



**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

*(e) Approval of 2010 Annual Incentive Compensation Targets*

On April 1, 2010, the Compensation Committee of the Superior Energy Services, Inc. Board of Directors approved the incentive compensation targets for its 2010 incentive bonus program. The parameters of the program provide for minimum, target and maximum cash bonus award levels, as a percentage of salary, based upon the achievement of 70%, 100% and 110% of a pre-tax income target that aligns with the Company's financial goals.

Depending on the Company's financial performance relative to the targets, the bonus payout levels, which vary depending on the executive's position, stated as a percentage of the officer's annual salary, are as follows:

| Position | Minimum<br>(70% of<br>Target) | Target | Maximum<br>(110% of<br>Target) |
|----------|-------------------------------|--------|--------------------------------|
| CEO      | 45%                           | 90%    | 180%                           |
| COO      | 37.5%                         | 75%    | 150%                           |
| CFO      | 32.5%                         | 65%    | 130%                           |
| Sr. EVPs | 30%                           | 60%    | 120%                           |
| EVPs     | 27.5%                         | 55%    | 110%                           |

If the financial performance occurs at a level in between these factors, a sliding scale is used to determine the appropriate payout factor, with adjustments for safety performance as discussed below.

Assuming a particular officer qualifies for a bonus payout, the payout can either be reduced by a maximum of 25% if pre-determined base metrics are not met, or increased by a maximum of 12.5% for achieving stretch targets. The metric applicable to the officers is the Company's safety performance as measured by Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR).

Under the terms of the Company's incentive bonus program, any bonus amounts determined under the formulas described above may be adjusted in order to ensure that they are appropriate in light of the performance factors relevant to the particular officer, including discretionary adjustments based on other non-financial performance related metrics. All bonuses are approved by the Compensation Committee upon the recommendation of Company management.

**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 hereunto duly authorized.

SUPERIOR ENERGY SERVICES, INC.

By: /s/ Robert S. Taylor  
Robert S. Taylor  
Chief Financial Officer

Dated: April 7, 2010