



## **Cal Dive's ERT Subsidiary Acquires Offshore Blocks From SONAT**

January 25, 1999

Energy Resource Technology, Inc. (ERT), a wholly owned subsidiary of Cal Dive International (CDI), has completed its largest acquisition of mature oil and gas properties to date by purchasing interests in ten blocks involving seven separate fields from Sonat Exploration Company (SONAT). The properties were purchased in exchange for an undisclosed amount of cash and other consideration, as well as assumption of SONAT's pro rata share of the related decommissioning liability.

The properties are located from High Island to the Ship Shoal area in the Gulf of Mexico in water depths from 40' to 150'. The 10 platforms, 9 caissons and 76 wells currently produce about 9.5 MMCFD and 600 BOPD. ERT will take over operatorship of all seven fields having acquired working interests of 50% to 100%.

With this acquisition, ERT now owns interests in 21 offshore leases and has accumulated a significant backlog of CDI decommissioning work in 17 ERT operated fields, which include 33 platforms, 18 caissons, and 174 wells.

Cal Dive's Chief Executive Officer Owen Kratz said "Falling commodity prices, both oil and natural gas, have already resulted in a number of opportunities where customers are reassessing the cost of retaining marginal properties, particularly in light of industry-wide manpower reductions. ERT has proven to be a unique option in these circumstances as it will buy mature properties, thereby relieving the customer of the abandonment obligation. In addition, since CDI is the market leader in Gulf of Mexico structure removals, we are also presently involved in a number of projects designed to assist customers in evaluating the most cost effective means of dealing with 1999 regulatory field abandonment requirements. Our recent alliance with Horizon Offshore provides additional salvage capacity which can be brought to bear in these efforts."

Cal Dive International, headquartered in Houston, Texas is a leading subsea services contractor which operates the largest fleet of permanently deployed dynamically positioned support vessels and conducts salvage operations in the Gulf of Mexico. Energy Resource Technology acquires and operates mature offshore properties as part of CDI decommissioning services. The company's shares are traded on NASDAQ under the symbol CDIS.