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

FORM 10-QSB

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

or

TRANSITION REPORT UNDER SECTION 13 OR15(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 small business issuer as specified in its charter)

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

1503 Engineers Road P.O. Box 6220, New Orleans, LA	70174
(Address of principal executive offices)	(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 July 31, 1996 was 17,597,045

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	6/30/96 (Unaudited)	12/31/95 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,114	$ 5,068
Accounts receivable - net	4,050	3,759
Inventories	1,200	968
Deferred income taxes	256	256
Other	195	227
Total current assets	7,815	10,278
Property, plant and equipment - net	6,693	6,904

Goodwill - net	4,461	4,576
Patent - net	1,176	1,226
Total assets	$ 20,145	$ 22,984
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable - bank	$ 94	$ 1,249
Accounts payable	734	2,345
Notes payable - other	1,396	3,422
Unearned income	738	1,085
Accrued expenses	642	456
Income taxes payable	1,215	545
Other	200	200
Total current liabilities	5,019	9,302
Deferred income taxes	408	408
Other	-	180
Stockholders' equity:		
Preferred stock of $.01 par value. Authorized, 5,000,000 shares; none issued	-	-
Common stock of $.001 par value. Authorized, 40,000,000 shares; issued, 17,047,045	17	17
Additional paid-in capital	16,265	16,230
Accumulated deficit	(1,564)	(3,153)
Total stockholders' equity	14,718	13,094
Total liabilities and stockholders' equity	$20,145	$22,984

Superior Energy Services, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
Three and Six Months Ended June 30, 1996 and 1995
(in thousands, except per share data)
(unaudited)

	Three Months		Six Months	
	1996	1995	1996	1995
REVENUES	$ 4,690	$ 3,211	$ 9,330	$ 6,147
Costs and expenses:				
Costs of services	2,142	1,934	4,413	3,713
Depreciation and amortization	297	47	590	88
General and administrative	1,007	733	2,189	1,449
Total costs and expenses	3,446	2,714	7,192	5,250
Income from operations	1,244	497	2,138	897
Other income (expense):				
Interest expense	(18)	(29)	(48)	(48)
Other	15	(3)	180	56
Income before income taxes	1,241	465	2,270	905
Provision for income taxes	372	-	681	-
Net income	$ 869	$ 465	$ 1,589	$ 905

Income before income taxes as per above		Pro forma(1) $ 465		Pro forma(1) 905
Pro forma income taxes		172		335
Net income as adjusted for pro forma income taxes		$ 293		570
Net income per common share and common share equivalent	$ 0.05	$ 0.03	$ 0.09	$ 0.06
Weighted average shares outstanding	17,086,611	8,400,000	17,079,763	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
Six Months Ended June 30, 1996 and 1995
(in thousands)
(unaudited)

	1996	1995
Cash flows from operating activities:		
Net income	$ 1,589	$ 905
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	590	88
Unearned income	(347)	-
Changes in operating assets and liabilities:		
Accounts receivable	(336)	(626)
Notes receivable	-	110
Inventories	(232)	(46)
Other - net	(68)	(7)
Accounts payable	(1,611)	203
Due to shareholders	(26)	49
Accrued expenses	186	-
Income taxes payable	670	-
Net cash provided by operating activities	415	676
Cash flows from investing activities:		
Proceeds from sale of property and equipment	357	-
Payments for purchases of property and equipment	(572)	(342)
Net cash provided by (used in) investing activities	(215)	(342)
Cash flows from financing activities:		
Notes payable - bank	(1,154)	462
Deferred payment for acquisition of Oil Stop, Inc.	(2,000)	-
Shareholder distributions	-	(691)
Net cash provided by (used in) financing activities	(3,154)	(229)
Net increase (decrease) in cash	(2,954)	105
Cash and cash equivalents at beginning of period	5,068	207
Cash and cash equivalents at end of period	$ 2,114	$ 312

SUPERIOR ENERGY SERVICES, INC.
AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

Six Months Ended June 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)

The financial information for the six months ended June 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 six 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 June 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 six months ended June 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 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 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.

(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) Subsequent Event

Subsequent to June 30, 1996, the Company purchased 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 acquisitions systems used to monitor, display and record drill site functions. For the nine months ended June 30, 1996, Baytron recorded revenues of $2.0 million.

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 June 30, 1996 and 1995

Revenues increased 46% in the second quarter ended June 30, 1996 as compared to the quarter ended June 30, 1995. Of this increase, 27% is a result of increased levels of activity and 73% is the result of the acquisitions mentioned above.

Cost of services for the quarter ended June 30, 1996 increased 11% from the quarter ended June 30, 1995. This increase was primarily as a result of the acquisitions. Depreciation increased $250,000 in the quarter ended June 30, 1996 as compared to the quarter ended June 30, 1995. This increase was primarily as a result of the acquisitions. General and administrative expenses increased 37% in the second quarter of 1996 as compared to the second quarter of 1995. The majority of this increase is a result of legal and professional expenses related to the acquisitions.

Comparison of the Results of Operations for the Six Months ended June 30, 1996 and 1995.

Revenues increased 52% for the six months ended June 30, 1996 as compared to the six months ended June 30, 1995. Of this increase, 30% is a result of increased levels of activity and 70% is the result of the acquisitions mentioned above.
Cost of services for the six months ended June 30, 1996 increased 19% over the six months ended June 30, 1995. Of this increase, 26% is as a result of increased levels of activity and 74% is the result of the acquisitions. Depreciation increased $502,000 in the six months ended June 30, 1996 as compared to the six months ended June 30, 1995. This increase is primarily the result of the acquisitions. General and administrative expenses increased 51% for the six months ended June 30, 1996 over the same period in 1995. Of this increase, 64% is the result of the acquisitions and 36% is the result of increased levels of activity.

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 will be $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 $415,000 for the six months ended June 30, 1996. This is a decrease of $261,000 as compared to the six months ended June 30, 1995. This is primarily the result of a $1.6 million reduction in the Company's accounts payable. Of the $1.6 million, $1.2 million is a result of a permanent reduction of Small's remaining obligations.

The Company's working capital position improved to $2,796,000 at June 30, 1996 as compared to $976,000 at December 31, 1995. This was primarily the result of a $2,000,000 final payment made in connection with the acquisition of all the capital stock of Oil Stop as well as a reduction of debt of approximately $1.2 million. The Company's current ratio also improved from 1.10 at December 31, 1995 to 1.56 at June 30, 1996.

The Company, in connection with the joint venture for its West Texas fishing and rental tool operation, sold land for $300,000. During the first six months of 1996 it also sold various equipment for approximately $57,000. Both these sales resulted in no gain or loss. In the first six months of 1996, the Company purchased approximately $572,000 of machinery and equipment. These purchases were funded primarily from cash generated from operations.

On July 31, 1996, the company consummated its purchase of Baytron, Inc. for $1,100,000 of cash and 550,000 Common Shares. The cash portion of the purchase was made with available funds.

The Company maintains a revolving credit facility which was increased in June 1996 from $1.4 million to $4.0 million. As of June 30, 1996, there were no amounts outstanding under this facility. 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 6. Exhibits and Reports on Form 8-K

a) The following exhibits are filed with this Form 10-QSB

10.1 Commercial Business Loan Agreement dated June 6, 1996 by and among Whitney National Bank and Superior Energy Services, Inc.

b) The Company did not file any reports on Form 8-K during the quarter ended June 30, 1996.

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: August 12, 1996 By: /s/ Terence E. Hall

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

Date: August 12, 1996 By: /s/ Robert S. Taylor

Robert S. Taylor

Chief Financial Officer
(Principal Financial and Accounting Officer)

Commercial Business Loan Agreement

This Agreement is dated June 6, 1996, and is by, between and among Whitney National Bank ("Whitney"); Superior Energy Services, Inc., a corporation organized under the laws of the State of Delaware (the "Borrower"); and Oil Stop, Inc., a Louisiana corporation, and Superior Well Service, Inc., a Louisiana corporation (each a "Guarantor" and collectively, the "Guarantors"); and provides for all present and future loans (including advances on loans) to Borrower (collectively, the "Loans", with each separate advance of funds being a "Loan"). Borrower, together with endorsers and guarantors of the Loan, if any, are collectively referred to as "Obligor".

A. The Loan. Provided each Obligor performs all obligations in favor of Whitney contained in this Agreement and in any other agreement related to the Loans, whether now existing or hereafter arising, Whitney will make or has made available a line of credit Loan to Borrower in the total aggregate principal amount of up to Four Million and no/100 ($4,000,000.00) Dollars. This Loan is evidenced by Whitney's form of master note containing additional terms and conditions, including the interest rate and repayment schedule.

B. Use of Proceeds. The proceeds from the Loans will be used for intercompany loans and working capital purposes, which includes funds to generate accounts receivable and to acquire inventory, and for capital expenditures by Borrower to one or more of its subsidiaries.

C. Representations, Warranties and Covenants. Each Obligor represents, warrants and covenants to Whitney that:

(1) Organization and Authorization. Borrower is a Delaware corporation that is duly organized, validly existing and in good standing under Delaware law. Each Obligor's execution, delivery and performance of this Agreement and all other documents delivered to Whitney have been duly authorized and do not violate such Obligor's articles of incorporation (or other governing documents), material contracts or any applicable law or regulations.

(2) Collateral. Borrower shall furnish, or cause others to furnish, all collateral documents, continuing guaranties and endorsements as may be required by Whitney (the "Collateral"). In addition to the collateral set forth in any note evidencing a Loan, Collateral includes but is not limited to the following:

(i) A first valid and enforceable security interest in and to the Accounts and Inventory, in each case as such terms are defined in the Commercial Laws--Secured Transactions of the Louisiana Revised Statutes. La.R.S.10:9-101 et seq., of the Borrower. Such security interest shall be granted by execution and delivery by Borrower of a security agreement using Whitney's standard form.

(ii) Continuing guaranties of each of the following entities of the principal amount set forth in such guaranties, plus interest, expenses, and costs, in each case using Whitney's standard form:

a. Oil Stop, Inc., a Louisiana corporation;
b. Superior Well Service, Inc., a Louisiana corporation.

Notwithstanding the foregoing, it is understood that the

Collateral specifically described herein shall be all of the Collateral required by Whitney so long as the Borrower is in compliance with the terms and conditions of this Agreement and while the maximum amount of the Loan does not exceed the principal amount of $4,000,000.00.

(3) Compliance with Tax and other Laws. Each Obligor shall comply with all laws that are applicable to the Obligor's business activities, including, without limitation, all laws regarding (i) the collection, payment and deposit of employees' income, unemployment, Social Security, sales and excise taxes; (ii) the filing of returns and payment of taxes; (iii) pension liabilities including ERISA requirements; (iv) environmental protection; and (v) occupational safety and health. Should any Obligor be out of compliance with any law, as contemplated in the preceding sentence, there shall be no default hereunder unless such non-compliance has not been cured within 30 days of the date non-compliance occurs. Except as disclosed on Schedule A to this Agreement, there is no material pending and threatened litigation against any Obligor.

(4) Financial Information. From the date of this Agreement and so long as any Loan shall be outstanding, unless compliance shall have been waived in writing by Whitney, Borrower (which for purposes of this covenant refers to Borrower and its subsidiaries on a consolidated basis) shall furnish to Whitney:

(i) within 90 days after the close of Borrower's fiscal year, a copy of the annual financial statements of Borrower, prepared in conformity with Generally Accepted Accounting Principles ("GAAP") applied on a basis consistent with that of the preceding fiscal year, including a balance sheet as of the end of each such fiscal year, a statement of earnings and surplus of Borrower (statement of operations) for such fiscal year, and a statement of cash flows for such fiscal year. Borrower's Chief Financial Officer shall certify the annual financial statements as true and correct. Borrower's annual financial statements shall be audited by an independent certified public accounting firm acceptable to Whitney; and

(ii) within 45 days after the close of each quarter of the fiscal year of Borrower (y) unaudited financial statements consisting of a balance sheet as of the end of each such quarter and a statement of earnings and surplus of Borrower for such quarter, and (z) statement of changes in cash flow for such quarter, all certified true and correct by the Chief Financial Officer of Borrower; and

(iii) within 30 days after the close of each quarter of the fiscal year of Borrower a report on the aging of Accounts, in form and substance acceptable to Whitney.

(5) Financial Covenants and Ratios.

During the term of this Agreement, Borrower shall maintain the following financial ratios and/or covenants (and in the case of covenants pertaining to fiscal quarters, such ratios and/or covenants apply beginning with the fiscal quarter ending June 30, 1996):

(a) Current Ratio. Borrower and its subsidiaries on a consolidated basis shall maintain a Current Ratio of at least 1 to 1 as of the last day of each fiscal quarter up to and through December 31, 1996. Prior to December 31, 1996, Borrower shall provide to Whitney a written schedule projecting the Current Ratio of Borrower and its subsidiaries for each fiscal quarter of 1997 and 1998; after Whitney's examination and acceptance thereof, maintaining such Current Ratios shall automatically become a covenant of Borrower hereunder. "Current Ratio" shall mean the ratio of Current Assets to Current Liabilities, as current assets and current liabilities are defined and treated in accordance with GAAP, but excluding from Current Liabilities the amounts outstanding under the line of credit by Whitney provided for hereunder as the Loan.

(b) Working Capital. Borrower and its subsidiaries on a consolidated basis shall maintain Working Capital of at least Seven Hundred Fifty Thousand and No/100 ($750,000.00) Dollars as of the last day of each fiscal quarter. "Working Capital" shall mean current assets less current liabilities as such terms are defined and treated in accordance with GAAP, but excluding from the Working Capital computation amounts outstanding under the line of credit by Whitney provided for hereunder as the Loan.

(c) Maximum Debt to Worth Ratio. Borrower and its subsidiaries on a consolidated basis shall maintain a Debt to Worth Ratio of not more than 2 to 1 as of the last day of each fiscal quarter. "Debt" refers to long term debt as understood under GAAP and shall further mean

(i) any indebtedness or liability for borrowed money or for the deferred purchase price of property or services (including accounts payable),

(ii) any obligations as lessee under any leases (but excluding leases of motor vehicles, leases of office equipment, and the lease in effect on the date hereof for office space),

(iii) current liabilities in respect of unfunded vested benefits under anyemployee benefits plan, if any,

(iv) all guaranties (except for guaranties by any one or more of the Guarantorswith regard to guarantying the Loan), endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations, which includes any off balance sheet item for which the Borrower or either Guarantor hereunder obligates itself),

(v) obligations secured by any lien on property owned by any one or more of the Borrower and the Guarantors whether or not the obligations have been assumed.

Notwithstanding the foregoing, for purposes of the Debt to Worth Ratio, Debt shall not include:

(a) any loans due to stockholders of Borrower, but only if the Loan is not in default hereunder, and

(b) unearned income, deferred income taxes, accrued expenses and other similar amounts, but only to the extent that the items enumerated in this subparagraph (b) do not exceed 40% of total current liabilities, as set forth on the balance sheet of the Borrower and subsidiaries as submitted to the Securities and Exchange

Commission, it being understood that the balance sheet will be audited at fiscal year end only.

"Worth" shall mean the sum of common stock, preferred stock, capital surplus, and retained earnings.

(d) Cash Flow Coverage Ratio. Borrower and its subsidiaries on a consolidated basis shall maintain a Cash Flow Coverage Ratio of at least 1 to 1 as of the last day of each fiscal quarter of Borrower and its subsidiaries starting as of December 31, 1996 and calculated on a trailing 12-month basis. "Cash Flow Coverage Ratio" shall mean the ratio of earnings before depreciation, amortization; interest, taxes and all other noncash items, as used in applying GAAP, to total debt service. For purposes of this Agreement "debt service" means all amounts required to retire all debt obligations of Borrower in accordance with their terms during the following 12-month period, including principal and interest, according to the terms of the respective agreements creating such debt obligations.

(e) Capital Expenditures. The Borrower will not incur Capital Expenditures during any fiscal year (on a cumulative basis) in excess of $1,000,000, it being understood that such limitation shall apply to expenditures other than mergers and acquisitions, which are governed by the provisions of No. (7) hereinbelow. "Capital Expenditures" shall mean expenditures for capital assets that are subject to depreciation, depletion or amortization under GAAP.

(6) Notice of Default. Each Obligor shall notify Whitney immediately upon becoming aware of the occurrence of any event constituting, or which with the passage of time or the giving of notice, could constitute, a Default, as defined hereinbelow.

(7) Mergers. Without the prior written consent of Whitney, which consent shall not be unreasonably withheld or delayed, no Obligor shall (i) be a party to a merger or consolidation, (ii) sell or lease all or substantially all of its, his or her assets; or (iii) acquire all or substantially all of the assets of another entity, whether by acquisition of stock or tangible property. Notwithstanding the foregoing, Borrower may enter into one or more acquisitions as contemplated in this No. 7 aggregating not more than $3,000,000 without the prior written consent on Whitney as long as such acquisitions do not result in the violation of any other term of this Agreement, which would include causing the Borrower to be out of compliance with any financial covenant hereof.

(8) Indebtedness and Liens. Other than with respect to Permitted Encumbrances, as described on Schedule B, annexed hereto and made a part hereof, Borrower shall not create any additional obligations for borrowed money nor shall it mortgage or encumber any of its assets or suffer any liens to exist on any of its assets without the prior written consent of Whitney.

(9) Other Liabilities. No Obligor shall lend to or guarantee (other than guaranties of the obligations of Borrower or Guarantors entered into in the ordinary course of business and not involving the incurrence of indebtedness for borrowed money), endorse (except for collection or deposit of negotiable instruments in the ordinary course of business) or otherwise become contingently liable in connection with the obligations, stock or dividends of any person, firm or corporation, except as currently existing and reflected in the financial statements of such Obligor as previously submitted to Whitney. Advances to employees of the Borrower or any Guarantor in the ordinary course of business for business purposes shall not be considered

a loan prohibited pursuant to this No. 9.

(10) Additional Documentation. Upon the written request of Whitney, each Obligor shall promptly and duly execute and deliver all such further instruments and documents and take such further action as Whitney may deem necessary to obtain the full benefits of this Agreement and of the rights and powers granted in this Agreement.

(11) Redemption, Dividends and Distributions. Borrower shall not, without the prior express written approval of Whitney, which approval may be withheld at Whitney's sole discretion: (a) purchase, redeem, retire or otherwise acquire, directly or indirectly, for consideration any shares of its capital stock or any warrant or option to purchase any such shares; (b) pay any dividends; (c) make any distribution, payment or delivery of any property or cash to stockholders, except that salaries and bonuses may be paid to stockholder-employees in the ordinary course of business; or (d) set aside any funds or other property or assets for any such purposes. Notwithstanding the provisions of this subparagraph (11), Borrower shall have no obligation to comply herewith as long as Borrower maintains its status as a corporation that trades its stock publicly.

(12) Other Agreements. No Obligor will permit any material changes to be made in the character of its business as conducted on the date of this Agreement. Except as provided in No. (11) hereinabove with respect to Borrower, no Obligor will retire or redeem any shares of the capital stock of Borrower without the prior written consent of Whitney.

D. Each Extension of Credit. Each request by Borrower for a Loan shall constitute a warranty and representation by Borrower to Whitney that there exists no Default or any condition, event or act which constitutes, or with notice or lapse of time (or both) would constitute a Default as defined by this Agreement.

E. Conditions Precedent to Loans. Whitney shall have no obligation to advance funds under this Agreement until and unless the following conditions have been satisfied:

(1) Whitney shall have received the loan and collateral documents contemplated by this Agreement in form and substance satisfactory to Whitney;

(2) Whitney shall have received satisfactory opinions of counsel relating to due authorization and enforceability of this Agreement and all collateral documents and the perfection of Whitney's security interests in all Collateral;

(3) All representations and warranties made by each Obligor to Whitney shall be true and correct as of the date of the Loan's funding;

(4) Each Obligor's business must be in a condition satisfactory to Whitney, the management and ownership of Borrower must not have changed and no material adverse change (from that reflected in the last financial statements delivered to, and accepted by, Whitney prior to execution of this Agreement) has occurred in the financial condition of the Borrower or any Obligor (it being understood that pursuant to this provision and with regard to any other provision of this Agreement in which the creditworthiness of the Obligors is addressed, Whitney agrees that it will consider the Borrower, Oil Stop, Inc., and Superior Well Service, Inc. on a consolidated financial basis so long as, during the term of this Agreement, their

financial statements are prepared on a consolidated basis) ; and

(5) There exists no Default (or event which with notice or lapse of time or both could constitute a Default) under (a) this Agreement or (b) any other agreement if with regard to such other agreement such default is not cured in 30 days, between any Obligor and Whitney.

F. Default. The occurrence of (i) a default under a note evidencing a Loan, (ii) the failure of any Obligor to observe or perform promptly when due any covenant, agreement or obligation due to the Whitney under this Agreement or otherwise, or (iii) the inaccuracy at any time of any warranty, representation or statement made to Whitney by any Obligor under this Agreement or otherwise, shall constitute a default under this Agreement (in the case of (i), (ii) and (iii), each a "Default").

G. Miscellaneous Provisions. Borrower agrees to pay all of the costs, expenses and fees incurred in connection with the Loans, including attorneys fees, and appraisal fees, if any. This Agreement is not assignable by Borrower and may be relied upon only by the undersigned. In no event shall any Obligor or Whitney be liable to the other for indirect, special or consequential damages, including the loss of anticipated profits that may arise out of or are in any way connected with the issuance of this Agreement. No condition or other term of this Agreement may be waived or modified except by a writing signed by the Borrower and Whitney. This Agreement, all promissory notes evidencing Loans under this Agreement and all documents creating security interests in Louisiana-based assets of any Obligor shall be governed by Louisiana law. Each Obligor acknowledges that Borrower presently maintains and shall in the future maintain a lock box account with Whitney with regard to collection of Accounts, all as more fully provided for in a security agreement between Borrower and Whitney.

H. Other Conditions.

The undersigned guarantors intervene herein to evidence their agreement with and consent to the provisions hereof.

BORROWER	GUARANTORS:
Superior Energy Services, Inc., a Delaware corporation	Oil Stop, Inc.
BY: ___________________________ Terence Hall Its: President	BY: __________________________ Its:
WHITNEY NATIONAL BANK By: _______________________________ Johnny L. Kidder Its: Vice President	Superior Well Service, Inc. By: _______________________________ Its:

Schedule A

Description of Material Pending and Threatened Litigation

None

Schedule B

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION FROM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDING JUNE 30, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>

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