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Independent Auditors' Report

The Board of Directors
Tong Rentals & Supply Co., Inc.

We have audited the accompanying balance sheet of Tong Rentals & Supply Co., Inc. as of December 31, 1996, and the related statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tong Rentals & Supply Co., Inc. as of December 31, 1996, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

KPMG PEAT MARWICK LLP

New Orleans, Louisiana
July 18, 1997

ASSETS

Current Assets:	
Cash	\$ 802,673
Accounts receivable - net of allowance for doubtful accounts of \$100,000	1,215,047
Other	59,284

Total current assets	2,077,004
Property and equipment - net	2,191,655

	\$4,268,659
	=====

LIABILITIES AND SHAREHOLDER'S EQUITY

Current liabilities:	
Notes payable - current	\$ 90,563
Accounts payable and accrued expenses	329,349
Income taxes payable	282,549

Total current liabilities	702,461
Notes payable	72,741
Due to shareholder	229,372
Deferred income taxes	196,389
Stockholder's equity:	
Common stock no par value, authorized shares; 10,000 issued - shares 7,215	19,115
Treasury stock	(10,800)
Retained earnings	3,059,381

Total stockholder's equity	3,067,696

	\$4,268,659
	=====

TONG RENTALS & SUPPLY CO., INC.
STATEMENT OF OPERATIONS AND RETAINED EARNINGS
YEAR ENDED DECEMBER 31, 1996

Revenues	\$5,061,286

Expenses:	
Cost of services	1,268,730
General and administrative	2,390,513
Depreciation	274,169

Income before income taxes	1,127,876
Provision for income taxes	428,089

Net income	699,787
Retained earnings at beginning of year	2,359,594

Retained earnings at end of year	\$3,059,381
	=====

TONG RENTALS & SUPPLY CO., INC.
STATEMENT OF CASH FLOWS
DECEMBER 31, 1996

Cash flows from operating activities	
Net income	\$ 699,787
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	274,169
Deferred income taxes	28,037
Allowance for doubtful accounts	35,000
Net change in operating assets and liabilities:	
Accounts receivable	(322,698)
Other current assets	11,478
Accounts payable	22,999

Income taxes payable	132,094
Other	52,074

Net cash provided by operating activities	932,940
Cash flows used in investing activities:	
Purchases of property and equipment	(526,897)

Cash flows used in financing activities:	
Notes payable	(99,093)
Due to shareholder	(33,926)

Net cash used in financing activities	(133,019)
Net increase in cash	273,024
Cash at beginning of year	529,649

Cash at end of year	\$ 802,673
	=====
Supplemental disclosure:	
Cash paid during the year for interest	\$ 38,195
	=====
Cash paid during the year for income taxes	\$ 267,958
	=====

TONG RENTALS & SUPPLY CO., INC.

Notes to Financial Statements

December 31, 1996

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

Tong Rentals & Supply Co., rents specialized equipment used in oil and gas well drilling, work-over, completion and production activities.

(b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements and related disclosures. Actual results could differ from these estimates.

(c) Property and Equipment

Property and equipment is carried at cost. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Description	Estimated useful lives
-----	-----
Buildings and improvements	30 years
Machinery and equipment	5-15 years
Automobiles, trucks, trailers and tractors	3-5 years
Furniture and equipment	5-7 years

(d) Income Taxes

The Company provides for income taxes in accordance with Statement of Financial Accounting Standards (FAS) No. 109, Accounting for Income Taxes. FAS No. 109 requires an asset and liability approach for financial accounting and reporting for income taxes. Deferred income taxes reflect the impact of temporary differences between amounts of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws.

(e) Revenue Recognition

The Company recognizes revenues as services are provided.

TONG RENTALS & SUPPLY CO., INC.

Notes to Financial Statements

(2) Concentration of Credit Risk

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and trade accounts receivable. The Company places cash and temporary cash investments with high quality financial institutions.

A majority of the Company's business is conducted with major oil and gas exploration companies with operations in the Gulf of Mexico. The Company continually evaluates the financial strength of their customers but does not require collateral to support the customer receivables.

No customer accounted for 10% or more of operating revenue for the year ended December 31, 1996.

(3) Property and Equipment

A summary of property and equipment at December 31, 1996 follows:

Buildings and improvements	\$ 258,182
Automobiles, trucks, trailers	552,203
Furniture and equipment	63,043
Machinery and equipment	3,204,310
Land	79,207
Construction in progress	103,589

	4,260,534
Less accumulated depreciation	(2,068,879)

Property and equipment - net	\$ 2,191,655
	=====

TONG RENTALS & SUPPLY CO., INC.

Notes to Financial Statements

(4) Notes Payable

The Company's notes payable as of December 31, 1996 consists of the following:

Note payable in the original amount of \$189,000 due October, 1998, annual interest rate of prime plus 1/2 percent (8.25% at December 31, 1996)	\$ 116,186
Note payable in the original amount of \$120,000 due September, 1998, annual interest of 7.5%	47,118

Less current portion	163,304
	90,563

Long-term debt	\$ 72,741
	=====

Maturities of long-term debt for the five years ended December 31, 2001 are as follows:
\$90,563, \$72,741, none, none and none, respectively.

(5) Commitments and Contingencies

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 its financial position or results of operations.

(6) Income Taxes

The components of income tax expense for the year ended December 31, 1996 are as follows:

Current - Federal	\$ 400,052
Deferred - Federal	28,037

	\$ 428,089
	=====

TONG RENTALS & SUPPLY CO., INC.

Notes to Financial Statements

(6) Income Taxes (continued)

The significant components of deferred tax liabilities at December 31, 1996 are as follows:

Deferred tax liabilities:	
Allowance for doubtful accounts	\$ (34,000)
Property and equipment	(162,389)

	\$ (196,389)
	=====

A reconciliation between the statutory federal income tax rate and the Company's effective tax rate on pre-tax income for the year ended December 31, 1996 is as follows:

Federal income tax rate	34.0%
Entertainment expense	2.1
Other	1.9

Effective income tax rate	38.0%
	=====

(7) Subsequent Event

On May 31, 1997, the Company was merged with Superior Energy Services, Inc. and the former shareholder of the Company received cash of \$5,500,000 and 1,100,000 shares of Superior Energy Services, Inc.'s common stock.

TONG RENTALS & SUPPLY CO., INC.

Balance Sheet
(Unaudited)

March 31, 1997

Assets

Current assets:

Cash	\$ 940,324
Accounts receivable - net	1,259,289
Other	32,592

Total current assets 2,232,205

Property and equipment - net

2,339,823
\$4,572,028

Liabilities and Stockholders' Equity

Current liabilities:

Accounts payable and accrued expenses	\$ 257,907
Income taxes payable	407,218
Current portion of notes payable	90,563

Total current liabilities 755,688

Notes payable

44,364

Due to shareholder

263,138

Deferred income taxes

201,185

Stockholders' equity:

Common stock no par value authorized- 10,000 shares; issued - 7,215 shares	19,115
Treasury stock	(10,800)
Retained earnings	3,299,338

Total stockholders' equity 3,307,653

\$4,572,028

See accompanying note to financial statements

Statements of Operations and Retained Earnings
(Unaudited)

Three Months Ended March 31, 1997 and 1996

	1996 -----	1997 -----
Revenues	\$ 1,522,566	\$ 1,027,640
<hr style="border-top: 1px dashed black;"/>		
Expenses:		
Cost of services	531,740	289,462
Selling, general and administrative	544,247	510,994
Depreciation	77,157	68,542
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Income before income taxes	369,422	158,642
Provision for income taxes	129,465	49,353
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Net income	239,957	109,289
Retained earnings at beginning of period	3,059,381	2,359,594
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Retained earnings at end of period	\$ 3,299,338	\$ 2,468,883
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See accompanying note to financial statements

TONG RENTALS & SUPPLY CO., INC.

Statements of Cash Flows
(Unaudited)

Three Months Ended March 31, 1997 and 1996

	1997	1996
Cash flows from operating activities:		
Net income	\$ 239,957	\$ 109,289
Adjustments to reconcile net income to net Cash provided by operating activities:		
Depreciation	77,157	68,542
Deferred income tax	4,796	5,720
Due to shareholder	33,766	3,582
Changes in operating assets and liabilities:		
Accounts receivable	(44,242)	92,827
Other current assets and liabilities net	151,361	85,055
Accounts payable and accrued expenses	(71,442)	(91,601)
<hr style="border-top: 1px dashed black;"/>		
Net cash used by operating activities	391,353	250,542
Cash flows from investing activities:		
Payments for purchases of property and equipment	(171,171)	(66,085)
Other	(54,154)	(22,872)
<hr style="border-top: 1px dashed black;"/>		
Net cash used in investing activities	(225,325)	(88,957)
Cash flows from (used in) financing activities:		
Notes payable	(28,377)	27,887
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Net increase in cash	137,651	212,344
Cash at beginning of period	802,673	529,649
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Cash at end of period	\$ 940,324	\$741,993
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See accompanying notes to financial statements

TONG RENTALS & SUPPLY CO., INC.

Note to Financial Statements
(Unaudited)

March 31, 1997 and 1996

Basis of Presentation

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to rules and regulations of the Securities and Exchange Commission; however, management of Tong Rentals & Supply Co., Inc., 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 Tong Rentals & Supply Co., Inc. historical financial statements for the year ended December 31, 1996 included elsewhere herein.

The unaudited financial information for the three months March 31, 1997 and 1996 has not been audited by independent accountants; 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 three months are not necessarily indicative of the results of operations which might be expected for the entire year.

b) Pro Forma Financial Information:

The following unaudited pro forma condensed financial information is derived from the historical financial statements of Superior Energy Services, Inc. (Superior), Baytron, Inc. (Baytron), Dimensional Oilfield Services, Inc. (Dimensional), Nautilus Pipe and Rental Tools, Inc. (Nautilus), F & F Wireline Service, Inc. (F&F) and Tong Rentals & Supply Co., Inc. (Tong). Adjustments have been made to reflect the financial impact of purchase accounting had the acquisitions taken place on January 1, 1996 with respect to operating data and March 31, 1997 with respect to balance sheet data. The acquisitions of Baytron, Inc., Dimensional and Nautilus have been previously reported. The pro forma adjustments are described in the accompanying notes and are based upon preliminary estimates and certain assumptions that management of the companies believe reasonable in the circumstances. This pro forma information is not necessarily indicative of the results of the operations had the acquisitions been effected on the assumed date. As part of the acquisition of Nautilus, the Company also acquired Superior Bearing & Machine Works, Inc. The financial information for Superior Bearing & Machine Works, Inc. is considered immaterial and is not reflected in the pro forma information.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Balance Sheets
March 31, 1997
(in thousands)
(unaudited)

	Historical Superior -----	Historical F&F Wireline -----	Historical Tong Rental -----	Adjustments -----	Pro Forma -----
Assets					
Cash	\$ 726	\$ 395	\$ 940	\$ -	\$ 2,061
Accounts Receivable	9,120	234	1,259	-	10,613
Inventories	1,223	-	-	-	1,223
Deferred Tax Asset	137	-	-	-	137
Other	436	7	33	-	476
	-----	-----	-----	-----	-----
Total Current Assets	11,642	636	2,232		14,510
				(A) 2,441	
Property, Plant & Equipment - Net	15,391	205	2,340	(D) 768	21,145
Goodwill	10,738	-	-	(D) 289	17,133
				(A) 6,106	
Other Assets	1,101	250			1,351
	-----	-----	-----	-----	-----

Income from operations	2,357	(7)	146	369	(81)	2,784
Other income (expense):						
Interest expense	(85)	(27)	(2)	-	-	(114)
Income before income tax	2,272	(34)	144	369	(81)	2,670
Provision for income taxes	750	-	-	129	(I) (12)	867
Net income	\$ 1,522	\$ (34)	\$ 144	\$ 240	\$ (69)	\$1,803
Net income per common Share and common share Equivalent	\$ 0.08					\$0.08
Weighted average shares Outstanding	20,322					21,699

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Unaudited Pro Forma Condensed Statement of Earnings
For the year ended December 31, 1996
(in thousands)

	Historical Superior	Historical Baytron	Historical Dimensional	Adjustments	Superior Pre Acquisition	Nautilus
Revenues	\$ 23,638	\$ 1,277	\$ 4,053	\$ -	\$ 28,968	\$ 4,424
Costs and expenses:						
Costs of services	11,040	367	2,982	-	14,389	1,401
Depreciation and amortization	1,323	40	26	(L) 38 (M) 94 (J) 18 (K) 38	1,577	556
General and administrative	5,737	773	584	-	7,094	1,560
Total costs and expenses	18,100	1,180	3,592	188	23,060	3,517
Income from operations	5,538	97	461	(188)	5,908	907
Other income (expense):						
Interest expense	(127)	(8)	(45)	-	(180)	(125)
Other	206	(16)	-	-	190	-
Income before income tax	5,617	73	416	(188)	5,918	782
Provision for income taxes	1,685	-	-	(N) 20	1,665	301
Net income	\$ 3,932	\$ 73	\$ 416	\$ (168)	\$4,253	\$ 481
Net income per common share and common share equivalent	\$ 0.22				\$ 0.23	
Weighted average shares outstanding	17,616				18,644	

	F&F Wireline	Tong Rental	Adjustments	ProForma
Revenues	\$ 1,269	\$ 5,061	\$ -	\$ 39,722
Costs and expenses:				
Costs of services	674	1,269		17,733

Depreciation and amortization	32	274	(H) 131 (G) (110) (E) 54 (B) (85) (F) 20 (C) 317	2,766
General and administrative	372	2,391	-	11,417
Total costs and expenses	1,078	3,934	327	31,916
Income from operations	191	1,127	(327)	7,806
Other income (expense):				
Interest expense	(35)	-	-	(340)
Other	-	-	-	190
Income before income tax	156	1,127	(327)	7,656
Provision for income taxes	65	428	(I) 49	2,410
Net income	\$ 91	\$ 699	\$ (278)	\$ 5,246
Net income per common share and common share equivalent				\$ 0.26
Weighted average shares outstanding				20,164

NOTES TO UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

- A. To reflect the purchase price adjustments related to the acquisition of Tong Rentals & Supply Co., Inc. The purchase price is the sum of \$5,500,000 cash, and 1,100,000 shares of common stock at the current approximate market price of \$5.00 at the date of purchase. The property and equipment were valued at their approximate fair value of \$4,781,000. Deferred taxes have been provided for the difference between the book and tax basis of the property, plant and equipment acquired. The excess purchase price over the fair value of net assets of Tong at May 31, 1997 of approximately \$6,106,000 was allocated to goodwill amortized over 20 years.
- B. To reflect the adjustment to depreciation associated with the application of purchase accounting to Tong.
- C. To reflect the amortization of goodwill associated with Tong.
- D. To reflect the purchase price adjustments related to the acquisition of F & F Wireline Services, Inc. The purchase price is the sum of \$900,000 cash and a promissory note of \$600,000. Amounts to be paid under the promissory note is subject to certain minimum earnings requirements and is not reflected in the purchase price which approximates \$900,000. The property and equipment were valued at their approximate fair value of \$973,000. Deferred taxes have been provided for the difference between the book and tax basis of the property, plant and equipment acquired. The excess purchase price over the fair value of net assets of F & F at April 30, 1997 of approximately \$289,000 was allocated to goodwill to be amortized over 20 years.
- E. To reflect the adjustment to depreciation associated with the application of purchase accounting to F & F.
- F. To reflect the amortization of goodwill associated with F & F.
- G. To reflect the adjustment to depreciation associated with the application of purchase accounting to Nautilus.
- H. To reflect the amortization of goodwill associated with Nautilus.
- I. To adjust the provision for income tax for Tong, F & F and Concentric.
- J. To reflect the additional depreciation associated with the application of purchase accounting to Baytron fixed assets.
- K. To reflect the additional depreciation associated with the application of

purchase accounting to Dimensional's fixed assets.

- L. To reflect the amortization of goodwill associated with Baytron.
- M. To reflect the amortization of goodwill associated with Dimensional.
- N. To adjust the provision for income tax associated with Baytron and Dimensional.

EXHIBIT 23.1

The Board of Directors
Superior Energy Services, Inc.:

We consent to the inclusion of our report herein dated July 18, 1997, with respect to the balance sheet of Tong Rentals & Supply Co., Inc. as of December 31, 1996 and the related statements of operations and retained earnings and cash flows for the year then ended.

/s/ KPMG PEAT MARWICK LLP

KPMG PEAT MARWICK LLP

New Orleans, Louisiana
August 8, 1997