



# Superior Energy Services

The Energy Opportunities 3<sup>rd</sup> Annual Energy Conference

**SPN**  
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**November 4, 2010**

## Forward-Looking Statements

**This presentation contains forward-looking statements, including, in particular, statements about Superior Energy's plans, strategies and prospects. These statements are based on the Company's current assumptions, expectations and projections about future events, which are subject to a wide range of business risks.**

**Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, the Company can give no assurance that these assumptions will prove to be correct or that financial or market forecasts, savings or other benefits anticipated in the forward-looking statements will be achieved.**

**Forward-looking statements are not guarantees of future performance and actual results may differ materially from those projected. The information contained in this presentation is only current as of November 1, 2010, and the Company undertakes no obligation to update this presentation.**

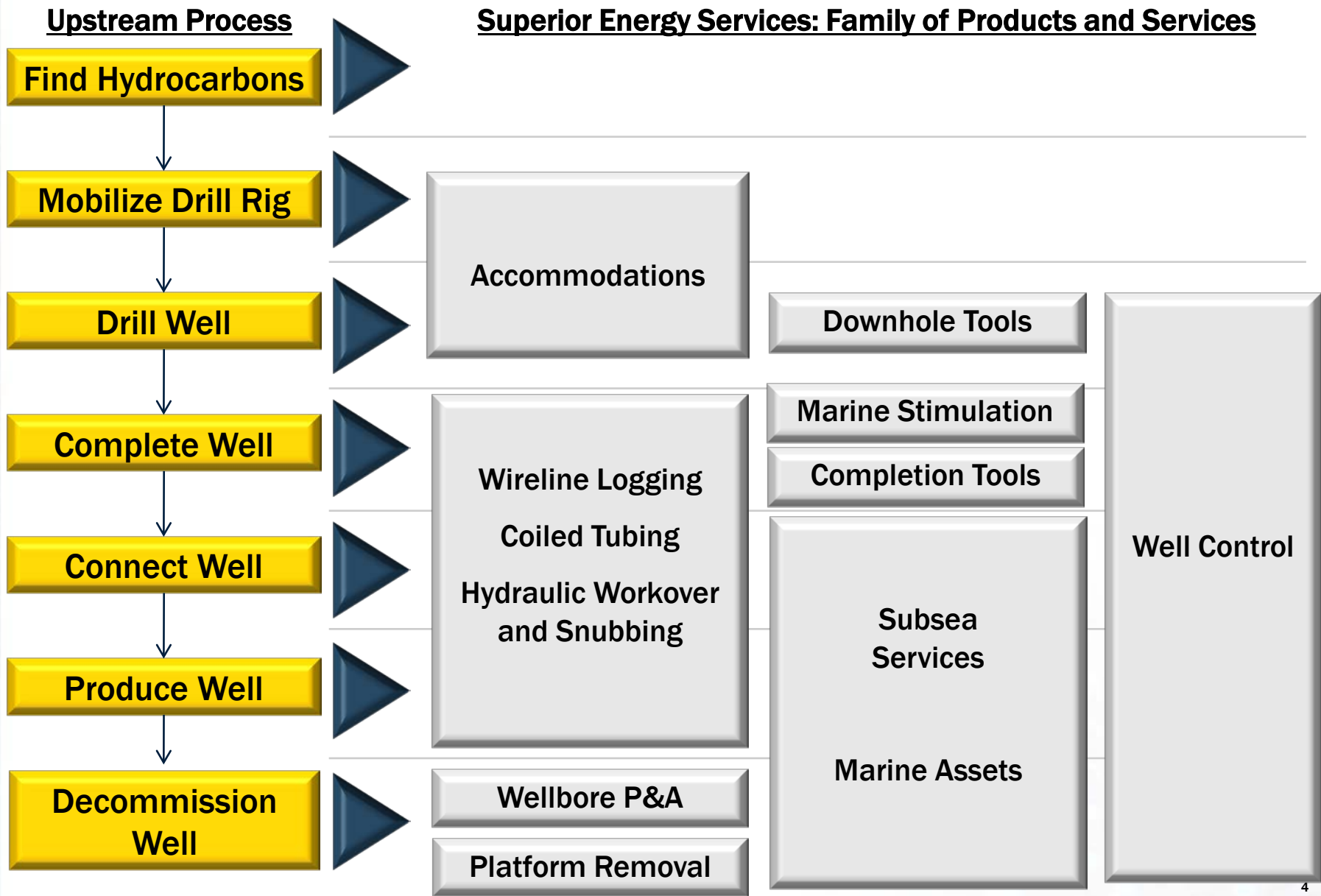
## Rationale for Superior

- **Diversified family of products and services**
  - More than 30 products and services serving the drilling, completion, production and decommissioning needs of the oil and gas industry
- **Globally focused and not market share constrained**
- **Opportunity to expand platform to new geographic markets**
- **Well-positioned company**
  - Competitive advantages: Safety, innovation and integrated solutions
  - Healthy balance sheet
  - High margins and returns on capital relative to peers

# Diversified Oilfield Services Company



# Diversified exposure across the lifecycle of a well (by product/service line)



## Revenue Exposure by Geographic Market

Trailing Twelve Months ended September 30, 2010  
 Segment revenue by major geographic location as a percentage of total revenue  
 (\$ in millions)

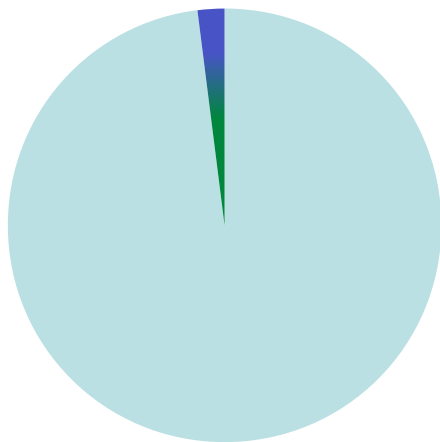
|  | Gulf of Mexico     | Domestic Land      | International      |
|--|--------------------|--------------------|--------------------|
| Subsea and Well Enhancement <sup>1</sup> | <b>\$450</b> (29%) | <b>\$310</b> (20%) | <b>\$260</b> (17%) |
| Drilling Products and Services           | <b>\$166</b> (11%) | <b>\$132</b> (8%)  | <b>\$155</b> (10%) |
| Marine                                   | <b>\$74</b> (5%)   | N/A                | <b>\$11</b> (<1%)  |
| Total                                    | <b>\$690</b> (45%) | <b>\$443</b> (28%) | <b>\$426</b> (27%) |

<sup>1</sup> Excludes \$68.7 million reduction of revenue from increase in total cost estimate of Gulf of Mexico wreck removal project.

# Strategy Based on Geographic Diversification

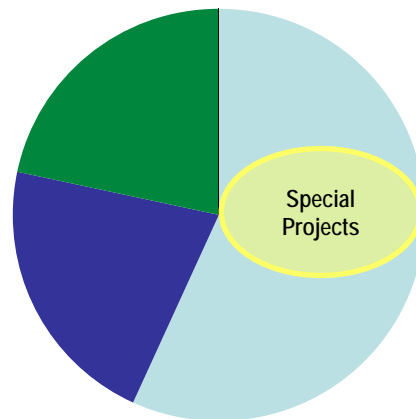


## Where we were (pre 2003)



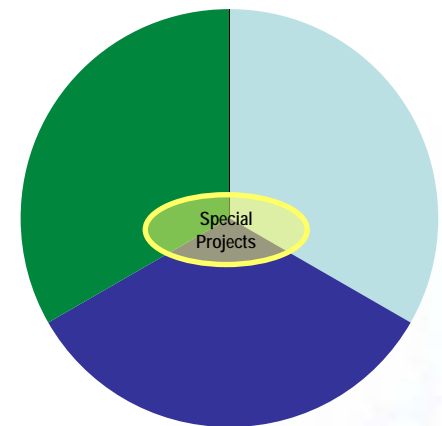
**Gulf of Mexico based company with emphasis on shallow water drilling, production and P&A markets**

## Where we are today



**Broad range of products and services focusing on new geographic markets with special projects as significant component**

## Where we are going



**Achieve geographic balance in core businesses with the added exposure to unique special projects**

# Diversification Presents Opportunities to Gain Global Market Share

## Global Opportunity in Larger Product/Service Markets

|   | Est. Market Size<br><i>(\$ in billions)</i> |
|---|---|
| Downhole Tool Rentals <sup>1</sup>        | \$5.4                                       |
| Wireline Logging                          | \$9.7                                       |
| Completion Equipment and Services         | \$6.6                                       |
| Coiled Tubing                             | \$2.6                                       |
| Offshore Production Services <sup>2</sup> | \$4.0                                       |
| Subsea Inspection, Repair & Maintenance   | \$4.7                                       |
| <b>Estimated Market Potential</b>         | <b>\$33.0</b>                               |

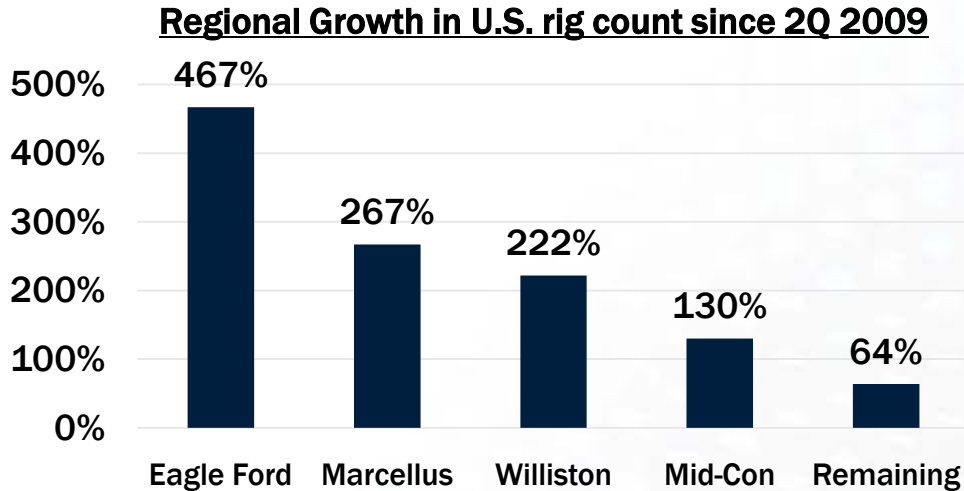
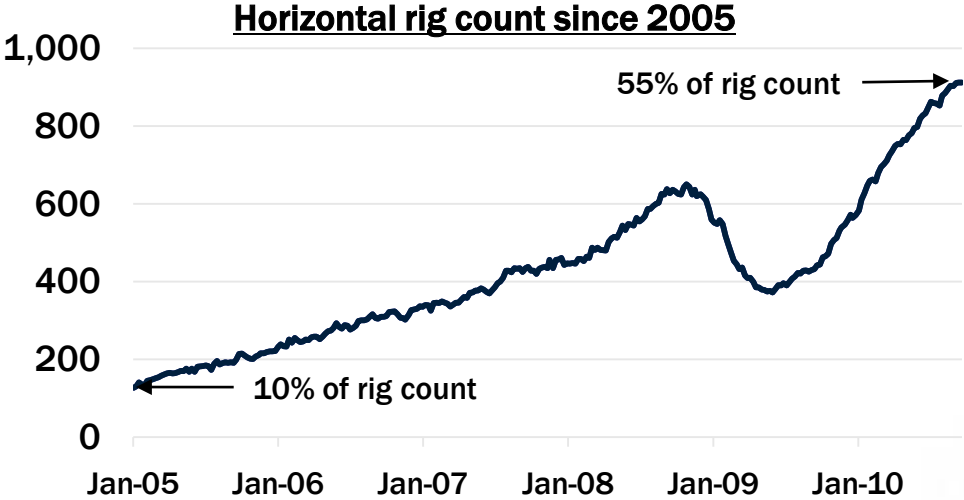
<sup>1</sup> Includes rentals of accommodations

<sup>2</sup> Includes offshore wireline and pumping and stimulation services

Sources: Spears and Associates, Douglas Westwood

# Strategy Execution: Domestic Land Markets

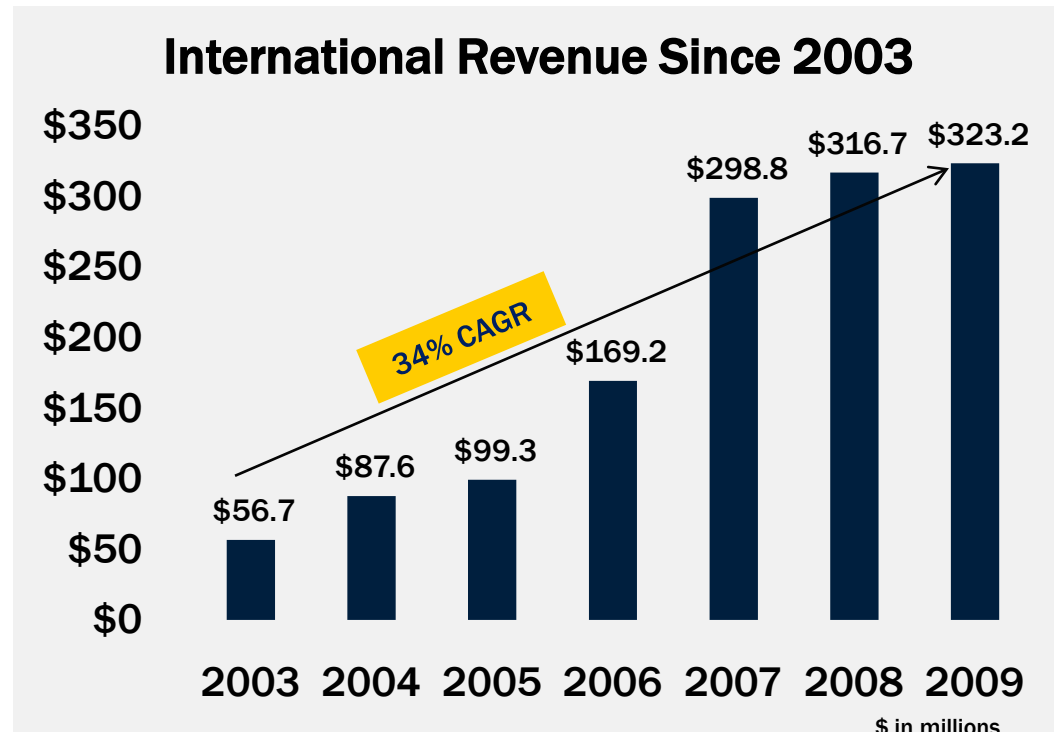
- **Penetrate underserved markets**
  - Leverage Warrior brand name for expansion of coiled tubing franchise
  - Reposition and invest in drilling products
  
- **Enhance application engineering and technology**
  - Coiled tubing tools



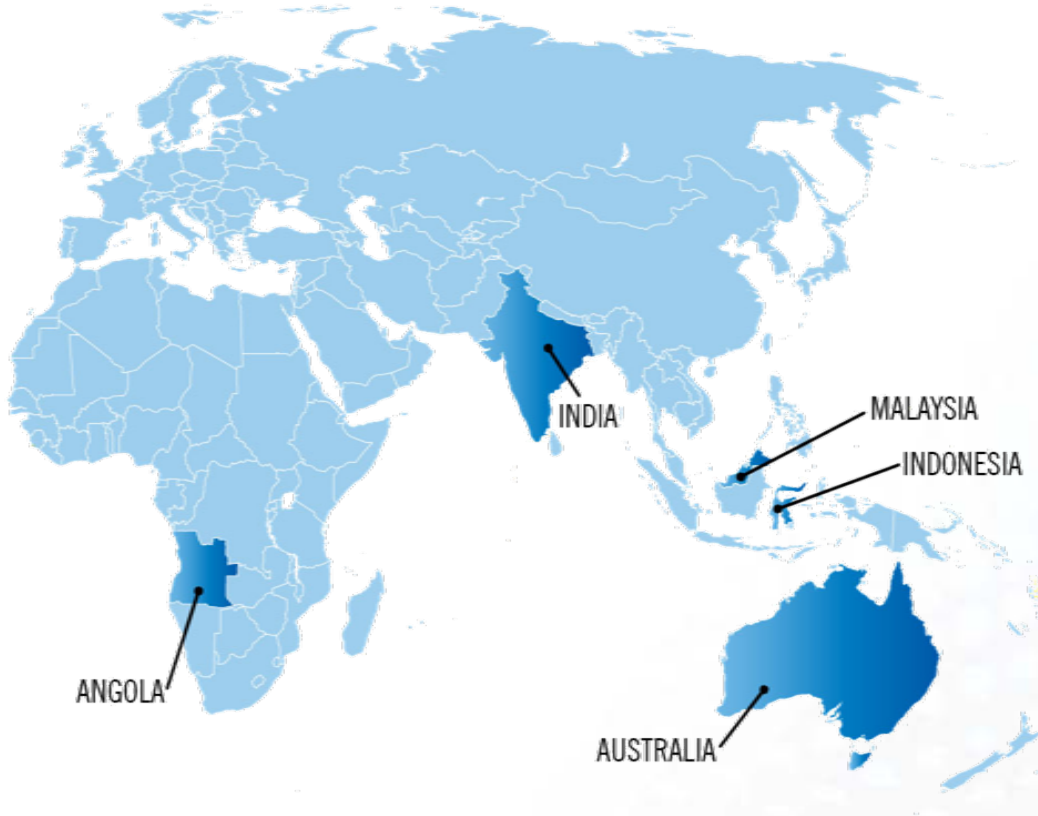
Sources: Baker Hughes , RigData

# Strategy Execution: International

- Geomarket approach
- Maximize opportunities through diversified product offering
- Compete in higher technology products and services
  - Sand control completion tools
  - Subsea light well intervention

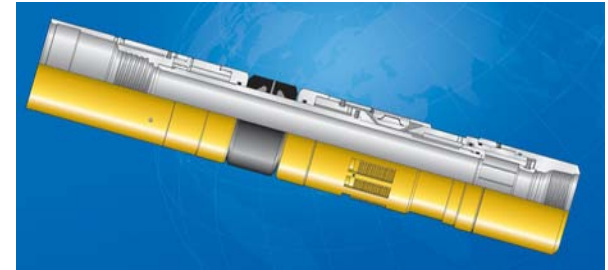


# Target International Markets



# Technology: Sand Control Completions Tools

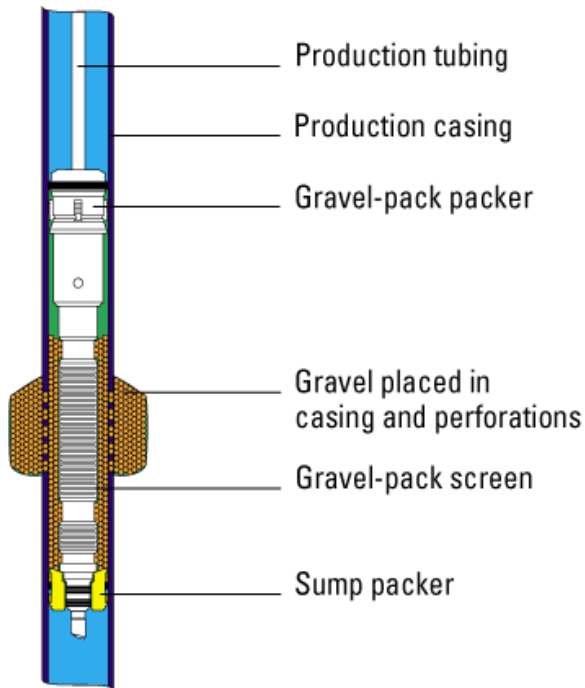
- Completion technique used to prevent the migration of reservoir sand into the wellbore without compromising production or reserve recovery
- Two (2) mechanical barriers
  - Screen - placed
  - Gravel - pumped



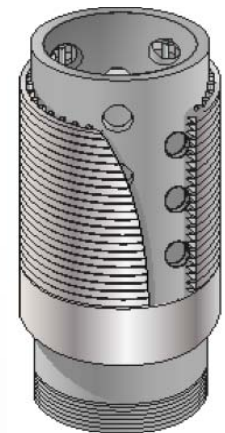
Gravel-pack packer



Carrier fluid for gravel



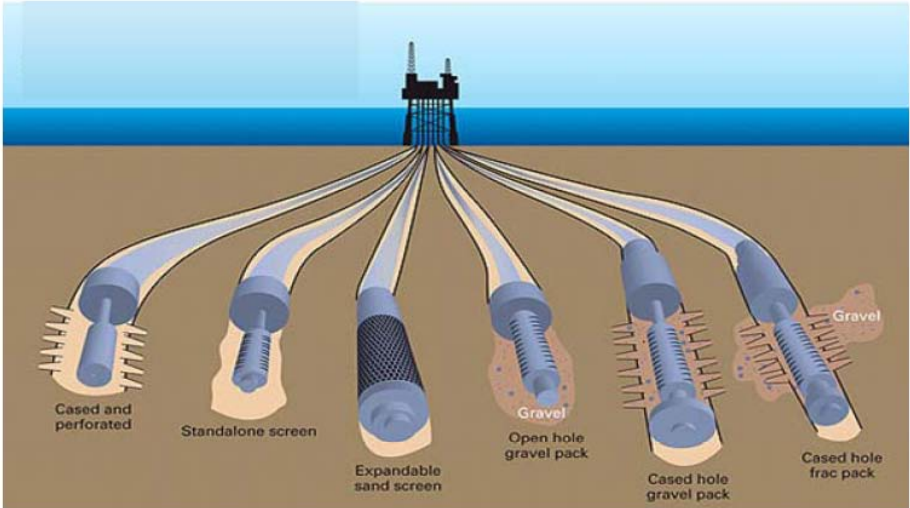
Gravel/Sand/Proppant



Gravel-pack screen

# Technology: Sand Control Completion Tools

- State-of-the-art manufacturing facility in Houston
- High technology, high profile product line
- Integrate with international sales and marketing effort
- Exportable with no additional infrastructure required



- Well consolidated reservoirs w/streaks of weak sand
- Wells requiring active water and gas management
- Very clean well sorted
- High rate wells
- Very clean well sorted
- High rate wells
- Dirtier, poorly sorted sands
- High rate wells with large reserves
- No reactive shale
- No significant blank sections of shale
- Multiple stacked pay completions
- Poor quality gas sands
- Low cost completions w/marginal economics
- Multiple stacked pay completion vs laminated sands (low res pay)
- Poorly sorted/lower turbidite sediments

# Sand Control Completion Tools – Product Offering

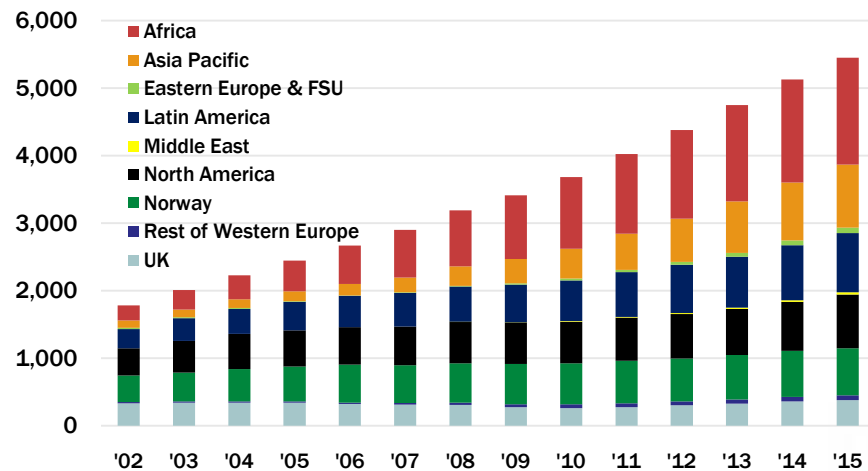
- **“Standard” sand control system**
  - Low to medium pressure and temperature
  - Full line of fluid loss valves
  - Well screens
  - Production packers
  - Safety valves
  
- **“Deepwater” sand control system**
  - Medium to high pressure and temperature
  - Fit-for-purpose line of fluid loss valves
  - Well screens
  - Production packers
  - SMART system - developing
  
- **Single Trip systems**
  - Horizontal Openhole system
  - Perforate and Stimulate
  - Multi-zone single trip system



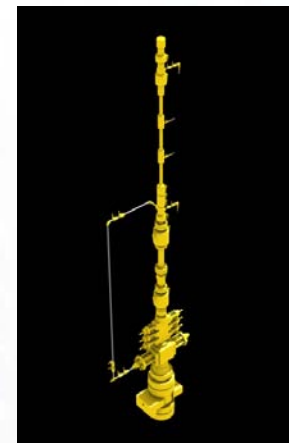
# Technology: Subsea Light Well Intervention

- Global stock of subsea completions expected to increase 59% by 2015
- High-cost subsea intervention methods result in fewer well enhancement projects and lower recovery rates than dry trees
- Lower cost, riserless technology is expected to expand light well intervention market opportunities
- Successful light well intervention requires:
  - Fit-for-purpose intervention vessels
  - Large-diameter lubricators for riserless entry
  - Well intervention expertise
  - Pressure control expertise

## Cumulative Subsea Completions (1994-2015E)



Source: Douglas-Westwood



## Strategy Execution: Gulf of Mexico

- **Shallow water**
  - Additional emphasis on P&A and decommissioning activity improves visibility and consistency for “end-of-life” services
  - Updated Department of Interior guidelines indicate 3,500 wells to be plugged and ~650 platforms to be removed in coming years
- **Deep water**
  - Potential for higher utilization as drilling programs may take longer
- **Redirect some drilling products to U.S. land and international markets**



## Investment Highlights

- **Small-cap in size with the product/service diversity and profile of a large-cap service company**
- **Small share of large, fragmented global markets provides growth potential**
- **Geographic growth strategy in place**
- **Strong balance sheet to execute growth strategy**
  - History of disciplined investments that yield high returns on capital
- **Exposure to special projects**
  - Diversification of services and innovative engineering capabilities make Superior uniquely qualified to manage and execute special projects