UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2004

or

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

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes ☒ No o

The number of shares of the registrant’s common stock outstanding on July 30, 2004 was 74,640,262.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Quarterly Report on Form 10-Q for
the Quarterly Period Ended June 30, 2004

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Officer's Certification Pursuant to Section 906

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
June 30, 2004 and December 31, 2003
(in thousands, excepts share data)

	6/30/04 (Unaudited)	12/31/03 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,482	$ 19,794
Accounts receivable — net	121,103	112,775
Current portion of notes receivable	14,320	19,212
Prepaid insurance and other	19,165	14,059
Total current assets	170,070	165,840
Property, plant and equipment — net	431,914	427,360
Goodwill — net	224,472	204,727
Notes receivable	26,066	15,145
Investments in affiliates	13,528	13,224
Other assets — net	6,662	6,567
Total assets	$872,712	$832,863
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 19,489	$ 20,817
Accrued expenses	62,177	48,949
Income taxes payable	541	138
Current portion of decommissioning liabilities	16,292	20,097
Current maturities of long-term debt	11,810	14,210
Total current liabilities	110,309	104,211
Deferred income taxes	92,503	86,251
Decommissioning liabilities	32,785	18,756
Long-term debt	250,811	255,516
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 and outstanding, 74,499,578 shares at June 30, 2004, and 74,099,081 at December 31, 2003	75	74
Additional paid in capital	374,066	370,798
Accumulated other comprehensive income	2,892	264
Retained earnings (accumulated deficit)	9,271	(3,007)
Total stockholders' equity	386,304	368,129
Total liabilities and stockholders' equity	$872,712	$832,863

See accompanying notes to consolidated financial statements.

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SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
Three and Six Months Ended June 30, 2004 and 2003
(in thousands, except per share data)
(unaudited)

	Three Months		Six Months	
	2004	2003	2004	2003
Revenues	$137,545	$128,857	$254,004	$252,052
Costs and expenses:				
Cost of services	77,144	74,291	143,849	144,448
Depreciation, depletion, amortization and accretion	15,877	12,072	30,651	23,827
General and administrative	25,796	23,689	49,988	47,378
Total costs and expenses	118,817	110,052	224,488	215,653
Income from operations	18,728	18,805	29,516	36,399
Other income (expense):				
Interest expense, net	(5,523)	(5,571)	(11,073)	(11,174)
Interest income	457	4	898	92
Equity in income of affiliates, net	281	305	304	432
Income before income taxes	13,943	13,543	19,645	25,749
Income taxes	5,229	5,215	7,367	9,914
Net income	$ 8,714	$ 8,328	$ 12,278	$ 15,835
Basic earnings per share	$ 0.12	$ 0.11	$ 0.17	$ 0.21
Diluted earnings per share	$ 0.12	$ 0.11	$ 0.16	$ 0.21
Weighted average common shares used in computing earnings per share:				
Basic	74,471	73,936	74,342	73,882
Incremental common shares from stock options	727	1,188	723	960
Diluted	75,198	75,124	75,065	74,842

See accompanying notes to consolidated financial statements.

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SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
Six Months Ended June 30, 2004 and 2003
(in thousands)
(unaudited)

	2004	2003
Cash flows from operating activities:		
Net income	$ 12,278	$ 15,835
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion, amortization and accretion	30,651	23,827
Deferred income taxes	4,334	8,492
Equity in income of affiliates, net	(304)	(432)
Changes in operating assets and liabilities, net of acquisitions:		
Receivables	(2,435)	(5,522)
Other — net	(2,938)	(479)
Accounts payable	(1,293)	(4,833)
Accrued expenses	8,356	4,244
Decommissioning liabilities	(5,250)	—
Income taxes	400	7,133
Net cash provided by operating activities	43,799	48,265
Cash flows from investing activities:		
Payments for purchases of property and equipment	(32,488)	(22,236)
Acquisitions of businesses, net of cash acquired	(11,794)	(2,929)
Net cash used in investing activities	(44,282)	(25,165)
Cash flows from financing activities:		
Net payments on revolving credit facility	—	(9,250)
Principal payments on long-term debt	(7,105)	(6,817)
Proceeds from exercise of stock options	3,269	1,479
Net cash used in financing activities	(3,836)	(14,588)
Effect of exchange rate changes on cash	7	—
Net increase (decrease) in cash	(4,312)	8,512
Cash and cash equivalents at beginning of period	19,794	3,480
Cash and cash equivalents at end of period	$ 15,482	$ 11,992

See accompanying notes to consolidated financial statements.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Notes to Unaudited Condensed Consolidated Financial Statements
Six Months Ended June 30, 2004 and 2003

(1) 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, 2003 and Management's Discussion and Analysis of Financial Condition and Results of Operations.

The financial information of Superior Energy Services, Inc. and subsidiaries (the Company) for the three and six months ended June 30, 2004 and 2003 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 six 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 2004 presentation.

(2) Stock Based Compensation

The Company accounts for its stock based compensation under the principles prescribed by the Accounting Principles Board's (Opinion No. 25), "Accounting for Stock Issued to Employees." However, Statement of Financial Accounting Standards No. 123 (FAS No. 123), "Accounting for Stock-Based Compensation" permits the continued use of the intrinsic-value based method prescribed by Opinion No. 25 but requires additional disclosures, including pro forma calculations of earnings and net earnings per share as if the fair value method of accounting prescribed by FAS No. 123 had been applied. No stock based compensation costs are reflected in net income, as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of the grant. As required by Statement of Financial Accounting Standards No. 148 (FAS No. 148), "Accounting for Stock Based Compensation — Transition and Disclosure," which amended FAS No. 123, the following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of FAS No. 123 to stock based employee compensation. The pro forma data presented below is not representative of the effects on reported amounts for future years (amounts are in thousands, except per share amounts).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
Net income, as reported	$8,714	$8,328	$12,278	$15,835
Stock-based employee compensation expense, net of tax	(267)	(678)	(534)	(1,285)
Pro forma net income	$8,447	$7,650	$11,744	$14,550
Basic earnings per share:				
Earnings, as reported	$ 0.12	$ 0.11	$ 0.17	$ 0.21
Stock-based employee compensation expense, net of tax	(0.01)	(0.01)	(0.01)	(0.02)
Pro forma earnings per share	$ 0.11	$ 0.10	$ 0.16	$ 0.19
Diluted earnings per share:				
Earnings, as reported	$ 0.12	$ 0.11	$ 0.16	$ 0.21
Stock-based employee compensation expense, net of tax	(0.01)	(0.01)	(0.01)	(0.02)
Pro forma earnings per share	$ 0.11	$ 0.10	$ 0.15	$ 0.19
Black-Scholes option pricing model assumptions:				
Risk free interest rate	*	2.42%	*	2.58%
Expected life (years)	*	4	*	3
Volatility	*	58.02%	*	58.63%
Dividend yield	*	—	*	—

(* There were no stock option grants during the three or six months ended June 30, 2004.)

(3) Earnings per Share

Basic earnings per share is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed in the same manner as basic earnings per share except that the denominator is increased to include the number of additional common shares that could have been outstanding assuming the exercise of stock options that would have a dilutive effect on earnings per share.

(4) Business Combinations

On March 1, 2004, the Company acquired a business for $2.1 million in cash consideration in order to enhance the services offered by its well intervention segment. Additional consideration, if any, will be based upon the average earnings before interest, income taxes, depreciation and amortization expense (EBITDA) less certain adjustments of the business over a three-year period, and will not exceed $2.0 million. This acquisition has been accounted for as a purchase and the acquired assets and liabilities have been valued at their estimated fair value. The purchase price preliminarily allocated to net assets was approximately $0.9 million, and the excess purchase price over the fair value of net assets of approximately $1.2 million was allocated to goodwill. The results of operations have been included from the acquisition date.

In the first quarter of 2004, the Company's wholly-owned subsidiary, SPN Resources, L.L.C., acquired additional oil and gas properties through the acquisition of interests in three offshore Gulf of Mexico leases. Under the terms of the transactions, the Company acquired the properties and assumed the decommissioning liabilities. The Company received $1.0 million cash at closing and will invoice the sellers at agreed upon prices as the decommissioning activities (abandonment and structure removal) are completed. The Company preliminarily recorded notes receivable of $10.4 million and a decommissioning liability of $14.4 million. Oil and gas producing assets were recorded at their estimated fair value of $3.0 million.

Many of the Company’s business acquisitions have involved additional contingent consideration based upon a multiple of the acquired companies’ respective average earnings before interest, income taxes, depreciation and amortization expense (EBITDA) over a three-year period from the respective date of acquisition. When amounts are determined, they are capitalized as part of the purchase price of the related acquisition. In the six months ended June 30, 2004, the Company paid additional consideration of $10.7 million as a result of a prior acquisition, which had been capitalized and accrued in 2003. The Company also capitalized additional consideration of $16.3 million, which will be paid in the second half of 2004, as a result of prior acquisitions. While the amounts of additional consideration payable depend upon the acquired company’s operating performance and are difficult to predict accurately, the maximum additional consideration payable for the Company’s prior acquisitions will be approximately $2.0 million, which will be determined and payable in 2007. These amounts are not classified as liabilities under generally accepted accounting principles and are not reflected in the Company’s financial statements until the amounts are fixed and determinable. With the exception of the Company’s guarantee of Lamb Energy Services, L.L.C.’s credit facility (see note 6 to the unaudited consolidated financial statements), the Company does not have any other financing arrangements that are not required under generally accepted accounting principles to be reflected in its financial statements.

Subsequent Event

In July 2004, the Company’s subsidiary, SPN Resources, L.L.C., acquired additional oil and gas properties through the acquisition of nine offshore leases. Under the terms of the transaction, the Company acquired the properties and assumed the related decommissioning liabilities, which have a present value of approximately $40 million. The Company paid $12.9 million in cash and will pay an additional $2.7 million upon the transfer of the remaining assets, which is expected to occur during the third quarter of 2004.

(5) Segment Information

Business Segments

The Company’s reportable segments are as follows: well intervention, marine, rental tools and other oilfield services. Each segment offers products and services within the oilfield services industry. The well intervention segment provides plug and abandonment services, coiled tubing services, well pumping and stimulation services, data acquisition services, gas lift services, electric wireline services, hydraulic drilling and workover services, well control services, engineering support, technical analysis and 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 well intervention segment also acquires mature oil and gas properties through SPN Resources, L.L.C. and produces and sells oil and gas. The marine segment operates liftboats for production service activities, as well as oil and gas production facility maintenance, construction operations and platform removal. 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 other oilfield services segment provides contract operations and maintenance services, transportation and logistics services, offshore oil and gas cleaning services, oilfield waste treatment services, dockside cleaning of items, including supply boats, cutting boxes, and process equipment, and manufactures and sells drilling instrumentation and oil spill containment equipment.

Summarized financial information concerning the Company’s segments for the three and six months ended June 30, 2004 and 2003 is shown in the following tables (in thousands):

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Three Months Ended June 30, 2004

	Well Intervention	Marine	Rental Tools	Other Oilfield Services	Unallocated Amount	Consolidated Total
Revenues	$53,153	$17,692	$43,831	$22,869	$ —	$137,545
Cost of services	32,369	12,660	14,156	17,959	—	77,144
Depreciation, depletion, amortization and accretion	5,261	1,831	7,820	965	—	15,877
General and administrative	10,111	1,870	10,117	3,698	—	25,796
Operating income	5,412	1,331	11,738	247	—	18,728
Interest expense, net	—	—	—	—	(5,523)	(5,523)
Interest income	—	—	—	—	457	457
Equity in income of affiliates, net	—	—	281	—	—	281
Income (loss) before income taxes	$ 5,412	$ 1,331	$12,019	$ 247	$(5,066)	$ 13,943

Three Months Ended June 30, 2003

	Well Intervention	Marine	Rental Tools	Other Oilfield Services	Unallocated Amount	Consolidated Total
Revenues	$46,416	$18,487	$36,396	$27,558	$ —	$128,857
Cost of services	28,329	12,667	11,382	21,913	—	74,291
Depreciation, depletion, amortization and accretion	3,012	1,684	6,269	1,107	—	12,072
General and administrative	9,724	1,921	8,312	3,732	—	23,689
Operating income	5,351	2,215	10,433	806	—	18,805
Interest expense, net	—	—	—	—	(5,571)	(5,571)
Interest income	—	—	—	—	4	4
Equity in income of affiliates, net	—	—	305	—	—	305
Income (loss) before income taxes	$ 5,351	$ 2,215	$10,738	$ 806	$(5,567)	$ 13,543

Six Months Ended June 30, 2004

	Well Intervention	Marine	Rental Tools	Other Oilfield Services	Unallocated Amount	Consolidated Total
Revenues	$97,411	$31,303	$82,563	$42,727	$ —	$254,004
Cost of services	57,703	24,289	26,769	35,088	—	143,849
Depreciation, depletion, amortization and accretion	9,966	3,554	15,237	1,894	—	30,651
General and administrative	19,936	3,255	19,695	7,102	—	49,988
Operating income (loss)	9,806	205	20,862	(1,357)	—	29,516
Interest expense, net	—	—	—	—	(11,073)	(11,073)
Interest income	—	—	—	—	898	898
Equity in income of affiliates, net	—	—	304	—	—	304
Income (loss) before income taxes	$ 9,806	$ 205	$21,166	$ (1,357)	$(10,175)	$ 19,645

Six Months Ended June 30, 2003

	Well Intervention	Marine	Rental Tools	Other Oilfield Services	Unallocated Amount	Consolidated Total
Revenues	$87,815	$37,152	$70,996	$56,089	$ —	$252,052
Cost of services	53,083	25,334	22,496	43,535	—	144,448
Depreciation, depletion, amortization and accretion	6,030	3,282	12,304	2,211	—	23,827
General and administrative	19,260	3,920	16,505	7,693	—	47,378
Operating income	9,442	4,616	19,691	2,650	—	36,399
Interest expense, net	—	—	—	—	(11,174)	(11,174)
Interest income	—	—	—	—	92	92
Equity in income of affiliates, net	—	—	432	—	—	432
Income (loss) before income taxes	$ 9,442	$ 4,616	$20,123	$ 2,650	$(11,082)	$ 25,749

Geographic Segments

The Company attributes revenue to countries based on the location where services are performed or the destination of the sale of products. Long-lived assets consist primarily of property, plant and equipment and are attributed to the United States or other countries based on the physical location of the asset at the end of a period. The Company's information by geographic area is as follows (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
Revenues:				
United States	$116,280	$113,643	$217,379	$222,633
Other Countries	21,265	15,214	36,625	29,419
Total	$137,545	$128,857	$254,004	$252,052

	June 30, 2004	December 31, 2003
Long-Lived Assets:		
United States	$398,179	$400,600
Other Countries	33,735	26,760
Total	$431,914	$427,360

(6) Debt

The Company has outstanding $200 million of 8 7/8% senior notes due 2011. The indenture governing the notes requires semi-annual interest payments, on every May 15th and November 15th through the maturity date of May 15, 2011. The indenture governing the senior notes contains certain covenants that, among other things, prevent the Company from incurring additional debt, paying dividends or making other distributions, unless its ratio of cash flow to interest expense is at least 2.25 to 1, except that the Company may incur additional debt in addition to the senior notes in an amount equal to 30% of its net tangible assets, which was approximately $152 million at June 30, 2004. The indenture also contains covenants that restrict the Company's ability to create certain liens, sell assets or enter into certain mergers or acquisitions.

The Company also has a bank credit facility consisting of term loans in an aggregate amount of $44.0 million outstanding at June 30, 2004, and a revolving credit facility of $75 million, none of which was outstanding at June 30, 2004. The credit facility was amended effective June 30, 2004, to extend the maturity date of one of the term loans. As amended, the term loans require principal payments of $2.8 million each quarter through June 30, 2008.

Any balance outstanding on the revolving credit facility is due on August 13, 2006. The credit facility bears interest at a LIBOR rate plus margins that depend on the Company's leverage ratio. Indebtedness under the credit facility is secured by substantially all of the Company's assets, including the pledge of the stock of the Company's principal subsidiaries. The credit facility contains customary events of default and requires that the Company satisfy various financial covenants. It also limits the Company's capital expenditures, its ability to pay dividends or make other distributions, make acquisitions, make changes to the Company's capital structure, create liens or incur additional indebtedness.

The Company has $18.6 million outstanding in U. S. Government guaranteed long-term financing under Title XI of the Merchant Marine Act of 1936, which is administered by the Maritime Administration (MARAD), for two 245-foot class liftboats. The debt bears an interest rate of 6.45% per annum and is payable in equal semi-annual installments of $405,000, on every June 3rd and December 3rd through June 3, 2027. The Company's obligations are secured by mortgages on the two liftboats. This MARAD financing also requires that the Company comply with certain covenants and restrictions, including the maintenance of minimum net worth and debt-to-equity requirements.

The Company owns a 54.3% interest in Lamb Energy Services, L.L.C., which has a credit facility with a syndicate of banks that matures in 2005 consisting of an $7 million term loan and a $3 million revolving credit facility, $1.5 million of which was outstanding at June 30, 2004. The Company fully guarantees amounts due under the credit facility. The Company does not expect to incur any losses as a result of the guarantee.

(7) Commitments and Contingencies

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

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

Forward-Looking Statements

The following 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 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; changes in competitive factors affecting our operations; risks associated with the acquisition of mature oil and gas properties, including estimates of recoverable reserves, future oil and gas prices and potential environmental and plugging and abandonment liabilities; seasonality of the offshore industry in the Gulf of Mexico; our dependence on key personnel and certain customers; risks of our growth strategy, including the risks of rapid growth and the risks inherent in acquiring businesses; 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 and risks associated with international expansion, including political and economic uncertainties. 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, 2003. 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.

Executive Summary

We experienced better financial performance in the second quarter of 2004 as compared to the first quarter of 2004 as we entered our traditional busy season for production-related projects in the shallow water Gulf of Mexico. Improving weather and higher customer demand combined to more than double our net income from first quarter levels. We saw meaningful increases in well intervention, rental tools and liftboat activity.

As compared to the second quarter of 2003, net income increased 5%. In our traditional core businesses, activity levels were similar to those experienced in the second quarter of 2003. Well intervention activity was basically unchanged from year ago levels with slight changes in our business mix. For instance, increases in coiled tubing, pumping and stimulation, hydraulic workover and plug and abandonment work were offset by decreases in well control and electric wireline activity. Although revenue and earnings from oil and gas production and from decommissioning work on properties owned by our wholly-owned subsidiary, SPN Resources, L.L.C., during the second quarter of 2004 were not significant, we expect the contribution from these will continue to grow following the closing of our acquisition of the South Pass 60 Field in the shallow water Gulf of Mexico. Our strategy is to perform the majority of decommissioning work for SPN Resources during the first and fourth quarters, which are our seasonally slower periods.

In the marine segment, our liftboat utilization was 76%, the highest quarterly utilization since the fourth quarter of 2002. However, our average day rate was well below second quarter 2003 levels. This is due in part to the dynamics of the liftboat business. Typically, when demand improves, utilization will increase before dayrates rise, and when demand falls, utilization will decrease before dayrates drop. In the second quarter of 2003, demand was dropping as reflected in an average liftboat utilization of 66%, but average dayrates were still relatively strong at $6,430 per day. However, in the second quarter of 2004, demand was increasing after bottoming early in the first quarter, but not enough to drive better pricing. As a result, utilization was strong but the average dayrate was $5,730, only slightly better than the first quarter.

Another factor contributing to the lower dayrates as compared to the second quarter of 2003 was due to shipyard downtime for one of the Company's 245-foot class liftboats for leg repairs.

Most of our production-related business and assets come from the well intervention and marine segments. As a result, these segments are highly dependent on shallow water Gulf of Mexico activity. Over time, as major integrated producers have reduced their shallow water Gulf of Mexico exposure, independent producers have become increasingly important customers of these segments. This trend continued in the second quarter of 2004, as independent producers represented an increasingly larger share of our production-related work in both dollars and percentage of revenues. We expect this trend to continue as major producers continue to divest shallow water Gulf of Mexico properties.

In our rental tools segment, we set another quarterly record for revenues and operating income as we continued to expand internationally. Almost half of the $7.4 million revenue increase from the second quarter of last year is attributable to our acquisition of Premier Oilfield Services in August 2003. We also benefited from rentals and sales of stabilizers as well as rentals of drill pipe.

Comparison of the Results of Operations for the Three Months Ended June 30, 2004 and 2003

The following table compares our operating results for the three months ended June 30, 2004 and 2003 (gross margin is calculated by subtracting cost of services from revenue for each of our four business segments).

	Revenue			Gross Margin				
	2004	2003	Change	2004	%	2003	%	Change
Well Intervention	$ 53,153	$ 46,416	$ 6,737	$20,784	39%	$18,087	39%	$2,697
Marine	17,692	18,487	(795)	5,032	28%	5,820	31%	(788)
Rental Tools	43,831	36,396	7,435	29,675	68%	25,014	69%	4,661
Other Oilfield Services	22,869	27,558	(4,689)	4,910	21%	5,645	20%	(735)
Total	$137,545	$128,857	$ 8,688	$60,401	44%	$54,566	42%	$5,835

For the three months ended June 30, 2004, our revenues were $137.5 million, resulting in net income of $8.7 million or $0.12 diluted earnings per share. For the three months ended June 30, 2003, revenues were $128.9 million and net income was $8.3 million or $0.11 diluted earnings per share. We experienced higher revenue and gross margin in our rental and well intervention segments while revenue and gross margin were lower for our marine and other oilfield services segments.

Well Intervention Segment

Revenue for our well intervention segment was $53.2 million for the three months ended June 30, 2004, as compared to $46.4 million for the same period in 2003. This segment's gross margin percentage remained unchanged at 39% for the three months ended June 30, 2004 and 2003. Higher revenue for coiled tubing, pumping and stimulation, hydraulic workover and plug and abandonment services were offset by decreases in well control and electric wireline service revenue. Although the contribution to earnings was not significant, we received revenue from the production and sale of oil and gas in the second quarter of 2004, while we did not have any oil and gas operations in the second quarter of 2003.

Marine Segment

Our marine segment revenue for the three months ended June 30, 2004 decreased 4% over the same period in 2003 to $17.7 million. The gross margin percentage for the three months ended June 30, 2004 decreased to 28% from 31% for the same period in 2003. The fleet's average dayrate decreased 11% to $5,730 in the second quarter of 2004 from $6,430 in the second quarter of 2003, however, average utilization increased to 76% for the second quarter of 2004 from 66% in the same period in 2003.

Rental Tools Segment

Revenue for our rental tools segment for the three months ended June 30, 2004 was a record $43.8 million, a 20% increase over the same period in 2003. The increase in this segment's revenue was primarily due to an increased demand for our expanded inventory of rental tool equipment and our continued international expansion, due primarily to the 2003 acquisition of Premier Oilfield Services. The gross margin percentage remained relatively unchanged at 68% in the three months ended June 30, 2004 from 69% from the same period in 2003.

Other Oilfield Services Segment

Other oilfield services revenue for the three months ended June 30, 2004 was $22.9 million, a 17% decrease over the $27.6 million in revenue for the same period in 2003. The gross margin percentage increased slightly to 21% in the three months ended June 30, 2004 from 20% in the same period in 2003. The lower revenue is primarily attributable to the sale of our construction and fabrication assets.

Depreciation, Depletion, Amortization and Accretion

Depreciation, depletion, amortization and accretion increased to $15.9 million in the three months ended June 30, 2004 from $12.1 million in the same period in 2003. The increase resulted mostly from the oil and gas production of SPN Resources as a result of depletion of oil and gas reserves and accretion of decommissioning liabilities. The increase is also the result of our capital expenditures during 2003 and 2004.

General and Administrative

General and administrative expenses increased to $25.8 million for the three months ended June 30, 2004 from $23.7 million for the same period in 2003. The increase is primarily the result of our acquisitions, internal growth and international expansion.

Comparison of the Results of Operations for the Six Months Ended June 30, 2004 and 2003

The following table compares our operating results for the six months ended June 30, 2004 and 2003 (gross margin is calculated by subtracting cost of services from revenue for each of our four business segments).

	Revenue			Gross Margin				
	2004	2003	Change	2004	%	2003	%	Change
Well Intervention	$ 97,411	$ 87,815	$ 9,596	$ 39,708	41%	$ 34,732	40%	$ 4,976
Marine	31,303	37,152	(5,849)	7,014	22%	11,818	32%	(4,804)
Rental Tools	82,563	70,996	11,567	55,794	68%	48,500	68%	7,294
Other Oilfield Services	42,727	56,089	(13,362)	7,639	18%	12,554	22%	(4,915)
Total	$254,004	$252,052	$ 1,952	$110,155	43%	$107,604	43%	$ 2,551

For the six months ended June 30, 2004, our revenues were $254.0 million resulting in net income of $12.3 million or $0.16 diluted earnings per share. For the six months ended June 30, 2003, revenues were $252.1 million and net income was $15.8 million or $0.21 diluted earnings per share. We experienced higher revenues from our rental tools and well intervention segments. However, we experienced declines in the performance of our marine and other oilfield services segments. The following discussion analyzes our operating results on a segment basis.

Well Intervention Segment

Revenue for our well intervention segment was $97.4 million for the six months ended June 30, 2004, as compared to $87.8 million for the same period in 2003. This segment's gross margin percentage increased to 41% in the six months ended June 30, 2004 from 40% for the same period in 2003. We experienced increased demand for our hydraulic workover and mechanical wireline services, which helped to offset the decline in our well control and electric wireline services. Although the contribution to earnings was not significant, we received revenue from the production and sale of oil and gas in the six months ended June 30, 2004, while we did not have any oil and gas operations in the same period of 2003.

Marine Segment

Our marine segment revenue for the six months ended June 30, 2004 decreased 16% over the same period in 2003 to $31.3 million. The gross margin percentage for the six months ended June 30, 2004 decreased to 22% from 32% for the same period in 2003. The fleet's average dayrate decreased 12% to $5,720 in the six months ended June 30, 2004 from $6,490 in the same period of 2003, but average utilization increased to 70% for the six months ended June 30, 2004 from 66% in the same period in 2003.

Rental Tools Segment

Revenue for our rental tools segment for the six months ended June 30, 2004 was $82.6 million, a 16% increase over the same period in 2003. The increase in this segment's revenue was primarily due to an increased demand for our expanded inventory of rental tool equipment and our continued international expansion, due primarily to the 2003 acquisition of Premier Oilfield Services. In addition, we benefited from increased bolting, torque and on-site machining work and increased rentals of stabilizers and housing units. The gross margin percentage remained unchanged at 68% in the six months ended June 30, 2004 and 2003.

Other Oilfield Services Segment

Other oilfield services revenue for the six months ended June 30, 2004 was $42.7 million, a 24% decrease over the $56.1 million in revenue for the same period in 2003. The gross margin percentage decreased to 18% in the six months ended June 30, 2004 from 22% in the same period in 2003. The decreases in revenue and gross margin resulted in a $1.4 million operating loss for this segment. The lower revenue is primarily attributable to the sale of our construction and fabrication assets. The lower gross margin percentage is due to lower revenue for our oil spill response and field management businesses. In the six months ended June 30, 2003, we sold a significant amount of oil spill response equipment in conjunction with a large oil spill in Spain.

Depreciation, Depletion, Amortization and Accretion

Depreciation, depletion, amortization and accretion increased to $30.7 million in the six months ended June 30, 2004 from $23.8 million in the same period in 2003. The increase resulted mostly from the oil and gas production of SPN Resources as a result of depletion of oil and gas reserves and accretion of decommissioning liabilities. The increase is also the result of our capital expenditures during 2003 and 2004.

General and Administrative

General and administrative expenses increased to $50.0 million for the six months ended June 30, 2004 from $47.4 million for the same period in 2003. The increase is primarily the result of our acquisitions, internal growth and international expansion.

Liquidity and Capital Resources

In the six months ended June 30, 2004, we generated net cash from operating activities of $43.8 million. Our primary liquidity needs are for working capital, capital expenditures, debt service and acquisitions. Our primary sources of liquidity are cash flows from operations and borrowings under our revolving credit facility. We had cash and cash equivalents of $15.5 million at June 30, 2004 compared to $19.8 million at December 31, 2003.

We made $32.5 million of capital expenditures during the six months ended June 30, 2004, of which approximately $22 million was used to expand and maintain our rental tool equipment inventory. We also made $7.5 million of capital expenditures to expand and maintain the asset base of our well intervention, marine and other oilfield services segments and $3 million on construction and improvements to our facilities. We currently believe that we will make approximately $20 million of capital expenditures, excluding acquisitions and targeted asset purchases, during the remaining six months of 2004 primarily to further expand our rental tool asset base. 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 paid $11.8 million during the six months ended June 30, 2004 as a result of our acquisitions. We purchased a business and additional oil and gas properties for $1.1 million (net of $1.0 million cash received). We also paid additional consideration for a prior acquisition of $10.7 million, which was earned, capitalized and accrued during 2003, and we capitalized additional consideration of $16.3 million for two prior acquisitions, which will be paid in the second half of 2004.

In July 2004, our subsidiary, SPN Resources, L.L.C., acquired additional oil and gas properties through the acquisition of nine offshore leases. Under the terms of the transaction, we acquired the properties and assumed the related decommissioning liabilities, which have a present value of approximately $40 million. We paid $12.9 million in cash and will pay an additional $2.7 million upon the transfer of the remaining assets, which is expected to occur during the third quarter of 2004.

We have outstanding $200 million of 8 7/8% senior notes due 2011. The indenture governing the senior notes requires semi-annual interest payments on every May 15th and November 15th through the maturity date of May 15, 2011. The indenture governing the senior notes contains certain covenants that, among other things, prevent us from incurring additional debt, paying dividends or making other distributions, unless our ratio of cash flow to interest expense is at least 2.25 to 1, except that we may incur debt in addition to the senior notes in an amount equal to 30% of our net tangible assets, which was approximately $152 million at June 30, 2004. The indenture also contains covenants that restrict our ability to create certain liens, sell assets or enter into certain mergers or acquisitions.

We also have a bank credit consisting of term loans in an aggregate amount of $44.0 million outstanding at June 30, 2004 and a revolving credit facility of $75 million, none of which was outstanding at June 30, 2004. We amended the credit facility effective June 30, 2004 to extend the maturity date of one of the term loans. As of July 30, 2004, these balances were unchanged and the weighted average interest rate on amounts outstanding under the credit facility was 4.2% per annum. Indebtedness under the credit facility is secured by substantially all of our assets, including the pledge of the stock of our principal subsidiaries. The credit facility contains customary events of default and requires that we satisfy various financial covenants. It also limits our capital expenditures, our ability to pay dividends or make other distributions, make acquisitions, make changes to our capital structure, create liens or incur additional indebtedness.

We have $18.6 million outstanding at June 30, 2004 in U. S. Government guaranteed long-term financing under Title XI of the Merchant Marine Act of 1936, which is administered by the Maritime Administration (MARAD), for two 245-foot class liftboats. This debt bears an interest rate of 6.45% per annum and is payable in equal semi-annual installments of $405,000 on every June 3rd and December 3rd through June 3, 2027. Our obligations are secured by mortgages on the two liftboats. This MARAD financing also requires that we comply with certain covenants and restrictions, including the maintenance of minimum net worth and debt-to-equity requirements.

The following table summarizes our contractual cash obligations and commercial commitments at June 30, 2004 (amounts in thousands) for our long-term debt (excluding interest payments), decommissioning liabilities and operating leases. The decommissioning liability amounts do not give any effect to our contractual right to receive amounts from third parties when decommissioning operations are performed. We do not have any other material obligations or commitments.

Description	Remaining Six Months 2004	2005	2006	2007	2008	2009	Thereafter
Long-term debt	$ 5,905	$11,810	$11,810	$11,810	$6,310	$ 810	$214,166
Decommissioning liabilities	5,649	11,604	11,469	16,450	—	464	3,441
Operating leases	2,328	3,363	2,330	1,677	788	477	12,897
Total	$13,882	$26,777	$25,609	$29,937	$7,098	$1,751	$230,504

We have no off-balance sheet arrangements other than our guarantee of the Lamb Energy Services credit facility (consisting of a $7 million term loan at June 30, 2004 and a $3 million revolving credit facility, $1.5 million of which was outstanding at June 30, 2004) and potential additional consideration that may be payable as a result of our acquisitions. While the amounts of additional consideration payable depend upon the acquired company's operating performance and are difficult to predict accurately, the maximum additional consideration payable for the Company's remaining acquisitions will be approximately $2 million, which will be determined and payable in 2007. These amounts are not classified as liabilities under generally accepted accounting principles and are not reflected in the Company's financial statements until the amounts are fixed and determinable. When amounts are determined, they are capitalized as part of the purchase price of the related acquisition. We do not have any other financing arrangements that are not required under generally accepted accounting principles to be reflected in our financial statements.

We intend to continue implementing our growth strategy of increasing our scope of services through both internal growth and strategic acquisitions. We expect to continue to make the capital expenditures required to implement our growth strategy in amounts consistent with the amount of cash generated from operating activities, the availability of additional financing and our credit facility. 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.

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, 2003. 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, 2003.

Item 4. Controls and Procedures

As of the end of the period covered by this quarterly report on Form 10-Q, our chief financial officer and chief executive officer have concluded, based on their evaluation, that our disclosure controls and procedures (as defined in rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended) are effective and designed to alert them to material information relating to the Company.

There were no material changes to the Company's system of internal controls over financial reporting or in other factors that have materially affected or are reasonably likely to materially affect those internal controls subsequent to the date of the most recent evaluation by our chief financial officer and chief executive officer.

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PART II. OTHER INFORMATION

Item 4. Submission of Matters to Vote of Security Holders

(a) The annual meeting of our stockholders was held on May 25, 2004.

(b) At the annual meeting, the stockholders elected Richard A. Bachmann, Enoch L. Dawkins, Joseph R. Edwards, Ben A. Guill, Terence E. Hall, Richard A. Pattarozzi and Justin L. Sullivan to serve as directors until the next annual meeting of stockholders.

(c) At the annual meeting, our stockholders:

(i) Elected seven directors with the following number of votes cast for and withheld from such nominees:

Director	For	Withheld
Richard A. Bachmann	63,912,075	8,258,206
Enoch L. Dawkins	66,113,585	6,056,696
Joseph R. Edwards	64,946,815	7,223,466
Ben A. Guill	64,608,234	7,562,047
Terence E. Hall	65,608,715	6,561,566
Richard A. Pattarozzi	65,265,885	6,904,396
Justin L. Sullivan	65,531,685	6,638,596

(ii) Approved the 2004 Directors Restricted Stock Units Plan. The number of votes cast for and against this proposal, as well as the number of abstentions and non-votes, is as follows:

For	Against	Abstentions	Non-Votes
52,718,037	5,071,305	40,680	14,340,259

(iii) Ratified the appointment of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2004. The number of votes cast for and against this proposal, as well as the number of abstentions, is as follows:

For	Against	Abstentions
70,986,593	1,178,788	4,900

Item 6. Exhibits and Reports on Form 8-K

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

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).

10.1 Superior Energy Services, Inc. 2004 Directors Restricted Stock Units Plan (incorporated herein by reference to the Company’s Definitive Proxy Statement in conjunction with its 2004 Annual Meeting of Stockholders).

10.2 First Amendment to Amended and Restated Credit Agreement among SESI, L.L.C., Superior Energy Services, Inc., Bank One, N.A., Wells Fargo Bank, N.A., Whitney National Bank and the lenders party thereto, dated as of June 30, 2004.

31.1 Officer's certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 Officer's certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 Officer's certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Officer's certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K. The following reports on Form 8-K were filed during the quarter ended June 30, 2004:

On April 30, 2004, the Company filed a current report on Form 8-K reporting, under item 5, the announcement of earnings for the first quarter ended March 31, 2004.

On May 5, 2004, the Company filed a current report on Form 8-K reporting, under item 5, the announcement that two stockholders had sold common stock.

SIGNATURE

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: August 6, 2004	By: /s/ Robert S. Taylor
	Robert S. Taylor Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit Index

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On May 5, 2004, the Company filed a current report on Form 8-K reporting, under item 5, the announcement that two stockholders had sold common stock.

EXHIBIT 10.2

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated as of June 30, 2004, is among SESI, L.L.C., as Borrower, SUPERIOR ENERGY SERVICES, INC., as Parent, BANK ONE, NA, as Agent (the "Agent"), WELLS FARGO BANK, N.A., as Syndication Agent, WHITNEY NATIONAL BANK, as Documentation Agent, and the Lenders party hereto, who agree as follows:

RECITALS

A. The Borrower, Agent and Lenders have heretofore executed an Amended and Restated Credit Agreement dated as of August 14, 2003 (the "Credit Agreement").

B. The Borrower has requested that the Lenders extend the maturity date of Term Loan Two from May 2, 2005 to August 13, 2008 (to coincide with the maturity date of Term Loan One), and modify the repayment schedule.

C. The Agent and Lenders are willing to accept the Borrower's request on the terms and conditions set forth below.

D. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings defined in the Credit Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings, the parties hereby agree as follows:

ARTICLE 1
AMENDMENTS TO THE CREDIT AGREEMENT

1.1 Sections 2.1.1 (b) (Making the Term Loans; Term Loan Two) and Section 2.1.2 (b) (Repayments of the Term Loans; Term Loan Two) of the Credit Agreement are hereby amended to substitute August 13, 2008 for May 2, 2005 wherever the latter date appears therein. Section 2.1.2 (b) is further amended to substitute quarterly payments of $1,000,000 for $1,600,000 beginning September 30, 2004.

1.2 Except as specifically amended hereby, all of the remaining terms and conditions of the Credit Agreement remain in full force and effect.

ARTICLE 2
ACKNOWLEDGMENT OF COLLATERAL

2.1 Borrower hereby specifically reaffirms all of the Collateral Documents.

ARTICLE 3
MISCELLANEOUS

3.1 Borrower will pay each Term Loan Two Lender who approves the foregoing amendments on or prior to July 30, 2004, an extension fee of $2,500.

3.2 This Amendment may be executed in any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one in the same instrument. This Amendment shall be effective as of the date first written above upon execution by the Borrower, Parent, the Required Lenders and all of the Term Loan Two Lenders.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Borrower, the Agent and the Lenders have executed this Agreement as of the date first above written.

BORROWER: SESI, L.L.C.

By: Superior Energy Services, Inc.
Member Manager

By: /s/ Robert S. Taylor

Name: Robert S. Taylor
Title: Chief Financial Officer

PARENT: SUPERIOR ENERGY SERVICES, INC.

By: /s/ Robert S. Taylor

Name: Robert S. Taylor
Title: Chief Financial Officer

AGENT AND LENDER: BANK ONE, NA
(Main Office Chicago)

By: /s/ Steven D. Nance

Name: Steven D. Nance
Title: Vice President

SYNDICATION AGENT AND LENDER: WELLS FARGO BANK, N.A.

By: /s/ Philip C. Lauinger III

Name: Philip C. Lauinger III
Title: Vice President

DOCUMENTATION AGENT AND LENDER: WHITNEY NATIONAL BANK

By: /s/ Hollie L. Ericksen

Name: Hollie L. Ericksen
Title: Vice President

LENDERS: PNC BANK, NATIONAL ASSOCIATION

By: /s/ Tara Clare Wilde

Name: Tara Clare Wilde
Title: AVP

NATEXIS BANQUES POPULAIRES

By: /s/ Timothy Polvado

Name: Timothy Polvado
Title: Vice President/Manager

By: /s/ Louis P. Laville, III

Name: Louis P. Laville, III
Title: Vice President/Manager

HIBERNIA NATIONAL BANK

By: /s/ Corwin Dupree

Name: Corwin Dupree
Title: Assistant Vice-President

BANK OF SCOTLAND

By:

Name:
Title:

SOUTHWEST BANK OF TEXAS

By: /s/ Ross Bartley

Name: Ross Bartley
Title: Vice President

EXHIBIT 31.1

OFFICER'S CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Terence E. Hall, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Superior Energy Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

SUPERIOR ENERGY SERVICES, INC.

Date: August 6, 2004

By: /s/ Terence E. Hall

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

EXHIBIT 31.2

OFFICER'S CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert S. Taylor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Superior Energy Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

SUPERIOR ENERGY SERVICES, INC.

Date: August 6, 2004

By: /s/ Robert S. Taylor

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

EXHIBIT 32.1

CERTIFICATE PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Terence E. Hall, the Chairman of the Board, Chief Executive Officer and President of Superior Energy Services, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by such Report.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 6, 2004

By: /s/ Terence E. Hall

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

EXHIBIT 32.2

CERTIFICATE PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert S. Taylor, Chief Financial Officer, Principal Financial and Accounting Officer of Superior Energy Services, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004,as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by such Report.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 6, 2004

By: /s/ Robert S. Taylor

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