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

FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM ....TO........

COMMISSION FILE NO. 0-20310

SUPERIOR ENERGY SERVICES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware	75-2379388
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1105 Peters Road Harvey, Louisiana	70058
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (504) 362-4321

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for 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 [X] No[ ]

The number of shares of the Registrant's common stock outstanding on May 5, 2000 was 67,353,089.

SUPERIOR ENERGY SERVICES, INC.
Quarterly Report on Form 10-Q for
the Quarterly Period Ended March 31, 2000

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EXPLANATORY NOTE

On July 15, 1999, we acquired Cardinal Holding Corp. through its merger with one of our wholly-owned subsidiaries. The merger was treated for accounting purposes as if Superior was acquired by Cardinal in a purchase business transaction. The purchase method of accounting required that we carry forward Cardinal's net assets at their historical book value and reflect Superior's net assets at their estimated fair value at the date of the merger. Accordingly, all historical financial results presented in the consolidated financial statements included in this Quarterly Report for periods prior to July 15, 1999 reflect Cardinal's results on a stand-alone basis. Cardinal's historical operating results were substantially different than ours for the same periods. The results for the quarter ended March 31, 2000 reflect three months of operations of Cardinal, Superior and Production Management Companies, Inc., which we acquired effective November 1, 1999. The results for the quarter ended March 31, 1999 reflect three months of operations of Cardinal only. Consequently, analyzing prior period results to determine or estimate our future operating potential will be difficult.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
March 31, 2000 and December 31, 1999
(in thousands, except share data)

	3/31/00 (Unaudited)	12/31/99 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,275	$ 8,018
Accounts receivable - net	40,210	41,878
Income tax receivable	-	224
Deferred tax asset	1,437	1,437
Prepaid insurance and other	4,146	4,565
Total current assets	49,068	56,122
Property, plant and equipment - net	138,594	134,723
Goodwill - net	78,116	78,641
Note receivable	8,898	8,898
Other assets - net	3,839	3,871
Total assets	$ 278,515	$ 282,255
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 9,742	$ 9,196
Accrued expenses	11,758	15,473
Income taxes payable	972	-
Current maturities of long-term debt	2,782	2,579
Notes payable - other	-	3,669
Total current liabilities	25,254	30,917
Deferred income taxes	12,392	12,392
Long-term debt	117,380	117,459
Stockholders' equity:		
Preferred stock of $.01 par value. Authorized, 5,000,000 shares; none issued	-	-
Common stock of $.001 par value. Authorized, 125,000,000 shares; issued, 59,968,789	60	60
Additional paid-in capital	249,348	248,934
Accumulated deficit	(125,919)	(127,507)
Total stockholders' equity	123,489	121,487
Total liabilities and stockholders' equity	$ 278,515	$ 282,255

See accompanying notes to consolidated financial statements

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
Three Months Ended March 31, 2000 and 1999
(in thousands, except per share data)
(unaudited)

	2000	1999
Revenues	$ 47,274	$ 18,978
Costs and expenses:		
Cost of services	27,762	10,506
Depreciation and amortization	4,737	1,940
General and administrative	9,311	3,677

Total costs and expenses	41,810	16,123
Income from operations	5,464	2,855
Other income (expense):		
Interest expense	(2,920)	(3,406)
Interest income	193	-
Income (loss) before income taxes	2,737	(551)
Income taxes	1,149	(98)
Net income (loss)	$ 1,588	$ (453)
Basic earnings (loss) per share	$ 0.03	$ (0.18)
Diluted earnings (loss) per share	$ 0.03	$ (0.18)
Weighted average common shares used in computing earnings (loss) per share:		
Basic	59,856	6,087
Diluted	60,301	6,087

See accompanying notes to consolidated financial statements

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Three Months Ended March 31, 2000 and 1999
(in thousands)
(unaudited)

	2000	1999
Cash flows from operating activities:		
Net income (loss)	$ 1,588	$ (453)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Deferred income taxes	-	(102)
Depreciation and amortization	4,737	1,940
Changes in operating assets and liabilities:		
Accounts receivable	1,668	4,145
Other - net	999	650
Accounts payable	546	(2,958)
Accrued expenses	(3,715)	(1,417)
Income taxes	1,196	-
Net cash provided by operating activities	7,019	1,805
Cash flows from investing activities:		
Payments for purchases of property and equipment	(8,587)	(1,144)
Net cash used in investing activities	(8,587)	(1,144)
Cash flows from financing activities:		
Net payments on notes payable	(3,713)	(4,440)
Proceeds from long-term debt	643	-
Principal payments on long-term debt	(519)	(1,376)
Proceeds from issuance of common and preferred stock	-	5,000
Proceeds from exercise of stock options	414	-
Net cash used in financing activities	(3,175)	(816)
Net decrease in cash and cash equivalents	(4,743)	(155)
Cash and cash equivalents at beginning of period	8,018	421
Cash and cash equivalents at end of period	$ 3,275	$ 266

See accompanying notes to consolidated financial statements

(1) MERGER

On July 15, 1999, Superior consummated a subsidiary merger (the "Merger") whereby it acquired all of the outstanding capital stock of Cardinal Holding Corp. ("Cardinal") from the stockholders of Cardinal in exchange for an aggregate of 30,239,568 shares of Superior's common stock (or 51% of the then outstanding common stock). The acquisition was effected through the merger of a wholly-owned subsidiary of Superior, formed for this purpose, with and into Cardinal, with the effect that Cardinal became a wholly-owned subsidiary of Superior.

As used in the consolidated financial statements for Superior Energy Services, Inc., the term "Superior" refers to the Company as of dates and periods prior to the Merger and the term "Company" refers to the combined operations of Superior and Cardinal after the consummation of the Merger.

Due to the fact that the former Cardinal shareholders received 51% of the outstanding common stock at the date of the Merger, among other factors, the Merger has been accounted for as a reverse acquisition (i.e., a purchase of Superior by Cardinal) under the purchase method of accounting. As such, the Company's consolidated financial statements and other financial information reflect the historical operations of Cardinal for periods and dates prior to the Merger. The net assets of Superior, at the time of the Merger, have been reflected at their estimated fair value pursuant to the purchase method of accounting at the date of the Merger.

(2) BASIS OF PRESENTATION

Certain information and footnote disclosures normally in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission; however, management believes the disclosures which are made are adequate to make the information presented not misleading. These financial statements and footnotes should be read in conjunction with the financial statements and notes thereto included in Superior Energy Services, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1999 and the accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations.

The financial information for the three months ended March 31, 2000 and 1999 has not been audited. However, in the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the results of operations for the periods presented have been included therein. The results of operations for the first three months of the year are not necessarily indicative of the results of operations that might be expected for the entire year. Certain previously reported amounts have been reclassified to conform to the 2000 presentation.

(3) EARNINGS PER SHARE

On July 15, 1999, the Company effected an approximate 364 to 1 stock issuance as a result of the Merger. All earnings per common share amounts, references to common stock, and stockholders' equity amounts have been restated as if the stock issuance had occurred as of the earliest period presented. The effect of preferred dividends on arriving at the income available to common stockholders was $623,000 for the first quarter of 1999.

(4) BUSINESS COMBINATIONS

On July 15, 1999, the Company acquired Cardinal through a merger by issuing 30,239,568 shares of the Company's common stock (see note 1). The valuation of Superior's net assets is based upon the 28,849,523 common shares outstanding prior to the Merger at the approximate trading price of $3.78 at the time of the negotiation of the Merger on April 21, 1999. The purchase price allocated to net assets was $54.1 million. The revaluation reflected excess purchase price of $54.9 million over the fair value of net assets, which was recorded as goodwill. The results of operations of Superior have been included from July 15, 1999.

Effective November 1, 1999, the Company acquired Production Management Companies, Inc. ("PMI") for aggregate consideration consisting of $3.0 million in cash, 610,000 shares of the Company's common stock at an approximate trading price of $5.66 and additional consideration, if any, based upon a multiple of four times PMI's EBITDA (earnings before interest, income taxes, depreciation and amortization expense) less certain adjustments. The acquisition was accounted for as a purchase, and PMI's assets and liabilities have been revalued at their estimated fair market value. The purchase price allocated to net assets was $3.5 million, and the excess purchase price of $3.0 million over the fair value of net assets was recorded as goodwill. The results of operations of PMI have been included from November 1, 1999.

Effective July 1, 1999, Superior sold two subsidiaries for a promissory note having an aggregate principal amount of $8.9 million, which bears interest of 7.5% per annum. These two subsidiaries were originally acquired in the second quarter of 1998. As part of the sale, the purchasers were granted the right to resell the capital stock of the two companies to the Company in 2002 subject to certain terms and conditions.

The following unaudited pro forma information for the three months ended March 31, 1999 presents a summary of the consolidated results of operations of Superior, Cardinal, and PMI as if the Merger, the acquisition and the sales of subsidiaries had occurred on January 1, 1999, with pro forma adjustments to give effect to amortization of goodwill, depreciation and certain other adjustments, together with related income tax effects (in thousands, except per share amounts):

	Three Months Ended March 31, 1999
Revenues	$47,349
Net income	$1,177
Basic earnings per share	$0.02
Diluted earnings per share	$0.02

The above pro forma information is not necessarily indicative of the results of operations as they would have been had the Merger, acquisition and sales of subsidiaries been effected on January 1, 1999.

(5) SEGMENT INFORMATION

The Company's reportable segments, subsequent to the Merger, are as follows: well services, wireline, marine, rental tools, environmental, field management and other. Each segment offers products and services within the oilfield services industry. The well services segment provides plug and abandonment services, coiled tubing services, well pumping and stimulation services, data acquisition services, gas lift services and electric wireline services. The wireline segment provides mechanical wireline services that perform a variety of ongoing maintenance and repairs to producing wells, as well as modifications to enhance the production capacity and life span of the well. The marine segment operates liftboats for oil and gas production facility maintenance and construction operations as well as production service activities. The rental tools segment rents and sells specialized equipment for use with onshore and offshore oil and gas well drilling, completion, production and workover activities. The environmental segment provides offshore oil and gas cleaning services, as well as dockside cleaning of items including supply boats, cutting boxes, and process equipment. The field management segment provides contract operations and maintenance services, interconnect piping services, sandblasting and painting maintenance services, and transportation and logistics services. The other segment manufactures and sells drilling instrumentation and oil spill containment equipment. All the segments operate primarily in the Gulf Coast Region.

Summarized financial information concerning the Company's segments for the three months ended March 31, 2000 and 1999 is shown in the following tables (in thousands):

THREE MONTHS ENDED MARCH 31, 2000

	Well Services	Wireline	Marine	Rental Tools	Environ.	Field Mgmt.	Other	Unallocated Amount	Consolidated Total
Revenues	$ 9,674	$ 7,621	$ 5,255	$13,433	$ 3,605	$ 6,083	$ 1,603	$ -	$ 47,274
Cost of services	6,329	5,128	3,541	4,076	2,180	5,661	847	-	27,762
Depreciation and amortization	799	552	811	2,099	217	225	34	-	4,737
General and administrative	1,935	1,341	863	2,997	909	913	353	-	9,311
Operating income (loss)	611	600	40	4,261	299	(716)	369	-	5,464
Interest expense	-	-	-	-	-	-	-	(2,920)	(2,920)
Interest income	-	-	-	-	-	-	-	193	193
Income (loss) before income taxes	$ 611	$ 600	$ 40	$ 4,261	$ 299	$ (716)	$ 369	$(2,727)	$ 2,737

THREE MONTHS ENDED MARCH 31, 1999

Well Services	Wireline	Marine	Unallocated Amount	Consolidated Total

Revenues	$ 5,621	$ 7,533	$ 5,824	$ -	$ 18,978
Cost of services	2,933	4,240	3,333	-	10,506
Depreciation and amortization	489	498	953	-	1,940
General and administrative	1,152	1,545	980	-	3,677
Operating income	1,047	1,250	558	-	2,855
Interest expense	-	-	-	(3,406)	(3,406)
Income (loss) before income taxes	$ 1,047	$ 1,250	$ 558	$(3,406)	$ (551)

(6) COMMITMENTS AND CONTINGENCIES

In September 1999, one of the Company's two hundred foot class liftboats was damaged in the Gulf of Mexico. The vessel was fully insured and management does not believe any related unasserted claims will have a material effect on the financial position, results of operations or liquidity of the Company.

From time to time, the Company is involved in litigation arising out of operations in the normal course of business. In management's opinion, the Company is not involved in any litigation, the outcome of which would have a material effect on the financial position, results of operations or liquidity of the Company.

(7) ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (FAS) No. 133, ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES. FAS No. 133, as amended, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000 and establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. FAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are to be recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Earlier application of the provisions of the Statement is encouraged and is permitted as of the beginning of any fiscal quarter that begins after the issuance of the Statement. The Company has not yet assessed the financial impact of adopting this statement.

(8) SUBSEQUENT EVENTS

On May 5, 2000, the Company completed the sale of 7.3 million shares of common stock, including 950,000 shares sold pursuant to the underwriter's over-allotment option. The offering generated net proceeds to the Company of approximately $63.2 million. Of the $63.2 million, the Company intends to use approximately $4.1 million of the proceeds to repay existing borrowings under the Company's $20 million revolving credit facility and $23.2 million in aggregate to purchase liftboats and to make an investment in an oilfield services company. The balance of the proceeds may be used for acquisitions and general working capital purposes.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

"Management's Discussion and Analysis of Financial Condition and Results of Operations" contains forward-looking statements which involve risks and uncertainties. All statements other than statements of historical fact included in this section regarding our financial position and liquidity, strategic alternatives, future capital needs, business strategies and other plans and objectives of our management for future operations and activities, are forward-looking statements. These statements are based on certain assumptions and analyses made by the our management in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. Such forward-looking statements are subject to uncertainties that could cause our actual results to differ materially from such statements. Such uncertainties include but are not limited to: the volatility of the oil and gas industry, including the level of offshore exploration, production and development activity; risks of our growth strategy, including the risks of rapid growth and the risks inherent in acquiring businesses; changes in competitive factors affecting our operations; operating hazards, including the significant possibility of accidents resulting in personal injury, property damage or environmental damage; the effect on our performance of regulatory programs and environmental matters; seasonality of the offshore industry in the Gulf of Mexico and our dependence on certain customers. These and other uncertainties related to our business are described in detail in our Annual Report on Form 10-K for the year ended December 31, 1999. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update any of our forward-looking statements for any reason.

ACQUISITION OF CARDINAL HOLDING CORP.

On July 15, 1999, we acquired Cardinal Holding Corp. through its merger with one of our wholly-owned subsidiaries. The merger was treated for accounting purposes as if we were acquired by Cardinal in a purchase business transaction. The purchase method of accounting required that we carry forward Cardinal's net assets at their historical book value and reflect our net assets at their estimated fair value at the date of the merger. Accordingly, all historical financial information presented in the consolidated financial statements included in this Quarterly Report for periods prior to July 15, 1999 reflect Cardinal's results on a stand-alone basis. Cardinal's historical operating results were substantially different than ours for the same periods. Our results for the quarter ended March 31, 2000 reflect three months of operations of Cardinal, Superior and Production Management Companies, Inc., which we acquired effective November 1, 1999. The results for the quarter ended March 31, 1999 reflect three months of operations of Cardinal only. Consequently, analyzing prior period results to determine or estimate our future operating potential will be difficult.

OVERVIEW

We provide a broad range of specialized oilfield services and equipment to oil and gas companies in the Gulf of Mexico and throughout the Gulf Coast region. These services and equipment include:

* well services including plug and abandonment ("P&A") services, coiled tubing services, well pumping and stimulation services, data acquisition services, gas lift services and electric wireline services,
* mechanical wireline services,
* the rental of liftboats,
* the rental of specialized oilfield equipment,
* environmental cleaning services,
* field management services, and
* the manufacture and sale of drilling instrumentation and oil spill containment equipment.

Over the past few years, we have significantly expanded the geographic scope of our operations and the range of production related services that we provide through both internal growth and strategic acquisitions. In July 1999, we completed the Cardinal acquisition, and in November 1999, we completed the Production Management acquisition thereby making these companies two of our wholly-owned subsidiaries. These acquisitions firmly established us as a market leader in providing most offshore production related services using liftboats as work platforms and allowed us to expand our scope of operations to include offshore platform and property management services.

Our financial performance is impacted by the broader economic trends affecting our customers. The demand for our services and equipment is cyclical due to the nature of the energy industry. Our first quarter 2000 operating results were, and future results may be, adversely affected by relatively low levels of industry demand for our equipment and services. Our operating results are directly tied to industry demand for our services, most of which are performed in the Gulf of Mexico. While we have focused on providing production related services where, historically, demand has not been as volatile as for exploration related services, we expect our operating results to be highly leveraged to industry activity levels in the Gulf of Mexico.

COMPARISON OF THE RESULTS OF OPERATIONS FOR THE QUARTERS ENDED MARCH 31, 2000 AND 1999

In the three months ended March 31, 2000, overall demand for certain of our services was affected by low activity levels as well as poor weather conditions. Activity levels gradually improved throughout the quarter with March being the best month of the quarter.

Our revenues were $47.3 million for the three months ended March 31, 2000 as compared to $19.0 million for the same period in 1999. Due to the accounting treatment required for the Cardinal merger, our first quarter of 2000 operating results reflected three months of operations of Cardinal, Superior and Production Management, while the first quarter of 1999 operating results reflected only Cardinal's operations on a stand-alone basis.

Our gross margin was $19.5 million in the first quarter of 2000 compared to $8.5 million in the first quarter of 1999. The increase is the result of the Cardinal merger and the Production Management acquisition. In the first quarter of 2000, our rental tools segment contributed the highest gross margin, while our field management segment contributed the lowest gross margin. Of all our production related services, field management is expected to produce the lowest gross margin since its largest cost of services component is providing contract labor.

Depreciation and amortization increased to $4.7 million in three months ended March 31, 2000 from $1.9 million in the same period in 1999. Most of the increase resulted from the larger asset base following the Cardinal merger and the Production Management acquisition. Depreciation also increased as a result of our $8.6 million and $9.2 million of capital expenditures in the first quarter of 2000 and the year 1999, respectively.

General and administrative expenses increased to $9.3 million in the first quarter of 2000 from $3.7 million in the same period in 1999. The increase is the result of the Cardinal merger and the Production Management acquisition.

In the quarter ended March 31, 2000, we recorded net income of $1.6 million, or $0.03 earnings per diluted share, compared to a net loss of $0.5 million, or $0.18 loss per diluted share, in the same period in 1999.

LIQUIDITY AND CAPITAL RESOURCES

Our primary liquidity needs are for working capital, acquisitions, capital expenditures and debt service. Our primary sources of liquidity are cash flow from operations and borrowings under our revolving credit facility. We had cash and cash equivalents of $3.3 million at March 31, 2000 compared to $8.0 million at December 31, 1999. Included in the $8.0 million balance at December 31, 1999 was a $6.6 million insurance settlement, which was received in late December 1999, for the damages associated with one of our two hundred foot vessels.

Net cash provided by operating activities was $7.1 million for the three months ended March 31, 2000 as compared to $1.8 million for the same period in 1999. In the first quarter of 2000, we used approximately $3.2 million of the $6.6 million insurance settlement to refurbish the damaged vessel. This $3.2 million decreased the net cash provided by operating activities for the first quarter of 2000. The overall increase in net cash provided by operating activities was due primarily to the merger with Cardinal and the Production Management acquisition.

On May 5, 2000, we completed the sale of 7.3 million shares of common stock, including 950,000 shares sold pursuant to the underwriter's over-allotment option. The offering generated net proceeds of approximately $63.2 million. Of the $63.2 million, we intend to use approximately $4.1 million of the net proceeds to repay existing borrowings under our $20 million revolving credit facility and $23.2 million in aggregate to purchase liftboats and to make an investment in an oilfield services company. The balance of the proceeds may be used for acquisitions and general working capital purposes.

We have a term loan and revolving credit facility that was implemented in July 1999 to provide $110 million term loan to refinance our long-term debt after the Cardinal merger, provide a $20 million revolving credit facility and $22 million that we can use to pay additional contingent consideration from our prior acquisitions. We amended the credit facility in November 1999 to increase the term loan by $10 million to refinance Production Management's existing indebtedness and to pay the cash portion of the acquisition price. Under the credit facility, the term loan requires quarterly principal installments that commenced December 31, 1999 in the amount of $519,000 and then increasing up to an aggregate of approximately $1.6 million a quarter until 2006 when $92 million will be due and payable. The credit facility bears interest at a LIBOR rate plus margins that depend on our leverage ratio. As of May 5, 2000, the amount outstanding under the term loan was $119.0 million, and there were no borrowings outstanding under the revolving credit facility. As of May 5, 2000, the weighted average interest rate on the credit facility was 9.28%. Indebtedness under the credit facility is secured by substantially all of our assets, including the pledge of the stock of our subsidiaries. The credit facility contains customary events of default and requires that we maintain debt coverage and leverage ratios. It also limits our ability to make capital expenditures, pay dividends or make other distributions, make acquisitions, make changes to our capital structure, create liens or incur additional indebtedness.

In the first quarter of 2000, we made capital expenditures of $8.6 million primarily to further expand our rental tool equipment. Other capital expenditures included capital improvements to our liftboats and the purchase of a new coiled tubing unit. We currently believe that we will make additional capital expenditures, excluding acquisitions and targeted asset purchases, of approximately $16 to $17 million in 2000 primarily to further expand our marine vessel and rental tool inventory. We believe that our current working capital, cash generated from our operations and availability under our revolving credit facility will provide sufficient funds for our identified capital projects.

We expect to pay approximately $21.4 million in the fourth quarter of 2000 for additional consideration related to our 1997 acquisitions. The consideration will be capitalized as additional purchase price of the acquired companies, and we expect to use the $22 million portion of the credit facility, which was designed to fund these payments, to the extent that we do not pay them from working capital.

We intend to continue implementing our acquisition strategy to increase our scope of services. Depending on the size of any future acquisitions, we may require additional equity or debt financing in excess of our current working capital and amounts available under our revolving credit facility.

ACCOUNTING PRONOUNCEMENT

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (FAS) No. 133, ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES. FAS No. 133, as amended, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000 and establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. FAS No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are to be recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Earlier application of the provisions of the Statement is encouraged and is permitted as of the beginning of any fiscal quarter that begins after the issuance of the Statement. We have not yet assessed the financial impact of adopting this Statement.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no significant changes in our market risks since the year ended December 31, 1999. For more information, please read the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 1999.

PART II. OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

In March 2000, pursuant to a stock option, we issued 10,000 shares of common stock for $3.60 per share in reliance upon Sections 4(2) and 4(6) under the Securities Act of 1933. Proceeds were used to provide additional working capital.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) The following exhibits are filed with this Form 10-Q:

2.1 Agreement and Plan of Merger (incorporated herein by reference to the Company's Current Report on Form 8-K dated April 20, 1999).

2.2 Amendment No. 1 to Agreement and Plan of Merger (incorporated herein by reference to the Company's Current Report on Form 8-K dated June 30, 1999).

3.1 Certificate of Incorporation of the Company (incorporated herein by reference to the Company's Quarterly Report on Form 10-QSB for the quarter ended March 31, 1996).

3.2 Certificate of Amendment to the Company's Certificate of Incorporation (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).

3.3 Amended and Restated Bylaws (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).

4.1 Specimen Stock Certificate (incorporated herein by reference to Amendment No. 1 to the Company's Form S-4 on SB-2 (Registration Statement No. 33-94454)).

4.2 Registration Rights Agreement dated as of July 15, 1999 by and among the Company, First Reserve Fund VII, Limited Partnership and First Reserve Fund VIII, Limited Partnership (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).

4.3 Registration Rights Agreement dated of July 15, 1999 by and among the Company and certain stockholders named therein (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).

4.4 Stockholders' Agreement dated as of July 15, 1999 by and among the Company, First Reserve Fund VII, Limited Partnership and First Reserve Fund VIII, Limited Partnership (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999).

27.1 Financial Data Schedule.

b) Reports on Form 8-K. The following report on Form 8-K was filed during the quarter ended March 31, 2000:

On March 22, 2000, the Company filed a Current Report on Form 8-K reporting, under Items 5 and 7, the results for the fourth quarter and year 1999.

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.

SUPERIOR ENERGY SERVICES, INC.

Date: MAY 12, 2000 BY: /S/ TERENCE E. HALL

Terence E. Hall
Chairman of the Board,

Chief Executive Officer and President
(Principal Executive Officer)

Date: MAY 12, 2000 BY: /S/ ROBERT S. TAYLOR

Robert S. Taylor
Chief Financial Officer
(Principal Financial and Accounting Officer)

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3-MOS
DEC-31-1999
MAR-31-2000
3275000
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42803000
(2593000)
1062000
49068000
175017000
(36423000)
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