

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

FORM 10-QSB/A

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDING SEPTEMBER 30, 2000.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.

Commission File Number 0-14908

TGC INDUSTRIES, INC.

(Exact name of small business issuer as specified in its charter)

Texas

(State or other jurisdiction of incorporation or organization)

74-2095844

(I.R.S. Employer Identification No.)

1304 Summit, Suite 2
Plano, Texas

75074

(Address of principal executive offices)

(Zip Code)

Issuer's telephone number, including area code: 972-881-1099

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 No

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class	Outstanding at October 30, 2000
Common Stock (\$.30 Par Value)	2,322,874

PART I -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

Incorporated herein is the following unaudited financial information:

Balance Sheet as of September 30, 2000.

Statements of Operations for the three and nine month periods ended September 30, 2000 and 1999.

Statements of Cash Flows for the nine month periods ended September 30, 2000 and 1999.

Notes to Financial Statements.

TGC INDUSTRIES, INC
BALANCE SHEET
(UNAUDITED)

SEPTEMBER 30,
2000

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$1,009,398
Accounts receivable	653,914
Cost and estimated earnings in excess of billings on uncompleted contracts	211,929
Prepaid expenses and other	185,933
Total current assets	<u>2,061,174</u>

PROPERTY AND EQUIPMENT - at cost

Machinery and equipment	11,180,284
Automobiles and trucks	750,008
Furniture and fixtures	323,323
Other	18,144
	<u>12,271,759</u>
Less accumulated depreciation and amortization	(7,930,731)
	<u>4,341,028</u>

DEFERRED INCOME TAXES
OTHER ASSETS

202,000
395

Total assets \$6,604,597
=====

See notes to Financial Statements

TGC INDUSTRIES, INC
BALANCE SHEET -- CONTINUED
(UNAUDITED)

	SEPTEMBER 30, 2000
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Trade accounts payable	\$473,157
Accrued liabilities	282,414
Billings in excess of costs and estimated earnings on uncompleted contracts	535,332
Current maturities of long-term obligations	295,860
Total current liabilities	<u>1,586,763</u>
LONG-TERM OBLIGATIONS, less current maturities	166,510
STOCKHOLDERS' EQUITY	
Preferred stock, \$1.00 par value; 4,000,000 shares authorized:	
8-1/2% Senior convertible preferred stock; 2,259,890 shares issued and outstanding	2,259,890
8% Series C convertible exchangeable preferred stock; 1,087,950 shares issued and outstanding	1,087,950
Common stock, \$.30 par value; 25,000,000 shares authorized; 2,354,818 shares issued	706,445
Additional paid-in capital	5,704,729
Accumulated deficit	(4,692,376)
Treasury stock, at cost (31,944 shares)	(215,314)
	<u>4,851,324</u>
Total liabilities and stockholders' equity	<u>\$6,604,597</u> =====

See notes to Financial Statements

TGC INDUSTRIES, INC
STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	(Unaudited)		(Unaudited)	
	2000	1999	2000	1999
Revenue	<u>\$2,589,305</u>	<u>\$983,187</u>	<u>\$4,387,672</u>	<u>\$4,517,546</u>
Cost of services	2,291,310	1,150,631	4,757,649	4,550,459
Selling, general, adm.	243,080	228,152	727,971	669,868
	<u>2,534,390</u>	<u>1,378,783</u>	<u>5,485,620</u>	<u>5,220,327</u>

INCOME (LOSS) FROM OPERATIONS	54,915	(395,596)	(1,097,948)	(702,781)
Interest expense	12,756	44,623	134,652	148,396
NET INCOME (LOSS)	42,159	(440,219)	(1,232,600)	(851,177)
Less dividend requirement on preferred stock	181,349	112,705	408,581	338,345
INCOME (LOSS) ALLOCABLE TO COMMON STOCKHOLDERS	\$(139,190)	\$(552,924)	\$(1,641,181)	\$(1,189,522)
Earnings (loss) per common share				
Basic	\$ (.06)	\$ (.25)	\$ (.72)	\$ (.54)
Diluted	\$ (.06)	\$ (.25)	\$ (.72)	\$ (.54)
Weighted average number of common shares:				
Basic	2,321,358	2,224,934	2,286,820	2,222,074
Diluted	2,321,358	2,224,934	2,286,820	2,222,074

See notes to Financial Statements

TGC INDUSTRIES, INC
Statements of Cash Flows (Unaudited)

	Nine Months Ended September 30,	
	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (loss)	\$(1,232,600)	\$(851,177)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,235,559	1,451,779
Loss (gain) on disposal of property and equipment	(3,901)	(9,894)
Changes in operating assets and liabilities		
Trade accounts receivable	(653,914)	635,081
Billings in excess of cost and estimated earnings on uncompleted contracts	323,403	(387,474)
Prepaid expenses	(95,836)	(9,239)
Other assets	100	569
Accounts payable	422,224	(307,109)
Accrued liabilities	266,748	94,665
NET CASH PROVIDED BY OPERATING ACTIVITIES	261,783	617,201
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(513,336)	(9,221)
Proceeds from sale of property and equipment	3,901	46,300
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(509,435)	37,079
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(178,044)
Proceeds from issuance of debt	77,580	200,000
Principal payments of debt obligations	(719,204)	(1,257,814)
NET CASH USED IN FINANCING ACTIVITIES	(641,624)	(1,235,858)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(889,276)	(581,578)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,898,674	702,999
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$1,009,398	\$121,421
Supplemental cash flow information		
Interest paid	\$54,374	\$147,004
Income taxes paid	\$ -	\$78,774

See notes to Financial Statements

TGC INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
September 30, 2000

NOTE A -- BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-QSB and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations and changes in financial position in conformity with generally accepted accounting principles.

NOTE B -- MANAGEMENT PRESENTATION

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of financial position, results of operations, and changes in financial position have been included. The results of the interim periods are not necessarily indicative of results to be expected for the entire year. For further information, refer to the financial statements and the footnotes thereto included in the Company's Annual Report for the year ended December 31, 1999 filed on Form 10-KSB.

NOTE C -- EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per common share are based upon the weighted average number of shares of common stock outstanding. Diluted earnings (loss) per share are based upon the weighted average number of common shares outstanding and, when dilutive, common shares issuable for stock options, warrants and convertible securities. The effect of preferred stock dividends on the amount of income (loss) available to common stockholders was \$.08 and \$.05 for the three months ended September 30, 2000 and 1999, respectively, and \$.18 and \$.15 for the nine months ended September 30, 2000 and 1999, respectively.

Outstanding warrants that were not included in the diluted calculation because their effect would be anti-dilutive totaled 1,136,575 for the three and nine month periods ended September 30, 2000 and 1999. Outstanding options that were not included in the diluted calculation because their effect would be anti-dilutive totaled 176,497 and 139,397 for the three and nine month periods ended September 30, 2000 and 1999 respectively.

NOTE D DIVIDENDS

Holders of the Company's Series C 8% Convertible Exchangeable Preferred Stock ("Series C Preferred Stock") will receive, when, as and if declared by the Board of Directors of the Company, dividends at a rate of 8% per annum. The dividends are payable semi-annually during January and July of each year. At September 30, 2000, cumulative dividends of approximately \$653,000 were in arrears on the Company's Series C Preferred Stock.

Holders of the Company's 8-1/2% Senior Convertible Preferred Stock (the "Senior Preferred Stock") will receive, when, as and if declared by the Board of Directors of the Company, dividends at a rate of 8-1/2% per annum. The dividends are payable semi-annually during June and December of each year. However, dividends declared and payable through December 1, 2000, on the Senior Preferred Stock shall be by payment in kind securities by issuance of additional shares of Senior Preferred Stock with a liquidation value equal to

TGC INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
September 30, 2000
(continued)

the amount of the cash dividend payment which would have been paid. For each dividend payment due and payable after December 1, 2000, payment shall be by cash or by payment in kind dividend at the election of the holders by written notice to the Company. At September 30, 2000, there were no dividends in arrears on the Company's Senior Preferred Stock.

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

RESULTS OF OPERATIONS

TGC Industries, Inc. ("TGC") reported revenue of \$2,589,305 and net income, before dividend requirements on preferred stock, of \$42,159 for the three month period ended September 30, 2000, compared with revenue of \$983,187 and a

net loss, before dividend requirements on preferred stock, of \$(440,219) for 1999. Loss per common share, on a diluted basis, was \$(.06) for the three month period ended September 30, 2000, compared with a loss per common share of \$(.25) for 1999.

For the nine month period ended September 30, 2000, TGC had revenues of \$4,387,672 and a net loss, before dividend requirements on preferred stock, of \$(1,232,600). This compares with revenue of \$4,517,546 and a net loss, before dividend requirements on preferred stock, of \$(851,177) for 1999. Loss per common share, on a diluted basis, was \$(.72) for the first nine months of 2000, compared with a loss per common share of \$(.54) for 1999.

The Company was awarded and completed sufficient work to return to profitability, before dividend requirements on preferred stock, during the third quarter of 2000 showing a significant improvement over the first two quarters of 2000. An increase in oil prices began in December 1999. However, the increase in natural gas prices just began in May 2000. Due to these price increases being so recent, the geophysical services industry has yet to experience an increase in demand for its services. However, there has been a recent increase in seismic bidding activity and management is aggressively pursuing contract opportunities.

Management believes that the outlook for the geophysical services industry is promising. Geophysical services should be in greater demand due to the recent increase in levels of seismic bidding activity and the prospect of oil and natural gas prices remaining at or near their current levels. However, Management expects market conditions for service companies to remain soft for the balance of the year.

Non-cash charges for depreciation and amortization were \$1,235,559 in the first nine months of 2000 compared with \$1,451,779 for the same period of 1999.

At December 31, 1999, TGC had net operating loss carryforwards of approximately \$5,600,000 available to offset future taxable income, which expire at various dates through 2019.

TGC INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

September 30, 2000

(continued)

FINANCIAL CONDITION

Cash of \$261,783 was provided from operations for the first nine months of 2000 compared with cash provided from operations of \$617,201 for the same period of 1999. Cash used in investing activities for the first nine months of 2000 was for the addition of equipment in the amount of \$513,336. During the first nine months of 2000, principal payments of debt obligations were \$719,204 and proceeds from the issuance of debt was \$77,580, resulting in net cash used in financing activities of \$641,624.

Working capital decreased \$617,980 to \$474,411 from the December 31, 1999 balance of \$1,092,391. The Company's current ratio was 1.3 at September 30, 2000, compared with 2.3 at December 31, 1999. Stockholders' equity increased \$1,357,712 from the December 31, 1999 balance of \$3,493,612 to \$4,851,324 at September 30, 2000. This increase was attributable to the conversion in May 2000 by WEDGE Energy Services, L.L.C. ("WEDGE Energy") of its 8-1/2% Convertible Subordinated Debenture, Series B due December 1, 2009, in the principal amount of \$2,500,000 (the "Debenture") plus accrued interest into 2,252,445 shares of Senior Preferred Stock.

The holders of the Company's outstanding Series C Preferred Stock, voted at the Annual Meeting held May 11, 2000, to consent to a new series of Senior Convertible Preferred Stock. The affirmative vote of the holders of two-thirds (2/3) of the issued and outstanding shares of Series C Preferred Stock approved the new series of Senior Preferred Stock. As a result of the consent to the new series of Senior Preferred Stock by the Series C Preferred Stock shareholders and in accordance with the terms of the Debenture Agreement, WEDGE Energy, on May 17, 2000, converted its Debenture into Senior Preferred Stock. This conversion increased the equity section of the balance sheet by \$2,590,312 as additional preferred stock and decreased long-term debt by \$2,500,000 and accrued liabilities by approximately \$90,312. In addition, 7,445 shares of Senior Preferred Stock were issued to WEDGE Energy as payment of the June 1, 2000, dividend. As stated, in Note D of the Notes to the Financial Statements, Senior Preferred Stock dividend payments through December 1, 2000 are paid by issuance of additional shares of Senior Preferred Stock.

The Company anticipates that available funds, together with anticipated cash flows generated from future operations, will be sufficient to meet the Company's cash needs during 2000.

Forward-Looking Statements

This report contains forward-looking statements which reflect the view of Company's management with respect to future events. Although management believes that the expectations reflected in such forward-looking statements are reasonable; it can give no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from such expectations are disclosed in the Company's Securities and Exchange Commission filings, and include, without limitation, the unpredictable nature of forecasting weather, the potential for contract delay or cancellation, and the potential for fluctuations in oil and gas prices. The forward-looking statements contained herein reflect the current views of the Company's management and the Company assumes no obligation to update the forward-looking statements or to update the reasons actual results could differ from those contemplated by such forward-looking statements.

PART II - OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- a. Exhibits -- None.
- b. Reports -- None.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TGC INDUSTRIES, INC.

Date: November 13, 2000 /s/ Wayne A. Whitener
Wayne A. Whitener
President & Chief
Executive Officer
(Principal Executive Officer)

Date: November 13, 2000 /s/ Kenneth W. Uselton
Kenneth W. Uselton
Treasurer (Principal Financial
and Accounting Officer)

9-MOS	DEC-31-2000		
	SEP-30-2000		
		1,009,398	
		0	
		653,914	
		0	
		0	
		2,061,174	
		12,271,759	
		7,930,731	
		6,604,597	
1,586,763			
		166,510	
		0	
		3,347,840	
		706,445	
		797,039	
6,604,597			
			0
		4,387,672	
			0
		4,757,649	
		727,971	
		0	
		134,652	
		(1,641,181)	
		0	
(1,641,181)			
		0	
		0	
			0
		(1,641,181)	
		(0.72)	
		(0.72)	