

HELIX ENERGY SOLUTIONS GROUP, INC.
AUDIT COMMITTEE CHARTER

ADOPTED BY THE BOARD OF DIRECTORS
EFFECTIVE MARCH 6, 2006

Purpose

This charter governs the operations of the Audit Committee of Helix Energy Solutions Group, Inc. (the “Company”). The Audit Committee (the “Committee”) is appointed by the Company’s Board of Directors (the “Board”) to assist the Board in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to (1) the integrity of the financial statements of the Company, (2) the compliance by the Company with legal and regulatory requirements, (3) the performance of the Company’s internal audit function and independent registered public accounting firm, and (4) the independent registered public accounting firm’s qualifications and independence.

The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.

Composition

Annually, the Corporate Governance and Nominating Committee shall nominate and the Board of Directors shall appoint at least three members to the Audit Committee, one of whom shall be designated by the Board as Chair. Members of the Committee shall each be a member of the Board of Directors and meet the independence requirements set forth in Exchange Act Rule 10A-3 and the NASDAQ listing standards. All Committee members shall be financially literate, and at least one member shall be a “financial expert”, as defined by SEC regulations. The members of the Audit Committee may be removed and replaced by a majority vote of the Board of Directors.

Meetings

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically with management, the internal auditors and the independent registered public accounting firm including meetings with the independent registered public accounting firm in separate executive sessions, without management of the Company present. The Audit Committee may request any officer or employee of the Company, or the Company’s outside counsel or independent registered public accounting firm, to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. Any action required or permitted to be taken at a Committee meeting may be taken by a written action signed collectively, or individually in counterparts, by all members of the Committee. Any such written action shall be effective when signed by all members of the Committee, unless a different effective time is provided in the written action. Reports of the actions of the Audit

Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the meeting of the Audit Committee.

Committee Authority and Responsibilities

Background

Under the Sarbanes-Oxley Act of 2002 (the “Act”) and rules from the Securities and Exchange Commission (the “SEC”), the Audit Committee of the Board of Directors is responsible for the appointment, compensation and oversight of the work of the independent auditor.

The Pre-Approval Policy applies to the independent auditor(s) of Cal Dive. As part of its responsibility under the Act and SEC rules and regulations, the Audit Committee is required to pre-approve the audit and non-audit services performed by the independent auditor in order to assure that they do not impair the auditor’s independence from the Company.

Pre-Approved Services

The Audit Committee will periodically review and revise the list of pre-approved services and pre-approve the kind of services that may be provided by the independent auditor without obtaining specific pre-approval from the Audit Committee.

Appendix A lists the audit, audit-related and tax services that currently have such general pre-approval of the Audit Committee (the “General Pre-Approval”). The General Pre-Approval is for the fiscal year, unless the Audit Committee states otherwise. The Audit Committee will add to or subtract from the list of General Pre-approved services in Appendix A from time to time, based on subsequent determinations.

Proposed services by the independent auditor that are not listed in Appendix A and as a result does not have the General Pre-Approval of the Audit Committee, require specific pre-approval of the Audit Committee (“Full Audit Committee Pre-Approval”).

Proposed services by the independent auditor that are listed in Appendix A and as a result have the General Pre-Approval shall be notified to a designated independent (within the meaning of the SEC independence rules) member of the Audit Committee on a regularly basis, normally quarterly. In case there are services that are considered by the designated independent Audit Committee member as not falling within the General Pre-approved services, such service shall cease immediately or be approved by the Audit Committee. The designated member of the Audit Committee shall report to the Audit Committee on a regular basis for informational purposes.

Management (CFO/CAO) will assist the designated member of the Audit Committee to determine whether the independent auditor services are according to Appendix A General Pre-Approval. Requests or applications to provide services that require “Full Audit Committee Pre-Approval”, must include a statement from the CFO of CDI and the independent auditor as to whether, in their view, the request or application is consistent with the SEC’s rules on auditor independence.

The Audit Committee has designated the Chief Financial Officer to generally monitor the compliance with this Pre-Approval Policy and Procedures. Management will immediately report to the Audit Committee any breach of this Pre-Approval and Procedures that comes to the attention of any member of management.

The Audit Committee will on an annual basis review a formal written statement from the independent auditor(s) delineating all relationships between the independent auditor and the Company, consistent with Independence Standards Board Standard No. 1, and discussing with the independent auditor methods and procedures for ensuring independence.

The independent auditor(s) have reviewed this Pre-Approval Policy and Procedures and believes that implementation of it will not adversely affect the auditor's independence. In addition, in connection with each engagement, the independent auditor(s) will always be required to represent and confirm that the proposed services will not adversely affect the independent auditors independence.

Pre Approval of Audit and Non-Audit Services

Any individual project/service (other than statutory audits) estimated to involve a fee in excess of USD 50,000 must be specifically pre-approved by the Audit Committee. Pre-approved services shall not exceed the maximum amount of USD 500,000 in a fiscal year, without approval from the Audit Committee.

Prohibited Services

A list of the SEC's prohibited non-audit services for the independent auditor is attached to this policy Appendix B.

Charter and Self-Review

The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review the Audit Committee's own performance.

In addition to the foregoing, the Audit Committee is delegated all authority of the Board of Directors as may be required to fulfill the purposes of the Committee. Without limiting the generality of the preceding statement, the Audit Committee shall have authority and is entrusted with the responsibility to take the following actions:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent registered public accounting firm the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management and the independent registered public accounting firm the Company's quarterly financial statements, including disclosures made in management's discussion and analysis, prior to the filing of its Form 10-Q,

- including the results of the independent registered public accounting firm's review of the quarterly financial statements.
3. Discuss with management and the independent registered public accounting firm significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
 4. Review and discuss quarterly reports from the independent registered public accounting firm on:
 - a. All critical accounting policies and practices to be used.
 - b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accounting firm.
 - c. Other material written communications between the independent registered public accounting firm and management, such as any management letter or schedule of unadjusted differences.
 - d. The independent registered public accounting firm's judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.
 5. Review and discuss with management the Company's earnings press releases, including, but not limited to, the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
 6. Discuss with management and the independent registered public accounting firm the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
 7. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
 8. Discuss with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any

restrictions on the scope of activities or access to requested information, and any significant disagreements with management. These discussions shall include consideration of the quality of the Company's accounting principles as applied in its financial reporting, including review of estimates, reserves and accruals, review of judgmental areas, review of audit adjustments whether or not recorded and such other inquiries as may be appropriate.

9. Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of Company's Relationship with the Independent Registered Public Accounting Firm

10. Review and evaluate the lead partner of the independent registered public accounting firm team.
11. Obtain and review a report from the independent registered public accounting firm at least annually regarding (a) the independent registered public accounting firm's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent registered public accounting firm and the Company. Evaluate the qualifications, performance and independence of the independent registered public accounting firm, including considering whether the independent registered public accounting firm's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the registered public accounting firm's independence, and taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions with respect to the independent registered public accounting firm to the Board.
12. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
13. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent registered public accounting firm who participated in any capacity in the audit of the Company.
14. Meet with the independent registered public accounting firm prior to the audit to discuss the planning and staffing of the audit.

Oversight of the Company's Internal Controls and Internal Audit Function

15. Review the appointment and replacement of the senior internal auditing executive.
16. Review the significant reports to management prepared by the internal auditing department and management's responses.
17. Discuss with the independent registered public accounting firm and management of the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.
18. Review management's assertion on its assessment of the effectiveness of internal controls as of the end of the most recent fiscal year and the independent registered public accounting firms' report on management's assertion.

Compliance Oversight Responsibilities

19. Obtain from the independent registered public accounting firm assurance that Section 10A(b) of the Exchange Act (which requires the independent registered public accounting firm to report any evidence which it uncovers of an illegal act to management and the Board of Directors, and, in some instances, to the Securities and Exchange Commission) has not been implicated.
20. Obtain reports from management and the Company's senior internal auditing executive confirming that the Company and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics.
21. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
22. Discuss with management and the independent registered public accounting firm any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
23. Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.
24. Receive corporate attorneys' reports of evidence of a material violation of securities laws or breaches of fiduciary duty.

25. Review with management and approve all related-party transactions.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company. The independent registered public accounting firm is responsible for auditing the Company's financial statements and for reviewing the Company's unaudited interim financial statements.

Appendix A to Audit Committee Charter

General Pre-Approved Independent Auditor(s) Services

The annual Audit services engagement terms and fees will be subject to the specific pre-approval of the Audit Committee. The Audit committee will approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Company structure or other matters.

In addition to the annual Audit services engagement approved by the Audit Committee, the Audit Committee may grant pre-approval for other Audit Services, which are those services that only the independent auditor reasonably can provide. The Audit Committee has pre-approved the Audit Services listed below. All other Audit Services not listed must be separately pre-approved by the Audit Committee.

Audit Services

Statutory audits or financial audits for subsidiaries or affiliates of the Company including attestation required by law or regulation.

Services associated with SEC registration statements, annual report, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (e.g., comfort letters, consents), and assistance in responding to SEC comments letters.

Attestation of management reports on internal controls.

Consultations by the company's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard setting bodies (Note: Under SEC rules, some consultations may be "audit-related" services rather than "audit" services).

Consultations and research on accounting and financial reporting issues (providing assistance with understanding and implementing new accounting and financial reporting guidance from rule making authorities).

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are traditionally performed by the independent auditor. The Audit Committee believes that the provision of audit-related services does not impair the independence of the auditor, and has pre-approved the audit-related services listed below. All other audit-related services not listed must be separately pre-approved by the Audit Committee.

Audit-Related Services

Due diligence services pertaining to potential business acquisitions/dispositions.

Financial statement audits of employee benefit plans.

Agreed-upon or expanded audit procedures related to accounting and/or comply with financial, accounting, tax or regulatory reporting matters.

Internal control review, advices and assistance with internal control reporting requirements.

Consultations by the company's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard-setting bodies (Note: Under SEC rules, some consultations may be "audit" services rather than "audit-related" services).

Auditor's publications and seminar/training services and subscription to Auditor's research and knowledge tool, e.g., EY Online (GAAIT).

Attest services not required by statute or regulation.

Closing balance sheet audits pertaining to dispositions.

General assistance with implementation of the requirements of SEC rules or listing standards promulgated pursuant to the Sarbanes-Oxley Act.

The Audit Committee believes that the independent auditor can provide Tax services to the Company such as tax compliance, tax planning and tax advice without impairing the auditor's independence. The Audit Committee has pre-approved the Tax Services listed below. All other Tax Services not listed must be separately pre-approved by the Audit Committee. Also, as a formality it is stressed that any tax service proposed to be provided by the independent auditor to any executive officer or director of the Company, in his or her individual capacity, where and if such services are paid for by the Company, must be specifically pre-approved by the Audit Committee.

Tax Services

Review of income, franchise, and assistance with filing of tax returns in foreign countries of operations.

Assistance with tax audits and appeals.

Provide tax advice to address day to day questions and assistance regarding statutory, regulatory or administrative matters.

Assistance with value added tax (VAT) and indirect taxes (including filing) in foreign countries and operations.

Appendix B to Audit Committee Charter

Prohibited Non-Audit Services

- Bookkeeping or other services related to the accounting records or financial statements of the audit client
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit

These prohibited non-audit services are further described in SEC release No. 33-8183.