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

FORM 10-Q/A

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1999

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Transition Period From ....to........

Commission File No. 0-20310

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

Delaware	75-2379388
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1105 Peters Road Harvey, Louisiana	70058
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

The number of shares of the Registrant's common stock outstanding on April 30, 1999 was 28,792,523.

PART 1. FINANCIAL INFORMATION

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

OVERVIEW

The demand for Superior's rental tools and well services is primarily a function of the oil and gas exploration and workover activity in the Gulf of Mexico and along the gulf coast. The level of oilfield activity is affected in turn by the willingness of oil and gas companies to make capital expenditures for the exploration, development and production of oil and natural gas, and the levels of such capital expenditures are influenced by oil and gas prices, the cost of exploring for, producing and delivering oil and gas, the sale and expiration dates of leases in the United States, the discovery rate of new oil and gas reserves, local and international political and economic conditions and the ability of oil and gas companies to generate capital. Demand for Superior's plug and abandonment services is primarily a function of the number of offshore producing wells that have ceased to be commercially productive, increased environmental awareness and the desire of oil and gas companies to minimize abandonment liabilities.

The oilfield services industry experienced a significant decline in activity in the last half of 1998 which has continued into the first quarter of 1999. Superior's rental tool business has been impacted, but not as much as many other areas of the oilfield service industry because it is primarily concentrated on workover activity and deep water drilling projects which have not been affected as much as other areas of the industry. Superior's well services segment has been adversely affected as some major and independent oil and gas companies have elected to defer making these expenditures. However, as a result of these deferrals and increased depletion rates, the backlog of wells requiring plug and abandonment continues to increase. Should the decline in overall industry activity levels continue, it could have a material adverse effect on Superior's financial condition and results of operations.

COMPARISON OF THE RESULTS OF OPERATIONS FOR THE QUARTERS ENDED MARCH 31, 1999 AND 1998

The Company's revenues were $18 million for the quarter ended March 31, 1999 as compared to $22.7 million for the same period in 1998. In the first quarter of 1999, the Company continued to be affected by the downturn in the industry activity, which began in the last half of 1998. The decline in revenue is primarily attributable to the well services segment since it is more susceptible to the major and independent oil and gas companies' deferment of discretionary spending. The rental tools segment's revenue has not been as adversely affected by industry conditions as a result of its focus on workover, remediation and deep water drilling activity. Although the Company's revenues declined in the first quarter of 1999 compared to the same period in 1998, the Company's gross margin remained constant at 58% for both quarters.

Depreciation and amortization increased 29%, to $2.1 million for the three months ended March 31, 1999 from $1.7 million for the three months ended March 31, 1998. Most of the increase resulted from the larger asset base that has resulted from the Company's 1998 acquisitions and capital expenditures. General and administrative expenses increased 18%, to $6.1 million for the first quarter of 1999 as compared to $5.2 million for the same period of 1998. The increase is the result of the 1998 acquisitions completed during the second and third quarters in 1998.

Net income for the quarter ended March 31, 1999 decreased 77.2% to $1 million as compared to $4.5 million for the comparable period last year. While the $1.2 million gain on the sale of subsidiary increased the net income in the first quarter of 1998, the Company's results for the first quarter of 1999 reflected the impact of the economic slowdown in the oil and gas industry and customers' decisions to limit or defer investments in exploration, drilling, production and plug and abandonment services.

CAPITAL RESOURCES AND LIQUIDITY

For the three months ended March 31, 1999, the Company had net income of $1 million and net cash provided by operating activities of $6 million, compared to $4.5 million and $7 million, respectively, for the same period in 1998. The Company's EBITDA decreased to $4.3 million, as compared to $7.9 million, exclusive of the gain on sale of a subsidiary, for the same period in 1998. The decrease in net income, cash flow and EBITDA was primarily the result of the significant decline in overall industry activity in the last half of 1998 which has continued into the first quarter of 1999.

The Company maintains a bank credit facility which provides for a revolving line of credit up to $45 million, matures on April 30, 2000, and bears interest at an annual rate of LIBOR plus a margin that depends on the Company's debt coverage ratio (currently 6.76% per annum). As of April 30, 1999, there was $24.5 million outstanding under the bank credit facility. Borrowings under the bank credit facility are available for acquisitions, working capital, letters of credit and general corporate purposes. Indebtedness under the bank credit facility is guaranteed by the Company's subsidiaries, collateralized by substantially all of the assets of the Company and its subsidiaries, and a pledge of all the common stock of the Company's subsidiaries. Pursuant to the bank credit facility, the Company has also agreed to maintain certain financial ratios. The bank credit facility also imposes certain limitations on the ability of the Company to make capital expenditures, pay dividends or other distributions to shareholders, make acquisitions or incur indebtedness outside of the bank credit facility.

In the first three months of 1999, the Company made capital expenditures of $2.6 million primarily for additional rental equipment. Management currently believes that the Company will make additional capital expenditures, excluding acquisitions, of approximately $5 to $7 million in 1999 primarily to further expand its rental tool inventory. The Company believes that cash generated from operations and availability under the bank credit facility will provide sufficient funds for the Company's identified capital projects and working capital requirements. However, part of the Company's strategy involves the acquisition of companies that have products and services complementary to the Company's existing base of operations. Depending on the size of any future acquisitions, the Company may require additional equity financing and debt financing possibly in excess of the Company's bank credit facility.

On April 20, 1999, Superior entered into a definitive agreement (Merger Agreement) to merge a wholly-owned Superior subsidiary with and into Cardinal Holding Corporation (Cardinal) in a stock transaction, pursuant to which

Cardinal would become a wholly-owned subsidiary of Superior. The terms of the Merger Agreement provide that, at the time of the merger, all of the outstanding shares of Cardinal capital stock will be converted into the right to receive in the aggregate a number of shares of Superior Common Stock equal to 51% of the then outstanding Superior Common Stock after giving effect to such issuance, calculated on a fully diluted basis. The number of shares of Superior Common Stock that will be issued upon consummation of the merger will be calculated based on the number of shares of Superior Common Stock that will be used by Superior to calculate its fully diluted earnings per share in accordance with Generally Accepted Accounting Standards for its fiscal quarter ending June 30, 1999.

The Merger Agreement contains certain terms and conditions to the merger. Prior to the consummation of the merger, Superior must obtain a new credit facility, containing usual and customary covenants, mutually agreed upon by Superior and Cardinal, in a principal amount that will produce proceeds sufficient to repay or refinance certain existing indebtedness of both Cardinal and Superior. The merger is also conditioned upon Cardinal's completion of a private placement of $45 million of equity to the current holders of Cardinal capital stock or other institutional investors, the net proceeds of which will be used to reduce Cardinal's indebtedness upon consummation of the merger, and the merger is subject to other usual and customary conditions, including stockholder approval. Assuming all the conditions are met, the merger is scheduled to close in the third quarter of 1999.

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (FAS) No. 133, Accounting for Derivative Instruments and Hedging Activities. FAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 1999 and establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. FAS 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are to be recorded each period in current earning or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Earlier application of the provisions of the Statement is encouraged and is permitted as of the beginning of any fiscal quarter that begins after the issuance of the Statement. Due to the fact that the Company does not currently use derivative instruments, adoption of the Statement will not have a material effect on Superior's results of operations, financial position, or liquidity.

Year 2000

The Company is assessing both the cost of addressing and the cost or the consequence of incomplete or untimely resolution of the Year 2000 issue. This process includes (i) the development of Year 2000 awareness, (ii) a review to identify systems that could be affected by the Year 2000 issue, (iii) an assessment of potential risk factors (including non-compliance by the Company's suppliers, subcontractors and customers), (iv) the allocation of required resources, (v) a determination of the extent of remediation work required, (vi) the development of an implementation plan and time table, and (vii) the development of contingency plans.

The Company makes use of computers in its processing of accounting, financial, administrative, and management information. Additionally, the Company uses computers as a tool for its employees to communicate among themselves and with other persons outside the organization. The Company has identified its key vendors, alternate vendors and key customers, and will contact the identified group through questionnaires in early July to assess their efforts and progress with Year 2000 issues. The Company is currently evaluating its non-information technology equipment and any remedial action and/or contingency plan, and it anticipates completion of its evaluations by August 31, 1999.

The Company is in the process of analyzing and evaluating the operational problems and costs that would be reasonably likely to result from the failure by the Company or certain third parties to complete efforts necessary to achieve Year 2000 compliance on a timely basis. The Company is in the process of evaluating all the material information technology ("IT") and non-IT systems that it uses directly in its operations. The Company presently believes that the year 2000 issue will not pose significant operational problems for the Company's computer systems. However, if all significant Year 2000 issues are not properly identified, or assessment, remediation and testing of its systems are not effected timely, the Year 2000 issue could potentially have an adverse impact on the Company's operations and financial condition. The Company believes that the most reasonably likely worst-case scenario would be that the

Company would revert to the use of manual accounting records for billings, payments and collections. In addition, the inability of principal suppliers and major customers to be Year 2000 compliant could result in delays in deliveries from those suppliers and collections of accounts receivable.

The Company believes that it will be able to implement successfully the changes necessary to address the Year 2000 issues with reliance on its third party vendors and does not expect the cost of such changes to have a material impact on the Company's financial position, results of operations or cash flows in future periods.

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: June 18, 1999

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