UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2007.

o TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 001-32472

TGC INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Texas (State or other jurisdiction of incorporation or organization)	**74-2095844** (I.R.S. Employer Identification No.)
101 East Park Blvd., Suite 955, Plano, Texas (Address of principal executive offices)	**75074** (Zip Code)

Registrant's telephone number, including area code: **(972) 881-1099**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 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 o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer o Accelerated filer x Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No x

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

Title of Each Class	Outstanding at October 26, 2007
Common Stock ($.01 Par Value)	16,561,465

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

Reference is made to the succeeding pages for the following financial information:

TGC INDUSTRIES, INC.
BALANCE SHEET

	September 30, 2007 (Unaudited)	December 31, 2006
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 4,175,640	$ 9,388,769
Trade accounts receivable	7,057,028	7,448,602
Cost and estimated earnings in excess of billings on uncompleted contracts	2,462,028	989,451
Prepaid expenses and other	1,375,344	508,925
Prepaid federal income tax	187,214	183,705
Current deferred tax asset	2,328	9,075
Total current assets	15,259,582	18,528,527
PROPERTY AND EQUIPMENT - at cost		
Machinery and equipment	65,515,593	55,234,222
Automobiles and trucks	7,380,154	6,609,057
Furniture and fixtures	348,103	342,447
Leasehold improvements	14,994	14,994
	73,258,844	62,200,720
Less accumulated depreciation and amortization	(33,896,612)	(24,552,074)
	39,362,232	37,648,646
Goodwill	201,530	201,530
Other assets	23,101	20,817
Total assets	$ 54,846,445	$ 56,399,520

See Notes to Financial Statements

TGC INDUSTRIES, INC.
BALANCE SHEET — CONTINUED

	September 30, 2007 (Unaudited)	December 31, 2006
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	$ 3,113,342	$ 4,951,985
Accrued liabilities	1,284,184	1,111,023
Billings in excess of costs and estimated earnings on uncompleted contracts	2,683,670	6,159,514
Federal and state income taxes payable	201,312	415,501
Current maturities of notes payable	3,447,332	3,629,395
Current portion of capital lease obligations	1,077,067	1,082,729
Total current liabilities	11,806,907	17,350,147

NOTES PAYABLE, less current maturities	323,167	2,046,908
CAPITAL LEASE OBLIGATIONS, less current portion	742,768	1,017,154
LONG-TERM DEFERRED TAX LIABILITY	1,272,472	942,153
COMMITMENTS AND CONTINGENCIES	—	—
SHAREHOLDERS' EQUITY		
Preferred stock, $1.00 par value; 4,000,000 shares authorized; issued - none	—	—
Common stock, $.01 par value; 25,000,000 shares authorized; 16,599,268 and 15,753,396 issued in each period	165,993	157,535
Additional paid-in capital	26,782,981	26,461,640
Unearned restricted stock; 114,500 and 96,500 shares in each period	(735,124)	(822,208)
Retained earnings	14,744,604	9,503,514
Treasury stock, at cost (37,803 shares)	(257,323)	(257,323)
	40,701,131	35,043,158
Total liabilities and shareholders' equity	$ 54,846,445	$ 56,399,520

See Notes to Financial Statements

TGC INDUSTRIES, INC.
STATEMENTS OF INCOME

	Three Months Ended September 30, (Unaudited) 2007	Three Months Ended September 30, (Unaudited) 2006	Nine Months Ended September 30, (Unaudited) 2007	Nine Months Ended September 30, (Unaudited) 2006
Revenue	$ 24,207,816	$ 17,952,193	$ 64,533,952	$ 47,640,674
Cost and expenses				
Cost of services	16,971,927	12,526,248	42,610,731	28,666,839
Selling, general and administrative	1,064,175	471,132	2,822,234	1,826,335
Depreciation and amortization expense	2,906,129	2,493,509	9,717,156	6,396,479
	20,942,231	15,490,889	55,150,121	36,889,653
Income from operations	3,265,585	2,461,304	9,383,831	10,751,021
Interest expense	146,412	199,414	493,847	608,101
Income before income taxes	3,119,173	2,261,890	8,889,984	10,142,920
Income tax expense	1,293,065	915,111	3,648,894	3,967,055
NET INCOME	$ 1,826,108	$ 1,346,779	$ 5,241,090	$ 6,175,865
Earnings per common share:				
Basic	$ .11	$ .08	$ .32	$ .38
Diluted	$ .11	$ .08	$ .32	$ .37
Weighted average number of shares outstanding:				
Basic	16,553,050	16,500,244	16,534,659	16,430,078
Diluted	16,632,848	16,613,183	16,621,593	16,553,284

See Notes to Financial Statements

TGC INDUSTRIES, INC.
Statements of Cash Flows (Unaudited)

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 5,241,090	$ 6,175,865
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9,717,156	6,396,479
Gain on disposal of property and equipment	(55,640)	(35,077)
Non-cash compensation	388,474	202,799
Deferred income taxes	337,066	(22,537)
Changes in operating assets and liabilities		
Trade accounts receivable	391,574	(2,655,638)
Cost and estimated earnings in excess of billings on uncompleted contracts	(1,472,577)	1,801,863
Prepaid expenses	1,245,479	810,972
Other assets	(2,284)	(11,940)
Trade accounts payable	(1,838,643)	2,384,346
Accrued liabilities	173,161	89,479
Billings in excess of cost and estimated earnings on uncompleted contracts	(3,475,844)	2,810,394
Federal and state income taxes	(217,698)	667,827
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,431,314	18,614,832
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(10,927,126)	(13,930,051)
Purchase of assets of Highland Industries	—	(1,800,000)
Proceeds from sale of property and equipment	238,721	90,065
NET CASH USED IN INVESTING ACTIVITIES	(10,688,405)	(15,639,986)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	(4,017,702)	(3,581,242)
Principal payments on capital lease obligations	(966,745)	(661,067)
Proceeds from exercise of stock options	29,335	19,999
Payment of dividends	(926)	(929)
NET CASH USED IN FINANCING ACTIVITIES	(4,956,038)	(4,223,239)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,213,129)	(1,248,393)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	9,388,769	9,499,409
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 4,175,640	$ 8,251,016
Supplemental cash flow information		
Interest paid	$ 493,847	$ 608,894
Income taxes paid	$ 3,551,535	$ 3,324,442
Noncash investing and financing activities		
Capital lease obligations incurred	$ 686,697	$ 965,081
Financed equipment purchase	$ —	$ —
Financed insurance premiums	$ 2,111,898	$ 1,625,148
Restricted stock awards to employees	$ 189,000	$ —

See Notes to Financial Statements

TGC INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS

September 30, 2007

NOTE A

BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America for interim financial information and the instructions to Form 10-Q. Accordingly, they do not include all of the financial information and footnotes required by generally accepted accounting principles for complete financial statements. References to “we,” “us,” “our,” “its,” or the “Company” refer to TGC Industries, Inc. and our subsidiaries.

REVENUE RECOGNITION

Seismic Surveys

The Company provides seismic data acquisition survey services to its customers under general service agreements which define certain obligations for the Company and for its customers. A supplemental agreement setting forth the terms of a specific project, which may be cancelled by either party upon 60 days advance written notice, is entered into for every project. These supplemental agreements are either “turnkey” agreements providing for a fixed fee to be paid for each unit of seismic data acquired or “term” agreements providing for a fixed hourly, daily, or monthly fee during the term of the project. The duration of these projects will vary from a few days to several months. The Company recognizes revenue when services are performed under both types of agreements. Services are defined as the commencement of data acquisition. Under turnkey agreements, the total number of units of seismic data to be gathered is set forth in the agreement and revenue is recognized as services are performed on a per unit of seismic data acquired rate. Under term agreements, revenue is recognized as services are performed based on the time worked rate provided in the term agreement. Under both turnkey and term agreements, cost of earned revenue is recognized by multiplying total estimated agreement cost by the percentage-of-completion of the agreement. The excess of that amount over the cost of earned revenue reported in prior periods is recognized as cost of earned revenue for the period. Agreements are not segmented nor combined for purposes of calculating percentage of completion. The asset, “Costs and estimated earnings in excess of billings on uncompleted contracts” represents cost incurred on turnkey agreements in excess of billings on those agreements. The liability, “Billings in excess of costs and estimated earnings on uncompleted contracts” represents billings on turnkey agreements in excess of cost on those agreements. Claims have been negligible in the nine-month period ended September 30, 2007 and the year ended December 31, 2006.

Gravity Data

The Company owns a data bank which contains gravity data, and to a lesser extent magnetic data, from many of the major oil and natural gas producing areas located within the U.S. When an order for gravity data is received, the portion of gravity data requested by the customer is prepared in digital format for licensing and shipment to the customer. This process is performed by an employee in the Company’s headquarters office and normally takes a few days at the most. In addition, the licensing of gravity data is not a material part of the Company’s revenue. Gravity data revenue during the nine-month period ended September 30, 2007 was approximately $181,500. Gravity revenue for the year ended December 31, 2006, was $500.

CHANGE IN ACCOUNTING POLICY

Management evaluates its estimates on a routine basis. Effective July 1, 2007, the Company revised the estimated useful lives of certain seismic equipment and related components. The Company purchased this new equipment, not previously used, from November 2004 through June 2007. Management employed this equipment in operations for an average holding period of one year as of July 1, 2007. Based on the information gained from operations during this holding period, management believes that this equipment will benefit periods ranging from 5 to 7 years, beginning at the point the assets were originally placed in service. The original estimated useful lives ranged from 3 to 5 years.

The net book value of this equipment at June 30, 2007, was not modified and is amortized over the revised estimated useful lives of the equipment. The Company does not believe that this equipment will become obsolete at the end of the original estimate and has revised the estimated life of these assets. The effect to depreciation expense, net income and earnings per share for the three and nine months ended September 30, 2007 is:

	Three Months Ended September 30, 2007		Nine Months Ended September 30, 2007	
	As Reported	Pro Forma	As Reported	Pro Forma
Depreciation Expense	$ 2,906,129	$ 3,653,701	$ 9,717,156	$ 10,464,728
Net Income	$ 1,826,108	$ 1,370,090	$ 5,241,090	$ 4,785,072
Earnings per common share:				
Basic	$ .11	$ .08	$ .32	$ .29
Diluted	$ .11	$ .08	$ .32	$ .29

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, 2006, filed on Form 10-KSB.

NOTE C — EARNINGS PER SHARE

Basic earnings per common share are based upon the weighted average number of shares of common stock outstanding. Diluted earnings 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. All earnings per common share for the three-month and nine-month periods ended September 30, 2007 and 2006 have been adjusted for the 5% stock dividend paid April 27, 2007 to shareholders of record as of April 13, 2007.

The following is a reconciliation of net income and weighted average common shares outstanding for purposes of calculating basic and diluted net income per share:

	Three Months Ended September 30, (Unaudited)		Nine Months Ended September 30, (Unaudited)	
	2007	2006	2007	2006
Basic:				
Numerator:				
Net income	$ 1,826,108	$ 1,346,779	$ 5,241,090	$ 6,175,865
Denominator:				
Basic - weighted average common shares outstanding	16,553,050	16,500,244	16,534,659	16,430,078
Basic EPS	$ .11	$ .08	$ .32	$ .38
Diluted:				
Numerator:				
Net income	$ 1,826,108	$ 1,346,779	$ 5,241,090	$ 6,175,865
Denominator:				
Weighted average common shares outstanding	16,553,050	16,500,244	16,534,659	16,430,078
Effect of Dilutive Securities:				
Warrants	26,053	25,790	25,934	25,944
Stock options	53,745	87,149	61,000	97,262
	16,632,848	16,613,183	16,621,593	16,553,284
Diluted EPS	$ .11	$ .08	$ .32	$ .37

NOTE D — DIVIDENDS

On March 30, 2007, the Company declared a five percent (5%) stock dividend on its outstanding common stock. The 5% stock dividend was paid on April 27, 2007, to shareholders of record as of April 13, 2007. Cash in lieu of fractional shares in the total amount of $926 was paid to shareholders based on the last sales price of the Company's common stock on the record date.

NOTE E — INCOME TAXES

Deferred income taxes reflect the impact of temporary differences between the amounts of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes. In addition, the Company paid federal and various state estimated income taxes for tax year 2007, as well as various state income taxes for tax year 2006, during the first nine months of 2007.

NOTE F — STOCK-BASED COMPENSATION

Prior to January 1, 2006, the Company accounted for its stock options under the recognition and measurement principles of APB Opinion No. 25 and related interpretations. Accordingly, no stock-based employee compensation cost was reflected in our financial statements prior to January 1, 2006, since all options to purchase

common stock of the Company have an exercise price equal to, or greater than, the market value of the underlying common stock on the date of grant.

Effective January 1, 2006, the Company implemented Statement of Financial Accounting Standards (SFAS) No. 123R, "Share Based Payment (SFAS 123R)" for stock-based compensation awards granted after that date and for unvested awards outstanding at that date using the modified prospective application method. We recognize the fair value of the stock-based compensation awards as wages in the Statements of Income on a straight-line basis over the vesting period. Such implementation is expected to have minimal impact on our results of operations, financial position, and liquidity. The adoption of SFAS 123R resulted in the recognition of compensation expense, relative to stock-based awards, in wages in the Statements of Income of approximately

$110,000 and $104,000, less than $0.01 per share, for the three months ended September 30, 2007 and 2006, respectively, and approximately $313,000, or approximately $.02 per share, and approximately $203,000, or approximately $.01 per share, for the nine months ended September 30, 2007 and 2006, respectively. In accordance with the modified prospective application method permitted by SFAS 123R, prior period amounts have not been restated to reflect the recognition of stock-based compensation costs.

In August 2007, the Stock Awards Committee, a committee of the Board of Directors that administers the Company's Stock Awards Plan, granted 18,000 shares of restricted stock. The shares of restricted stock were issued in the names of the grantees and have restrictive legends prohibiting their sales prior to vesting. One-third (1/3) of the granted restricted shares vest each year on the annual anniversary of the grant. As of September 30, 2007, there was approximately $768,000 of unrecognized compensation expense related to our two share-based compensation plans.

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

The following discussion and analysis should be read in conjunction with our financial statements and related notes thereto included elsewhere in this Form 10-Q. Portions of this document that are not statements of historical or current fact are forward-looking statements that involve risk and uncertainties, such as statements of our plans, objectives, expectations, and intentions. The cautionary statements made in this Form 10-Q should be read as applying to all related forward-looking statements wherever they appear in this Form 10-Q. Our actual results could differ materially from those anticipated in the forward-looking statements. Factors that could cause our actual results to differ materially from those anticipated include those discussed in Part II, Item 1A. "RISK FACTORS."

Forward Looking Statements

This report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact included in this report regarding the Company's strategies and plans for growth are forward-looking statements. These forward-looking statements are often characterized by the terms "may," "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," and other words and terms of similar meanings and do not reflect historical facts. 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, but are not limited to, the dependence upon energy industry spending for seismic services, the unpredictable nature of forecasting weather, the potential for contract delay or cancellation, the potential for fluctuations in oil and gas prices, and the availability of capital resources. 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.

Executive Overview

The Company is a leading provider of seismic data acquisition services throughout the continental U.S. We currently operate eight seismic crews. These seismic crews supply seismic data to companies engaged in the domestic exploration and development of oil and natural gas on land and in land-to-water transition areas. Our customers rely on seismic data to identify areas where subsurface conditions are favorable for the accumulation of existing hydrocarbons, to optimize the development and production of hydrocarbon reservoirs, to better delineate existing oil and natural gas fields, and to augment reservoir management techniques.

We acquire geophysical data using the latest in 3-D survey techniques. We introduce acoustic energy into the ground by using vibration equipment or dynamite detonation, depending on the surface terrain and subsurface requirements. The reflected energy, or echoes, is received through geophones, converted into a digital signal at a multi-channel recording unit, and then transmitted to a central recording vehicle. Subsurface requirements dictate the number of channels necessary to perform our services. With our state-of-the-art seismic equipment, including computer technology and multiple channels, we acquire, on a cost effective basis, immense volumes of seismic data that when processed and interpreted produce more precise images of the earth's subsurface. Our customers then use our seismic data to generate 3-D geologic models that help reduce finding costs and improve recovery rates from existing wells.

Currently, the seismic data acquisition industry is made up of a number of companies divided into two groups. The first group is made up of five publicly-traded companies with long operating histories who field numerous crews and work in a number of different regions and terrain. This group includes us, Dawson Geophysical Company, Geo Kinetics, Inc., CGG-Veritas, and Petroleum Geo Services. These companies field approximately 50% of the estimated 65 seismic crews currently operating in the continental U.S. The second group is made up of smaller companies who generally run one or two seismic crews and often specialize in specific regions or type of operation.

We provide our seismic data acquisition services primarily to domestic onshore oil and natural gas exploration and development companies for use in the onshore drilling and production of oil and natural gas in the continental U.S. The main factors influencing demand for seismic data acquisition services in our industry are the level of drilling activity by oil and natural gas companies and the sizes of such companies' exploration and development budgets, which, in turn, depend largely on current and anticipated future crude oil and natural gas prices and depletion rates.

Our customers are major and independent oil and natural gas exploration and development companies. The services we provide to our customers vary according to the size and needs of each customer. Our services are marketed by supervisory and executive personnel who contact customers to determine their needs and respond to customer inquiries regarding the availability of crews. Contacts are based principally upon professional relationships developed over a number of years. There are a number of consultants in the oil and natural gas industry who process and interpret seismic data for oil and natural gas companies. These consultants can have an influence in determining which company their customers use to acquire seismic data.

The acquisition of seismic data for the oil and natural gas industry is a highly competitive business. There are approximately 65 seismic crews currently operating in the continental United States. Contracts for such services generally are awarded on the basis of price quotations, crew experience, and the availability of crews to perform in a timely manner, although factors other than price, such as crew safety performance history, and technological and operational expertise, are often determinative. Our competitors include companies with financial resources that are significantly greater than our own as well as companies of comparable and smaller size. Our primary

competitors are Dawson Geophysical Company, Geo Kinetics, Inc., Petroleum Geo Services, and to a lesser extent, CGG-Veritas. In addition to the previously named companies, we also compete for projects from time to time with smaller seismic companies which operate in local markets with only one or two crews. We believe that our long-term industry expertise, the customer relationships developed over our history, and our financial stability give us an advantage over most of our competitors in the industry.

Results of Operations

Nine Months Ended September 30, 2007 Compared to Nine Months Ended September 30, 2006 (Unaudited)

Revenues. Our revenues were $64,533,952 for the nine months ended September 30, 2007 compared to $47,640,674 for the same period of 2006, an increase of 35.5%. This increase in revenues was attributable to several factors, including operating eight seismic data acquisition crews for nine months in 2007 compared with six crews the first four months and seven crews for the last five months of the same period of 2006, as well as the fact that approximately 33% of revenues in the first nine months of 2007 were derived from lower margin shot-hole contracts compared with approximately 27% for the same period of 2006. These shot-hole contracts typically generate higher revenues but lower gross margins than vibroseis contracts due to higher third party costs.

Cost of services. Our cost of services was $42,610,731 for the nine months ended September 30, 2007 compared to $28,666,839 for the same period of 2006, an increase of 48.6%. This increase was attributable to several factors: (1) the increase in revenues in the first nine months of 2007 compared to the same period of 2006; (2) the adverse weather conditions in January and February in Colorado and Kansas; (3) the severe flooding conditions in the Mid-continent and Southwestern areas of the United States during the second quarter of 2007; (4) severe weather conditions in the month of July 2007 that negatively impacted our revenue by approximately 18% and our pretax income by approximately 62% and (5) the higher third party costs associated with the additional shot-hole contracts in 2007 compared with 2006. As a percentage of revenues, cost of services was 66.0% for the nine months ended September 30, 2007 compared to 60.2% for the same period of 2006.

Selling, general, and administrative expenses. SG&A expenses were $2,822,234 for the nine months ended September 30, 2007 compared to $1,826,335 for the same period of 2006, an increase of 54.5%. This increase was primarily attributable to additional expenses associated with additional selling and administrative personnel, additional compensation expense for deferred stock based compensation, increased insurance costs, and additional expenses associated with the operation of eight crews during the first nine months of 2007 compared to six crews the first four months and seven crews the last five months of the same period of 2006. SG&A expense as a percentage of revenues was 4.4% for the nine months ended September 30, 2007 compared with 3.8% for the same period of 2006.

Depreciation and amortization expense. Depreciation and amortization expense was $9,717,156 for the nine months ended September 30, 2007 compared to $6,396,479 for the same period of 2006, an increase of 51.9%. This increase was primarily attributable to depreciation and amortization expense associated with capital expenditures of approximately $19,600,000 since September 30, 2006. This increase was partially offset by a decrease in depreciation expense in the third quarter of 2007 as a result of an increase in the estimated useful life of certain seismic equipment. See Note A of Notes to Financial Statements in Item 1. Depreciation and amortization expense as a percentage of revenues was 15.1% for the nine months ended September 30, 2007 compared to 13.4% for the same period of 2006.

Income from operations. Income from operations was $9,383,831 for the nine months ended September 30, 2007 compared to $10,751,021 for the same period of 2006, a decrease of 12.7%. This decrease was primarily attributable to the increase in cost of services, SG&A, and depreciation and amortization expense, partially offset by an increase in revenues. EBITDA increased $1,953,487 to $19,100,987 for the nine months ended September 30, 2007 from $17,147,500 for the same period of 2006, an increase of 11.4%. This increase was a result of

factors mentioned above. For a definition of EBITDA, a reconciliation of EBITDA to net income, and discussion of EBITDA, please refer to the section entitled “EBITDA” found below.

Interest expense. Interest expense was $493,847 for the nine months ended September 30, 2007 compared to $608,101 for the same period of 2006. This decrease was primarily attributable to the reduction of debt incurred for the purchase of three new ARAM ARIES seismic recording systems and three new vibration vehicles.

Income tax expense. Income tax expense was $3,648,894 for the nine months ended September 30, 2007 compared to $3,967,055 for the same period of 2006. The effective tax rate for the nine months ended September 30, 2007 was 41.0% compared to 39.1% for the same period of 2006. See Note E of Notes to Financial Statements in Item 1.

Three Months Ended September 30, 2007 Compared to Three Months Ended September 30, 2006 (Unaudited)

Revenues. Our revenues were $24,207,816 for the three months ended September 30, 2007 compared to $17,952,193 for the same period of 2006, an increase of 34.8%. This increase in revenues was primarily attributable to operating eight seismic data acquisition crews for the three months ended September 30, 2007 compared with seven crews for the same period of 2006.

Cost of services. Our cost of services was $16,971,927 for the three months ended September 30, 2007 compared to $12,526,248 for the same period of 2006, an increase of 35.5%. This increase was primarily attributable to the following factors: (1) the increase in revenues for the three months ended September 30, 2007 compared to the same period of 2006; and (2) the severe weather conditions in the month of July 2007 that negatively impacted our revenue by approximately 18% and our pretax income by approximately 62%. As a percentage of revenues, cost of services was 70.1% for the three months ended September 30, 2007 compared to 69.8% for the same period of 2006.

Selling, general, and administrative expenses. SG&A expenses were $1,064,175 for the three months ended September 30, 2007 compared to $471,132 for the same period of 2006, an increase of 125.9%. This increase was primarily attributable to additional expenses associated with additional selling and administrative personnel, additional compensation expense for deferred stock based compensation, increased insurance costs and additional expenses associated with the operation of the additional crews in the three months ended September 30, 2007 compared to the same period of 2006. In addition, adjustments were made to certain accruals that reduced SG&A expenses during the three months ended September 30, 2006. SG&A expense as a percentage of revenues was 4.4% for the three months ended September 30, 2007 compared with 2.6% for the same period of 2006.

Depreciation and amortization expense. Depreciation and amortization expense was $2,906,129 for the three months ended September 30, 2007 compared to $2,493,509 for the same period of 2006, an increase of 16.5%. This increase was primarily attributable to depreciation and amortization expense associated with capital expenditures of approximately $19,600,000 since September 30, 2006. This increase was partially offset by a decrease in depreciation expense in the third quarter of 2007 as a result of an increase in the estimated useful life of certain seismic equipment. See Note A of Notes to Financial Statements in Item 1. Depreciation and amortization expense as a percentage of revenues was 12.0% for the three months ended September 30, 2007 compared to 13.9% for the same period of 2006.

Income from operations. Income from operations was $3,265,585 for the three months ended September 30, 2007 compared to $2,461,304 for the same period of 2006, an increase of 32.7%. This increase was primarily attributable to the increase in revenues and was partially offset by increases in cost of services, SG&A, and depreciation and amortization expense. EBITDA increased $1,216,901 to $6,171,714 for the three months ended September 30, 2007 from $4,954,813 for the same period of 2006, an increase of 24.6%. This increase was a

result of factors mentioned above. For a definition of EBITDA, a reconciliation of EBITDA to net income, and discussion of EBITDA, please refer to the section entitled "EBITDA" found below.

Interest expense. Interest expense was $146,412 for the three months ended September 30, 2007 compared to $199,414 for the same period of 2006. This decrease was primarily attributable to the reduction of debt incurred for the purchase of three new ARAM ARIES seismic recording systems and three new vibration vehicles.

Income tax expense. Income tax expense was $1,293,065 for the three months ended September 30, 2007 compared to $915,111 for the same period of 2006. The effective tax rate for the three months ended September 30, 2007 was 41.5% compared to 40.5% for the same period of 2006. See Note E of Notes to Financial Statements in Item 1.

EBITDA

We define EBITDA as net income plus interest expense, income taxes, and depreciation and amortization expense. We use EBITDA as a supplemental financial measure to assess:

- the financial performance of our assets without regard to financing methods, capital structures, taxes, or historical cost basis;
- our liquidity and operating performance over time and in relation to other companies that own similar assets and that we believe calculate EBITDA in a manner similar to us; and
- the ability of our assets to generate cash sufficient for us to pay potential interest costs.

We also understand that such data is used by investors to assess our performance. However, EBITDA is not a measure of operating income, operating performance, or liquidity presented in accordance with generally accepted accounting principles. When assessing our operating performance or our liquidity, you should not consider this data in isolation or as a substitute for our net income, cash flow from operating activities, or other cash flow data calculated in accordance with generally accepted accounting principles. EBITDA excludes some, but not all, items that affect net income and operating income, and these measures may vary among other companies. Therefore, EBITDA as presented below may not be comparable to similarly titled measures of other companies. Further, the results presented by EBITDA cannot be achieved without incurring the costs that the measure excludes: interest, taxes, depreciation and amortization.

The following table reconciles our EBITDA to our net income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
	(unaudited)		(unaudited)	
Net income	$ 1,826,108	$ 1,346,779	$ 5,241,090	$ 6,175,865
Depreciation and amortization	2,906,129	2,493,509	9,717,156	6,396,479
Interest expense	146,412	199,414	493,847	608,101
Income tax expense	1,293,065	915,111	3,648,894	3,967,055
EBITDA	$ 6,171,714	$ 4,954,813	$ 19,100,987	$ 17,147,500

Liquidity and Capital Resources

Cash Flows

Cash flows from operating activities.

Net cash provided by operating activities was $10,431,314 for the nine months ended September 30, 2007 compared to $18,614,832 for the same period of 2006. The $8,183,518 decrease in the first nine months of 2007 from the same period of 2006 was principally attributable to timing of receipt and payment of invoices, the timing of billings and revenue recognition, and the mix of contracts. Changes in significant components of cash provided by operations were a $934,775 change in net income, a $3,320,677 change in depreciation and amortization expense, a $3,047,212 change in trade accounts receivable, a $3,274,440 change in cost and estimated earnings in excess of billings on uncompleted contracts, a $4,222,989 change in trade accounts payable, a $6,286,238 change in billings in excess of cost and estimated earnings on uncompleted contracts, and a $885,525 change in federal and state income taxes.

Working capital increased $2,274,295 to $3,452,675 as of September 30, 2007 from the December 31, 2006 working capital of $1,178,380. This increase was primarily due to a $1,838,643 decrease in accounts payable, and a $3,475,844 decrease in billings in excess of costs and estimated earnings on uncompleted contracts (partially offset by a decrease in cash and cash equivalents of $5,213,129).

Cash flows used in investing activities.

Net cash used in investing activities was $10,688,405 for the nine months ended September 30, 2007 and $15,639,986 for the nine months ended September 30, 2006. This decrease was due primarily to a decrease in capital expenditures of $3,002,925.

Cash flows used in financing activities.

Net cash used in financing activities was $4,956,038 for the nine months ended September 30, 2007 and $4,223,239 for the nine months ended September 30, 2006. The increase was due primarily to an increase in the amount of principal payments on our outstanding notes payable of $436,460 and an increase in the amount of principal payments on capital lease obligations of $305,678.

Capital expenditures.

During the nine months ended September 30, 2007, capital expenditures of $10,927,126 were used to acquire additional seismic equipment and vehicles. Major capital expenditures included approximately $2,623,000 for seven new vibration vehicles, approximately $2,908,000 for the additional 4,000 channels of ARAM ARIES ("ARAM") seismic recording equipment, and approximately $742,000 for two new shot-hole drill rigs, all of which have been funded with cash generated from operations. In September 2007, we entered into an equipment sales contract to purchase seven new vibration vehicles. We anticipate delivery of these units in the first quarter of 2008. In October of 2007, we entered into an equipment sales contract to purchase a new 4,000 channel ARAM seismic recording system. This new ARAM recording system will replace one of our Opseis Eagle recording systems and give us a total of seven ARAM recording systems. We anticipate delivery of this new ARAM recording system in November of 2007. We have secured a commitment from a commercial lender to provide financing for the purchase of the new ARAM recording system and the seven new vibration vehicles. Although we do not budget for our capital expenditures, we currently have no plans for significant additional capital expenditures during the remainder of 2007 other than the new ARAM recording system; however, we may purchase additional equipment during 2007 as the demand for our services increases.

Liquidity

Our primary source of liquidity is cash generated from operations and short-term borrowings from commercial banks and equipment lenders. Based on current forecasts, we believe that we have sufficient available cash and borrowing capacity to fund our working capital needs over the next twelve months.

Capital Resources

Since 2005, we have relied on cash generated from operations, short-term borrowings from commercial banks, and proceeds from a public offering of our common stock to fund our working capital requirements and capital expenditures.

In April of 2005, we entered into a revolving credit agreement with a commercial bank. Effective September 16, 2006, we renewed our revolving credit agreement and increased the borrowing limit from $3,500,000 to $5,000,000. That revolving credit agreement expired on September 16, 2007. Effective September 16, 2007, we renewed our revolving credit agreement. The borrowing limit remains at $5,000,000 and the revolving credit agreement will expire on September 16, 2008. Our obligations under this agreement are secured by a security interest in our accounts receivable. Interest on the outstanding amount under the revolving credit agreement is payable monthly at the prime rate of interest. The credit loan agreement provides for non-financial and financial covenants including a minimum debt service coverage ratio in excess of 2.0 to 1.0 and a ratio of debt to worth not in excess of 1.25 to 1.0. As of September 30, 2007, we had no borrowings outstanding under the revolving credit agreement.

In October of 2001, the Company entered into a three-year operating lease for the Company's headquarters facility located in Plano, Texas. In April of 2004, the Company executed an addendum to its operating lease. The addendum extended the term of the lease until March 31, 2009, and increased the square footage of the office and outdoor storage area. In August of 2005, the Company entered into a 38-month operating lease for additional office and warehouse space in Plano, Texas. This operating lease will expire in October of 2008. In January of 2006, we entered into a 24-month operating lease for a sales office in Houston, Texas. This operating lease will expire in January of 2008. In July of 2006, the Company entered into an operating lease for additional office space for its corporate offices in Plano, Texas. In September 2006, the Company relocated its corporate offices to this facility. This lease will expire in January of 2012. In October of 2006, the Company entered into a one-year lease for a sales office in Oklahoma City, Oklahoma. Additionally, in September of 2007, the Company entered into a two-year lease for a sales office in Denver, Colorado.

Contractual Obligations

During the interim period, there were no material contracts other than the renewal of our revolving credit agreement.

We believe that our capital resources, including our short-term investments, funds available under our revolving credit agreement, and cash flow from operations will be adequate to meet our current operational needs. We believe that we will be able to finance our 2007 capital expenditures through cash flow from operations, borrowings from commercial lenders, and the funds available under our line of credit loan agreement. However, our ability to satisfy working capital requirements, meet debt repayment obligations, and fund future capital requirements will depend principally upon our future operating performance, which is subject to the risks inherent in our business.

Off-Balance Sheet Arrangements

As of September 30, 2007, we had no off-balance sheet arrangements.

Critical Accounting Policies

A discussion of our critical accounting policies can be found in our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006. There have been no material changes to these policies (including critical accounting estimates and assumptions or judgments affecting the application of those estimates and assumptions) during the first nine months of 2007 other than the change in estimated useful lives of certain seismic equipment effective July 1, 2007. See Note A of Notes to Financial Statements in Item 1.

Recently Issued Accounting Pronouncements

A discussion of recently issued accounting pronouncements can be found in our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006.

Recent Events

In September of 2007, we entered into an equipment sales contract to purchase seven new vibration vehicles. We anticipate delivery of these units in the first quarter of 2008. In October of 2007, we entered into an equipment sales contract to purchase a new 4,000 channel ARAM ARIES seismic recording system. We anticipate delivery of this new recording system in November of 2007.

We currently have 28,665 outstanding 2004 Series C2 Warrants (the "Warrants"). Our board of directors, and the holders of the Warrants, have agreed that, in order to both simplify our capital structure and eliminate the Warrant Holder "piggy-back" registration rights (which are objectionable to underwriters), we will repurchase all such Warrants. This action was taken by our board of directors at a special meeting of our board held on September 18, 2007, at which the interested directors abstained. These Warrants are held by certain of our directors and family members of such directors. The board determined that the purchase price of these Warrants was to be the average closing price of the Company's common stock for ten (10) consecutive trading days, beginning with the closing price on September 18, 2007, and ending on October 1, 2007, minus the exercise price of $0.91 per share. The Company will purchase the Warrants in early November of 2007.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We have not entered into any hedging agreements or swap agreements. Our principal market risks include fluctuations in commodity prices which affect demand for and pricing for our services and the risk related to the concentration of our customers in the oil and natural gas industry. Since all of our customers are involved in the oil and natural gas industry, there may be a positive or negative effect on our exposure to credit risk because our customers may be similarly affected by changes in economic and industry conditions. For the year ended December 31, 2006, no customer accounted for 10% or more of our revenues. For the year ended December 31, 2005, our top two customers accounted for approximately 11.6% and 10.6%, respectively, of our revenues.

ITEM 4. CONTROLS AND PROCEDURES.

Under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Principal Financial and Accounting Officer, the Company performed an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act) as of September 30, 2007. Based upon that evaluation, the Chief Executive Officer and Principal Financial and Accounting Officer concluded that the Company's disclosure controls and procedures are effective in enabling the Company to record, process, summarize, and report information required to be included in reports filed or submitted under the Exchange Act within the required time period. There were no changes in the Company's internal controls over financial reporting or in other factors during the quarter ended September 30, 2007, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company continues to take action to assure compliance with the internal controls, disclosure controls, and other requirements of the Sarbanes-Oxley Act of 2002. Our management, including our Chief Executive Officer and Principal Financial and Accounting Officer, cannot guarantee that our internal controls and disclosure controls will prevent all possible errors or all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. In addition, the design of a control system must reflect the fact that there are resource constraints, and the benefit of controls must be relative to their costs. Because of the inherent limitations in all control systems, no system of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Further, controls can be circumvented by individual acts of some persons, by collusion of two or more persons, or by management override of the controls. Notwithstanding the foregoing, the Company's Chief Executive Officer and Principal Financial and Accounting Officer believe that their determination, contained in the preceding paragraph, that the Company's disclosure controls and procedures are effective has been made at a reasonable assurance level.

The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may be inadequate because of changes in conditions or the degree of compliance with the policies or procedures may deteriorate. Because of inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Currently we are not a defendant in any material legal actions. However, we have been or may become a defendant in other legal actions that arose or may arise out of the normal course of business. In our opinion, none of these actions have or will result in any significant loss to us.

ITEM 1A. RISK FACTORS

For a discussion of those "Risk Factors" affecting the Company, you should carefully consider the "Risk Factors" discussed in Part II, under "Item 6. Management's Discussion and Analysis" contained in our Annual Report on Form 10-KSB for the year ended December 31, 2006, which is herein incorporated by reference. There have been no material changes from those risk factors previously disclosed in such Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS. - None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES. — None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS. — None

ITEM 5. OTHER INFORMATION. — None.

ITEM 6. EXHIBITS.

The following exhibits are included herein:

EXHIBIT NO.	DESCRIPTION
3.1	Restated Articles of Incorporation (with amendment) as filed with the Secretary of State of Texas on June 20, 2003, filed as Exhibit 3.4 to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2003, and incorporated herein by reference.
3.2	Bylaws, as amended and restated December 1, 2004 filed as Exhibit 3.2 to the Company's Registration Statement on Form SB-2/A on September 20, 2005 (Registration No. 333-128018), and incorporated herein by reference.
4.1	Form of Specimen Stock Certificate filed as Exhibit 4.1 to the Company's Registration Statement on Form SB-2/A on September 20, 2005 (Registration No. 333-128018), and incorporated herein by reference.
4.2	Form of Warrant Agreement and Warrant Certificate dated December 15, 2004, filed as Exhibit 4.16 to the Company's Registration Statement on Form SB-2/A on September 20, 2005 (Registration No. 333-128018), and incorporated herein by reference.
*4.3	Form of Warrant Repurchase Agreement dated September 18, 2007.
10.1	Promissory Note by and among TGC Industries, Inc. and Sovereign Bank, dated September 16, 2007, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated September 27, 2007, and incorporated herein by reference.
10.2	Commercial Security Agreement by and among TGC Industries, Inc. and Sovereign Bank, dated September 16, 2007, filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated September 27, 2007, and incorporated herein by reference.

10.3	Business Loan Agreement by and among TGC Industries, Inc. and Sovereign Bank, dated September 16, 2007, filed as Exhibit 10.3 to the Company's Current Report on Form 8-K dated September 27, 2007, and incorporated herein by reference.
*31.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*32.2	Certification of Principal Financial and Accounting Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

*Filed herewith.

SIGNATURES

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

	TGC INDUSTRIES, INC.
Date: November 7, 2007	/s/ Wayne A. Whitener Wayne A. Whitener President & Chief Executive Officer (Principal Executive Officer)
Date: November 7, 2007	/s/ Kenneth W. Uselton Kenneth W. Uselton Treasurer (Principal Financial and Accounting Officer)

EXHIBITS INDEX

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*Filed herewith.

EXHIBIT 4.3

WARRANT REPURCHASE AGREEMENT
(2004 Series C2 Warrants)

This Warrant Repurchase Agreement (the "*Agreement*") is entered into by and between TGC Industries, Inc., a Texas corporation ("*Company*"), and ("*Seller*").

WHEREAS, in December of 2004 Company issued a series of warrants exercisable into Company's Common Stock known as the 2004 Series C2 Warrants (the "*Warrants*"), and Seller is at this time the owner of Warrants;

AND WHEREAS, as a result of the "anti-dilution" clause contained in the Agreement, each Warrant is currently exercisable into shares of the Company's Common Stock at an exercise price of $0.91 per share.

AND WHEREAS, Company and the holders of the Warrants have agreed that, in order to make Company a more attractive candidate for acquisition by simplifying the Company's capital structure and eliminating the Warrant holders' "*piggy-back*" registration rights (which are objectionable to underwriters), such holders will sell all of their Warrants to Company.

NOW, THEREFORE, in consideration of the foregoing and the covenants of the parties set forth herein, it is hereby agreed as follows:

Subject to the terms and conditions set forth herein, Seller agrees to sell all of Seller's Warrants to Company, and Company agrees to repurchase and cancel all of such Warrants. Such Warrants constitute all of the issued and outstanding 2004 Series C2 Warrants owned by Seller.

Seller is entitled to receive that cash amount (the "*Purchase Price*") which is equal to: $9.16 [the average of the closing prices of the Company's Common Stock during the period beginning on September 18, 2007, and ending on October 1, 2007, minus the current exercise price per Warrant ($0.91)] times the number of shares of Common Stock underlying the 2004 Series C2 Warrants held by Seller. Accordingly, Company shall pay to Seller a total purchase price of $.

Within thirty (30) days after the determination of the Purchase Price, Company shall be obligated to pay to Seller the amount of the Purchase Price.

Promptly after the signing of this Agreement by Seller, Seller shall forward the certificate or certificates representing the Warrants being repurchased by Company to Ms. Julia Gardner, 201 Main Street, Suite 2200, Fort Worth, Texas 76102.

Ms. Gardner will deliver to Company such certificate or certificates with instructions to Company to pay to Seller the amount of the Purchase Price. Company covenants and agrees that

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upon receipt of such certificate or certificates, Company shall cancel the Warrants so that they will no longer be issued and outstanding.

Seller represents that: (a) Seller has good and valid title to the Warrants free and clear of any security interest, pledge, lien, encumbrance, or other adverse claim; and (b) Seller has full legal right and power to sell, transfer, and deliver the Warrants to Company.

Company represents that it has received specific authority from its Board of Directors to carry out the proposed warrant purchase transaction.

This Agreement contains the entire understanding between the parties and supersedes any prior understandings and agreements between them respecting the subject matter of this Agreement.

This Agreement shall for all purposes be deemed to be made under, and shall be construed in accordance with, the laws of the State of Texas.

This Agreement contains the entire agreement of the parties hereto with respect to the subject matter hereof and, except as expressly provided herein, may not be changed or modified except by an instrument in writing signed by the respective parties hereto.

This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.

This Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their legal representatives, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the 18th day of September, 2007.

COMPANY:	**SELLER:**
TGC Industries, Inc.	
By: ____________________	____________________
Wayne Whitener,	

President and Chief
Executive Officer

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Wayne A. Whitener, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TGC Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2007

/s/ Wayne A. Whitener
Wayne A. Whitener
President & Chief
Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Kenneth W. Uselton, certify that:

1. I have reviewed this report on Form 10-Q of TGC Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2007

/s/ Kenneth W. Uselton
Kenneth W. Uselton
Treasurer (Principal Financial
and Accounting Officer)

EXHIBIT 32.1

Certification of
Chief Executive Officer
of TGC Industries, Inc. Pursuant to
18 U.S.C. Section 1350, as adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

This certification is furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and accompanies the quarterly report on Form 10-Q (the “Form 10-Q”) for the quarter ended September 30, 2007 of TGC Industries, Inc. (the “Company”). I, Wayne A. Whitener, the Chief Executive Officer of the Company, certify that, to the best of my knowledge:

(1) The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in the Form 10-Q.

Dated: November 7, 2007

/s/ Wayne A. Whitener
Wayne A. Whitener
Chief Executive Officer

The foregoing certification is being furnished as an exhibit to the Form 10-Q pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and accordingly, is not being filed as part of the Form 10-Q for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

EXHIBIT 32.2

Certification of
Principal Financial and Accounting Officer
of TGC Industries, Inc. Pursuant to
18 U.S.C. Section 1350, as adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

This certification is furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and accompanies the quarterly report on Form 10-Q (the "Form 10-Q") for the quarter ended September 30, 2007 of TGC Industries, Inc. (the "Company"). I, Kenneth W. Uselton, Principal Financial and Accounting Officer of the Company, certify that, to the best of my knowledge:

(1) The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of, and for, the periods presented in the Form 10-Q.

Dated: November 7, 2007

/s/ Kenneth W. Uselton
Kenneth W. Uselton
Treasurer (Principal Financial
and Accounting Officer)

The foregoing certification is being furnished as an exhibit to the Form 10-Q pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and accordingly, is not being filed as part of the Form 10-Q for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.