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U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 1996

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the Transition Period Fromto.....

Commission File No. 0-20310

SUPERIOR ENERGY SERVICES, INC.
(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

75-2379388
(I.R.S. Employer
Identification No.)

1503 Engineers Road
P.O. Box 6220, New Orleans, LA
(Address of principal executive offices)

70174
(Zip Code)

Issuer's telephone number: (504) 393-7774

Check whether the issuer: (1) filed all reports required to be filed
by Section 13 or 15 (d) of the Exchange Act during the past 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 Registrants' common stock outstanding on
October 31, 1996 was 18,597,045.

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

Superior Energy Services, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
September 30, 1996 and December 31, 1995
(in thousands)

	9/30/96 (Unaudited)	12/31/95 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,574	\$ 5,068
Accounts receivable - net	6,519	3,759
Inventories	955	968
Deferred income taxes	256	256
Other	356	227
Total current assets	9,660	10,278
Property, plant and equipment - net	9,347	6,904

Goodwill - net	8,283	4,576
Patent - net	1,151	1,226
Total assets	<u>\$ 28,441</u>	<u>\$ 22,984</u>
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Notes payable - bank	\$ 1,421	1,249
Accounts payable	2,008	2,345
Notes payable - other	1,446	3,422
Unearned income	565	1,085
Accrued expenses	747	456
Income taxes payable	1,656	545
Other	200	380

Total current liabilities

8,043	9,482
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Notes payable - other

250	-
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Deferred income taxes

1,114	408
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Stockholders' equity:

Preferred stock of \$.01 par value.

Authorized,

5,000,000 shares; none issued

-	-
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Common stock of \$.001 par value.

Authorized,

40,000,000 shares; issued, 18,597,045

18	17
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Additional paid-in capital

19,551	16,230
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Accumulated deficit

(535)	(3,153)
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Total stockholders' equity

<u>\$19,034</u>	<u>\$13,094</u>
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Total liabilities and
stockholders' equity

<u>28,441</u>	<u>22,984</u>
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Superior Energy Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
Three and Nine Months Ended September 30, 1996 and 1995
(in thousands, except per share data)
(unaudited)

	Three Months		Nine Months	
	1996	1995	1996	1995
REVENUES	\$ 5,910	\$ 2,593	\$ 15,240	\$ 8,740
Costs and expenses:				
Costs of services	2,716	1,622	7,129	5,335
Depreciation and amortization	346	56	936	144
General and administrative	1,359	627	3,548	2,076
Total costs and expenses	<u>4,421</u>	<u>2,305</u>	<u>11,613</u>	<u>7,555</u>
Income from operations	1,489	288	3,627	1,185
Other income (expense):				
Interest expense	(11)	(17)	(59)	(65)
Other	(7)	11	173	67
Income before income taxes	<u>1,471</u>	<u>282</u>	<u>3,741</u>	<u>1,187</u>
Provision for income taxes	441	-	1,122	-
Net income	<u>\$ 1,030</u>	<u>\$ 282</u>	<u>\$ 2,619</u>	<u>\$ 1,187</u>
	=====	=====	=====	=====

	Pro forma(1)		Pro forma(1)	
Income before income taxes				
as per above		\$ 282		\$ 1,187
Pro forma income taxes		104		439
		<hr/>		<hr/>
Net income as adjusted for pro forma		\$ 178		\$ 748
income taxes		=====		=====
Net income per common				
share and common share				
equivalent	\$ 0.06	\$ 0.02	\$ 0.15	\$ 0.09
	=====	=====	=====	=====
Weighted average shares outstanding	17,613,766	8,400,000	17,259,064	8,400,000
	=====	=====	=====	=====

(1) Net income as adjusted for pro forma income taxes

Superior Energy Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
Nine Months Ended September 30, 1996 and 1995
(in thousands)
(unaudited)

	1996	1995
Cash flows from operating activities:		
Net income	\$ 2,619	\$ 1,187
Adjustments to reconcile net income		
to net cash provided by operating		
activities:		
Depreciation and amortization	936	144
Unearned income	(519)	-
Changes in operating assets and		
liabilities:		
Accounts receivable	(1,044)	(94)
Notes receivable	-	229
Inventories	14	(55)
Other - net	(70)	(25)
Accounts payable	(1,186)	(50)
Due to shareholders	(26)	87
Accrued expenses	135	-
Income taxes payable	1,111	-
	<hr/>	<hr/>
Net cash provided by operating activities	1,970	1,423
Cash flows from investing activities:		
Proceeds from sale of property and		
equipment	357	-
Payments for purchases of property and		
equipment	(1,164)	(509)
	<hr/>	<hr/>
Acquisition of businesses, net of cash		
acquired	(2,349)	-
	<hr/>	<hr/>
Net cash used in investing		
activities	(3,156)	(509)
	<hr/>	<hr/>
Cash flows from financing activities:		
Notes payable - bank	(308)	190
Deferred payment for acquisition of Oil		
Stop, Inc.	(2,000)	-
Shareholder distributions	-	(965)
	<hr/>	<hr/>
Net cash provided by (used in)		
financing activities	(2,308)	(775)
	<hr/>	<hr/>
Net increase (decrease) in cash	(3,494)	139
Cash and cash equivalents at beginning of		
period	5,068	207
	<hr/>	<hr/>
Cash and cash equivalents at end of		
period	\$ 1,574	\$ 346

SUPERIOR ENERGY SERVICES, INC.
AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements
Nine Months Ended September 30, 1996 and 1995

(1) Reorganization

On December 13, 1995, the Company consummated a share exchange (the "Reorganization") whereby it (i) acquired all of the outstanding capital stock of Superior Well Service, Inc., Connection Technology, Ltd. and Superior Tubular Services, Inc. (collectively, "Superior") in exchange for 8,400,000 Common Shares and (ii) acquired all of the outstanding capital stock of Oil Stop, Inc. ("Oil Stop") in exchange for 1,800,000 Common Shares and \$2.0 million cash.

As used in the consolidated financial statements, the term "Small's" refers to the Company as of dates and periods prior to the Reorganization and the term "Company" refers to the combined operations of Small's, Oil Stop and Superior after the consummation of the Reorganization.

As a result of the controlling interest the Superior shareholders have in the Company following the Reorganization, among other factors, the Reorganization has been accounted for as a reverse acquisition (i.e., a purchase of Small's by Superior) under the "purchase" method of accounting. As such, the Company's consolidated financial statements and other financial information reflect the historical operations of Superior for periods and dates prior to the Reorganization. The net assets of Small's and Oil Stop, at the time of the Reorganization, were reflected at their estimated fair value pursuant to purchase accounting at the date of the Reorganization. The net assets of Superior have been reflected at their historical book values.

(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 rules and regulations of the Securities and Exchange Commission; however, management believes that this information is fairly presented. These financial statements and footnotes should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 1995 and the accompanying notes and Management's Discussion and Analysis or Plan of Operation.

(Continued)

SUPERIOR ENERGY SERVICES, INC.
AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(2) Basis of Presentation (continued)

The financial information for the nine months ended September 30, 1996 and 1995, 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 nine months of the year are not necessarily indicative of the results of operations which might be expected for the entire year.

(3) Pro Forma Income Taxes and Earnings per Share

Prior to the Reorganization, the Superior Companies, with the exception of Superior Tubular Services, Inc., which was a sub-chapter C corporation, were sub-chapter S corporations for income tax reporting purposes. Therefore, through September 30, 1995, no provision for federal and state income taxes had been made. Pro forma income tax expense and net income as adjusted for income taxes is presented for the three and nine months ended September 30, 1995 on the Statement of Operations in order to reflect the impact on income taxes as if Superior had been a taxable entity during those periods. In computing weighted average share outstanding, 8,400,000 shares issued in the Reorganization in exchange for Superior's capital stock is assumed to be outstanding as of January 1, 1995. All other common shares issued or sold are included in the weighted average shares outstanding calculation from the date of issuance or sale.

(4) Joint Venture

On January 15, 1996, the Company entered into a joint venture with G&L Tool Company ("G&L"), an unrelated party, which extends through January 31, 2001. The Company has contributed assets of Superior Fishing with a book value of approximately \$4.5 million to the joint venture which is engaged in the business of renting specialized oil well equipment and fishing tools to the oil and gas industry in connection with the drilling, development and production of oil, gas and related hydrocarbons.

Superior Fishing receives as its share of distributions from operations \$110,000 a month commencing February 1996 through January 1998 and \$80,000 a month for the period February 1998 through January 2001. The distributions are in revenues on the Condensed Consolidated Statements of Operations. The Company's share of distributions is personally guaranteed by a principal of G&L. In connection with the joint venture, Superior Fishing also sold G&L land for \$300,000.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(4) Joint Venture (continued)

The responsibility and authority for establishing policies relating to the strategic direction of the joint venture operations and ensuring that such policies are implemented have been vested in a policy committee consisting of three members, one of which is a Company employee. G&L will be responsible for the maintenance and repair, insurance and licenses and permits for all joint venture assets.

At the end of the joint venture term, G&L will have at its election, the option to purchase all of the Superior Fishing assets contributed to the joint venture for \$2 million.

(5) Stockholder's Equity

At a special meeting of stockholders on February 23, 1996, the shareholders approved increasing the authorized number of shares of common stock to 40,000,000.

(6) Business Combinations

On July 30, 1996, the Company effected a merger in which it acquired all of the capital stock of Baytron, Inc. for \$1,100,000 cash and 550,000 Common Shares. Baytron, Inc. designs, manufactures, sells and rents oil and gas drilling

instrumentation and computerized rig data acquisition systems used to monitor, display and record drill site functions.

On September 15, 1996, the Company effected a merger in which it acquired all of the capital stock of Dimensional Oil Field Services, Inc. ("Dimensional") for \$1,500,000 cash, promissory notes in the aggregate amount of \$1,000,000 and 1,000,000 Common Shares. Promissory notes having an aggregate principal amount of \$750,000 are subject to a custodial agreement under which the notes will be released to the former Dimensional shareholders upon Dimensional's meeting specified earnings levels through December 31, 1998. Dimensional provides offshore well plug and abandonment services primarily in the Gulf of Mexico.

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

Results of Operations

Reorganization

For purposes of this presentation, the term "Small's" refers to the Company as of dates and periods prior to the Reorganization and the term "Company" refers to the combined operations of Small's, Oil Stop and Superior after the consummation of the Reorganization.

On December 13, 1995, the Company consummated a share exchange (the "Reorganization") whereby it (i) acquired all of the outstanding capital stock of Superior Well Service, Inc., Connection Technology, Ltd. and Superior Tubular Services, Inc. (collectively "Superior") in exchange for 8,400,000 Common Shares and (ii) acquired all of the outstanding capital stock of Oil Stop, Inc. ("Oil Stop") in exchange for 1,800,000 Common Shares and \$2.0 million cash.

Due to the controlling interest the Superior shareholders have in the Company as a result of the Reorganization, the Reorganization has been accounted for as a reverse acquisition (i.e., a purchase of Small's by Superior) under the "purchase" method of accounting. As such, the Company's financial statements and other financial information now reflect the historical operations of Superior for periods and dates prior to the Reorganization. The net assets of Small's and Oil Stop have been reflected at their estimated fair value pursuant to purchase accounting at the date of the Reorganization. The net assets of Superior have been reflected at the historical book values.

Comparison of the Results of Operations for the Quarters Ended September 30, 1996 and 1995

Revenues increased 128% in the third quarter ended September 30, 1996 compared to the quarter ended September 30, 1995. Of this increase, 49% is the result of increased levels of activity and favorable weather conditions. The remaining increase is a result of the acquisitions the Company has made over the last year.

Cost of services for the quarter ended September 30, 1996 increased 67% from the quarter ended September 30, 1995. Of the increase, 30% is the result of the increased levels of activity while the remainder is the effect of the Company's acquisitions. Depreciation increased by \$296,000 in the quarter ended September 30, 1996 as compared to the quarter ended September 30, 1995 primarily as a result of the Company's acquisitions. General and administrative expenses increased 117% in the third quarter of 1996 as compared to the third quarter of 1995. Of this increase, 29% is the result of supporting the increased levels of revenue, while 71% of the increase is the result of the Company's acquisitions.

Comparison of the Results of Operations for the Nine Months ended September 30, 1996 and 1995.

Revenues increased 74% for the nine months ended September 30, 1996 as compared to the nine months ended September 30, 1995. Of this increase, 40% is the result of increased levels of activity as well as favorable weather conditions in the Gulf of Mexico. The remaining increase is a result of the acquisitions the Company has made over the last year.

Cost of services for the nine months ended September 30, 1996 increased 34% over the nine months ended September 30, 1995. Of this income, 45% is the result of increased levels of activity and 55% is the result of the Company's acquisitions. Depreciation increased \$792,000 in the nine months ended September 30, 1996 primarily as a result of the acquisitions. General and administrative expenses increased 71% for the nine months ended September 30, 1995. Of this increase, 22% is the result of the increased levels of activity and the remainder is the result of the Company's acquisitions.

For the year ended August 31, 1995, Small's incurred a loss of \$1,586,000 followed by a loss of \$378,000 for the quarter ended November 30, 1995. The Company, in an effort to eliminate these continued losses, entered into a joint venture for its West Texas rental tool and fishing operations on January 15, 1996. As a result of the joint venture, the Company will have no liability for any operating losses that may be incurred in the joint venture. The Company's share of distributions is \$110,000 a month for the first 24 months and \$80,000 a month for the remaining 36 months of the term of the joint venture.

Capital Resources and Liquidity

Net cash provided by operating activities was \$1,970,000 for the nine months ended September 30, 1996. This is an increase of \$547,000 as compared to the nine months ended September 30, 1995. The Company's accounts payable has been reduced by \$1,186,000 since December 31, 1995, primarily as a result of a permanent reduction of Small's remaining obligations.

The Company's working capital position improved to \$1,618,000 at September 30, 1996 as compared to \$976,000 at December 31, 1995. This is primarily as a result of the increase in accounts receivable caused by the increase in revenue. The Company's current ratio also improved from 1.10 at December 31, 1995 to 1.20 at September 30, 1996.

The Company, in connection with the joint venture for its West Texas fishing and rental tool operation, sold land for \$300,000 in January 1996. During the first nine months of 1996 it also sold various equipment for approximately \$57,000. Both these sales resulted in no gain or loss. In the first nine months of 1996, the Company purchased approximately \$1,164,000 of machinery and equipment. These purchases were funded primarily from cash generated from operations.

On July 30, 1996, the Company, pursuant to a merger acquired all the capital stock of Baytron, Inc. for \$1,100,000 in cash and 550,000 Common Shares. The cash portion of the purchase was made with available funds.

On September 15, 1996, the Company, pursuant to a merger, acquired all the capital stock of Dimensional Oil Field Services, Inc. for \$1,500,000 cash, \$1,000,000 in notes payable and 1,000,000 Common Shares. The Company borrowed \$900,000 of the cash used to fund this transaction. Promissory notes having an aggregate principal amount of \$750,000 are subject to a custodial agreement under which the common stock and the notes will be released to the former Dimensional shareholders upon Dimensional's meeting

specified earnings levels through December 31, 1998.

The Company maintains a revolving credit facility which was increased in June 1996 from \$1.4 million to \$4.0 million. As of September 30, 1996, there was approximately \$900,000 outstanding under this facility. During the third quarter, the Board of Directors authorized the repurchase of Company's common stock. No common stock has been repurchased and this program has been discontinued. The Company believes that its available funds, together with cash generated from operations and available borrowing capacity should be sufficient to support the Company's strategic and capital spending initiatives.

Inflation has not had a significant effect on the Company's financial condition or operations in recent years.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The Company held its Annual Meeting of stockholders on September 25, 1996, at which meeting the stockholders considered and approved the re-election of the Board of Directors consisting of Terence E. Hall, Ernest J. Yancey, Jr., James E. Ravannack, Richard Lazes, Justin L. Sullivan, Kenneth C. Boothe and Bradford Small. Out of the 16,838,296 shares present at the meeting, 16,771,246 were voted for and 67,050 against each of the nominees.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

10.1 Agreement and Plan of Merger dated July 30, 1996 by and among the Company, Baytron Acquisition, Inc., Baytron, Inc., James Edwards and Judy Edwards, incorporated by reference to the Company's Registration on Form SB-2 filed on November 12, 1996 (Registration Statement No. 333-15987).

10.2 Agreement and Plan of Merger dated September 15, 1996 by and among the Company, Dimensional Oil Field Services, Inc. and Emmett E. Crockett, Evelyn Crockett, Geroge K. Crockett and Robert L. Crockett, incorporated by reference to the Company's Form 8-K dated September 16, 1996.

27. Financial Data Schedule

b) Reports on Form 8-K. The Company filed a Current Report on Form 8-K under items 2 and 7 dated September 30, 1996 reporting the acquisition, pursuant to a merger, of Dimensional Oil Field Services, Inc.

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: November 13, 1996

By: /s/ Terence E. Hall

Terence E. Hall
Chairman of the Board,
Chief Executive Officer
and President

(Principal Executive Officer)

Date: November 13, 1996

By: /s/ Robert S. Taylor

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

<ARTICLE> 5

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION FROM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDING SEPTEMBER 30, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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