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

FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
for the quarterly period ended June 30, 1997

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from ____________ to ___________

Commission File Number: 0-22739

Cal Dive International, Inc.
(Exact Name of Registrant as Specified in its Charter)

Minnesota	95-3409686
(State of Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

400 N. Sam Houston Parkway E.
Suite 400
Houston, Texas 77060
(Address of Principal Executive Offices)

(281) 618-0400
(Registrants telephone number, Including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13(b) or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [ ] No [X]

At August 14, 1997 there were 14,502,831 shares of common stock, no par value outstanding.

CAL DIVE INTERNATIONAL, INC.
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Part I. Financial Statements

Item 1. Financial Statements

Cal Dive International, Inc. and Subsidiary
Consolidated Balance Sheets
(in thousands)

	June 30, 1997	Dec. 31, 1996
ASSETS	(unaudited)	
CURRENT ASSETS:		
Cash and cash equivalents	$ 624	$ 204
Accounts receivable --		
Trade, net of revenue allowance on gross amounts billed of $921 and $1,021	12,844	18,849
Unbilled	13,158	7,364
Other current assets	4,533	2,755
Total current assets	31,159	29,172
PROPERTY AND EQUIPMENT	69,476	61,466
Less - Accumulated depreciation	(16,104)	(13,260)
	53,372	48,206
OTHER ASSETS:		
Cash deposits restricted for salvage operations	5,411	5,234
Loan acquisition costs and other assets, net	236	444
	$ 90,178	$ 83,056
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 10,610	$ 9,909
Accrued liabilities	4,383	5,758
Income taxes payable	1,804	94
Total current liabilities	16,797	15,761
LONG-TERM DEBT	20,000	25,000
DEFERRED INCOME TAXES	6,525	5,417
DECOMMISSIONING LIABILITIES	5,100	6,034
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, no par, 20,000 shares authorized, 18,448 shares issued and outstanding	13,212	9,093
Retained earnings	32,295	25,806
Treasury stock, 6,821 and 7,349 shares, at cost	(3,751)	(4,055)
Total shareholders' equity	41,756	30,844
	$ 90,178	$ 83,056

The accompanying notes are an integral part of these consolidated financial statements.

Cal Dive International, Inc. and Subsidiary
Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996
	(unaudited)	
NET REVENUES:		
Subsea and salvage	$25,258	$15,078
Natural gas and oil production	3,370	2,527
	28,628	17,605
COST OF SALES:		
Subsea and salvage	17,322	10,660
Natural gas and oil production	2,024	1,448
Gross profit	9,282	5,497
SELLING AND ADMINISTRATIVE EXPENSES:		
Selling expenses	349	289
Administrative expenses	1,613	1,359
Total selling and administrative expenses	1,962	1,648
INCOME FROM OPERATIONS	7,320	3,849
OTHER INCOME AND EXPENSE:		
Interest expense, net	299	30
Other (income) expense, net	18	15
INCOME BEFORE INCOME TAXES	7,003	3,804
Provision for income taxes	2,399	1,401
NET INCOME	$ 4,604	$ 2,403
EARNINGS PER SHARE	$ 0.40	$ 0.22
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	11,570	11,099

The accompanying notes are an integral part of these consolidated financial statements.

Cal Dive International, Inc. and Subsidiary
Consolidated Statements of Operations
(in thousands, except per share data)

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
	(unaudited)	
NET REVENUES:		
Subsea and salvage	$38,846	$23,793
Natural gas and oil production	8,226	4,996
	47,072	28,789
COST OF SALES:		
Subsea and salvage	28,103	17,297
Natural gas and oil production	4,265	2,847
Gross profit	14,704	8,645
SELLING AND ADMINISTRATIVE EXPENSES:		
Selling expenses	710	573
Administrative expenses	3,468	2,522
Total selling and administrative expenses	4,178	3,095
INCOME FROM OPERATIONS	10,526	5,550
OTHER INCOME AND EXPENSE:		
Interest expense, net	617	94
Other (income) expense, net	32	26
INCOME BEFORE INCOME TAXES	9,877	5,430
Provision for income taxes	3,388	1,870
NET INCOME	$ 6,489	$ 3,560
EARNINGS PER SHARE	$ 0.57	$ 0.32
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	11,336	11,099

The accompanying notes are an integral part of these consolidated financial statements.

Cal Dive International, Inc. and Subsidiary
Consolidated Statements of Cash Flows
(in thousands)

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 6,489	$ 3,560
Adjustments to reconcile net income to net cash provided by operating activities --		
Depreciation and amortization	3,522	1,970
Deferred income taxes	1,108	403
Gain on sale of property	(464)	0
Changes in operating assets and liabilities:		
Accounts receivable, net	211	(5,145)
Other current assets	(1,778)	(616)
Accounts payable and accrued liabilities	(674)	1,217
Income taxes payable/receivable	1,710	767
Other noncurrent, net	125	64
Net cash provided by operating activities	10,249	2,220
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(10,159)	(1,398)
Purchase of deposits restricted for salvage operations	(177)	(199)
Proceeds from sale of property	1,084	0
Net cash used in investing activities	(9,252)	(1,597)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Sale of treasury stock, net of transaction costs	4,423	0
Borrowings under term loan facility	6,700	4,600
Repayments of long-term debt	(11,700)	(4,900)
Net cash used in financing activities	(577)	(300)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	420	323
CASH AND CASH EQUIVALENTS:		
Balance, beginning of period	204	159
Balance, end of period	$ 624	$ 482

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements include the accounts of Cal Dive International, Inc. (Cal Dive or the Company) and its wholly owned subsidiary, Energy Resource Technology, Inc. All significant intercompany accounts and transactions have been eliminated. These financial statements, which are unaudited, have been prepared pursuant to instructions for the Quarterly Report on Form 10-Q required to be filed with the Securities and Exchange Commission and do not include all information and footnotes normally included in financial statements prepared in accordance with generally accepted accounting principles. Management has reflected all adjustments (which were normal recurring adjustments) which it believes are necessary for a fair presentation of the consolidated balance sheets, results of operations, and cash flows, as applicable. Operating results for the periods ended June 30, 1997, are not necessarily indicative of the results that may be expected for the year ending December 31, 1997. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Registration Statement on Form S-1 dated July 1, 1997.

NOTE 2 - EARNINGS PER SHARE

Net income per share is calculated by dividing net income by the weighted average common shares outstanding for the applicable period. Outstanding stock options are common stock equivalents but are excluded from earnings per share as the effects were immaterial.

In March 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 128, "Earnings Per Share". This statement replaces APB Opinion No. 15 and establishes standards for computing and presenting earnings per share. The Company is required to adopt this standard for the year ended December 31, 1997. Management believes adoption of this standard will not have a material effect on the Company's reported earnings per share amounts.

NOTE 3 - SHAREHOLDERS' EQUITY

On April 11, 1997 Coflexip acquired approximately 3.7 million shares of the Company's stock, consisting of 3.2 million shares sold by management and First Reserve Funds and 528,541 shares sold by the Company, each at a price of $9.46 per share. Coflexip and the Company have formed a strategic alliance to jointly pursue Deepwater opportunities in the Gulf of Mexico. The Company had previously, in February of 1997, contracted with Coflexip to acquire two ROVs at published retail prices. As part of the April 11 transaction Coflexip also agreed to accept 528,541 shares of the Company's common stock as payment for the ROVs.

NOTE 4 - SUBSEQUENT EVENTS

The Company completed an initial public offering of common stock on July 7, 1997, with the sale of 4.1 million shares (including exercise of the full over-allotment option) at $15 per share. Of the 4.1 million shares, 2,875,000 shares were sold by the Company and 1,265,000 shares were sold by First Reserve Funds. Net proceeds to the Company from the offering were approximately $40.1 million, net of underwriting discounts and commissions. The Company utilized $20.0 million of the proceeds to retire all of its outstanding long-term indebtedness. The following unaudited pro forma balance sheet as of June 30, 1997 gives effect to the July 7, 1997 sale as if it had been consummated as of June 30, 1997.

	Actual, JUNE 30, 1997	ADJUSTMENTS	Pro Forma, JUNE 30, 1997
Current assets	$ 31,159	$20,106	$ 51,265
Property and equipment	53,372	--	53,372
Other assets	5,647	--	5,647
Current liabilities	(16,797)	--	(16,797)
Total bank debt	(20,000)	20,000	--
Other liabilities	(11,625)	--	(11,625)
Shareholders' equity	$ 41,756	$40,106	$ 81,862

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD LOOKING STATEMENTS AND ASSUMPTIONS

This Quarterly Report on Form 10-Q may contain or incorporate by reference certain forward-looking statements, including by way of illustration and not of limitation, statements relating to liquidity, margins, the Company's business strategy, plans for future operations, and the industry conditions. The Company strongly encourages readers to note that some or all of the assumptions, upon which such forward-looking statements are based, are beyond the Company's ability to control or estimate precisely, and may in some cases be subject to rapid and material changes. Accordingly, evaluation of future prospects of the Company must be made with caution when relying on forward-looking information.

RESULTS OF OPERATIONS

COMPARISON OF THREE MONTHS ENDED JUNE 30, 1997 AND 1996

REVENUES. During the three months ended June 30, 1997, the Company's revenues increased 63% to $28.6 million compared to $17.6 million for the three months ended June 30, 1996. The Subsea and Salvage segment contributed 92% of the increase with the Natural Gas and Oil Production segment providing the remaining 8%. Approximately half of the increase was due to the addition of the Dynamically Positioned MSV UNCLE JOHN. Additionally, the CAL DIVER V completed a large construction project during the quarter which represented 11% of consolidated second quarter revenues.

Natural gas and oil production revenue for the three months ended June 30, 1997 was $3.4 million as compared to $2.5 million for the three months ended June 30, 1996. Production increased due to five blocks acquired during the second half of 1996. This was offset partially by lower gas prices which averaged $2.01/Mcf during the three months ended June 30, 1997 as compared to $2.33/Mcf for the three months ended June 30, 1996. Also contributing to the increased revenue was a book gain on the sale of two blocks during the second quarter of 1997.

GROSS PROFIT. Gross profit increased $3.8 million, or 69%, from $5.5 million for the three months ended June 30, 1996, to $9.3 million for the three months ended June 30, 1997. The addition of the UNCLE JOHN contributed $1.7 million of the increase with the balance due mainly to improved rates on surface diving projects from the Company's four point moored vessels.

Natural gas and oil production gross profit was $1.3 million for the three months ended June 30, 1997, as compared to $1.1 million during the same period in the prior year. As discussed above the gain on the sale of properties and increased production from the property acquisitions was offset by a decline in average gas prices.

SELLING & ADMINISTRATIVE EXPENSES. Selling and administrative expenses increased $300,000, or 19%, to $2.0 million for the three months ended June 30, 1997, as compared to $1.7 million during the same period in the prior year. The majority of the increase is due to the addition of a number of experienced technical personnel to support the new deepwater technical services group.

NET INTEREST. Net interest expense increased from $30,000 for the three months ended June 30, 1996, to $299,000 for the three months ended June 30, 1997. This increase was due to borrowings incurred in conjunction with the acquisitions of two DP vessels, the BALMORAL SEA and UNCLE JOHN, and offshore properties added during the second half of 1996. Borrowings under the Revolving Credit Agreement averaged $18.9 million during the second quarter of 1997 as compared to $5.3 million during the second quarter of 1996.

INCOME TAXES. Income taxes of $2.4 million for the three months ended June 30, 1997, increased over the comparable prior year period due to increased margins and profitability.

NET INCOME. Net income of $4.6 million for the three months ended June 30, 1997 was $2.2 million, or 92%, more than the comparable period in 1996 as a result of factors described above.

COMPARISON OF SIX MONTHS ENDED JUNE 30, 1997 AND 1996

REVENUES. Consolidated revenues of $47.1 million for the first half of 1997 was 64% more than the $28.8 million earned during the first half of 1996 due primarily to the addition of DP vessels, improved demand for traditional subsea services and increased natural gas and oil production. The addition of the BALMORAL SEA in April, 1996 and the UNCLE JOHN in November, 1996 caused revenues from DP vessels to increase 102% to $20.0 million for the six months ended June 30, 1997 as compared to the comparable prior year period. Stronger market conditions for 4-Point surface diving and the supply boats, along with the DP vessels, offset the fact that seven vessels were out of service for a combined 40 weeks during the first half of 1997 for regulatory inspections, preventative maintenance and/or vessel upgrades. During the first half of 1996 only one such vessel came out of service for any significant length of time.

Natural gas and oil production was $8.2 million for the first half of 1997 as compared to $5.0 million for the first half of 1996. The 1997 revenue benefited from the Company's 1996 well enhancement efforts and also includes a book gain from the sale of two properties during the second quarter of 1997. Average gas sales prices improved slightly in the first half of 1997 to $2.48/Mcf as compared to $2.40/Mcf during the comparable period in 1996.

GROSS PROFIT. Gross profit increased by $6.1 million, or 70%, from $8.6 million in the first half of 1996 to $14.7 million in the first half of 1997. The additions of the UNCLE JOHN and BALMORAL SEA, along with improved rates on the Witch Queen made up approximately half of the increase. The remaining increase was due to improved demand for traditional subsea services and increased natural gas and oil production. Subsea and salvage margins remained constant as an unusually active 1997 Maintenance Program took seven vessels out of service for a combined 40 weeks undergoing regulatory inspections or repairs and upgrades. As a result, Subsea and salvage repair costs were $3.2 million compared to $1.3 million in the first half of 1996.

Natural gas and oil production gross profit was $4.0 million for the six months ended June 30, 1997 as compared to $2.1 million for the comparable prior period. The increase was due to the acquisition of five blocks during the second half of 1996 and the gain recorded on the sale of two properties during the second quarter of 1997.

SELLING & ADMINISTRATIVE EXPENSES. Selling and administrative expenses increased 35% to $4.2 million in the six months ended June 30, 1997 as compared to the first half of 1996. The increase is due to the addition of new personnel to support the Company's deepwater strategy and growth in its base business. The remainder of the increase is due to the ERT incentive compensation whereby key management personnel share in the improved earnings of the natural gas and oil production segment.

NET INTEREST. Net interest expense increased from $94,000 for the six months ended June 30, 1996, to $617,000 for the six months ended June 30, 1997. This increase was due to borrowings incurred in conjunction with the vessel and property during the second half of 1996. Borrowings under the Revolving Credit Agreement averaged $20.1 million during the first half of 1997 as compared to $5.9 million during the first half of 1996.

INCOME TAXES. Income taxes were $3.4 million for the first half of 1997 as compared to $1.9 million for the comparable prior year period. The increase was due to the Company's increased profitability. Higher depreciation related to the new DP vessels has resulted in a reduction of the amount of cash taxes paid in the period and also a corresponding increase in deferred tax liability.

NET INCOME. Net income increased 82% to $6.5 million in the six months ended June 30, 1997 as compared to $3.6 million in the first half of 1996 as a result of factors described above.

LIQUIDITY AND CAPITAL RESOURCES

The Company has historically funded its operating activities principally from internally generated cash flow. As of June 30, 1997, the Company had $14.4 million of working capital. The Company completed an initial public offering of common stock on July 7, 1997, with the sale of 2,875,000 shares generating net proceeds to the Company of approximately $40.1 million, net of underwriting discounts and commissions. The Company utilized $20.0 million of the proceeds to retire all of its outstanding long-term indebtedness. Pro forma working capital as of June 30, 1997, giving effect to the closing of the IPO on July 7, 1997 is $34.5 million, including $20.7 million of cash and cash equivalents. Additionally, upon completion of the July 7, 1997 stock sale the Company has available all of a $40.0 million Revolving Credit Agreement. The Company has had, and anticipates having additional discussions with third parties regarding possible asset acquisitions (including natural gas and oil properties and vessels). However, the Company can give no assurance that any such transaction can be completed.

OPERATING ACTIVITIES. Net cash provided by operating activities was $10.2 million in the six months ended June 30, 1997, as compared to $2.2 million provided in the six months ended June 30, 1996. This increase is primarily the result of increased profitability of the Company. Depreciation and amortization increased as a result of vessel and natural gas and oil properties acquisitions, acquisitions which also caused an increase in deferred taxes.

The Company experienced improved collections of its billed accounts receivable during the first half of 1997 as compared to the comparable prior year period. Total accounts receivable remained virtually unchanged at June 30, 1997 as compared to December 31, 1996. However, the mix between billed and unbilled shifted significantly resulting in a larger portion of total accounts receivable being unbilled as of June 30, 1997 as compared to December 31, 1996. This was primarily the result of several large, turnkey projects ongoing as of June 30, 1997.

INVESTING ACTIVITIES. The Company incurred $10.2 million of capital expenditures during the first half of 1997. Nearly half of this amount was for the acquisition of two ROVs from Coflexip with a majority of the remaining balance representing costs associated with installation of a derrick on the UNCLE JOHN. During the second quarter of 1997, the Company sold two offshore natural gas and oil properties for approximately $1.0 million. This transactions has been structured as a Section 1031 "Like Kind" exchange for tax purposes. Accordingly, the cash received was restricted as of June 30, 1997, to be used for the acquisition of additional natural gas and oil properties. The amount is included in other current assets on the accompanying consolidated balance sheet.

FINANCING ACTIVITIES. During the six months ended June 30, 1997, the Company repaid $5.0 million, net of its borrowings under its Revolving Credit Agreement with Fleet Capital Corporation. As discussed above, subsequent to June 30, 1997, the Company paid off the remaining $20.0 million outstanding on July 7, 1997, with proceeds from the initial public offering.

CAPITAL COMMITMENTS. The Company does not have any material commitments for capital expenditures for the next year. However, as discussed previously, in connection with its business strategy, management expects the Company to acquire or build additional vessels, acquire other assets such as the ROV purchase from Coflexip, as well as seeking to buy additional natural gas and oil properties.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in various routine legal proceedings primarily involving claims for personal injury under the General Maritime Laws of the United States and Jones Act as a result of alleged negligence. The Company believes that the outcome of all such proceedings would not have a material adverse effect on its consolidated financial position, results of operations or net cash flows.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits -

Exhibit 27 - Financial Data Schedule. (Exhibit 27 is being submitted as an exhibit only in the electronic format of this Quarterly Report on Form 10-Q being submitted to the Securities and Exchange Commission.)

(b) Reports on Form 8-K - None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CAL DIVE INTERNATIONAL, INC.

Date: August 14, 1997

By: /s/ S.JAMES NELSON
S. James Nelson,
Executive Vice President
and Chief Financial Officer

Date: August 14, 1997

By: /s/ A. WADE PURSELL
A. Wade Pursell,
Vice President-Finance
and Chief Accounting Officer

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