

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF LOUISIANA
LAFAYETTE DIVISION**

SECURITIES AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	
)	Civil Action No.
vs.)	
)	
ROBERT L. HOLLIER and)	
WAYNE A. DUPUIS,)	
)	
Defendants.)	
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COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

1. The Securities and Exchange Commission (“Commission” or “SEC”) hereby files its complaint, and alleges the following:

SUMMARY

2. This matter involves insider trading in the securities of Warrior Energy Services Corporation (“Warrior Energy”) by defendant Dupuis, who received tips directly or indirectly from defendant Hollier. Defendant Hollier was, at the time, in possession of material nonpublic information by virtue of his status as a member of Warrior Energy’s board of directors.

3. Hollier had knowledge of pending merger talks between Warrior Energy and Superior Energy Services, Inc. (“Superior Energy”) as early as the latter part of August 2006. In fact, the merger was discussed extensively at a board meeting the day before Hollier left for a hunting trip in Canada in September 2006.

4. Hollier tipped Dupuis about the pending merger between Warrior Energy and Superior Energy, another energy services company, during the Canada hunting trip that Hollier and Dupuis both attended.

5. On September 18, 2006, the day Dupuis returned from the hunting trip, he purchased 5,000 shares of Warrior Energy stock for approximately \$85,000.

6. Dupuis, who had no prior history of trading Warrior Energy shares, sold the only two stock holdings he held in his portfolio in order to purchase the Warrior Energy shares.

7. On September 25, 2006, Warrior Energy announced a definitive merger agreement with Superior Energy. Warrior Energy shares, which were then traded on the Nasdaq National Market, increased in price by almost 70% on the news that day.

8. On October 3, 2006, Dupuis sold all of his Warrior Energy stock for a profit of approximately \$41,800.

9. Defendants Hollier and Dupuis have engaged, and unless restrained and enjoined by this Court, will continue to engage in acts and practices which constitute and will constitute violations of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5].

JURISDICTION AND VENUE

10. The SEC brings this action pursuant to Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78u(d) and 78u(e)] to enjoin the defendants from engaging in transactions, acts, practices and courses of business alleged in this complaint, and transactions, acts, practices, and courses of business of similar purport and object, for disgorgement of illegally obtained funds and other equitable relief, and for civil money

penalties. This Court has jurisdiction of this action pursuant to Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e) and 78aa].

11. The defendants, directly and indirectly, have made use of the mails, the means and instruments of transportation and communication in interstate commerce, and the means and instrumentalities of interstate commerce, in connection with the transactions, acts, practices and courses of business alleged in this Complaint.

12. Venue lies in this Court pursuant to Section 27 of the Exchange Act [15 U.S.C. § 78aa] because the defendants reside within this district, and certain of the actions set forth herein occurred within the Western District of Louisiana.

THE DEFENDANTS

13. Robert L. Hollier, 66, resides in Opelousas, Louisiana. Hollier served as a member of Warrior Energy's board of directors from April 2006 until December 2006, when Warrior Energy merged with Superior Energy. Hollier is currently a partner in a private equity firm called Hollam Pinnacle Group, LLC.

14. Wayne A. Dupuis, 66, resides in Youngsville, Louisiana. Dupuis, a childhood friend of Hollier's, works for an energy consulting firm based in Lafayette, Louisiana. Dupuis holds a degree in electrical engineering from a technical school.

RELATED ENTITY

15. Warrior Energy Services Corporation was an energy services company headquartered in Columbus, Mississippi. A private company for more than a decade, Warrior Energy completed an initial public offering on April 24, 2006. On December 12, 2006, Warrior Energy merged with a subsidiary of Superior Energy Services, Inc., an energy services company headquartered in New Orleans, Louisiana. Prior to the merger,

Warrior Energy's common stock traded on the Nasdaq National Market under the symbol "WARR."

FACTS

A. Hollier Learns about the Merger

16. Hollier joined Warrior Energy's board of directors in April 2006, shortly after Warrior Energy completed its initial public offering.

17. In early August 2006, Hollier learned from Warrior Energy's CFO that the company was in negotiations with Superior Energy, a "potential buyer" of Warrior Energy.

18. On August 28, 2006, Hollier attended the first in a series of Warrior Energy board meetings at which senior management updated the board on the company's negotiations with Superior Energy. According to minutes of that meeting, management reported that Superior Energy had "expressed an interest in a business combination," but had not specified a price range for purchasing Warrior Energy shares. The "bottom line issue" for Warrior Energy management was whether Superior Energy "would make an offer in the high \$20 to low \$30 price range, which would be a significant premium over current market." At that time, Warrior Energy stock traded in the range of \$19 per share. Moreover, the board encouraged management to continue the discussions with Superior.

19. On August 31, 2006, Superior Energy's CEO sent a letter to Warrior Energy's CEO proposing a cash and stock transaction that valued Warrior Energy at \$29 per share. Shortly thereafter, Hollier attended follow-up board meetings on September 1 and 2, 2006, at which Superior Energy's proposal was discussed at length. Minutes of the September 2 meeting state: "The Board discussed the offer and after reflection felt

that it was a good offer which should be pursued.” At this meeting, Hollier was appointed to a committee of independent directors to “consider the transaction as it progressed.”

20. On September 12, 2006, the day before he left for the hunting trip with Dupuis, Hollier attended a Warrior Energy board meeting, at which the board was advised that an offer was imminent. Specifically, the meeting minutes reflect that “Superior’s due diligence process was essentially complete and that Superior had said it now has 90% to 95% of the information which is needed.”

21. According to the minutes of the September 12, 2006 board meeting, Warrior’s board was told that Superior’s Chairman “has been pressing for his people to end their analysis today or tomorrow, so that he can get authorization from his Board to move forward with the deal on September 13, 2006.”

22. Because of a small delay in providing the written merger agreement to Warrior, however, the board was told that its “consideration of the deal will need to slide a few days.” The board tentatively planned to meet on September 18, 2006, to consider the anticipated merger agreement.

23. Although there was some concern raised at the September 12, 2006 board meeting about how the recent decline in stock price for Warrior Energy and Superior Energy might impact the deal (Warrior’s share price had declined by approximately seven percent from late August 2006 to September 12, 2006, and Superior Energy’s share price had declined by approximately 14 percent during that same period), one board member noted that the underlying values of both companies were “still strong,” and that, “from a deal perspective there were a number of ways to handle market fluctuation.”

24. Thus, by the fourth such board meeting, held on September 12, 2006, the day before Hollier left for the duck hunting trip with Dupuis, management had reported that (a) Superior Energy contemplated paying a significant premium over the market price for Warrior Energy shares, (b) both parties had substantially completed the due diligence process, and (c) the board's consideration of a definitive merger agreement was imminent.

25. Upon returning from the trip, Hollier attended a series of Warrior Energy board meetings held between September 20-22, 2006, at which the board discussed extensively, and ultimately approved, a definitive merger agreement with Superior Energy. Warrior Energy shares were ultimately valued at approximately \$26 per share.

26. Warrior Energy and Superior Energy announced the merger agreement on September 25, 2006. On that day, Warrior Energy's shares closed at \$24.22 per share, representing an increase of nearly 70 percent over the prior day's closing price of \$14.34 per share.

B. Hollier Viewed the Merger as Confidential Material Information

27. As a director of a public company, Hollier was aware "that insiders are to keep information that isn't generally available to the public confidential to the organization." As of September 12, 2006, when he left for the hunting trip, Hollier viewed the merger as a "potentially material event that was to be kept confidential."

28. Additionally, Hollier was aware that, starting in August 2006, in connection with the negotiation of the merger agreement, Warrior had instituted a blackout period restricting employees from trading the company's shares.

29. In fact, Hollier was himself a Warrior Energy shareholder having acquired at least 7,000 shares of Warrior Energy through the company's IPO. Hollier held those

shares until they were converted to cash and Superior Energy stock when the merger closed in December 2006.

C. The Hunting Trip

30. Hollier and Dupuis have maintained a close friendship dating back to high school, where they played together on the football team. Dupuis and Hollier talk two to three times per month on the phone, and meet in person seven to eight times per year. They live about 40 miles from each other.

31. From September 13 to September 17, 2006 (Wednesday through Sunday), Hollier and Dupuis attended a duck and goose hunting trip together in Peace River, Canada. The hunting party consisted of about ten men in total, all of whom were friends or relatives of Hollier's. The hunters spent their days hunting "in the field," and their nights relaxing in a lodge provided by the tour organizer, where they had cocktails, smoked cigars, and talked about various subjects, including the hunt.

32. During the hunting trip, Hollier and Dupuis discussed the merger agreement between Warrior Energy and Superior Energy.

33. During the hunting trip, Hollier advised some men on his hunting trip one evening after dinner and "a couple cocktails," when asked by one of the men what was "wrong" with Warrior, (in apparent reference to the company's declining share price) that "fundamentally, there was nothing wrong with the stock."

34. Hollier's conversation about Warrior Energy's stock price with the men on the hunting trip was not an extended conversation, but one that took only a few minutes.

35. Dupuis overheard the conversation about Warrior Energy and asked, "What company are y'all talking about," to which Hollier replied, "Warrior Energy."

36. In addition to the general conversation about the performance of Warrior Energy stock, Hollier also discussed with Dupuis prior to Dupuis's stock purchase of Warrior Energy stock, whether Warrior Energy "was a good stock."

37. Dupuis and Hollier clearly discussed Warrior Energy during the hunting trip.

38. At some point, most likely during the hunting trip, Dupuis directly asked Hollier whether Warrior Energy represented a "good buy," and Hollier's confirmation in response thereto influenced Dupuis's purchase of Warrior Energy shares.

D. Dupuis's Trading in Warrior Energy Shares

39. On Monday, September 18, 2006, the first business day after returning from the hunting trip, Dupuis purchased 5,000 shares of Warrior Energy through an investment account held at Fidelity Brokerage Services, LLC ("Fidelity") at \$17 per share, for a total cost of approximately \$85,000.

40. Dupuis entered the order himself on-line at 4:48 p.m., after the market closed, and the transactions posted to his account the next day.

41. To come up with cash for the purchase, Dupuis sold his entire positions in the only two stocks held in his investment portfolio (each of which resulted in a long-term loss), and also cashed out of a money market fund.

42. Unfamiliar with the mechanics of on-line stock trading, Dupuis called a brokerage helpline earlier that day for assistance in selling those stocks.

43. Dupuis sold all his Warrior shares on October 2, 2006, one week after the merger was publicly announced, at a price of \$25.36 per share. Dupuis placed this order himself on-line after the market closed. He recognized a profit of approximately \$41,800 on the sale of his Warrior Energy shares.

44. Dupuis, who maintained both an individual investment account and an IRA at Fidelity, had no prior history trading Warrior Energy shares.

45. As of August 31, 2006, each of Dupuis's accounts was valued at approximately \$1 million. Dupuis's investment account held a combination of bonds (4%), mutual funds (23%), CDs (70%), and 2 stocks (2%; Sprint Nextel, which he acquired at some point before January 1, 2006, and Embarq, a communications company whose shares were spun off from Sprint in May 2006). Dupuis's IRA account held mutual funds (92%), a CD (7%), and cash (1%).

46. Dupuis generally managed his investments himself, periodically consulting with Fidelity financial advisers over the phone about rolling over CDs.

47. Preceding his purchase of Warrior Energy, Dupuis did not engage in frequent stock trades.

48. In fact, Dupuis had adopted a conservative approach to investing after losing money investing in energy services companies in the 1970s.

49. Dupuis's stock trading history establishes that he was essentially a long-term investor who looked for capital appreciation.

50. Dupuis's quick purchase and quick sale of Warrior Energy stock in 2006 was inconsistent with his stock trading history.

51. Dupuis began to follow Warrior Energy as a potential investment after he learned at some point in 2006 that Hollier was a director at the company.

52. While Dupuis was generally familiar with Warrior Energy through his work as an energy consultant, he thought that Hollier had the "golden touch," in terms of being associated with successful businesses.

53. Prior to his purchase of Warrior Energy stock in 2006, Dupuis had never bought shares in any companies with which Hollier had an affiliation.

54. When Dupuis bought Warrior Energy shares, he was aware of the contemplated merger and expected the price of Warrior Energy shares to increase on the news, when the announcement was made.

CLAIM FOR RELIEF

COUNT I—FRAUD

Violations of Section 10(b) of the Exchange Act [15. U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]

55. Paragraphs 1 through 54 are hereby realleged and are incorporated herein by reference.

56. Defendants Hollier and Dupuis, in the latter half of 2006, singly or in concert, in connection with the purchase and sale of securities described herein, by the use of the means and instrumentalities of interstate commerce and by use of the mails, directly and indirectly:

- a) employed devices, schemes, and artifices to defraud;
 - b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and
 - c) engaged in acts, practices, and courses of business which would and did operate as a fraud and deceit upon the purchasers of such securities,
- all as more particularly described above.

57. The Defendants knowingly, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud, made untrue statements of material facts and omitted to state material facts, and engaged in fraudulent acts, practices

and courses of business. In engaging in such conduct, the Defendants acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severe reckless disregard for the truth.

58. By reason of the foregoing, the Defendants, directly and indirectly, have violated and, unless enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Commission, respectfully prays that the Court:

I.

Make findings of fact and conclusions of law in accordance with Rule 52 of the Federal Rules of Civil Procedure.

II.

Issue a permanent injunction enjoining defendants Hollier, Dupuis and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise, and each of them from violating Section 10(b) of the Exchange Act [15 U.S.C. 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5].

III.

Issue an Order requiring defendants Hollier and Dupuis to disgorge all ill-gotten gains as alleged in the Commission's Complaint, plus pay prejudgment interest thereon.

IV.

Issue an Order requiring defendants Hollier and Dupuis, pursuant to Sections 21(d)(3) and 21A of the Exchange Act [15 U.S.C. 78u(d)(3) and 78u-1], to pay civil monetary penalties.

V.

Issue an Order that retains jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that may have been entered or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

VI.

Grant such other and further relief as may be necessary and appropriate.

Respectfully Submitted,

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