considering any portion of such analyses or factors, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying the conclusions expressed in the opinion delivered by Jefferies.

***Assumptions Made and Qualifications and Limitations on Review Undertaken***

In rendering its opinion, Jefferies assumed and relied upon the accuracy and completeness of all of the financial information, forecasts and other information provided to or otherwise made available to Jefferies by Remington, Helix or that was publicly available to Jefferies, and did not attempt, or assume any responsibility, to independently verify any of such information. The opinion of Jefferies is expressly conditioned upon such information, whether written or oral, being complete, accurate and fair in all respects. With respect to the oil

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and gas reserve reports, hydrocarbon production forecasts and financial projections provided to and examined by Jefferies or discussed with Jefferies by Remington and Helix, Jefferies noted that projecting future results of any company is inherently subject to uncertainty. Jefferies was advised by each of Remington and Helix and has assumed that the oil and gas reserve reports, hydrocarbon production forecasts and financial projections provided to and examined by Jefferies or discussed with Jefferies by Remington and Helix were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Remington or Helix as to the expected future financial performance of Remington or Helix (including in the case of Helix as to the future revenues and related costs attributable to its services segment and production facilities operations), and their respective petroleum engineers, as to their respective oil and gas reserves, related future revenues and associated costs. Jefferies expressed no opinion as to Remington's or Helix's oil and gas reserves, related future revenue, financial projections or the assumptions upon which they are based. In addition, in rendering its opinion, Jefferies assumed that Remington will perform in accordance with such financial projections for all periods specified therein. Jefferies noted that although such projections did not form the principal basis for their opinion, but rather constituted one of many items that they employed, changes to such projections could affect the opinion rendered.

Jefferies' opinion also expressly assumed that there were no material changes in Remington's assets, financial condition, results of operations, business or prospects since the most recent financial statements made available to them. In addition, Jefferies' opinion noted that they:

did not conduct a physical inspection of the properties and facilities of Remington or Helix, nor were they furnished, any reports of physical inspections;

did not make or obtain, nor were they furnished, any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Remington or Helix (other than the reserve reports referred to in the opinion);

did not assume any responsibility to obtain any such evaluations, appraisals or inspections for Remington or Helix; and

did not evaluate the solvency or fair value of Remington or Helix under any state or federal laws relating to bankruptcy, insolvency or similar matters.

Jefferies assumed that the merger will be consummated in a manner that complies in all respects with the applicable provisions of the Securities Act of 1933, and all other applicable federal and state statutes, rules and regulations and that the merger will qualify as a tax-free reorganization for U.S. federal income tax purposes. Jefferies further assumed, with permission of Remington, that:

the final form of the merger agreement would be substantially similar to the last draft they reviewed;

the merger will be consummated in accordance with the terms described in the merger agreement, without any amendments thereto, and without waiver by Remington of any of the conditions to Helix's obligations;

there was not as of the date of the opinion, and there will not as a result of the consummation of the transactions contemplated by the merger agreement be, any default or event of default under any indenture, credit agreement or other material agreement or instrument to which Remington or Helix or any of their respective subsidiaries or affiliates is a party;

in the course of obtaining the necessary regulatory or other consents or approvals (contractual or otherwise) for the merger, no restrictions, including divestiture requirements or amendments or modifications, will be imposed

that will have a material adverse effect on the contemplated benefits of the merger; and

all material assets and liabilities (contingent or otherwise, known or unknown) of Remington are as set forth in its consolidated financial statements provided to Jefferies by Remington.

***Summary of Financial and Other Analyses***

The following is a summary of the material financial and other analyses presented by Jefferies to Remington's board of directors in connection with Jefferies' opinion dated January 22, 2006. The financial



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and other analyses summarized below include information presented in tabular format. In order to fully understand Jefferies' analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analyses. Considering the data in the tables below without considering the full narrative description of the financial and other analyses, including the methodologies underlying and the assumptions, qualifications and limitations affecting each analysis, could create a misleading or incomplete view of Jefferies' analyses.

*Overview*

Based on the closing price per share of Helix common stock on January 20, 2006 of \$44.33, Jefferies noted that the implied value of the merger consideration per share of Remington common stock was \$46.33, which is referred to in this summary of Jefferies' opinion as the implied merger consideration. The implied merger consideration includes 0.436 of a share of Helix common stock and \$27.00 in cash for each share of Remington common stock. Jefferies also noted that based on the implied merger consideration of \$46.33 per share, approximately 30.2 million fully diluted shares of Remington common stock currently outstanding (calculated using the treasury method) and Remington's \$38 million of cash and cash equivalent assets, the implied enterprise value of Remington was \$1.36 billion. Jefferies also noted that the implied merger consideration represented a 22% premium to Remington's closing stock price of \$37.96 on January 20, 2006.

Jefferies analyzed the value of Remington in accordance with the following methodologies, each of which is described in more detail below:

Discounted Cash Flow Analysis;

Discounted Equity Value Analysis;

Comparable Company Analysis; and

Precedent Transaction Analysis.

These methodologies were used to determine an implied price range per share of Remington common stock, which was then compared to the implied merger consideration and to the historical price range of Remington common stock. The following table summarizes the results of the analyses and should be read together with the more detailed descriptions set forth below:

<b>Methodology</b>	<b>Implied Price Range (Per share)</b>
Discounted Cash Flow Analysis	\$ 43.18 to \$52.90
Discounted Equity Value Analysis (NYMEX Pricing)	\$ 42.61 to \$60.15
Discounted Equity Value Analysis (Flat Pricing)	\$ 26.12 to \$40.57
Comparable Company Analysis	\$ 36.79 to \$44.96
Precedent Transactions Analysis	\$ 29.00 to \$43.27
52-Week Range of Remington Common Stock	\$ 24.73 to \$42.59
3-Year Range of Remington Common Stock	\$ 16.75 to \$42.59
<b>Implied Merger Consideration: \$46.33 per share</b>	

*Discounted Cash Flow Analysis*

Jefferies calculated the present value of Remington's projected cash flows using risk-weighted oil and gas reserves, including estimates of non-proved reserves provided by Remington's management. For the purposes of the discounted cash flow analysis, Jefferies used a price deck based on the New York Mercantile Exchange, or NYMEX, forward pricing curve on January 18, 2006 for proved developed reserves and proved behind pipe reserves and a flat price of \$50.00 per barrel of oil and \$7.00 per thousand cubic feet of gas for undeveloped and exploratory reserves. Jefferies assumed various discount rates and investment factors in connection with the discounted cash flow analysis. The discounted cash flow analysis resulted in an implied price range of \$43.18 to \$52.90 per share as compared to the implied proposed merger consideration of \$46.33 per share of Remington common stock.

**Table of Contents***Discounted Equity Value Analysis*

Jefferies calculated the present value of Remington's hypothetical future stock price at December 31, 2008 using certain projections provided by Remington's management related to production, lease operating expenses, general and administrative expenses, other expenses and capital expenditures and an exit multiple range from 3.0x to 4.0x earnings before interest, taxes, depreciation and amortization (referred to as EBITDA). Jefferies performed the discounted equity analysis using both the NYMEX forward pricing curve as of January 18, 2006 and flat pricing of \$50.00 per barrel of oil and \$7.00 per thousand cubic feet of gas. These pricing scenarios resulted in an implied price range as follows:

<b>Pricing Scenario</b>	<b>Implied Price Range (Per share)</b>
NYMEX forward pricing curve	\$42.61 to \$60.15
Flat pricing	\$26.12 to \$40.57

*Comparable Company Analysis*

Using publicly available financial and operating data for selected public companies in the oil and gas exploration and production industry, Jefferies calculated trading multiples of the selected public companies at their current stock price and applied those multiples to the following historical and projected financial data provided by Remington's management:

estimated 2006 EBITDA based on the NYMEX forward price curve;

estimated 2006 EBITDA based on First Call pricing of \$56.52 per barrel of oil and \$8.72 per thousand cubic feet of gas;

proved oil and gas reserves (in \$per billion of cubic feet equivalents, or \$/Bcfe); and

daily oil and gas production (in \$per million of cubic feet equivalents per day, or \$/Mmcfe per day).

For the purposes of calculating cubic feet equivalents, six thousand cubic feet of natural gas are deemed equivalent to one barrel of oil. Enterprise values in this analysis were calculated using the closing price of the common stock of Remington and the selected companies as of January 20, 2006.

The selected public companies used by Jefferies in the comparable company analysis were:

ATP Oil & Gas Corporation;

Boisd Arc Energy Inc.;

Callon Petroleum Company;

Energy Partners Limited;

The Houston Exploration Company;

Newfield Exploration Company;

Stone Energy Corporation; and

W&T Offshore, Inc.

In determining the implied price range per share for this analysis, each of the EBITDA multiples was weighted 30%, the proved oil and gas reserves multiple was weighted 10% and the daily oil and gas production multiple was weighted 30%. Based on this analysis, Jefferies calculated Remington's implied valuation per share to be \$36.79 to \$44.96, as compared to the implied proposed merger consideration of \$46.33 per share of Remington common stock.

No company utilized for comparison in the comparable company analysis is identical to Remington. In evaluating the merger, Jefferies made numerous judgments and assumptions with regard to industry performance, general business, economic, market, and financial conditions and other matters, many of which are beyond Remington's control. Mathematical analysis, such as determining the weighted average, is not in itself a meaningful method of using comparable company data.

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*Precedent Transaction Analysis*

Using publicly available financial and operating data and other information for selected comparable precedent transaction in the oil and gas exploration and production industry, with a focus on transactions involving companies with significant operations in the Gulf of Mexico, Jefferies calculated multiples of transaction value to:

- oil and gas production (in \$/Mmcfe per day); and
- proved oil and gas reserves (in \$/Mmcfe).

For the purposes of the precedent transaction analysis, Jefferies used the following selected comparable precedent transactions occurring in 2004 or 2005 and involving companies with significant shelf operations in the Gulf of Mexico:

<b>Purchaser</b>	<b>Seller</b>
Mariner Energy, Inc.	Forest Oil Corporation
Woodside Petroleum Ltd.	Gryphon Exploration Company
Helix	Murphy Oil Corporation
Nippon Oil Corporation	Devon Energy Corporation
Sumitomo Corporation	NCX Company, Inc.
Stone Energy Corporation	Anadarko Petroleum Corporation
Undisclosed	ChevronTexaco Corporation
The Houston Exploration Company	Undisclosed
Apache Corporation/Morgan Stanley	Anadarko Petroleum Corporation
Newfield Exploration Company	Denbury Resources Inc.

For the purposes of the precedent transaction analysis, Jefferies also used the following selected comparable precedent transactions occurring in 2004 or 2005 and involving companies with significant deep water operations in the Gulf of Mexico:

<b>Purchaser</b>	<b>Seller</b>
Marubeni Corp.	Devon Energy Corporation
Statoil (U.K.) Limited	EnCana Corporation
Norsk Hydro ASA	Spinnaker Exploration Company

Jefferies applied the transaction value ranges derived from the precedent transactions analysis to corresponding historical and projected financial and operating data for Remington as provided by Remington's management and calculated an implied price range of \$29.00 to \$43.27 per share of Remington common stock, as compared to the implied proposed merger consideration of \$46.33 per share.

No transaction utilized for comparison in the precedent transaction analysis is identical to the merger. In evaluating the merger, Jefferies made numerous judgments and assumptions with regard to industry performance, general business, economic, market, and financial conditions and other matters, many of which are beyond Remington's control. Mathematical analysis, such as determining the average or the median, is not in itself a meaningful method of using comparable transaction data.

*Analysis of Helix*

Jefferies reviewed the price trading history of Helix for the 3-year period ending January 20, 2006 on a stand alone basis. Jefferies also compared the growth rate of the historical price of Helix common stock to the growth rate of an index consisting of various large exploration and production companies and an index of various comparable oil field services companies, each over the previous twelve months. Jefferies noted that the growth rate of the price of Helix common stock outperformed both indices during that period.

Using publicly available information and information related to Helix as provided by Helix's management, Jefferies analyzed the trading multiples of Helix and the following comparable companies:

McDermott International Inc.;

Oceaneering International, Inc.;

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Gulfmark Offshore, Inc.;

Superior Energy Services, Inc.;

TETRA Technologies, Inc.;

Global Industries Ltd.;

Stolt Offshore S.A.;

Technip; and

Saipem S.P.A.

In its analysis, Jefferies derived and compared the following benchmarks for Helix and the comparable companies listed above:

price per estimated 2006 earnings, or Price/2006 Earnings;

price per estimated 2006 cash flows per share, or Price/2006 CFPS; and

enterprise value per estimated 2006 EBITDA, or Enterprise Value/2006 EBITDA.

This analysis indicated the following:

<b>Benchmark</b>	<b>High</b>	<b>Low</b>	<b>Mean(1)</b>	<b>Helix</b>
Price/2006 Earnings	24.9x	12.5x	19.0x	15.6x
Price/2006 CFPS	17.7x	8.2x	11.7x	9.7x
Enterprise Value/2006 EBITDA	12.7x	6.8x	9.3x	7.5x

(1) Excludes Helix

***Conclusion***

Jefferies determined and issued its written opinion to the board of directors of Remington to the effect that as of January 22, 2006, and subject to the assumptions, limitations, qualifications and other matters described in its opinion, the merger consideration to be received in connection with the merger by the holders of Remington common stock (other than Helix and its affiliates) was fair, from a financial point of view, to such holders.

**Accounting Treatment**

The combination of the two companies will be accounted for as an acquisition of Remington by Helix using the purchase method of accounting.

**Opinions that the Merger Constitutes a Reorganization under Section 368(a) of the Internal Revenue Code**

The completion of the merger is conditioned on, among other things, the receipt of opinions from tax counsel for each of Helix and Remington that the merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code.

### **Regulatory Matters**

Under the Hart-Scott-Rodino Act, the merger may not be completed unless Helix and Remington file premerger notification and report forms with the Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice and the waiting periods expire or terminate. The initial waiting period is 30 days after both parties have filed the applicable notifications, but this period may be extended if the reviewing agency issues a formal request for additional information and documentary material, referred to as a second request. On March 14, 2006, the Federal Trade Commission granted Helix and Remington's request for early termination of the waiting period under the HSR Act.

Other than as we describe in this document, the merger does not require the approval of any other U.S. federal or state or foreign agency.



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**Appraisal and Dissenters Rights**

Under the DGCL, any Remington stockholder who does not wish to accept the merger consideration has the right to dissent from the merger and to seek an appraisal of, and to be paid the fair value (exclusive of any element of value arising from the accomplishment or expectation of the merger) for his or her shares of Remington common stock, so long as the stockholder complies with the provisions of Section 262 of the DGCL.

Holders of record of Remington common stock who do not vote in favor of the merger agreement and who otherwise comply with the applicable statutory procedures summarized in this proxy statement/prospectus will be entitled to appraisal rights under Section 262 of the DGCL. A person having a beneficial interest in shares of Remington common stock held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the steps summarized below properly and in a timely manner to perfect appraisal rights.

**THE FOLLOWING DISCUSSION IS NOT A COMPLETE STATEMENT OF THE LAW PERTAINING TO APPRAISAL RIGHTS UNDER THE DGCL AND IS QUALIFIED IN ITS ENTIRETY BY THE FULL TEXT OF SECTION 262 OF THE DGCL, WHICH IS REPRINTED IN ITS ENTIRETY AS ANNEX C. ALL REFERENCES IN SECTION 262 OF THE DGCL AND IN THIS SUMMARY TO A STOCKHOLDER OR HOLDER ARE TO THE RECORD HOLDER OF THE SHARES OF COMMON STOCK AS TO WHICH APPRAISAL RIGHTS ARE ASSERTED.**

Under Section 262 of the DGCL, holders of shares of Remington common stock who follow the procedures set forth in Section 262 of the DGCL will be entitled to have their Remington common stock appraised by the Delaware Chancery Court and to receive payment in cash of the fair value of those Remington shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, as determined by that court.

Under Section 262 of the DGCL, when a proposed merger is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, must notify each of its stockholders who was a stockholder on the record date for this meeting with respect to shares for which appraisal rights are available, that appraisal rights are so available, and must include in that required notice a copy of Section 262 of the DGCL.

This proxy statement/prospectus constitutes the required notice to the holders of those Remington shares and the applicable statutory provisions of the DGCL are attached to this proxy statement/prospectus as Annex C. Any Remington stockholder who wishes to exercise his or her appraisal rights or who wishes to preserve his or her right to do so should review the following discussion and Annex C carefully, because failure to timely and properly comply with the procedures specified in Annex C will result in the loss of appraisal rights under the DGCL.

A holder of Remington shares wishing to exercise his or her appraisal rights (a) must not vote in favor of the merger agreement and (b) must deliver to Remington prior to the vote on the merger agreement at the Remington special meeting, a written demand for appraisal of his or her Remington shares. This written demand for appraisal must be in addition to and separate from any proxy or vote abstaining from or against the merger. This demand must reasonably inform Remington of the identity of the stockholder and of the stockholder's intent thereby to demand appraisal of his or her shares. A holder of Remington common stock wishing to exercise his or her holder's appraisal rights must be the record holder of these Remington shares on the date the written demand for appraisal is made and must continue to hold these Remington shares until the consummation of the merger. Accordingly, a holder of Remington common stock who is the record holder of Remington common stock on the date the written demand for appraisal is made, but who thereafter transfers these Remington shares prior to consummation of the merger, will lose any right to appraisal

in respect of these Remington shares.

Only a holder of record of Remington common stock is entitled to assert appraisal rights for the Remington shares registered in that holder's name. A demand for appraisal should be executed by or on behalf of the holder of record, fully and correctly, as the holder's name appears on the holder's stock certificates. If the Remington shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian,

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execution of the demand should be made in that capacity, and if the Remington common stock is owned of record by more than one owner as in a joint tenancy or tenancy in common, the demand should be executed by or on behalf of all joint owners. An authorized agent, including one or more joint owners, may execute a demand for appraisal on behalf of a holder of record. The agent, however, must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is agent for the owner or owners. A record holder such as a broker who holds Remington common stock as nominee for several beneficial owners may exercise appraisal rights with respect to the Remington shares held for one or more beneficial owners while not exercising appraisal rights with respect to the Remington common stock held for other beneficial owners. In this case, the written demand should set forth the number of Remington shares as to which appraisal is sought. When no number of Remington shares is expressly mentioned, the demand will be presumed to cover all Remington common stock in brokerage accounts or other nominee forms, and those who wish to exercise appraisal rights under Section 262 of the DGCL are urged to consult with their brokers to determine the appropriate procedures for the making of a demand for appraisal by such a nominee.

**ALL WRITTEN DEMANDS FOR APPRAISAL SHOULD BE SENT OR DELIVERED TO REMINGTON OIL AND GAS CORPORATION, 8201 PRESTON ROAD, SUITE 600, DALLAS, TEXAS 75225-6211, ATTENTION: SECRETARY.**

Within ten days after the effective time of the merger, Helix will notify each stockholder who has properly asserted appraisal rights under Section 262 of the DGCL and has not voted in favor of the merger agreement of the date the merger became effective.

Within 120 days after the effective time of the merger, but not thereafter, Helix or any stockholder who has complied with the statutory requirements summarized above may file a petition in the Delaware Chancery Court demanding a determination of the fair value of the shares of Remington common stock of all those stockholders. None of Helix, Merger Sub or Remington is under any obligation to and none of them has any present intention to file a petition with respect to the appraisal of the fair value of the Remington shares. Accordingly, it is the obligation of stockholders wishing to assert appraisal rights to initiate all necessary action to perfect their appraisal rights within the time prescribed in Section 262 of the DGCL.

Within 120 days after the effective time of the merger, any Remington stockholder who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from Helix a statement setting forth the aggregate number of Remington shares not voted in favor of adoption of the merger agreement and with respect to which demands for appraisal have been received and the aggregate number of holders of those Remington shares. That statement must be mailed to those stockholders within ten days after a written request therefor has been received by Helix.

If a petition for an appraisal is filed timely, at a hearing on the petition, the Delaware Chancery Court will determine the stockholders entitled to appraisal rights. After determining those stockholders, the Delaware Chancery Court will appraise the fair value of their Remington shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, to be paid upon the amount determined to be the fair value. Stockholders considering seeking appraisal should be aware that the fair value of their Remington shares as determined under Section 262 of the DGCL could be more than, the same as or less than the value of the merger consideration they would receive pursuant to the merger agreement if they did not seek appraisal of their Remington shares and that investment banking opinions as to fairness from a financial point of view are not necessarily opinions as to fair value under Section 262 of the DGCL. The Delaware Supreme Court has stated that proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered in the appraisal proceedings.

The Delaware Chancery Court will determine the amount of interest, if any, to be paid upon the amounts to be received by stockholders whose Remington shares have been appraised. The costs of the appraisal proceeding may be determined by the Delaware Chancery Court and taxed upon the parties as the Delaware Chancery Court deems equitable. The Delaware Chancery Court may also order that all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts used in the appraisal proceeding, be charged pro rata against the value of all of the Remington shares entitled to appraisal.

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Any holder of Remington common stock who has duly demanded an appraisal in compliance with Section 262 of the DGCL will not, after the effective time of the merger, be entitled to vote the Remington shares subject to that demand for any purpose or be entitled to the payment of dividends or other distributions on those Remington shares (except dividends or other distributions payable to holders of record of Remington common stock as of a record date prior to the effective time of the merger).

If any stockholder who properly demands appraisal of his or her Remington common stock under Section 262 of the DGCL fails to perfect, or effectively withdraws or loses, his or her right to appraisal, as provided in Section 262 of the DGCL, the Remington shares of that stockholder will be converted into the right to receive the consideration receivable with respect to these Remington shares in accordance with the merger agreement. A stockholder will fail to perfect, or effectively lose or withdraw, his or her right to appraisal if, among other things, no petition for appraisal is filed within 120 days after the consummation of the merger, or if the stockholder delivers to Remington or Helix, as the case may be, a written withdrawal of his or her demand for appraisal. Any attempt to withdraw an appraisal demand in this matter more than 60 days after the consummation of the merger will require the written approval of the surviving company.

Failure to follow the steps required by Section 262 of the DGCL for perfecting appraisal rights may result in the loss of these rights, in which event a Remington stockholder will be entitled to receive the merger consideration receivable with respect to his or her Remington shares in accordance with the merger agreement.

If the number of shares of dissenting stock exceeds 8% of the outstanding shares of Remington common stock outstanding immediately prior to the effective time of the merger, then either Remington or Helix may elect not to consummate the merger.

## **Delisting and Deregistration of Remington Common Stock**

If the merger is completed, the shares of Remington common stock will be delisted from the New York Stock Exchange and will be deregistered under the Securities Exchange Act of 1934. The stockholders of Remington will become stockholders of Helix and their rights as stockholders will be governed by Helix's articles of incorporation and bylaws and by the laws of the State of Minnesota. See "Comparison of Stockholders' Rights" beginning on page 192 of this proxy statement/prospectus.

## **Federal Securities Laws Consequences; Resale Restrictions**

All shares of Helix common stock that will be distributed to Remington stockholders as a result of the merger will be freely transferable, except for restrictions applicable to persons who are deemed to be affiliates of Remington. Persons who are deemed to be affiliates of Remington may resell Helix shares received by them only in transactions permitted by the resale provisions of Rule 145 or as otherwise permitted under the Securities Act of 1933. Persons who may be deemed to be affiliates of Remington generally include executive officers, directors and individuals or entities who are significant stockholders of Remington. The merger agreement requires Remington to use its best efforts to cause each of its directors, executive officers and individuals or entities who Remington believes may be deemed to be affiliates of Remington to execute and deliver to Helix a written agreement to the effect that those persons will not sell, assign or transfer any of the Helix shares issued to them as a result of the merger unless that sale, assignment or transfer has been registered under the Securities Act of 1933, is in conformity with Rule 145 or is otherwise exempt from the registration requirements under the Securities Act of 1933.

This proxy statement/prospectus does not cover any resales of the Helix shares to be received by Remington's stockholders in the merger, and no person is authorized to make any use of this proxy statement/prospectus in connection with any resale.



**Table of Contents****INTERESTS OF REMINGTON DIRECTORS AND EXECUTIVE OFFICERS IN THE MERGER**

In considering the recommendation of the Remington board of directors with respect to the merger, Remington stockholders should be aware that some directors and executive officers of Remington have interests in the merger that are different from, or in addition to, the interests of Remington stockholders generally. The Remington board of directors was aware of those interests and took them into account in approving and adopting the merger agreement and recommending that Remington stockholders vote to approve and adopt the merger agreement. Those interests are summarized below.

**Stock Options and Restricted Stock**

All options to purchase Remington common stock granted under Remington's equity compensation plans that are outstanding immediately prior to the effective time of the merger are fully vested. At the effective time of the merger, each outstanding Remington stock option will be cancelled and converted into the right to receive the cash consideration and the stock consideration for each deemed outstanding Remington option share. Similarly, all shares of Remington restricted common stock issued under the Remington stock incentive plan that have not vested immediately prior to the effective time of the merger, will become fully vested at the effective time of the merger, and the holders of those restricted shares will be entitled to receive the corresponding cash consideration and stock consideration. See The Merger Agreement Treatment of Remington Options and Restricted Stock beginning on page 56.

The following table shows, as of May 24, 2006, the number of shares of Remington common stock subject to vested and unexercised stock options held by Remington's named executive officers and directors, and the number of shares of restricted Remington common stock held by Remington's named executive officers and directors that will vest as a result of the merger based on the closing price of Remington common stock of \$41.24 per share on May 24, 2006.

<b>Name and Principal Position</b>	<b>Stock Options</b>	<b>Value of Stock Options</b>	<b>Restricted Stock</b>	<b>Value of Restricted Stock</b>
James A. Watt, Chairman and Chief Executive Officer	70,000	\$ 1,628,200	93,240	\$ 3,845,218
Robert P. Murphy, President and Chief Operating Officer	38,597	\$ 880,002	68,280	\$ 2,815,867
Gregory B. Cox, Senior Vice President/Exploration	23,677	\$ 550,888	38,680	\$ 1,595,163
Steven J. Craig, Senior Vice President/Planning and Administration		\$	33,640	\$ 1,387,314
Frank T. Smith, Jr., Senior Vice President/Finance and Secretary	25,000	\$ 433,750	33,480	\$ 1,380,715
John E. Goble, Jr., Director	60,834	\$ 1,976,899	24,960	\$ 1,029,350
William E. Greenwood, Director	135,000	\$ 4,388,512	24,960	\$ 1,029,350
David E. Preng,		\$	24,960	\$ 1,029,350

Director Thomas W. Rollins,	110,000	\$ 3,582,512	24,960	\$ 1,029,350
Director Alan C. Shapiro,	47,500	\$ 1,290,575	24,960	\$ 1,029,350
Director				

**Change in Control Severance Agreements**

Remington has in place an Executive Severance Plan which covers James A. Watt, Chairman and Chief Executive Officer of Remington, and Robert P. Murphy, President and Chief Operating Officer of Remington, and an Employee Severance Plan which covers all other Remington officers and employees. The Executive Severance Plan and the Employee Severance Plan will remain in effect after the merger is consummated, and Helix will perform the obligations of Remington under these plans.



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***Executive Severance Plan***

Under the Executive Severance Plan, if either Mr. Watt or Mr. Murphy (i) is subject to an involuntarily termination (as defined in the Executive Severance Plan) or (ii) terminates his employment with Remington or Helix, as the case may be, for good reason (as defined in the Executive Severance Plan) within three months prior to, or within two years after, the consummation of the merger:

he will receive a lump sum cash payment equal to 2.99 times the sum of (A) his then current base salary and (B) his maximum annual incentive opportunity;

all stock options, restricted stock and other equity compensation awards granted to him will be subject to the terms of the grant agreement and plan under which they were granted;

for a period of three years, or until he gains new employment with substantially similar benefits, Helix will provide him with medical and dental benefits for him and his immediate family;

Helix will provide 12 months of out-placement services;

all non-qualified deferred compensation benefits will be immediately vested and subject to immediate distribution, subject to applicable provisions of tax law; and

he will receive a gross-up payment for any excise taxes imposed by Sections 409A or 4999 of the Internal Revenue Code.

***Employee Severance Plan***

There are two categories of employees under the Employee Severance Plan:

Officers and Select Exempt Employees, other than Mr. Watt and Mr. Murphy; and

Other Exempt Employees and Non-Exempt Employees.

Under the Employee Severance Plan, if an Officer and Select Exempt Employee (i) is subject to an involuntarily termination (as defined in the Employee Severance Plan) or (ii) terminates his or her employment with Remington or Helix, as the case may be, for good reason (as defined in the Employee Severance Plan) within two years after the consummation of the merger:

he or she will receive a lump sum cash payment equal to two times the sum of (A) his or her then current base salary and (B) his or her maximum annual incentive opportunity;

all stock options, restricted stock and other equity compensation awards granted to him or her will be subject to the terms of the grant agreement and plan under which they were granted;

for a period of two years, or until he or she gains new employment with substantially similar benefits, Helix will provide him or her with medical and dental benefits for him or her and his or her immediate family;

Helix will provide 12 months of out-placement services;

all non-qualified deferred compensation benefits will be immediately vested and subject to immediate distribution, subject to applicable provisions of tax law; and

he or she will receive a gross-up payment for any excise taxes imposed by Sections 409A or 4999 of the Internal Revenue Code.

Under the Employee Severance Plan, if an Exempt Employee, other than those discussed above, or Non-Exempt Employee (i) is subject to an involuntary termination or (ii) terminates his or her employment with Remington or Helix, as the case may be, for good reason within one year after the consummation of the merger:

he or she will receive a lump sum cash payment equal to the greater of six months base pay or one month's base salary for each year of service up to nine months base pay;

all stock options, restricted stock and other equity compensation awards granted to him or her shall be subject to the terms of the grant agreement and plan under which they were granted;

for a period of the greater of six months or one month for each year of service up to nine months, Helix shall provide him or her with medical and dental benefits for him or her and his or her immediate family; and

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he or she shall receive a gross-up payment for any excise taxes imposed by Sections 409A or 4999 of the Internal Revenue Code.

The following table sets forth the lump sum cash payments that Remington named executive officers would receive under the applicable severance plan if the merger is consummated and they become entitled to severance benefits, as described above.

<b>Executive Officer</b>	<b>Cash Severance Payments</b>
James A. Watt	\$ 4,485,000
Robert P. Murphy	\$ 2,616,250
Gregory B. Cox	\$ 900,000
Steven J. Craig	\$ 720,000
Frank T. Smith, Jr.	\$ 738,000

**Positions of Certain Remington Executive Officers After the Merger**

Helix has agreed that, as of the effective time of the merger, Helix will cause James A. Watt, Chairman of the Board and Chief Executive Officer of Remington, to be elected to the Helix board of directors.

On January 22, 2006, each of Robert P. Murphy, President and Chief Operating Officer of Remington and Gregory B. Cox, Vice President/Exploration of Remington, entered into letter agreements with Helix regarding employment with Helix upon effectiveness of the merger. Mr. Murphy will be the President and Chief Operating Officer of Merger Sub, the surviving company, and Mr. Cox will be Vice President Exploration of Merger Sub. Each will enter into a mutually agreeable employment agreement with the surviving company having substantially similar terms as those currently in effect for such officers of Helix and providing for total compensation equal to or greater than that currently received from Remington. Helix has also agreed to pay Mr. Murphy the severance payment he would be entitled to receive under the Remington Executive Severance Plan (as described above). In addition, Mr. Murphy will receive restricted stock valued at \$4,000,000 and Mr. Cox will receive restricted stock valued at \$2,000,000, each based on the closing price of Helix's common stock on the day before the date of grant, which is expected to be made on or about the effective date of the merger. Each of the grants will vest as to 60% of the shares initially covered thereby on the third anniversary of the date of grant and as to an additional 20% initially covered thereby on each of the next two anniversaries of the date of grant. In the case of Mr. Murphy, if his employment is terminated without cause (as defined in the Helix employment agreements for senior executives) before the third anniversary of the grant, then the restricted stock will be deemed to have vested 20% annually, beginning on the first anniversary of the grant. In addition, Messrs. Murphy and Cox have agreed not to compete with Helix or to solicit its employees for a period of three years following the execution of the letter agreement.

**Indemnification of Remington Officers and Directors**

Under the merger agreement, Helix has agreed to indemnify and hold harmless all past and present officers and directors of Remington for acts or omissions occurring at and prior to the effective time of the merger and to promptly advance reasonable litigation expenses incurred by these officers and directors in connection with investigating, preparing and defending any action arising out of these acts or omissions.

**D&O Insurance**

For a period of six years after the effective time of the merger, Helix has agreed that it will provide Remington's current officers and directors with an insurance and indemnification policy that provides for coverage of events occurring prior to the effective time that is no less favorable than the existing policy or, if substantially equivalent insurance coverage is unavailable, the best available coverage. However, Helix will not be required to pay an annual premium for this insurance in excess of \$490,781 (150% of the last annual premium paid by Remington preceding the date of the merger agreement).

**Ownership of Remington Common Stock**

Remington directors and officers beneficially owned, as of the record date, approximately 3.76% of the outstanding Remington common stock, including those shares of Remington common stock underlying outstanding stock options.

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**MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following discussion summarizes material U.S. federal income tax consequences of the merger to U.S. holders. This discussion is based upon the Internal Revenue Code of 1986, as amended, Treasury Regulations promulgated under the Internal Revenue Code, court decisions, published positions of the Internal Revenue Service and other applicable authorities, all as in effect on the date of this document and all of which are subject to change or differing interpretations, possibly with retroactive effect. This discussion is limited to U.S. holders who hold Remington shares as capital assets for U.S. federal income tax purposes (generally, assets held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of their particular circumstances or to holders who may be subject to special treatment under U.S. federal income tax laws, such as tax exempt organizations, foreign persons or entities, S corporations or other pass-through entities, financial institutions, insurance companies, broker-dealers, holders who hold Remington shares as part of a hedge, straddle, wash sale, synthetic security, conversion transaction, or other integrated investment comprised of Remington shares and one or more investments, holders with a functional currency (as defined in the Internal Revenue Code) other than the U.S. dollar, persons who exercise appraisal rights, and persons who acquired Remington shares in compensatory transactions. Further, this discussion does not address any aspect of state, local or foreign taxation. No ruling has been or will be obtained from the Internal Revenue Service regarding any matter relating to the merger. While receipt of opinions of counsel on the tax consequences of the merger are conditions to the closing, an opinion of counsel is not a guaranty of a result as it merely represents counsel's best legal judgment and is not binding on the Internal Revenue Service or the courts. As a result, no assurance can be given that the Internal Revenue Service will not assert, or that a court will not sustain, a position contrary to any of the tax aspects described below. Holders are urged to consult their own tax advisors as to the U.S. federal income tax consequences of the merger, as well as the effects of state, local and foreign tax laws.

As used in this summary, a U.S. holder includes:

an individual U.S. citizen or resident alien;

a corporation, partnership or other entity created or organized under U.S. law (federal or state);

an estate whose worldwide income is subject to U.S. federal income tax; or

a trust if a court within the United States of America is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of Remington shares, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Holders of Remington shares that are partnerships and partners in these partnerships are urged to consult their tax advisors regarding the U.S. federal income tax consequences of owning and disposing of Remington shares in the merger.

**THIS SUMMARY IS NOT A SUBSTITUTE FOR AN INDIVIDUAL ANALYSIS OF THE TAX CONSEQUENCES OF THE MERGER TO YOU. WE URGE YOU TO CONSULT A TAX ADVISOR REGARDING THE PARTICULAR FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE MERGER IN LIGHT OF YOUR OWN SITUATION.**

It is a condition to the closing of the merger that Fulbright & Jaworski L.L.P. and Andrews Kurth LLP deliver opinions, effective as of the date of closing, to Helix and Remington, respectively, to the effect that (i) the merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, (ii) each of Helix and Remington will be a party to the reorganization within the meaning of Section 368(b) of the Internal Revenue Code and (iii) no gain or loss will be recognized by Helix, Remington or Merger Sub as a result of the merger.

The opinions of Fulbright & Jaworski L.L.P., counsel to Helix, and Andrews Kurth LLP, counsel to Remington, which are required as a condition to closing the merger, are and will be based on U.S. federal income tax law in effect as of the date of these opinions. In rendering the opinions, Fulbright & Jaworski L.L.P. and Andrews Kurth LLP will rely on certain assumptions, including assumptions regarding the absence of changes in existing facts and the completion of the merger strictly in accordance with the merger agreement

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and this proxy statement/prospectus. The opinions will also rely upon certain representations and covenants of the management of Helix and Remington and will assume that these representations are true, correct and complete without regard to any knowledge limitation, and that these covenants will be complied with. If any of these assumptions or representations are inaccurate in any way, or any of the covenants are not complied with, the opinions could be adversely affected.

## **Tax Consequences of the Merger to U.S. Holders of Remington Common Stock**

### ***The Merger***

Assuming the merger qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, Remington stockholders will recognize neither gain nor loss with respect to the stock portion of the merger consideration, while with respect to the cash portion of the merger consideration Remington stockholders will generally recognize gain (but not loss) in an amount generally equal to the lesser of

the amount of cash received pursuant to the merger (excluding any cash received in lieu of fractional shares of Helix), and

the amount, if any, by which the sum of the fair market value of the Helix shares as of the effective time of the merger and the amount of cash received pursuant to the merger for these Remington shares exceeds the U.S. holder's adjusted tax basis in these Remington shares.

Gain recognized upon the exchange generally will be capital gain, unless the receipt of cash by a U.S. holder has the effect of a distribution of a dividend, in which case the gain will be treated as dividend income to the extent of the U.S. holder's ratable share of Remington's accumulated earnings and profits as calculated for U.S. federal income tax purposes. In general, the determination as to whether the receipt of cash has the effect of a distribution of a dividend depends upon whether and to what extent the transactions related to the merger will be deemed to reduce a U.S. holder's percentage ownership of Remington following the merger. For purposes of that determination, a U.S. holder will be treated as if he or she first exchanged all of the U.S. holder's Remington common stock solely for Helix common stock, and then a portion of that stock was immediately redeemed by Helix for the cash that the U.S. Holder actually received in the merger. The Internal Revenue Service has indicated that a reduction in the interest of a minority stockholder that owns a small number of shares in a publicly and widely held corporation and that exercises no control over corporate affairs would result in capital gain (as opposed to dividend) treatment. In determining whether or not the receipt of cash has the effect of a distribution of a dividend, certain constructive ownership rules must be taken into account. Any recognized capital gain will be long-term capital gain if the U.S. holder has held Remington shares for more than one year.

Remington stockholders who hold Remington shares with differing bases or holding periods should consult their tax advisors with regard to identifying the bases or holding periods of the particular Helix shares received in the merger.

If a U.S. holder receives cash in lieu of a fractional share of Helix shares, subject to the discussion above regarding possible dividend treatment, he or she will generally recognize capital gain or loss equal to the difference between the cash received in lieu of this fractional share and the portion of his or her adjusted tax basis in Remington shares surrendered that is allocable to this fractional share. The capital gain or loss will be long-term capital gain or loss if the holding period for Remington shares exchanged for cash in lieu of the fractional share of Helix stock is more than one year as of the date of the merger.

A U.S. holder will have an aggregate tax basis in shares of Helix shares received in the merger equal to the aggregate adjusted tax basis in Remington shares surrendered in the merger,

reduced by

the portion of his or her adjusted tax basis in those Remington shares that is allocable to a fractional share of Helix shares for which cash is received, and

the amount of cash received by him or her for these Remington shares in the merger, and

increased by the amount of gain (including the portion of this gain that is treated as a dividend as described above) recognized by him or her in the exchange (but not by any gain recognized upon the receipt of cash in lieu of a fractional share of Helix shares pursuant to the merger).



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The holding period of the Helix shares received by a Remington stockholder pursuant to the merger will include the holding period of Remington shares surrendered in exchange for these Helix shares, if these Remington shares are held as capital assets as of the effective time of the merger.

Holders of Remington shares are entitled to dissenters' rights under Delaware law in connection with the merger. If a U.S. holder receives cash pursuant to the exercise of dissenters' rights, that U.S. holder generally will recognize gain or loss measured by the difference between the cash received and his or her adjusted tax basis in his or her Remington shares. This gain should be long-term capital gain or loss if the U.S. holder held Remington shares for more than one year. Any holder of Remington shares that plans to exercise dissenters' rights in connection with the merger is urged to consult a tax advisor to determine the related tax consequences.

If the merger is not treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, then each U.S. holder would recognize gain or loss equal to the difference between the sum of the fair market value of the Helix shares and the amount of cash received in the merger (including cash received in lieu of fractional shares of Helix shares) and his or her tax basis in Remington shares surrendered in exchange therefor. Further, if the merger is not treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, Remington would be subject to tax on the deemed sale of its assets to Merger Sub, with gain or loss for this purpose measured by the difference between Remington's tax basis in its assets and the fair market value of the consideration deemed to be received therefor, or, in other words, the cash and Helix shares. This gain or loss would be reported on Remington's final tax return, subject to the effect of any tax carryovers and the effect of its other income or loss for that period, and Merger Sub would become liable for any such tax liability by virtue of the merger.

***Backup Withholding***

United States federal income tax law requires that a holder of Remington shares provide the exchange agent with his or her correct taxpayer identification number, which is, in the case of a U.S. holder who is an individual, a social security number, or, in the alternative, establish a basis for exemption from backup withholding. Exempt holders, including, among others, corporations and some foreign individuals, are not subject to backup withholding and reporting requirements. If the correct taxpayer identification number or an adequate basis for exemption is not provided, a holder will be subject to backup withholding on any reportable payment. Any amounts withheld under the backup withholding rules from a payment to a U.S. holder will be allowed as a credit against that U.S. holder's U.S. federal income tax and may entitle the U.S. holder to a refund, if the required information is furnished to the Internal Revenue Service.

To prevent backup withholding, each holder of Remington shares must complete the Substitute Form W-9 which will be provided by the exchange agent with the transmittal letter and certify under penalties of perjury that

the taxpayer identification number provided is correct or that the holder is awaiting a taxpayer identification number, and

the holder is not subject to backup withholding because

the holder is exempt from backup withholding,

the holder has not been notified by the Internal Revenue Service that he is subject to backup withholding as a result of the failure to report all interest or dividends, or

the Internal Revenue Service has notified the holder that he is no longer subject to backup withholding.

The Substitute Form W-9 must be completed, signed and returned to the exchange agent.

***Information Reporting***

Stockholders of Remington receiving Helix shares in the merger should file a statement with their U.S. federal income tax return setting forth their adjusted tax basis in Remington shares exchanged in the merger, as well as the fair market value of the Helix shares and the amount of cash received in the merger. In addition, stockholders of Remington will be required to retain permanent records of these facts relating to the merger.

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**THE MERGER AGREEMENT**

The following summary of the merger agreement is qualified by reference to the complete text of the merger agreement, which is attached as Annex A and incorporated by reference into this proxy statement/prospectus.

The merger agreement contains representations and warranties Helix and Remington made to each other. The assertions embodied in those representations and warranties are qualified by information in confidential disclosure schedules that Remington and Helix have provided to each other in connection with signing the merger agreement. The disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the attached merger agreement. Accordingly, you should keep in mind that the representations and warranties are modified in important part by the underlying disclosure schedules. The disclosure schedules contain information that has been included in Remington's or Helix's general prior public disclosures, as well as additional information, some of which is non-public. Neither Helix nor Remington believe the disclosure schedules contain information that the securities laws require them to publicly disclose except as discussed in this proxy statement/prospectus. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the merger agreement, and that information may or may not be fully reflected in the companies' public disclosures.

**Structure of the Merger**

Upon the terms and subject to the conditions of the merger agreement, and in accordance with the DGCL, at the effective time of the merger, Remington will merge with and into Cal Dive Merger Delaware Inc., a wholly owned subsidiary of Helix, which we refer to as Merger Sub. Merger Sub will continue as the surviving company and a wholly owned subsidiary of Helix. The separate corporate existence of Remington will cease. The effectiveness of the merger will not affect the separate corporate existence of Remington's subsidiaries, which will become subsidiaries of Merger Sub following the merger.

**Timing of Closing**

The closing date of the merger will occur as soon as possible following the date on which all conditions to the merger, other than those conditions that by their nature are to be satisfied at the closing, have been satisfied or waived. Helix and Remington expect to complete the merger during the second quarter of 2006. However, we do not know how long after the Remington special meeting the closing of the merger will take place. Helix and Remington hope to have the significant conditions, including necessary financings, satisfied so that the closing can occur immediately following the special meeting. However, there can be no assurance that such timing will occur or that the merger will be completed during the second quarter of 2006 as expected.

As soon as practicable after the closing of the merger, Merger Sub and Remington will file a certificate of merger with the Secretary of State of the State of Delaware. The effective time of the merger will be the time Merger Sub and Remington file the certificate of merger with the Secretary of State of the State of Delaware or at a later time as we may agree and specify in the certificate of merger.

**Merger Consideration**

At the effective time of the merger, each outstanding share of Remington common stock (other than any shares owned directly or indirectly by Remington or Helix and those shares held by dissenting stockholders) will be converted into the right to receive a combination of 0.436 of a share of Helix common stock and \$27.00 in cash, without interest. We

refer to the aggregate amount of the stock consideration and cash consideration to be received by Remington stockholders pursuant to the merger as the merger consideration.

**Fractional Shares**

No fractional shares of Helix common stock will be issued in the merger. Instead, you will be entitled to receive cash, without interest, in an amount equal to the fraction of a share of Helix common stock you might otherwise have been entitled to receive multiplied by the market value of a Helix share. The market value of a share of Helix common stock will be determined using the average of the closing sales price per share of

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Helix common stock on the Nasdaq National Market for the 20 trading days ending on the third day before the date the merger closes.

### **Potential Adjustment to Merger Consideration**

In the event that, before the effective time of the merger, any change in the outstanding shares of capital stock of Helix occurs as a result of any stock split, combination, merger, consolidation, reorganization or other similar transaction, or any distribution of shares of Helix common stock is declared with a record date occurring prior to the effective time of the merger, the number of shares of Helix common stock to be received by holders of Remington common stock will be appropriately adjusted to provide Remington stockholders with the same economic effect as was contemplated by the merger agreement prior to the occurrence of that event.

### **Treatment of Remington Options and Restricted Stock**

All Remington stock options have vested. At the effective time of the merger, the Remington stock options will be canceled and converted to a right to receive the cash consideration and the stock consideration for each deemed outstanding Remington option share. The number of deemed outstanding Remington option shares attributable to each Remington stock option will be equal to the net number of shares of Remington common stock (rounded to the nearest thousandth of a share) that would have been issued upon a cashless exercise of that Remington stock option immediately before the effective time of the merger. That net number of shares will be computed by deducting from the shares of Remington common stock that would be issued to the option holder a number of deemed surrendered shares of Remington common stock which is equal to the fair value of (i) the exercise price of a Remington stock option to be paid by the option holder and (ii) all amounts required to be withheld and paid by Remington for federal taxes and other payroll withholding obligations as a result of such exercise (using an assumed tax rate of 35%). The fair value of each deemed surrendered share of Remington common stock, for purposes of determining the net number of shares, will be equal to \$27.00 plus (A) 0.436 multiplied by (B) the market value of a share of Helix common stock (to be determined using the average of the closing sales price per share of Helix common stock on the Nasdaq National Market for the 20 trading days ending on the third trading day before the date the merger closes).

All shares of Remington restricted stock that have been issued but have not vested prior to the effective time of the merger will become fully vested at the effective time of the merger.

### **Conversion of Shares**

At the effective time of the merger, each outstanding share of Remington common stock (other than shares held by Remington, Helix and stockholders who properly exercise their dissenters' rights) will automatically be canceled and retired, will cease to exist and will be converted into the right to receive the merger consideration. Shares of Remington common stock owned by Remington or Helix will be canceled in the merger without payment of any merger consideration.

Prior to the completion of the merger, Helix will deposit with the exchange agent, for the benefit of the holders of Remington common stock, an amount in cash and certificates representing shares of Helix common stock (or instructions authorizing uncertificated shares of Helix common stock) sufficient to effect the conversion of Remington common stock into the cash and stock consideration to be paid in the merger. Helix will also make funds available to the exchange agent from time to time after the effective time of the merger as needed to pay any cash instead of fractional shares or any dividends or other distributions declared by Helix on shares of Helix common stock with a record date after the effective time of the merger and a payment date on or before the date the relevant Remington stock certificate was surrendered. Helix has appointed Wells Fargo Bank Minnesota, N.A. to act as exchange agent for the merger.

**Exchange Procedures**

As soon as reasonably practicable after the effective time of the merger, the exchange agent will send to each holder of Remington common stock a letter of transmittal for use in the exchange and instructions explaining how to surrender Remington shares to the exchange agent. Holders of Remington common stock who surrender their certificates to the exchange agent, together with a properly completed letter of transmittal,

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will receive the appropriate merger consideration. Holders of unexchanged shares of Remington common stock will not be entitled to receive any dividends or other distributions payable by Helix after the closing until their shares are properly surrendered

At the effective time of the merger, the stock transfer books of Remington will be closed and no further issuances or transfers of Remington common stock will be made. If, after the effective time, valid Remington stock certificates are presented to the surviving company for any reason, they will be cancelled and exchanged as described above to the extent allowed by applicable law.

The exchange agent will deliver to Helix any shares of Helix common stock to be issued in the merger or funds set aside by Helix to pay the cash consideration, cash in lieu of fractional shares in connection with the merger or to pay dividends or other distributions on Helix shares to be issued in the merger that are not claimed by former Remington stockholders within twelve months after the effective time of the merger. Thereafter, Helix will act as the exchange agent and former Remington stockholders may look only to Helix for payment of their shares of Helix common stock, cash consideration, cash in lieu of fractional shares and unpaid dividends and distributions. None of Remington, Helix, the surviving company, the exchange agent or any other person will be liable to any former Remington stockholder for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

**REMINGTON STOCK CERTIFICATES SHOULD NOT BE RETURNED WITH THE ENCLOSED PROXY CARD. REMINGTON STOCK CERTIFICATES SHOULD BE RETURNED WITH THE TRANSMITTAL LETTER AND ACCOMPANYING INSTRUCTIONS WHICH WILL BE PROVIDED TO REMINGTON STOCKHOLDERS FOLLOWING THE EFFECTIVE TIME OF THE MERGER.**

## **Directors and Officers of the Surviving Company After the Merger**

Under the merger agreement, the directors and officers of Merger Sub immediately prior to the effective time of the merger will be the directors and officers of the surviving company at and after the effective time of the merger.

## **Representations and Warranties**

The merger agreement contains customary and substantially reciprocal representations and warranties made by each party to the other. These representations and warranties relate to, among other things:

corporate organization, qualification and good standing and organizational power;

ownership of equity interests;

corporate power and authority to enter into the merger agreement, and due execution, delivery and enforceability of the merger agreement;

absence of a breach of charter documents, bylaws, material agreements, instruments or obligations, or applicable law as a result of the merger;

consents, approvals, orders, authorizations, registrations, declarations, filings and permits required to enter into the merger agreement or to complete the transactions contemplated by the merger agreement;

timely and accurate filings with the Securities and Exchange Commission in compliance with applicable rules and regulations;

financial statements;

capital structure;

absence of undisclosed liabilities;

absence of specified adverse changes or events since September 30, 2005;

material contracts;

compliance with laws, material agreements and permits;

governmental regulation;



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material litigation, material judgments or injunctions and absence of undisclosed investigations or litigation;  
absence of certain restrictive agreements or arrangements;  
tax matters;  
employee benefit plans and labor matters;  
employee contracts and benefits;  
insurance matters;  
intellectual property;  
title to assets;  
oil and gas operations;  
environmental matters;  
books and records;  
brokers and finders' fees;  
affiliate transactions;  
disclosure controls and procedures and internal control over financial reporting;  
derivative transactions and hedging;  
required vote of stockholders to approve the merger/absence of vote required by Helix shareholders;  
recommendation of Remington board of directors and opinion of financial advisor;  
funding for the merger;  
interim operation of Merger Sub;  
absence of imbalances;  
absence of preferential purchase rights;  
absence of tax partnerships;  
royalties;  
inapplicability of Delaware anti-takeover statute; and

earnings announcement by Remington.

The representations and warranties in the merger agreement are subject to materiality and knowledge qualifications in many respects and do not survive the closing or termination of the merger agreement, but they form the basis of specified conditions to the obligations of Helix and Remington to complete the merger.

### **Covenants and Agreements**

Each of Helix and Remington has undertaken various covenants in the merger agreement. The following summarizes the more significant of these covenants:

#### ***Operating Covenants    Remington***

Prior to the effective time of the merger Remington has agreed that it and its subsidiaries will conduct their operations in the ordinary and usual course consistent with past practices. Prior to the effective time of the merger, unless Helix consents otherwise in writing, with certain exceptions, Remington has agreed that neither Remington nor any of its subsidiaries will:

amend its certificate or articles of incorporation, bylaws or other organizational documents;

adjust, split, combine or reclassify any of its outstanding capital stock;

declare, set aside or pay any dividends or other distributions (whether payable in cash, property or securities) with respect to its capital stock;

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issue, sell or agree to issue or sell any securities or other equity interests, including its capital stock, any rights, options or warrants to acquire its capital stock, or securities (other than shares of Remington common stock issued pursuant to the exercise of any Remington stock option outstanding on the date of the merger agreement, or issued under grants or awards outstanding pursuant to Remington benefit plans in existence on the date of the merger agreement);

purchase, cancel, retire, redeem or otherwise acquire any of its outstanding capital stock or other securities or other equity interests, except pursuant to the terms of the Remington benefit plans in effect as of the date of the merger agreement;

merge or consolidate with, or transfer all or substantially all of its assets to, any other person (other than the merger contemplated in this proxy statement/prospectus);

liquidate, wind-up or dissolve;

acquire any corporation, partnership or other business entity or any interest therein (other than interests in joint ventures, joint operation or ownership arrangements or tax partnerships acquired in the ordinary course of business);

sell, lease or sublease, transfer or otherwise dispose of or mortgage, pledge or otherwise encumber any oil and gas interests of Remington that have a value in excess of \$25 million, individually, or any other assets that have a value at the time of such sale, lease, sublease, transfer or disposition in excess of \$25 million, individually, except that this clause shall not apply to:

the sale of hydrocarbons in the ordinary course of business or

encumbrances under the Remington credit agreement;

farm-out any oil and gas interest of Remington having a value in excess of \$10 million or interest therein;

sell, transfer or otherwise dispose of or mortgage, pledge or otherwise encumber any securities of any other person (including any capital stock or other securities or equity interest in any subsidiary of Remington);

make any loans, advances or capital contributions to, or investments in, any person (other than advances in the ordinary course of business);

enter into any material agreement or any other agreement not terminable by Remington or any of its subsidiaries upon notice of 30 days or less and without penalty or other obligation;

permit to be outstanding at any time under Remington's credit agreement indebtedness for borrowed money in excess of \$50 million, exclusive of any indebtedness incurred to fund costs relating to the transactions contemplated under the merger agreement;

incur any indebtedness for borrowed money other than under trade credit vendor lines not exceeding \$50 million in the aggregate or under Remington's credit agreement;

incur any other obligation or liability (other than liabilities incurred in the ordinary course of business);

assume, endorse (other than endorsements of negotiable instruments in the ordinary course of business), guarantee or otherwise become liable or responsible (whether directly, contingently or otherwise) for the liabilities or obligations of any other person;

enter into, or otherwise become liable or obligated under or pursuant to, or amend or extend:

any employee benefit, pension or other plan (whether or not subject to ERISA),

any other stock option, stock purchase, incentive or deferred compensation plan or arrangement or other fringe benefit plan, or

any consulting, employment, severance, termination or similar agreement with any Person;

except for payments made pursuant to any Remington benefit plan or certain other plans, agreements or arrangements, grant, or otherwise become liable for or obligated to pay, any severance or termination payment, bonus or increase in compensation or benefits (other than payments, bonuses or increases that

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are mandated by the terms of agreements existing as of the date of the merger agreement) to, or forgive any indebtedness of, any employee or consultant of any of Remington or its subsidiaries;

enter into any contract, agreement, commitment or arrangement with respect to any of the foregoing;

voluntarily resign, transfer or otherwise relinquish any right it has as of the date of the merger agreement, as operator of any oil and gas interest of Remington, except as required by law, regulation or contract;

create, incur, assume or permit to exist any lien on any of its assets, except for certain encumbrances which are permitted under the merger agreement: or

engage in any practice, take any action or permit by inaction any of the representations and warranties of Remington contained in the merger agreement to become untrue.

Prior to the effective time of the merger, unless Helix consents otherwise in writing, with certain exceptions, Remington has agreed that Remington and its subsidiaries will:

operate, maintain and otherwise deal with the oil and gas interests of Remington in accordance with good and prudent oil and gas field practices and in accordance with all applicable oil and gas leases and other contracts and agreements and all applicable laws, rules and regulations;

keep and maintain accurate books, records and accounts;

maintain in full force and effect the policies or binders of insurance described in Remington's representations and warranties concerning insurance matters in the merger agreement;

pay all taxes, assessments and other governmental charges imposed upon any of their assets or with respect to their franchises, business, income or assets before any penalty or interest accrues thereon;

pay all material claims (including claims for labor, services, materials and supplies) that have become due and payable and which by law have or may become a lien upon any of their assets prior to the time when any penalty or fine shall be incurred with respect thereto or any such lien shall be imposed thereon;

comply in all material respects with the requirements of all applicable laws, rules, regulations and orders of any governmental authority, obtain or take all governmental actions necessary in the operation of their businesses, and comply with and enforce the provisions of all of their material agreements, including paying when due all rentals, royalties, expenses and other liabilities relating to their businesses or assets;

preserve and keep in full force and effect their corporate existence and rights and franchises material to their performance under the merger agreement, except where the failure to do so would not have a material adverse effect (as defined in the merger agreement) on Remington; and

upon the request by Helix to Remington prior to the effective time of the merger, and subject to the limitations in Remington's credit agreement, enter into financial hedges for up to 50% of hydrocarbon production attributable to the proved developed producing reserves that Remington and its subsidiaries estimate will be produced before July 1, 2007 if Helix and Remington mutually agree that such hedges are reasonably prudent to protect Helix's expected acquisition economics and Remington's expected economics.

***Operating Covenants Helix***

Prior to the effective time of the merger Helix has agreed that it and its subsidiaries will conduct their operations in the ordinary and usual course consistent with past practices. Prior to the effective time of the merger, unless Remington consents otherwise in writing, with certain exceptions, Helix has agreed that Helix will not:

amend its certificate or articles of incorporation, bylaws or other organizational documents;

adjust, split, combine or reclassify any of its outstanding capital stock;

declare, set aside or pay any dividends or other distributions (whether payable in cash, property or securities) with respect to its capital stock;

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issue, sell or agree to issue or sell any securities or other equity interests, including its capital stock, any rights, options or warrants to acquire its capital stock, or securities convertible into or exchangeable or exercisable for its capital stock (other than shares of Helix common stock issued pursuant to the terms of any Helix benefit plan in existence on the date of the merger agreement, including, without limitation, Helix common stock issued pursuant to the exercise of any Helix stock option issued under any of such Helix benefit plans);

purchase, cancel, retire, redeem or otherwise acquire any of its outstanding capital stock or other securities or other equity interests, except pursuant to the terms of the Helix benefit plans in effect as of the date of the merger agreement;

merge or consolidate with, or transfer all or substantially all of its assets to, any other person, or permit any of its subsidiaries to merge or consolidate with, or transfer all or substantially all of its assets to, any other person (in each case other than the merger contemplated in this proxy statement/prospectus and other than any merger or consolidation of a wholly owned direct or indirect subsidiary of Helix with and into Helix in which Helix is the surviving corporation);

liquidate, wind-up or dissolve; or

enter into, or with regard to merger, consolidations or transfers of all or substantially all of the assets of a subsidiary of Helix permit such subsidiary to enter into, any contract, agreement, commitment or arrangement with respect to any of the foregoing.

Prior to the effective time of the merger, unless Remington consents otherwise in writing, with certain exceptions, Helix has agreed that neither Helix nor any of its subsidiaries will:

acquire any corporation, partnership or other business entity or any interest therein (other than interests in joint ventures, joint operation or ownership arrangements or tax partnerships acquired in the ordinary course of business) having an acquisition price in excess of \$50 million;

sell, lease or sublease, transfer or otherwise dispose of assets that have a value at the time of such sale, lease, sublease, transfer or disposition in excess of \$50 million, individually (except that this clause shall not apply to the sale of hydrocarbons, storage capacity, pipeline transportation capacity, or processing capacity in the ordinary course of business) or the disposition of vessels so long as individually or in the aggregate such dispositions are not material to the operations of Helix's services segment;

sell, transfer or otherwise dispose of any equity securities of any subsidiary of Helix; or

engage in any practice, take any action or permit by inaction any of the representations and warranties of Helix contained in the merger agreement to become untrue.

Prior to the effective time of the merger, unless Remington consents otherwise in writing, with certain exceptions, Helix has agreed that Helix will:

preserve and keep in full force and effect the corporate existence and rights and franchises material to their performance under the merger agreement, and will cause each of its subsidiaries to do the same, except where the failure to do so would not have a material adverse effect (as defined in the merger agreement) on Helix.

***Acquisition Proposals***

Remington has agreed that, except as specifically permitted in the merger agreement, it will not, and it will not authorize or permit its subsidiaries or its representatives to:

solicit, initiate or knowingly encourage any inquiries, offers or proposals that constitute, or are reasonably likely to lead to, any acquisition proposal (as defined below);

engage in discussions or negotiations with, furnish or disclose any information or data relating to Remington or any of its subsidiaries to, or in response to a request therefor, give access to the properties, assets or the books and records of Remington or its subsidiaries to, any person that has made or, to the knowledge of Remington, may be considering making any acquisition proposal or otherwise in connection with an acquisition proposal;



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grant any waiver or release under any standstill or similar contract with respect to any Remington common stock or any properties or assets of Remington or its subsidiaries;

approve, endorse or recommend any acquisition proposal;

enter into any agreement in principle, arrangement, understanding or contract relating to any acquisition proposal; or

take any action to exempt or make not subject to the provisions of the DGCL related to business combinations with interested stockholders or any other state takeover statute or state law that purports to limit or restrict business combinations or the ability to acquire or vote shares, any person (other than Helix and its subsidiaries) or any action taken thereby, which person or action would have otherwise been subject to the restrictive provisions thereof and not exempt therefrom.

An acquisition proposal is any contract, proposal, offer or other indication of interest (whether or not in writing and whether or not delivered to the stockholders of Remington) relating to any of the following (other than the transactions contemplated by the merger agreement or the merger):

any merger, reorganization, share exchange, take over bid, tender offer, recapitalization, consolidation, liquidation, dissolution or other business combination directly or indirectly involving Remington or its subsidiaries;

the acquisition in any manner, directly or indirectly, of any business or group of assets that generates 10% or more of Remington's consolidated net revenues, net income or stockholders' equity, or assets representing 10% or more of the book value of the assets of Remington and its subsidiaries, taken as a whole, or any license, lease, long-term supply agreement, exchange, mortgage, pledge or other arrangement having a similar economic effect, in each case in a single transaction or a series of related transactions; or

any direct or indirect acquisition of beneficial ownership of 10% or more of the shares of Remington common stock, whether in a single transaction or a series of related transactions.

Remington has agreed to promptly keep Helix reasonably informed of the status and terms of any inquiries, proposals or offers and the status and terms of any discussions or negotiations, including the identity of the person making such inquiry, proposal or offer. Except as specifically permitted in the merger agreement, Remington has also agreed to, and will cause its subsidiaries and instruct its officers, directors and representatives to, immediately terminate any activities, discussions or negotiations existing as of the date of the merger agreement with any person (other than Helix) conducted with respect to any acquisition proposal.

However, if the Remington board of directors determines in good faith, after consultation with its financial advisors and outside legal counsel, that an acquisition proposal that was unsolicited and that did not otherwise result from a breach of Remington's obligations described above in this Acquisition Proposals section is a superior proposal (as defined below), Remington may terminate the merger agreement if:

Remington stockholders have not yet approved and adopted the merger agreement;

Remington notifies Helix of its intent to take enter into a binding agreement concerning the superior proposal and attaches the most current version of such agreement;

Remington gives Helix at least three business days after delivery of such notice to negotiate to make adjustments in the terms and conditions of the merger agreement described in this proxy statement/prospectus as will enable Remington to proceed with this merger; and

Remington pays to Helix the sum of (i) Helix's documented out of pocket fees and expenses incurred or paid by or on behalf of Helix in connection with the merger or the consummation of any of the transactions contemplated by the merger agreement, including all HSR Act filing fees, fees and expenses of counsel, commercial banks, investment banking firms, accountants, experts, environmental consultants, and other consultants to Helix, up to a maximum amount not to exceed \$2 million, and (ii) \$45 million.

A superior proposal is a bona fide written acquisition proposal made by a third party for at least a majority of the voting power of Remington's then outstanding equity securities or all or substantially all of the

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assets of Remington and its subsidiaries, taken as a whole, if the board of directors of Remington determines in good faith (based on, among other things, the advice of its independent financial advisors and after consultation with outside counsel, and taking into account all legal, financial, regulatory and other aspects of the acquisition proposal) that such acquisition proposal:

would, if consummated in accordance with its terms, be more favorable, from a financial point of view, to the holders of Remington common stock than the transactions contemplated by the merger agreement described in this proxy statement/prospectus (taking into account any amounts payable by Remington to Helix upon termination of the merger agreement);

contains conditions which are all reasonably capable of being satisfied in a timely manner; and

is not subject to any financing contingency or to the extent financing for such proposal is required, that such financing is then committed.

## ***Employee Benefit Matters***

Generally, Helix will grant Remington employees full credit for past service with Remington for purposes of eligibility, vesting and benefit accrual under any employee benefit plans maintained by Helix or any of its subsidiaries. Remington employees will also receive full credit for their past service with Remington for purposes of determining the amounts of sick pay, holiday pay and vacation pay they are eligible to receive under any sick pay, holiday pay or vacation pay policies maintained by Helix and its subsidiaries. Helix will take any actions as are necessary so that each Remington employee who continues as an employee of Helix or any of its subsidiaries will not be subject to preexisting condition exclusions or waiting periods for coverages under any Helix benefit plan.

Helix will, and will cause its subsidiaries to, honor, in accordance with its terms, each Remington benefit plan and each Remington severance program and all obligations under those plans and programs, including any rights or benefits arising as a result of the merger. According to the merger agreement, the consummation of the merger constitutes a change of control or change in control, as the case may be, for all purposes under those Remington benefit plans and severance programs. The rights of each Remington employee or officer covered by a Remington severance program at or immediately prior to the effective time of the merger will remain in full force and effect, and each Remington severance program will remain in full force and effect pursuant to its terms, for a period of two years following the effective time of the merger.

## ***Indemnification and Insurance***

Each of Remington's certificate of incorporation and bylaws, and Helix's articles of incorporation and bylaws, contains a provision eliminating the personal liability of its directors to the relevant company or its stockholders for monetary damages for breach of fiduciary duty as a director to the extent permitted under applicable law. The effect of this provision is to eliminate the personal liability of directors to the company or its stockholders for monetary damages for actions involving a breach of their fiduciary duty of care. The articles of incorporation and bylaws of Helix generally provide for the mandatory indemnification of, and payment of expenses incurred by, its directors and officers to the fullest extent permitted under applicable law. The certificate of incorporation and bylaws of Remington generally provide for the mandatory indemnification of, and payment of expenses incurred by, directors and officers to the fullest extent permitted by applicable law. Remington and Helix have both obtained directors' and officers' liability insurance, which insures against liabilities that its directors and officers may incur in these capacities.

Following the effective time of the merger for a period of six years, Helix will indemnify, defend and hold harmless each person who is or was an officer, director, or employee of Remington or any of its subsidiaries at or prior to the

signing of the merger agreement or at or prior to the effective time of the merger. This indemnification will include indemnification against all losses, expenses (including attorneys' fees), claims, damages, liabilities and amounts that are paid in settlement arising out of actions or omissions occurring at or prior to the effective time of the merger (whether asserted or claimed prior to, at or after the effective time of the merger) that are based on the fact that the person is or was a director, officer, employee, controlling stockholder or agent of Remington or any of its subsidiaries or served as a fiduciary under any

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Remington employee benefit plan. Helix will not be liable for any settlement effected without its written consent, which consent will not be unreasonably withheld or delayed.

For six years after the effective time of the merger, Helix will also maintain in effect directors' and officers' liability insurance covering acts or omissions occurring prior to the effective time of the merger with respect to those directors and officers of Remington who were covered by, and on terms and in amounts no less favorable than those of, Remington's directors' and officers' liability insurance at the time the merger agreement was executed. Helix will not be required to pay aggregate annual premiums for the insurance described in this paragraph in excess of 150% of the last aggregate annual premiums paid by Remington prior to the date of the merger agreement (*i.e.*, not to exceed \$490,781). However, if Helix is unable to obtain the insurance described in this paragraph, Helix must obtain a policy with as much comparable coverage as possible for a cost up to but not exceeding 150% of the amount of those aggregate annual premiums.

### ***Affiliate Agreements***

Remington has agreed to use its best efforts to cause each person or entity identified by Remington who may be deemed an affiliate, as defined by Rule 145 under the Securities Act of 1933, to deliver to Helix prior to the date of the closing of the merger a written agreement that restricts the affiliate's ability to sell, transfer or otherwise dispose of any Helix shares issued to such affiliate in connection with the merger, except:

in compliance with Rule 145 under the Securities Act of 1933;

pursuant to an effective registration statement under the Securities Act of 1933; or

in reliance upon an opinion of counsel reasonably acceptable to Helix, to the effect that the sale, transfer or other disposition is exempt from registration under the Securities Act of 1933.

### ***Tax Matters***

The parties have agreed to use their reasonable best efforts to cause the merger to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

### ***Additional Agreements***

In addition to those covenants described above, the merger agreement contains additional agreements between Helix and Remington relating to, among other things:

convening and holding the Remington special meeting;

preparing, filing and distributing this proxy statement/prospectus and filing the registration statement of which this proxy statement/prospectus is a part;

providing access to information;

using their best efforts regarding filings with and obtaining waivers, consents and approvals from governmental and other agencies and organizations, including HSR filings; provided, that neither Helix nor Remington is under any obligation to defend any litigation relating to the merger under federal or state antitrust laws or sell or dispose of any of their assets;

providing notice of (i) any representation or warranty in the merger agreement becoming untrue or inaccurate, (ii) the occurrence of any event or development that would cause any representation or warranty to be untrue or inaccurate at the time of the closing of the merger or (iii) the failure to materially comply with or satisfy any covenant, condition or agreement in the merger agreement;

making public announcements;

payment of fees and expenses in connection with the merger;

tax matters;

matters related to Section 16 of the Exchange Act;

Helix's agreement to cause James A. Watt, one of the existing members of Remington's board of directors, to be elected to the board of directors of Helix at the effective time of the merger; and

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listing of the shares of Helix common stock to be issued in connection with the merger on the Nasdaq National Market upon official notice of issuance.

**Conditions Precedent**

***Conditions to Each Party's Obligation to Effect the Merger***

Unless waived in whole or in part by both Helix and Remington, the obligations of Helix, Merger Sub and Remington to complete the merger are subject to the following conditions:

adoption of the merger agreement by the holders of at least a majority of the outstanding Remington shares entitled to vote at the Remington special meeting;

receipt of consents, approvals, permits and authorizations of governmental authorities or other persons, including expiration or early termination of the waiting period under the Hart-Scott-Rodino Act, required to consummate the transactions contemplated by the merger agreement except where the failure to obtain them would not have a material adverse effect (as defined in the merger agreement) on Helix or materially adversely affect the consummation of the merger;

continued effectiveness of the registration statement of which this proxy statement/prospectus is a part, the absence of a stop order by the Securities and Exchange Commission suspending the effectiveness of the registration statement and the absence of any continuing action, suit, proceeding or investigation by the SEC to suspend such effectiveness;

receipt of all necessary approvals under state securities laws relating to the issuance or trading of the Helix common stock to be issued in the merger;

absence of any temporary restraining order, preliminary or permanent injunction or other order issued by a court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the merger, so long as the parties have used their reasonable efforts to have any applicable decree, ruling, injunction or order vacated;

approval for listing of the Helix shares to be issued in the merger on its stock exchange, upon official notice of issuance; and

absence of Remington stockholders exercising their appraisal and dissenters rights with respect to greater than 8% of the outstanding shares of Remington common stock immediately prior to the effective time of the merger.

***Conditions to Obligations of Helix and Merger Sub***

Unless waived in whole or in part by Helix and Merger Sub, the obligations of Helix and Merger Sub to effect the merger are subject to the following conditions:

accuracy as of the closing of the merger of the representations and warranties made by Remington to the extent specified in the merger agreement;

Remington's performance in all material respects of its covenants and agreements under the merger agreement;

the absence of a material adverse change in Remington's business or operations; and

receipt of an opinion satisfactory to Helix of its tax counsel, Fulbright & Jaworski L.L.P., to the effect that the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

***Conditions to Obligations of Remington***

Unless waived in whole or in part by Remington, the obligations of Remington to effect the merger are subject to the following conditions:

accuracy as of the closing of the merger of the representations and warranties made by Helix and Merger Sub to the extent specified in the merger agreement;



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Helix and Merger Subs performance in all material respects of their covenants and agreements under the merger agreement;

absence of a material adverse change in Helix's business or operations;

receipt of an opinion satisfactory to Remington of its tax counsel, Andrews Kurth LLP, to the effect that the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and

delivery by Helix to the exchange agent of an irrevocable letter of instruction, in a form reasonably satisfactory to Remington, authorizing and directing the transfer to Remington stockholders of the merger consideration.

**Termination**

Before the effective time of the merger, the merger agreement may be terminated:

by mutual written consent of Helix and Remington;

by either Helix or Remington, if:

adoption of the merger agreement by the Remington stockholders is not obtained;

the parties fail to consummate the merger on or before August 31, 2006, unless the failure is the result of a breach of the merger agreement by the party seeking the termination; or

any governmental authority has issued a final and nonappealable order, decree or ruling or has taken any other final and nonappealable action that restrains, enjoins or prohibits the merger, unless the party seeking the termination has not used all reasonable efforts to remove such injunction, order or decree;

by Helix, if:

Remington materially breaches any of its representations or warranties set forth in the merger agreement or Remington fails to materially perform any of its covenants or agreements under the merger agreement and, in either case, Remington has not cured the breach or failure within 10 days of receiving notice from Helix of such breach or failure;

Remington's board of directors (1) fails to recommend, or withdraws or modifies in any manner adverse to Helix, the approval or recommendation of the merger agreement, (2) recommends to the Remington stockholders, enters into, or publicly announces its intention to enter into, an agreement or an agreement in principle with respect to a superior proposal, (3) refuses to affirm its approval or recommendation of the merger agreement within 10 business days of any written request from Helix, (4) exempts any person or entity other than Helix from the provisions of the DGCL related to business combinations with interested stockholders or (5) publicly announces its intention to do any of the foregoing;

Remington breaches in any material respect its covenant not to solicit, initiate or knowingly encourage any inquiries, offers or proposals that constitute, or are reasonably likely to lead to, an alternate acquisition proposal or engaged in certain prohibited activities with respect thereto, or publicly announces its intention to do so; or

a competing tender or exchange offer constituting an acquisition proposal has commenced and Remington has not sent Remington stockholders a statement that Remington's board of directors recommends rejection of the acquisition proposal, or Remington publicly announces its intention not to do so;

by Remington, if:

prior to approval by Remington's stockholders of the merger agreement, the Remington board of directors approves a superior proposal; provided, that:

Remington complies with its obligations under the no-solicitation provisions of the merger agreement;

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the board of directors of Remington authorizes Remington to enter into a binding agreement with respect to the superior proposal and Remington notifies Helix of the superior proposal;

within three business days of that notice, Remington offers to negotiate with Helix in order to make adjustments to the terms and conditions of the merger agreement so that Remington can proceed with the merger with Helix; and

Remington's board of directors determines in good faith after those negotiations with Helix, upon consulting with Remington's independent financial advisor and outside counsel, that the superior proposal continues to be a superior proposal; see "The Merger Agreement - Covenants and Agreements - Acquisition Proposals" beginning on page 61; or

Helix materially breaches any of its representations or warranties set forth in the merger agreement or Helix fails to materially perform any of its covenants or agreements under the merger agreement, and, in either case, Helix has not cured the breach or failure within 10 days of receiving notice from Remington of such breach or failure.

If the merger agreement is validly terminated, the agreement will become void without any liability on the part of any party unless that party is in breach. However, certain provisions of the merger agreement, including, among others, those provisions relating to expenses and termination fees, will continue in effect notwithstanding termination of the merger agreement.

**Fees and Expenses**

Remington must pay to Helix the sum of (i) Helix's documented out of pocket fees and expenses incurred or paid by or on behalf of Helix in connection with the merger or the consummation of any of the transactions contemplated by the merger agreement, including all HSR Act filing fees, fees and expenses of counsel, commercial banks, investment banking firms, accountants, experts, environmental consultants, and other consultants to Helix, up to a maximum amount not to exceed \$2 million, and (ii) \$45 million, in the following circumstances:

if Remington terminates the merger agreement because, prior to approval by Remington's stockholders of the merger agreement, the Remington board of directors approves a superior proposal; provided, that:

Remington complies with its obligations under the no-solicitation provisions