

GULF ISLAND FABRICATION INC

Form 4

December 14, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
MECHE KIRK J

2. Issuer Name **and** Ticker or Trading
Symbol
**GULF ISLAND FABRICATION
INC [GIFI]**

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

583 THOMPSON ROAD

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
12/13/2006

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)

Vice President Operations

HOUMA, LA 70363

(City) (State) (Zip)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D)	Price	
Common Stock	12/13/2006		M		3,100	A \$ 15	12,802 D
Common Stock	12/13/2006		S		3,100	D \$ 39.5	9,702 D
Common Stock	12/14/2006		M		8,400	A \$ 15	18,102 D
Common Stock	12/14/2006		S		8,400	D \$ 39.5	9,702 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options (Right to Buy)	\$ 15	12/13/2006		M		3,100		11/17/2001 ⁽¹⁾	11/17/2010	Common Stock	3,100
Options (Right to Buy)	\$ 15	12/14/2006		M		8,400		11/17/2001 ⁽¹⁾	11/17/2010	Common Stock	8,400

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MECHE KIRK J 583 THOMPSON ROAD HOUMA, LA 70363	Vice President Operations

Signatures

Kirk J. Meche 12/14/2006

__Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Exercisable in annual increments equal to 20% of the total number of options beginning on 11/17/2001 and on the next four subsequent anniversaries thereof.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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