FORM 4	ŀ
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Check this box if no
longer subject to
Section 16. Form 4 or
Form 5 obligations may
continue. See

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

OMB APPROVAL
OMB Number: 3235-0287
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Form 5 obligations may Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Response	s)											
1. Name and Address o GALLAGHER JOS			2. Issuer Name and Ticker or Trading Symbol GULF ISLAND FABRICATION INC [GIFI]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner			
583 THOMPSON	(First) ROAD		3. Date of Earliest Transaction (Month/Day/Year) 08/03/2004					_X_Officer (give title below) Other (specify below) Other (specify below) Other (specify below) Other (specify below) Other (specify below)				
HOUMA, LA 7036	(Street)		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				
(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acqui						ired, 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)	(Instr. 8)	ion	(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)	7. Nature of Indirect Beneficial Ownership	
				Code	v	Amount	(A) or (D)	Price		or Indirect (I) (Instr. 4)	(Instr. 4)	
Common Stock		08/03/2004		М		15,000	А	\$ 7.5	16,000	D		
Common Stock 08/03/2004		08/03/2004		S		15,000	D	\$ 20.27	1,000	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 SEC 1474 (9-02) this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

	(e.g., puts, calls, warrants, options, convertible securities)														
1. Title of	2.	3. Transaction	3A. Deemed	4.		5. N	umber of	6. Date Exercisab	7. Title and Amount		8. Price of	9. Number of	10.	11. Nature	
Derivative	Conversion	Date	Execution Date, if	Transac	tion	Der	ivative	Expiration Date	of Underlying Deri		Derivative	Derivative	Ownership	of Indirect	
Security	or Exercise	(Month/Day/Year)	any	Code		Sec	urities	(Month/Day/Year	Securities Secu		Security	Securities	Form of	Beneficial	
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acq	uired (A)		(Instr. 3 and 4) (Instr. 5)		Beneficially	Derivative	Ownership		
	Derivative						Disposed							2	(Instr. 4)
	Security					of (· ·						0	Direct (D)	
						·	tr. 3, 4,					or Indirect			
					-	and	5)					Transaction(s)	< / s		
											Amount		(Instr. 4)	(Instr. 4)	
									Expiration		or				
								Date Exercisable	Date	Title	Number				
									Date		of				
				Code	V	(A)	(D)				Shares				
Options										0					
(Right	\$ 7.5	08/03/2004		М			15.000	02/13/1998(1)	02/13/2007	Common Stock	15.000	\$ 0	10,600	D	
to Buy)	• • • •						- ,	02/10/1990		Stock					

Reporting Owners

Departing Owney Name / Address	Relationships								
Reporting Owner Name / Address	Director	10% Owner	Officer	Other					
GALLAGHER JOSEPH P 583 THOMPSON ROAD HOUMA, LA 70363			VP Fin./CFO, Treas/Asst Secy						

Signatures

Joseph P. Gallagher, III	08/04/2004
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 2/13/1998 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.

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