



Superior Energy Services Announces Second Quarter Results, Posts Another Record Quarter

August 2, 2001

HARVEY, La.--(BUSINESS WIRE)--Aug. 2, 2001--Superior Energy Services, Inc. (NYSE:SPN) today announced results for the second quarter ended June 30, 2001. For the period, revenues were a record \$109.6 million resulting in record net income of \$14.3 million or \$0.21 diluted earnings per share, as compared to revenue of \$57.6 million and net income of \$3.8 million or \$0.06 diluted earnings per share for the second quarter of 2000. On a sequential basis, revenue increased 20% and EBITDA increased 30%.

Well Intervention Group Segment (including mechanical wireline)

Revenue for Superior's Well Intervention Group was \$41.6 million, 30% higher than the preceding quarter. Demand increased for coiled tubing, pumping and stimulation, hydraulic drilling and workover services. Demand for coiled tubing was particularly strong in the south and east Texas market areas. In May, Superior added 21 coiled tubing units from the Reeled Tubing acquisition, giving Superior 36 coiled tubing units in the Gulf of Mexico and along the Gulf Coast - more than any other service company in those market areas. Additionally, mechanical wireline revenue increased 12% and the gross margin increased over the prior quarter as a result of higher activity and additional higher margin projects.

Rental Tools Segment

Revenue for the Rental Tools segment was \$29.1 million, a 7% increase over the first quarter. The segment was driven by increased rentals of stabilizers, drill pipe and accessories, gravel packs, high-pressure connecting iron and on-site accommodations. International rentals comprised 6% of this segment's revenue, up from 4% in the first quarter, as the Company continues to expand its Canadian and South American operations with rentals of stabilizers and high-pressure connecting iron.

Marine Segment

Superior's marine revenue increased 42% over the preceding quarter to \$18.5 million as dayrates and utilization for most liftboat classes moved higher. The fleet's average dayrate increased 16% and utilization improved to 83% from 81% in the first quarter. The Company also benefited from eight additional liftboats added in May through the Power Offshore acquisition, including a 250-ft. class liftboat that generated a \$28,000 dayrate since it was acquired.

Liftboat Average Dayrates and Utilization by Class Size
Three Months Ended June 30, 2001
(\$ actual)

Class	Average Dayrate	Utilization
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105'	\$ 3,191	73.1%
120-135'	3,578	92.2%
145-155'	5,679	78.0%
160'	8,412	82.3%
170'	8,999	100.0%
200'	11,715	92.9%
250'	28,000	100.0%

Note: Utilization for Power Offshore liftboats reflects 39 possible days of activity - from the date of the acquisition -- during the quarter.

Field Management Segment

Field Management revenue was \$14.4 million, a 10% increase over the first quarter. This segment experienced increased activity for offshore construction and fabrication services as well as higher demand for supplemental labor.

Environmental and Other Segment

Revenue from this segment increased 5% to \$6.0 million over the prior quarter driven mainly by increased offshore tank and vessel services, the highest gross margin business for the environmental segment.

President and CEO Terry Hall Comments

President and CEO Terry Hall commented, "I am extremely pleased with the results of the second quarter. By any measure, it was an excellent period for Superior as the Company again established records for revenue and profits. The acquisitions we made bolstered strong performances in our core coiled tubing and marine businesses. The Company also experienced strong internal growth, particularly in the Well Intervention Group and Marine Segment.

We believe our strategy to operate primarily in the production-services arena should result in strong demand for the remainder of the year. We believe

current commodity prices still support well intervention, maintenance and remediation projects. Our balance sheet provides us the capacity to capitalize on opportunities and the flexibility to manage through changing market conditions."

The Company will host a conference call at 10 a.m. Central Time today. The call can be accessed from Superior's website at www.superiorenergy.com, or by telephone at 800/763-5557. The replay telephone number is 800/642-1687 and the passcode for the replay call is 1472038.

Superior Energy Services, Inc. provides a broad range of specialized oilfield services and equipment primarily to major and independent oil and gas companies engaged in the exploration, production and development of oil and natural gas properties offshore in the Gulf of Mexico and throughout the Gulf Coast region. These services and equipment include the rental of liftboats, rental of specialized oilfield equipment, electric and mechanical wireline services, well plug and abandonment services, coiled tubing services and engineering services. Additional services provided include contract operating and supplemental labor, offshore construction and maintenance services, offshore and dockside environmental cleaning services, the manufacture and sale of drilling instrumentation and the manufacture and sale of oil spill containment equipment.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 which involve known and unknown risks, uncertainties and other factors. Among the factors that could cause actual results to differ materially are: volatility of the oil and gas industry, including the level of exploration, production and development activity; risks associated with the Company's rapid growth; changes in competitive factors and other material factors that are described from time to time in the Company's filings with the Securities and Exchange Commission. Actual events, circumstances, effects and results may be materially different from the results, performance or achievements expressed or implied by the forward-looking statements. Consequently, the forward-looking statements contained herein should not be regarded as representations by Superior or any other person that the projected outcomes can or will be achieved.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
Three and Six Months Ended June 30, 2001 and 2000
(in thousands, except earnings per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2001	2000	2001	2000
Revenues	\$ 109,639	\$ 57,592	\$ 200,895	\$ 104,866
Costs and expenses:				
Cost of services	55,719	33,931	104,037	61,693
Depreciation and amortization	8,129	4,935	14,898	9,672
General and administrative	17,108	9,673	31,726	18,984
Total costs and expenses	80,956	48,539	150,661	90,349
Income from operations	28,683	9,053	50,234	14,517
Other income (expense):				
Interest expense	(4,976)	(3,068)	(8,546)	(5,988)
Interest income	592	641	1,052	834
Income before income taxes and cumulative effect of change in accounting principle	24,299	6,626	42,740	9,363
Income taxes	9,963	2,783	17,524	3,932
Income before cumulative effect of change in accounting principle	14,336	3,843	25,216	5,431
Cumulative effect of change				

in accounting principle, net of income tax expense	--	--	2,589	--
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Net income	\$ 14,336	\$ 3,843	\$ 27,805	\$ 5,431
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Basic earnings per share:				
Earnings before cumulative effect of change in accounting principle	\$ 0.21	\$ 0.06	\$ 0.37	\$ 0.09
Cumulative change in accounting principle	--	--	0.04	--
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Earnings per share	\$ 0.21	\$ 0.06	\$ 0.41	\$ 0.09
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Diluted earnings per share:				
Earnings before cumulative effect of change in accounting principle	\$ 0.21	\$ 0.06	\$ 0.36	\$ 0.09
Cumulative change in accounting principle	--	--	0.04	--
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Earnings per share	\$ 0.21	\$ 0.06	\$ 0.40	\$ 0.09
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Weighted average common shares used in computing earnings per share:				
Basic	68,287	64,643	68,126	62,250
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Diluted	69,199	65,205	69,037	62,404
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Condensed Consolidated Balance Sheets
June 30, 2001 and December 31, 2000
(in thousands)

	6/30/2001 (unaudited)	12/31/2000 (audited)
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ASSETS		
Current assets	\$ 122,170	\$ 88,770
Property, plant and equipment - net	305,559	202,498
Goodwill - net	124,320	114,650
Note receivable	21,228	19,213
Other assets - net	10,264	5,545
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Total assets	\$ 583,541	\$ 430,676
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	\$ 62,217	\$ 53,732
Long-term debt, less current portion	254,630	146,393
Deferred income taxes	29,180	24,304
Stockholders' equity	237,514	206,247
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Total liabilities and stockholders' equity	\$ 583,541	\$ 430,676
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Segment Highlights
Three months ended June 30, 2001 and 2000, and March 31, 2001
(Unaudited)

(\$ in thousands)

Revenue	June 2001	March 2001	June 2000
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Well Intervention Group	\$41,604	\$32,066	\$20,499
Marine	18,483	13,007	7,792
Rental Tools	29,141	27,339	15,370
Field Management	14,433	13,124	8,733
Environmental & Other	5,978	5,720	5,198
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Total	\$ 109,639	\$ 91,256	\$57,592
Gross Profit			
Well Intervention Group	\$20,002	\$14,012	\$6,748
Marine	10,600	6,857	3,298
Rental Tools	18,580	17,577	10,398
Field Management	1,892	1,920	1,030
Environmental & Other	2,846	2,572	2,187
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Total	\$ 53,920	\$ 42,938	\$23,661

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