UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of report (date of earliest event reported): **October 8, 2014**

DAWSON GEOPHYSICAL COMPANY
(Exact name of registrant as specified in its charter)

TEXAS	**001-34404**	**75-0970548**
(State of incorporation or organization)	(Commission file number)	(I.R.S. employer identification number)

508 W. WALL, SUITE 800 **MIDLAND, TEXAS**	**79701**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: **(432) 684-3000**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

x Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Entry into Merger Agreement

On October 8, 2014, Dawson Geophysical Company, a Texas corporation (the "Company"), TGC Industries, Inc., a Texas corporation ("TGC"), and Riptide Acquisition Corp., a Texas corporation and a wholly owned subsidiary of TGC ("Merger Sub"), entered into an Agreement and Plan of Merger (the "Merger Agreement"), which provides for the merger of Merger Sub with and into the Company, with the Company continuing after the merger as the surviving entity and a wholly owned subsidiary of TGC (the "Merger").

Under the terms of the Merger Agreement, at the effective time of the Merger (the "Effective Time") TGC will amend its certificate of formation to change its name to "Dawson Geophysical Company" (the "Name Change"). Immediately prior to the Effective Time, TGC will effect a reverse stock split with respect to its common stock, par value $0.01 per share ("TGC Common Stock"), on a one-for-three ratio (the "Reverse Stock Split") to reduce the total number of shares of TGC Common Stock outstanding from approximately 22,001,125 to approximately 7,333,708. After giving effect to the Reverse Stock Split, in connection with the Merger each issued and outstanding share of common stock, par value $0.33-1/3 per share of the Company (the "Company Common Stock") (other than shares of Company Common Stock owned by TGC, Merger Sub or the Company or any wholly owned subsidiary of the Company) will be automatically converted into the right to receive 1.760 shares of TGC split-effected Common Stock (the "Exchange Ratio").

Except as otherwise set forth in the Merger Agreement, Company stock options will, to the extent such options are not exercised prior to the Effective Time, be converted into and become, respectively, stock option awards based on or comprised of TGC Common Stock, in each case on terms substantially identical to those in effect immediately prior to the Effective Time, and as adjusted by the Exchange Ratio. Except for certain restricted stock and restricted stock unit awards subject to applicable employment agreements or any newly issued awards that do not provide for such restricted stock or restricted stock unit awards to vest upon the Effective Time, to the extent Company restricted stock or restricted stock unit awards are outstanding immediately prior to the Effective Time, such awards will be treated as being vested, the shares of Company Common Stock that relate to such awards will be treated as being issued and outstanding, and such shares of Company Common Stock will be converted to shares of TGC Common Stock pursuant to the preceding paragraph.

The respective Boards of Directors of the Company, Merger Sub and TGC have approved the Merger Agreement. The Board of Directors of the Company has recommended that the Company shareholders approve the Merger Agreement. The Board of Directors of TGC has recommended that TGC shareholders

approve (1) the issuance of shares of TGC Common Stock to the shareholders of the Company and (2) amendments to TGC's certificate of formation to effect the Name Change and the Reverse Stock Split in accordance with the Merger Agreement.

It is expected that the Merger will qualify as a tax-free reorganization for U.S. federal income tax purposes, so that, in general, none of the Company, Merger Sub or TGC or any of the Company's shareholders will recognize any gain or loss in the transaction, except that Company shareholders will generally recognize gain or loss with respect to cash received in lieu of fractional shares of TGC Common Stock.

Completion of the Merger is subject to certain customary conditions, including, among other things:

- the approval of the Merger Agreement by the holders of at least 66.67% of the outstanding shares of Company Common Stock;
- the approval of the amendments to TGC's certificate of formation to effect the Name Change and the Reverse Stock Split by the holders of at least 66.67% of the outstanding shares of TGC Common Stock;

- approval of the issuance of shares of TGC Common Stock in the Merger by the holders of at least a majority of the shares of TGC Common Stock present and voting at a special meeting of the TGC shareholders called to approve the share issuance;
- the expiration or early termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976;
- the effectiveness of a registration statement on Form S-4 that will be filed by the TGC for the issuance of shares of TGC Common Stock in the Merger and the authorization of the listing of those shares on the Nasdaq Stock Market;
- certain officers of the Company and TGC having entered into indemnification agreements with TGC effective as of the Effective Time;
- receipt by TGC and the Company of certain third party consents; and
- the absence of a Material Adverse Effect (as defined in the Merger Agreement) with respect to either TGC's or the Company's respective businesses.

The parties have made customary representations and warranties and agreed to customary covenants in the Merger Agreement. In addition, the Company and TGC have each agreed to certain pre-closing covenants in the Merger Agreement, including, among other things, covenants that each of the Company and TGC will, and each will cause its subsidiaries to, during the period between the date of the Merger Agreement and the Effective Time, conduct its business only in the ordinary course of business consistent with past practice, and that each of the Company and TGC will not engage in certain types of transactions without the consent of the other during such period.

Except as set forth in the Merger Agreement, the Company and TGC have also agreed not to solicit, initiate, approve, endorse, recommend or encourage, or take any other action designed to, or which would reasonably be expected to, facilitate, any inquiry or the making or announcement of any proposal or offer that constitutes, or that would reasonably be expected to lead to, an Acquisition Proposal (as defined in the Merger Agreement).

The Merger Agreement also provides for certain termination rights for both the Company and TGC, and further provides that upon any termination of the Merger Agreement under certain circumstances relating to any third party takeover proposal, the party to whom the takeover proposal relates will be obligated to pay the other party, depending on the circumstances, a termination fee of $2.0 million, and may also, under certain circumstances, be required to reimburse the other party for its third party costs and expenses in connection with the proposed Merger, up to a maximum of $1.5 million.

Pursuant to the Merger Agreement, the combined company has agreed to take all necessary actions to cause, as of the Effective Time, its Board of Directors to include Stephen C. Jumper, Craig Cooper, Gary Hoover, Ted North and Mark Vander Ploeg, each of whom is currently a director of the Company (each a "Designated Director"). Wayne A. Whitener, William Barrett and Dr. Allen McInnes, each of whom is currently a director of TGC (the "Remaining Directors"), will continue to serve as directors of the combined company after the Merger, and all other current directors of TGC and Dawson will resign from such positions as of the Effective Time. Pursuant to the merger agreement, the combined company will take all necessary action to cause each of the Remaining Directors and the Designated Directors to be nominated for continuing election to the board of directors of the combined company for three years following the Effective Time, other than Mr. Barrett, who will serve on the board of directors of the combined company for one year following the Effective Time.

TGC entered into employment agreements, subject to the consummation of the transactions and effective as of the Effective Time, with each of Stephen C. Jumper, the Company's President and Chief Executive Officer, to become the Chairman, President and Chief Executive Officer of the combined company, and Wayne A. Whitener, TGC's current President and Chief Executive Officer, to become the Vice Chairman of the combined company, C. Ray Tobias, the Company's current Executive Vice President and Chief Operating Officer, to serve in the same capacity for the combined company, James K. Brata, TGC's current Executive Vice President and Chief Financial Officer, to serve in the same capacity for the combined company, Christina W. Hagan, the Company's current Executive Vice President, Chief Financial Officer and Secretary, to become the Executive Vice President, Chief Accounting Officer and Secretary of the combined company, James W. Thomas, the Company's current Executive Vice President and Chief Technology Officer, to serve in the same capacity for the combined company, and Daniel G. Winn, TGC's current Executive Vice President, to become Senior Vice President of the combined company (collectively, all such officers of the combined company, the "Executive Officers"). Copies of the employment agreements executed by Mr. Jumper, Mr. Tobias, Ms. Hagan and Mr. Thomas are filed as Exhibits 99.1, 99.2, 99.3 and 99.4.

Each of the Designated Directors, the Remaining Directors and the Executive Officers will enter into an indemnification agreement with the combined company in substantially the same form as the Company has entered into with certain of its current officers and directors, and such form is filed as Exhibit 99.5 to this Current Report on Form 8-K.

In connection with the Merger Agreement, certain officers and directors of TGC who own, in the aggregate, 28.89% of the currently outstanding shares of TGC Common Stock, have agreed to enter into voting agreements with the Company (the "TGC Shareholder Voting Agreements") in the form filed as Exhibit 99.6 to this Current Report on Form 8-K. Under the TGC Shareholder Voting Agreements, those officers and directors have agreed, among other things, (1) to vote their shares of TGC Common Stock in favor of (A) the issuance of shares of TGC Common Stock in connection with the Merger, and (B) the amendments to the certificate of formation of TGC to effect the Name Change and the Reverse Stock Split, in each case at the special meeting of the TGC shareholders to be held to vote on the share issuance and amendments to TGC's certificate of formation and (2) not to sell, transfer or gift any of their shares of TGC Common Stock prior to the consummation of the Merger, except under limited circumstances.

Also in connection with the Merger Agreement, certain officers and directors of the Company who own, in the aggregate, 2.40% of the currently outstanding shares of Company Common Stock, have entered into a voting agreement with TGC (the "Dawson Shareholder Voting Agreement") in the form filed as Exhibit 99.7 to this Current Report on Form 8-K. Under the Dawson Shareholder Voting Agreement, those officers and directors have agreed, among other things, (1) to vote their shares of Company Common Stock in favor of adoption of the Merger Agreement at the special meeting of Company shareholders to be held to vote on the proposed transaction and (2) not to sell, transfer or gift any of their shares of Company Common Stock prior to the consummation of the Merger, except under limited circumstances.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement attached as Exhibit 2.1 to this Current Report on Form 8-K, which is incorporated herein by reference. The foregoing summary of the TGC Shareholder Voting Agreements and the Dawson Shareholder Voting Agreement, and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the TGC Shareholder Voting Agreements and the Dawson Shareholder Voting Agreement, the forms of which are filed as Exhibits 99.6 and 99.7, respectively, to this Current Report on Form 8-K, and are each incorporated herein by reference.

The Merger Agreement has been included to provide security holders with information regarding its terms. It is not intended to provide any other factual information about the Company, TGC, or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the Merger Agreement were made solely for purposes of the agreement and as of specific dates, were solely for the benefit of the parties to the Merger Agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to security holders. Security holders are not third-party beneficiaries under the Merger Agreement and should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the Company or TGC. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in TGC's or the Company's public disclosures.

Rights Agreement Amendment

On October 8, 2014, the Company entered into a First Amendment (the "Amendment") to the Rights Agreement dated effective as of July 23, 2009 between the Company and Computershare Inc, successor-in-interest to Mellon Investment Services LLC (the "Rights Agreement"), rendering the Rights Agreement inapplicable to the Merger Agreement and the transactions contemplated thereby. In particular, the Amendment provides that (a) neither TGC nor Merger Sub will be deemed to be an Acquiring Person (as defined in the Rights Agreement) and no distribution of rights will occur solely by virtue of the approval, execution, delivery or performance of the Merger Agreement or the consummation of the transactions contemplated thereby and (b) the Rights (as defined in the Rights Agreement) will expire at the Effective Time.

A copy of the Amendment is filed herewith as Exhibit 4.1 and is incorporated herein by reference. The foregoing description of the Amendment is qualified in its entirety by reference to the full text of the Amendment.

Item 3.03. Material Modifications to Rights of Security Holders.

The disclosure set forth under "Item 1.01 Entry into a Material Definitive Agreement" is hereby incorporated by reference into this Item 3.03.

Item 8.01. Other Events.

On October 8, 2014, the Company and TGC issued a joint press release regarding the proposed Merger. A copy of the joint press release is filed as Exhibit 99.8 and is incorporated herein by reference.

In addition, the Company and TGC will hold a conference call with analysts and investors to discuss the proposed Merger on Thursday, October 9, 2014, at 9:00 a.m. Eastern time / 8:00 a.m. Central Time. Details as to participating in the call may be found in the press release filed as Exhibit 99.8 hereto. A copy of the materials to be presented at the conference call is filed as Exhibit 99.9 and is incorporated herein by reference.

Important Information for Investors and Shareholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The transactions contemplated by the Merger Agreement, including the proposed Merger between Merger Sub and the Company and the proposed issuance of TGC Common Stock in the Merger, will, as applicable, be submitted to the shareholders of the Company and TGC for their consideration. TGC will file with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 that will include a joint proxy statement of the Company and TGC that also constitutes a prospectus of TGC. The Company and TGC will mail the joint proxy statement/prospectus to their respective shareholders. The Company and TGC also plan to file other documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS OF THE COMPANY AND TGC ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and shareholders will be able to obtain free copies of the joint proxy statement/prospectus and other documents containing important information about the Company and TGC, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. The Company and TGC will make available free of charge at www.dawson3d.com and www.tgcseismic.com, respectively (in the "Investor Relations" section), copies of materials they file with, or furnish to, the SEC, or investors and

shareholders may contact the Company at (432) 684-3000 or TGC, at (972) 881-1099 or c/o Dennard-Lascar Associates at (713) 529-6600 to receive copies of documents that each company files with or furnishes to the SEC.

Participants in the Merger Solicitation

The Company, TGC, and certain of their respective directors and officers may be deemed to be participants in the solicitation of proxies from the shareholders of the Company and TGC in connection with the proposed transactions. Information about the directors and officers of the Company is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on December 18, 2013. Information about the directors and officers of TGC is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on April 30, 2014. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, Dawson Geophysical Company caution that statements in this Form 8-K which are forward-looking and which provide other than historical information involve risks and uncertainties that may materially affect Dawson's results of operations. These risks include but are not limited to the volatility of oil and natural gas prices; dependence upon energy industry spending; industry competition; reduced utilization; delays, reductions or cancellations of service contracts; high fixed costs of operations and high capital requirements; external factors affecting Dawson's crews such as weather interruptions and inability to obtain land access rights of way; whether the company enters into turnkey or dayrate contracts; crew productivity; the limited number of clients; credit risk related to clients; and the availability of capital resources. A discussion of these and other factors, including risks and uncertainties with respect to Dawson is set forth in Dawson's Form 10-K for the fiscal year ended September 30, 2013. Dawson disclaim any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

EXHIBIT NUMBER		DESCRIPTION
2.1*	—	Agreement and Plan of Merger, dated October 8, 2014, by and among the Company, Merger Sub and TGC
4.1	—	Amendment to Rights Agreement, dated October 8, 2014, between the Company and Computershare Inc
99.1	—	Employment Agreement between Stephen C. Jumper and the Combined Company
99.2	—	Employment Agreement between C. Ray Tobias and the Combined Company
99.3	—	Employment Agreement between Christina W. Hagan and the Combined Company
99.4	—	Employment Agreement between James W. Thomas and the Combined Company
99.5	—	Form of Voting Agreement by and between the Company and the shareholders of TGC signatories thereto
99.6	—	Form of Voting Agreement by and between TGC and the shareholders of the Company signatories thereto
99.7	—	Form of Indemnification Agreement with Directors and Officers of the Combined Company
99.8	—	Joint press release issued by the Company and TGC on October 8, 2014
99.9	—	Investor Presentation, dated October 9, 2014

* The Agreement and Plan of Merger filed as Exhibit 2.1 omits the disclosure schedules to the Merger Agreement. Dawson Geophysical Company agrees to furnish supplementally a copy of the omitted schedules to the Securities and Exchange Commission upon request

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DAWSON GEOPHYSICAL COMPANY

Date: October 8, 2014

By: /s/ Stephen C. Jumper
Stephen C. Jumper

Chairman, President and
Chief Executive Officer

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Exhibit 2.1

Execution Version

AGREEMENT AND PLAN OF MERGER

among

TGC INDUSTRIES, INC.,

RIPTIDE ACQUISITION CORP.

and

DAWSON GEOPHYSICAL COMPANY

Dated as of October 8, 2014

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "**Agreement**") dated as of October 8, 2014, is by and among TGC Industries, Inc., a Texas corporation ("**Parent**"), Riptide Acquisition Corp., a Texas corporation and a direct wholly-owned subsidiary of Parent ("**Merger Sub**"), and Dawson Geophysical Company, a Texas corporation (the "**Company**").

RECITALS

A. *The Merger*. The respective Boards of Directors of Parent, Merger Sub and the Company deem it advisable and in the best interests of their respective corporations and shareholders that a transaction be effected pursuant to which (i) Merger Sub will merge with and into the Company, with the Company continuing as the surviving entity (the "**Merger**"), and (ii) each issued and outstanding share of common stock, par value $0.33 1/3 per share, of the Company ("**Company Common Stock**") (other than any Company Common Stock owned by Parent, Merger Sub or the Company or any wholly-owned Subsidiary of the Company), shall be converted into the right to receive the shares of common stock, par value $0.01 per share, of Parent ("**Parent Common Stock**"), upon the terms and subject to the conditions set forth herein and after giving effect to the Reverse Stock Split (as defined below). In connection with the Merger and the issuance of the Parent Common Stock, Parent will undertake a reverse stock split with respect to the Parent Common stock on a one-for-three ratio (the "**Reverse Stock Split**") to reduce the total number of shares of Parent Common Stock outstanding to approximately 7,333,708 immediately prior to the Merger.

B. *Intended U.S. Tax Consequences.* The parties to this Agreement intend that, for federal income tax purposes, the Merger qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the rules and regulations promulgated thereunder (the "**Treasury Regulations**").

C. *Voting Agreements*. Concurrently with the execution of this Agreement, or as soon as practicable after the date hereof, and as a condition and inducement to Parent's willingness to enter into this Agreement, certain officers and directors of the Company (the "**Company Voting Shareholders**"), who beneficially own, in the aggregate, 2.40% of the outstanding shares of Company Common Stock as of the date hereof, have each executed and delivered to Parent a voting agreement in the form attached hereto as Exhibit A (each, a "**Company Shareholder Voting Agreement**"), obligating each such signatory to, among other things, vote in favor of the approval of this Agreement and the transactions contemplated hereby, upon the terms and subject to the conditions set forth therein. Concurrently with the execution of this Agreement, and as a condition and inducement to the Company's willingness to enter into this Agreement, certain officers and directors of Parent (the "**Parent Voting Shareholders**"), who beneficially own, in the aggregate, 28.89% of the outstanding shares of Parent Common Stock as of the date hereof, have each executed and delivered to the Company a voting agreement in the form attached hereto as Exhibit B (the "**Parent Shareholder Voting Agreement**"), obligating each such signatory to, among other things, vote in favor of the approval of the issuance at the Effective Time of Parent Common Stock to the shareholders of the Company, upon the terms and subject to the conditions set forth therein.

NOW, THEREFORE, in consideration of the premises and the representations, warranties and agreements contained herein, the benefits to be derived by each party hereunder and

other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I.

THE MERGER

Section 1.1 *The Merger*. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company in accordance with this Agreement, and the separate corporate existence of Merger Sub shall thereupon cease. The Company shall be the surviving entity in the Merger (sometimes referred to herein as the "**Surviving Entity**"). The Merger shall have the effects specified herein and in the Texas Business Organizations Code (the "**TBOC**"). As a result of the Merger, the Surviving Entity shall be a wholly-owned subsidiary of Parent.

Section 1.2 *The Closing*. Upon the terms and subject to the conditions set forth in this Agreement, the closing of the Merger (the "**Closing**") shall take place at the offices of Baker Botts L.L.P., 2001 Ross Avenue, Dallas, Texas 75201, at 9:00 a.m., local time, on a date to be specified by the parties hereto, which date shall be no later than the third business day after satisfaction or waiver of the conditions set forth in Article VIII (other than any such conditions which by their nature cannot be satisfied until the Closing Date, which shall be so satisfied or waived by the party entitled to the benefit of those conditions on the Closing Date). The date on which the Closing occurs is hereinafter referred to as the "**Closing Date**."

Section 1.3 *Effective Time*. On the Closing Date, Parent, the Company and Merger Sub shall cause a certificate of merger (the "**Certificate of Merger**") meeting the requirements of the relevant provisions of the TBOC to be properly executed and filed in accordance with such provisions. The Merger shall become effective at the time of filing of the Certificate of Merger with the Secretary of State of the State of Texas in accordance with the TBOC or at such later time that Parent and the Company shall have agreed upon and designated in such filing as the effective time of the Merger (the "**Effective Time**").

ARTICLE II.

GOVERNING DOCUMENTS

Section 2.1 *Articles of Incorporation of the Parent and the Surviving Entity*. As of the Effective Time, the certificate of formation of the Parent shall be amended as set forth in Exhibit C hereto (the "**Parent Amended Certificate**") to reflect the change of the name of Parent to "Dawson Geophysical Company" (the "**Parent Name Change**") and the Reverse Stock Split and, as so amended, shall be the certificate of formation of the Parent, until duly amended in accordance with Applicable Law. As of the Effective Time, the certificate of formation of the Company shall be amended to reflect the change of the name of the Surviving Entity to "Dawson Operating Company" or another name to permit the Parent to use the name "Dawson Geophysical Company" and, as so amended, shall be the certificate of formation of the Surviving Entity, until duly amended in accordance with Applicable Law

Section 2.2 *Bylaws of the Parent and the Surviving Entity*. As of the Effective Time, the bylaws of the Parent shall be amended to reflect the Parent Name Change and, as so amended, shall be the bylaws of the Parent, until duly amended in accordance with Applicable Law. As of the Effective Time, the bylaws of the Company shall be amended to reflect the change of the name of the Surviving Entity to "Dawson Operating Company" or another name to reflect the change of the name of the Surviving Entity as set forth in Section 2.1 and, as so amended, shall be the bylaws of the Surviving Entity, until duly amended in accordance with Applicable Law.

ARTICLE III.

DIRECTORS AND OFFICERS OF THE PARENT AND THE SURVIVING ENTITY

Section 3.1 *Board of Directors of Surviving Entity*. The parties shall take all necessary action to cause, as of the Effective Time, the directors of the Surviving Entity to be as set forth on Section 3.1 of the Parent Disclosure Letter, until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the governing documents of the Surviving Entity.

Section 3.2 *Officers of Parent and Surviving Entity*.

(a) The officers of the Parent shall be as set forth on Section 3.2(a) of the Parent Disclosure Letter, until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the governing documents of the Parent.

(b) The officers of the Surviving Entity shall be as set forth on Section 3.2(b) of the Company Disclosure Letter, until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the governing documents of the Surviving Entity.

Section 3.3 *Governance Matters*.

(a) Subject to compliance with Applicable Law, the NASDAQ rules and the nominating and governance policies and procedures of the Parent Board (or any

committee thereof), Parent shall cause, as of the Effective Time, the board of directors of Parent (the "**Parent Board**") to include as directors of Parent the five current directors of the board of directors of the Company (the "**Company Board**") set forth on Section 3.3(a) of the Company Disclosure Letter (each a "**Designated Director**").

(b) Subject to compliance with Applicable Law, the NASDAQ rules and the nominating and governance policies and procedures of the Parent Board (or any committee thereof), Parent shall cause, as of the Effective Time, all current directors of the Parent (other than the three directors set forth on Section 3.3(b) of the Parent Disclosure Letter (the "**Remaining Directors**") to resign as members of the Parent Board.

(c) If prior to the Effective Time, any Designated Director or Remaining Director is unwilling or unable to serve as a director of Parent for any reason, then, any replacement for such person shall be selected by mutual agreement of Parent and the Company, and such replacement will be a Designated Director or Remaining Director (as applicable). Subject to compliance with Applicable Law, the NASDAQ rules and the nominating and governance policies and procedures of the Parent Board (or any committee thereof), Parent shall cause each Designated Director and Remaining Director to be nominated to the Parent Board at any Parent shareholder meeting at which directors are to be elected that is held from the Effective Time until (i) with respect to each of the Designated Directors and the Remaining Directors other than the Remaining Director set forth on Section 3.3(c) of the Parent Disclosure Letter (such director, the "**Other Director**"), the third anniversary of the Effective Time, (ii) with respect to the Other Director, the first anniversary of the Effective Time, or (iii) in the case of any Designated Director or Remaining Director who as of the Effective Time also serves as an officer of Parent or the Surviving Entity, until such time that such director no longer serves as an officer of Parent or the Surviving Entity.

ARTICLE IV.

CONVERSION OF COMPANY COMMON STOCK

Section 4.1 *Conversion of Capital Stock of the Company and Merger Sub*.

(a) Merger Consideration. At the Effective Time, subject to the other provisions of this Agreement, each share of Company Common Stock issued and outstanding immediately prior to the Effective Time and after giving effect to the Reverse Stock Split (including any vested Company restricted stock, but excluding any Company Common Stock to be canceled without payment of any consideration pursuant to Section 4.1(c)), shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted automatically into the right to receive, a fraction of a validly issued, fully paid and nonassessable share of Parent Common Stock on a ratio of 1.760 (the "**Exchange Ratio**") (together with any cash in lieu of fractional shares of Parent Common Stock to be paid pursuant to Section 4.2(e), the "**Merger Consideration**"), upon surrender, in the manner provided in Section 4.2, of a certificate that immediately prior to the Effective Time represented such Company Common Stock (a "**Certificate**") or a non-certificated share of Company Common Stock represented by book entry (a "**Book Entry Share**").

(b) Cancellation of Shares of Company Common Stock. As a result of the Merger and without any action on the part of the holders thereof, at the Effective Time, each such share of Company Common Stock (other than Company Common Stock to be canceled without payment of any consideration pursuant to Section 4.1(c)) shall cease to be outstanding and shall be canceled and shall cease to exist, and each Certificate and Book Entry Share shall thereafter cease to have any rights with respect to such share of Company Common Stock and shall thereafter represent only the right to receive, without interest, the Merger Consideration and any unpaid dividends or other distributions to which the holders thereof are entitled pursuant to Section 4.2(c).

(c) Cancellation of Remaining Shares of Company Common Stock. Each share of Company Common Stock issued and held in the Company's treasury and each share of Company Common Stock owned by any wholly-owned Subsidiary of the Company or by Parent or Merger Sub, shall, at the Effective Time and by virtue of the Merger, cease to be outstanding and shall be canceled and shall cease to exist without payment of any consideration therefor, and no shares of Parent Common Stock or other consideration shall be delivered in exchange therefor.

(d) Conversion of Merger Sub Common Stock. At the Effective Time, each share of common stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be converted into and become one validly issued, fully paid and nonassessable share of common stock, par value $0.33 1/3, of the Surviving Entity.

(e) Treatment of Company Equity Awards.

(i) All options to acquire shares of Company Common Stock and other awards (collectively, "**Company Equity Awards**") made under the Company's stock plans (collectively, the "**Company Stock Plans**") prior to the Effective Time, which are outstanding immediately prior to the Effective Time, are identified in Section 4.1(e) of the Company Disclosure Letter.

(ii) In the event a Company Equity Award constitutes a grant of restricted stock or restricted stock units and to the extent such award is vested immediately prior to the Effective Time ("**Company Vested Stock Based Award**") (it being understood that any such award that vests pursuant to its terms as of the Effective Time shall, for purposes of this Agreement, be deemed to be vested immediately prior to the Effective Time), the holder of such Company Vested Stock Based Award shall receive the number of shares of Company Common Stock subject to such Company Vested Stock Based Award in accordance with the terms and conditions of the applicable Company Stock Plan, including any terms and conditions regarding any Taxes required by Applicable Law to be withheld, if any, with respect to the vesting of such Company Vested Stock Based Award. In the event a Company Equity Award constitutes a grant of restricted stock or restricted stock units and to the extent such award is, for purposes of this Agreement, unvested and outstanding immediately prior to the Effective Time ("**Company Unvested Stock Based Award**"), such Company Unvested Stock Based Award shall be continued and

assumed by Parent as of the Effective Time pursuant to its terms (such awards are referred to herein as the "**Rollover Stock Based Awards**"); *provided*, *however*, that Parent Common Stock shall replace the shares of Company Common Stock subject to such awards pursuant to this Agreement.

(iii) In the event a Company Equity Award constitutes a stock option grant ("**Company Stock Option Award**") and to the extent such award is outstanding and unexercised as of such time that is immediately prior to the Effective Time, such Company Stock Option Awards shall be continued and assumed by Parent as of the Effective Time pursuant to their terms (such awards are referred to herein as the "**Rollover Stock Option Awards**" and, together with the Rollover Stock Based Awards, the "**Rollover Awards**"); *provided*, *however*, that Parent Common Stock shall replace the shares of Company Common Stock subject to such awards pursuant to this Agreement and the exercise price, if any, for such awards, if any, shall be adjusted as provided pursuant to this Agreement. For the avoidance of doubt, to the extent the exercise of any such Company Stock Option Award becomes effective after the date hereof and prior to such time that is immediately prior the Effective Time, the holder of such Company Stock Option Award shall receive the number of shares of Company Common Stock subject to such Company Stock Option Award (to the extent exercised) in accordance with the terms and conditions of the applicable Company Stock Plan, including any terms and conditions regarding the payment of the exercise price and any Taxes required by Applicable Law to be withheld, if any, with respect to the exercise of such Company Stock Option Award.

(iv) The assumption of Rollover Awards shall be made pursuant to this Section 4.1(e), so that at the Effective Time, the applicable Company Stock Plans shall be assumed by Parent (with such adjustments thereto as may be required to reflect the Merger, including the substitution of Parent Common Stock for Company Common Stock thereunder) and the Rollover Awards

shall be assumed and adjusted by Parent, subject to the same terms and conditions as set forth in the applicable Company Stock Plans and the applicable award agreements entered into pursuant thereto; *provided, however*, that for periods beginning immediately following the Effective Time, (A) the number of shares of Parent Common Stock subject to any such Company Stock Plan shall be the number of shares of Company Common Stock subject to such Company Stock Plan immediately prior to the Effective Time multiplied by the Exchange Ratio (after taking into account the transactions contemplated in the first sentence of Section 4.1(e)(ii)) (B) each Rollover Award shall only relate to such whole number of shares of Parent Common Stock equal to the product (rounded down to the nearest whole share) of the number of shares of Company Common Stock subject to such Rollover Award immediately prior to the Effective Time multiplied by the Exchange Ratio, and, if applicable, (C) the exercise price per share of Parent Common Stock shall be an amount equal to the exercise price per share of Company Common Stock subject to such Rollover Award in effect immediately prior to the Effective Time divided by the Exchange Ratio (the price per share, as so determined, being rounded up to the nearest whole cent); *provided*, that in no event shall the exercise price per share be less than the par value of Parent Common Stock. For the avoidance of doubt, any payment or exercise in respect of a

Rollover Award shall be made in accordance with the terms and conditions of the applicable Company Stock Plan, including any terms and conditions regarding the payment of the exercise price, if applicable, and any Taxes required by Applicable Law to be withheld, if any, with respect to the payment or exercise of such Rollover Award. The adjustments provided in this paragraph with respect to any Rollover Stock Option Awards shall be and are intended to be effective in a manner which is consistent with Section 424(a) of the Code and the Treasury Regulations thereunder, and, to the extent applicable, Section 409A of the Code and the Treasury Regulations thereunder.

(v) Except as otherwise provided herein or as set forth in Section 4.1(e)(v) of the Company Disclosure Letter, from and after the period that begins as of the date of this Agreement, the Company and its Subsidiaries shall take no action to provide for the extension of the term or exercise period with respect to any Company Equity Award (unless such extension is required under such Company Equity Awards or any applicable employment or change in control agreement pursuant to any terms thereunder that are in effect as of the date of this Agreement). To the extent such extension is required under the terms of such Company Equity Awards (or any applicable employment or change in control agreement) or as set forth in Section 4.1(e)(v) of the Company Disclosure Letter, the Company shall, prior to the Effective Time, take all actions (if any) as may be required to cause such extension to occur.

(vi) Promptly following the Closing Date, Parent shall file with the Securities and Exchange Commission (the "**SEC**") a Registration Statement on Form S-8 (or any successor form) covering the shares of Parent Common Stock issuable upon exercise or vesting of the Company Equity Awards, and shall cause such registration statement to remain effective for as long as there are outstanding any such Company Equity Awards. Except as otherwise specifically provided by this Section 4.1(e), the terms of the Company Equity Awards and the relevant Company Stock Plans, as in effect on the Effective Time, shall remain in full force and effect with respect to the Company Equity Awards after giving effect to the Merger and the assumptions by Parent as set forth above. As soon as practicable following the Effective Time, Parent shall deliver to the holders of Rollover Awards appropriate notices stating that such Rollover Awards and such agreements shall have been assumed by Parent and shall continue in effect on the same terms and conditions (subject to the adjustments required by this Section 4.1(e)).

(vii) Nothing in this Section 4.1(e) is intended to release any employee or service provider to the Company from any provisions relating to any non-competition, non-solicitation, or confidentiality provisions (or similar provisions) of any Company Equity Award and any associated damages or forfeitures (the "**Equity Award Restrictive Covenants**"), which shall survive the Effective Time. The Company shall take such action as may be necessary to ensure the survival of the Equity Award Restrictive Covenants and the succession of Parent to the benefits of the Equity Award Restrictive Covenants.

Section 4.2 *Exchange of Certificates Representing Company Common Stock.*

(a) Exchange Fund. As of the Effective Time, Parent shall appoint a commercial bank or trust company reasonably satisfactory to the Company to act as exchange agent hereunder for the purpose of exchanging Certificates and Book Entry Shares (the "**Exchange Agent**"). Parent shall deposit, or cause to be deposited, with the Exchange Agent, in trust for the benefit of the holders of shares of Company Common Stock, the number of shares of Parent Common Stock for exchange in accordance with this Article IV, plus the additional cash amounts sufficient to make payments in lieu of fractional shares of Parent Common Stock in accordance with Section 4.2(e) (such cash and shares of Parent Common Stock, together with any dividends or distributions with respect thereto in accordance with Section 4.2(c), being hereinafter referred to as the "**Exchange Fund**"). Parent shall deposit such shares of Parent Common Stock with the Exchange Agent by delivering to the Exchange Agent certificates representing, or providing to the Exchange Agent an uncertificated book-entry for, such shares.

(b) Exchange Procedures. Promptly after the Effective Time, Parent shall cause the Exchange Agent to mail to each holder of record of one or more shares of Company Common Stock as of the Effective Time: (i) a letter of transmittal (the "**Letter of Transmittal**"), which shall specify that delivery shall be effected, and risk of loss and title to the shares of Company Common Stock shall pass, only upon delivery of the corresponding Certificates to the Exchange Agent or receipt by the Exchange Agent of an "agent's message" with respect to Book Entry Shares and shall be in such form and have such other provisions as Parent and the Company may reasonably specify, and (ii) instructions for use in effecting the surrender of such Certificates or Book Entry Shares in exchange for the Merger Consideration and any unpaid dividends and distributions on shares of Parent Common Stock in accordance with Section 4.2(c). Upon surrender of a Certificate or Book Entry Shares for cancellation to the Exchange Agent together with such Letter of Transmittal, duly executed and completed in accordance with the instructions thereto, and such other documents as may reasonably be required by the Exchange Agent, the holder of such Certificate or Book Entry Shares shall be entitled to receive in exchange therefor (x) one or more shares of Parent Common Stock which shall be in uncertificated book-entry form unless a physical certificate is requested (in accordance with Section 4.2(i)) and which shall represent, in the aggregate, that number of whole shares of Parent Common Stock that such holder has the right to receive pursuant to Section 4.1(a) and (y) a check representing cash in lieu of fractional shares, if any, pursuant to Section 4.2(e) and unpaid dividends and distributions, if any, which such holder has the right to receive pursuant to the provisions of this Article IV, after giving effect to any required withholding Tax, and any Certificate or Book Entry Shares so surrendered shall forthwith be

canceled. No interest will be paid or will accrue on the cash in lieu of fractional shares and unpaid dividends and distributions, if any, payable to holders of Company Common Stock. In the event of a transfer of ownership of Company Common Stock that is not registered in the transfer records of the Company, one or more shares of Parent Common Stock which shall be in uncertificated book-entry form unless a physical certificate is requested (in accordance with Section 4.2(i)) and which shall represent, in the aggregate, the proper number of shares of Parent Common Stock, together with a check for cash in lieu of fractional shares, if any and unpaid dividends and distributions, if any, which such holder has the right to receive pursuant to the provisions of this Article IV, may be issued to such a transferee if the Certificate

representing such Company Common Stock is presented to the Exchange Agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer Taxes have been paid.

(c) Distributions with Respect to Unexchanged Shares. All shares of Parent Common Stock to be issued pursuant to the Merger shall be deemed issued and outstanding as of the Effective Time. Notwithstanding any other provisions of this Agreement, no dividends or other distributions declared or made after the Effective Time with respect to shares of Parent Common Stock with a record date after the Effective Time shall be paid to the holder of any shares of Company Common Stock until the holder of such shares shall surrender such shares in accordance with this Article IV. Subject to Applicable Law, following surrender of any such shares, there shall be paid to the record holder thereof, without interest, (i) promptly after such surrender, the amount of dividends or other distributions with respect to the number of whole shares of Parent Common Stock that such holder has the right to receive pursuant to Section 4.1, with a record date after the Effective Time but prior to surrender and with a payment date on or prior to the date of such surrender and not previously paid, less the amount of any withholding Taxes, and (ii) at the appropriate payment date, the amount of dividends or other distributions payable with respect to such whole shares of Parent Common Stock that such holder receives with a record date after the Effective Time but on or prior to the date of such surrender and with a payment date subsequent to such surrender, less the amount of any withholding Taxes.

(d) No Further Ownership Rights in Company Common Stock; Closing of Transfer Books. All shares of Parent Common Stock issued, and any cash paid, upon the surrender for exchange of shares of Company Common Stock in accordance with the terms of this Article IV shall be deemed to have been issued or paid in full satisfaction of all rights pertaining to the shares of Company Common Stock previously represented by Certificates or Book Entry Shares. The stock transfer books of the Company shall be closed immediately upon the Effective Time and there shall be no further registration of transfers of shares of Company Common Stock thereafter on the records of the Company. At or after the Effective Time, any Certificates or Book Entry Shares presented to the Exchange Agent or Parent for any reason shall represent the right to receive the Merger Consideration with respect to the shares of Company Common Stock formerly represented thereby (including any cash in lieu of fractional shares of Parent Common Stock to which the holders thereof are entitled to pursuant to Section 4.2(e)) and any dividends or other distributions to which the holders thereof are entitled pursuant to Section 4.2(c).

(e) No Fractional Shares.

(i) No certificates of Parent Common Stock representing fractional shares of Parent Common Stock or book-entry credit of the same shall be issued pursuant hereto, and such fractional share interests will not entitle the owner thereof to vote or to have any rights of a shareholder of Parent.

(ii) Notwithstanding any other provision of this Agreement, each holder of shares of Company Common Stock exchanged pursuant to the Merger who would otherwise have been entitled to receive a fractional share of Parent

Common Stock (after taking into account all Certificates and/or Book Entry Shares held by such holder) shall receive, in lieu thereof, cash (without interest) in an amount equal to the product of (x) such fractional part of a share of Parent Common Stock, multiplied by (y) the closing price for a share of Parent Common Stock as such price is reported on the NASDAQ and published in *The Wall Street Journal* on the business day immediately preceding the Closing Date adjusted to give effect to the Reverse Stock Split.

(iii) As promptly as practicable after the determination of the amount of cash, if any, to be paid to holders of fractional interests, the Exchange Agent shall so notify Parent, and Parent shall deposit or cause the Surviving Entity to deposit such amount with the Exchange Agent and shall cause the Exchange Agent to forward payments to such holders of fractional interests subject to and in accordance with the terms hereof.

(f) Termination of Exchange Fund. Any portion of the Exchange Fund (including the proceeds of any investments thereof and any certificates representing shares of Parent Common Stock or book-entry credit of the same) that remains undistributed to the former shareholders of the Company as of the date six months after the Effective Time shall be delivered to Parent. Any former shareholders of the Company who have not theretofore complied with this Article IV shall thereafter look only to Parent for delivery of the Merger Consideration and any unpaid dividends and distributions on the shares of Parent Common Stock deliverable to such former shareholder pursuant to this Agreement.

(g) No Liability. None of Parent, Merger Sub, the Company, the Surviving Entity, any Affiliate of any of the foregoing, the Exchange Agent or any other Person shall be liable to any Person for any portion of the Exchange Fund delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

(h) Lost Certificates. In the event any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if reasonably required by Parent, the posting by such Person of a bond in such reasonable amount as Parent may direct as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent will issue in exchange for such lost, stolen or destroyed Certificate the applicable Merger Consideration and any unpaid dividends and distributions with respect to shares of Parent Common Stock, as provided in Section 4.2(c), deliverable in respect thereof pursuant to this Agreement.

(i) Parent Book Entry Shares. Notwithstanding anything to the contrary contained in this Agreement, the parties intend that Parent may, at its sole option, be permitted to utilize a direct registration system in accordance with the NASDAQ rules and Applicable Law for the shares of Parent Common Stock to be delivered under this Agreement, so that, if Parent so elects, all or any portion of the shares of Parent Common Stock issued in connection with this Agreement may be in uncertificated book entry form unless a physical certificate is requested in writing by a holder of one or more Certificates.

(j) Investment of the Exchange Fund. The Exchange Agent shall invest any cash included in the Exchange Fund as directed by Parent on a daily basis; *provided*, that no such gain or loss thereon shall affect the amounts payable to the shareholders of the Company pursuant to this Article IV. Any interest and other income resulting from such investments shall be paid promptly to Parent.

(k) Further Assurances. After the Effective Time, the officers and directors of the Surviving Entity will be authorized to execute and deliver, in the name and on behalf of the Company, any deeds, bills of sale, assignments or assurances and to take and do, in the name and on behalf of the Company, any other actions and things to vest, perfect or confirm of record or otherwise in the Surviving Entity any and all right, title and interest in, to and under any of the rights, properties or assets acquired or to be acquired by the Surviving Entity as a result of, or in connection with, the Merger.

(l) Withholding. Each of the Exchange Agent, Parent, and the Surviving Entity shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement to any holder or former holder of Company Common Stock or Company Book Entry Shares, as applicable, such amounts as may be required to be deducted or withheld from such consideration under the Code or any provision of state, local, or foreign Tax law or under any other Applicable Law. To the extent such amounts are so deducted or withheld and timely paid over to the appropriate Governmental Authority, (i) such amounts shall be treated for all purposes of this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid, and (ii) Parent, the Exchange Agent, and the Surviving Entity, as the case may be, shall promptly deliver the amounts so deducted or withheld to the applicable taxing or other authority.

Section 4.3 *Adjustment of Exchange Ratio*. In the event that, subsequent to the date of this Agreement but prior to the Effective Time, the outstanding Parent Common Stock or Company Common Stock shall have been changed as a result of a stock split, reverse stock split (other than the Reverse Stock Split), stock dividend, combination, reclassification, recapitalization or other similar transaction or event, the Exchange Ratio, the Merger Consideration and other items dependent thereon shall be appropriately adjusted to provide to the holders of Company Common Stock the same economic effect as contemplated by this Agreement prior to such event.

Section 4.4 *Name Change and Reverse Stock Split*

. Parent shall cause the Parent Amended Certificate to be filed with the Office of the Secretary of State of Texas immediately prior to the Effective Time, whereby, upon the effectiveness of filing of the Parent Amended Certificate, without any further action on the part of Parent, Merger Sub, the Company or the holders of any securities of Parent (other than the approvals set forth in Section 6.22(i)), Merger Sub or the Company:

(a) The name of Parent will be “Dawson Geophysical Company”;

(b) Every three shares of Parent Common Stock issued and outstanding immediately prior to the Effective Time will be reclassified and combined into and become one fully paid and nonassessable share of Parent Common Stock and all shares of

Parent Common Stock to be issued pursuant to this Article IV at the Effective Time shall be after giving effect to the Reverse Stock Split;

(c) Any shares of Parent Common Stock held as treasury stock or owned by Parent immediately prior to the filing of the Parent Amended Certificate will each be reclassified in the manner determined pursuant to this Section 4.4; and

(d) No certificates or scrip representing fractional shares of Parent Common Stock will be issued in connection with the Reverse Stock Split. With respect to each holder of shares of Parent Common Stock who would otherwise have been entitled to receive a fraction of a share of Parent Common Stock (after taking into account all fractional shares of Parent Common Stock otherwise issuable to such holder), Parent will round the number of shares of Parent Common Stock deliverable to such holder up to the nearest whole number, entitling such holder to receive, in lieu of such fractional share, one share of Parent Common Stock.

Section 4.5 *Tax Consequences*

. For U.S. federal income tax purposes, the Merger is intended to constitute a reorganization within the meaning of Section 368(a) of the Code. The parties to this Agreement adopt this Agreement as a “plan of reorganization” within the meaning of Sections 1.368-2(g) and 1.368-3(a) of the Treasury Regulations.

ARTICLE V.

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in (a) the disclosure letter delivered to Parent by the Company at or prior to the execution of this Agreement (the “**Company Disclosure Letter**”) and making reference to the particular subsection of this Agreement to which exception is being taken (provided that disclosure of any item in any section of the Company Disclosure Letter shall not be deemed to be disclosed with respect to any other section of this Article V unless the relevance of such item is reasonably apparent on its face), or (b) the Company Reports filed after September 30, 2013 and prior to the date hereof; *provided* that (i) any disclosures in such Company Reports in any risk factors section, in any section related to forward looking statements and other disclosures that are predictive, non-specific or forward-looking in nature shall be ignored and (ii) any disclosure in the Company Reports shall be deemed to qualify any representation or warranty in this Article V only to the extent that such disclosure is made in such a way as to make its relevance reasonably

apparent on its face (but such Company Reports shall in no event qualify the representations and warranties set forth in Sections 5.1, 5.2, 5.3, 5.4, 5.6 or the first sentence of Section 5.10), the Company represents and warrants to Parent and Merger Sub that:

Section 5.1 *Existence; Good Standing; Corporate Authority*. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Texas. The Company is duly qualified to do business and is in good standing under the laws of any jurisdiction in which the character of the properties owned or leased by it therein or in which the transaction of its business makes such qualification necessary, except where the failure to be so qualified, individually or in the aggregate, has not had and would not reasonably be expected to have

a Company Material Adverse Effect. The Company has all requisite corporate power and authority to own, operate and lease its properties and assets and to carry on its business as now conducted. The copies of the Second Restated Articles of Incorporation of the Company (the "**Company Articles of Incorporation**") and the Second Amended and Restated By-Laws of the Company (the "**Company Bylaws**") previously made available to Parent are true and correct, in full force and effect and contain all amendments thereto.

Section 5.2 *Authorization, Validity, Enforceability and Fairness*.

(a) The Company has all requisite corporate power and authority to execute and deliver this Agreement and all other agreements and documents contemplated hereby to which it is a party, and upon receipt of the Company Shareholder Approval, to consummate the transactions contemplated hereby and thereby.

(b) The Company's execution and delivery of this Agreement and the consummation by the Company of the transactions contemplated by this Agreement (including, without limitation, the Merger) have been duly authorized by all requisite corporate action on the part of the Company, other than the Company Shareholder Approval and the filing of the Certificate of Merger.

(c) This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery hereof by each of Parent and Merger Sub, constitutes the valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights and general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

(d) The Company Board, at a meeting duly called and held on or prior to the date hereof, has (i) determined that this Agreement and the transactions contemplated hereby (including, without limitation, the Merger) are advisable and in the best interests of the shareholders of the Company, (ii) approved this Agreement, (iii) resolved to recommend the approval of this Agreement by the shareholders of the Company (the "**Company Recommendation**"), subject to Section 7.3, and (iv) directed that this Agreement be submitted to the shareholders of the Company for approval, subject to Sections 7.3 and 7.4.

(e) The Company Board has received the opinion of its financial advisor, Raymond James & Associates, Inc. (the "**Company Financial Advisor**"), to the effect that, subject to the assumptions, qualifications and limitations relating to such opinion, as of the date of this Agreement, the Exchange Ratio is fair, from a financial point of view, to the holders of Company Common Stock (the "**Fairness Opinion**"). A true, complete and correct copy of such opinion will be delivered to Parent promptly after the date of this Agreement for informational purposes only.

Section 5.3 *Capitalization*.

(a) The authorized capital stock of the Company consists of 50,000,000 shares of Company Common Stock and 5,000,000 shares of preferred stock, par

value $1.00 per share ("**Company Preferred Stock**"), of which 500,000 have been designated Series A Junior Participating Preferred Stock and reserved for issuance upon exercise of preferred share purchase rights distributed to the holders of Company Common Stock pursuant to the Rights Agreement, dated as of July 23, 2009, between Company and Mellon Investors Services, LLC, as rights agent, as amended to date (the "**Company Rights Agreement**"). As of October 5, 2014, there were (i) 8,065,233 outstanding shares of Company Common Stock (including 103,500 outstanding restricted shares of Company Common Stock), (ii) 91,150 shares of Company Common Stock reserved for issuance upon exercise of outstanding options and 21,911 for issuance upon vesting of restricted stock units to acquire shares of Company Common Stock, (iii) 238,472 shares of Company Common Stock reserved for issuance under the Company Stock Plans and (iv) no issued or outstanding shares of Company Preferred Stock. All such issued and outstanding shares of Company Common Stock are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights, and all shares of Company Common Stock reserved for issuance upon exercise or vesting of outstanding Company Equity Awards will be, upon issuance, duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights.

(b) Except as set forth in Section 5.3(a) hereof or Section 5.3(b) of the Company Disclosure Letter, there are not issued, reserved for issuance or outstanding, and there are not any obligations of the Company or any of its Subsidiaries to issue, sell, deliver or cause to be issued, sold or delivered (i) any shares of capital stock or other voting securities of, or other equity interests in, the Company, other than outstanding Company Common Stock to be issued pursuant to Company Equity Awards in accordance with their terms, (ii) any options, warrants, calls or other rights to acquire from the Company or any of its Subsidiaries any capital stock, voting securities of, or other ownership interests in, or any securities convertible into or exchangeable for capital stock, voting securities of, or ownership interests in, the Company or any of its Subsidiaries, (iii) any subscriptions, preemptive rights or similar rights, agreements, arrangements, claims or commitments of any character, relating to the capital stock of the Company or any of its Subsidiaries, or securities convertible into or exchangeable for such stock, securities or equity interests, (iv) any contractual obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any capital stock or other voting securities of, or other equity interest in, the Company or any of its Subsidiaries or securities convertible into or exchangeable for such stock, securities or equity interests or (v) any shareholder agreements, voting trusts, registration rights agreements or similar agreements to which the

Company or any of its Subsidiaries is a party with respect to the voting or registration of any capital stock or other voting securities of or other equity interests in the Company or any of its Subsidiaries, or securities convertible into or exchangeable for such stock, securities or equity interests.

(c) The Company has delivered or made available to Parent an accurate and complete copy of each of the Company Stock Plans and the forms of Company Equity Awards. There have been no repricings of any Company Equity Awards that are stock options ("**Company Options**") through amendments, cancellation and reissuance or other means since January 1, 2011. No grants of Company Equity Awards are otherwise subject to Section 409A of the Code. All grants of Company Equity Awards were validly made and properly approved by the Company Board (or a duly authorized committee or subcommittee thereof) in compliance with Applicable Law and properly recorded on the consolidated

financial statements of the Company in accordance with GAAP, and, where applicable, no such grants involved any "back dating," "forward dating" or similar practices with respect to grants of Company Options.

Section 5.4 *Subsidiaries*.

(a) Section 5.4 of the Company Disclosure Letter sets forth a true and complete list of all of the Subsidiaries of the Company, the jurisdiction of incorporation or formation of each such Subsidiary and, as of the date hereof, the jurisdictions in which each such Subsidiary is qualified or licensed to do business. Each of the Company's Subsidiaries is a corporation duly organized, validly existing and is in good standing under the Applicable Law of its jurisdiction of incorporation or organization, has the corporate or other entity power and authority to own, operate and lease its properties and assets and to carry on its business as now conducted, and is duly qualified to do business and is in good standing under the laws of any jurisdiction in which the character of the properties owned or leased by it therein or in which the transaction of its business makes such qualification necessary, except for jurisdictions in which such failure to be so qualified or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect. All of the outstanding shares of capital stock of, or other ownership interests in, each of the Company's Subsidiaries are duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights (except as such nonassessability may be affected by Applicable Law), and are owned, directly or indirectly, by the Company free and clear of any mortgage, deed of trust, lien, security interest, pledge, lease, conditional sale contract, charge, privilege, easement, right of way, reservation, option, right of first refusal and other encumbrance (each, a "**Lien**").

(b) Except for the capital stock or other voting securities or ownership interests in any Subsidiary of the Company, neither the Company nor any of its Subsidiaries owns, directly or indirectly, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock, voting securities or ownership interests in, any Person.

(c) No Subsidiary of the Company owns any shares of Company Common Stock.

Section 5.5 *No Conflict*.

(a) Except as set forth in Section 5.5 of the Company Disclosure Letter, the execution and delivery by the Company of this Agreement and the consummation by the Company of the Merger and the other transactions contemplated by this Agreement in accordance with the terms hereof will not (i) subject to the receipt of the Company Shareholder Approval, conflict with or result in a violation of any provisions of the Company Articles of Incorporation or Company Bylaws or the comparable organizational documents of any of the Company's Subsidiaries; (ii) violate, or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or a termination or acceleration under, or result in the creation of any Lien upon any of the properties or assets of the Company or its Subsidiaries under, any of

the provisions of any loan or credit agreement, note, bond, mortgage, indenture, deed of trust, license, concession, franchise, permit, lease, contract, agreement, joint venture or other instrument or obligation to which the Company or any of its Subsidiaries is a party, or by which the Company or any of its Subsidiaries or any of their respective properties is bound; or (iii) subject to the filings and other matters referred to in Section 5.5(b), contravene or conflict with or constitute a violation of any provision of any Applicable Law, except for such matters described in clause (ii) or (iii) as would not have, or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(b) The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the Merger and the other transactions contemplated hereby in accordance with the terms hereof will not require any consent, approval, qualification or authorization of, or filing or registration with, any Governmental Authority, other than those under or in relation to (i) the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), (ii) the Securities Act of 1933, as amended (together with the rules and regulations promulgated thereunder, the "**Securities Act**"), the Securities Exchange Act of 1934, as amended (together with the rules and regulations promulgated thereunder, the "**Exchange Act**"), or applicable state securities and "Blue Sky" laws, (iii) the rules and regulations of the NASDAQ Stock Market("**NASDAQ**"), (iv) the filing of the Certificate of Merger with the Secretary of State of the State of Texas and the filing or recordation of other appropriate documents as required by Applicable Law of other states in which the Company is qualified to do business and (v) the Investment Canada Act, except for any consent, approval, qualification or authorization the failure of which to obtain, and for any filing or registration the failure of which to make, individually or in the aggregate, would not have, or would not reasonably be expected to have, a Company Material Adverse Effect.

Section 5.6 *SEC Documents; Financial Statements*.

(a) The Company has timely filed or furnished with the SEC all registration statements, prospectuses, reports, schedules, forms, statements and other documents (including exhibits and any amendments thereto) required to be so filed by it since January 1, 2011 (collectively, the "**Company Reports**"), and has made available to Parent each document it has so filed or furnished, each in the form (including exhibits and any amendments thereto) filed with or furnished to the SEC. The Company has made available to Parent copies of all

material comment letters from the SEC and the Company's responses thereto since January 1, 2011 through the date hereof. As of the date of this Agreement, there are no outstanding or unresolved comments received from the SEC staff with respect to the Company Reports. No Subsidiary of the Company is, or since January 1, 2011 has been, subject to any requirement to file any form, report or other document with the SEC under Section 13(a) or 15(d) of the Exchange Act. As of its respective date (or, if amended, as of the date of such amendment), each Company Report (i) complied in all material respects with the applicable requirements of the Exchange Act, the Securities Act and the rules and regulations thereunder and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated financial statements included in or incorporated by reference into the Company Reports (including related notes and schedules) complied at the time it was filed as to form, in all material respects, with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, was prepared in accordance with GAAP consistently applied during the periods involved and fairly presents, in all material respects, the consolidated financial position of the Company and its Subsidiaries as of the respective dates thereof and the consolidated results of operations, cash flows or changes in shareholders' equity, as the case may be, of the Company and its Subsidiaries for the respective periods set forth therein (subject, in the case of unaudited statements, to (i) such exceptions as may be permitted by Form 10-Q of the SEC and (ii) normal, recurring year-end audit adjustments which have not been and are not expected to be material in the aggregate).

(c) There are no liabilities or obligations of the Company or any of its Subsidiaries (whether accrued, absolute, contingent or otherwise and whether or not required to be disclosed), other than liabilities or obligations to the extent (i) reflected or reserved against on the Company's consolidated balance sheet at September 30, 2013, (ii) such liabilities or obligations were incurred in the ordinary course of business consistent with past practice since September 30, 2013 or (iii) such liabilities or obligations that, individually or in the aggregate, have not had and would not reasonably be expected to have, a Company Material Adverse Effect.

Section 5.7 *Internal Controls and Procedures*.

(a) Since the enactment of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), the Company has been and is in compliance in all material respects with (i) the applicable provisions of the Sarbanes-Oxley Act and (ii) the applicable listing and corporate governance rules and regulations of NASDAQ.

(b) The books, records and accounts of the Company and each of its Subsidiaries, all of which have been made available to Parent, are complete and correct in all material respects and represent actual, bona fide transactions and have been maintained in accordance with sound business practices.

(c) Each of the chief executive officer and chief financial officer of the Company (or each former chief executive officer and former chief financial officer of the Company, as applicable) has made all certifications (without qualification or exceptions to the matters certified) required under Sections 302 and 906 of the Sarbanes-Oxley Act and the related rules and regulations promulgated by the SEC or NASDAQ with respect to the Company Reports, and the statements contained in such certifications are complete and correct. Neither the Company nor any of its officers has received notice from any Governmental Authority questioning or challenging the accuracy, completeness, form or manner of filing or submission of such certification.

(d) The Company has (i) established and maintains "disclosure controls and procedures" (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as required by Rule 13a-15 under the Exchange Act, and (ii) has disclosed to its auditors

and the audit committee of the Company Board (A) any "significant deficiencies" or "material weaknesses" (as such terms are defined in the Public Accounting Oversight Board's Auditing Standard No. 5) in the design or operation of internal controls over financial reporting which could adversely affect its ability to record, process, summarize and report financial data and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in its internal control over financial reporting.

(e) The Company has designed and maintains a system of "internal control over financial reporting" (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). The Company's management, with the participation of the Company's chief executive and financial officers, has completed an assessment of the effectiveness of the Company's internal controls over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the fiscal year ended September 30, 2013, and such assessment concluded that such internal controls were effective using the framework specified in the Company's annual report on Form 10-K for the fiscal year ended September 30, 2013. To the knowledge of the Company, there is no reason to believe that its auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(f) Neither the Company nor any of its Subsidiaries has, since the enactment of the Sarbanes-Oxley Act, extended or maintained credit, arranged for the extension of credit, or renewed an extension of credit (within the meaning of Section 13(k) of the Exchange Act), to or for any director or executive officer (or equivalent thereof) of the Company or any of its Subsidiaries.

Section 5.8 *Compliance with Laws; Permits*.

(a) Neither the Company nor any of its Subsidiaries or the conduct of their respective businesses is, and since October 1, 2011, none has been, in violation in any material respect of any Applicable Law. Since such date, neither the Company nor any of its Subsidiaries has received any written notice, claim or assertion or, to the Company's knowledge, other communication from any Governmental Authority regarding any actual or possible violation of, or failure to comply with, any Applicable Law in any material respect. No condition exists

which does or would reasonably be expected to constitute a violation of or deficiency in any material respect under any Applicable Law by the Company or any of its Subsidiaries.

(b) The Company and each of its Subsidiaries hold all material permits, licenses, certifications, grants, easements, permissions, qualifications, registrations, variances, exemptions, consents, orders, franchises, approvals or other authorizations (the "**Company Permits**") of all Governmental Authorities or other Persons necessary for the ownership, leasing and operation of their respective assets and the lawful conduct of their respective businesses. All Company Permits are in full force and effect and there exists no default thereunder or breach thereof in any material respect. Neither the Company nor any of its Subsidiaries has received written notice that any such material Company Permit will be terminated or modified or cannot be renewed in the ordinary course of business (either before

or after the Effective Time), and the Company has no knowledge of any reasonable basis for any such termination, modification or nonrenewal.

Section 5.9 *Litigation*.

(a) Except as set forth in Section 5.9(a) of the Company Disclosure Letter, there are no material (i) Proceedings pending or, to the Company's knowledge, threatened against the Company or any of its Subsidiaries or their respective assets, or any director, officer or employee of the Company or any of its Subsidiaries, in respect of which the Company or any of its Subsidiaries may be liable, at law or in equity, or (ii) Proceedings pending or, to the Company's knowledge, threatened against the Company or any of its Subsidiaries or their respective assets, or any director, officer or employee of the Company or any of its Subsidiaries, in respect of which the Company or any of its Subsidiaries may be liable, before any Governmental Authority or arbitrator.

(b) No material order, writ, fine, injunction, decree, judgment, award or determination of any Governmental Authority has been issued or entered against the Company or any of its Subsidiaries or any of their respective officers or directors that continues to be in effect that affects the ownership or operation of any of their respective assets. Since October 1, 2011, no criminal order, writ, fine, injunction, decree, judgment or determination of any court or Governmental Authority has been issued against the Company or any Subsidiary of the Company.

Section 5.10 *Absence of Certain Changes*. Since September 30, 2013, there has not been any event, change, occurrence, effect, or development of circumstances or facts that, individually or in the aggregate, would reasonably be expected to have a Company Material Adverse Effect. From September 30, 2013 to the date of this Agreement, the Company and its Subsidiaries have conducted their respective businesses only in the ordinary course and consistent with past practice in all material respects, and during such period there has not occurred:

(a) any recapitalization of the Company or any merger or consolidation of the Company or any of its Subsidiaries with any other Person;

(b) any acquisition of any business from any other Person;

(c) any creation or incurrence of any Liens, except for Permitted Liens, on any assets used in the businesses of the Company and its Subsidiaries having an aggregate value in excess of $100,000;

(d) any making of any loan, advance or capital contribution to, or investment in, any Person other than loans, advances or capital contributions to, or investments in, wholly-owned Subsidiaries of the Company;

(e) any material change by the Company or any of its Subsidiaries in any of its material accounting methods, policies, principles, procedures or practices, except for any change required by changes in GAAP or by Applicable Law;

(f) any declaration, setting aside or payment of any dividend or distribution (whether in cash, stock, property or any combination thereof) in respect of any capital stock of the Company or any of its Subsidiaries (other than dividends or distributions by any Subsidiary to the Company or another wholly-owned Subsidiary) or any redemption, purchase, repurchase or other acquisition by the Company or any of its Subsidiaries, directly or indirectly, of any outstanding shares of capital stock or other securities of, or other ownership interests in, the Company or any of its Subsidiaries;

(g) any issuance of shares of Company Common Stock or other equity securities of the Company except pursuant to the Company Stock Plans;

(h) any split, combination or reclassification of any capital stock of the Company or any of its Subsidiaries or any issuance or the authorization of any issuance of shares of Company Common Stock or any other securities in respect of, in lieu of or in substitution for shares of that capital stock except pursuant to the Company Stock Plans;

(i) any sale, transfer, lease, license, mortgage, pledge or other disposition or encumbrance of any assets of the Company or its Subsidiaries, except for (i) surplus or obsolete equipment, (ii) sales, transfers, leases, licenses, mortgages, pledges or other dispositions or encumbrances of assets for a purchase price not in excess of, or with a fair market value not in excess of, $100,000 in any single transaction or series of related transactions, or (iii) sales, leases, licenses or other transfers between the Company and its wholly-owned Subsidiaries or between those Subsidiaries;

(j) any material damage to or any material destruction or loss of physical properties the Company or any of its Subsidiaries owns or uses, whether or not covered by insurance;

(k) except to the extent required under any Company Benefit Plan as in effect on the date of this Agreement or as set forth in Section 5.10(k) of the Company Disclosure Letter, any (i) increase in the compensation (including bonus opportunities) or fringe benefits of any of its directors, executive officers or employees (except in the ordinary course of business consistent with past practice with respect to employees who are not parties to an employment or change in control agreement), (ii) grant of any severance or termination pay, other than nominal severance to terminated employees in the ordinary course of business consistent with past practice, (iii) grant of equity awards to any director, officer, employee or contractor, (iv) entry into or amendment of any employment, consulting, change in control or severance agreement or arrangement with any of its present, former or future directors, officers, employees or contractors, or (v) except as required to comply with Applicable Law, establishment, adoption, entry into, or amendment in any material respect or termination of any Company Benefit Plan or any action to accelerate entitlement to compensation or benefits under any Company Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, in each such case, except as otherwise permitted pursuant to clauses (i) or (ii) of this paragraph; or

(l) any agreement to do any of the foregoing.

Section 5.11 *Taxes*.

(a) All material Tax returns, statements, reports, declarations, estimates and forms ("**Returns**") required to be filed by or with respect to the Company or any of its Subsidiaries (including any Return required to be filed by an affiliated, consolidated, combined, unitary or similar group that included the Company or any of its Subsidiaries) ("**Company Returns**") have been (i) properly filed on a timely basis with the appropriate Governmental Authorities, and (ii) prepared in all material respects in compliance with all Applicable Laws. All Taxes reflected on any Company Return as due have been duly paid or deposited in full on a timely basis. All material Taxes required by law to have been withheld or collected by the Company or any of its Subsidiaries (including, but not limited to, Taxes required to have been withheld with respect to amounts paid or owing to any officer, employee, creditor, shareholder, independent contractor or other individual) have been withheld and collected and, to the extent required by law, have been timely paid, remitted or deposited to or with the relevant Governmental Authority.

(b) There is no Proceeding now pending or (to the knowledge of the Company) threatened in respect of any Company Return or any material Tax liability of the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries have received written notice from any Governmental Authority of its intent to examine or audit any Company Return, and no Governmental Authority is now asserting in writing any deficiency or claim for material Taxes or any material adjustment to Taxes with respect to which the Company or any of its Subsidiaries may be liable. Neither the Company nor any of its Subsidiaries has any liability for any Tax under Treas. Reg. § 1.1502-6 or any similar provision of any other Tax law, except for Taxes of the affiliated group of which the Company was and is the common parent, within the meaning of Section 1504(a)(1) of the Code or any similar provision of any other Tax law. Neither the Company nor any of its Subsidiaries has granted any material request, agreement, consent or waiver to extend any period of limitations applicable to any Company Return or the assessment of any material Tax upon the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is a party to any closing agreement described in Section 7121 of the Code or to any agreement under any similar provision of any state, local or foreign law, and no agreement has otherwise been entered into with any Governmental Authority by or with respect to the Company or any of its Subsidiaries which require the Company or any of its Subsidiaries to adjust any Tax items of the Company or any of its Subsidiaries in any Return due after the date hereof. Neither the Company nor any of its Subsidiaries has been, and none of them will be, required to include any material adjustment in taxable income for any Tax period (or portion thereof) pursuant to Section 481 of the Code (or any comparable provision of state, or foreign Tax laws) as a result of transactions or events occurring, or accounting methods employed, prior to the Closing. Neither the Company nor any of its Subsidiaries is (i) a party to, is bound by or has any obligation under any Tax sharing, allocation or indemnity agreement, (ii) is liable for Taxes of any Person or (iii) is currently under any contractual obligation or any similar agreement or arrangement to indemnify any Person with respect to any amounts of such Person's Taxes (in each case, other than such an agreement or arrangement exclusively between or among the Company and any its Subsidiaries and other than customary Tax indemnifications contained in credit or similar agreements the primary purpose of which is not Taxes). Since January 1, 2010, the Company has not rescinded any

material election relating to Taxes or settled or compromised any Proceeding or audit relating to any Company Return or material Taxes or, except as may be required by Applicable Law, made any material change to any of its methods of reporting income or deductions for federal income tax purposes. There are no requests for rulings, outstanding subpoenas or unsatisfied written requests from any Governmental Authority for information with respect to Taxes of the Company or any of its Subsidiaries. The Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code at any time within the past five years.

(c) The Company has disclosed on its federal income Returns all positions that could give rise to a material understatement penalty within the meaning of Section 6662 of the Code or any predecessor provision or comparable provision of state, local or foreign law. Neither the Company nor any of its Subsidiaries has at any time participated in a "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4(b) or similar transaction under any corresponding or similar provision of law.

(d) Neither the Company nor any of its Subsidiaries has been a "distributing" or "controlled" corporation within the meaning of Section 355 of the Code in any transaction intended to qualify under such section or any corresponding provision of foreign or state law.

(e) The Company and each of its Subsidiaries have complied in all material respects with the intercompany transfer pricing provisions of Section 482 of the Code, the Treasury Regulations promulgated thereunder and any comparable provisions of state, local, domestic or foreign Tax law, including, but not limited to, the contemporaneous documentation and disclosure requirements thereunder.

(f) Neither the Company nor any of its Subsidiaries owns any interest in a controlled foreign corporation (as defined in Section 957 of the Code) or passive foreign investment company (as defined in Section 1297 of the Code).

(g) Except as set forth in Section 5.11(g) of the Company Disclosure Letter, neither the Company nor any of its Subsidiaries is currently, or has been during the five year period preceding the date hereof, subject to any type of Tax in any country other than the

United States. Except for claims that were resolved more than five years prior to the date hereof, no claim has been made by any Governmental Authority in any foreign country where the Company and its Subsidiaries have not filed Returns and have not paid Taxes that the Company or any of its Subsidiaries is subject to Tax by that jurisdiction.

(h) Neither the Company nor any of its Subsidiaries knows of any fact or has taken or failed to take any action that would reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

Section 5.12 *Employee Benefit Plans*.

(a) Section 5.12(a) of the Company Disclosure Letter contains a list of all Company Benefit Plans, as well as all outstanding Company Equity Awards and their respective holders, along with their respective exercise prices, if applicable, and vesting

schedules. The term "**Company Benefit Plans**" means all employee benefit plans and other benefit arrangements, including all "employee benefit plans" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 ("**ERISA**"), whether or not U.S.-based plans, and all other material employee benefit, pension, bonus, incentive, deferred compensation, stock option (or other equity-based, including all Company Stock Plans), severance, employment, consulting, change in control, welfare (including post-retirement medical and life insurance), cafeteria, voluntary employee beneficiary association ("**VEBA**"), vacation or other paid time off and fringe benefit plans, practices or agreements, whether or not subject to ERISA or U.S.-based and whether written or oral, sponsored, maintained or contributed to or required to be contributed to by the Company or any of its Subsidiaries or any trade or business (whether or not incorporated) which is or was during the six year period preceding the Effective Time under common control, or treated as a single employer, with the Company under Section 414(b), (c), (m) or (o) of the Code (an "**ERISA Affiliate**"), to which the Company or any of its Subsidiaries or ERISA Affiliates is a party or is required to provide benefits under any Applicable Law or in which any Person who is currently, has been or, prior to the Effective Time, is expected to become an employee of the Company or any of its Subsidiaries or ERISA Affiliates is a participant.

(b) The Company has made available to Parent true and complete copies of (i) the Company Benefit Plans (including amendments) and, if applicable, the most recent trust agreements and amendments (including but not limited to any tax-exempt trust, secular trust, VEBA and rabbi trust documents), (ii) associated contracts and amendments thereto (including, but not limited to, insurance contracts, HMO/PPO/POS agreements, recordkeeping agreements, third party administrator agreements and stop loss insurance contracts), Forms 5500 or any analogous reports filed with respect to non-U.S. based Company Benefit Plans, including all schedules and attachments for the past three years, (iii) summary plan descriptions, summaries of material modifications including any analogous communications provided with respect to non-U.S. based Company Benefit Plans, (iv) funding statements, annual trust reports and actuarial reports for the past three years, (v) Internal Revenue Service determination or opinion letters for each such plan that is intended to be qualified within the meaning of Section 401(a) of the Code, Internal Revenue Service exemption rulings for any VEBA or other trust intended to be tax-exempt under Section 501(a) of the Code and any analogous letters or rulings for any non-U.S. based Company Benefit Plan or funding arrangement intended to qualify for favorable tax treatment under foreign law.

(c) All applicable reporting and disclosure requirements have been met in all material respects with respect to the Company Benefit Plans. The Company Benefit Plans comply in all material respects with the requirements of ERISA, the Code and the regulations issued thereunder or with the statues and regulations of any applicable jurisdiction (including but not limited to non-U.S. jurisdictions with respect to any non-U.S. based Company Benefit Plan).

(d) Each Company Benefit Plan intended to be qualified under Section 401(a) of the Code has been timely amended to comply with the applicable qualification requirements, or may be retroactively amended to satisfy such requirements within the applicable remedial amendment period under Section 401(b) of the Code and has

received, or has currently pending or will timely submit an application for, a favorable determination letter from the Internal Revenue Service that considers the qualification requirements enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and related legislation (or is entitled to rely upon a favorable opinion letter issued by the Internal Revenue Service with respect to such requirements). Each such Company Benefit Plan has been maintained and operated in all material respects in accordance with its terms (or if applicable, such terms as will be adopted pursuant to a retroactive amendment under Section 401(b) of the Code), and has not, since receipt of the most recent favorable determination letter or opinion letter, been amended in a manner that would adversely affect such qualified status.

(e) Each Company Benefit Plan that is a "nonqualified deferred compensation plan" (as defined in Section 409A(d)(1) of the Code) has been operated in good faith compliance with Section 409A of the Code, Internal Revenue Service Notice 2005-1 and the proposed or final Treasury regulations issued pursuant to Section 409A of the Code, as applicable, and, since January 1, 2009, has complied with the written document and operational requirements of Section 409A of the Code.

(f) To the Company's knowledge, (i) there are no breaches of fiduciary duty in connection with the Company Benefit Plans that would subject the Company, its Subsidiaries or Employees or any trustee, administrator or other fiduciary to any material liability for breach of fiduciary duty under ERISA or any other Applicable Law and (ii) no prohibited transaction under Section 4975 of the Code or Section 406 of ERISA with respect to which an individual, class or statutory exemption is not available has occurred that involves the assets of any Company Benefit Plan that could subject the Company, its Subsidiaries or Employees, or any trustee, administrator or other fiduciary to material taxes or penalties under Section 4975 of the Code or Section 409 or 502 of ERISA.

(g) There are no pending or, to the Company's knowledge, threatened Proceedings against or otherwise involving any Company Benefit Plan, and no suit, action or other litigation (excluding routine claims for benefits incurred in the ordinary course of Company Benefit Plan activities) has been brought against or with respect to any such Company Benefit Plan. There is no matter pending (other than routine

qualification determination filings) with respect to any Company Benefit Plan before the Internal Revenue Service, Department of Labor, Pension Benefit Guaranty Corporation or other Governmental Authority.

(h) All contributions required to be made as of the date of this Agreement to the Company Benefit Plans have been timely made or provided for. All accruals (including where appropriate, proportional accruals for partial periods) under any Company Benefit Plan for periods prior to the Effective Time have been made.

(i) No Company Benefit Plan (including for such purpose, any employee benefit plan described in Section 3(3) of ERISA which the Company or any of its ERISA Affiliates established, maintained, sponsored or contributed to within the six-year period preceding the Effective Time) is (i) a "multiemployer plan" (as defined in Section 4001(a)(3) of ERISA), (ii) a "multiple employer plan" (within the meaning of Section 413(c)

of the Code), (iii) a "defined benefit plan" (as defined in section 3(35) of ERISA) or (iv) subject to Title IV or Section 302 or 303 of ERISA or Section 412, 430 or 436 of the Code.

(j) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby (either alone or upon the occurrence of any additional or subsequent events) shall (i) cause any payments or benefits to any employee, officer or director of the Company or any of its Subsidiaries to be either subject to an excise tax or non-deductible to the Company under Sections 4999 and 280G of the Code (or similar non-U.S. law), respectively, whether or not some other subsequent action or event would be required to cause such payment or benefit to be triggered, or (ii) constitute an event under any benefit plan, policy, arrangement or agreement or any trust or loan (in connection therewith) that will or may result in any payment (whether of severance pay or otherwise), acceleration, forgiveness of indebtedness, vesting, distribution, increase in benefits or obligations to fund benefits with respect to any employee of the Company or any Subsidiary thereof.

(k) To the Company's knowledge, each Company Benefit Plan, which is an employee benefit plan within the meaning of Section 3(3) of ERISA, regardless of whether subject to ERISA, may be unilaterally amended or terminated in its entirety without material liability except as to benefits vested and accrued thereunder prior to such amendment or termination. No Company Benefit Plan provides medical, surgical, hospitalization, death or similar benefits (whether or not insured) for employees or former employees of the Company or any Subsidiary of the Company for periods extending beyond their retirement or other termination of service other than (i) coverage mandated by Section 4980B of the Code, as amended, and Sections 601 through 609 of ERISA, or similar state law (COBRA) or non-U.S. law, as applicable, (ii) death benefits under any pension plan or (iii) benefits the full cost of which is borne by the current or former employee (or his or her beneficiary).

(l) With respect to any non-U.S. based Company Benefit Plan, (i) if intended to qualify for special tax treatment, each such non-U.S. plan meets the requirements for such treatment in all material respects; (ii) if intended to be book reserved, any such non-U.S. plan is fully book reserved based upon reasonable GAAP actuarial assumptions and methodology and fully reflects the financial effects of all prior transactions in relation to any such book reserved plan; and (iii) if intended to be funded, any such non-U.S. plan is either fully funded or any shortfall is fully recognized as a book reserve, based upon reasonable GAAP actuarial assumptions and methodology and fully reflects the financial effects of all prior transactions in relation to such funded plan.

Section 5.13 *Labor and Employee Matters*.

(a) Neither the Company nor any of its Subsidiaries is a party to, or otherwise bound by, any consent decree with, or citation by, any Governmental Authority relating to employees or employment practices, including worker health and safety. Except as set forth in Section 5.13(a) of the Company Disclosure Letter, since January 1, 2011, (i) neither the Company nor any of its Subsidiaries has been a party to any Proceeding in which the Company was, or is, alleged to have violated any Contract or Applicable Law relating to employment, equal employment opportunity, discrimination, harassment or retaliation, wrongful termination, immigration, the payment or calculation of wages or other

compensation, hours, benefits, collective bargaining, the payment of social security and similar taxes, occupational safety and health, and/or privacy rights of employees; and (ii) neither the Company nor any of its Subsidiaries has received any written notice of intent by any Governmental Authority responsible for the enforcement of any Applicable Law regarding labor or employment to conduct an investigation or inquiry relating to the Company, and no such investigation or inquiry is in progress.

(b) Neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement, or any other labor union contract. No labor organization or group of employees of the Company or any of its Subsidiaries has made, or to the knowledge of the Company threatened to make, a demand against the Company or any of its Subsidiaries for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the knowledge of the Company, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority involving any employees of the Company or any of its Subsidiaries. There are no ongoing, or to the Company's Knowledge, threatened, organizing activities, strikes, work stoppages, slowdowns, lockouts, or other material labor disputes pending or, to the knowledge of the Company, threatened against or involving the Company or any of its Subsidiaries.

(c) The Company and its Subsidiaries are in material compliance with (i) the documentary and other requirements of the Immigration Reform and Control Act of 1986 and the regulations promulgated thereunder (IRCA) and similar foreign Applicable Law and (ii) the wages and hours requirements under the Fair Labor Standards Act and the regulations promulgated thereunder and any similar state, local or foreign Applicable Law. Neither the Company nor any of its Subsidiaries has misclassified any person as (i) an independent contractor rather than as an employee under any Applicable Law or (ii) an employee exempt from Applicable Law regarding minimum wage or overtime compensation.

(d) Except for such matters that have not had and would not reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect (i) the Company and its Subsidiaries have complied with all Applicable Laws respecting the employment of labor, (ii) neither the Company nor any Subsidiary of the Company has received any complaint of any unfair labor practice, violation of worker health and safety or other unlawful employment practice or any notice of any material violation of any federal, state or local statutes, laws, ordinances, rules, regulations, orders or directives with respect to the employment of individuals by, or the employment practices of, the Company or any Subsidiary of the Company or the work conditions or the terms and conditions of employment and wages and hours of their respective businesses and (iii) there are no unfair labor practice charges, worker health and safety or other employee-related complaints against the Company or any Subsidiary of the Company pending or, to the knowledge of the Company, threatened, before any Governmental Authority by or concerning the employees working in their respective businesses.

Section 5.14 *Environmental Matters*.

(a) The Company and each Subsidiary of the Company is and since January 1, 2011, has been in compliance in all material respects with Environmental Laws (other than common law). There are no past or present facts, conditions or circumstances relating to or arising under any Environmental Laws that interfere in any material respect with the conduct of any of their respective businesses in the manner now conducted. "**Environmental Laws**" means any orders of, writs, judgments, decrees or injunctions issued by, and agreements with any Governmental Authority related to Hazardous Materials, or any Applicable Law related to Hazardous Materials, worker health and safety, or the protection of natural resources or the environment. "**Hazardous Materials**" means any "hazardous substance," "hazardous materials," "hazardous wastes," "pollutant," "contaminant," or "petroleum" (or any fraction thereof) and "natural gas liquids," as those terms are defined or used in Section 101 of the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. Section 9601 et. seq., and includes petroleum, petroleum products and petroleum by-products.

(b) Each of the Company and its Subsidiaries has, and is in compliance in all material respects with, all material permits and other authorizations and approvals required under applicable Environmental Laws for its operations, such permits, authorizations and approvals are in full force and effect, and all applications, notices or other documents have been timely filed as required to effect timely renewal, issuance or reissuance of such permits, authorizations and approvals.

(c) No judicial or administrative Proceedings or governmental investigations are pending or, to the knowledge of the Company, threatened against the Company or its Subsidiaries that allege the violation of or seek to impose liability, injunctive relief or remedial obligations pursuant to any Environmental Law, and except as would not reasonably be expected to result in a material violation of or liability under Environmental Law or would not be reasonably expected to have a Company Material Adverse Effect, there has been no release or spill of or any other incident, condition or circumstance involving any Hazardous Materials (i) at, on, or from any property currently owned or operated by the Company or its Subsidiaries or, during the time of the Company's or any of its Subsidiaries' ownership or operation, formerly owned or operated by the Company or its Subsidiaries, (ii) for which the Company or any Subsidiary of the Company has assumed responsibility, or (iii) associated with the off-site disposal of Hazardous Materials by the Company or any Subsidiary of the Company.

(d) Neither the Company nor any of its Subsidiaries has (i) received any written notice of noncompliance with, violation of, deficiency, or liability or potential liability under any Environmental Law, (ii) received any written third-party claim asserting liability of the Company or its Subsidiaries for matters arising under Environmental Laws or under contracts pursuant to which the Company or its Subsidiaries assumed environmental obligations with respect to those environmental obligations, or (iii) entered into any consent decree or order or is subject to any order of any court or Governmental Authority in each case either under any Environmental Law or relating to the cleanup of any Hazardous Materials and in each case, since January 1, 2011 or that remains unresolved or outstanding.

(e) The Company has delivered to or otherwise made available for inspection by Parent true, complete and correct copies and results of any material reports, studies, analyses, cost estimates, tests or monitoring possessed or initiated by the Company pertaining to Hazardous Materials in, on, beneath or adjacent to any property currently or formerly owned, operated or leased by the Company or any of its Subsidiaries or for which the Company or any of its Subsidiaries has assumed contractual liability for environmental conditions, or regarding the Company's or its Subsidiaries' compliance with applicable Environmental Laws.

(f) The representations and warranties made pursuant to this Section 5.14 and Section 5.6 are the exclusive representations and warranties by the Company regarding compliance with or liability under Environmental Laws or Hazardous Materials.

Section 5.15 *Properties*.

(a) Each of the Company and its Subsidiaries has good and marketable title to, or valid leasehold interests in, all properties and assets purported to be owned or leased by it, respectively, in the Company's annual report on Form 10-K for the year ended September 30, 2013, except for such properties and assets as are no longer used or useful in the conduct of its businesses or as have been disposed of in the ordinary course of business, and except for defects in title, easements, restrictive covenants and similar encumbrances or impediments that, individually or in the aggregate, do not and will not materially interfere with its ability to conduct its business as currently conducted. All such assets and properties are free and clear of all Liens, other than Permitted Liens.

(b) Each of the Company and its Subsidiaries has complied, in all material respects, with the terms of all leases, subleases, easements, licenses and other occupancy agreements to which it is a party and under which it is in occupancy, and all such agreements are in full force and effect. Each of the Company and its Subsidiaries enjoys peaceful and undisturbed possession under all such agreements.

(c) The assets, properties and rights owned or leased by the Company and its Subsidiaries comprise all the assets, properties and rights utilized by the Company or any of its Subsidiaries in the operation of their respective businesses as presently conducted, and, in the aggregate, are sufficient to permit the Company and its Subsidiaries to operate their respective businesses as presently conducted.

(d) All items of operating equipment owned or leased by the Company and its Subsidiaries are in a state of repair so as to be adequate, in all material respects, for operations in the areas in which they are operated.

(e) Section 5.15(e) of the Company Disclosure Letter sets forth a true and complete list of all real property, facilities, office space and similar property owned by the Company or any of its Subsidiaries, together with the physical address of and primary use for each such property.

Section 5.16 *Intellectual Property*.

(a) Section 5.16(a) of the Company Disclosure Letter (i) lists all U.S. and foreign patents, published patent applications, trademark and service mark applications and registrations, copyright registrations and domain names that are owned by the Company or any of its Subsidiaries (the "**Company Registered IP**"), (ii) indicates for each item of Company Registered IP the applicable jurisdiction, title, registration number (or application number), the owner and all current applicants, (iii) lists all agreements (excluding shrink wrap or other similar licenses with respect to off-the-shelf-software) whereby the Company or any of its Subsidiaries has been granted the legal right to use any Company IP that the Company or any of its Subsidiaries does not own, (iv) lists all agreements whereby the Company or any of its Subsidiaries grants to any Person the right to use any Company IP, other than such agreements which grant such rights, without payment of a royalty, for use with a specific project or with equipment purchased from the Company or any of its Subsidiaries and (v) lists all agreements entered into since January 1, 2011 whereby the Company or any of its Subsidiaries grants to any Person an indemnity with respect to the Intellectual Property of any Person.

(b) The Company Registered IP is currently in compliance with all formal legal requirements (including the payment of all filing, examination and annuity and maintenance fees and proof of working or use) and none of the registrations of such Company Registered IP has lapsed or expired or been cancelled, abandoned or deemed abandoned, other than at the election of the Company or at the end of the full available term for such rights.

(c) The Company or its Subsidiaries owns or has the legal right to use, free and clear of all Liens other than Permitted Liens, all the Company IP. The Company IP is sufficient, in all material respects, to enable Parent, the Surviving Entity and any of their Subsidiaries, following the Merger, to operate the business of the Company as currently conducted and, together with the Parent IP, as currently proposed to be conducted in the future.

(d) (i) No Proceeding against the Company or any of its Subsidiaries regarding any Company IP is pending or, to the knowledge of the Company, threatened, (ii) to the knowledge of the Company, no Person is infringing or misappropriating Company IP that is material to the business or operations of the Company or any of its Subsidiaries, (iii) neither the Company IP nor any product or service of the Company or any of its Subsidiaries currently offered or provided, or offered or provided since January 1, 2009, infringes or misappropriates the Intellectual Property of any Person, (v) neither the Company nor any of its Subsidiaries has received any claim or notice alleging any infringement, misappropriation or violation by the Company or any of its Subsidiaries of the Intellectual Property of any Person or alleging that the operation of the business of the Company or any of its Subsidiaries as currently conducted or as currently proposed to be conducted in the future requires a license to the Intellectual Property of any Person, and (v) neither the Company nor any of its Subsidiaries has received any charge, complaint, claim or notice that any of the Company Registered IP is unenforceable or invalid.

Section 5.17 *Insurance*. Section 5.17 of the Company Disclosure Letter lists each insurance policy (including any commercial property and casualty, general liability, workers' compensation, liability, pollution liability, directors and officers and other liability policies) owned by the Company or any of its Subsidiaries or which names the Company or any of its Subsidiaries as an insured (or loss payee) currently in effect, and the Company has made available to Parent a true, complete and correct copy of each such policy or the binder therefor. Each such policy is in full force and effect, is in such amount and covers such losses and risks as are consistent with industry practice and is adequate, in the judgment of senior management of the Company, to protect the properties and businesses of the Company and its Subsidiaries, and all premiums due under each such policy have been paid. With respect to each such insurance policy, none of the Company, any of its Subsidiaries or, to the Company's knowledge, any other party to the policy is in breach or default in any material respect thereunder (including with respect to the payment of premiums or the giving of notices), and the Company does not know of any occurrence or any event which (with notice or the lapse of time or both) would constitute such a breach or default or permit termination, modification or acceleration under the policy. None of the Company or any of its Subsidiaries has been refused any insurance with respect to its assets or operations since January 1, 2011. Section 5.17 of the Company Disclosure Letter describes any self-insurance arrangements affecting the Company or its Subsidiaries.

Section 5.18 *Certain Contracts*.

(a) Section 5.18 of the Company Disclosure Letter sets forth a list, as of the date of this Agreement, of each of the following Contracts by which the Company or any of its Subsidiaries is a party or bound:

(i) any lease of real or personal property providing for annual rentals of $100,000 or more;

(ii) any partnership, joint venture or other similar agreement or arrangement;

(iii) any Contract (other than solely among direct or indirect wholly-owned Subsidiaries of the Company) relating to (A) any outstanding Debt or (B) any guarantee furnished by or on behalf of the Company or any of its Subsidiaries;

(iv) any Contract made since January 1, 2011 relating to the disposition or acquisition of material assets not in the ordinary course of business having a value in excess of $100,000;

(v) any Contract that is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Exchange Act);

(vi) any Contract or covenant that (A) purports to limit the type of business in which the Company or its Subsidiaries (or, after the Effective Time, Parent or its Affiliates) may engage or the manner or locations in which any of them may so engage in any business or (B) could require the disposition of any material assets or line of business of the Company or its Subsidiaries;

(vii) any Contract under which the Company or any of its Subsidiaries has agreed to indemnify or reimburse any surety in respect of amounts paid or claimed against any surety bonds, which such surety bonds (bid, performance or other) were obtained in connection with services being performed by the Company or any of its Subsidiaries are set forth in Section 5.18(a)(vii) of the Company Disclosure Letter; and

(viii) any other Contract or group of Contracts with a single counterparty that, if terminated or subject to a default by any party thereto, would reasonably be expected to result, individually or in the aggregate, in a Company Material Adverse Effect (the Contracts described in clauses (i)—(viii), whether or not included as an exhibit to the Company Reports, and together with all exhibits and schedules to such Contracts, being referred to herein each as a "**Company Material Contract**").

(b) The Company has previously made available to Parent true, complete and correct copies of each Company Material Contract that is not included as an exhibit to the Company Reports.

(c) Each Company Material Contract is in full force and effect, and the Company and each of its Subsidiaries have performed all obligations required to be performed by them, in all material respects, to date under each Company Material Contract to which they are party. Neither the Company nor any of its Subsidiaries (i) is in material breach of or violation or default under any Company Material Contract or (ii) has received written notice of any such material breach, violation or default or the desire of the other party or parties to any such Company Material Contract to exercise any rights such party has to cancel, terminate or repudiate such contract or exercise remedies thereunder. Each Company Material Contract is enforceable by the Company or a Subsidiary of the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights and general principles of equity.

Section 5.19 *Government Contracts*. Section 5.19 of the Company Disclosure Letter sets forth a true, correct and complete list, of all (a) Government Contracts to which the Company or any of its Subsidiaries is a party, the period of performance of which has not yet expired or terminated and for which final payment has not yet been received and (b) outstanding bids and proposals that have been submitted by the Company or any of its Subsidiaries to any Governmental Authority, any proposed prime contractor to a Governmental Authority or any proposed higher-tiered subcontractor. The Government Contracts set forth on Section 5.19(a) of the Company Disclosure Letter are in full force and effect, and neither the Company nor any of its Subsidiaries is in material breach or non-compliance thereunder or under any representation or certification in respect thereof. For purposes of this Agreement, "**Government Contract**" means any Contract, however denominated, including any procurement, task order, work order, purchase order, delivery order, blanket purchase agreement, co-operative agreement or other transaction with the U.S. Government or any other applicable foreign Governmental Authority at the prime or subcontract level (at any tier) under a federal prime Contract, entered into by a party hereto or any of its Subsidiaries for the provision of goods, services or construction.

Section 5.20 *No Brokers*. The Company has not entered into any contract, arrangement or understanding with any Person which may result in the obligation of the Company, Parent or their respective Affiliates to pay any finder's fees, brokerage or other like payments in connection with the negotiations leading to this Agreement or the consummation of the Merger and the other transactions contemplated hereby, except that the Company has retained the Company Financial Advisor. The Company has heretofore furnished to Parent a correct and complete copy of all agreements (including any amendment, waivers of other charges thereto) between the Company and the Company Financial Advisor pursuant to which such firm would be entitled to any payment relating to the transactions contemplated hereby.

Section 5.21 *Parent Stock Ownership*. Neither the Company nor any of its Subsidiaries owns any shares of capital stock of Parent or any other securities convertible into or otherwise exercisable to acquire shares of capital stock of Parent.

Section 5.22 *Vote Required*. The only vote of the holders of any class or series of the Company capital stock necessary to adopt and approve this Agreement and the transactions contemplated by this Agreement (including, without limitation, the Merger) is the affirmative vote in favor of the adoption and approval of this Agreement, the Merger and the other transactions contemplated hereby, by the holders of at least 66.67% of the outstanding shares of Company Common Stock (the "**Company Shareholder Approval**").

Section 5.23 *Improper Payments.*

(a) The Company and its Affiliates, directors, officers and employees have complied with the U.S. Foreign Corrupt Practices Act of 1977, as amended (15 U.S.C. §§ 78dd-1 et seq. (1997 and 2000)) (the "**Foreign Corrupt Practices Act**"), and any other applicable anticorruption or antibribery laws. Except for "facilitating payments" (as such term is defined in the Foreign Corrupt Practices Act and other Applicable Law), neither the Company nor any of its Affiliates, directors, officers, employees, agents or other Representatives acting on its behalf have directly or indirectly offered, paid, promised to pay or authorized the payment of anything of value, including but not limited to cash, checks, wire transfers, tangible and intangible gifts, favors and services, to a Foreign Government Official or any other person while knowing or having a reasonable belief that all or some portion would be used for the purpose of: (i) influencing any act or decision of a Foreign Government Official, including a decision to fail to perform official functions, (ii) inducing any Foreign Government Official to do or omit to do any act in violation of the lawful duty of such official, or (iii) inducing any Foreign Government Official to use influence with any government, department, agency or instrumentality in order to assist the Company in obtaining or retaining business with, or directing business to any person or otherwise securing for any person an improper advantage. For the purposes of this Agreement, "**Foreign Government Official**" means (i) any officer or employee of a non-U.S. Governmental Authority or any public international organization; (ii) any person acting in an official capacity for or on behalf of a non-

U.S. Governmental Authority or any public international organization; (iii) any candidate for foreign political office; or (iv) any foreign political party or official thereof.

(b) The Company and its Affiliates have developed and implemented a Foreign Corrupt Practices Act compliance program which includes corporate policies and procedures designed to ensure compliance with the Foreign Corrupt Practices Act and any other applicable anticorruption and antibribery laws.

(c) No civil or criminal penalties have been imposed on the Company or any of its Affiliates with respect to violations of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws and, since January 1, 2011, no Governmental Authority has notified the Company of any actual or alleged violation or breach of the Foreign Corrupt Practice Act or any other applicable anticorruption or antibribery law.

(d) To the Company's knowledge, the Company and its Subsidiaries have not been since January 1, 2011 and are not now under any administrative, civil or criminal investigation or indictment involving alleged violations of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws. Neither the Company nor any of its Subsidiaries are participating in any investigation by a Governmental Authority relating to alleged violations by the Company or its Affiliates of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws.

Section 5.24 *Takeover Statutes; Rights Agreement*. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not cause this Agreement or the Merger to be subject to any takeover or similar provision of the TBOC or any other similar provision that limits or restricts business combinations or the ability to acquire voting shares, and neither the execution of this Agreement, the consummation of the Merger or the other transactions contemplated hereby shall be, or shall be deemed to be, a "affiliated business combination" within the meaning of Section 21.601-21.610 of the TBOC. Other than the Company Rights Agreement, the Company has no share purchase rights plan or similar rights plan limiting any party's ability to acquire shares in the Company without the Company Board's approval. The Company has taken all actions necessary to (a) render the Company Rights Agreement inapplicable to this Agreement and the Merger, and (b) provide that the Expiration Date (as defined in the Company Rights Agreement) shall occur upon the effectiveness of the Merger.

Section 5.25 *Interested Party Transactions*. Section 5.25 of the Company Disclosure Letter sets forth a correct and complete list of the Contracts (other than Company Benefit Plans) or transactions under which the Company or any of its Subsidiaries has any existing or future liabilities, in each case between the Company or any of its Subsidiaries, on the one hand, and, on the other hand, any (a) present executive officer or director of the Company or any individual that has served as such an executive officer or director within the past two years or any of such executive officer's or director's immediate family members, (b) record or beneficial owner of more than 5% of the Company Common Stock, or (c) to the knowledge of the Company, any Affiliate of any such executive officer, director or owner (other than the Company or any of its Subsidiaries) (each a "**Company Affiliate Transaction**"). Parent has been provided with true and complete copies of any such Contracts or arrangements.

ARTICLE VI.

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as set forth in (a) the disclosure letter delivered to the Company by Parent at or prior to the execution of this Agreement (the "**Parent Disclosure Letter**") and making reference to the particular subsection of this Agreement to which exception is being taken (provided that disclosure of any item in any section of the Parent Disclosure Letter shall not be deemed to be disclosed with respect to any other section of this Article VI unless the relevance of such item is reasonably apparent on its face), or (b) the Parent Reports filed after December 31, 2013 and prior to the date hereof; *provided* that (i) any disclosures in such Parent Reports in any risk factors section, in any section related to forward looking statements and other disclosures that are predictive, non-specific or forward-looking in nature shall be ignored and (ii) any disclosure in the Parent Reports shall be deemed to qualify any representation or warranty in this Article VI only to the extent that such disclosure is made in such a way as to make its relevance reasonably apparent on its face (but such Parent Reports shall in no event qualify the representations and warranties set forth in Sections 6.1, 6.2, 6.3, 6.4, 6.6 or the first sentence of 6.10), Parent and Merger Sub, jointly and severally, represent and warrant to the Company that:

Section 6.1 *Existence; Good Standing; Corporate Authority*. Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Texas. Parent is duly qualified to do business and is in good standing under the laws of any jurisdiction in which the character of the properties owned or leased by it therein or in which the transaction of its business makes such qualification necessary, except where the failure to be so qualified, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Parent has all requisite corporate power and authority to own, operate and lease its properties and assets and to carry on its business as now conducted. The copies of the Amended and Restated Certificate of Formation of Parent (the "**Parent Certificate of Formation**") and the bylaws of Parent and the certificate of formation and bylaws of Merger Sub previously made available to the Company are true and correct and in full force and effect and contain all amendments thereto.

Section 6.2 *Authorization, Validity, Enforceability and Fairness*.

(a) Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver this Agreement and all other agreements and documents contemplated hereby to which it is a party, and upon receipt of the Parent Shareholder Approval, to consummate the transactions contemplated hereby and thereby.

(b) Parent's and Merger Sub's execution and delivery of this Agreement and the consummation by each of Parent and Merger Sub of the transactions contemplated by this Agreement (including, without limitation, the Merger) have been duly authorized by all

requisite corporate action on the part of Parent and Merger Sub, other than the Parent Shareholder Approval and the filing of the Certificate of Merger.

(c) This Agreement has been duly executed and delivered by each of Parent and Merger Sub and, assuming the due authorization, execution and delivery hereof by the Company, constitutes the valid and legally binding obligation of Parent and Merger Sub, enforceable against Parent or Merger Sub, as applicable, in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights and general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

(d) The Parent Board, at a meeting duly called and held on or prior to the date hereof, has (i) determined that this Agreement and the transactions contemplated hereby (including, without limitation, the Merger) are advisable and in the best interests of the shareholders of Parent, (ii) approved this Agreement, (iii) resolved to recommend the approval of the issuance of Parent Common Stock to the shareholders of the Company in accordance with this Agreement (the "**Parent Recommendation**"), subject to Section 7.3, and (iv) directed that the issuance of Parent Common Stock to the shareholders of the Company in accordance with this Agreement be submitted to the shareholders of Parent for approval, subject to Sections 7.3 and 7.4.

(e) The Parent Board has received the opinion of its financial advisor, Stephens Inc. (the "**Parent Financial Advisor**"), to the effect that, subject to the assumptions, qualifications and limitations relating to such opinion, as of the date of this Agreement, the Exchange Ratio is fair, from a financial point of view, to Parent. A true, complete and correct copy of such opinion will be delivered to the Company promptly after the date of this Agreement for informational purposes only.

Section 6.3 *Capitalization*.

(a) The authorized capital stock of Parent consists of 35,000,000 shares of Parent Common Stock and 4,000,000 shares of preferred stock, $1.00 par value (the "**Parent Preferred Stock**"). As of October 7, 2014, there were (i) 22,001,125 outstanding shares of Parent Common Stock (including 54,293 unvested outstanding restricted shares of Parent Common Stock) and 145,335 shares of Parent Common Stock issued and held in the treasury of Parent, (ii) 956,271 shares of Parent Common Stock reserved for issuance upon exercise or vesting of outstanding awards ("**Parent Equity Awards**") under Parent's stock plans (collectively, the "**Parent Stock Plans**"), (iii) 1,021,139 shares of Parent Common Stock reserved for issuance pursuant to future awards under the Parent Equity Plans and (iv) no issued or outstanding Parent Preferred Stock. All such issued and outstanding shares of Parent Common Stock are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights, and all shares of Parent Common Stock reserved for issuance upon exercise or vesting of outstanding Parent Equity Awards will be, upon issuance, duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights.

(b) Except for this Agreement or as set forth in Section 6.3(a) or Section 6.3(b) of the Parent Disclosure Letter, there are not issued, reserved for issuance or outstanding, and there are not any obligations of Parent or any of its Subsidiaries to issue, sell, deliver or cause to be issued, sold or delivered (i) any shares of capital stock or other voting securities of, or other equity interests in, Parent, other than outstanding Parent Common Stock

to be issued pursuant to Parent Equity Awards in accordance with their terms, (ii) any options, warrants, calls or other rights to acquire from Parent or any of its Subsidiaries any capital stock, voting securities of, or other ownership interests in, or any securities convertible into or exchangeable for capital stock, voting securities of, or ownership interests in, Parent or any of its Subsidiaries, (iii) any subscriptions, preemptive rights or similar rights, agreements, arrangements, claims or commitments of any character, relating to the capital stock of Parent or any of its Subsidiaries, or securities convertible into or exchangeable for such stock, securities or equity interests, (iv) any contractual obligations of Parent or any of its Subsidiaries to repurchase, redeem or otherwise acquire any capital stock or other voting securities of, or other equity interest in, Parent or any of its Subsidiaries or securities convertible into or exchangeable for such stock, securities or equity interests or (v) any shareholder agreements, voting trusts, registration rights agreements or similar agreements to which Parent or any of its Subsidiaries is a party with respect to the voting or registration of any capital stock or other voting securities of or other equity interests in Parent or any of its Subsidiaries, or securities convertible into or exchangeable for such stock, securities or equity interests.

(c) Parent has delivered or made available to the Company an accurate and complete copy of each Parent Stock Plan and the forms of Parent Equity Awards. There have been no repricings of any Parent Equity Awards that are stock options ("**Parent Options**") through amendments, cancellation and reissuance or other means since January 1, 2011. No grants of Parent Equity Awards are otherwise subject to Section 409A of the Code. All grants of Parent Equity Awards were validly made and properly approved by the Parent Board (or a duly authorized committee or subcommittee thereof) in compliance with Applicable Law and properly recorded on the consolidated financial statements of Parent in accordance with GAAP, and, where applicable, no such grants involved any "back dating," "forward dating" or similar practices with respect to grants of Parent Options.

Section 6.4 *Subsidiaries*.

(a) Section 6.4 of the Parent Disclosure Letter sets forth a true and complete list of all of the Subsidiaries of Parent, the jurisdiction of incorporation or formation of each such Subsidiary and, as of the date hereof, the jurisdictions in which each such Subsidiary is qualified or licensed to do business. Each of Parent's Subsidiaries is a corporation duly organized, validly existing and is in good standing under the Applicable Law of its jurisdiction of incorporation or organization, has the corporate or other entity power and authority to own, operate and lease its properties and assets and to carry on its business as now conducted, and is duly qualified to do business and is in good standing under the laws of any jurisdiction in which the character of the properties owned or leased by it therein or in which the transaction of its business makes such qualification necessary, except for jurisdictions in which such failure to be so qualified or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. All of the outstanding shares of capital stock of, or other ownership

interests in, each of Parent's Subsidiaries are duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights (except as such nonassessability may be affected by Applicable Law), and are owned, directly or indirectly, by Parent free and clear of any Liens.

(b) All of the outstanding capital stock of Merger Sub is owned directly by Parent, and Merger Sub has been formed solely for the purpose of engaging in the transactions contemplated hereby and, as of the Effective Time, will not have any liabilities and will not have engaged in any activities other than in connection with the transactions contemplated by this Agreement. Immediately prior to the Effective Time, Merger Sub will have 100 outstanding shares of its common stock, par value $0.01 per share.

(c) Except for the capital stock or other voting securities or ownership interests in any Subsidiary of Parent, neither Parent nor any of its Subsidiaries owns, directly or indirectly, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock, voting securities or ownership interests in, any Person.

(d) No Subsidiary of Parent owns any shares of Parent Common Stock.

Section 6.5 *No Conflict*.

(a) The execution and delivery by Parent and Merger Sub of this Agreement and the consummation by Parent and Merger Sub of the Merger and the other transactions contemplated by this Agreement in accordance with the terms hereof will not (i) subject to the receipt of the Parent Shareholder Approval, conflict with or result in a violation of any provisions of the Parent Certificate of Formation or Parent's bylaws or the comparable organizational documents of Merger Sub or any of the Company's other Subsidiaries ; (ii) violate, or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or a termination or acceleration under, or result in the creation of any Lien upon any of the properties or assets of Parent or its Subsidiaries under, any of the provisions of any loan or credit agreement, note, bond, mortgage, indenture, deed of trust, license, concession, franchise, permit, lease, contract, agreement, joint venture or other instrument or obligation to which Parent or any of its Subsidiaries is a party, or by which Parent or any of its Subsidiaries or any of their respective properties is bound; or (iii) subject to the filings and other matters referred to in Section 6.5(b), contravene or conflict with or constitute a violation of any provision of any Applicable Law, except for such matters described in clause (ii) or (iii) as would not have, or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) The execution, delivery and performance by Parent or Merger Sub of this Agreement and the consummation by Parent or Merger Sub of the Merger and the other transactions contemplated hereby in accordance with the terms hereof will not require any consent, approval, qualification or authorization of, or filing or registration with, any Governmental Authority, other than (i) the HSR Act, (ii) the Securities Act, the Exchange Act or applicable state securities and "Blue Sky" laws, (iii) the filing of a listing application in accordance with Section 7.8 with, or the rules and regulations of, NASDAQ, (iv) the filing of the Certificate of Merger with the Secretary of State of the State of Texas and the filing or recordation of other appropriate documents as required by Applicable Law of other states in which Parent is qualified to do business and (v) the Investment Canada Act, except for any

consent, approval, qualification or authorization the failure of which to obtain, and for any filing or registration the failure of which to make, individually or in the aggregate, would not have, or would not reasonably be expected to have, a Parent Material Adverse Effect.

Section 6.6 *SEC Documents; Financial Statements*.

(a) Parent has timely filed or furnished with the SEC all registration statements, prospectuses, reports, schedules, forms, statements and other documents (including exhibits and any amendments thereto) required to be so filed by it since January 1, 2011 (collectively, the "**Parent Reports**"), and has made available to the Company each document it has so filed or furnished, each in the form (including exhibits and any amendments thereto) filed with or furnished to the SEC. Parent has made available to the Company copies of all material comment letters from the SEC and Parent's responses thereto since January 1, 2011 through the date hereof. As of the date of this Agreement, there are no outstanding or unresolved comments received from the SEC staff with respect to the Parent Reports. No Subsidiary of Parent is, or since January 1, 2011 has been, subject to any requirement to file any form, report or other document with the SEC under Section 13(a) or 15(d) of the Exchange Act. As of its respective date (or, if amended, as of the date of such amendment), each Parent Report (i) complied in all material respects with the applicable requirements of the Exchange Act, the Securities Act and the rules and regulations thereunder and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated financial statements included in or incorporated by reference into the Parent Reports (including related notes and schedules) complied at the time it was filed as to form, in all material respects, with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, was prepared in accordance with GAAP consistently applied during the periods involved and fairly presents, in all material respects, the consolidated financial position of Parent and its Subsidiaries as of the respective dates thereof and the consolidated results of operations, cash flows or changes in shareholders' equity, as the case may be, of Parent and its Subsidiaries for the respective periods set forth therein (subject, in the case of unaudited statements, to (i) such exceptions as may be permitted by Form 10-Q of the SEC and (ii) normal, recurring year-end audit adjustments which have not been and are not expected to be material in the aggregate).

(c) There are no liabilities or obligations of Parent or any of its Subsidiaries (whether accrued, absolute, contingent or otherwise and whether or not required to be disclosed), other than liabilities or obligations to the extent (i) reflected or reserved against on Parent's consolidated balance sheet at December 31, 2013, (ii) such liabilities or obligations were incurred in the ordinary course of business consistent with past practice since December 31, 2013 or (iii) such liabilities or obligations that, individually or in the aggregate, have not had and would not reasonably be expected to have a Parent Material Adverse Effect.

Section 6.7 *Disclosure and Internal Controls and Procedures*.

(a) Since the enactment of the Sarbanes-Oxley Act, Parent has been and is in compliance in all material respects with (i) the applicable provisions of the Sarbanes-Oxley Act and (ii) the applicable listing and corporate governance rules and regulations of NASDAQ.

(b) The books, records and accounts of Parent and each of its Subsidiaries, all of which have been made available to the Company, are complete and correct in all material respects and represent actual, bona fide transactions and have been maintained in accordance with sound business practices.

(c) Each of the chief executive officer and chief financial officer of Parent (or each former chief executive officer and former chief financial officer of Parent, as applicable) has made all certifications (without qualification or exceptions to the matters certified) required under Sections 302 and 906 of the Sarbanes-Oxley Act and the related rules and regulations promulgated by the SEC or NASDAQ with respect to the Parent Reports, and the statements contained in such certifications are complete and correct. Neither the Company nor any of its officers has received notice from any Governmental Authority questioning or challenging the accuracy, completeness, form or manner of filing or submission of such certification.

(d) Parent has (i) established and maintains "disclosure controls and procedures" (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as required by Rule 13a-15 under the Exchange Act and (ii) has disclosed to its auditors and the audit committee of the Parent Board (A) any "significant deficiencies" or "material weaknesses" (as such terms are defined in the Public Accounting Oversight Board's Auditing Standard No. 5) in the design or operation of internal controls over financial reporting which could adversely affect its ability to record, process, summarize and report financial data and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in its internal control over financial reporting.

(e) Parent has designed and maintains a system of "internal control over financial reporting" (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). Parent's management, with the participation of Parent's chief executive and financial officers, has completed an assessment of the effectiveness of Parent's internal controls over financial reporting in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act for the fiscal year ended December 31, 2013, and such assessment concluded that such internal controls were effective using the framework specified in Parent's annual report on Form 10-K for the fiscal year ended December 31, 2013. To the knowledge of Parent, there is no reason to believe that its auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(f) Neither Parent nor any of its Subsidiaries has, since the enactment of the Sarbanes-Oxley Act, extended or maintained credit, arranged for the extension of credit, or renewed an extension of credit (within the meaning of Section 13(k) of

the Exchange Act), to or for any director or executive officer (or equivalent thereof) of Parent or any of its Subsidiaries.

Section 6.8 *Compliance with Laws; Permits*.

(a) Since January 1, 2011, neither Parent nor any of its Subsidiaries or the conduct of their respective businesses has been in violation in any material respect of any Applicable Law. Since such date, neither Parent nor any of its Subsidiaries has received any written notice, claim or assertion or, to Parent's knowledge, other communication from any Governmental Authority regarding any actual or possible violation of, or failure to comply with, any Applicable Law in any material respect. No condition exists which does or would reasonably be expected to constitute a violation of or deficiency in any material respect under any Applicable Law by Parent or any of its Subsidiaries.

(b) Parent and each of its Subsidiaries holds all material permits, licenses, certifications, grants, easements, permissions, qualifications, registrations, variances, exemptions, consents, orders, franchises, approvals or other authorizations (the "**Parent Permits**") of all Governmental Authorities or other Persons necessary for the ownership, leasing and operation of their respective assets and the lawful conduct of their respective businesses. All Parent Permits are in full force and effect and there exists no default thereunder or breach thereof in any material respect. Neither Parent nor any of its Subsidiaries has received written notice that any such material Parent Permit will be terminated or modified or cannot be renewed in the ordinary course of business (either before or after the Effective Time), and Parent has no knowledge of any reasonable basis for any such termination, modification or nonrenewal.

Section 6.9 *Litigation*.

(a) Except as set forth in Section 6.9(a) of the Parent Disclosure Letter, there are no material (i) Proceedings pending or, to Parent's knowledge, threatened against Parent or any of its Subsidiaries or their respective assets, or any director, officer or employee of Parent or any of its Subsidiaries in respect of which Parent or any of its Subsidiaries may be liable, at law or in equity, or (ii) Proceedings pending or, to Parent's knowledge, threatened against Parent or any of its Subsidiaries or their respective assets, or any director, officer or employee of Parent or any of its Subsidiaries in respect of which Parent or any of its Subsidiaries may be liable, before any Governmental Authority or arbitrator.

(b) No material order, writ, fine, injunction, decree, judgment, award or determination of any Governmental Authority has been issued or entered against Parent or any of its Subsidiaries or any of their respective officers or directors that continues to be in effect that affects the ownership or operation of any of its assets. Since January 1, 2011, no criminal order, writ, fine, injunction, decree, judgment or determination of any court or Governmental Authority has been issued against Parent or any of its Subsidiaries.

Section 6.10 *Absence of Certain Changes*. Since December 31, 2013, there has not been any event, change, occurrence, effect, or development of circumstances or facts that,

individually or in the aggregate, would reasonably be expected to have a Parent Material Adverse Effect. From December 31, 2013 to the date of this Agreement, Parent and its Subsidiaries have conducted their respective businesses only in the ordinary course and consistent with past practice in all material respects, and during such period there has not occurred:

(a) any recapitalization of Parent or any merger or consolidation of Parent or any of its Subsidiaries with any other Person;

(b) any acquisition of any business from any other Person;

(c) any creation or incurrence of any Liens, except for Permitted Liens, on any assets used in the businesses of Parent and its Subsidiaries having an aggregate value in excess of $100,000;

(d) any making of any loan, advance or capital contribution to, or investment in, any Person other than loans, advances or capital contributions to, or investments in, wholly-owned Subsidiaries of Parent;

(e) any material change by Parent or any of its Subsidiaries in any of its material accounting methods, policies, principles, procedures or practices, except for any change required by changes in GAAP or by Applicable Law, or any material Tax election with respect to Parent or any of its Subsidiaries;

(f) any declaration, setting aside or payment of any dividend or distribution (whether in cash, stock, property or any combination thereof) in respect of any capital stock of Parent or any of its Subsidiaries (other than dividends or distributions by an Subsidiary to Parent or another wholly-owned Subsidiary) or any redemption, purchase, repurchase or other acquisition by Parent or any of its Subsidiaries, directly or indirectly, of any outstanding shares of capital stock or other securities of, or other ownership interests in, Parent or any of its Subsidiaries;

(g) any issuance of shares of Parent Common Stock or other equity securities of Parent except pursuant to the Parent Stock Plans;

(h) any split, combination or reclassification of any capital stock of Parent or any of its Subsidiaries or any issuance or the authorization of any issuance of shares of Parent Common Stock or any other securities in respect of, in lieu of or in substitution for shares of that capital stock except pursuant to Parent Stock Plans;

(i) any sale, transfer, lease, license, mortgage, pledge or other disposition or encumbrance of any assets of Parent or its Subsidiaries, except for (i) surplus or obsolete equipment, (ii) sales, transfers, leases, licenses, mortgages, pledges or other dispositions or encumbrances of assets for a purchase price not in excess of, or with a fair market value not in excess of, $100,000 in any single transaction or series of related transactions, or (iii) sales, leases, licenses or other transfers between Parent and its wholly-owned Subsidiaries or between those Subsidiaries;

(j) any material damage to, or any material destruction or loss of, physical properties Parent or any of its Subsidiaries owns or uses, whether or not covered by insurance;

(k) except to the extent required under any Parent Benefit Plan as in effect on the date of this Agreement or as set forth in Section 6.01(k) of the Parent Disclosure Letter, any (i) increase in the compensation (including bonus opportunities) or fringe benefits of any of its directors, executive officers or employees (except in the ordinary course of business consistent with past practice with respect to employees who are not parties to an employment or change in control agreement), (ii) grant of any severance or termination pay, other than nominal severance to terminated employees in the ordinary course of business consistent with past practice, (iii) grant of equity awards to any director, officer, employee or contractor, (iv) entry into or amendment of any employment, consulting, change in control or severance agreement or arrangement with any of its present, former or future directors, officers, employees or contractors, or (v) except as required to comply with Applicable Law, establishment, adoption, entry into, or amendment in any material respect or termination of any Parent Benefit Plan or any action to accelerate entitlement to compensation or benefits under any Parent Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, in each such case, except as otherwise permitted pursuant to clauses (i) or (ii) of this paragraph; or

(l) any agreement to do any of the foregoing.

Section 6.11 *Taxes*.

(a) All material Returns required to be filed by or with respect to Parent or any of its Subsidiaries (including any Return required to be filed by an affiliated, consolidated, combined, unitary or similar group that included Parent or any of its Subsidiaries) ("**Parent Returns**") have been (i) properly filed on a timely basis with the appropriate Governmental Authorities, and (ii) prepared in all material respects in compliance with all Applicable Laws. All Taxes reflected on any Parent Return as due have been duly paid or deposited in full on a timely basis. All material Taxes required by law to have been withheld or collected by Parent or any of its Subsidiaries (including, but not limited to, Taxes required to have been withheld with respect to amounts paid or owing to any officer, employee, creditor, shareholder, independent contractor or other individual) have been withheld and collected and, to the extent required by law, have been timely paid, remitted or deposited to or with the relevant Governmental Authority.

(b) There is no Proceeding now pending or (to the knowledge of Parent) threatened in respect of any Parent Return or any material Tax liability of Parent or any of its Subsidiaries, and neither Parent nor any of its Subsidiaries have received written notice from any Governmental Authority of its intent to examine or audit any Parent Return, and no Governmental Authority is now asserting in writing any deficiency or claim for material Taxes or any material adjustment to Taxes with respect to which Parent or any of its Subsidiaries may be liable. Neither Parent nor any of its Subsidiaries has any liability for any Tax under Treas. Reg. § 1.1502-6 or any similar provision of any other Tax law, except for Taxes of an affiliated group of which Parent was and is the common parent, within the

meaning of Section 1504(a)(1) of the Code or any similar provision of any other Tax law. Neither Parent nor any of its Subsidiaries has granted any material request, agreement, consent or waiver to extend any period of limitations applicable to any Parent Return or the assessment of any material Tax upon Parent or any of its Subsidiaries. Neither Parent nor any of its Subsidiaries is a party to any closing agreement described in Section 7121 of the Code or to any agreement under any similar provision of any state, local or foreign law, and no agreement has otherwise been entered into with any Governmental Authority by or with respect to Parent or any of its Subsidiaries which require Parent or any of its Subsidiaries to adjust any Tax items of Parent or any of its Subsidiaries in any Return due after the date hereof. Neither Parent nor any of its Subsidiaries has been, and none of them will be, required to include any material adjustment in taxable income for any Tax period (or portion thereof) pursuant to Section 481 of the Code (or any comparable provision of state or foreign Tax laws) as a result of transactions or events occurring, or accounting methods employed, prior to the Closing. Neither Parent nor any of its Subsidiaries is (i) a party to, is bound by or has any obligation under any Tax sharing, allocation or indemnity agreement, (ii) is liable for Taxes of any Person or (iii) is currently under any contractual obligation or any similar agreement or arrangement to indemnify any Person with respect to any amounts of such Person's Taxes (in each case, other than such an agreement or arrangement exclusively between or among any of Parent and its Subsidiaries and other than customary Tax indemnifications contained in credit or similar agreements the primary purpose of which is not Taxes). Since January 1, 2010, Parent has not rescinded any material election relating to Taxes or settled or compromised any Proceeding or audit relating to any Parent Return or any material Taxes or, except as may be required by Applicable Law, made any material change to any of its methods of reporting income or deductions for federal income tax purposes. There are no requests for rulings, outstanding subpoenas or unsatisfied written requests from any Governmental Authority for information with respect to Taxes of Parent or any of its Subsidiaries. Parent has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code at any time within the past five years.

(c) Parent has disclosed on its federal income Returns all positions that could give rise to a material understatement penalty within the meaning of Section 6662 of the Code or any predecessor provision or comparable provision of state, local or foreign law. Neither Parent nor any of its Subsidiaries has at any time participated in a "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4(b) or similar transaction under any corresponding or similar provision of law.

(d) Neither Parent nor any of its Subsidiaries has been a "distributing" or "controlled" corporation within the meaning of Section 355 of the Code in any transaction intended to qualify under such section or any corresponding provision of foreign or state law.

(e) Parent and each of its Subsidiaries have complied in all material respects with the intercompany transfer pricing provisions of Section 482 (and any related sections) of the Code, the Treasury Regulations promulgated thereunder and any comparable provisions of state, local, domestic or foreign Tax law, including, but not limited to, the contemporaneous documentation and disclosure requirements thereunder.

(f) Neither Parent nor any of its Subsidiaries owns any interest in a controlled foreign corporation (as defined in Section 957 of the Code) or passive foreign investment company (as defined in Section 1297 of the Code).

(g) Except as set forth in Section 6.11(g) of the Parent Disclosure Letter, neither Parent nor any of its Subsidiaries is currently, or has been during the preceding five year period, subject to any type of Tax in any country other than the United States. Except for claims that were resolved more than five years prior to the date hereof, no claim has been made by any Governmental Authority in any foreign country where Parent and any of its Subsidiaries have not filed Returns and have not paid Taxes that Parent or any of its Subsidiaries is subject to Tax by that jurisdiction.

(h) Neither Parent nor any of its Subsidiaries knows of any fact or has taken or failed to take any action, that would reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

Section 6.12 *Employee Benefit Plans*.

(a) Section 6.12(a) of the Parent Disclosure Letter contains a list of all Parent Benefit Plans, as well as all outstanding Parent Equity Awards and their respective holders, along with their respective exercise prices, if applicable, and vesting schedules. The term "**Parent Benefit Plans**" means all employee benefit plans and other benefit arrangements, including all "employee benefit plans" as defined in Section 3(3) of ERISA, whether or not U.S.-based plans, and all other material employee benefit, pension, bonus, incentive, deferred compensation, stock option (or other equity-based, including all Parent Stock Plans), severance, employment, consulting, change in control, welfare (including post-retirement medical and life insurance), cafeteria, VEBA, vacation or other paid time off and fringe benefit plans, practices or agreements, whether or not subject to ERISA or U.S.-based and whether written or oral, sponsored, maintained or contributed to or required to be contributed to by Parent, its Subsidiaries or ERISA Affiliates, to which Parent, its Subsidiaries or ERISA Affiliates is a party or is required to provide benefits under any Applicable Law or in which any Person who is currently, has been or, prior to the Effective Time, is expected to become an employee of Parent or any of its Subsidiaries or ERISA Affiliates is a participant.

(b) Parent has made available to the Company true and complete copies of (i) the Parent Benefit Plans (including amendments) and, if applicable, the most recent trust agreements and amendments (including but not limited to any tax-exempt trust, secular trust, VEBA and rabbi trust documents), (ii) associated contracts and amendments thereto (including, but not limited to, insurance contracts, HMO/PPO/POS agreements, recordkeeping agreements, third party administrator agreements and stop loss insurance contracts), Forms 5500 or any

analogous reports filed with respect to non-U.S. based Parent Benefit Plans, including all schedules and attachments for the past three years, (iii) summary plan descriptions, summaries of material modifications including any analogous communications provided with respect to non-U.S. based Parent Benefit Plans, (iv) funding statements, annual trust reports and actuarial reports for the past three years, (v) Internal Revenue Service determination or opinion letters for each such plan that is intended to be

qualified within the meaning of Section 401(a) of the Code, Internal Revenue Service exemption rulings for any VEBA or other trust intended to be tax-exempt under Section 501(a) of the Code and any analogous letters or rulings for any non-U.S. based Parent Benefit Plan or funding arrangement intended to qualify for favorable tax treatment under foreign law.

(c) All applicable reporting and disclosure requirements have been met in all material respects with respect to the Parent Benefit Plans. The Parent Benefit Plans comply in all material respects with the requirements of ERISA, the Code and the regulations issued thereunder or with the statues and regulations of any applicable jurisdiction (including but not limited to non-U.S. jurisdictions with respect to any non-U.S. based Parent Benefit Plan).

(d) Each Parent Benefit Plan intended to be qualified under Section 401(a) of the Code has been timely amended to comply with the applicable qualification requirements, or may be retroactively amended to satisfy such requirements within the applicable remedial amendment period under Section 401(b) of the Code and has received, or has currently pending or will timely submit an application for, a favorable determination letter from the Internal Revenue Service that considers the qualification requirements enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and related legislation (or is entitled to rely upon a favorable opinion letter issued by the Internal Revenue Service with respect to such requirements). Each such Parent Benefit Plan has been maintained and operated in all material respects in accordance with its terms (or if applicable, such terms as will be adopted pursuant to a retroactive amendment under Section 401(b) of the Code), and has not, since receipt of the most recent favorable determination letter or opinion letter, been amended in a manner that would adversely affect such qualified status.

(e) Each Parent Benefit Plan that is a “nonqualified deferred compensation plan” (as defined in Section 409A(d)(1) of the Code) has been operated in good faith compliance with Section 409A of the Code, Internal Revenue Service Notice 2005-1 and the proposed or final Treasury regulations issued pursuant to Section 409A of the Code, as applicable, and, since January 1, 2009, has complied with the written document and operational requirements of Section 409A of the Code.

(f) To Parent’s knowledge, (i) there are no breaches of fiduciary duty in connection with the Parent Benefit Plans that would subject Parent, its Subsidiaries or Employees or any trustee, administrator or other fiduciary to any material liability for breach of fiduciary duty under ERISA or any other Applicable Law and (ii) no prohibited transaction under Section 4975 of the Code or Section 406 of ERISA with respect to which an individual, class or statutory exemption is not available has occurred that involves the assets of any Parent Benefit Plan that could subject Parent, its Subsidiaries or Employees, or any trustee, administrator or other fiduciary to material taxes or penalties under Section 4975 of the Code or Section 409 or 502 of ERISA.

(g) There are no pending or, to Parent’s knowledge, threatened Proceedings against or otherwise involving any Parent Benefit Plan, and no suit, action or other litigation (excluding routine claims for benefits incurred in the ordinary course of Parent

Benefit Plan activities) has been brought against or with respect to any such Parent Benefit Plan. There is no matter pending (other than routine qualification determination filings) with respect to any Parent Benefit Plan before the Internal Revenue Service, Department of Labor, Pension Benefit Guaranty Corporation or other Governmental Authority.

(h) All contributions required to be made as of the date of this Agreement to the Parent Benefit Plans have been timely made or provided for. All accruals (including where appropriate, proportional accruals for partial periods) under any Parent Benefit Plan for periods prior to the Effective Time have been made.

(i) No Parent Benefit Plan (including for such purpose, any employee benefit plan described in Section 3(3) of ERISA which Parent or any of its ERISA Affiliates established, maintained, sponsored or contributed to within the six-year period preceding the Effective Time) is (i) a “multiemployer plan” (as defined in Section 4001(a)(3) of ERISA), (ii) a “multiple employer plan” (within the meaning of Section 413(c) of the Code), (iii) a “defined benefit plan” (as defined in Section 3(35) of ERISA) or (iv) subject to Title IV or Section 302 or 303 of ERISA or Section 412, 430 or 436 of the Code.

(j) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby (either alone or upon the occurrence of any additional or subsequent events) shall (i) cause any payments or benefits to any employee, officer or director of Parent or any of its Subsidiaries to be either subject to an excise tax or non-deductible to Parent under Sections 4999 and 280G of the Code (or similar non-U.S. law), respectively, whether or not some other subsequent action or event would be required to cause such payment or benefit to be triggered, or (ii) constitute an event under any benefit plan, policy, arrangement or agreement or any trust or loan (in connection therewith) that will or may result in any payment (whether of severance pay or otherwise), acceleration, forgiveness of indebtedness, vesting, distribution, increase in benefits or obligations to fund benefits with respect to any employee of Parent or any Subsidiary thereof.

(k) To Parent’s knowledge, each Parent Benefit Plan, which is an employee benefit plan within the meaning of Section 3(3) of ERISA, regardless of whether subject to ERISA, may be unilaterally amended or terminated in its entirety without material liability except as to benefits vested and accrued thereunder prior to such amendment or termination. No Parent Benefit Plan provides medical, surgical, hospitalization, death or similar benefits (whether or not insured) for employees or former employees of Parent or any Subsidiary of Parent for periods extending beyond their retirement or other termination of service other than (i) coverage mandated by Section 4980B of the Code, as amended, and Sections 601 through 609 of ERISA, or similar state law (COBRA) or non-U.S. law, as applicable, (ii) death benefits under any pension plan or (iii) benefits the full cost of which is borne by the current or former employee (or his or her beneficiary).

(l) With respect to any non-U.S. based Parent Benefit Plan, (i) if intended to qualify for special tax treatment, each such non-U.S. plan meets the requirements for such treatment in all material respects; (ii) if intended to be book reserved, any such non-U.S. plan is fully book reserved based upon reasonable GAAP actuarial assumptions and methodology and fully reflects the financial effects of all prior transactions in relation to any

such book reserved plan; and (iii) if intended to be funded, any such non-U.S. plan is either fully funded or any shortfall is fully recognized as a book reserve, based upon reasonable GAAP actuarial assumptions and methodology and fully reflects the financial effects of all prior transactions in relation to such funded plan.

Section 6.13 *Labor and Employee Matters*.

(a) Neither Parent nor any of its Subsidiaries is a party to, or otherwise bound by, any consent decree with, or citation by, any Governmental Authority relating to employees or employment practices, including worker health and safety. Except as set forth in Section 6.13(a) of the Parent Disclosure Letter, since January 1, 2011, (i) neither Parent nor any of its Subsidiaries has been a party to any Proceeding in which Parent was, or is, alleged to have violated any Contract or Applicable Law relating to employment, equal employment opportunity, discrimination, harassment or retaliation, wrongful termination, immigration, the payment or calculation of wages or other compensation, hours, benefits, collective bargaining, the payment of social security and similar taxes, occupational safety and health, and/or privacy rights of employees; and (ii) neither Parent nor any of its Subsidiaries has received any written notice of intent by any Governmental Authority responsible for the enforcement of any Applicable Law regarding labor or employment to conduct an investigation or inquiry relating to Parent, and no such investigation or inquiry is in progress.

(b) Neither Parent nor any of its Subsidiaries is a party to any collective bargaining agreement or any other labor union contract. No labor organization or group of employees of Parent or any of its Subsidiaries has made, or to the knowledge of Parent threatened to make, a demand against Parent or any of its Subsidiaries for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the knowledge of Parent, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority involving any employees of Parent or any of its Subsidiaries. There are no ongoing, or to Parent's Knowledge, threatened, organizing activities, strikes, work stoppages, slowdowns, lockouts, or other material labor disputes pending or, to the knowledge of Parent, threatened against or involving Parent or any of its Subsidiaries.

(c) Parent and its Subsidiaries are in material compliance with (i) the documentary and other requirements of the Immigration Reform and Control Act of 1986 and the regulations promulgated thereunder (IRCA) and similar foreign Applicable Law and (ii) the wages and hours requirements under the Fair Labor Standards Act and the regulations promulgated thereunder and any similar state, local or foreign Applicable Law. Neither Parent nor any of its Subsidiaries has misclassified any person as (i) an independent contractor rather than as an employee under any Applicable Law or (ii) an employee exempt from Applicable Law regarding minimum wage or overtime compensation.

(d) Except for such matters that have not had and would not reasonably be expected to have, either individually or in the aggregate, a Parent Material Adverse Effect, (i) Parent and its Subsidiaries have complied with all Applicable Laws respecting the employment of labor, (ii) neither Parent nor any of its Subsidiaries has received

any complaint of any unfair labor practice, violation of worker health and safety or other unlawful employment practice or any notice of any material violation of any federal, state or local statutes, laws, ordinances, rules, regulations, orders or directives with respect to the employment of individuals by, or the employment practices of, Parent or any Subsidiary of Parent or the work conditions or the terms and conditions of employment and wages and hours of their respective businesses and (iii) there are no unfair labor practice charges, worker health and safety or other employee-related complaints against Parent or any Subsidiary of Parent pending or, to the knowledge of Parent, threatened, before any Governmental Authority by or concerning the employees working in their respective businesses.

Section 6.14 *Environmental Matters*.

(a) Parent and each Subsidiary of Parent is and since January 1, 2011, has been in compliance in all material respects with Environmental Laws (other than common law). There are no past or present facts, conditions or circumstances relating to or arising under any Environmental Laws that interfere in any material respect with the conduct of any of their respective businesses in the manner now conducted.

(b) Each of Parent and its Subsidiaries has, and is in compliance in all material respects with, all material permits and other authorizations and approvals required under applicable Environmental Laws for its operations, such permits, authorizations and approvals are in full force and effect, and all applications, notices or other documents have been timely filed as required to effect timely renewal, issuance or reissuance of such permits, authorizations and approvals.

(c) No judicial or administrative Proceedings or governmental investigations are pending or, to the knowledge of Parent, threatened against Parent or any of its Subsidiaries that allege the violation of or seek to impose liability, injunctive relief or remedial obligations pursuant to any Environmental Law, and except as would not reasonably be expected to result in a material violation of or liability under Environmental Law or would not be reasonably expected to have a Parent Material Adverse Effect, there has been no release or spill of or any other incident, condition or circumstance involving any Hazardous Materials (i) at, on, or from any property currently owned or operated by Parent or any of its Subsidiaries or, during the time of Parent's or any of its Subsidiaries' ownership or operation, formerly owned or operated by Parent or any of its Subsidiaries, (ii) for which Parent or any of its Subsidiaries has assumed responsibility, or (iii) associated with the off-site disposal of Hazardous Materials by Parent or any of its Subsidiaries.

(d) Parent has not (i) received any written notice of noncompliance with, violation of, deficiency, or liability or potential liability under any Environmental Law, (ii) received any written third-party claim asserting liability of Parent for matters arising under Environmental Laws or under contracts pursuant to which Parent or its Subsidiaries assumed environmental obligations with respect to those environmental obligations, or (iii) entered into any consent decree or order or is subject to any order of any court or Governmental Authority in each case either under any Environmental Law or relating to the cleanup of any Hazardous Materials and in each case, since January 1, 2011 or that remains unresolved or outstanding.

(e) Parent has delivered to or otherwise made available for inspection by the Company true, complete and correct copies and results of any material reports, studies, analyses, cost estimates, tests or monitoring possessed or initiated by Parent pertaining to Hazardous Materials in, on, beneath or adjacent to any property currently or formerly owned, operated or leased by Parent or any of its Subsidiaries or for which Parent or any of its Subsidiaries has assumed contractual liability for environmental conditions, or regarding Parent's or its Subsidiaries' compliance with applicable Environmental Laws.

(f) The representations and warranties made pursuant to this Section 6.14 and Section 6.6 are the exclusive representations and warranties by Parent regarding compliance with or liability under Environmental Laws or Hazardous Materials.

Section 6.15 *Properties*.

(a) Each of Parent and its Subsidiaries has good and marketable title to, or valid leasehold interests in, all properties and assets purported to be owned or leased by it, respectively, in Parent's annual report on Form 10-K for the year ended December 31, 2013, except for such properties and assets as are no longer used or useful in the conduct of its businesses or as have been disposed of in the ordinary course of business, and except for defects in title, easements, restrictive covenants and similar encumbrances or impediments that, individually or in the aggregate, do not and will not materially interfere with its ability to conduct its business as currently conducted. All such assets and properties are free and clear of all Liens, other than Permitted Liens.

(b) Each of Parent and its Subsidiaries has complied, in all material respects, with the terms of all leases, subleases, easements, licenses and other occupancy agreements to which it is a party and under which it is in occupancy, and all such agreements are in full force and effect. Each of Parent and its Subsidiaries enjoys peaceful and undisturbed possession under all such agreements.

(c) The assets, properties and rights owned or leased by Parent or and its Subsidiaries comprise all the assets, properties and rights utilized by Parent or any of its Subsidiaries in the operation of their respective businesses as presently conducted, and, in the aggregate, are sufficient to permit Parent and its Subsidiaries to operate their respective businesses as presently conducted.

(d) All items of operating equipment owned or leased by Parent and its Subsidiaries are in a state of repair so as to be adequate, in all material respects, for operations in the areas in which they are operated.

(e) Section 6.15(e) of the Parent Disclosure Letter sets forth a true and complete list of all real property, facilities, office space and similar property owned by Parent or any of its Subsidiaries, together with the physical address of and primary use for each such property.

Section 6.16 *Intellectual Property.*

(a) Section 6.16(a) of the Parent Disclosure Letter (i) lists all U.S. and foreign patents, published patent applications, trademark and service mark applications and registrations, copyright registrations and domain names that are owned by Parent or any of its Subsidiaries (the "**Parent Registered IP**"), (ii) indicates for each item of Parent Registered IP the applicable jurisdiction, title, registration number (or application number), the owner and all current applicants, (iii) lists all agreements (excluding shrink wrap or other similar licenses with respect to off-the-shelf-software) whereby Parent or any of its Subsidiaries has been granted the legal right to use any Parent IP that Parent or any of its Subsidiaries does not own, (iv) lists all agreements whereby Parent or any of its Subsidiaries grants to any Person the right to use any Parent IP, other than such agreements which grant such rights, without payment of a royalty, for use with a specific project or with equipment purchased from Parent and (v) lists all agreements entered into since January 1, 2011 whereby Parent or any of its Subsidiaries grants to any Person an indemnity with respect to the Intellectual Property of any Person.

(b) The Parent Registered IP is currently in compliance with all formal legal requirements (including the payment of all filing, examination and annuity and maintenance fees and proof of working or use) and none of the registrations of such Parent Registered IP has lapsed or expired or been cancelled, abandoned or deemed abandoned, other than at the election of Parent or at the end of the full available term for such rights.

(c) Parent or its Subsidiaries owns or has the legal right to use, free and clear of all Liens other than Permitted Liens, all the Parent IP. The Parent IP is sufficient, in all material respects, to enable Parent, the Surviving Entity and any of their Subsidiaries, following the Merger, to operate the business of the Parent as currently conducted and, together with the Company IP, as currently proposed to be conducted in the future.

(d) (i) No Proceeding against Parent or any of its Subsidiaries regarding any Parent IP is pending or, to the knowledge of Parent, threatened, (ii) to the knowledge of Parent, no Person is infringing or misappropriating Parent IP that is material to the business or operations of Parent or any of its Subsidiaries, (iii) neither the Parent IP nor any product or service of Parent or any of its Subsidiaries currently offered or provided, or offered or provided since January 1, 2009, infringes or misappropriates the Intellectual Property of any Person, (v) neither Parent nor any of its Subsidiaries has received any claim or notice alleging any infringement, misappropriation or violation by Parent or any of its Subsidiaries of the Intellectual Property of any Person or alleging that the operation of the business of Parent as currently conducted or as currently

proposed to be conducted in the future requires a license to the Intellectual Property of any Person, and (v) neither Parent nor any of its Subsidiaries has received any charge, complaint, claim or notice that any of the Parent Registered IP is unenforceable or invalid.

Section 6.17 *Insurance*. Section 6.17 of the Parent Disclosure Letter lists each insurance policy (including any commercial property and casualty, general liability, workers' compensation, liability, pollution liability, directors and officers and other liability policies) owned by Parent or any of its Subsidiaries or which names Parent or any of its Subsidiaries as an insured (or loss payee) currently in effect, and Parent has made available to the Company a true, complete and correct copy of each such policy or the binder therefor. Each such policy is in full force and effect, is

in such amount and covers such losses and risks as are consistent with industry practice and is adequate, in the judgment of senior management of Parent, to protect the properties and businesses of Parent and its Subsidiaries, and all premiums due under each such policy have been paid. With respect to each such insurance policy, none of Parent, any of its Subsidiaries or, to Parent's knowledge, any other party to the policy is in breach or default in any material respect thereunder (including with respect to the payment of premiums or the giving of notices), and Parent does not know of any occurrence or any event which (with notice or the lapse of time or both) would constitute such a breach or default or permit termination, modification or acceleration under the policy. None of Parent or any of its Subsidiaries has been refused any insurance with respect to its assets or operations since January 1, 2011. Section 6.17 of the Parent Disclosure Letter describes any self-insurance arrangements affecting Parent.

Section 6.18 *Certain Contracts*.

(a) Section 6.18 of the Parent Disclosure Letter sets forth a list, as of the date of this Agreement, of each of the following Contracts by which Parent or any of its Subsidiaries is a party or bound:

(i) any lease of real or personal property providing for annual rentals of $100,000 or more;

(ii) any partnership, joint venture or other similar agreement or arrangement;

(iii) any Contract (other than solely among direct or indirect wholly-owned Subsidiaries of Parent) relating to (A) any outstanding Debt or (B) any guarantee furnished by or on behalf of Parent or any of its Subsidiaries;

(iv) any Contract made since January 1, 2011 relating to the disposition or acquisition of material assets not in the ordinary course of business having a value in excess of $100,000;

(v) any Contract that is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Exchange Act);

(vi) any Contract or covenant that (A) purports to limit the type of business in which Parent or its Subsidiaries may engage or the manner or locations in which any of them may so engage in any business or (B) could require the disposition of any material assets or line of business of Parent or its Subsidiaries;

(vii) any Contract under which Parent or any of its Subsidiaries has agreed to indemnify or reimburse any surety in respect of amounts paid or claimed against any surety bonds, which such surety bonds (bid, performance or other) were obtained in connection with services being performed by Parent or any of its Subsidiaries are set forth in Section 6.18(a)(vii) of the Parent Disclosure Letter; and

(viii) any other Contract or group of Contracts with a single counterparty that, if terminated or subject to a default by any party thereto, would reasonably be expected to result, individually or in the aggregate, in a Parent Material Adverse Effect (the Contracts described in clauses (i)—(viii), whether or not included as an exhibit to the Parent Reports, and together with all exhibits and schedules to such Contracts, being referred to herein each as a "**Parent Material Contract**").

(b) Parent has previously made available to the Company true, complete and correct copies of each Parent Material Contract that is not included as an exhibit to the Parent Reports.

(c) Each Parent Material Contract is in full force and effect, and Parent and each of its Subsidiaries have performed all obligations required to be performed by them, in all material respects, to date under each Parent Material Contract to which they are party. Neither Parent nor any of its Subsidiaries (i) is in material breach of or violation or default under any Parent Material Contract or (ii) has received written notice of any such material breach, violation or default or the desire of the other party or parties to any such Parent Material Contract to exercise any rights such party has to cancel, terminate or repudiate such contract or exercise remedies thereunder. Each Parent Material Contract is enforceable by Parent or a Subsidiary of Parent in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights and general principles of equity.

Section 6.19 *Government Contracts*. Section 6.19 of the Parent Disclosure Letter sets forth a true, correct and complete list, of all (a) Government Contracts to which Parent or any of its Subsidiaries is a party, the period of performance of which has not yet expired or terminated and for which final payment has not yet been received and (b) outstanding bids and proposals that have been submitted by Parent or any of its Subsidiaries to any Governmental Authority, any proposed prime contractor to a Governmental Authority or any proposed higher-tiered subcontractor. The Government Contracts set forth on Section 6.19(a) of the Parent Disclosure Letter are in full force and effect, and neither Parent nor any of its Subsidiaries is in material breach or non-compliance thereunder or under any representation or certification in respect thereof.

Section 6.20 *No Brokers*. Parent has not entered into any contract, arrangement or understanding with any Person which may result in the obligation of Parent, the Company or their respective Affiliates to pay any finder's fees, brokerage or other like payments in connection with the

negotiations leading to this Agreement or the consummation of the Merger and the other transactions contemplated hereby, except that Parent has retained the Parent Financial Advisor. Parent has heretofore furnished to the Company a correct and complete copy of all agreements (including any amendment, waivers of other charges thereto) between Parent and the Parent Financial Advisor pursuant to which such firm would be entitled to any payment relating to the transactions contemplated hereby.

Section 6.21 *Company Stock Ownership*. Neither Parent nor any of its Subsidiaries owns any shares of capital stock of the Company or any other securities convertible into or otherwise exercisable to acquire shares of capital stock of the Company.

Section 6.22 *Vote Required*. The only votes of the holders of any class or series of Parent capital stock necessary to approve any transaction contemplated by this Agreement are (i) the affirmative vote in favor of the adoption and approval of the Reverse Stock Split and the Parent Name Change as set forth in the Parent Amended Certificate, by the holders of at least 66.67% of the outstanding shares of Parent Common Stock and (ii) the vote of the holders of shares of Parent Common Stock required by NASDAQ Rule 5635(d) to approve the issuance of shares of Parent Common Stock in the Merger (the votes described in clauses (i) and (ii), collectively, the "**Parent Shareholder Approval**").

Section 6.23 *Improper Payments.*

(a) Parent and its Affiliates, directors, officers and employees have complied with the Foreign Corrupt Practices Act, and any other applicable anticorruption or antibribery laws. Except for "facilitating payments" (as such term is defined in the Foreign Corrupt Practices Act and other Applicable Law), neither Parent nor any of its Affiliates, directors, officers, employees, agents or other Representatives acting on its behalf have directly or indirectly offered, paid, promised to pay or authorized the payment of anything of value, including but not limited to cash, checks, wire transfers, tangible and intangible gifts, favors and services, to a Foreign Government Official or any other person while knowing or having a reasonable belief that all or some portion would be used for the purpose of: (i) influencing any act or decision of a Foreign Government Official, including a decision to fail to perform official functions, (ii) inducing any Foreign Government Official to do or omit to do any act in violation of the lawful duty of such official, or (iii) inducing any Foreign Government Official to use influence with any government, department, agency or instrumentality in order to assist Parent in obtaining or retaining business with, or directing business to any person or otherwise securing for any person an improper advantage.

(b) Parent and its Affiliates have developed and implemented a Foreign Corrupt Practices Act compliance program which includes corporate policies and procedures designed to ensure compliance with the Foreign Corrupt Practices Act and any other applicable anticorruption and antibribery laws.

(c) No civil or criminal penalties have been imposed on Parent or any of its Affiliates with respect to violations of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws and, since January 1, 2011, no Governmental Authority has notified Parent of any actual or alleged violation or breach of the Foreign Corrupt Practice Act or any other applicable anticorruption or antibribery law.

(d) To Parent's knowledge, Parent and its Subsidiaries have not been since January 1, 2011 and are not now under any administrative, civil or criminal investigation or indictment involving alleged violations of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws. Neither Parent nor any of its Subsidiaries are participating in any investigation by a Governmental Authority relating to alleged violations by Parent or its Affiliates of the Foreign Corrupt Practices Act or any other applicable anticorruption or antibribery laws.

Section 6.24 *Takeover Statutes; Rights Agreement*. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not cause this Agreement or the Merger to be subject to any takeover or similar provision of the TBOC or any other similar provision that limits or restricts business combinations or the ability to acquire voting shares, and neither the execution of this Agreement, the consummation of the Merger or the other transactions contemplated hereby shall be, or shall be deemed to be, a "affiliated business combination" within the meaning of Section 21.601-21.610 of the TBOC. Parent has no share purchase rights plan or similar rights plan limiting any party's ability to acquire shares in the Parent without the Parent Board's approval.

Section 6.25 *Affiliate Transactions*. Section 6.25 of the Parent Disclosure Letter sets forth a correct and complete list of the Contracts (other than Parent Benefit Plans) or transactions under which Parent or any of its Subsidiaries has any existing or future liabilities, in each case between Parent or any of its Subsidiaries, on the one hand, and, on the other hand, any (a) present executive officer or director of Parent or any individual that has served as such an executive officer or director within the past two years or any of such executive officer's or director's immediate family members, (b) record or beneficial owner of more than 5% of the Parent Common Stock, or (c) to the knowledge of Parent, any Affiliate of any such executive officer, director or owner (other than Parent or any of its Subsidiaries) (each, a "**Parent Affiliate Transaction**"). Company has been provided with true and complete copies of any such Contracts or arrangements.

ARTICLE VII.

COVENANTS

Section 7.1 *Conduct of Business by the Company*. The Company covenants and agrees as to itself and its Subsidiaries that, prior to the Effective Time, unless Parent has consented in writing, and except as otherwise expressly contemplated by this Agreement, the business of the Company and its Subsidiaries shall be conducted only in the ordinary course of business consistent with past practices and, to the extent consistent therewith, the Company and its Subsidiaries shall use their respective reasonable best efforts to preserve their business organizations intact, maintain existing relations and goodwill with Governmental Authorities, customers, suppliers, creditors, lessors, employees and business associates and keep available the services of the present employees and agents of the Company and its Subsidiaries. Without limiting the generality of the foregoing and in furtherance thereof, from the date

of this Agreement until the Effective Time, except (A) as otherwise expressly contemplated by this Agreement, (B) as Parent may consent in writing or (C) as set forth in Section 7.1 of the Company Disclosure Letter, the Company shall not directly or indirectly, and shall not permit any of its Subsidiaries to:

(a) amend the Company Articles of Incorporation or Company Bylaws or other applicable governing instruments or the organizational documents of any of its Subsidiaries;

(b) merge or consolidate with any Person or acquire (whether by acquisition of stock or assets, joint venture or otherwise) any Person or assets, in any single transaction (or series of related transactions) in excess of $100,000;

(c) (i) adjust, reclassify, split, combine, subdivide, authorize for issuance, issue or sell, pledge, dispose of or subject to any Lien any shares of any class of capital stock or other equity interest of the Company or any Subsidiary or any options, warrants, restricted stock, restricted stock units, convertible securities, stock appreciation rights, performance units, bonus stock, "phantom" stock rights, redemption rights, repurchase rights, agreements, arrangements, calls, commitments or other rights of any kind to acquire any such shares or any other equity interest, of the Company or any Subsidiary, other than issuances of shares of the Company Common Stock upon exercise or settlement of the Company Equity Awards outstanding on the date of this Agreement or (ii) repurchase, redeem or otherwise acquire any securities or equity equivalents except in the ordinary course of business in connection with (x) the cashless exercise of the Company Options in accordance with the Company Stock Plans, or (y) the settlement of the Company Equity Awards or the Company Options, in each case, in order to satisfy withholding or exercise price obligations in accordance with the Company Stock Plans;

(d) except to the extent required under any Company Benefit Plan as in effect on the date of this Agreement, (i) increase the compensation (including bonus opportunities) or fringe benefits of any of its directors, executive officers or employees (except (x) in the ordinary course of business consistent with past practice with respect to employees who are not executive officers or parties to an employment or change in control agreement and (y) with respect to bonus opportunities awarded following the execution of this Agreement as long as such bonus awards are not in excess of the awards made to such recipients in the prior calendar year), (ii) grant any severance or termination pay, other than nominal severance to terminated employees in the ordinary course of business consistent with past practice, (iii) make any new equity (or equity-based) awards to any director, officer, employee or contractor or make any changes to existing equity (or equity-based) awards not required by any Company Benefit Plan or such awards, it being understood that to the extent any such awards are to be made or changed and are disclosed in Section 7.1 of the Company Disclosure Letter, in no event shall such awards include provisions therein that would result (whether pursuant to the award agreement or plan document or other instrument that governs any such awards) in the vesting of such awards upon the consummation of the transactions contemplated in this Agreement, (iv) enter into or amend any employment, consulting, change in control or severance agreement or arrangement with any of its present, former or future directors, officers, employees or contractors, (v) establish, adopt, enter into, freeze or amend in any material respect or terminate any Company Benefit Plan or, except as otherwise provided herein, take any action to accelerate entitlement to compensation or benefits under any Company Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, in each such case, except as otherwise permitted pursuant to clauses (i), (ii) or (iii) of this paragraph; *provided* that in no event may any tax gross-up or tax reimbursement feature be granted or made more favorable to any individual, (vi) pay, accrue or certify performance level achievements at levels in excess of actually achieved performance in respect of any component of an incentive-based award, or amend or waive any performance or vesting criteria or accelerate vesting, exercisability, distribution, settlement or funding under any Company Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, except as required by the terms of the Company Benefit Plans as in effect on the date hereof, (vii) take any action with respect to salary, compensation, benefits or other terms and conditions of employment that

would result in the holder of an employment or change in control agreement having "good reason" (within the meaning of such agreement) to terminate employment and collect severance payments and benefits pursuant to such agreement, and (viii) terminate the employment of any holder of an employment or change in control agreement other than for "cause" (within the meaning of such agreement);

(e) (i) declare, set aside, make or pay any dividend or other distribution or payment (whether in cash, equity interests or property or any combination thereof) with respect to any shares of any class of capital stock or other equity interests of the Company or any of its Subsidiaries (other than dividends or distributions by any Subsidiary to the Company or another wholly-owned Subsidiary) or (ii) redeem, purchase or otherwise acquire any of the Company's or any of its Subsidiaries' capital stock, or make any commitment for any such action other than pursuant to the Company Stock Plans as in effect on the date hereof;

(f) sell, lease, license, subject to a Lien, encumber (including by the grant of any option thereon) or otherwise surrender, relinquish or dispose of any of the assets or properties of the Company or its Subsidiaries (including capital stock of Subsidiaries) except for (i) sales of surplus or obsolete equipment, (ii) sales, leases, licenses or other transfers between the Company and its wholly-owned Subsidiaries or between those Subsidiaries or (iii) sales, leases, licenses or other dispositions of assets or properties with a fair market value not in excess of $100,000;

(g) enter into any joint venture, partnership or other similar arrangement or make any loan, capital contribution or advance to or investment in any other Person (other than the Company or any wholly-owned Subsidiary of the Company);

(h) change any of the material accounting methods, policies, principles, procedures or practices except as may be required as a result of a change in GAAP;

(i) fail to maintain in full force without interruption its present insurance policies or comparable insurance coverage;

(j) make or rescind any material election relating to Taxes;

(k) settle or compromise any Proceeding, other than in the ordinary course of business consistent with past practice, or enter into any consent, decree, injunction or similar restraint or form of equitable relief in settlement of any material Proceeding or waive, release or assign any rights or claims;

(l) (i) create, incur or assume any Debt, issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee any Debt or debt securities of another Person, enter into any "keep well" or other Contract to maintain any financial condition of another Person or enter into any arrangement having the economic effect of any of the foregoing, except intercompany Debt among the Company and its Subsidiaries in the ordinary course of business consistent with past practice; (ii) repurchase, repay, defease or pre-pay any Debt, except (A) repayments in the ordinary course of business or (B) repayments of indebtedness

by a Subsidiary of the Company to the Company or its wholly-owned Subsidiaries; or (iii) except with respect to any Proceeding, pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, contingent or otherwise), except in the ordinary course of business consistent with past practice;

(m) (i) mortgage, pledge, or suffer to exist any Liens (other than Permitted Liens) on, any asset or property, or (ii) pledge or otherwise encumber any shares of capital stock of the Company or any of its Subsidiaries;

(n) except for capital expenditures for items and in the amounts set forth in the capital budget included in Section 7.1(n) of the Company Disclosure Letter, make, authorize or enter into any commitment for any capital expenditures in excess of $100,000 in the aggregate;

(o) other than in the ordinary course of business consistent with past practice, (i) modify, amend or terminate or waive any rights under any Company Material Contract, or (ii) enter into any new agreement that would have been a Company Material Contract if it were entered into at or prior to the date hereof;

(p) enter into, renew, extend, amend, grant a waiver under or terminate (other than terminations in accordance with their terms) any Company Affiliate Transaction or transaction that would be a Company Affiliate Transaction if such transaction occurred prior to the date hereof;

(q) adopt or implement a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization of the Company or any of its Subsidiaries;

(r) purchase or otherwise acquire, directly or indirectly, any of the capital stock of Parent or any of its Subsidiaries or securities convertible or exchangeable into or exercisable for any shares of capital stock of Parent or any of its Subsidiaries;

(s) subject to Section 7.3, take any action that would, or would reasonably be expected to, (i) result in any condition in Article VIII not being satisfied, (ii) prevent, materially delay or materially impede the consummation of the Merger or the other transactions contemplated by this Agreement or (iii) cause any representation in the applicable form of representation certificate contemplated by Section 8.2(d) hereof to be untrue as of the Closing;

(t) except for actions taken pursuant to Section 7.5, take any action that would reasonably be expected to cause the Merger to fail to qualify as a "reorganization" under Section 368(a) of the Code (whether or not otherwise permitted by the provisions of this Article VII) or fail to take any commercially reasonable action necessary to cause the Mergers to so qualify; or

(u) agree or commit to do any of the foregoing.

Section 7.2 *Conduct of Business by Parent.* Parent covenants and agrees as to itself and its Subsidiaries that, prior to the Effective Time, unless the Company has consented in writing, and except as otherwise expressly contemplated by this Agreement, the business of Parent and its Subsidiaries shall be conducted only in the ordinary course of business consistent with past practices and, to the extent consistent therewith, Parent and its Subsidiaries shall use their respective reasonable best efforts to preserve their business organizations intact, maintain existing relations and goodwill with Governmental Authorities, customers, suppliers, creditors, lessors, employees and business associates and keep available the services of the present employees and agents of Parent and its Subsidiaries. Without limiting the generality of the foregoing and in furtherance thereof, from the date of this Agreement until the Effective Time, except (A) as otherwise expressly contemplated by this Agreement, (B) as the Company may consent in writing or (C) as set forth in Section 7.2 of the Parent Disclosure Letter, Parent shall not directly or indirectly, and shall not permit any of its Subsidiaries to:

(a) amend the Parent Certificate of Formation or other applicable governing instruments or the organizational documents of any of its Subsidiaries;

(b) merge or consolidate with any Person or acquire (whether by acquisition of stock or assets, joint venture or otherwise) any Person or assets, in any single transaction (or series of related transactions) in excess of $100,000;

(c) (i) other than the Reverse Stock Split, adjust, reclassify, split, combine, subdivide, authorize for issuance, issue or sell, pledge, dispose of or subject to any Lien any shares of any class of capital stock or other equity interest of Parent or any Subsidiary or any options, warrants, restricted stock, restricted stock units, convertible securities, stock appreciation rights, performance units, bonus stock, "phantom" stock rights, redemption rights, repurchase rights, agreements, arrangements, calls, commitments or other rights of any kind to acquire any such shares or any other equity interest, of Parent or any Subsidiary, other than issuances of shares of the Parent Common Stock upon exercise or settlement of the Parent Equity Awards outstanding on the date of this Agreement or (ii) repurchase, redeem or otherwise acquire any securities or equity equivalents except in the ordinary course of business in connection with (x) the cashless exercise of the Parent Options in accordance with the

Parent Stock Plans, or (y) the settlement of the Parent Equity Awards or the Parent Options, in each case, in order to satisfy withholding or exercise price obligations in accordance with the Parent Stock Plans;

(d) except to the extent required under any Parent Benefit Plan as in effect on the date of this Agreement, (i) increase the compensation (including bonus opportunities) or fringe benefits of any of its directors, executive officers or employees (except (x) in the ordinary course of business consistent with past practice with respect to employees who are not executive officers or parties to an employment or change in control agreement and (y) with respect to bonus opportunities awarded following the execution of this Agreement as long as such bonus awards are not in excess of the awards made to such recipients in the prior calendar year), (ii) grant any severance or termination pay, other than nominal severance to terminated employees in the ordinary course of business consistent with past practice, (iii) make any new equity (or equity-based) awards to any director, officer, employee or contractor or make any changes to existing equity (or equity-based) awards not

required by any Parent Benefit Plan or such awards, it being understood that to the extent any such awards are to be made or changed and are disclosed in Section 7.2 of the Parent Disclosure Letter, in no event shall such awards include provisions therein that would result (whether pursuant to the award agreement or plan document or other instrument that governs any such awards) in the vesting of such awards upon the consummation of the transactions contemplated in this Agreement, (iv) enter into or amend any employment, consulting, change in control or severance agreement or arrangement with any of its present, former or future directors, officers, employees or contractors, (v) establish, adopt, enter into, freeze or amend in any material respect or terminate any Parent Benefit Plan or, except as otherwise provided herein, take any action to accelerate entitlement to compensation or benefits under any Parent Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, in each such case, except as otherwise permitted pursuant to clauses (i), (ii) or (iii) of this paragraph; *provided* that in no event may any tax gross-up or tax reimbursement feature be granted or made more favorable to any individual, (vi) pay, accrue or certify performance level achievements at levels in excess of actually achieved performance in respect of any component of an incentive-based award, or amend or waive any performance or vesting criteria or accelerate vesting, exercisability, distribution, settlement or funding under any Parent Benefit Plan or otherwise for the benefit of any present, former or future director, officer, employee or contractor, except as required by the terms of the Parent Benefit Plans as in effect on the date hereof, (vii) take any action with respect to salary, compensation, benefits or other terms and conditions of employment that would result in the holder of an employment or change in control agreement having "good reason" (within the meaning of such agreement) to terminate employment and collect severance payments and benefits pursuant to such agreement, and (viii) terminate the employment of any holder of an employment or change in control agreement other than for "cause" (within the meaning of such agreement);

(e) (i) declare, set aside, make or pay any dividend or other distribution or payment (whether in cash, equity interests or property or any combination thereof) with respect to any shares of any class of capital stock or other equity interests of Parent or any of its Subsidiaries (other than dividends or distributions by any Subsidiary to Parent or another wholly-owned Subsidiary) or (ii) redeem, purchase or otherwise acquire any of Parent's or and of its Subsidiaries' capital stock, or make any commitment for any such action other than pursuant to the Parent Stock Plans as in effect on the date hereof;

(f) sell, lease, license, subject to a Lien, encumber (including by the grant of any option thereon) or otherwise surrender, relinquish or dispose of any of the assets or properties of Parent or its Subsidiaries (including capital stock of Subsidiaries) except for (i) sales of surplus or obsolete equipment, (ii) sales, leases, licenses or other transfers between Parent and its wholly-owned Subsidiaries or between those Subsidiaries or (iii) sales, leases, licenses or other dispositions of assets or properties with a fair market value not in excess of $100,000;

(g) enter into any joint venture, partnership or other similar arrangement or make any loan, capital contribution or advance to or investment in any other Person (other than Parent or any wholly-owned Subsidiary of Parent);

(h) change any of the material accounting methods, policies, principles, procedures or practices except as may be required as a result of a change in GAAP;

(i) fail to maintain in full force without interruption its present insurance policies or comparable insurance coverage;

(j) make or rescind any material election relating to Taxes;

(k) settle or compromise any Proceeding, other than in the ordinary course of business consistent with past practice, or enter into any consent, decree, injunction or similar restraint or form of equitable relief in settlement of any material Proceeding or waive, release or assign any rights or claims;

(l) (i) create, incur or assume any Debt, issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities of Parent or any of its Subsidiaries, guarantee any Debt or debt securities of another Person, enter into any "keep well" or other Contract to maintain any financial condition of another Person or enter into any arrangement having the economic effect of any of the foregoing, except intercompany Debt among Parent and its Subsidiaries in the ordinary course of business consistent with past practice; (ii) repurchase, repay, defease or pre-pay any Debt, except (A) repayments in the ordinary course of business or (B) repayments of indebtedness by a Subsidiary of Parent to Parent or its wholly-owned Subsidiaries; or (iii) except with respect to any Proceeding, pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, contingent or otherwise), except in the ordinary course of business consistent with past practice;

(m) (i) mortgage, pledge, or suffer to exist any Liens (other than Permitted Liens) on, any asset or property, or (ii) pledge or otherwise encumber any shares of capital stock of Parent or any of its Subsidiaries;

(n) except for capital expenditures for items and in the amounts set forth in the capital budget included in Section 7.2(n) of the Parent Disclosure Letter, make, authorize or enter into any commitment for any capital expenditures in excess of $100,000 in the aggregate;

(o) other than in the ordinary course of business consistent with past practice, (i) modify, amend or terminate or waive any rights under any Parent Material Contract, or (ii) enter into any new agreement that would have been a Parent Material Contract if it were entered into at or prior to the date hereof;

(p) enter into, renew, extend, amend, grant a waiver under or terminate (other than terminations in accordance with their terms) any Parent Affiliate Transaction or transaction that would be a Parent Affiliate Transaction if such transaction occurred prior to the date hereof;

(q) adopt or implement a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization of Parent or any of its Subsidiaries;

(r) purchase or otherwise acquire, directly or indirectly, any of the capital stock of the Company or any of its Subsidiaries or securities convertible or exchangeable into or exercisable for any shares of capital stock of the Company or any of its Subsidiaries;

(s) subject to Section 7.3, take any action that would, or would reasonably be expected to, (i) result in any condition in Article VIII not being satisfied, (ii) prevent, materially delay or materially impede the consummation of the Merger or the other transactions contemplated by this Agreement or (iii) cause any representation in the applicable form of representation certificate contemplated by Section 8.3(d) hereof to be untrue as of the Closing;

(t) except for actions taken pursuant to Section 7.5, take any action that would reasonably be expected to cause the Merger to fail to qualify as a "reorganization" under Section 368(a) of the Code (whether or not otherwise permitted by the provisions of this Article VII) or fail to take any commercially reasonable action necessary to cause the Merger to so qualify; or

(u) agree or commit to do any of the foregoing.

Section 7.3 *No Solicitation*.

(a) Each of the Company and Parent (each, a "**No-Shop Party**" and, with respect to each other, the "**Other Party**") agrees that neither it nor any of its Subsidiaries shall, and each No Shop Party shall cause its and its Subsidiaries' Representatives not to, directly or indirectly, (i) solicit, initiate, approve, endorse, recommend or encourage, or take any other action designed to, or which would reasonably be expected to, facilitate, any inquiry or the making or announcement of any proposal or offer that constitutes, or that would reasonably be expected to lead to, an Acquisition Proposal in respect of such No-Shop Party, (ii) engage, continue or otherwise participate in any discussions or negotiations regarding, or furnish (or cause to be furnished) non-public information relating to such No-Shop Party or any of its Subsidiaries or afford access to properties, books or records of the No-Shop Party or any of its Subsidiaries to any Person in connection with or in furtherance of any Acquisition Proposal, (iii) approve or recommend, or propose to approve or recommend, or consummate, execute or enter into any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, exchange agreement, option agreement, joint venture agreement, partnership agreement or other agreement, constituting or related to, or that is intended to or would reasonably be expected to lead to an Acquisition Proposal (other than confidentiality agreements contemplated by this Section 7.3), or (iv) propose publicly or agree to do any of the foregoing. Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in this paragraph by any Representative of a No-Shop Party or any of its Subsidiaries, whether or not such Person is purporting to act on behalf of such No-Shop Party or any of its Subsidiaries or otherwise, shall be a breach of this Section 7.3(a) by such No-Shop Party.

Notwithstanding the foregoing, at any time prior to (but not after) obtaining the Company Shareholder Approval or the Parent Shareholder Approval, as applicable, a No-Shop Party may, directly or indirectly through its Representatives, (i) furnish information and access, but only in response to a written request for information or access, to any person making an Acquisition Proposal which was not solicited, initiated, knowingly encouraged or knowingly facilitated by the No-Shop Party or any of its Subsidiaries, Affiliates or Representatives and (ii) may participate in discussions and negotiate with such Person concerning any such unsolicited Acquisition Proposal, if and only to the extent all of the following conditions are met: (A) the No-Shop Party has not breached this Section 7.3(a) in any material respect with respect to such Acquisition Proposal, (B) the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from outside counsel and a financial advisor of nationally recognized reputation, that such Acquisition Proposal constitutes or is reasonably likely to lead to a Superior Proposal, and (C) the No-Shop Party enters into a customary confidentiality agreement with the Person making such Acquisition Proposal which is (1) no less favorable to the No-Shop Party and (2) no less restrictive of such Person than the Nondisclosure Agreement, dated August 11, 2014, between Parent and the Company (the "**Confidentiality Agreement**") and all such information provided thereunder has previously been provided to the Other Party or is provided to the Other Party concurrently with its provision to such Person.

(b) Except as expressly permitted by this Section 7.3(b), neither the Board of Directors of a No-Shop Party nor any committee thereof shall (i) fail to make, withdraw, modify or qualify, or propose publicly to withhold, withdraw, modify or qualify, in any manner adverse to the Other Party, the Company Recommendation or the Parent Recommendation, as applicable, (ii) make any other public statement that is inconsistent with the Company Recommendation or the Parent Recommendation, as applicable, (iii) recommend, endorse, adopt or approve, or propose publicly to recommend, endorse, adopt or approve, any Acquisition Proposal or (iv) fail to reaffirm or re-publish within five business days upon request by the Other Party (publicly if so requested) the Company Recommendation or the Parent Recommendation, as applicable (any action or failure described in this clause (i) being referred to as a "**Company Adverse Recommendation Change**" or a "**Parent Adverse Recommendation Change**", as applicable).

Notwithstanding the foregoing, at any time prior to (but not after) obtaining the Company Shareholder Approval or the Parent Shareholder Approval, as applicable, and subject to the No-Shop Party's compliance at all times with the provisions of this Section 7.3, (i) the Board of Directors of the No-Shop Party may make a Company Adverse Recommendation Change or a Parent Adverse Recommendation Change, as applicable, or (ii) the No-

Shop Party may terminate this Agreement and enter into an agreement, understanding or arrangement providing for an Acquisition Proposal (a "**Superior Acquisition Proposal Termination**"), in each case, if and only to the extent all of the following conditions are met: (A) the Acquisition Proposal has not been withdrawn, (B) the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from outside counsel and a financial advisor of nationally recognized reputation, that such Acquisition Proposal constitutes a Superior Proposal, (C) the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from outside counsel, that the failure to take such action would be reasonably likely to result in a breach of fiduciary duties to the shareholders of the No-Shop Party under Applicable Law,

and (D) in the case of a Superior Acquisition Proposal Termination, the concurrent payment of the applicable Termination Fee in accordance with Section 9.5(a) or Section 9.5(b), as applicable; *provided*, *however*, no Company Adverse Recommendation Change or Parent Adverse Recommendation Change, as applicable, or Superior Acquisition Proposal Termination may be made or occur, in each case,

(1) until after the third business day following the Other Party's receipt of written notice (a "**Change/Intent to Terminate Notice**") from the No-Shop Party advising the Other Party that the No-Shop Party's Board of Directors intends to take such action or the No-Shop Party intends to terminate this Agreement, which Change/Intent to Terminate Notice will specify the terms and conditions of such Superior Proposal (it being understood and agreed that any amendment to the financial terms or any other material term of such Superior Proposal shall require a new Change/Intent to Terminate Notice and a new three business day period);

(2) unless during such three business day period, the No-Shop Party shall, and shall cause its financial and legal advisors to, upon the Other Party's request, discuss with the Other Party in good faith this Agreement and any adjustments to the terms and conditions of this Agreement that the Other Party may propose in response to the Acquisition Proposal; and

(3) if, prior to the expiration of such three business day period, the Other Party makes a proposal to adjust the terms and conditions of this Agreement that the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from outside legal counsel and a financial advisor of nationally recognized reputation, to be at least as favorable as the Acquisition Proposal so that such Acquisition Proposal no longer constitutes a Superior Proposal;

provided, however, that the No-Shop Party need not comply with the provisions of subclauses (2) and (3) of this Section 7.3(b) if the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from a financial advisor of nationally recognized reputation, that such Superior Proposal (as specified in the Change/Intent to Terminate Notice issued to the Other Party pursuant to subclause (1) of this Section 7.3(b)) constitutes a Special Valuation Proposal.

(c) In addition to the obligations of each No-Shop Party set forth in paragraphs (a) and (b) of this Section 7.3, each No-Shop Party shall promptly (and in any event within 24 hours after receipt thereof) advise the Other Party orally and in writing of any Acquisition Proposal or any inquiry with respect to or that would reasonably be expected to lead to any Acquisition Proposal, including the material terms and conditions of any such Acquisition Proposal or inquiry (including any changes thereto). Each No-Shop Party shall (i) keep the Other Party reasonably informed of the status and details (including any change to the terms thereof) of any such Acquisition Proposal or inquiry and (ii) provide to the Other Party as soon as practicable after receipt or delivery thereof with copies of all correspondence and other written material sent or provided to such No-Shop Party or any of its Subsidiaries from any Person that describes any of the terms or conditions of any Acquisition Proposal;

provided, however, that such No-Shop Party need not inform the Other Party regarding the identity of the Person making any such Acquisition Proposal or inquiry.

(d) Nothing contained in this Section 7.3 shall prohibit any No-Shop Party or any Board of Directors of a No-Shop Party from taking and disclosing to its shareholders a position contemplated by Rule 14e-2(a) or Rule 14d-9 promulgated under the Exchange Act, or other Applicable Law, if, in the good faith judgment of the No-Shop Party's Board of Directors, after receipt of advice from outside counsel, failure to so disclose would be reasonably likely to result in a breach of its fiduciary duties to shareholders of the No-Shop Party under Applicable Law; *provided*, *however*, that in no event shall the No-Shop Party or its Board of Directors take, or agree or resolve to take, any action prohibited by Section 7.3(b).

(e) Each No-Shop Party (i) shall, and shall cause its Subsidiaries to, immediately cease and cause to be terminated and shall cause its and its Subsidiaries' Representatives to, immediately cease and cause to be terminated, all discussions and negotiations, if any, with any Person conducted heretofore with respect to any Acquisition Proposal in respect of such No-Shop Party and (ii) shall promptly request the return or destruction of all confidential information previously furnished and immediately terminate all physical and electronic dataroom access previously granted to any such Person or its Representatives.

(f) For purposes of this Agreement:

(i) "**Acquisition Proposal**" means, with respect to either No-Shop Party, any inquiry, proposal or offer, whether or not in writing, from any Person other than the Other Party or its Affiliates relating to, or that would reasonably be expected to lead to, any (A) direct or indirect acquisition or purchase, in one transaction or a series of transactions, of (i) assets or businesses that constitute 20% or more of the consolidated net revenues, net income or assets (based on either book or fair market value) of such No-Shop Party and its Subsidiaries, or (ii) 20% or more of any class of equity securities of such No-Shop Party, (B) tender offer or exchange offer that if consummated would result in any Person beneficially owning 20% or more of any class of equity securities of such No-Shop Party, or (C) merger, consolidation, business combination, recapitalization, liquidation, dissolution, joint venture, share exchange or similar transaction involving such No-Shop Party, in each case other than the transactions contemplated by this Agreement.

(ii) "**Special Valuation Proposal**" means a Superior Proposal that the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from a financial advisor of nationally recognized reputation, that, if consummated, would result in such No-Shop Party's shareholders receiving consideration valued at 115% or more of the consideration to be received by such No-Shop Party's shareholders pursuant to the transactions contemplated by this Agreement, as such consideration may have then been modified by the Other Party in response to such Acquisition Proposal.

(iii) "**Superior Proposal**" means any bona fide written Acquisition Proposal made by any Person other than the Other Party or its Affiliates, which, if consummated, would result in such Person (or its shareholders) owning, directly or indirectly, at least 80% of the shares of Company Common Stock or Parent Common Stock, as applicable, then outstanding (or of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or at least 80% of all the assets of the No-Shop Party, which the No-Shop Party's Board of Directors determines in good faith, after receipt of advice from a financial advisor of nationally recognized reputation and outside counsel, to be (A) more favorable to the shareholders of the No-Shop Party from a financial point of view than the Merger, taking into account all the terms and conditions of such proposal, the Person making such proposal and this Agreement (including any break-up fees, expense reimbursement provisions, conditions to consummation, strategic considerations, legal and regulatory considerations, and any changes to the terms of this Agreement proposed by the Other Party in response to such offer or otherwise pursuant to this Section 7.3) and (B) reasonably likely to be completed on the terms proposed, taking into account all financial, legal, regulatory and other aspects of such proposal. For purposes of the definitions of "Acquisition Proposal," "Special Valuation Proposal" and "Superior Proposal," the term "Person" shall include any group within the meaning of Section 13(d) of the Exchange Act.

Section 7.4 *Preparation of Proxy Statement; Meetings of Shareholders*.

(a) As promptly as practicable after the date of this Agreement, each of Parent and the Company shall cooperate and prepare the joint proxy statement with respect to the meetings of the shareholders of Parent and of the Company in connection with the transactions contemplated by this Agreement (the "**Proxy Statement/Prospectus**"), and Parent shall prepare and file with the SEC, a Registration Statement on Form S-4 (with any amendments or supplements thereto, the "**Form S-4**") under the Securities Act with respect to the shares of Parent Common Stock issuable in the Merger, a portion of which Form S-4 shall also serve as the Proxy Statement/Prospectus. The respective parties will cause the Proxy Statement/Prospectus and the Form S-4 to comply as to form in all material respects with the applicable provisions of the Securities Act, the Exchange Act and the rules and regulations thereunder. Each of Parent and the Company shall use its reasonable best efforts to have the Form S-4 declared effective by the SEC as promptly as practicable and to keep the Form S-4 effective as long as is necessary to consummate the Merger and the other transactions contemplated thereby. As promptly as practicable after receipt thereof, each party shall provide the other party copies of any written comments, and advise the other party of any oral comments, received from the SEC with respect to the Proxy Statement/Prospectus. Each of the parties shall provide the other with a reasonable opportunity to review and comment on any amendment or supplement to the Proxy Statement/Prospectus or Form S-4 and, except for annual, quarterly and current reports filed or furnished with the SEC under the Exchange Act, which may be incorporated by reference in the Form S-4, any substantive communications prior to filing such with the SEC, and will promptly provide the other party with a copy of all such filings and communications made with the SEC.

(b) Parent shall use reasonable best efforts, and the Company shall cooperate, to obtain, prior to the effective date of the Form S-4, all necessary state securities law or "Blue Sky" permits or approvals required with respect to the issuance of Parent Common Stock pursuant to the Merger. The Company shall furnish all information concerning the Company and the holders of Company Common Stock as may be reasonably requested in connection with any such action. Each Party shall advise the other party, promptly after it receives notice thereof, of the time when the Form S-4 has become effective, the issuance of any stop order, the suspension of qualification of the Parent Common Stock issuable in connection with the Merger for offering or sale in any jurisdiction, or any request by the SEC for amendment of the Proxy Statement/Prospectus or the Form S-4.

(c) Each of Parent and the Company shall cause the Proxy Statement/Prospectus to be mailed to its shareholders as promptly as reasonably practicable after the Form S-4 is declared effective under the Securities Act.

(d) Each of Parent and the Company shall ensure that the information provided by it for inclusion in the Proxy Statement/Prospectus and each amendment or supplement thereto, at the time of mailing thereof and at the time of the respective meetings of shareholders of Parent and the Company, or, in the case of information provided by it for inclusion in the Form S-4 or any amendment or supplement thereto, at the time it becomes effective, (i) will not include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and (ii) will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act. If at any time prior to the Effective Time any information relating to Parent or the Company, or any of their respective Affiliates, officers or directors, should be discovered by Parent or the Company which should be set forth in an amendment or supplement to any of the Form S-4 or the Proxy Statement/Prospectus so that any of such documents would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other party hereto and, to the extent required by Applicable Law, an appropriate amendment or supplement describing such information shall be filed promptly with the SEC and disseminated to the shareholders of the Company.

(e) The Company, acting through the Company Board, shall, in accordance with Applicable Law and the Company Articles of Incorporation or Company Bylaws, duly call, give notice of, convene and hold an annual or special meeting of its shareholders (the "**Company Shareholders Meeting**") as soon as reasonably practicable after the Form S-4 is declared effective under the Securities Act for the purpose of obtaining the Company Shareholder Approval. The Company Board shall, subject to Section 7.3(b), make the Company Recommendation, include such recommendation in the Proxy Statement/Prospectus and use its reasonable best efforts to obtain the Company Shareholder Approval. Notwithstanding anything in this Agreement to the contrary, unless (i) a Company Adverse Recommendation Change has occurred in accordance with Section 7.3 or (ii) this Agreement is terminated in accordance with Article IX and subject to compliance with Section 7.3, the Company will submit this Agreement for approval by the shareholders of the

Company at the Company Shareholders Meeting. The Company shall use its reasonable best efforts to cause the Company Shareholders Meeting to be held on the same date as the Parent Shareholders Meeting.

(f) Parent, acting through the Parent Board, shall, in accordance with Applicable Law and Parent's certificate of formation and bylaws, duly call, give notice of, convene and hold an annual or special meeting of its shareholders (the "**Parent Shareholders Meeting**") as soon as reasonably practicable after the Form S-4 is declared effective under the Securities Act for the purpose of obtaining the Parent Shareholder Approval. Except to the extent permitted by Section 7.3(b), the Parent Board shall make the Parent Recommendation, include such recommendation in the Proxy Statement/Prospectus and use its reasonable best efforts to obtain the Parent Shareholder Approval. Notwithstanding anything in this Agreement to the contrary, unless (i) a Parent Adverse Recommendation Change has occurred in accordance with Section 7.3 or (ii) this Agreement is terminated in accordance with Article IX and subject to compliance with Section 7.3, Parent will submit this Agreement for approval by the shareholders of Parent at the Parent Shareholders Meeting. Parent shall use its reasonable best efforts to cause the Parent Shareholders Meeting to be held on the same date as the Company Shareholders Meeting. Notwithstanding anything to the contrary in this Agreement, Parent may, in its sole discretion, submit a proposal to its shareholders at the Parent Shareholders Meeting to approve an amendment to the Parent Certificate of Formation.

Section 7.5 *Filings; Reasonable Best Efforts*.

(a) Upon the terms and subject to the conditions herein provided, and subject to Section 7.3, each of the parties hereto agrees to use its reasonable best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable under Applicable Law or otherwise to consummate and make effective the transactions contemplated by this Agreement, including (i) to satisfy the conditions precedent to the obligations of any of the parties hereto, (ii) preparing and filing as promptly as practicable with any Governmental Authority or other third-party documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents and (iii) obtaining and maintaining all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any Governmental Authority or other third party that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement. Without limiting the foregoing, the Company and Parent shall, as soon as practicable and in any event within ten business days after the date of this Agreement, file Notification and Report Forms under the HSR Act with the Federal Trade Commission and the Antitrust Division of the Department of Justice and make such other filings, notices, petitions, statements, registrations, submissions of information, applications and other documents as the parties determine are necessary under applicable Antitrust Laws. Each of the parties hereto will furnish to the other parties such necessary information and reasonable assistance as such other parties may reasonably request in connection with the foregoing; *provided*, that neither party is obligated to share any document submitted to or received from a Governmental Authority that reflects the negotiations between the parties or the valuation of some or all of any party's business.

(b) Each of the parties hereto shall use its reasonable best efforts and shall cooperate with the other parties to resolve such objections, if any, as may be asserted with respect to the transactions contemplated hereby under Applicable Law. The Company and Parent shall use reasonable best efforts to respond as promptly as practicable to all inquiries received from the Federal Trade Commission, the Antitrust Division of the Department of Justice or the competition authorities of any other jurisdiction for additional information or documentation under applicable Antitrust Laws.

(c) The parties shall cooperate in all respects with each other in connection with any antitrust defense of the transactions contemplated by this Agreement in any Proceeding by, or negotiations with, any Governmental Authority or other Person relating to the Merger or regulatory filings under applicable Antitrust Law.

(d) Notwithstanding the foregoing or any other provision of this Agreement to the contrary, in no event shall any party hereto be obligated to (i) agree to, or proffer to, divest or hold separate, or enter into any licensing or similar arrangement with respect to, any assets (whether tangible or intangible) or any portion of any business of Parent or any of its Subsidiaries or of the Company or any of its Subsidiaries or (ii) agree to, or proffer to, limit in any respect the ownership or operation by Parent or any of its Subsidiaries or the Company or any of its Subsidiaries of any asset (whether tangible or intangible) or any portion of any business of Parent or any of its Subsidiaries or the Company or any of its Subsidiaries, including the ability of Parent to acquire or hold, or exercise full rights of ownership of, any shares of capital stock, including the right to vote the Company Common Stock on all matters properly presented to the shareholders of the Company.

(e) Notwithstanding anything in this Agreement to the contrary, Parent shall have the right, but not the obligation, to oppose by refusing to consent to, through litigation or otherwise any request, attempt or demand by any Governmental Authority or other Person for any divestiture, hold separate condition or any other restriction with respect to any assets, businesses or product lines of either Parent or the Company.

Section 7.6 *Inspection*. Subject to any limitations imposed by Applicable Law, from the date of this Agreement to the Effective Time, each of the Company and Parent shall allow all designated officers, attorneys, accountants and other Representatives of Parent or the Company, as the case may be, reasonable access, at reasonable times, upon reasonable notice, to its and its Subsidiaries' personnel, properties, Contracts, commitments, books and records and any other information pertaining to the business and affairs of the Company or Parent (as applicable) or their respective Subsidiaries, as Parent or the Company may reasonably request, including inspection, testing or sampling of such properties; provided, that no investigation pursuant to this Section 7.6 shall affect any representation or warranty given by any party hereunder. Notwithstanding any provision of this Agreement or a party's provision of information or investigation pursuant to the preceding sentence, no party shall be deemed to make any representation or warranty except as expressly set forth in this Agreement. Notwithstanding the foregoing, no party shall be required to provide any information which it may not provide to the other party by reason of any Applicable Law, which constitutes information protected by attorney/client privilege, or which it is required to keep confidential by reason of contract or agreement with third parties. The parties hereto shall make reasonable and appropriate substitute disclosure arrangements under circumstances in which the

restrictions of the preceding sentence apply. Each of the Company and Parent agrees that it shall not, and shall cause its respective Representatives not to, use any information obtained pursuant to this Section 7.6 for any purpose unrelated to the consummation of the transactions contemplated by this Agreement. All non-public information obtained pursuant to this Section 7.6 shall be governed by the Confidentiality Agreement.

Section 7.7 *Publicity*. The Company and Parent will, unless otherwise required by Applicable Law or by obligations pursuant to any national securities exchange, consult with each other before issuing any press release or, to the extent practical, otherwise making any public announcement pertaining to this Agreement or the other transactions contemplated hereby. In addition to the foregoing, except to the extent disclosed in or consistent with the Proxy Statement/Prospectus in accordance with the provisions of Section 7.4, neither Parent nor the Company shall issue any such press release or otherwise make any public statement or disclosure concerning the other party or the other party's business, financial condition or results of operations without the consent of the other party, which consent shall not be unreasonably withheld or delayed, except as may be required by Applicable Law or by obligations pursuant to any listing agreement with any national securities exchange, in which case the party proposing to issue such press release or make such public statement shall use its reasonable best efforts to consult in good faith with the other party before issuing any such press releases or making any such public statement. The foregoing shall not apply with respect to any press release or public announcement arising out of a Company Adverse Recommendation Change or Parent Adverse Recommendation Change effected in accordance with Section 7.3. Parent and the Company agree to issue a mutually acceptable joint press release announcing this Agreement.

Section 7.8 *Listing Application; Ticker Symbol*.

(a) Parent shall use its reasonable best efforts to cause the shares of Parent Common Stock to be issued as Merger Consideration to be approved for listing on the NASDAQ, subject to official notice of issuance, prior to the Effective Time.

(b) Each of Parent and the Company shall use its reasonable best efforts to cause all shares of Parent Common Stock (including shares to be issued as Merger Consideration) to be approved for listing on the NASDAQ under the ticker symbol "DWSN" from and after the Effective Time.

Section 7.9 *Section 16 Matters*. Prior to the Effective Time, each of Parent and the Company shall take all such steps as may be required to cause any dispositions of the Company Common Stock (including derivative securities with respect to the Company Common Stock) or acquisitions of Parent Common Stock (including derivative securities with respect to Parent Common Stock) resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company, to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 7.10 *Expenses*. Whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement, the Merger and the other transactions contemplated hereby shall be paid by the party incurring such expenses, except: (a) as Section 9.5 otherwise provides; and (b) that the Company and Parent shall share equally (i) the fees incident to

the filings referred to in Section 7.5(a), (ii) the SEC and other filing fees incident to the Form S-4 and the Proxy Statement/Prospectus and the costs and expenses associated with printing the Proxy Statement/Prospectus and (iii) the fees associated with the NASDAQ listing referred to in Section 7.8.

Section 7.11 *Indemnification and Insurance*.

(a) The certificate of formation and bylaws of the Surviving Entity and each of its Subsidiaries shall, for a period of six years after the Effective Time, contain provisions no less favorable to the Persons covered thereby on the date hereof with respect to exculpation, indemnification and advancement of expenses than as set forth in the Company Articles of Incorporation or Company Bylaws and the organizational documents of the Company's Subsidiaries, respectively, as of the date of this Agreement.

(b) Prior to the Effective Time, each of the Company and Parent shall purchase "tail" insurance coverage covering the respective directors and officers of the Company and Parent (as applicable) as of the Effective Time through six years after the Effective Time and providing coverage not materially less favorable than the coverage afforded by the current directors and officers liability insurance policies maintained by the Company pursuant to the terms set forth in Section 7.11(b) of the Company Disclosure Letter and Parent pursuant to the terms set forth in Section 7.11(b) of the Parent Disclosure Letter (as applicable).

(c) Prior to the Effective Time, Parent shall purchase insurance coverage covering the directors and officers of the Parent as of the Effective Time and such coverage shall include such terms as reasonably agreed between Parent and the Company prior to the Effective Time.

(d) As a separate and independent obligation, Parent hereby guarantees the payment and performance by the Surviving Entity of its indemnification obligations pursuant to this Section 7.11 and pursuant to the contractual agreements entered into by the Company prior to the date hereof relating to indemnification of directors and officers of the Company and set forth in Section 7.11(d) of the Company Disclosure Letter (the "**Existing Indemnification Agreements**"). From and after the Effective Time, Parent shall cause the Surviving Entity to comply with all of its obligations under this Section 7.11 and under the Existing Indemnification Agreements.

(e) In the event the Surviving Entity or any of its successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity in such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, in any such case, proper provision shall be made so that the successors and assigns of the Surviving Entity shall assume the obligations set forth in this Section 7.11.

Section 7.12 *Antitakeover Statutes*. If any Takeover Statute is or may become applicable to the transactions contemplated hereby, each of the parties hereto and the members of its Board of Directors shall grant such approvals and take such actions as are necessary so that the

transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to eliminate or minimize the effects of any Takeover Statute on any of the transactions contemplated by this Agreement.

Section 7.13 *Notification*. Each party shall give to the others prompt notice of (a) any representation or warranty made by it or contained in this Agreement becoming untrue or inaccurate in any material respect and (b) the failure by it to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided, however, that no such notification shall affect the representations, warranties, covenants or agreements of the parties or the conditions to the obligations of the parties under this Agreement.

Section 7.14 *Employee Matters*.

(a) For a period commencing as of the Effective Time and ending no earlier than the close of the calendar year that includes the Effective Time, the participants in the Company Benefit Plans who were employed by the Company and remain in the employment of the Surviving Entity and its Subsidiaries ("**Continuing Employees**") and their dependents (collectively, "**Affected Participants**") shall receive employee benefits that are substantially similar in the aggregate to the employee benefits provided to the employees of the Company immediately prior to the Effective Time either through Company Benefit Plans, if any, that are continued by Parent or through Parent Benefit Plans; provided that neither Parent nor the Surviving Entity nor any of their Subsidiaries shall have any obligation to issue, or adopt any plans or arrangements providing for the issuance of shares of capital stock, warrants, options, stock appreciation rights or other rights in respect of any shares of capital stock of any entity or any securities convertible or exchangeable into such shares pursuant to any such plans or arrangements; provided, further, that no plans or arrangements of the Company or any of its Subsidiaries providing for such issuance shall be taken into account in determining whether employee benefits are substantially comparable in the aggregate.

(b) Nothing contained herein shall be construed as requiring Parent or the Surviving Entity to continue any specific plans or to continue the employment of any specific Person.

(c) To the extent Parent elects to have Affected Participants participate in any applicable Parent Benefit Plans, Parent shall cause the Surviving Entity to recognize the service of each Continuing Employee with Parent, the Company or its Subsidiaries (or predecessor employers to the extent the Company provides past service credit) as if such service had been performed with Parent (i) for purposes of eligibility for vacation under Parent's vacation program, (ii) for purposes of eligibility and participation under any health or welfare plan maintained by Parent (other than any post-employment health or post-employment welfare plan), and (iii) for purposes of eligibility, contributions and vesting under any "defined contribution plan" (as defined in Section 3(34) of ERISA) maintained by Parent or any of its ERISA Affiliates, but not for purposes of any other employee benefit plan of Parent.

(d) To the extent Parent elects to have Affected Participants participate in an applicable Parent Benefit Plan that is a welfare plan, Parent shall, and shall cause the Surviving Entity to, (i) waive all limitations as to preexisting conditions and exclusions with respect to participation and coverage requirements applicable to such Affected Participants to the extent such conditions and exclusions were satisfied or did not apply to such Affected Participants under the welfare plans of the Company and its Subsidiaries prior to the Effective Time and (ii) provide each Affected Participant, upon presentment of appropriate documentation such as explanations of benefits statements with credit for any co-payments and deductibles paid during the plan year or policy year, as applicable, in which the Effective Time occurs (or, if later, the plan year or policy year in which a Company Benefit Plan is terminated to the extent such Company Benefit Plan is maintained after the Effective Time pursuant to Section 7.14(a)), for purposes of satisfying any analogous deductible or out-of-pocket requirements to the extent applicable under any such plan.

(e) Notwithstanding any provision herein to the contrary, (i) no later than such time that is immediately prior to the Closing Date, Parent shall cause any Parent Benefit Plans that are intended to be qualified under Section 401(a) of the Code (the "**Parent Qualified Plans**") to be terminated, and prior to such termination, all required plan amendments and restatements under Applicable Law shall be made to such Parent Qualified Plans, and (ii) effective as of the Effective Time, Parent shall assume the Company 401(k) Plan (the "**Dawson 401(k)**"), which shall be the sole Company Benefit Plan that is intended to be qualified under Section 401(a) of the Code ("**Company Qualified Plan**") as of such time that is immediately prior to the Closing Date, and the Company shall take all commercially reasonable actions to ensure that no Company Qualified Plans, other than the Dawson 401(k), are established, maintained or contributed to, or are otherwise required to be contributed to, by the Company as of such time. Parent shall confirm to the Company no later than such time that is immediately prior to the Closing Date that such Parent Qualified Plans are terminated. The parties hereto shall take all necessary and legally permissible actions in order to cause Parent Qualified Plans to distribute the account balances thereunder for each individual who participated in such Parent Qualified Plans ("**Covered Participants**") as soon as practicable following the Closing Date, and, subject to Applicable Law, the consent of the Covered Participants, and the terms of the Dawson 401(k) as assumed and sponsored by the Parent post-Closing (the "**Post-Closing Plan**"), to accomplish the rollover of the account balances and outstanding loan balances, if any, with respect to the Covered Participants, if such Covered Participants so elect, on account of the transactions contemplated herein to the Post-Closing Plan as soon as practicable following the Closing Date. In addition, prior to December 1, 2014 and effective as of January 1, 2015, the Company shall amend the Dawson 401(k) to permit plan loan rollovers to such plan, if necessary, and to include plan loan and hardship distribution features that shall conform the Dawson 401(k) to the plan loan and hardship distribution features set forth in the Parent Profit Sharing Plan as of the date hereof.

(f) The parties hereto acknowledge and agree that all provisions contained in this Section 7.14 are included for the sole benefit of the respective parties hereto and shall not create any right (i) in any other person, including, without limitation, any employees, former employees, any participant in any Company Benefit Plan or any

beneficiary thereof or (ii) to continued employment with the Company, Parent or any of their Affiliates.

Section 7.15 *Other Pre-Closing Matters*.

(a) Parent shall use its reasonable best efforts to (i) enter into an employment agreement or an amended and restated employment agreement, as the case may be, with each of the officers of the Parent and its Subsidiaries named in Section 7.15(a)(i) of the Parent Disclosure Letter effective as of the Effective Time in substantially the form attached hereto as Exhibit D, (ii) enter into an amended and restated employment agreement with each of the officers of the Company and its Subsidiaries named in Section 7.15(a)(ii) of the Company Disclosure Letter effective as of the Effective Time in substantially the form attached hereto as Exhibit D, and (iii) enter into amended and restated indemnification agreements with the Remaining Directors and the Designated Directors effective as of the Effective Time in substantially the form attached hereto as Exhibit E.

(b) The Company shall use its reasonable best efforts to cause the shares beneficially owned by the directors and officers named in Section 7.15(b) of the Parent Disclosure Letter to be subject to Company Shareholder Voting Agreements as soon as reasonably practicable after the date hereof but in no event later than five business days after the date hereof. Parent shall use its reasonable best efforts to cause the shares beneficially owned by the director named in Section 7.15(b) of the Company Disclosure Letter to be subject to the Parent Shareholder Voting Agreement as soon as reasonably practicable after the date hereof but in no event later than five business days after the date hereof.

Section 7.16 *Shareholder Litigation*. Each party hereto shall give the other the opportunity to reasonably participate in the defense of any shareholder litigation against the Company and/or its directors or officers or against the Parent and/or its directors or officers, as applicable, relating to the transactions contemplated by this Agreement.

ARTICLE VIII.

CONDITIONS

Section 8.1 *Conditions to Each Party's Obligation to Effect the Merger*. The respective obligations of the parties hereto to effect the Merger shall be subject to the fulfillment or waiver (to the extent permitted by Applicable Law and in accordance with the provisions hereof) by each of the parties hereto to this Agreement at or prior to the Closing Date of the following conditions:

(a) Each of the Company Shareholder Approval and the Parent Shareholder Approval shall have been obtained.

(b) Any waiting period applicable to the consummation of the Merger under the HSR Act shall have expired or been terminated.

(c) (i) No judgment, injunction, order or decree of any Governmental Authority of competent jurisdiction in the United States that would prohibit or

enjoin the consummation of the Merger shall be in effect and (ii) no law, statute, rule or regulation shall have been enacted by any Governmental Authority of competent jurisdiction in the United States which prohibits or makes unlawful the consummation of the Merger shall be in effect.

(d) The Form S-4 shall have been declared effective by the SEC under the Securities Act. No stop order suspending the effectiveness of the Form S-4 shall have been issued by the SEC and no proceedings for that purpose shall have been initiated or threatened by the SEC.

(e) The shares of Parent Common Stock to be issued pursuant to the Merger shall have been authorized for listing on the NASDAQ, subject to official notice of issuance.

(f) The Company shall have received the opinion of Baker Botts, L.L.P., counsel to the Company, in form and substance reasonably satisfactory to the Company and dated the Closing Date, a copy of which shall have been furnished to Parent, to the effect that (i) the Merger will qualify as a reorganization under Section 368(a) of the Code and (ii) no gain or loss will be recognized for United States federal income tax purposes by the shareholders of the Company who exchange Company Common Stock for Parent Common Stock pursuant to the Merger (except with respect to cash received in lieu of fractional shares). In rendering such opinion, such counsel shall be entitled to receive and rely upon customary representations of officers of the Company and Parent. The Company shall use reasonable best efforts to cause its tax counsel to render such opinion or to indicate in writing as soon as practicable after the execution of this Agreement as to which facts specific to the Merger preclude it from providing such opinion. The Company shall promptly advise Parent of its receipt of such opinion or other written indication.

(g) Parent shall have received the opinion of Haynes and Boone, LLP, counsel to Parent, in form and substance reasonably satisfactory to Parent and dated the Closing Date, a copy of which shall have been furnished to the Company, to the effect that (i) the Merger will qualify as a reorganization under Section 368(a) of the Code and (ii) no gain or loss will be recognized for United States federal income tax purposes by the shareholders of the Company who exchange Company Common Stock for Parent Common Stock pursuant to the Merger (except with respect to cash received in lieu of fractional shares). In rendering such opinion, such counsel shall be entitled to receive and rely upon customary representations of officers of the Company and Parent. Parent shall use reasonable best efforts to cause its tax counsel to render such opinion or to indicate in writing as soon as practicable after the execution of this Agreement as to which facts specific to the Merger preclude it from providing such opinion. Parent shall promptly advise the Company of its receipt of such opinion or other written indication.

Section 8.2 *Conditions to Obligation of the Company to Effect the Merger*. The obligation of the Company to effect the Merger shall be subject to the satisfaction or waiver (to the extent permitted by Applicable Law and in accordance with the provisions hereof) at or prior to the Closing Date of the following conditions:

(a) The representations and warranties of Parent and Merger Sub contained in this Agreement (i) that are qualified as to materiality or a Parent Material Adverse Effect shall be true and correct as so qualified, and (ii) that are not so qualified shall be true and correct in all material respects, in each case as of the date of this Agreement and as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case as of such earlier date).

(b) Parent and Merger Sub shall have performed, in all material respects, the covenants and agreements contained in this Agreement required to be performed by them on or prior to the Closing Date.

(c) At any time after the date of this Agreement, there shall not have occurred and be continuing as of the Closing Date, any change, event, occurrence, state of facts or development that, individually or in the aggregate, has had or would reasonably be likely to have a Parent Material Adverse Effect.

(d) The Company shall have received a certificate of Parent and Merger Sub, executed on behalf of each of them by their Chief Executive Officer, President or Chief Financial Officer, dated the Closing Date, certifying to the effect that the conditions set forth in Section 8.2(a), (b) and (c) have been satisfied.

(e) The authorizations, consents or approvals identified in Section 8.2(e) of the Parent Disclosure Letter shall have been obtained and evidence thereof reasonably satisfactory to the Company shall have been delivered to the Company.

(f) The officers of the Company and its Subsidiaries named in Section 7.15(a)(i) of the Company Disclosure Letter shall have entered into employment agreements with Parent as provided in Section 7.15(a)(ii) and the Designated Directors shall have entered into amended and restated indemnification agreements with Parent as provided in Section 7.15(b).

Section 8.3 *Conditions to Obligation of Parent and Merger Sub to Effect the Merger*. The obligations of Parent and Merger Sub to effect the Merger shall be subject to the fulfillment or waiver (to the extent permitted by Applicable Law and in accordance with the provisions hereof) at or prior to the Closing Date of the following conditions:

(a) The representations and warranties of the Company contained in this Agreement (i) that are qualified as to materiality or a Company Material Adverse Effect shall be true and correct as so qualified, and (ii) that are not so qualified shall be true and correct in all material respects, in each case as of the date of this Agreement and as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case as of such earlier date).

(b) The Company shall have performed, in all material respects, the covenants and agreements contained in this Agreement required to be performed by it on or prior to the Closing Date.

(c) At any time after the date of this Agreement, there shall not have occurred and be continuing as of the Closing Date, any change, event, occurrence, state of facts or development that, individually or in the aggregate, has had or is reasonably likely to have a Company Material Adverse Effect.

(d) Parent shall have received a certificate of the Company, executed on its behalf by its Chief Executive Officer or Chief Financial Officer, dated the Closing Date, certifying to the effect that the conditions set forth in Section 8.3(a), (b) and (c) have been satisfied.

(e) The authorizations, consents or approvals identified in Section 8.3(e) of the Company Disclosure Letter shall have been obtained and evidence thereof reasonably satisfactory to Parent shall have been delivered to Parent.

(f) The officers of Parent and its Subsidiaries named in Section 7.15(a)(i) of the Parent Disclosure Letter shall have entered into employment agreements with Parent as provided in Section 7.15(a)(i) and the Remaining Directors shall have entered into amended and restated indemnification agreements with Parent as provided in Section 7.15(b).

Section 8.4 *Frustration of Conditions*. No party may rely on the failure of any condition set forth in this Article VIII to be satisfied if such failure was caused by such party's failure to act in good faith or to use its reasonable best efforts to consummate the transactions contemplated by this Agreement.

ARTICLE IX.

TERMINATION

Section 9.1 *Termination by Mutual Consent*. This Agreement may be terminated, and the Merger may be abandoned, at any time prior to the Effective Time, whether before or after the Company Shareholder Approval or Parent Shareholder Approval has been obtained, by the mutual written consent of the Company and Parent.

Section 9.2 *Termination by Parent or the Company*. This Agreement may be terminated at any time prior to the Effective Time, whether before or after the Company Shareholder Approval or Parent Shareholder Approval has been obtained, by action of the Board of Directors of Parent or the Company if:

(a) the Merger shall not have been consummated by March 31, 2015 (the "**Termination Date**"); *provided, however,* that if by the Termination Date, any of the conditions set forth in Section 8.1(b) or Section 8.1(c) shall not have been satisfied but all other conditions shall be satisfied or shall be capable of being satisfied, then the Termination Date may be extended from time to time by either Parent or the Company, in its discretion, by written notice to the other to a date not later than May 31, 2015 (in which case any references to the Termination Date

herein shall mean the Termination Date as extended); *provided, further*, that the right to extend or terminate this Agreement pursuant to this clause (a) shall not be available to any party whose failure to perform or observe in any material respect any

of its obligations under this Agreement in any manner shall have been the cause of, or resulted in, the failure of the Merger to occur on or before the Termination Date;

(b) the Company Shareholders Meeting (including adjournments and postponements) shall have concluded and the Company Shareholder Approval shall not have been obtained upon a vote taken thereon;

(c) the Parent Shareholders Meeting (including adjournments and postponements) shall have concluded and the Parent Shareholder Approval shall not have been obtained upon a vote taken thereon; or

(d) a Governmental Authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the Merger and such order, decree, ruling or other action shall have become final and nonappealable; *provided, however,* that the party seeking to terminate this Agreement pursuant to this Section 9.2(d) shall have complied with its obligations pursuant to Section 7.5 with respect to such order, decree, ruling or other action.

Section 9.3 *Termination by the Company*. This Agreement may be terminated at any time prior to the Effective Time by the Company if:

(a) Parent or Merger Sub shall have breached or failed to perform any of its representations and warranties, covenants or agreements set forth in this Agreement such that the conditions set forth in Section 8.2(a) or Section 8.2(b) would not be satisfied, and such breach or failure to perform is not capable of being cured by Parent prior to the Termination Date or is not cured by Parent within 30 days after the Company has delivered to Parent a written notice of such breach or failure to perform; *provided, however*, that the Company may not terminate this Agreement under this Section 9.3(a) if the Company is then in breach of any representation, warranty, covenant or agreement set forth in this Agreement such that the conditions set forth in Section 8.3(a) or Section 8.3(b) shall not be satisfied; or

(b) a Parent Adverse Recommendation Change shall have occurred;

(c) prior to obtaining the Company Shareholder Approval, concurrently with the entry by the Company into a binding definitive agreement providing for a Superior Proposal; provided, that (i) the Company has complied in all respects with Section 7.3, and (ii) the Company has previously paid (or concurrently with such termination pays to Parent) the fee provided for under Section 9.5(a);

(d) Parent shall have incurred impairment charges or write downs to Parent's assets since June 30, 2014 in an aggregate amount exceeding the Termination Threshold; or

(e) any suit, action or other litigation arising from Parent's operations is filed against Parent (other than any transaction litigation filed in connection with this Agreement and the transactions contemplated hereby) since June 30, 2014 and the damages that could reasonably be expected to result from an adverse judgment in connection

with such litigation (other than losses or damages covered by applicable insurance) exceed the Termination Threshold.

Section 9.4 *Termination by Parent*. This Agreement may be terminated at any time prior to the Effective Time by Parent if:

(a) The Company shall have breached or failed to perform any of its representations and warranties, covenants or agreements set forth in this Agreement such that the conditions set forth in Section 8.3(a) or Section 8.3(b) would not be satisfied, and such breach or failure to perform is not capable of being cured by the Company prior to the Termination Date or is not cured by the Company within 30 days after Parent has delivered to the Company a written notice of such breach or failure to perform; *provided, however*, that Parent may not terminate this Agreement under this Section 9.4(a) if Parent is then in breach of any representation, warranty, covenant or agreement set forth in this Agreement such that the conditions set forth in Section 8.2(a) or Section 8.2(b) shall not be satisfied; or

(b) a Company Adverse Recommendation Change shall have occurred;

(c) prior to obtaining the Parent Shareholder Approval, concurrently with the entry by Parent into a binding definitive agreement providing for a Superior Proposal; provided, that (i) Parent has complied in all respects with Section 7.3, and (ii) Parent has previously paid (or concurrently with such termination pays to Company) the fee provided for under Section 9.5(b);

(d) the Company shall have incurred impairment charges or write downs to the Company's assets since June 30, 2014 in an aggregate amount exceeding the Termination Threshold; or

(e) any suit, action or other litigation arising from the Company's operations is filed against the Company (other than any transaction litigation filed in connection with this Agreement and the transactions contemplated hereby) since June 30, 2014 and the damages that could reasonably be expected to result from an adverse judgment in connection with such litigation (other than losses or damages covered by applicable insurance) exceed the Termination Threshold.

Section 9.5 *Effect of Termination.*

(a) If this Agreement is terminated:

(i) by Parent or the Company pursuant to Section 9.2(a) or Section 9.2(b), or by Parent pursuant to Section 9.4(a), in each case, after the public disclosure of an Acquisition Proposal made in respect of the Company, whether or not contingent (unless such disclosure occurs after the date of the failure to obtain such Company Shareholder Approval pursuant to Section 9.2(b)), and within 12 months after the termination of this Agreement, the Company or any of its Subsidiaries enters into a definitive agreement providing for any Acquisition Proposal, or an Acquisition Proposal is consummated by the Company; *provided*, *however*, that if either Parent or

the Company terminates this Agreement pursuant to Section 9.2(b) at any time after a Company Adverse Recommendation shall have occurred, this Agreement shall be deemed terminated pursuant to Section 9.4(b) for purposes of this Section 9.5;

(ii) by Parent pursuant to Section 9.4(b); or

(iii) by the Company pursuant to Section 9.3(c);

then the Company shall pay Parent a fee of $2,000,000.00 in cash by wire transfer to an account designated by Parent; *provided*, that for purposes of this Section 9.5(a), the references to "20%" in the definition of Acquisition Proposal shall be deemed to be references to "50%." The Company shall cause any such payment required to be paid pursuant to this Section 9.5(a) to be paid to Parent at the time of such termination of this Agreement or, in the case of clause (a)(i), prior to or at the time of entry into such definitive agreement or consummation of such Acquisition Proposal.

(b) If this Agreement is terminated:

(i) by Parent or the Company pursuant to Section 9.2(a) or Section 9.2(c) or by Company pursuant to Section 9.3(a), in each case, after the public disclosure of an Acquisition Proposal made in respect of Parent, whether or not contingent (unless such disclosure occurs after the date of the failure to obtain such Parent Shareholder Approval pursuant to Section 9.2(c)), and within 12 months after the termination of this Agreement, Parent or any of its Subsidiaries enters into a definitive agreement providing for any Acquisition Proposal, or an Acquisition Proposal is consummated by Parent; *provided*, *however*, that if either Parent or the Company terminates this Agreement pursuant to Section 9.2(c) at any time after a Parent Adverse Recommendation shall have occurred, this Agreement shall be deemed terminated pursuant to Section 9.3(b) for purposes of this Section 9.5;

(ii) by the Company pursuant to Section 9.3(b); or

(iii) by Parent pursuant to Section 9.4(c);

then (x) prior to or at the time of entry into such definitive agreement or consummation of such Acquisition Proposal, in the case of clause (b)(i), or (y) prior to or at the time of such termination, in the case of clauses (b)(ii) or (b)(iii), Parent shall pay the Company a fee of $2,000,000.00, in cash by wire transfer to an account designated by the Company; *provided*, that for purposes of this Section 9.5(b), the references to "20%" in the definition of Acquisition Proposal shall be deemed to be references to "50%."

(c) If this Agreement is terminated by:

(i) the Company or Parent pursuant to Section 9.2(b) after the public disclosure of an Acquisition Proposal made in respect of the Company, whether or not contingent (unless such disclosure occurs after the date of the failure to obtain such Company Shareholder Approval pursuant to Section 9.2(b)), and within 12 months after the termination of this Agreement, the Company or any of its

Subsidiaries enters into a definitive agreement providing for any Acquisition Proposal, or an Acquisition Proposal is consummated by the Company;

(ii) by the Company pursuant to Section 9.3(c); or

(iii) by Parent pursuant to Section 9.4(a), Section 9.4(b), Section 9.4(d) or Section 9.4(e);

then the Company shall reimburse Parent for its third party costs and expenses in connection with this transaction, up to a maximum of $1,500,000.00.

(d) If this Agreement is terminated by:

(i) the Company or Parent pursuant to Section 9.2(c) after the public disclosure of an Acquisition Proposal made in respect of Parent, whether or not contingent (unless such disclosure occurs after the date of the failure to obtain such Parent Shareholder Approval pursuant to Section 9.2(c)), and within 12 months after the termination of this Agreement, Parent or any of its Subsidiaries enters into a definitive agreement providing for any Acquisition Proposal, or an Acquisition Proposal is consummated by Parent;

(ii) Parent pursuant to Section 9.4(c); or

(iii) the Company pursuant Section 9.3(a), Section 9.3(b), Section 9.3(d) or Section 9.3(e);

then Parent shall reimburse the Company for its third party costs and expenses in connection with this transaction, up to a maximum of $1,500,000.00.

(e) In circumstances where Section 9.5(c) or Section 9.5(d) requires a reimbursement of costs and expenses, the reimbursing party shall reimburse the other party for such costs and expenses on the later of (i) the day that is three business days after the date of termination of this Agreement and (ii) the day that is three business days after the delivery of documentation of such costs and expenses. In the event the payment of a fee by the Company is required pursuant to Section 9.5(a)(i) or the payment of a fee by Parent is required pursuant to Section 9.5(b)(i), and such party has already reimbursed Parent or the Company, respectively, for its third party costs and expenses pursuant to Section 9.5(c) or Section 9.5(d), the amount of such costs and expenses so reimbursed will be offset against the fee payable.

(f) Each party acknowledges and agrees that the agreements contained in this Section 9.5 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, the other parties hereto would not enter into this Agreement. Each party further acknowledges and agrees that the fee contemplated by this Section 9.5 is not a penalty, but rather liquidated damages in amounts reasonably estimated by the parties to compensate the other party for efforts and resources expended and opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby.

Accordingly, if the Company or Parent fails to pay the amount due pursuant to this Section 9.5, and, in order to obtain such payment, the other party commences a suit that results in a judgment for a fee payable pursuant to this Section 9.5, such party shall also reimburse the other party's costs and expenses (including attorneys' fees and expenses) in connection with such suit, together with interest on the amount of such fee from the date such payment was required to be made until the date of payment at the prime lending rate prevailing during such period as published in *The Wall Street Journal*. Any payment to be made under this Section 9.5 shall be made by wire transfer of same-day funds.

(g) Each party agrees that in the event that a termination fee is paid pursuant to Section 9.5(a) or Section 9.5(b), the payment of such termination fee shall be the sole and exclusive remedy of the party to which such fee is paid, its Subsidiaries and any of its respective shareholders, Affiliates, officers, directors, employees or Representatives (collectively, "**Related Persons**"), and in no event will the party to which such fee is paid or any of its Related Persons be entitled to recover any other money damages or any other remedy based on a claim in law or equity with respect to, (i) any loss suffered as a result of the failure of the Merger to be consummated, (ii) the termination of this Agreement, (iii) any liabilities or obligations arising under this Agreement, or (iv) any Proceedings arising out of or relating to any breach, termination or failure of or under this Agreement, and upon payment to the Company or Parent, as applicable, such other party shall not have any further liability or obligation to the party that paid such termination fee or any of its Related Persons relating to or arising out of this Agreement or the transactions contemplated hereby.

(h) In the event of termination of this Agreement and the abandonment of the Merger pursuant to Section 9.1 through Section 9.4, this Agreement shall forthwith become null and void and all obligations of the parties hereto and their Related Persons shall terminate, except the obligations of the parties pursuant to this Section 9.5, the last sentence of Section 7.6, Section 7.10 and Article X; *provided*, that, except as provided in Section 9.5(g), nothing herein shall relieve any party from any liability arising out of actual fraud or for any willful and material breach by such party of any of its representations, warranties, covenants or agreements set forth in this Agreement, and all rights and remedies of the nonbreaching party under this Agreement, at law or in equity, shall be preserved. The Confidentiality Agreement shall survive any termination of this Agreement, and the provisions of such Confidentiality Agreement shall apply to all information and material delivered by any party hereunder.

Section 9.6 *Extension; Waiver*. At any time prior to the Effective Time, each party may by action taken by its Board of Directors (or by any duly authorized committee thereof), to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (b) waive in whole or in part any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto and (c) waive in whole or in part compliance with any of the agreements or conditions for the benefit of such party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. Except as provided in this Agreement, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, or delay or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default hereunder by any other party, shall be

deemed to impair any such right, power or remedy, nor will it be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

ARTICLE X.

GENERAL PROVISIONS

Section 10.1 *Nonsurvival of Representations, Warranties and Agreements*. All representations, warranties and agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall not survive the Merger; provided, however, that the agreements contained in Article IV and in Sections 3.1, Section 3.2, Section 7.10, Section 7.11, Section 7.14 and this Article X shall survive the Merger. After a representation and warranty has terminated and expired, no claim for damages or other relief may be made or prosecuted through a Proceeding or otherwise by any Person who would have been entitled to that relief on the basis of that representation and warranty prior to its termination and expiration.

Section 10.2 *Notices*. Except as otherwise provided herein, any notice required to be given hereunder shall be sufficient if in writing, and sent by facsimile transmission or by courier service (with proof of service), hand delivery or certified or registered mail (return receipt requested and first-class postage prepaid), addressed as follows:

(a) if to the Company, to it at:

Dawson Geophysical Company
508 West Wall, Suite 800
Midland, Texas 79701
Attention: Stephen C. Jumper
Facsimile: (432) 684-3030

with a copy, which will not constitute notice for purposes hereof, to:

Baker Botts L.L.P.
2001 Ross Avenue, Suite 1100
Dallas, Texas 75201
Attention: Neel Lemon
Facsimile: (214) 661-4954

(b) if to Parent or Merger Sub, to it at:

TGC Industries, Inc.
101 East Park Blvd., Suite 955
Plano, Texas 75074
Attention: Wayne A. Whitener
Facsimile: (972) 424-3943

with a copy, which will not constitute notice for purposes hereof, to:

Haynes and Boone, LLP
2323 Victory Avenue
Suite 700
Dallas, TX 75219
Attention: Scott Wallace
Facsimile: (214) 200-0674

or to such other address as any party shall specify by written notice so given, and such notice shall be deemed to have been delivered as of the date so telecommunicated, personally delivered or mailed.

Section 10.3 *Assignment; Binding Effect; Benefit*. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that Merger Sub may assign, in its sole discretion, all or any of its rights, interests and obligations hereunder to Parent or to any direct or indirect wholly-owned Subsidiary of Parent. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, except for (a) the provisions of Section 7.11 and (b) the right of the Company's shareholders to receive the consideration provided for herein after the Closing (a claim with respect to which may not be made unless and until the Closing shall have occurred), nothing in this Agreement, expressed or implied, shall or is intended to confer on any Person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 10.4 *Entire Agreement*. This Agreement, the exhibits to this Agreement, the Company Disclosure Letter, the Parent Disclosure Letter, the Confidentiality Agreement and any documents delivered by the parties in connection herewith constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect thereto, except that the Confidentiality Agreement shall continue in effect.

Section 10.5 *Amendments*. This Agreement may be amended by the parties hereto, by action taken or authorized by their Boards of Directors, at any time before or after approval of matters presented in connection with the Merger by the shareholders of the Company or Parent, but after any such shareholder approval, no amendment shall be made which by Applicable Law requires the further approval of shareholders without obtaining such further approval. To be effective, any

amendment or modification hereto must be in a written document each party has executed and delivered to the other parties.

Section 10.6 *Governing Law*. This Agreement and the rights and obligations of the parties hereto shall be governed by and construed and enforced in accordance with the substantive laws of the State of Texas, without regard to the conflicts of law provisions thereof that would cause the laws of any other jurisdiction to apply.

Section 10.7 *Headings*. Headings of the Articles and Sections of this Agreement are for the convenience of the parties only and shall be given no substantive or interpretative effect whatsoever.

Section 10.8 *Definitions and Interpretation*. In this Agreement:

(a) Unless the context otherwise requires, words describing the singular number shall include the plural and vice versa, words denoting any gender shall include all genders, and words denoting natural persons shall include corporations, limited liability companies and partnerships and vice versa.

(b) "**Affiliate**" means, as to any specified Person, any other Person that, directly or indirectly through one or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified Person; and, as used in this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through ownership of capital stock of that Person, by contract or otherwise.

(c) "**Antitrust Laws**" means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, Non-U.S. Antitrust Laws, the Federal Trade Commission Act, as amended, and all other federal, state or foreign statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other Applicable Law, including without limitation any antitrust, competition or trade regulation laws, that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening competition through merger or acquisition.

(d) "**Applicable Law**" means any applicable U.S. or non-U.S. law (including common law), rule, regulation, code, judgment, ordinance, governmental determination, order, decree, treaty, convention, governmental certification requirement or other public limitation.

(e) "**Company IP**" means all Intellectual Property used in or material to the business of the Company or any of its Subsidiaries as currently conducted or as currently proposed to be conducted.

(f) "**Company Material Adverse Effect**" means, with respect to the Company, any Material Adverse Effect.

(g) "**Contract**" means any agreement, arrangement, lease, easement, license, contract, note, mortgage, indenture, commitment, understanding or other legally binding obligation.

(h) "**Debt**" means, with respect to any Person, the outstanding principal amount of, all accrued and unpaid interest on and other payment obligations in respect of, (i) all obligations of such Person for borrowed money or with respect to deposits with such Person or advances to such Person of any kind, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all obligations of such Person upon which interest charges are customarily paid, other than trade credit incurred in the ordinary course of business consistent with past practice, (iv) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (v) all obligations of such Person issued or assumed as the deferred purchase price of property or services (other than deferred compensation and post-retirement and other similar benefits), (vi) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (vii) all capital lease obligations of such Person, (viii) all obligations of such Person in respect of interest rate protection agreements, foreign currency exchange agreements or other interest or exchange rate hedging arrangements, (ix) all obligations of such Person as an account party in respect of letters of credit and bankers' acceptances and (x) all obligations, contingent or otherwise, of such Person guaranteeing any of the foregoing obligations of any other Person (the "primary obligor") in any manner, whether directly or indirectly.

(i) "**GAAP**" means U.S. generally accepted accounting principles.

(j) "**Governmental Authority**" means any federal, state or local or foreign government, any court, administrative, regulatory or other governmental agency, commission or authority or any non-governmental United States or foreign self-regulatory agency, commission, body, entity or authority or any arbitral tribunal.

(k) "**Intellectual Property**" means all intellectual or industrial property and rights therein, however denominated, throughout the world, whether or not registered, including all patent applications, patents, trade secrets, trademarks, service marks, corporate names, business names, brand names, trade names, all other names and slogans embodying business or product goodwill (or both), trade styles or dress, mask works, copyrights, moral rights of authorship, including any rights in designs, works of authorship, technology, inventions, invention disclosures, discoveries, improvements, know-how, program materials, processes, methods, and confidential or proprietary information, and all other intellectual and industrial property rights, whether or not subject to statutory registration or protection and, with respect to each of the foregoing, all registrations and applications for registration, renewals, extensions, continuations, reissues, divisionals, improvements, modifications, derivative works, goodwill, and common law rights, and causes of action, including the right to collect damages, relating to any of the foregoing.

(l) "**Material Adverse Effect**" means, with respect to any party, any change, effect, event, occurrence, state of facts or development or developments which, individually or in the aggregate, has had, or would reasonably be expected to have, a material adverse effect on (i) the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), results of operations or prospects of such party and its Subsidiaries, taken as a whole, or (ii) the ability of such party to perform its obligations under this Agreement and to consummate the transactions contemplated hereby, except in the case of clause (i) above, for any such change, effect, event, occurrence, state of facts or development that arises or results from (A) changes in general economic, capital market, regulatory or political conditions or changes in Applicable Law or the interpretation thereof that, in any case, do not disproportionately affect such Person relative to other participants in such Person's industry, (B) acts of war or terrorism that do not disproportionately affect such Person in any material respect relative to other participants in such Person's industry, or (C) the announcement or proposed consummation of this Agreement and the transactions contemplated hereby. For purposes of this definition, the parties agree that the industry in which both the Company and Parent operate is the seismic industry.

(m) "**Parent IP**" means all Intellectual Property used in or material to the business of Parent as currently conducted or as currently proposed to be conducted.

(n) "**Parent Material Adverse Effect**" means, with respect to Parent, any Material Adverse Effect.

(o) "**Permitted Liens**" mean, with respect to any Person: (i) Liens for Taxes not yet due and payable; (ii) statutory Liens of lessors; (iii) Liens in favor of vendors, carriers, warehousemen, repairmen, mechanics and materialmen arising by operation of law in the ordinary course of business; and (iv) easements, rights of way, restrictions, and other similar encumbrances, and minor defects in the chain of title, none of which interfere with the ordinary conduct of the business of such Person or any Subsidiary of such Person or materially detract from the value or use of the property to which they apply.

(p) "**Person**" means any natural person, firm, individual, partnership, joint venture, business trust, trust, association, corporation, company, limited liability company, unincorporated entity or Governmental Authority.

(q) "**Proceeding**" means any claim, charge, assertion, cause of action, complaint, litigation, controversy, action, suit, arbitration, proceeding or investigation.

(r) "**Representatives**" means, with respect to any Person, such Person's directors, officers, employees or agents or any investment banker, financial advisor, attorney, accountant or other advisor or representative.

(s) "**Subsidiary**," when used with respect to any Person, means any other Person, of which such Person (i) directly or indirectly owns or controls a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization (or if there are no voting interests, a majority of the equity

interests or the right to receive more than 50% of the distributions) or (ii) is a general partner or managing member.

(t) "**Tax**" or "**Taxes**" means all net income, gross income, gross receipts, sales, use, ad valorem, transfer, accumulated earnings, alternative or add-on minimum, environmental (including taxes under Section 59A of the Code), franchise, unclaimed property, social security (or similar), national insurance contributions, unemployment, employment insurance, registration, value added, goods and services, estimated, excess profits, franchise, profits, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, disability, capital stock or windfall profits taxes, customs duties or other taxes, fees, assessments or other governmental charges of any kind whatsoever, and any liability for the foregoing under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local, or foreign law), or as a transferee or successor, by contract, or otherwise, in each case including any interest and any penalties, additions to tax or additional amounts imposed by any taxing authority (U.S. or non-U.S.).

(u) "**Termination Threshold**" means, with respect to either the Company or Parent, an amount equal to 10% of such party's net property, plant and equipment on a consolidated pre-tax basis as reported on its balance sheet for the quarter ended on June 30, 2014.

(v) This Agreement uses the words "herein," "hereof" and "hereunder" and words of similar import to refer to this Agreement as a whole and not to any provision of this Agreement, and the words "Article," "Section," "Schedule" and "Exhibit" refer to Articles and Sections of and Schedules and Exhibits to this Agreement, unless it otherwise specifies. This Agreement uses the word "party" to refer to any original signatory hereto and its permitted successors and assigns under Section 10.3.

(w) The phrase "to the knowledge of" and similar phrases relating to knowledge of the Company or Parent, as the case may be, shall mean the collective knowledge, after reasonable investigation, of the individuals listed on Section 10.8 of the Company Disclosure Letter or the Parent Disclosure Letter, respectively.

(x) The word "including," and, with correlative meaning, the word "include," means including, without limiting the generality of any description preceding that word, and the words "shall" and "will" are used interchangeably and have the same meaning. The word "or" shall be deemed to mean "and/or."

(y) Except as this Agreement otherwise specifies, all references herein to any Applicable Law, including the Code, ERISA, the Exchange Act and the Securities Act, are references to that Applicable Law or any successor Applicable Law, as the same may have been amended or supplemented from time to time, and any rules or regulations promulgated thereunder.

Section 10.9 *Severability*. If any provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, to the extent possible, be modified in such a manner as to be valid, legal and enforceable but so as to retain most nearly the

intent of the parties as expressed herein. If such a modification is not possible, that provision will be severed from this Agreement, and in either case the validity, legality and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

Section 10.10 *Enforcement of Agreement*. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to specific performance of the terms of this Agreement in addition to any other remedy at law or equity. The parties accordingly agree that the parties will be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity or under this Agreement.

Section 10.11 *Consent to Jurisdiction and Venue; Appointment of Agent for Service of Process*. Each of the parties hereto irrevocably and unconditionally confirms and agrees that it shall be subject to the jurisdiction of any state or federal court located in the State of Texas. Each party hereto hereby irrevocably and unconditionally acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues, and therefore each such party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation directly or indirectly arising or relating to this Agreement or the transactions contemplated by this Agreement.

Section 10.12 *No Recourse*. This Agreement may only be enforced against, and any Proceedings that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement may only be made against the Persons that are expressly identified as parties hereto and no past, present or future Affiliate, director, officer, employee, incorporator, member, manager, partner, shareholder, agent, attorney or Representative of any party hereto shall have any liability for any obligations or liabilities of the parties to this Agreement or for any Proceeding based on, in respect of, or by reason of, the transactions contemplated hereby.

Section 10.13 *Counterparts*. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

[signature page follows]

The parties have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date first written above.

DAWSON GEOPHYSICAL COMPANY

By: /s/ Stephen C. Jumper
Name: Stephen C. Jumper
Title: President and Chief Executive Officer

TGC INDUSTRIES, INC.

By: /s/ Wayne A. Whitener
Name: Wayne A. Whitener
Title: President and Chief Executive Officer

RIPTIDE ACQUISITION CORP.

By: /s/ Wayne A. Whitener
Name: Wayne A. Whitener
Title: President

Exhibit 4.1

Execution Version

FIRST AMENDMENT TO RIGHTS AGREEMENT

This FIRST AMENDMENT TO RIGHTS AGREEMENT, dated as of October 8, 2014 (this "***Amendment***"), to the Rights Agreement, dated effective as of July 23, 2009 (the "***Company Rights Agreement***"), between Dawson Geophysical Company, a Texas corporation (the "***Company***"), and Computershare Inc, a Delaware corporation, successor-in-interest to Mellon Investor Services LLC, as rights agent (the "***Rights Agent***").

RECITALS

WHEREAS, TGC Industries, Inc., a Texas corporation ("***Parent***"), Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of Parent ("***Merger Subsidiary***") and the Company contemplate entering into an Agreement and Plan of Merger (as the same may be amended, supplemented or otherwise modified from time to time, the "***Merger Agreement***"), pursuant to which it is proposed that, among other things, upon the satisfaction or waiver of certain conditions, Merger Subsidiary will merge with and into the Company (the "***Merger***").

WHEREAS, pursuant to Section 27 of the Company Rights Agreement, for so long as the Rights are redeemable, the Company may, and the Rights Agent shall, if the Company so directs, supplement or amend any provision of the Company Rights Agreement without the approval of any holders of the certificates representing shares of Common Stock.

WHEREAS, the Company desires to amend the Company Rights Agreement to render the Rights inapplicable to the Merger Agreement, the Merger and the other transactions specifically contemplated by the Merger Agreement.

WHEREAS, the Board of Directors of the Company has approved the execution, delivery and performance by the Company of, and the consummation of the transactions contemplated by, the Merger Agreement and has determined that it is in the best interests of the Company and its stockholders to amend the Company Rights Agreement as set forth below and has approved this Amendment and authorized its appropriate officers to execute and deliver the same to the Rights Agent.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Capitalized Terms. All capitalized, undefined terms used in this Amendment shall have the meanings assigned thereto in the Company Rights Agreement.

2. Amendments.

   a. The definition of "Acquiring Person" set forth in Section 1 of the Company Rights Agreement is hereby amended by adding the following sentences to the end of such definition:

      "Notwithstanding anything in this Agreement to the contrary, none of TGC Industries, Inc., a Texas corporation ("***Parent***"), Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of Parent ("***Merger Subsidiary***"), or any of their respective Affiliates or Associates shall be deemed to be an Acquiring Person, either individually or collectively, by virtue of or as a result of (i) the

approval, execution or delivery of the Agreement and Plan of Merger (as the same may be amended from time to time, the "***Merger Agreement***"), dated as of October 8, 2014, among the Company, Parent and Merger Subsidiary, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the merger of Merger Subsidiary with and into the Company on the terms, and subject to the conditions set forth in, the Merger Agreement (such merger is referred to in this Agreement as the "***Merger***"), (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement. However, if the Merger Agreement is terminated prior to the Effective Time (as defined in the Merger Agreement), then the immediately preceding sentence shall be of no further force and effect. The Company shall give the Rights Agent prompt written notice upon the consummation of the Merger Agreement and the occurrence of the Effective Time, and the Rights Agent may rely on such notice in carrying out its duties under this Agreement and shall be deemed not to have any knowledge of the consummation of the Merger Agreement or the Effective Time unless and until it shall have received such notice."

   b. The definition of "Distribution Date" set forth in Section 1 of the Company Rights Agreement is hereby amended by adding the following sentence to the end of such definition:

      "Notwithstanding anything in this Agreement to the contrary, no Distribution Date shall occur or be deemed to have occurred by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

   c. The definition of "Expiration Date" set forth in Section 1 of the Company Rights Agreement is hereby amended and restated in its entirety as follows:

      ""***Expiration Date***" shall mean the earliest of (i) the Final Expiration Date, (ii) the Effective Time (as defined in the Merger Agreement), (iii) the time at which the Rights are redeemed as provided in Section 23 hereof, (iv) the time at which the Rights expire pursuant to Section 13(d) hereof and (v) the time at which all Rights then outstanding and exercisable are exchanged pursuant to Section 24 hereof."

d. The definition of "Stock Acquisition Date" set forth in Section 1 of the Company Rights Agreement is hereby amended by adding the following sentence to the end of such definition:

"Notwithstanding anything in this Agreement to the contrary, no Stock Acquisition Date shall occur or be deemed to have occurred by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

e. Section 7 of the Company Rights Agreement is hereby amended by adding the following provision at the end of such section as a new subsection:

"(g) Notwithstanding anything in this Agreement to the contrary, the provisions of this Section 7 shall not apply by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

f. Section 11 of the Company Rights Agreement is hereby amended by adding the following provision at the end of such section as a new subsection 11(q):

"(q) Notwithstanding anything in this Agreement to the contrary, the provisions of Section 11 shall not apply, and no adjustments shall be made pursuant to this Section 11, by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

g. Section 13 of the Company Rights Agreement is hereby amended by adding the following provision at the end of such section as a new section (e):

"(e) Notwithstanding anything in this Agreement to the contrary, this Section 13 shall not be applicable to (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

h. Section 25 of the Company Rights Agreement is hereby amended by adding the following provision at the end of such section as a new subsection (c):

"(c) Notwithstanding anything in this Agreement to the contrary, the Company shall not be required to give any notice contemplated by this Section 25 by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Merger or any other transactions contemplated by the Merger Agreement."

i. Section 26 of the Company Rights Agreement is hereby amended by deleting the Rights Agent notice address in its entirety and replacing it with the following:

"Computershare
476 Old Smizer Road #149
Felton, Missouri 63026
Attention: Relationship Manager
Facsimile: 866-749-2143"

j. Section 30 of the Company Rights Agreement is hereby amended by adding the following sentence at the end thereof:

"Further, nothing in this Agreement shall be construed to give any holder of Rights or any other Person any legal or equitable rights, remedies or claims under this Agreement by virtue of or as a result of (i) the approval, execution or delivery of the Merger Agreement, or the approval, execution and/or delivery of any amendment thereto, (ii) the consummation of the Merger, (iii) the consummation of any other transactions contemplated by the Merger Agreement, or (iv) the announcement of any of the Merger Agreement, the Offer, the Merger or any other transactions contemplated by the Merger Agreement."

3. Governing Law. Section 32 (Governing Law) of the Company Rights Agreement shall apply to this Amendment *mutatis mutandis*.

4. Counterparts; Electronic Transmission. This Amendment may be executed and delivered by facsimile, PDF or similar electronic transmission method in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

5. Authority. Each party represents that such party has full power and authority to enter into this Amendment and that this Amendment constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms.

6. Successors and Assigns. All of the covenants and provisions of this Amendment by or for the benefit of the Company or the Rights Agent shall bind and inure to the benefit of their respective successors and assigns.

7. Benefits of this Amendment. Nothing in this Amendment shall be construed to give to any Person other than the Company, the Parent, the Merger Subsidiary, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Stock) any legal or equitable right, remedy or claim under this Amendment; but this Amendment shall be for the sole and exclusive benefit of the Company, the Parent, the Merger Subsidiary, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Stock).

8. Severability. If any term, provision, covenant or restriction of this Amendment is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Amendment shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9. Effectiveness. This Amendment shall be effective as of the date first written above and shall be deemed effective prior to, and shall be subject to, the execution and delivery of the Merger Agreement; provided, however, that this Amendment shall be null and void, automatically terminate and be of no further force or effect on the date on which the Merger Agreement is terminated in accordance with its terms. In the event this Amendment is deemed null and void due to the termination of the Merger Agreement, the Company shall provide the Rights Agent with notice of such termination promptly thereafter and the Rights Agent shall not be deemed to have any knowledge of the termination of the Merger Agreement unless and until it shall have received such notice. Except as and to the extent expressly modified by this Amendment, the

Company Rights Agreement and the exhibits thereto, shall remain in full force and effect in all respects. In the event of a conflict or inconsistency between this Amendment and the Company Rights Agreement and the exhibits thereto, the provisions of this Amendment shall govern.

10. Certification. The undersigned, an appropriate officer of the Company, hereby certifies to the Rights Agent on behalf of the Company that this Amendment is in compliance with Section 27 of the Company Rights Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

DAWSON GEOPHYSICAL COMPANY

By: /s/ Stephen C. Jumper
Name: Stephen C. Jumper
Title: President and Chief Executive Officer

COMPUTERSHARE INC

By: /s/ Dennis V. Moccia
Name: Dennis V. Moccia
Title: Manager, Contract Administration

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is by and between TGC Industries, Inc., a Texas corporation (the "Company"), and Stephen C. Jumper (the "Executive"). The Company and the Executive are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, this Agreement is being delivered in connection with that certain Agreement and Plan of Merger, dated as of October 8, 2014, among Dawson Geophysical Company, a Texas corporation ("Dawson"), the Company and Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of the Company ("Merger Sub"), as the same may be amended from time to time pursuant to its terms (the "Merger Agreement").

WHEREAS, the effective date of this Agreement is the Closing Date (as defined in the Merger Agreement) (the "Effective Date"). If the Closing Date (as defined in the Merger Agreement) shall not occur, this Agreement shall be null and void *ab initio* and of no further force and effect.

WHEREAS, the Company desires to employ the Executive on the terms and conditions, and for the consideration, hereinafter set forth, and the Executive desires to be employed by the Company on such terms and conditions and for such consideration;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration and in further consideration of the mutual covenants and agreements contained herein, the Parties hereby covenant and agree as follows:

1. *Definitions*

For purposes of this Agreement, the following definitions shall apply:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Cause" shall mean any of the following conduct by the Executive: (A) fraud, embezzlement, misappropriation of funds, willful or intentional misconduct or gross negligence in connection with the business of the Company or its affiliates; (B) commission or conviction of any felony or of any misdemeanor involving theft or moral turpitude, or entry of a plea of guilty or *nolo contendere* to any felony or misdemeanor; (C) acts of intentional dishonesty that adversely affect or could reasonably be expected to adversely affect the Company or its affiliates in any material respect; (D) failure to adhere in all material respects to published corporate codes, policies or procedures of the Company; (E) the Executive's excess absenteeism, willful or persistent neglect of, or abandonment of his duties (other than due to illness or any other physical condition that could reasonably be expected to result in Disability); or (F) material breach by the Executive of any contract entered into between the Executive and the Company or an affiliate of the Company, including this Agreement.

Notwithstanding any provision in any equity compensation plan maintained by the Company ("Stock Plan") or any award agreement thereunder that is between the Company and the Executive and that is otherwise in effect as of the Effective Date ("Covered Award"), the foregoing definition of Cause shall apply with respect to such Covered Awards, and the parties agree that the application of such definition shall constitute an amendment to such Covered Awards for purposes of such Stock Plan and such Covered Awards. To the extent necessary, the Company agrees to take such action as shall be necessary to modify any such Covered Award in order to conform to the foregoing.

(c) "Change of Control" means

(i) any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) is or becomes a beneficial owner, directly or indirectly, of securities of the Company representing twenty percent (20%) or more of the total voting power of the Company's then outstanding securities;

(ii) the individuals who were members of the Board of Directors of the Company (the "Board") immediately prior to a meeting of the shareholders of the Company involving a contest for the election of directors shall not constitute a majority of the Board following such election unless a majority of the new members of the Board were recommended or approved by majority vote of the members of the Board immediately prior to such shareholder meeting;

(iii) the Company shall have merged into or consolidated with another corporation, or merged another corporation into the Company, on a basis whereby less than fifty percent (50%) of the total voting power of the surviving corporation is represented by shares held by former shareholders of the Company prior to such merger or consolidation; or

(iv) the Company shall have sold, transferred or exchanged all, or substantially all, of its assets to another corporation or other entity or person.

Notwithstanding the foregoing, no event or condition shall constitute a Change of Control to the extent that the event or condition would result in the imposition of an applicable tax under Section 409A of the Code.

(d) "Confidential Information" is defined as information the Executive learns as a consequence of or through employment by the Company (including information conceived, originated, discovered, or developed by the Executive), not generally known in the trade or industry and not freely available to persons not employed by the Company, about the Company's products, services, processes, and business operating procedures, or those of any organization to whom the Company is bound by contract, including, but not limited to, trade secrets and information relating to research, development, inventions, equipment, services, distribution, manufacturing, purchasing, marketing,

customer lists, financial data, engineering, business opportunities or ventures and information relating to the analysis, computation and estimation of the physical properties of three dimensional porous media. For clarity, Confidential Information shall include all information generated by the Executive that is derived from, contains, reflects or incorporates the information provided as Confidential Information.

(e) "Disability" means illness or other incapacity which prevents the Executive from continuing to perform the duties of his job for a period of more than three months.

(f) "Good Reason" means without the written consent of Executive: (A) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties, or responsibilities, or any other action by Employer which results in a diminution in such position, authority, duties, or responsibilities, excluding for this purpose an isolated, insubstantial, and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of notice thereof given by the Executive; (B) any material reduction in the amount or type of compensation and benefits paid to the Executive, as described in Sections 4 and 5; (C) the Company requiring the Executive to be based at any office or location other than facilities within 50 miles of the Executive's office or location immediately prior to the Effective Date; (D) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement or (E) material breach by the Company of this Agreement.

(g) "Work Product" is defined as all inventions, ideas, and discoveries (whether patentable or not), designs, products, processes, procedures, methods, developments, formulae, techniques, analyses, drawings, notes, documents, information, materials, improvements and all other developments, whether tangible or intangible, including, but not limited to, computer programs and related documentation, and all intellectual property rights therein, made, conceived, developed, or prepared, in whole or in part, by the Executive during the Term, alone or with others, whether or not during work hours or on the Company's premises, which are (a) within the scope of business operations of the Company, or a reasonable or contemplated expansion thereof, (b) related to any Company work or project, present, past or contemplated, (c) created with the aid of the Company's materials, equipment or personnel, or (d) based upon information to which the Executive has access as a result of or in connection with his employment with the Company.

2. *Employment*

(a) Employment by the Company. The Company hereby employs the Executive in the capacity of Chairman, President and Chief Executive Officer, and the Executive hereby accepts such employment, upon the terms and conditions of this Agreement.

(b) Duties. The Executive shall devote the Executive's best efforts to the performance of the Executive's duties in accordance with all policies and procedures of the Company. The Executive agrees that, during the Term (as defined below), the Executive shall devote all of the Executive's working time, attention, knowledge and skill to the business and interests of the Company (including its subsidiaries). The Executive will not, without the express written consent of the Board, engage in any employment or business activity other than for the Company (including its subsidiaries), including but not limited to employment or business activity which is competitive with, or would otherwise conflict with, his employment by the Company. The foregoing shall not preclude the Executive from managing private investments, participating in industry and/or

trade groups, engaging in volunteer civic, charitable or religious activities, serving on boards of directors of charitable not-for-profit entities or, with the consent of the Board, serving on board of directors of other entities, in each case as long as such activities, individually or in the aggregate, do not materially interfere or conflict with Employee's responsibilities to the Company.

(c) The Executive's Ability to Perform. The Executive represents and warrants that with respect to the Executive's employment or services for the Company, the Executive is not under any obligation, contractual or otherwise, to any other person or entity which would preclude the Executive from entering into this Agreement or performing the terms hereof or permit any other person or entity to obtain substantial damages in connection with the Executive's employment by the Company.

3. *Term*

(a) The term of the Executive's employment pursuant to this Agreement (the "Term") shall begin on the Effective Date and shall terminate at the close of business on the third anniversary of the Effective Date; provided, however, that on each anniversary date of the Effective Date, the Term of this Agreement shall be extended by one calendar year so that the Term will be a rolling three year period on each anniversary of the Effective Date, unless not less than 60 days prior to any such anniversary date either the Company or the Executive provides written notice of the intent not to so extend this Agreement, in which case this Agreement and the employment of Executive hereunder shall automatically expire at the end of the then remaining Term. Notwithstanding the terms of this Section 3, the Executive's employment shall be at all times subject to earlier termination in accordance with Section 6 and the other terms, provisions and conditions set forth in this Agreement.

4. *Compensation*

In consideration of the services to be rendered by the Executive pursuant to this Agreement, including without limitation any services that may be rendered by the Executive as an officer, director, manager or member of any committee of the Company or any of its subsidiaries or affiliates, the Executive shall receive the following compensation and benefits:

(a) Base Salary. The Company shall pay the Executive a base salary of $462,000 if annualized (the "Base Salary"), which shall be earned and payable in accordance with the Company's usual payroll practices. The Base Salary may be reviewed annually by the Company, and may be adjusted in the Board's sole discretion.

(b) Bonus. In addition to the Base Salary, the Executive may be awarded, at the discretion of the Board for any fiscal year ending during the Term, a bonus. Participation in any bonus, profit sharing or other plan measured shall be at the sole discretion of the Board. To the extent the Executive is entitled to receive a cash bonus payment pursuant to the terms of such plan, any such bonus shall be paid in a lump sum payment by March 15 of the year following the year in which the bonus is earned.

5. *Benefits*

(a) Reimbursed Expenses. Reasonable expenses actually incurred by the Executive in direct conduct of the Company's business shall be reimbursed to the Executive to the extent they are reimbursable under the established policies of the Company. Any such reimbursement of expenses shall be made by the Company in accordance with its established policies (but in any event not later than the close of the Executive's taxable year following the taxable year in which the expense is incurred by the Executive and the Executive's right to reimbursement shall not be subject to liquidation or exchange for another benefit).

(b) Benefits. During the Term, the Executive and where applicable the Executive's spouse and dependents shall be eligible to participate in the same benefit plans or fringe benefit policies, other than severance programs, such as health, dental, life insurance, vision, and 401(k), as are offered to members of the Company's executive management, subject to applicable eligibility requirements and the terms and conditions of all plans and policies.

(c) Vacation, Holidays and Paid Time Off. During the Term, the Executive shall be entitled to paid vacation, holidays, sick leave, or other paid time off in accordance with the most favorable plans, policies, programs and practices of the Company then in effect for its executives.

(d) Automobile. During the Term, the Company shall provide the Executive an automobile commensurate with the Executive's position with the Company and otherwise consistent with past practice. The Company shall for all fuel, insurance, maintenance, repair and all other reasonable costs associated with such automobile. The Executive may use the automobile for personal use.

6. *Termination of Employment*

(a) Termination of Employment. The Executive's employment with the Company may be terminated as follows (it being understood and agreed that a party's determination not to renew the Term of this Agreement shall not constitute termination under any provision of this Section 6):

(i) *Termination by the Company for Cause*. The Company may terminate the Executive's employment for Cause after providing the Executive with written notice of the Company's intent to terminate the Executive's employment and the reason(s) therefor. The Executive will have 30 days in which to cure the reason(s) provided by the Company. At the end of such 30-day period, if the Executive has not cured the Cause specified in the written notice as the reason for such termination, then the Executive's employment with the Company shall terminate as of the date provided in such notice of termination.

(ii) *Termination by the Company Without Cause*. The Company may, on written notice to the Executive, terminate the Executive's employment other than for Cause or for no reason, in which event both this Agreement and the Executive's employment with the Company shall terminate 30 days after the date of delivery of such notice of termination.

(iii) *Termination by the Executive Without Good Reason*. The Executive may, on written notice to the Company, terminate the Executive's employment at any time and for any reason, in which event both this Agreement and the Executive's employment with the Company shall terminate on a date specified by the Executive in such notice of termination, which date shall be at least 30 days after the date of delivery of such notice of termination to the Company.

(iv) *Termination by the Executive for Good Reason*. The Executive may terminate the Executive's employment for Good Reason after providing the Company with written notice of the Executive's intent to terminate the Executive's employment and the reason(s) therefor. The Company will have 30 days in which to cure the reason(s) provided by the Executive. At the end of such 30-day period, if the Company has not cured the Good Reason specified in the written notice as the reason for such termination, then the Executive's employment will terminate following a reasonable transition period not to exceed 30 days specified by the Company in written notice to the Executive.

(v) *Termination upon Death*. The Executive's date of death shall constitute termination of employment and all rights to further compensation or benefits, including bonuses, shall cease as of that date, except as expressly set forth in this Agreement.

(vi) *Termination upon Disability*. If the Executive becomes Disabled, the Company may, but shall not be required to, by written notice to the Executive, terminate the Executive's employment with the Company, in which event this Agreement shall terminate 30 days after the date upon which the Company shall have given notice the Executive of its intention to terminate the Executive's employment because of Disability.

(b) Effect of Termination.

(i) Payment Upon Termination for any Reason. In the case of a termination of the Executive's employment with the Company pursuant to any provision of Section 6(a), the Company shall pay to the Executive (or, in the case of death, the Executive's estate) (A) all Base Salary that has accrued and not been paid as of the effective date of termination in accordance with the Company's customary payroll schedule for salaried executives and (B) any employment or other benefits in accordance with the terms of any applicable benefit

arrangements, including any equity award agreements, and applicable law, it being understood that any other rights and benefits of the Executive hereunder shall terminate upon such termination, except for (1) any right of the Executive or his dependents to continue benefits pursuant to applicable law, (2) any rights that the Executive may have under Section 6(b)(ii), Section 6(b)(iii) or Section 6(b)(iv).

(ii) Payment Upon Termination by the Company Without Cause or by the Executive for Good Reason. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), in the case of a termination pursuant to Sections 6(a)(ii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), following the Executive's execution and delivery (without subsequent revocation) of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, (i) the Executive shall be entitled to severance payments, commencing on the first regular payroll date after the 60th day following the applicable termination date (or date of separation from service for purposes of Section 409A, as applicable) (the "Commencement Date"), in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, (iii) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the cost to the Executive to extend his or her then-current group health plan benefits under COBRA (i.e., the health, dental and/or vision benefits as elected by the Executive under the Company's group health plan(s) as of the time of such termination) for 18 months following the date of termination (the "COBRA Benefit"), and (iv) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the bonus (which bonus shall be deemed to be earned at its target level), if any, pursuant to the Company's Annual Incentive Plan or similar arrangement that the Executive was eligible to earn during the calendar year or fiscal year, as applicable, of his or her termination, which amount shall be prorated to reflect the portion of such year during which the Executive was employed by the Company (the "Prorated Bonus"). For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of the Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person. Additionally, if, at the time of termination, Company was providing an automobile to the Executive, then, for a consideration of Ten Dollars ($10.00) cash paid by the Executive to the Company, the following shall apply: (i) if Company owned the automobile, the Company shall transfer the title (free and clear of any liens or other encumbrances) to the Executive (along with any insurance coverage if assignable); and (ii) if the Company was leasing such automobile, the Company shall assign to employee all of its right, title, and interest in and to such lease. Such transfer or assignment shall be completed by the Company not later than two and one-half (2 1/2) months after the end of the calendar year in which the Executive's employment terminates. THE EXECUTIVE ACKNOWLEDGES THAT THE DIFFERENCE IN THE FAIR MARKET VALUE OF THE AUTOMOBILE ON THE DATE OF TRANSFER OVER THE CONSIDERATION PAID BY THE EXECUTIVE SHALL BE TAXABLE TO THE EXECUTIVE AS COMPENSATION INCOME AND BE SUBJECT TO EMPLOYMENT TAX WITHHOLDING REQUIREMENTS.

(iii) Payment Upon Termination Following a Change of Control. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), if, in the 12-month period immediately following a Change of Control, there is a termination of the Executive pursuant to Sections 6(a)(ii) or 6(a)(iv) (but not for any other applicable termination provisions of this Agreement), following the Executive's execution and return of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, in addition to the severance payments and other benefits provided in Section 6(b)(ii), (i) the Executive shall be entitled to severance payments, commencing on the Commencement Date, in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, if this Section 6b(iii) applies, then the Executive shall receive an amount equal to 2x his then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term), 2x the COBRA Benefit and 2x the Prorated Bonus.

(iv) Payment Upon Termination Following Disability of Executive. In the case of a termination pursuant to Section 6(a)(vi) (but not any other applicable termination provisions of this Agreement), (i) the Executive shall be entitled to periodic severance payments, commencing on the Commencement Date, in an aggregate amount equal to the continuation of the Executive's then-current Base Salary that would have been payable to the Executive on each regular payroll date had the Executive remained employed by the Company for six months from the date of termination, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of such Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person.

(v) Return of Company Property. Upon termination of the Executive's employment with the Company, the Executive (or, in the event of death, the Executive's estate) shall promptly deliver to the Company all of the Company's property in the Executive's possession or under the Executive's control or related to the Company's business, including but not limited to any vehicle, keys, records, notes, books, maps, plans, data, memoranda, models, electronically recorded data or software, and any computers, mobile phones and other equipment (including any of the foregoing reflecting or containing any information relating to any assets or projects in which the Company has any direct or indirect interest), and all other Confidential Information (as defined below), and shall retain no copies or duplicates of any such property or Confidential Information.

(vi) Defense of Claims. The Executive agrees that, upon the request of the Company, the Executive will reasonably cooperate with the Company in the defense of any claims or actions that may be made by or against the Company that relate to the Executive's areas of responsibility during the Executive's

employment with the Company, except if the Executive's reasonable interests are adverse to the Company or its affiliate(s), as applicable, in such claim or action. The Company agrees to reimburse the Executive for all of Employee's reasonable travel and other direct expenses in accordance with Section 5(a) incurred, or to be reasonably incurred, to comply with the Executive's obligations under this Section; provided, Executive provides reasonable documentation of same.

(vii) Certain Excess Payments.

A. If the payments and benefits provided to the Executive under this Agreement or under any other agreement with, or plan of, the Company or any person or entity which is a party to a transaction involving the Company or its affiliates ("Total Payments") (i) constitute a "parachute payment" as defined in Section 280G of the Code and exceed three times the "base amount" as defined under Section 280G(b)(3) of the Code, and (ii) would, but for this Section 6(b)(vii)(A), be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits under this Agreement shall be either (x) paid in full, or (y) reduced and payable only as to the maximum amount which would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code, whichever results in the receipt by the Executive on an after-tax basis of the greatest amount of Total Payments (taking into account the applicable federal, state and local income taxes, the excise tax imposed by Code Section 4999 and all other taxes (including any interest and penalties) payable by the Executive). If a reduction of such Total Payments is necessary, cash severance payments provided for herein shall first be reduced (such reduction to be applied first to the payments otherwise scheduled to occur the earliest), and the non-cash severance benefits provided for herein shall thereafter be reduced (such reduction to be applied first to the benefits otherwise scheduled to occur the earliest). If, as a result of any reduction required by this Section 6(b)(vii)(A), amounts previously paid to the Executive exceed the amount to which he or she is entitled, the Executive will promptly return the excess amount to the Company.

B. All determinations required to be made under this Section 6(vii), including whether reductions are necessary, shall be made by the accounting firm used by the Company at the time of such determination (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and to the Executive within 15 business days of the receipt of notice from the Company or the Executive that there has been a termination of his or her employment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

7. *Confidentiality*

(a) Provision of Confidential Information; Acknowledgements. During the Term of this Agreement, in order to assist the Executive with the Executive's duties, the Company agrees to provide the Executive with Confidential Information. The Executive acknowledges and agrees that all Confidential Information is confidential and a valuable, special and unique asset of the Company that gives the Company an advantage over its actual and potential, current and future competitors. The Executive acknowledges and agrees that, as between the Executive and the Company, the Confidential Information is now, and will at all times remain, the exclusive property of the Company, and the Executive has no ownership interest in any Confidential Information.

(b) Non-Disclosure of the Confidential Information. The Executive covenants and agrees that during the Term and following the termination (for any reason) of this Agreement, the Executive will keep secret and treat confidentially the Confidential Information, and will not disclose any Confidential Information to any person or entity for any purpose other than as directed by the Company in connection with the business and affairs of the Company nor shall the Executive use any Confidential Information for any purpose other than as directed by the Company in connection with the business and affairs of the Company. The Executive will not copy, reproduce, decompile, or reverse engineer, any Confidential Information, or remove or transmit by email or other electronic means Confidential Information from the premises of the Company absent specific consent or as necessary for the Executive to carry out his job duties for the Company. **This contractual confidentiality obligation shall be in addition to, and in no way a limitation of, all such confidentiality obligations as may exist at law or in equity.**

8. *Restrictive Covenants*

(a) Non-Competition. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, acting alone or in conjunction with others, or as an employee, consultant or independent contractor, or as partner, officer, director, shareholder, manager, member or owner of any interest in or security of, any partnership, corporation, limited liability company or other business entity, venture or enterprise, engage or participate, for compensation or without compensation, in any business which is in competition with the Company as conducted at the time of termination of the Executive's employment by the Company, which, includes, but is not limited to, seismic data acquisition and related goods and services in the oil and gas exploration and drilling industry, in the geographic locations where the Company does business; provided, however, that, in the event that clause (y) above is applicable, then, the Executive may shorten the time period required by that clause to only one year from the date of the termination of the Executive's employment by agreeing in a written instrument delivered to the Company providing that the Executive irrevocably forfeits any remaining severance

payments that would have been paid by the Company to the Executive during such remaining period of time but for such forfeiture.

(b) Non-Solicitation of Customers. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, solicit any customer of the Company either to purchase products or services (customer defined as any person or entity for which the Company has performed services or sold goods during the Term) or to reduce or cease business with the Company.

(c) Non-Solicitation of Employees. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, hire or induce or solicit any current employee of the Company or any person who was an employee of the Company during the final 12 months of the Executive's employment to terminate the employee's employment with the Company or to work for the Executive or any other person or entity.

(d) Non-Disparagement.

(i) During the Term and for five years after the date of termination of the Executive's employment, the Executive agrees to refrain from making any libelous, slanderous or defamatory comments about the Company, its operations and its executives, or any comments which place the Company, its operations or its executives in a false light to the public, except as required by law.

(ii) During the Term and for five years after the date of termination of the Executive's employment, the Company agrees to refrain from making any libelous, slanderous or defamatory comments about the Executive in a false light to the public, except as required by law.

(e) Reasonableness of Scope. The Executive represents and agrees that the geographic and time scope of the restrictive covenants set forth in this Section 8 are necessary and reasonable in order to protect the Company's business, goodwill, customer relationships, employees and Confidential Information. If one or more of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity or subject matter so as to be unenforceable at law, such provision(s) shall be construed and reformed by the appropriate judicial body by limiting and reducing it (or them), so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

9. *Discoveries and Inventions*

(a) Assignment of Work Product to the Company. The Executive assigns and agrees to assign to the Company, without additional compensation, all the Executive's right, title, and interest in and to any and all Work Product and any related or associated intellectual property. For clarity, Work Product does not have to be subject to or eligible for federal or state patent, copyright or trademark protection to be subject to this provision. If any such Work Product is created wholly or in part by the Executive during the Executive's hours of actual work for the Company, or with the aid of the Company's materials, equipment, or personnel, or at the premises of the Company, or resulted from or in any way were derived or generated by performance of the Executive's duties under this Agreement, or is in any way related to or derived from the services or products the Company produces or offers, then such creation shall be deemed conclusively to have occurred in the course of the Executive's employment. It is recognized that the Executive will perform the duties assigned to the Executive at times other than the Executive's actual working hours and the Company's rights hereunder shall not be diminished because the Work Product was created at such other time.

(b) Cooperation; Grant of License. The Executive agrees to perform all acts necessary or reasonably requested by the Company to enable the Company to learn of, understand, protect, obtain and enforce patent or copyright rights to the Work Product, including but not limited to, making full and immediate disclosure and description to the Company of the Work Product, and assisting in preparation and execution of documents required to transfer and convey the Work Product and to convey to the Company patent, copyright or any other intellectual property protection in the United States and any foreign jurisdiction. In the event the Company is unable to secure the signature of the Executive to any document required to file, prosecute, register or memorialize the assignment of any patent copyright mask work, the Executive irrevocably appoints the Chief Executive Officer of the Company as the Executive's agent and attorney in fact to act for and on behalf of and instead of the Executive to take such actions needed to enforce and obtain the Company's rights hereunder. To the extent any of the Executive's rights, title or interest to the Work Product cannot be assigned to the Company, the Executive grants and will grant an exclusive, worldwide, transferable, irrevocable, royalty-license (with rights to sublicense without consent of the Executive) to the Company to exploit fully such Work Product. These obligations shall continue beyond the termination of this Agreement and shall be binding upon the Executive's assigns, executors, administrators and other legal representatives.

10. *Injunctive Relief*

The Executive acknowledges that the Company and its affiliates would be irreparably damaged in the event any of the restrictions contained in Sections 7, 8 or 9 were not performed in accordance with their specific terms or were to be otherwise breached. Therefore, the Company shall be entitled to specifically enforce the restrictions in Sections 7, 8 or 9, without the necessity of proving actual damages or posting a bond of any type or size, in addition to any other remedy to which the Company may be entitled, at law or in equity, all of which shall be cumulative and not exclusive.

11. *Arbitration*

(a) Subject to Sections 11(b) and 11(d), any dispute, controversy or claim between the Executive and the Company arising out of or relating to this Agreement or the Executive's employment with the Company will be finally settled by arbitration in Midland, Texas before, and in accordance with the rules for the resolution of employment disputes then in effect of, the American Arbitration Association ("AAA"). The arbitration award shall be final and binding on both parties.

(b) Any arbitration conducted under this Section 11 shall be heard by a single arbitrator (the "Arbitrator") selected in accordance with the then-applicable rules of the AAA. The Arbitrator shall expeditiously (and, if possible, within 90 days after the selection of the Arbitrator) hear and decide all matters concerning the dispute. Except as expressly provided to the contrary in this Agreement, the Arbitrator shall have the power to (i) gather such materials, information, testimony and evidence as he or she deems relevant to the dispute before him or her (and each party will provide such materials, information, testimony and evidence requested by the Arbitrator, except to the extent any information so requested is subject to an attorney-client or other privilege and, if the information so requested is proprietary or subject to a third party confidentiality restriction, the Arbitrator shall enter an order providing that such material will be subject to a confidentiality agreement), and (ii) grant injunctive relief and enforce specific performance. The decision of the Arbitrator shall be rendered in writing, be final, non-appealable and binding upon the disputing parties and the parties agree that judgment upon the award may be entered by any court of competent jurisdiction; *provided* that the parties agree that the Arbitrator and any court enforcing the award of the Arbitrator shall not have the right or authority to award punitive or exemplary damages to any disputing party.

(c) The Company shall pay all AAA, arbitration, mediation and arbitrator fees and costs. Each party shall bear its own costs and attorneys' fees incurred in connection with any arbitration, unless the Arbitrator determines that compelling reasons exist for allocating all or a portion of such costs and fees to the other side.

(d) Notwithstanding Section 11(a), an application for emergency or temporary injunctive relief by either party shall not be subject to arbitration under this Section; provided, however, that the remainder of any such dispute (beyond the application for emergency or temporary injunctive relief) shall be subject to arbitration under this Section.

(e) By entering into this Agreement and entering into the arbitration provisions of this Section 11, THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THEY ARE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVING THEIR RIGHTS TO A JURY TRIAL.

(f) Nothing in this Section 11 shall prohibit a party to this Agreement from (i) instituting litigation to enforce any arbitration award, or (ii) joining another party to this Agreement in a litigation initiated by a person or entity which is not a party to this Agreement.

12. *Miscellaneous*

(a) Notification of Restrictions to Third Parties. The Executive agrees that the Company may notify any person or entity employing or contracting with the Executive or evidencing any intention of employing or contracting with the Executive of the existence and provisions of this Agreement, to the extent such provisions of Agreement are still in effect as of such time. During the 12 month period after termination of the Executive's employment pursuant to Sections 6(a)(i), 6(a)(ii), 6(a)(iii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), if the Executive enters into an employment consulting, independent contractor, financial or any other relationship with any third party which is in any way competitive with the Company, the Executive agrees to provide the Company with written notice of the Executive's job or other responsibilities and involvements within five business days of the Executive's acceptance of such employment or other relationship (the "Employment Notice"). The Employment Notice shall include (1) a description of the duties and responsibilities or other involvements of the proposed position or relationships, (2) identity of the employer(s) or contracting entity or other involved parties, and (3) the territory in which the Executive or any other involved parties will be providing services.

(b) Severability. If any covenant or provision herein is finally adjudicated to be void or unenforceable in whole or in part, it shall be reformed, or if reformation is not possible, deleted from the remaining Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement. The Executive hereby agrees that all restrictions in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are hereby waived by the Executive.

(c) Entire Agreement. This Agreement contains all of the terms, conditions and agreements of the Parties with respect to the Executive's employment by the Company and cancels, supersedes or amends, as applicable, all prior agreements and understandings between the Parties relating to the Company's employment and compensation of the Executive for any period and in any capacity whatsoever, and the Executive acknowledges and agrees that the Amended and Restated Employment Contract between the Executive and Dawson Geophysical Company dated March 11, 2014 (the "Current Agreement") and all amendments thereto shall be null and void effective as of the Effective Date. If the Merger Agreement is terminated for any reason before the consummation of the Closing (as such term is defined in the Merger Agreement), this Agreement shall automatically and immediately terminate and be of no further force or effect and the Current Agreement will continue pursuant to its terms.

(d) Withholding and other Deductions. The Company shall have the right to deduct from the Base Salary, other compensation payable to the Executive, and any other payments, including severance payments, that the Company may make to the Executive pursuant to the terms hereof, social security taxes and all federal, state, and municipal taxes and charges as may now be in effect or which may hereafter be enacted or required as charges on the compensation of the Executive.

(e) Headings; Interpretation. The section headings hereof are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. In addition, as used in this Agreement, unless otherwise provided to the contrary, (i) all references to days, months or years shall be deemed references to calendar days, months or years or (ii) any reference to a "Section" shall be deemed to refer to a section of this Agreement.

(f) Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, first class postage prepaid or delivered by overnight messenger service, to the Executive at either the office of the Company to which the Executive is assigned or to his last known home address, and to the Company addressed to the Secretary of the Company at 508 West Wall, Suite 800, Midland, Texas 79701 (delivery of such copy being a necessary requirement for the notice, request, demand or communication to be effective) or to such other address as the addressee hereunder may designate.

(g) Modification; Waiver. No modification, amendment or waiver of this Agreement shall be binding upon the Company unless executed in writing on behalf of the Company by a person designated by the Board to sign such modification, amendment or waiver. A waiver by any Party of any breach of this Agreement shall not constitute a waiver of future reoccurrences of such breach, or other breaches. A waiver by any Party of any terms, conditions, rights or obligations under this Agreement shall not constitute a waiver of such term, condition, rights or obligation in the future. No delay or omission by a Party to exercise any right, power or remedy shall impair or waive any such right, power or remedy, or be construed as a waiver of any default. No whole or partial exercise of any right, power or privilege shall preclude any other or further exercise thereof.

(h) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Company, but shall not be assignable by the Executive. The Company may, without the Executive's consent, assign this Agreement to any of its affiliates or to a purchaser, or any of its affiliates, of the stock or assets of the Company.

(i) Applicable Law; Venue. THIS AGREEMENT SHALL BE INTERPRETED AND ENFORCED IN CONFORMITY WITH THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. VENUE OF ANY LEGAL ACTION ARISING FROM OR RELATING TO THIS AGREEMENT SHALL BE IN MIDLAND COUNTY, TEXAS.

(j) Section 409A. This Agreement is intended to provide payments that are exempt from, or to the extent not exempt, compliant with the provisions of Section 409A of the Internal Revenue Code (the "Code") and related regulations and Treasury pronouncements ("Section 409A"), and the Agreement shall be interpreted

accordingly. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A. For purposes of Section 409A, each payment under Section 6 will be treated as a separate payment. Notwithstanding any provision of this Agreement to the contrary, the Parties agree that any benefit or benefits under this Agreement that the Company determines are subject to the suspension period under Code Section 409A(a)(2)(B) shall not be paid or commence until (i) the first business day following such date that is six months after the Executive's termination date, or if earlier, (ii) the Executive's death. To the extent any benefits provided under this Agreement are otherwise taxable to the Executive, such benefits, for purposes of Section 409A shall be provided as separate monthly in-kind payments of those benefits, and to the extent those benefits are subject to and not otherwise excepted from Section 409A, the provisions of the in-kind benefits during one calendar year shall not affect the in-kind benefits to be provided in any other calendar year.

(k) Survival of Obligations. The Parties expressly agree the provisions of Sections 6(b)(ii), 6(b)(iv), 6(b)(vii) and 7 through 12 shall survive the termination of this Agreement.

(l) Knowledge and Legal Representation. **THE EXECUTIVE ACKNOWLEDGES THAT THE EXECUTIVE HAS CAREFULLY READ THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF THE EXECUTIVE'S CHOOSING TO THE EXTENT THE EXECUTIVE DESIRES LEGAL ADVICE REGARDING THIS AGREEMENT, AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.**

(m) Counterparts. This Agreement may be executed in any number of counterparts (including executed counterparts delivered and exchanged by facsimile transmission) with the same effect as if the Parties had originally executed the same document, and all counterparts shall be construed together and shall constitute the same instrument.

(n) Attorneys' Fees. In the event of any litigation in relation to this Agreement, the prevailing Party, in addition to all other sums to which such Party may be entitled, shall be further entitled to recovery of all costs of such litigation, including reasonable attorneys' fees.

[signature page follows]

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement on the dates indicated below.

THE EXECUTIVE:

/s/ Stephen C. Jumper

Name: Stephen C. Jumper

COMPANY:

TGC INDUSTRIES, INC.

By: /s/ Wayne A. Whitener
Name: Wayne A. Whitener
Title: President

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is by and between TGC Industries, Inc., a Texas corporation (the "Company"), and C. Ray Tobias (the "Executive"). The Company and the Executive are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, this Agreement is being delivered in connection with that certain Agreement and Plan of Merger, dated as of October 8, 2014, among Dawson Geophysical Company, a Texas corporation ("Dawson"), the Company and Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of the Company ("Merger Sub"), as the same may be amended from time to time pursuant to its terms (the "Merger Agreement").

WHEREAS, the effective date of this Agreement is the Closing Date (as defined in the Merger Agreement) (the "Effective Date"). If the Closing Date (as defined in the Merger Agreement) shall not occur, this Agreement shall be null and void *ab initio* and of no further force and effect.

WHEREAS, the Company desires to employ the Executive on the terms and conditions, and for the consideration, hereinafter set forth, and the Executive desires to be employed by the Company on such terms and conditions and for such consideration;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration and in further consideration of the mutual covenants and agreements contained herein, the Parties hereby covenant and agree as follows:

1. *Definitions*

For purposes of this Agreement, the following definitions shall apply:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Cause" shall mean any of the following conduct by the Executive: (A) fraud, embezzlement, misappropriation of funds, willful or intentional misconduct or gross negligence in connection with the business of the Company or its affiliates; (B) commission or conviction of any felony or of any misdemeanor involving theft or moral turpitude, or entry of a plea of guilty or *nolo contendere* to any felony or misdemeanor; (C) acts of intentional dishonesty that adversely affect or could reasonably be expected to adversely affect the Company or its affiliates in any material respect; (D) failure to adhere in all material respects to published corporate codes, policies or procedures of the Company; (E) the Executive's excess absenteeism, willful or persistent neglect of, or abandonment of his duties (other than due to illness or any other physical condition that could reasonably be expected to result in Disability); or (F) material breach by the Executive of any contract entered into between the Executive and the Company or an affiliate of the Company, including this Agreement.

Notwithstanding any provision in any equity compensation plan maintained by the Company ("Stock Plan") or any award agreement thereunder that is between the Company and the Executive and that is otherwise in effect as of the Effective Date ("Covered Award"), the foregoing definition of Cause shall apply with respect to such Covered Awards, and the parties agree that the application of such definition shall constitute an amendment to such Covered Awards for purposes of such Stock Plan and such Covered Awards. To the extent necessary, the Company agrees to take such action as shall be necessary to modify any such Covered Award in order to conform to the foregoing.

(c) "Change of Control" means

(i) any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) is or becomes a beneficial owner, directly or indirectly, of securities of the Company representing twenty percent (20%) or more of the total voting power of the Company's then outstanding securities;

(ii) the individuals who were members of the Board of Directors of the Company (the "Board") immediately prior to a meeting of the shareholders of the Company involving a contest for the election of directors shall not constitute a majority of the Board following such election unless a majority of the new members of the Board were recommended or approved by majority vote of the members of the Board immediately prior to such shareholder meeting;

(iii) the Company shall have merged into or consolidated with another corporation, or merged another corporation into the Company, on a basis whereby less than fifty percent (50%) of the total voting power of the surviving corporation is represented by shares held by former shareholders of the Company prior to such merger or consolidation; or

(iv) the Company shall have sold, transferred or exchanged all, or substantially all, of its assets to another corporation or other entity or person.

Notwithstanding the foregoing, no event or condition shall constitute a Change of Control to the extent that the event or condition would result in the imposition of an applicable tax under Section 409A of the Code.

(d) "Confidential Information" is defined as information the Executive learns as a consequence of or through employment by the Company (including information conceived, originated, discovered, or developed by the Executive), not generally known in the trade or industry and not freely available to persons not employed by the Company, about the Company's products, services, processes, and business operating procedures, or those of any organization to whom the Company is bound by contract, including, but not limited to, trade secrets and information relating to research, development, inventions, equipment, services, distribution, manufacturing, purchasing, marketing,

customer lists, financial data, engineering, business opportunities or ventures and information relating to the analysis, computation and estimation of the physical properties of three dimensional porous media. For clarity, Confidential Information shall include all information generated by the Executive that is derived from, contains, reflects or incorporates the information provided as Confidential Information.

(e) "Disability" means illness or other incapacity which prevents the Executive from continuing to perform the duties of his job for a period of more than three months.

(f) "Good Reason" means without the written consent of Executive: (A) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties, or responsibilities, or any other action by Employer which results in a diminution in such position, authority, duties, or responsibilities, excluding for this purpose an isolated, insubstantial, and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of notice thereof given by the Executive; (B) any material reduction in the amount or type of compensation and benefits paid to the Executive, as described in Sections 4 and 5; (C) the Company requiring the Executive to be based at any office or location other than facilities within 50 miles of the Executive's office or location immediately prior to the Effective Date; (D) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement or (E) material breach by the Company of this Agreement.

(g) "Work Product" is defined as all inventions, ideas, and discoveries (whether patentable or not), designs, products, processes, procedures, methods, developments, formulae, techniques, analyses, drawings, notes, documents, information, materials, improvements and all other developments, whether tangible or intangible, including, but not limited to, computer programs and related documentation, and all intellectual property rights therein, made, conceived, developed, or prepared, in whole or in part, by the Executive during the Term, alone or with others, whether or not during work hours or on the Company's premises, which are (a) within the scope of business operations of the Company, or a reasonable or contemplated expansion thereof, (b) related to any Company work or project, present, past or contemplated, (c) created with the aid of the Company's materials, equipment or personnel, or (d) based upon information to which the Executive has access as a result of or in connection with his employment with the Company.

2. *Employment*

(a) Employment by the Company. The Company hereby employs the Executive in the capacity of Executive Vice President and Chief Operating Officer, and the Executive hereby accepts such employment, upon the terms and conditions of this Agreement.

(b) Duties. The Executive shall devote the Executive's best efforts to the performance of the Executive's duties in accordance with all policies and procedures of the Company. The Executive agrees that, during the Term (as defined below), the Executive shall devote all of the Executive's working time, attention, knowledge and skill to the business and interests of the Company (including its subsidiaries). The Executive will not, without the express written consent of the Board, engage in any employment or business activity other than for the Company (including its subsidiaries), including but not limited to employment or business activity which is competitive with, or would otherwise conflict with, his employment by the Company. The foregoing shall not preclude

the Executive from managing private investments, participating in industry and/or trade groups, engaging in volunteer civic, charitable or religious activities, serving on boards of directors of charitable not-for-profit entities or, with the consent of the Board, serving on board of directors of other entities, in each case as long as such activities, individually or in the aggregate, do not materially interfere or conflict with Employee's responsibilities to the Company.

(c) The Executive's Ability to Perform. The Executive represents and warrants that with respect to the Executive's employment or services for the Company, the Executive is not under any obligation, contractual or otherwise, to any other person or entity which would preclude the Executive from entering into this Agreement or performing the terms hereof or permit any other person or entity to obtain substantial damages in connection with the Executive's employment by the Company.

3. *Term*

(a) The term of the Executive's employment pursuant to this Agreement (the "Term") shall begin on the Effective Date and shall terminate at the close of business on the third anniversary of the Effective Date; provided, however, that on each anniversary date of the Effective Date, the Term of this Agreement shall be extended by one calendar year so that the Term will be a rolling three year period on each anniversary of the Effective Date, unless not less than 60 days prior to any such anniversary date either the Company or the Executive provides written notice of the intent not to so extend this Agreement, in which case this Agreement and the employment of Executive hereunder shall automatically expire at the end of the then remaining Term. Notwithstanding the terms of this Section 3, the Executive's employment shall be at all times subject to earlier termination in accordance with Section 6 and the other terms, provisions and conditions set forth in this Agreement.

4. *Compensation*

In consideration of the services to be rendered by the Executive pursuant to this Agreement, including without limitation any services that may be rendered by the Executive as an officer, director, manager or member of any committee of the Company or any of its subsidiaries or affiliates, the Executive shall receive the following compensation and benefits:

(a) Base Salary. The Company shall pay the Executive a base salary of $315,000 if annualized (the "Base Salary"), which shall be earned and payable in accordance with the Company's usual payroll practices. The Base Salary may be reviewed annually by the Company, and may be adjusted in the Board's sole discretion.

(b) Bonus. In addition to the Base Salary, the Executive may be awarded, at the discretion of the Board for any fiscal year ending during the Term, a bonus. Participation in any bonus, profit sharing or other plan measured shall be at the sole discretion of the Board. To the extent the Executive is entitled to receive a cash bonus payment pursuant to the terms of such plan, any such bonus shall be paid in a lump sum payment by March 15 of the year following the year in which the bonus is earned.

5. *Benefits*

(a) Reimbursed Expenses. Reasonable expenses actually incurred by the Executive in direct conduct of the Company's business shall be reimbursed to the Executive to the extent they are reimbursable under the established policies of the Company. Any such reimbursement of expenses shall be made by the Company in accordance with its established policies (but in any event not later than the close of the Executive's taxable year following the taxable year in which the expense is incurred by the Executive and the Executive's right to reimbursement shall not be subject to liquidation or exchange for another benefit).

(b) Benefits. During the Term, the Executive and where applicable the Executive's spouse and dependents shall be eligible to participate in the same benefit plans or fringe benefit policies, other than severance programs, such as health, dental, life insurance, vision, and 401(k), as are offered to members of the Company's executive management, subject to applicable eligibility requirements and the terms and conditions of all plans and policies.

(c) Vacation, Holidays and Paid Time Off. During the Term, the Executive shall be entitled to paid vacation, holidays, sick leave, or other paid time off in accordance with the most favorable plans, policies, programs and practices of the Company then in effect for its executives.

(d) Automobile. During the Term, the Company shall provide the Executive an automobile commensurate with the Executive's position with the Company and otherwise consistent with past practice. The Company shall for all fuel, insurance, maintenance, repair and all other reasonable costs associated with such automobile. The Executive may use the automobile for personal use.

6. *Termination of Employment*

(a) Termination of Employment. The Executive's employment with the Company may be terminated as follows (it being understood and agreed that a party's determination not to renew the Term of this Agreement shall not constitute termination under any provision of this Section 6):

(i) *Termination by the Company for Cause*. The Company may terminate the Executive's employment for Cause after providing the Executive with written notice of the Company's intent to terminate the Executive's employment and the reason(s) therefor. The Executive will have 30 days in which to cure the reason(s) provided by the Company. At the end of such 30-day period, if the Executive has not cured the Cause specified in the written notice as the reason for such termination, then the Executive's employment with the Company shall terminate as of the date provided in such notice of termination.

(ii) *Termination by the Company Without Cause*. The Company may, on written notice to the Executive, terminate the Executive's employment other than for Cause or for no reason, in which event both this Agreement and the Executive's employment with the Company shall terminate 30 days after the date of delivery of such notice of termination.

(iii) *Termination by the Executive Without Good Reason*. The Executive may, on written notice to the Company, terminate the Executive's employment at any time and for any reason, in which event both this Agreement and the Executive's employment with the Company shall terminate on a date specified by the Executive in such notice of termination, which date shall be at least 30 days after the date of delivery of such notice of termination to the Company.

(iv) *Termination by the Executive for Good Reason*. The Executive may terminate the Executive's employment for Good Reason after providing the Company with written notice of the Executive's intent to terminate the Executive's employment and the reason(s) therefor. The Company will have 30 days in which to cure the reason(s) provided by the Executive. At the end of such 30-day period, if the Company has not cured the Good Reason specified in the written notice as the reason for such termination, then the Executive's employment will terminate following a reasonable transition period not to exceed 30 days specified by the Company in written notice to the Executive.

(v) *Termination upon Death*. The Executive's date of death shall constitute termination of employment and all rights to further compensation or benefits, including bonuses, shall cease as of that date, except as expressly set forth in this Agreement.

(vi) *Termination upon Disability*. If the Executive becomes Disabled, the Company may, but shall not be required to, by written notice to the Executive, terminate the Executive's employment with the Company, in which event this Agreement shall terminate 30 days after the date upon which the Company shall have given notice the Executive of its intention to terminate the Executive's employment because of Disability.

(b) Effect of Termination.

(i) Payment Upon Termination for any Reason. In the case of a termination of the Executive's employment with the Company pursuant to any provision of Section 6(a), the Company shall pay to the Executive (or, in the case of death, the Executive's estate) (A) all Base Salary that has accrued and not been paid as of the effective date of termination in accordance with the Company's customary payroll schedule for salaried executives and (B) any employment or other benefits in accordance with the terms of any applicable benefit

arrangements, including any equity award agreements, and applicable law, it being understood that any other rights and benefits of the Executive hereunder shall terminate upon such termination, except for (1) any right of the Executive or his dependents to continue benefits pursuant to applicable law, (2) any rights that the Executive may have under Section 6(b)(ii), Section 6(b)(iii) or Section 6(b)(iv).

(ii) Payment Upon Termination by the Company Without Cause or by the Executive for Good Reason. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), in the case of a termination pursuant to Sections 6(a)(ii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), following the Executive's execution and delivery (without subsequent revocation) of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, (i) the Executive shall be entitled to severance payments, commencing on the first regular payroll date after the 60th day following the applicable termination date (or date of separation from service for purposes of Section 409A, as applicable) (the "Commencement Date"), in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, (iii) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the cost to the Executive to extend his or her then-current group health plan benefits under COBRA (i.e., the health, dental and/or vision benefits as elected by the Executive under the Company's group health plan(s) as of the time of such termination) for 18 months following the date of termination (the "COBRA Benefit"), and (iv) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the bonus (which bonus shall be deemed to be earned at its target level), if any, pursuant to the Company's Annual Incentive Plan or similar arrangement that the Executive was eligible to earn during the calendar year or fiscal year, as applicable, of his or her termination, which amount shall be prorated to reflect the portion of such year during which the Executive was employed by the Company (the "Prorated Bonus"). For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of the Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person. Additionally, if, at the time of termination, Company was providing an automobile to the Executive, then, for a consideration of Ten Dollars ($10.00) cash paid by the Executive to the Company, the following shall apply: (i) if Company owned the automobile, the Company shall transfer the title (free and clear of any liens or other encumbrances) to the Executive (along with any insurance coverage if assignable); and (ii) if the Company was leasing such automobile, the Company shall assign to employee all of its right, title, and interest in and to such lease. Such transfer or assignment shall be completed by the Company not later than two and one-half (2 1/2) months after the end of the calendar year in which the Executive's employment terminates. THE EXECUTIVE ACKNOWLEDGES THAT THE DIFFERENCE IN THE FAIR MARKET VALUE OF THE AUTOMOBILE ON THE DATE OF TRANSFER OVER THE CONSIDERATION PAID BY THE EXECUTIVE SHALL BE TAXABLE TO THE EXECUTIVE AS COMPENSATION INCOME AND BE SUBJECT TO EMPLOYMENT TAX WITHHOLDING REQUIREMENTS.

(iii) Payment Upon Termination Following a Change of Control. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), if, in the 12-month period immediately following a Change of Control, there is a termination of the Executive pursuant to Sections 6(a)(ii) or 6(a)(iv) (but not for any other applicable termination provisions of this Agreement), following the Executive's execution and return of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, in addition to the severance payments and other benefits provided in Section 6(b)(ii), (i) the Executive shall be entitled to severance payments, commencing on the Commencement Date, in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, if this Section 6b(iii) applies, then the Executive shall receive an amount equal to 2x his then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term), 2x the COBRA Benefit and 2x the Prorated Bonus.

(iv) Payment Upon Termination Following Disability of Executive. In the case of a termination pursuant to Section 6(a)(vi) (but not any other applicable termination provisions of this Agreement), (i) the Executive shall be entitled to periodic severance payments, commencing on the Commencement Date, in an aggregate amount equal to the continuation of the Executive's then-current Base Salary that would have been payable to the Executive on each regular payroll date had the Executive remained employed by the Company for six months from the date of termination, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of such Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person.

(v) Return of Company Property. Upon termination of the Executive's employment with the Company, the Executive (or, in the event of death, the Executive's estate) shall promptly deliver to the Company all of the Company's property in the Executive's possession or under the Executive's control or related to the Company's business, including but not limited to any vehicle, keys, records, notes, books, maps, plans, data, memoranda, models, electronically recorded data or software, and any computers, mobile phones and other equipment (including any of the foregoing reflecting or containing any information relating to any assets or projects in which the Company has any direct or indirect interest), and all other Confidential Information (as defined below), and shall retain no copies or duplicates of any such property or Confidential Information.

(vi) Defense of Claims. The Executive agrees that, upon the request of the Company, the Executive will reasonably cooperate with the Company in the defense of any claims or actions that may be made by or against the Company that relate to the Executive's areas of responsibility during the Executive's

employment with the Company, except if the Executive's reasonable interests are adverse to the Company or its affiliate(s), as applicable, in such claim or action. The Company agrees to reimburse the Executive for all of Employee's reasonable travel and other direct expenses in accordance with Section 5(a) incurred, or to be reasonably incurred, to comply with the Executive's obligations under this Section; provided, Executive provides reasonable documentation of same.

(vii) Certain Excess Payments.

A. If the payments and benefits provided to the Executive under this Agreement or under any other agreement with, or plan of, the Company or any person or entity which is a party to a transaction involving the Company or its affiliates ("Total Payments") (i) constitute a "parachute payment" as defined in Section 280G of the Code and exceed three times the "base amount" as defined under Section 280G(b)(3) of the Code, and (ii) would, but for this Section 6(b)(vii)(A), be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits under this Agreement shall be either (x) paid in full, or (y) reduced and payable only as to the maximum amount which would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code, whichever results in the receipt by the Executive on an after-tax basis of the greatest amount of Total Payments (taking into account the applicable federal, state and local income taxes, the excise tax imposed by Code Section 4999 and all other taxes (including any interest and penalties) payable by the Executive). If a reduction of such Total Payments is necessary, cash severance payments provided for herein shall first be reduced (such reduction to be applied first to the payments otherwise scheduled to occur the earliest), and the non-cash severance benefits provided for herein shall thereafter be reduced (such reduction to be applied first to the benefits otherwise scheduled to occur the earliest). If, as a result of any reduction required by this Section 6(b)(vii)(A), amounts previously paid to the Executive exceed the amount to which he or she is entitled, the Executive will promptly return the excess amount to the Company.

B. All determinations required to be made under this Section 6(vii), including whether reductions are necessary, shall be made by the accounting firm used by the Company at the time of such determination (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and to the Executive within 15 business days of the receipt of notice from the Company or the Executive that there has been a termination of his or her employment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

7. *Confidentiality*

(a) Provision of Confidential Information; Acknowledgements. During the Term of this Agreement, in order to assist the Executive with the Executive's duties, the Company agrees to provide the Executive with Confidential Information. The Executive acknowledges and agrees that all Confidential Information is confidential and a valuable, special and unique asset of the Company that gives the Company an advantage over its actual and potential, current and future competitors. The Executive acknowledges and agrees that, as between the Executive and the Company, the Confidential Information is now, and will at all times remain, the exclusive property of the Company, and the Executive has no ownership interest in any Confidential Information.

(b) Non-Disclosure of the Confidential Information. The Executive covenants and agrees that during the Term and following the termination (for any reason) of this Agreement, the Executive will keep secret and treat confidentially the Confidential Information, and will not disclose any Confidential Information to any person or entity for any purpose other than as directed by the Company in connection with the business and affairs of the Company nor shall the Executive use any Confidential Information for any purpose other than as directed by the Company in connection with the business and affairs of the Company. The Executive will not copy, reproduce, decompile, or reverse engineer, any Confidential Information, or remove or transmit by email or other electronic means Confidential Information from the premises of the Company absent specific consent or as necessary for the Executive to carry out his job duties for the Company. **This contractual confidentiality obligation shall be in addition to, and in no way a limitation of, all such confidentiality obligations as may exist at law or in equity.**

8. *Restrictive Covenants*

(a) Non-Competition. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, acting alone or in conjunction with others, or as an employee, consultant or independent contractor, or as partner, officer, director, shareholder, manager, member or owner of any interest in or security of, any partnership, corporation, limited liability company or other business entity, venture or enterprise, engage or participate, for compensation or without compensation, in any business which is in competition with the Company as conducted at the time of termination of the Executive's employment by the Company, which, includes, but is not limited to, seismic data acquisition and related goods and services in the oil and gas exploration and drilling industry, in the geographic locations where the Company does business; provided, however, that, in the event that clause (y) above is applicable, then, the Executive may shorten the time period required by that clause to only one year from the date of the termination of the Executive's employment by agreeing in a written instrument delivered to the Company providing that the Executive irrevocably forfeits any remaining severance

payments that would have been paid by the Company to the Executive during such remaining period of time but for such forfeiture.

(b) Non-Solicitation of Customers. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, solicit any customer of the Company either to purchase products or services (customer defined as any person or entity for which the Company has performed services or sold goods during the Term) or to reduce or cease business with the Company.

(c) Non-Solicitation of Employees. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, hire or induce or solicit any current employee of the Company or any person who was an employee of the Company during the final 12 months of the Executive's employment to terminate the employee's employment with the Company or to work for the Executive or any other person or entity.

(d) Non-Disparagement.

(i) During the Term and for five years after the date of termination of the Executive's employment, the Executive agrees to refrain from making any libelous, slanderous or defamatory comments about the Company, its operations and its executives, or any comments which place the Company, its operations or its executives in a false light to the public, except as required by law.

(ii) During the Term and for five years after the date of termination of the Executive's employment, the Company agrees to refrain from making any libelous, slanderous or defamatory comments about the Executive in a false light to the public, except as required by law.

(e) Reasonableness of Scope. The Executive represents and agrees that the geographic and time scope of the restrictive covenants set forth in this Section 8 are necessary and reasonable in order to protect the Company's business, goodwill, customer relationships, employees and Confidential Information. If one or more of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity or subject matter so as to be unenforceable at law, such provision(s) shall be construed and reformed by the appropriate judicial body by limiting and reducing it (or them), so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

9. *Discoveries and Inventions*

(a) Assignment of Work Product to the Company. The Executive assigns and agrees to assign to the Company, without additional compensation, all the Executive's right, title, and interest in and to any and all Work Product and any related or associated intellectual property. For clarity, Work Product does not have to be subject to or eligible for federal or state patent, copyright or trademark protection to be subject to this provision. If any such Work Product is created wholly or in part by the Executive during the Executive's hours of actual work for the Company, or with the aid of the Company's materials, equipment, or personnel, or at the premises of the Company, or resulted from or in any way were derived or generated by performance of the Executive's duties under this Agreement, or is in any way related to or derived from the services or products the Company produces or offers, then such creation shall be deemed conclusively to have occurred in the course of the Executive's employment. It is recognized that the Executive will perform the duties assigned to the Executive at times other than the Executive's actual working hours and the Company's rights hereunder shall not be diminished because the Work Product was created at such other time.

(b) Cooperation; Grant of License. The Executive agrees to perform all acts necessary or reasonably requested by the Company to enable the Company to learn of, understand, protect, obtain and enforce patent or copyright rights to the Work Product, including but not limited to, making full and immediate disclosure and description to the Company of the Work Product, and assisting in preparation and execution of documents required to transfer and convey the Work Product and to convey to the Company patent, copyright or any other intellectual property protection in the United States and any foreign jurisdiction. In the event the Company is unable to secure the signature of the Executive to any document required to file, prosecute, register or memorialize the assignment of any patent copyright mask work, the Executive irrevocably appoints the Chief Executive Officer of the Company as the Executive's agent and attorney in fact to act for and on behalf of and instead of the Executive to take such actions needed to enforce and obtain the Company's rights hereunder. To the extent any of the Executive's rights, title or interest to the Work Product cannot be assigned to the Company, the Executive grants and will grant an exclusive, worldwide, transferable, irrevocable, royalty-license (with rights to sublicense without consent of the Executive) to the Company to exploit fully such Work Product. These obligations shall continue beyond the termination of this Agreement and shall be binding upon the Executive's assigns, executors, administrators and other legal representatives.

10. *Injunctive Relief*

The Executive acknowledges that the Company and its affiliates would be irreparably damaged in the event any of the restrictions contained in Sections 7, 8 or 9 were not performed in accordance with their specific terms or were to be otherwise breached. Therefore, the Company shall be entitled to specifically enforce the restrictions in Sections 7, 8 or 9, without the necessity of proving actual damages or posting a bond of any type or size, in addition to any other remedy to which the Company may be entitled, at law or in equity, all of which shall be cumulative and not exclusive.

11. *Arbitration*

(a) Subject to Sections 11(b) and 11(d), any dispute, controversy or claim between the Executive and the Company arising out of or relating to this Agreement or the Executive's employment with the Company will be finally settled by arbitration in Midland, Texas before, and in accordance with the rules for the resolution of employment disputes then in effect of, the American Arbitration Association ("AAA"). The arbitration award shall be final and binding on both parties.

(b) Any arbitration conducted under this Section 11 shall be heard by a single arbitrator (the "Arbitrator") selected in accordance with the then-applicable rules of the AAA. The Arbitrator shall expeditiously (and, if possible, within 90 days after the selection of the Arbitrator) hear and decide all matters concerning the dispute. Except as expressly provided to the contrary in this Agreement, the Arbitrator shall have the power to (i) gather such materials, information, testimony and evidence as he or she deems relevant to the dispute before him or her (and each party will provide such materials, information, testimony and evidence requested by the Arbitrator, except to the extent any information so requested is subject to an attorney-client or other privilege and, if the information so requested is proprietary or subject to a third party confidentiality restriction, the Arbitrator shall enter an order providing that such material will be subject to a confidentiality agreement), and (ii) grant injunctive relief and enforce specific performance. The decision of the Arbitrator shall be rendered in writing, be final, non-appealable and binding upon the disputing parties and the parties agree that judgment upon the award may be entered by any court of competent jurisdiction; *provided* that the parties agree that the Arbitrator and any court enforcing the award of the Arbitrator shall not have the right or authority to award punitive or exemplary damages to any disputing party.

(c) The Company shall pay all AAA, arbitration, mediation and arbitrator fees and costs. Each party shall bear its own costs and attorneys' fees incurred in connection with any arbitration, unless the Arbitrator determines that compelling reasons exist for allocating all or a portion of such costs and fees to the other side.

(d) Notwithstanding Section 11(a), an application for emergency or temporary injunctive relief by either party shall not be subject to arbitration under this Section; provided, however, that the remainder of any such dispute (beyond the application for emergency or temporary injunctive relief) shall be subject to arbitration under this Section.

(e) By entering into this Agreement and entering into the arbitration provisions of this Section 11, THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THEY ARE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVING THEIR RIGHTS TO A JURY TRIAL.

(f) Nothing in this Section 11 shall prohibit a party to this Agreement from (i) instituting litigation to enforce any arbitration award, or (ii) joining another party to this Agreement in a litigation initiated by a person or entity which is not a party to this Agreement.

12. *Miscellaneous*

(a) Notification of Restrictions to Third Parties. The Executive agrees that the Company may notify any person or entity employing or contracting with the Executive or evidencing any intention of employing or contracting with the Executive of the existence and provisions of this Agreement, to the extent such provisions of Agreement are still in effect as of such time. During the 12 month period after termination of the Executive's employment pursuant to Sections 6(a)(i), 6(a)(ii), 6(a)(iii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), if the Executive enters into an employment consulting, independent contractor, financial or any other relationship with any third party which is in any way competitive with the Company, the Executive agrees to provide the Company with written notice of the Executive's job or other responsibilities and involvements within five business days of the Executive's acceptance of such employment or other relationship (the "Employment Notice"). The Employment Notice shall include (1) a description of the duties and responsibilities or other involvements of the proposed position or relationships, (2) identity of the employer(s) or contracting entity or other involved parties, and (3) the territory in which the Executive or any other involved parties will be providing services.

(b) Severability. If any covenant or provision herein is finally adjudicated to be void or unenforceable in whole or in part, it shall be reformed, or if reformation is not possible, deleted from the remaining Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement. The Executive hereby agrees that all restrictions in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are hereby waived by the Executive.

(c) Entire Agreement. This Agreement contains all of the terms, conditions and agreements of the Parties with respect to the Executive's employment by the Company and cancels, supersedes or amends, as applicable, all prior agreements and understandings between the Parties relating to the Company's employment and compensation of the Executive for any period and in any capacity whatsoever, and the Executive acknowledges and agrees that the Amended and Restated Employment Contract between the Executive and Dawson Geophysical Company dated March 11, 2014 (the "Current Agreement") and all amendments thereto shall be null and void effective as of the Effective Date. If the Merger Agreement is terminated for any reason before the consummation of the Closing (as such term is defined in the Merger Agreement), this Agreement shall automatically and immediately terminate and be of no further force or effect and the Current Agreement will continue pursuant to its terms.

(d) Withholding and other Deductions. The Company shall have the right to deduct from the Base Salary, other compensation payable to the Executive, and any other payments, including severance payments, that the Company may make to the Executive pursuant to the terms hereof, social security taxes and all federal, state, and municipal taxes and charges as may now be in effect or which may hereafter be enacted or required as charges on the compensation of the Executive.

(e) Headings; Interpretation. The section headings hereof are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. In addition, as used in this Agreement, unless otherwise provided to the contrary, (i) all references to days, months or years shall be deemed references to calendar days, months or years or (ii) any reference to a "Section" shall be deemed to refer to a section of this Agreement.

(f) Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, first class postage prepaid or delivered by overnight messenger service, to the Executive at either the office of the Company to which the Executive is assigned or to his last known home address, and to the Company addressed to the Secretary of the Company at 508 West Wall, Suite 800, Midland, Texas 79701 (delivery of such copy being a necessary requirement for the notice, request, demand or communication to be effective) or to such other address as the addressee hereunder may designate.

(g) Modification; Waiver. No modification, amendment or waiver of this Agreement shall be binding upon the Company unless executed in writing on behalf of the Company by a person designated by the Board to sign such modification, amendment or waiver. A waiver by any Party of any breach of this Agreement shall not constitute a waiver of future reoccurrences of such breach, or other breaches. A waiver by any Party of any terms, conditions, rights or obligations under this Agreement shall not constitute a waiver of such term, condition, rights or obligation in the future. No delay or omission by a Party to exercise any right, power or remedy shall impair or waive any such right, power or remedy, or be construed as a waiver of any default. No whole or partial exercise of any right, power or privilege shall preclude any other or further exercise thereof.

(h) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Company, but shall not be assignable by the Executive. The Company may, without the Executive's consent, assign this Agreement to any of its affiliates or to a purchaser, or any of its affiliates, of the stock or assets of the Company.

(i) Applicable Law; Venue. THIS AGREEMENT SHALL BE INTERPRETED AND ENFORCED IN CONFORMITY WITH THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. VENUE OF ANY LEGAL ACTION ARISING FROM OR RELATING TO THIS AGREEMENT SHALL BE IN MIDLAND COUNTY, TEXAS.

(j) Section 409A. This Agreement is intended to provide payments that are exempt from, or to the extent not exempt, compliant with the provisions of Section 409A of the Internal Revenue Code (the "Code") and related regulations and Treasury pronouncements ("Section 409A"), and the Agreement shall be interpreted

accordingly. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A. For purposes of Section 409A, each payment under Section 6 will be treated as a separate payment. Notwithstanding any provision of this Agreement to the contrary, the Parties agree that any benefit or benefits under this Agreement that the Company determines are subject to the suspension period under Code Section 409A(a)(2)(B) shall not be paid or commence until (i) the first business day following such date that is six months after the Executive's termination date, or if earlier, (ii) the Executive's death. To the extent any benefits provided under this Agreement are otherwise taxable to the Executive, such benefits, for purposes of Section 409A shall be provided as separate monthly in-kind payments of those benefits, and to the extent those benefits are subject to and not otherwise excepted from Section 409A, the provisions of the in-kind benefits during one calendar year shall not affect the in-kind benefits to be provided in any other calendar year.

(k) Survival of Obligations. The Parties expressly agree the provisions of Sections 6(b)(ii), 6(b)(iv), 6(b)(vii) and 7 through 12 shall survive the termination of this Agreement.

(l) Knowledge and Legal Representation. **THE EXECUTIVE ACKNOWLEDGES THAT THE EXECUTIVE HAS CAREFULLY READ THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF THE EXECUTIVE'S CHOOSING TO THE EXTENT THE EXECUTIVE DESIRES LEGAL ADVICE REGARDING THIS AGREEMENT, AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.**

(m) Counterparts. This Agreement may be executed in any number of counterparts (including executed counterparts delivered and exchanged by facsimile transmission) with the same effect as if the Parties had originally executed the same document, and all counterparts shall be construed together and shall constitute the same instrument.

(n) Attorneys' Fees. In the event of any litigation in relation to this Agreement, the prevailing Party, in addition to all other sums to which such Party may be entitled, shall be further entitled to recovery of all costs of such litigation, including reasonable attorneys' fees.

[signature page follows]

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement on the dates indicated below.

THE EXECUTIVE:

/s/ C. Ray Tobias

Name: C. Ray Tobias

COMPANY:

TGC INDUSTRIES, INC.

By: /s/ Wayne A. Whitener
Name: Wayne A. Whitener
Title: President

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is by and between TGC Industries, Inc., a Texas corporation (the "Company"), and Christina W. Hagan (the "Executive"). The Company and the Executive are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, this Agreement is being delivered in connection with that certain Agreement and Plan of Merger, dated as of October 8, 2014, among Dawson Geophysical Company, a Texas corporation ("Dawson"), the Company and Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of the Company ("Merger Sub"), as the same may be amended from time to time pursuant to its terms (the "Merger Agreement").

WHEREAS, the effective date of this Agreement is the Closing Date (as defined in the Merger Agreement) (the "Effective Date"). If the Closing Date (as defined in the Merger Agreement) shall not occur, this Agreement shall be null and void *ab initio* and of no further force and effect.

WHEREAS, the Company desires to employ the Executive on the terms and conditions, and for the consideration, hereinafter set forth, and the Executive desires to be employed by the Company on such terms and conditions and for such consideration;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration and in further consideration of the mutual covenants and agreements contained herein, the Parties hereby covenant and agree as follows:

1. *Definitions*

For purposes of this Agreement, the following definitions shall apply:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Cause" shall mean any of the following conduct by the Executive: (A) fraud, embezzlement, misappropriation of funds, willful or intentional misconduct or gross negligence in connection with the business of the Company or its affiliates; (B) commission or conviction of any felony or of any misdemeanor involving theft or moral turpitude, or entry of a plea of guilty or *nolo contendere* to any felony or misdemeanor; (C) acts of intentional dishonesty that adversely affect or could reasonably be expected to adversely affect the Company or its affiliates in any material respect; (D) failure to adhere in all material respects to published corporate codes, policies or procedures of the Company; (E) the Executive's excess absenteeism, willful or persistent neglect of, or abandonment of his duties (other than due to illness or any other physical condition that could reasonably be expected to result in Disability); or (F) material breach by the Executive of any contract entered into between the Executive and the Company or an affiliate of the Company, including this Agreement.

Notwithstanding any provision in any equity compensation plan maintained by the Company ("Stock Plan") or any award agreement thereunder that is between the Company and the Executive and that is otherwise in effect as of the Effective Date ("Covered Award"), the foregoing definition of Cause shall apply with respect to such Covered Awards, and the parties agree that the application of such definition shall constitute an amendment to such Covered Awards for purposes of such Stock Plan and such Covered Awards. To the extent necessary, the Company agrees to take such action as shall be necessary to modify any such Covered Award in order to conform to the foregoing.

(c) "Change of Control" means

(i) any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) is or becomes a beneficial owner, directly or indirectly, of securities of the Company representing twenty percent (20%) or more of the total voting power of the Company's then outstanding securities;

(ii) the individuals who were members of the Board of Directors of the Company (the "Board") immediately prior to a meeting of the shareholders of the Company involving a contest for the election of directors shall not constitute a majority of the Board following such election unless a majority of the new members of the Board were recommended or approved by majority vote of the members of the Board immediately prior to such shareholder meeting;

(iii) the Company shall have merged into or consolidated with another corporation, or merged another corporation into the Company, on a basis whereby less than fifty percent (50%) of the total voting power of the surviving corporation is represented by shares held by former shareholders of the Company prior to such merger or consolidation; or

(iv) the Company shall have sold, transferred or exchanged all, or substantially all, of its assets to another corporation or other entity or person.

Notwithstanding the foregoing, no event or condition shall constitute a Change of Control to the extent that the event or condition would result in the imposition of an applicable tax under Section 409A of the Code.

(d) "Confidential Information" is defined as information the Executive learns as a consequence of or through employment by the Company (including information conceived, originated, discovered, or developed by the Executive), not generally known in the trade or industry and not freely available to persons not employed by the Company, about the Company's products, services, processes, and business operating procedures, or those of any organization to whom the Company is bound by contract, including, but not limited to, trade secrets and information relating to research, development, inventions, equipment, services, distribution, manufacturing, purchasing, marketing,

customer lists, financial data, engineering, business opportunities or ventures and information relating to the analysis, computation and estimation of the physical properties of three dimensional porous media. For clarity, Confidential Information shall include all information generated by the Executive that is derived from, contains, reflects or incorporates the information provided as Confidential Information.

(e) "Disability" means illness or other incapacity which prevents the Executive from continuing to perform the duties of his job for a period of more than three months.

(f) "Good Reason" means without the written consent of Executive: (A) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties, or responsibilities, or any other action by Employer which results in a diminution in such position, authority, duties, or responsibilities, excluding for this purpose an isolated, insubstantial, and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of notice thereof given by the Executive; (B) any material reduction in the amount or type of compensation and benefits paid to the Executive, as described in Sections 4 and 5; (C) the Company requiring the Executive to be based at any office or location other than facilities within 50 miles of the Executive's office or location immediately prior to the Effective Date; (D) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement or (E) material breach by the Company of this Agreement.

(g) "Work Product" is defined as all inventions, ideas, and discoveries (whether patentable or not), designs, products, processes, procedures, methods, developments, formulae, techniques, analyses, drawings, notes, documents, information, materials, improvements and all other developments, whether tangible or intangible, including, but not limited to, computer programs and related documentation, and all intellectual property rights therein, made, conceived, developed, or prepared, in whole or in part, by the Executive during the Term, alone or with others, whether or not during work hours or on the Company's premises, which are (a) within the scope of business operations of the Company, or a reasonable or contemplated expansion thereof, (b) related to any Company work or project, present, past or contemplated, (c) created with the aid of the Company's materials, equipment or personnel, or (d) based upon information to which the Executive has access as a result of or in connection with his employment with the Company.

2. *Employment*

(a) Employment by the Company. The Company hereby employs the Executive in the capacity of Executive Vice President, Chief Accounting Officer and Secretary, and the Executive hereby accepts such employment, upon the terms and conditions of this Agreement.

(b) Duties. The Executive shall devote the Executive's best efforts to the performance of the Executive's duties in accordance with all policies and procedures of the Company. The Executive agrees that, during the Term (as defined below), the Executive shall devote all of the Executive's working time, attention, knowledge and skill to the business and interests of the Company (including its subsidiaries). The Executive will not, without the express written consent of the Board, engage in any employment or business activity other than for the Company (including its subsidiaries), including but not limited to employment or business activity which is competitive with, or would otherwise conflict with, his employment by the Company. The foregoing shall not preclude

the Executive from managing private investments, participating in industry and/or trade groups, engaging in volunteer civic, charitable or religious activities, serving on boards of directors of charitable not-for-profit entities or, with the consent of the Board, serving on board of directors of other entities, in each case as long as such activities, individually or in the aggregate, do not materially interfere or conflict with Employee's responsibilities to the Company.

(c) The Executive's Ability to Perform. The Executive represents and warrants that with respect to the Executive's employment or services for the Company, the Executive is not under any obligation, contractual or otherwise, to any other person or entity which would preclude the Executive from entering into this Agreement or performing the terms hereof or permit any other person or entity to obtain substantial damages in connection with the Executive's employment by the Company.

3. *Term*

(a) The term of the Executive's employment pursuant to this Agreement (the "Term") shall begin on the Effective Date and shall terminate at the close of business on the third anniversary of the Effective Date; provided, however, that on each anniversary date of the Effective Date, the Term of this Agreement shall be extended by one calendar year so that the Term will be a rolling three year period on each anniversary of the Effective Date, unless not less than 60 days prior to any such anniversary date either the Company or the Executive provides written notice of the intent not to so extend this Agreement, in which case this Agreement and the employment of Executive hereunder shall automatically expire at the end of the then remaining Term. Notwithstanding the terms of this Section 3, the Executive's employment shall be at all times subject to earlier termination in accordance with Section 6 and the other terms, provisions and conditions set forth in this Agreement.

4. *Compensation*

In consideration of the services to be rendered by the Executive pursuant to this Agreement, including without limitation any services that may be rendered by the Executive as an officer, director, manager or member of any committee of the Company or any of its subsidiaries or affiliates, the Executive shall receive the following compensation and benefits:

(a) Base Salary. The Company shall pay the Executive a base salary of $250,000 if annualized (the "Base Salary"), which shall be earned and payable in accordance with the Company's usual payroll practices. The Base Salary may be reviewed annually by the Company, and may be adjusted in the Board's sole discretion.

(b) Bonus. In addition to the Base Salary, the Executive may be awarded, at the discretion of the Board for any fiscal year ending during the Term, a bonus. Participation in any bonus, profit sharing or other plan measured shall be at the sole discretion of the Board. To the extent the Executive is entitled to receive a cash bonus payment pursuant to the terms of such plan, any such bonus shall be paid in a lump sum payment by March 15 of the year following the year in which the bonus is earned.

5. *Benefits*

(a) Reimbursed Expenses. Reasonable expenses actually incurred by the Executive in direct conduct of the Company's business shall be reimbursed to the Executive to the extent they are reimbursable under the established policies of the Company. Any such reimbursement of expenses shall be made by the Company in accordance with its established policies (but in any event not later than the close of the Executive's taxable year following the taxable year in which the expense is incurred by the Executive and the Executive's right to reimbursement shall not be subject to liquidation or exchange for another benefit).

(b) Benefits. During the Term, the Executive and where applicable the Executive's spouse and dependents shall be eligible to participate in the same benefit plans or fringe benefit policies, other than severance programs, such as health, dental, life insurance, vision, and 401(k), as are offered to members of the Company's executive management, subject to applicable eligibility requirements and the terms and conditions of all plans and policies.

(c) Vacation, Holidays and Paid Time Off. During the Term, the Executive shall be entitled to paid vacation, holidays, sick leave, or other paid time off in accordance with the most favorable plans, policies, programs and practices of the Company then in effect for its executives.

(d) Automobile. During the Term, the Company shall provide the Executive an automobile commensurate with the Executive's position with the Company and otherwise consistent with past practice. The Company shall for all fuel, insurance, maintenance, repair and all other reasonable costs associated with such automobile. The Executive may use the automobile for personal use.

6. *Termination of Employment*

(a) Termination of Employment. The Executive's employment with the Company may be terminated as follows (it being understood and agreed that a party's determination not to renew the Term of this Agreement shall not constitute termination under any provision of this Section 6):

(i) *Termination by the Company for Cause*. The Company may terminate the Executive's employment for Cause after providing the Executive with written notice of the Company's intent to terminate the Executive's employment and the reason(s) therefor. The Executive will have 30 days in which to cure the reason(s) provided by the Company. At the end of such 30-day period, if the Executive has not cured the Cause specified in the written notice as the reason for such termination, then the Executive's employment with the Company shall terminate as of the date provided in such notice of termination.

(ii) *Termination by the Company Without Cause*. The Company may, on written notice to the Executive, terminate the Executive's employment other than for Cause or for no reason, in which event both this Agreement and the Executive's employment with the Company shall terminate 30 days after the date of delivery of such notice of termination.

(iii) *Termination by the Executive Without Good Reason*. The Executive may, on written notice to the Company, terminate the Executive's employment at any time and for any reason, in which event both this Agreement and the Executive's employment with the Company shall terminate on a date specified by the Executive in such notice of termination, which date shall be at least 30 days after the date of delivery of such notice of termination to the Company.

(iv) *Termination by the Executive for Good Reason*. The Executive may terminate the Executive's employment for Good Reason after providing the Company with written notice of the Executive's intent to terminate the Executive's employment and the reason(s) therefor. The Company will have 30 days in which to cure the reason(s) provided by the Executive. At the end of such 30-day period, if the Company has not cured the Good Reason specified in the written notice as the reason for such termination, then the Executive's employment will terminate following a reasonable transition period not to exceed 30 days specified by the Company in written notice to the Executive.

(v) *Termination upon Death*. The Executive's date of death shall constitute termination of employment and all rights to further compensation or benefits, including bonuses, shall cease as of that date, except as expressly set forth in this Agreement.

(vi) *Termination upon Disability*. If the Executive becomes Disabled, the Company may, but shall not be required to, by written notice to the Executive, terminate the Executive's employment with the Company, in which event this Agreement shall terminate 30 days after the date upon which the Company shall have given notice the Executive of its intention to terminate the Executive's employment because of Disability.

(b) Effect of Termination.

(i) Payment Upon Termination for any Reason. In the case of a termination of the Executive's employment with the Company pursuant to any provision of Section 6(a), the Company shall pay to the Executive (or, in the case of death, the Executive's estate) (A) all Base Salary that has accrued and not been paid as of the effective date of termination in accordance with the Company's customary payroll schedule for salaried executives and (B) any employment or other benefits in accordance with the terms of any applicable benefit

arrangements, including any equity award agreements, and applicable law, it being understood that any other rights and benefits of the Executive hereunder shall terminate upon such termination, except for (1) any right of the Executive or his dependents to continue benefits pursuant to applicable law, (2) any rights that the Executive may have under Section 6(b)(ii), Section 6(b)(iii) or Section 6(b)(iv).

(ii) Payment Upon Termination by the Company Without Cause or by the Executive for Good Reason. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), in the case of a termination pursuant to Sections 6(a)(ii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), following the Executive's execution and delivery (without subsequent revocation) of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, (i) the Executive shall be entitled to severance payments, commencing on the first regular payroll date after the 60th day following the applicable termination date (or date of separation from service for purposes of Section 409A, as applicable) (the "Commencement Date"), in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, (iii) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the cost to the Executive to extend his or her then-current group health plan benefits under COBRA (i.e., the health, dental and/or vision benefits as elected by the Executive under the Company's group health plan(s) as of the time of such termination) for 18 months following the date of termination (the "COBRA Benefit"), and (iv) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the bonus (which bonus shall be deemed to be earned at its target level), if any, pursuant to the Company's Annual Incentive Plan or similar arrangement that the Executive was eligible to earn during the calendar year or fiscal year, as applicable, of his or her termination, which amount shall be prorated to reflect the portion of such year during which the Executive was employed by the Company (the "Prorated Bonus"). For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of the Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person. Additionally, if, at the time of termination, Company was providing an automobile to the Executive, then, for a consideration of Ten Dollars ($10.00) cash paid by the Executive to the Company, the following shall apply: (i) if Company owned the automobile, the Company shall transfer the title (free and clear of any liens or other encumbrances) to the Executive (along with any insurance coverage if assignable); and (ii) if the Company was leasing such automobile, the Company shall assign to employee all of its right, title, and interest in and to such lease. Such transfer or assignment shall be completed by the Company not later than two and one-half (2 1/2) months after the end of the calendar year in which the Executive's employment terminates. THE EXECUTIVE ACKNOWLEDGES THAT THE DIFFERENCE IN THE FAIR MARKET VALUE OF THE AUTOMOBILE ON THE DATE OF TRANSFER OVER THE CONSIDERATION PAID BY THE EXECUTIVE SHALL BE TAXABLE TO THE EXECUTIVE AS COMPENSATION INCOME AND BE SUBJECT TO EMPLOYMENT TAX WITHHOLDING REQUIREMENTS.

(iii) Payment Upon Termination Following a Change of Control. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), if, in the 12-month period immediately following a Change of Control, there is a termination of the Executive pursuant to Sections 6(a)(ii) or 6(a)(iv) (but not for any other applicable termination provisions of this Agreement), following the Executive's execution and return of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, in addition to the severance payments and other benefits provided in Section 6(b)(ii), (i) the Executive shall be entitled to severance payments, commencing on the Commencement Date, in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, if this Section 6b(iii) applies, then the Executive shall receive an amount equal to 2x his then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term), 2x the COBRA Benefit and 2x the Prorated Bonus.

(iv) Payment Upon Termination Following Disability of Executive. In the case of a termination pursuant to Section 6(a)(vi) (but not any other applicable termination provisions of this Agreement), (i) the Executive shall be entitled to periodic severance payments, commencing on the Commencement Date, in an aggregate amount equal to the continuation of the Executive's then-current Base Salary that would have been payable to the Executive on each regular payroll date had the Executive remained employed by the Company for six months from the date of termination, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of such Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person.

(v) Return of Company Property. Upon termination of the Executive's employment with the Company, the Executive (or, in the event of death, the Executive's estate) shall promptly deliver to the Company all of the Company's property in the Executive's possession or under the Executive's control or related to the Company's business, including but not limited to any vehicle, keys, records, notes, books, maps, plans, data, memoranda, models, electronically recorded data or software, and any computers, mobile phones and other equipment (including any of the foregoing reflecting or containing any information relating to any assets or projects in which the Company has any direct or indirect interest), and all other Confidential Information (as defined below), and shall retain no copies or duplicates of any such property or Confidential Information.

(vi) Defense of Claims. The Executive agrees that, upon the request of the Company, the Executive will reasonably cooperate with the Company in the defense of any claims or actions that may be made by or against the Company that relate to the Executive's areas of responsibility during the Executive's

employment with the Company, except if the Executive's reasonable interests are adverse to the Company or its affiliate(s), as applicable, in such claim or action. The Company agrees to reimburse the Executive for all of Employee's reasonable travel and other direct expenses in accordance with Section 5(a) incurred, or to be reasonably incurred, to comply with the Executive's obligations under this Section; provided, Executive provides reasonable documentation of same.

(vii) Certain Excess Payments.

A. If the payments and benefits provided to the Executive under this Agreement or under any other agreement with, or plan of, the Company or any person or entity which is a party to a transaction involving the Company or its affiliates ("Total Payments") (i) constitute a "parachute payment" as defined in Section 280G of the Code and exceed three times the "base amount" as defined under Section 280G(b)(3) of the Code, and (ii) would, but for this Section 6(b)(vii)(A), be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits under this Agreement shall be either (x) paid in full, or (y) reduced and payable only as to the maximum amount which would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code, whichever results in the receipt by the Executive on an after-tax basis of the greatest amount of Total Payments (taking into account the applicable federal, state and local income taxes, the excise tax imposed by Code Section 4999 and all other taxes (including any interest and penalties) payable by the Executive). If a reduction of such Total Payments is necessary, cash severance payments provided for herein shall first be reduced (such reduction to be applied first to the payments otherwise scheduled to occur the earliest), and the non-cash severance benefits provided for herein shall thereafter be reduced (such reduction to be applied first to the benefits otherwise scheduled to occur the earliest). If, as a result of any reduction required by this Section 6(b)(vii)(A), amounts previously paid to the Executive exceed the amount to which he or she is entitled, the Executive will promptly return the excess amount to the Company.

B. All determinations required to be made under this Section 6(vii), including whether reductions are necessary, shall be made by the accounting firm used by the Company at the time of such determination (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and to the Executive within 15 business days of the receipt of notice from the Company or the Executive that there has been a termination of his or her employment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

7. *Confidentiality*

(a) Provision of Confidential Information; Acknowledgements. During the Term of this Agreement, in order to assist the Executive with the Executive's duties, the Company agrees to provide the Executive with Confidential Information. The Executive acknowledges and agrees that all Confidential Information is confidential and a valuable, special and unique asset of the Company that gives the Company an advantage over its actual and potential, current and future competitors. The Executive acknowledges and agrees that, as between the Executive and the Company, the Confidential Information is now, and will at all times remain, the exclusive property of the Company, and the Executive has no ownership interest in any Confidential Information.

(b) Non-Disclosure of the Confidential Information. The Executive covenants and agrees that during the Term and following the termination (for any reason) of this Agreement, the Executive will keep secret and treat confidentially the Confidential Information, and will not disclose any Confidential Information to any person or entity for any purpose other than as directed by the Company in connection with the business and affairs of the Company nor shall the Executive use any Confidential Information for any purpose other than as directed by the Company in connection with the business and affairs of the Company. The Executive will not copy, reproduce, decompile, or reverse engineer, any Confidential Information, or remove or transmit by email or other electronic means Confidential Information from the premises of the Company absent specific consent or as necessary for the Executive to carry out his job duties for the Company. **This contractual confidentiality obligation shall be in addition to, and in no way a limitation of, all such confidentiality obligations as may exist at law or in equity.**

8. *Restrictive Covenants*

(a) Non-Competition. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, acting alone or in conjunction with others, or as an employee, consultant or independent contractor, or as partner, officer, director, shareholder, manager, member or owner of any interest in or security of, any partnership, corporation, limited liability company or other business entity, venture or enterprise, engage or participate, for compensation or without compensation, in any business which is in competition with the Company as conducted at the time of termination of the Executive's employment by the Company, which, includes, but is not limited to, seismic data acquisition and related goods and services in the oil and gas exploration and drilling industry, in the geographic locations where the Company does business; provided, however, that, in the event that clause (y) above is applicable, then, the Executive may shorten the time period required by that clause to only one year from the date of the termination of the Executive's employment by agreeing in a written instrument delivered to the Company providing that the Executive irrevocably forfeits any remaining severance

payments that would have been paid by the Company to the Executive during such remaining period of time but for such forfeiture.

(b) Non-Solicitation of Customers. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, solicit any customer of the Company either to purchase products or services (customer defined as any person or entity for which the Company has performed services or sold goods during the Term) or to reduce or cease business with the Company.

(c) Non-Solicitation of Employees. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, hire or induce or solicit any current employee of the Company or any person who was an employee of the Company during the final 12 months of the Executive's employment to terminate the employee's employment with the Company or to work for the Executive or any other person or entity.

(d) Non-Disparagement.

(i) During the Term and for five years after the date of termination of the Executive's employment, the Executive agrees to refrain from making any libelous, slanderous or defamatory comments about the Company, its operations and its executives, or any comments which place the Company, its operations or its executives in a false light to the public, except as required by law.

(ii) During the Term and for five years after the date of termination of the Executive's employment, the Company agrees to refrain from making any libelous, slanderous or defamatory comments about the Executive in a false light to the public, except as required by law.

(e) Reasonableness of Scope. The Executive represents and agrees that the geographic and time scope of the restrictive covenants set forth in this Section 8 are necessary and reasonable in order to protect the Company's business, goodwill, customer relationships, employees and Confidential Information. If one or more of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity or subject matter so as to be unenforceable at law, such provision(s) shall be construed and reformed by the appropriate judicial body by limiting and reducing it (or them), so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

9. *Discoveries and Inventions*

(a) Assignment of Work Product to the Company. The Executive assigns and agrees to assign to the Company, without additional compensation, all the Executive's right, title, and interest in and to any and all Work Product and any related or associated intellectual property. For clarity, Work Product does not have to be subject to or eligible for federal or state patent, copyright or trademark protection to be subject to this provision. If any such Work Product is created wholly or in part by the Executive during the Executive's hours of actual work for the Company, or with the aid of the Company's materials, equipment, or personnel, or at the premises of the Company, or resulted from or in any way were derived or generated by performance of the Executive's duties under this Agreement, or is in any way related to or derived from the services or products the Company produces or offers, then such creation shall be deemed conclusively to have occurred in the course of the Executive's employment. It is recognized that the Executive will perform the duties assigned to the Executive at times other than the Executive's actual working hours and the Company's rights hereunder shall not be diminished because the Work Product was created at such other time.

(b) Cooperation; Grant of License. The Executive agrees to perform all acts necessary or reasonably requested by the Company to enable the Company to learn of, understand, protect, obtain and enforce patent or copyright rights to the Work Product, including but not limited to, making full and immediate disclosure and description to the Company of the Work Product, and assisting in preparation and execution of documents required to transfer and convey the Work Product and to convey to the Company patent, copyright or any other intellectual property protection in the United States and any foreign jurisdiction. In the event the Company is unable to secure the signature of the Executive to any document required to file, prosecute, register or memorialize the assignment of any patent copyright mask work, the Executive irrevocably appoints the Chief Executive Officer of the Company as the Executive's agent and attorney in fact to act for and on behalf of and instead of the Executive to take such actions needed to enforce and obtain the Company's rights hereunder. To the extent any of the Executive's rights, title or interest to the Work Product cannot be assigned to the Company, the Executive grants and will grant an exclusive, worldwide, transferable, irrevocable, royalty-license (with rights to sublicense without consent of the Executive) to the Company to exploit fully such Work Product. These obligations shall continue beyond the termination of this Agreement and shall be binding upon the Executive's assigns, executors, administrators and other legal representatives.

10. *Injunctive Relief*

The Executive acknowledges that the Company and its affiliates would be irreparably damaged in the event any of the restrictions contained in Sections 7, 8 or 9 were not performed in accordance with their specific terms or were to be otherwise breached. Therefore, the Company shall be entitled to specifically enforce the restrictions in Sections 7, 8 or 9, without the necessity of proving actual damages or posting a bond of any type or size, in addition to any other remedy to which the Company may be entitled, at law or in equity, all of which shall be cumulative and not exclusive.

11. *Arbitration*

(a) Subject to Sections 11(b) and 11(d), any dispute, controversy or claim between the Executive and the Company arising out of or relating to this Agreement or the Executive's employment with the Company will be finally settled by arbitration in Midland, Texas before, and in accordance with the rules for the resolution of employment disputes then in effect of, the American Arbitration Association ("AAA"). The arbitration award shall be final and binding on both parties.

(b) Any arbitration conducted under this Section 11 shall be heard by a single arbitrator (the "Arbitrator") selected in accordance with the then-applicable rules of the AAA. The Arbitrator shall expeditiously (and, if possible, within 90 days after the selection of the Arbitrator) hear and decide all matters concerning the dispute. Except as expressly provided to the contrary in this Agreement, the Arbitrator shall have the power to (i) gather such materials, information, testimony and evidence as he or she deems relevant to the dispute before him or her (and each party will provide such materials, information, testimony and evidence requested by the Arbitrator, except to the extent any information so requested is subject to an attorney-client or other privilege and, if the information so requested is proprietary or subject to a third party confidentiality restriction, the Arbitrator shall enter an order providing that such material will be subject to a confidentiality agreement), and (ii) grant injunctive relief and enforce specific performance. The decision of the Arbitrator shall be rendered in writing, be final, non-appealable and binding upon the disputing parties and the parties agree that judgment upon the award may be entered by any court of competent jurisdiction; *provided* that the parties agree that the Arbitrator and any court enforcing the award of the Arbitrator shall not have the right or authority to award punitive or exemplary damages to any disputing party.

(c) The Company shall pay all AAA, arbitration, mediation and arbitrator fees and costs. Each party shall bear its own costs and attorneys' fees incurred in connection with any arbitration, unless the Arbitrator determines that compelling reasons exist for allocating all or a portion of such costs and fees to the other side.

(d) Notwithstanding Section 11(a), an application for emergency or temporary injunctive relief by either party shall not be subject to arbitration under this Section; provided, however, that the remainder of any such dispute (beyond the application for emergency or temporary injunctive relief) shall be subject to arbitration under this Section.

(e) By entering into this Agreement and entering into the arbitration provisions of this Section 11, THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THEY ARE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVING THEIR RIGHTS TO A JURY TRIAL.

(f) Nothing in this Section 11 shall prohibit a party to this Agreement from (i) instituting litigation to enforce any arbitration award, or (ii) joining another party to this Agreement in a litigation initiated by a person or entity which is not a party to this Agreement.

12. *Miscellaneous*

(a) Notification of Restrictions to Third Parties. The Executive agrees that the Company may notify any person or entity employing or contracting with the Executive or evidencing any intention of employing or contracting with the Executive of the existence and provisions of this Agreement, to the extent such provisions of Agreement are still in effect as of such time. During the 12 month period after termination of the Executive's employment pursuant to Sections 6(a)(i), 6(a)(ii), 6(a)(iii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), if the Executive enters into an employment consulting, independent contractor, financial or any other relationship with any third party which is in any way competitive with the Company, the Executive agrees to provide the Company with written notice of the Executive's job or other responsibilities and involvements within five business days of the Executive's acceptance of such employment or other relationship (the "Employment Notice"). The Employment Notice shall include (1) a description of the duties and responsibilities or other involvements of the proposed position or relationships, (2) identity of the employer(s) or contracting entity or other involved parties, and (3) the territory in which the Executive or any other involved parties will be providing services.

(b) Severability. If any covenant or provision herein is finally adjudicated to be void or unenforceable in whole or in part, it shall be reformed, or if reformation is not possible, deleted from the remaining Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement. The Executive hereby agrees that all restrictions in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are hereby waived by the Executive.

(c) Entire Agreement. This Agreement contains all of the terms, conditions and agreements of the Parties with respect to the Executive's employment by the Company and cancels, supersedes or amends, as applicable, all prior agreements and understandings between the Parties relating to the Company's employment and compensation of the Executive for any period and in any capacity whatsoever, and the Executive acknowledges and agrees that the Amended and Restated Employment Contract between the Executive and Dawson Geophysical Company dated March 11, 2014 (the "Current Agreement") and all amendments thereto shall be null and void effective as of the Effective Date. If the Merger Agreement is terminated for any reason before the consummation of the Closing (as such term is defined in the Merger Agreement), this Agreement shall automatically and immediately terminate and be of no further force or effect and the Current Agreement will continue pursuant to its terms.

(d) Withholding and other Deductions. The Company shall have the right to deduct from the Base Salary, other compensation payable to the Executive, and any other payments, including severance payments, that the Company may make to the Executive pursuant to the terms hereof, social security taxes and all federal, state, and municipal taxes and charges as may now be in effect or which may hereafter be enacted or required as charges on the compensation of the Executive.

(e) Headings; Interpretation. The section headings hereof are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. In addition, as used in this Agreement, unless otherwise provided to the contrary, (i) all references to days, months or years shall be deemed references to calendar days, months or years or (ii) any reference to a "Section" shall be deemed to refer to a section of this Agreement.

(f) Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, first class postage prepaid or delivered by overnight messenger service, to the Executive at either the office of the Company to which the Executive is assigned or to his last known home address, and to the Company addressed to the Secretary of the Company at 508 West Wall, Suite 800, Midland, Texas 79701 (delivery of such copy being a necessary requirement for the notice, request, demand or communication to be effective) or to such other address as the addressee hereunder may designate.

(g) Modification; Waiver. No modification, amendment or waiver of this Agreement shall be binding upon the Company unless executed in writing on behalf of the Company by a person designated by the Board to sign such modification, amendment or waiver. A waiver by any Party of any breach of this Agreement shall not constitute a waiver of future reoccurrences of such breach, or other breaches. A waiver by any Party of any terms, conditions, rights or obligations under this Agreement shall not constitute a waiver of such term, condition, rights or obligation in the future. No delay or omission by a Party to exercise any right, power or remedy shall impair or waive any such right, power or remedy, or be construed as a waiver of any default. No whole or partial exercise of any right, power or privilege shall preclude any other or further exercise thereof.

(h) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Company, but shall not be assignable by the Executive. The Company may, without the Executive's consent, assign this Agreement to any of its affiliates or to a purchaser, or any of its affiliates, of the stock or assets of the Company.

(i) Applicable Law; Venue. THIS AGREEMENT SHALL BE INTERPRETED AND ENFORCED IN CONFORMITY WITH THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. VENUE OF ANY LEGAL ACTION ARISING FROM OR RELATING TO THIS AGREEMENT SHALL BE IN MIDLAND COUNTY, TEXAS.

(j) Section 409A. This Agreement is intended to provide payments that are exempt from, or to the extent not exempt, compliant with the provisions of Section 409A of the Internal Revenue Code (the "Code") and related regulations and Treasury pronouncements ("Section 409A"), and the Agreement shall be interpreted

accordingly. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A. For purposes of Section 409A, each payment under Section 6 will be treated as a separate payment. Notwithstanding any provision of this Agreement to the contrary, the Parties agree that any benefit or benefits under this Agreement that the Company determines are subject to the suspension period under Code Section 409A(a)(2)(B) shall not be paid or commence until (i) the first business day following such date that is six months after the Executive's termination date, or if earlier, (ii) the Executive's death. To the extent any benefits provided under this Agreement are otherwise taxable to the Executive, such benefits, for purposes of Section 409A shall be provided as separate monthly in-kind payments of those benefits, and to the extent those benefits are subject to and not otherwise excepted from Section 409A, the provisions of the in-kind benefits during one calendar year shall not affect the in-kind benefits to be provided in any other calendar year.

(k) Survival of Obligations. The Parties expressly agree the provisions of Sections 6(b)(ii), 6(b)(iv), 6(b)(vii) and 7 through 12 shall survive the termination of this Agreement.

(l) Knowledge and Legal Representation. **THE EXECUTIVE ACKNOWLEDGES THAT THE EXECUTIVE HAS CAREFULLY READ THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF THE EXECUTIVE'S CHOOSING TO THE EXTENT THE EXECUTIVE DESIRES LEGAL ADVICE REGARDING THIS AGREEMENT, AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.**

(m) Counterparts. This Agreement may be executed in any number of counterparts (including executed counterparts delivered and exchanged by facsimile transmission) with the same effect as if the Parties had originally executed the same document, and all counterparts shall be construed together and shall constitute the same instrument.

(n) Attorneys' Fees. In the event of any litigation in relation to this Agreement, the prevailing Party, in addition to all other sums to which such Party may be entitled, shall be further entitled to recovery of all costs of such litigation, including reasonable attorneys' fees.

[signature page follows]

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement on the dates indicated below.

THE EXECUTIVE:

/s/ Christina W. Hagan

Name: Christina W. Hagan

COMPANY:

TGC INDUSTRIES, INC.

By: /s/ Wayne A. Whitener
Name: Wayne A. Whitener
Title: President

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is by and between TGC Industries, Inc., a Texas corporation (the "Company"), and James W. Thomas (the "Executive"). The Company and the Executive are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, this Agreement is being delivered in connection with that certain Agreement and Plan of Merger, dated as of October 8, 2014, among Dawson Geophysical Company, a Texas corporation ("Dawson"), the Company and Riptide Acquisition Corp., a Texas corporation and a wholly-owned subsidiary of the Company ("Merger Sub"), as the same may be amended from time to time pursuant to its terms (the "Merger Agreement").

WHEREAS, the effective date of this Agreement is the Closing Date (as defined in the Merger Agreement) (the "Effective Date"). If the Closing Date (as defined in the Merger Agreement) shall not occur, this Agreement shall be null and void *ab initio* and of no further force and effect.

WHEREAS, the Company desires to employ the Executive on the terms and conditions, and for the consideration, hereinafter set forth, and the Executive desires to be employed by the Company on such terms and conditions and for such consideration;

AGREEMENT

NOW, THEREFORE, for good and valuable consideration and in further consideration of the mutual covenants and agreements contained herein, the Parties hereby covenant and agree as follows:

1. *Definitions*

For purposes of this Agreement, the following definitions shall apply:

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Cause" shall mean any of the following conduct by the Executive: (A) fraud, embezzlement, misappropriation of funds, willful or intentional misconduct or gross negligence in connection with the business of the Company or its affiliates; (B) commission or conviction of any felony or of any misdemeanor involving theft or moral turpitude, or entry of a plea of guilty or *nolo contendere* to any felony or misdemeanor; (C) acts of intentional dishonesty that adversely affect or could reasonably be expected to adversely affect the Company or its affiliates in any material respect; (D) failure to adhere in all material respects to published corporate codes, policies or procedures of the Company; (E) the Executive's excess absenteeism, willful or persistent neglect of, or abandonment of his duties (other than due to illness or any other physical condition that could reasonably be expected to result in Disability); or (F) material breach by the Executive of any contract entered into between the Executive and the Company or an affiliate of the Company, including this Agreement.

Notwithstanding any provision in any equity compensation plan maintained by the Company ("Stock Plan") or any award agreement thereunder that is between the Company and the Executive and that is otherwise in effect as of the Effective Date ("Covered Award"), the foregoing definition of Cause shall apply with respect to such Covered Awards, and the parties agree that the application of such definition shall constitute an amendment to such Covered Awards for purposes of such Stock Plan and such Covered Awards. To the extent necessary, the Company agrees to take such action as shall be necessary to modify any such Covered Award in order to conform to the foregoing.

(c) "Change of Control" means

(i) any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) is or becomes a beneficial owner, directly or indirectly, of securities of the Company representing twenty percent (20%) or more of the total voting power of the Company's then outstanding securities;

(ii) the individuals who were members of the Board of Directors of the Company (the "Board") immediately prior to a meeting of the shareholders of the Company involving a contest for the election of directors shall not constitute a majority of the Board following such election unless a majority of the new members of the Board were recommended or approved by majority vote of the members of the Board immediately prior to such shareholder meeting;

(iii) the Company shall have merged into or consolidated with another corporation, or merged another corporation into the Company, on a basis whereby less than fifty percent (50%) of the total voting power of the surviving corporation is represented by shares held by former shareholders of the Company prior to such merger or consolidation; or

(iv) the Company shall have sold, transferred or exchanged all, or substantially all, of its assets to another corporation or other entity or person.

Notwithstanding the foregoing, no event or condition shall constitute a Change of Control to the extent that the event or condition would result in the imposition of an applicable tax under Section 409A of the Code.

(d) "Confidential Information" is defined as information the Executive learns as a consequence of or through employment by the Company (including information conceived, originated, discovered, or developed by the Executive), not generally known in the trade or industry and not freely available to persons not employed by the Company, about the Company's products, services, processes, and business operating procedures, or those of any organization to whom the Company is bound by contract, including, but not limited to, trade secrets and information relating to research, development, inventions, equipment, services, distribution, manufacturing, purchasing, marketing,

customer lists, financial data, engineering, business opportunities or ventures and information relating to the analysis, computation and estimation of the physical properties of three dimensional porous media. For clarity, Confidential Information shall include all information generated by the Executive that is derived from, contains, reflects or incorporates the information provided as Confidential Information.

(e) "Disability" means illness or other incapacity which prevents the Executive from continuing to perform the duties of his job for a period of more than three months.

(f) "Good Reason" means without the written consent of Executive: (A) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position (including status, offices, titles and reporting requirements), authority, duties, or responsibilities, or any other action by Employer which results in a diminution in such position, authority, duties, or responsibilities, excluding for this purpose an isolated, insubstantial, and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of notice thereof given by the Executive; (B) any material reduction in the amount or type of compensation and benefits paid to the Executive, as described in Sections 4 and 5; (C) the Company requiring the Executive to be based at any office or location other than facilities within 50 miles of the Executive's office or location immediately prior to the Effective Date; (D) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement or (E) material breach by the Company of this Agreement.

(g) "Work Product" is defined as all inventions, ideas, and discoveries (whether patentable or not), designs, products, processes, procedures, methods, developments, formulae, techniques, analyses, drawings, notes, documents, information, materials, improvements and all other developments, whether tangible or intangible, including, but not limited to, computer programs and related documentation, and all intellectual property rights therein, made, conceived, developed, or prepared, in whole or in part, by the Executive during the Term, alone or with others, whether or not during work hours or on the Company's premises, which are (a) within the scope of business operations of the Company, or a reasonable or contemplated expansion thereof, (b) related to any Company work or project, present, past or contemplated, (c) created with the aid of the Company's materials, equipment or personnel, or (d) based upon information to which the Executive has access as a result of or in connection with his employment with the Company.

2. *Employment*

(a) Employment by the Company. The Company hereby employs the Executive in the capacity of Executive Vice President and Chief Technology Officer, and the Executive hereby accepts such employment, upon the terms and conditions of this Agreement.

(b) Duties. The Executive shall devote the Executive's best efforts to the performance of the Executive's duties in accordance with all policies and procedures of the Company. The Executive agrees that, during the Term (as defined below), the Executive shall devote all of the Executive's working time, attention, knowledge and skill to the business and interests of the Company (including its subsidiaries). The Executive will not, without the express written consent of the Board, engage in any employment or business activity other than for the Company (including its subsidiaries), including but not limited to employment or business activity which is competitive with, or would otherwise conflict with, his employment by the Company. The foregoing shall not preclude

the Executive from managing private investments, participating in industry and/or trade groups, engaging in volunteer civic, charitable or religious activities, serving on boards of directors of charitable not-for-profit entities or, with the consent of the Board, serving on board of directors of other entities, in each case as long as such activities, individually or in the aggregate, do not materially interfere or conflict with Employee's responsibilities to the Company.

(c) The Executive's Ability to Perform. The Executive represents and warrants that with respect to the Executive's employment or services for the Company, the Executive is not under any obligation, contractual or otherwise, to any other person or entity which would preclude the Executive from entering into this Agreement or performing the terms hereof or permit any other person or entity to obtain substantial damages in connection with the Executive's employment by the Company.

3. *Term*

(a) The term of the Executive's employment pursuant to this Agreement (the "Term") shall begin on the Effective Date and shall terminate at the close of business on the third anniversary of the Effective Date; provided, however, that on each anniversary date of the Effective Date, the Term of this Agreement shall be extended by one calendar year so that the Term will be a rolling three year period on each anniversary of the Effective Date, unless not less than 60 days prior to any such anniversary date either the Company or the Executive provides written notice of the intent not to so extend this Agreement, in which case this Agreement and the employment of Executive hereunder shall automatically expire at the end of the then remaining Term. Notwithstanding the terms of this Section 3, the Executive's employment shall be at all times subject to earlier termination in accordance with Section 6 and the other terms, provisions and conditions set forth in this Agreement.

4. *Compensation*

In consideration of the services to be rendered by the Executive pursuant to this Agreement, including without limitation any services that may be rendered by the Executive as an officer, director, manager or member of any committee of the Company or any of its subsidiaries or affiliates, the Executive shall receive the following compensation and benefits:

(a) Base Salary. The Company shall pay the Executive a base salary of $230,000 if annualized (the "Base Salary"), which shall be earned and payable in accordance with the Company's usual payroll practices. The Base Salary may be reviewed annually by the Company, and may be adjusted in the Board's sole discretion.

(b) Bonus. In addition to the Base Salary, the Executive may be awarded, at the discretion of the Board for any fiscal year ending during the Term, a bonus. Participation in any bonus, profit sharing or other plan measured shall be at the sole discretion of the Board. To the extent the Executive is entitled to receive a cash bonus payment pursuant to the terms of such plan, any such bonus shall be paid in a lump sum payment by March 15 of the year following the year in which the bonus is earned.

5. *Benefits*

(a) Reimbursed Expenses. Reasonable expenses actually incurred by the Executive in direct conduct of the Company's business shall be reimbursed to the Executive to the extent they are reimbursable under the established policies of the Company. Any such reimbursement of expenses shall be made by the Company in accordance with its established policies (but in any event not later than the close of the Executive's taxable year following the taxable year in which the expense is incurred by the Executive and the Executive's right to reimbursement shall not be subject to liquidation or exchange for another benefit).

(b) Benefits. During the Term, the Executive and where applicable the Executive's spouse and dependents shall be eligible to participate in the same benefit plans or fringe benefit policies, other than severance programs, such as health, dental, life insurance, vision, and 401(k), as are offered to members of the Company's executive management, subject to applicable eligibility requirements and the terms and conditions of all plans and policies.

(c) Vacation, Holidays and Paid Time Off. During the Term, the Executive shall be entitled to paid vacation, holidays, sick leave, or other paid time off in accordance with the most favorable plans, policies, programs and practices of the Company then in effect for its executives.

(d) Automobile. During the Term, the Company shall provide the Executive an automobile commensurate with the Executive's position with the Company and otherwise consistent with past practice. The Company shall for all fuel, insurance, maintenance, repair and all other reasonable costs associated with such automobile. The Executive may use the automobile for personal use.

6. *Termination of Employment*

(a) Termination of Employment. The Executive's employment with the Company may be terminated as follows (it being understood and agreed that a party's determination not to renew the Term of this Agreement shall not constitute termination under any provision of this Section 6):

(i) *Termination by the Company for Cause*. The Company may terminate the Executive's employment for Cause after providing the Executive with written notice of the Company's intent to terminate the Executive's employment and the reason(s) therefor. The Executive will have 30 days in which to cure the reason(s) provided by the Company. At the end of such 30-day period, if the Executive has not cured the Cause specified in the written notice as the reason for such termination, then the Executive's employment with the Company shall terminate as of the date provided in such notice of termination.

(ii) *Termination by the Company Without Cause*. The Company may, on written notice to the Executive, terminate the Executive's employment other than for Cause or for no reason, in which event both this Agreement and the Executive's employment with the Company shall terminate 30 days after the date of delivery of such notice of termination.

(iii) *Termination by the Executive Without Good Reason*. The Executive may, on written notice to the Company, terminate the Executive's employment at any time and for any reason, in which event both this Agreement and the Executive's employment with the Company shall terminate on a date specified by the Executive in such notice of termination, which date shall be at least 30 days after the date of delivery of such notice of termination to the Company.

(iv) *Termination by the Executive for Good Reason*. The Executive may terminate the Executive's employment for Good Reason after providing the Company with written notice of the Executive's intent to terminate the Executive's employment and the reason(s) therefor. The Company will have 30 days in which to cure the reason(s) provided by the Executive. At the end of such 30-day period, if the Company has not cured the Good Reason specified in the written notice as the reason for such termination, then the Executive's employment will terminate following a reasonable transition period not to exceed 30 days specified by the Company in written notice to the Executive.

(v) *Termination upon Death*. The Executive's date of death shall constitute termination of employment and all rights to further compensation or benefits, including bonuses, shall cease as of that date, except as expressly set forth in this Agreement.

(vi) *Termination upon Disability*. If the Executive becomes Disabled, the Company may, but shall not be required to, by written notice to the Executive, terminate the Executive's employment with the Company, in which event this Agreement shall terminate 30 days after the date upon which the Company shall have given notice the Executive of its intention to terminate the Executive's employment because of Disability.

(b) Effect of Termination.

(i) Payment Upon Termination for any Reason. In the case of a termination of the Executive's employment with the Company pursuant to any provision of Section 6(a), the Company shall pay to the Executive (or, in the case of death, the Executive's estate) (A) all Base Salary that has accrued and not been paid as of the effective date of termination in accordance with the Company's customary payroll schedule for salaried executives and (B) any employment or other benefits in accordance with the terms of any applicable benefit

arrangements, including any equity award agreements, and applicable law, it being understood that any other rights and benefits of the Executive hereunder shall terminate upon such termination, except for (1) any right of the Executive or his dependents to continue benefits pursuant to applicable law, (2) any rights that the Executive may have under Section 6(b)(ii), Section 6(b)(iii) or Section 6(b)(iv).

(ii) Payment Upon Termination by the Company Without Cause or by the Executive for Good Reason. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), in the case of a termination pursuant to Sections 6(a)(ii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), following the Executive's execution and delivery (without subsequent revocation) of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, (i) the Executive shall be entitled to severance payments, commencing on the first regular payroll date after the 60th day following the applicable termination date (or date of separation from service for purposes of Section 409A, as applicable) (the "Commencement Date"), in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, (iii) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the cost to the Executive to extend his or her then-current group health plan benefits under COBRA (i.e., the health, dental and/or vision benefits as elected by the Executive under the Company's group health plan(s) as of the time of such termination) for 18 months following the date of termination (the "COBRA Benefit"), and (iv) the Executive shall be entitled to a lump sum payment on the Commencement Date equal to the bonus (which bonus shall be deemed to be earned at its target level), if any, pursuant to the Company's Annual Incentive Plan or similar arrangement that the Executive was eligible to earn during the calendar year or fiscal year, as applicable, of his or her termination, which amount shall be prorated to reflect the portion of such year during which the Executive was employed by the Company (the "Prorated Bonus"). For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of the Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person. Additionally, if, at the time of termination, Company was providing an automobile to the Executive, then, for a consideration of Ten Dollars ($10.00) cash paid by the Executive to the Company, the following shall apply: (i) if Company owned the automobile, the Company shall transfer the title (free and clear of any liens or other encumbrances) to the Executive (along with any insurance coverage if assignable); and (ii) if the Company was leasing such automobile, the Company shall assign to employee all of its right, title, and interest in and to such lease. Such transfer or assignment shall be completed by the Company not later than two and one-half (2 1/2) months after the end of the calendar year in which the Executive's employment terminates. THE EXECUTIVE ACKNOWLEDGES THAT THE DIFFERENCE IN THE FAIR MARKET VALUE OF THE AUTOMOBILE ON THE DATE OF TRANSFER OVER THE CONSIDERATION PAID BY THE EXECUTIVE SHALL BE TAXABLE TO THE EXECUTIVE AS COMPENSATION INCOME AND BE SUBJECT TO EMPLOYMENT TAX WITHHOLDING REQUIREMENTS.

(iii) Payment Upon Termination Following a Change of Control. Subject to the provisions set forth in Section 6(b)(vii) and Section 12(j), if, in the 12-month period immediately following a Change of Control, there is a termination of the Executive pursuant to Sections 6(a)(ii) or 6(a)(iv) (but not for any other applicable termination provisions of this Agreement), following the Executive's execution and return of a release, in a form reasonably satisfactory to the

Company, of all claims against the Company arising from or associated with the Executive's employment other than claims for the breach of the Company's obligations enumerated in this Agreement, in addition to the severance payments and other benefits provided in Section 6(b)(ii), (i) the Executive shall be entitled to severance payments, commencing on the Commencement Date, in an aggregate amount equal to the amount of the Executive's then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term, payable in equal bi-weekly payments in accordance with the Company's payroll practices through the applicable Term, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, if this Section 6b(iii) applies, then the Executive shall receive an amount equal to 2x his then-current Base Salary that would have been payable to the Executive had the Executive remained employed by the Company for the remainder of the then applicable Term), 2x the COBRA Benefit and 2x the Prorated Bonus.

(iv) Payment Upon Termination Following Disability of Executive. In the case of a termination pursuant to Section 6(a)(vi) (but not any other applicable termination provisions of this Agreement), (i) the Executive shall be entitled to periodic severance payments, commencing on the Commencement Date, in an aggregate amount equal to the continuation of the Executive's then-current Base Salary that would have been payable to the Executive on each regular payroll date had the Executive remained employed by the Company for six months from the date of termination, (ii) all Covered Awards shall become automatically fully vested and exercisable, as the case may be, and (iii) the Executive shall be entitled to the COBRA Benefit and the Prorated Bonus, if applicable on the Commencement Date. For the avoidance of doubt, the parties agree that the vesting and exercisability (as applicable) of such Covered Awards pursuant to clause (ii) above upon a termination described herein shall, to the extent required to give effect to such clause (ii), constitute an amendment to such Covered Awards and the related Stock Plan with respect to the Executive but no other person.

(v) Return of Company Property. Upon termination of the Executive's employment with the Company, the Executive (or, in the event of death, the Executive's estate) shall promptly deliver to the Company all of the Company's property in the Executive's possession or under the Executive's control or related to the Company's business, including but not limited to any vehicle, keys, records, notes, books, maps, plans, data, memoranda, models, electronically recorded data or software, and any computers, mobile phones and other equipment (including any of the foregoing reflecting or containing any information relating to any assets or projects in which the Company has any direct or indirect interest), and all other Confidential Information (as defined below), and shall retain no copies or duplicates of any such property or Confidential Information.

(vi) Defense of Claims. The Executive agrees that, upon the request of the Company, the Executive will reasonably cooperate with the Company in the defense of any claims or actions that may be made by or against the Company that relate to the Executive's areas of responsibility during the Executive's

employment with the Company, except if the Executive's reasonable interests are adverse to the Company or its affiliate(s), as applicable, in such claim or action. The Company agrees to reimburse the Executive for all of Employee's reasonable travel and other direct expenses in accordance with Section 5(a) incurred, or to be reasonably incurred, to comply with the Executive's obligations under this Section; provided, Executive provides reasonable documentation of same.

(vii) Certain Excess Payments.

A. If the payments and benefits provided to the Executive under this Agreement or under any other agreement with, or plan of, the Company or any person or entity which is a party to a transaction involving the Company or its affiliates ("Total Payments") (i) constitute a "parachute payment" as defined in Section 280G of the Code and exceed three times the "base amount" as defined under Section 280G(b)(3) of the Code, and (ii) would, but for this Section 6(b)(vii)(A), be subject to the excise tax imposed by Section 4999 of the Code, then the Executive's payments and benefits under this Agreement shall be either (x) paid in full, or (y) reduced and payable only as to the maximum amount which would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code, whichever results in the receipt by the Executive on an after-tax basis of the greatest amount of Total Payments (taking into account the applicable federal, state and local income taxes, the excise tax imposed by Code Section 4999 and all other taxes (including any interest and penalties) payable by the Executive). If a reduction of such Total Payments is necessary, cash severance payments provided for herein shall first be reduced (such reduction to be applied first to the payments otherwise scheduled to occur the earliest), and the non-cash severance benefits provided for herein shall thereafter be reduced (such reduction to be applied first to the benefits otherwise scheduled to occur the earliest). If, as a result of any reduction required by this Section 6(b)(vii)(A), amounts previously paid to the Executive exceed the amount to which he or she is entitled, the Executive will promptly return the excess amount to the Company.

B. All determinations required to be made under this Section 6(vii), including whether reductions are necessary, shall be made by the accounting firm used by the Company at the time of such determination (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and to the Executive within 15 business days of the receipt of notice from the Company or the Executive that there has been a termination of his or her employment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

7. *Confidentiality*

(a) Provision of Confidential Information; Acknowledgements. During the Term of this Agreement, in order to assist the Executive with the Executive's duties, the Company agrees to provide the Executive with Confidential Information. The Executive acknowledges and agrees that all Confidential Information is confidential and a valuable, special and unique asset of the Company that gives the Company an advantage over its actual and potential, current and future competitors. The Executive acknowledges and agrees that, as between the Executive and the Company, the Confidential Information is now, and will at all times remain, the exclusive property of the Company, and the Executive has no ownership interest in any Confidential Information.

(b) Non-Disclosure of the Confidential Information. The Executive covenants and agrees that during the Term and following the termination (for any reason) of this Agreement, the Executive will keep secret and treat confidentially the Confidential Information, and will not disclose any Confidential Information to any person or entity for any purpose other than as directed by the Company in connection with the business and affairs of the Company nor shall the Executive use any Confidential Information for any purpose other than as directed by the Company in connection with the business and affairs of the Company. The Executive will not copy, reproduce, decompile, or reverse engineer, any Confidential Information, or remove or transmit by email or other electronic means Confidential Information from the premises of the Company absent specific consent or as necessary for the Executive to carry out his job duties for the Company. **This contractual confidentiality obligation shall be in addition to, and in no way a limitation of, all such confidentiality obligations as may exist at law or in equity.**

8. *Restrictive Covenants*

(a) Non-Competition. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, acting alone or in conjunction with others, or as an employee, consultant or independent contractor, or as partner, officer, director, shareholder, manager, member or owner of any interest in or security of, any partnership, corporation, limited liability company or other business entity, venture or enterprise, engage or participate, for compensation or without compensation, in any business which is in competition with the Company as conducted at the time of termination of the Executive's employment by the Company, which, includes, but is not limited to, seismic data acquisition and related goods and services in the oil and gas exploration and drilling industry, in the geographic locations where the Company does business; provided, however, that, in the event that clause (y) above is applicable, then, the Executive may shorten the time period required by that clause to only one year from the date of

the termination of the Executive's employment by agreeing in a written instrument delivered to the Company providing that the Executive irrevocably forfeits any remaining severance

payments that would have been paid by the Company to the Executive during such remaining period of time but for such forfeiture.

(b) Non-Solicitation of Customers. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, solicit any customer of the Company either to purchase products or services (customer defined as any person or entity for which the Company has performed services or sold goods during the Term) or to reduce or cease business with the Company.

(c) Non-Solicitation of Employees. During the Term of the Executive's employment and after the termination of the Executive's employment for any reason for the longer of (x) one year after the date of termination or (y) any period of time after the date of termination during which such Executive is receiving severance payments from the Company pursuant to any provision of Section 6(b) of this Agreement, the Executive agrees that the Executive will not, directly or indirectly, hire or induce or solicit any current employee of the Company or any person who was an employee of the Company during the final 12 months of the Executive's employment to terminate the employee's employment with the Company or to work for the Executive or any other person or entity.

(d) Non-Disparagement.

(i) During the Term and for five years after the date of termination of the Executive's employment, the Executive agrees to refrain from making any libelous, slanderous or defamatory comments about the Company, its operations and its executives, or any comments which place the Company, its operations or its executives in a false light to the public, except as required by law.

(ii) During the Term and for five years after the date of termination of the Executive's employment, the Company agrees to refrain from making any libelous, slanderous or defamatory comments about the Executive in a false light to the public, except as required by law.

(e) Reasonableness of Scope. The Executive represents and agrees that the geographic and time scope of the restrictive covenants set forth in this Section 8 are necessary and reasonable in order to protect the Company's business, goodwill, customer relationships, employees and Confidential Information. If one or more of the provisions of this Agreement shall for any reason be held to be excessively broad as to scope, activity or subject matter so as to be unenforceable at law, such provision(s) shall be construed and reformed by the appropriate judicial body by limiting and reducing it (or them), so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

9. *Discoveries and Inventions*

(a) Assignment of Work Product to the Company. The Executive assigns and agrees to assign to the Company, without additional compensation, all the Executive's right, title, and interest in and to any and all Work Product and any related or associated intellectual property. For clarity, Work Product does not have to be subject to or eligible for federal or state patent, copyright or trademark protection to be subject to this provision. If any such Work Product is created wholly or in part by the Executive during the Executive's hours of actual work for the Company, or with the aid of the Company's materials, equipment, or personnel, or at the premises of the Company, or resulted from or in any way were derived or generated by performance of the Executive's duties under this Agreement, or is in any way related to or derived from the services or products the Company produces or offers, then such creation shall be deemed conclusively to have occurred in the course of the Executive's employment. It is recognized that the Executive will perform the duties assigned to the Executive at times other than the Executive's actual working hours and the Company's rights hereunder shall not be diminished because the Work Product was created at such other time.

(b) Cooperation; Grant of License. The Executive agrees to perform all acts necessary or reasonably requested by the Company to enable the Company to learn of, understand, protect, obtain and enforce patent or copyright rights to the Work Product, including but not limited to, making full and immediate disclosure and description to the Company of the Work Product, and assisting in preparation and execution of documents required to transfer and convey the Work Product and to convey to the Company patent, copyright or any other intellectual property protection in the United States and any foreign jurisdiction. In the event the Company is unable to secure the signature of the Executive to any document required to file, prosecute, register or memorialize the assignment of any patent copyright mask work, the Executive irrevocably appoints the Chief Executive Officer of the Company as the Executive's agent and attorney in fact to act for and on behalf of and instead of the Executive to take such actions needed to enforce and obtain the Company's rights hereunder. To the extent any of the Executive's rights, title or interest to the Work Product cannot be assigned to the Company, the Executive grants and will grant an exclusive, worldwide, transferable, irrevocable, royalty-license (with rights to sublicense without consent of the Executive) to the Company to exploit fully such Work Product. These obligations shall continue beyond the termination of this Agreement and shall be binding upon the Executive's assigns, executors, administrators and other legal representatives.

10. *Injunctive Relief*

The Executive acknowledges that the Company and its affiliates would be irreparably damaged in the event any of the restrictions contained in Sections 7, 8 or 9 were not performed in accordance with their specific terms or were to be otherwise breached. Therefore, the Company shall be entitled to specifically enforce the restrictions in Sections 7, 8 or 9, without the necessity of proving actual damages or posting a bond of any type or size, in addition to any other remedy to which the Company may be entitled, at law or in equity, all of which shall be cumulative and not exclusive.

11. *Arbitration*

(a) Subject to Sections 11(b) and 11(d), any dispute, controversy or claim between the Executive and the Company arising out of or relating to this Agreement or the Executive's employment with the Company will be finally settled by arbitration in Midland, Texas before, and in accordance with the rules for the resolution of employment disputes then in effect of, the American Arbitration Association ("AAA"). The arbitration award shall be final and binding on both parties.

(b) Any arbitration conducted under this Section 11 shall be heard by a single arbitrator (the "Arbitrator") selected in accordance with the then-applicable rules of the AAA. The Arbitrator shall expeditiously (and, if possible, within 90 days after the selection of the Arbitrator) hear and decide all matters concerning the dispute. Except as expressly provided to the contrary in this Agreement, the Arbitrator shall have the power to (i) gather such materials, information, testimony and evidence as he or she deems relevant to the dispute before him or her (and each party will provide such materials, information, testimony and evidence requested by the Arbitrator, except to the extent any information so requested is subject to an attorney-client or other privilege and, if the information so requested is proprietary or subject to a third party confidentiality restriction, the Arbitrator shall enter an order providing that such material will be subject to a confidentiality agreement), and (ii) grant injunctive relief and enforce specific performance. The decision of the Arbitrator shall be rendered in writing, be final, non-appealable and binding upon the disputing parties and the parties agree that judgment upon the award may be entered by any court of competent jurisdiction; *provided* that the parties agree that the Arbitrator and any court enforcing the award of the Arbitrator shall not have the right or authority to award punitive or exemplary damages to any disputing party.

(c) The Company shall pay all AAA, arbitration, mediation and arbitrator fees and costs. Each party shall bear its own costs and attorneys' fees incurred in connection with any arbitration, unless the Arbitrator determines that compelling reasons exist for allocating all or a portion of such costs and fees to the other side.

(d) Notwithstanding Section 11(a), an application for emergency or temporary injunctive relief by either party shall not be subject to arbitration under this Section; provided, however, that the remainder of any such dispute (beyond the application for emergency or temporary injunctive relief) shall be subject to arbitration under this Section.

(e) By entering into this Agreement and entering into the arbitration provisions of this Section 11, THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THEY ARE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVING THEIR RIGHTS TO A JURY TRIAL.

(f) Nothing in this Section 11 shall prohibit a party to this Agreement from (i) instituting litigation to enforce any arbitration award, or (ii) joining another party to this Agreement in a litigation initiated by a person or entity which is not a party to this Agreement.

12. *Miscellaneous*

(a) Notification of Restrictions to Third Parties. The Executive agrees that the Company may notify any person or entity employing or contracting with the Executive or evidencing any intention of employing or contracting with the Executive of the existence and provisions of this Agreement, to the extent such provisions of Agreement are still in effect as of such time. During the 12 month period after termination of the Executive's employment pursuant to Sections 6(a)(i), 6(a)(ii), 6(a)(iii) and 6(a)(iv) (but not any other applicable termination provisions of this Agreement), if the Executive enters into an employment consulting, independent contractor, financial or any other relationship with any third party which is in any way competitive with the Company, the Executive agrees to provide the Company with written notice of the Executive's job or other responsibilities and involvements within five business days of the Executive's acceptance of such employment or other relationship (the "Employment Notice"). The Employment Notice shall include (1) a description of the duties and responsibilities or other involvements of the proposed position or relationships, (2) identity of the employer(s) or contracting entity or other involved parties, and (3) the territory in which the Executive or any other involved parties will be providing services.

(b) Severability. If any covenant or provision herein is finally adjudicated to be void or unenforceable in whole or in part, it shall be reformed, or if reformation is not possible, deleted from the remaining Agreement and shall not affect or impair the validity of any other covenant or provision of this Agreement. The Executive hereby agrees that all restrictions in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are hereby waived by the Executive.

(c) Entire Agreement. This Agreement contains all of the terms, conditions and agreements of the Parties with respect to the Executive's employment by the Company and cancels, supersedes or amends, as applicable, all prior agreements and understandings between the Parties relating to the Company's employment and compensation of the Executive for any period and in any capacity whatsoever, and the Executive acknowledges and agrees that the Amended and Restated Employment Contract between the Executive and Dawson Geophysical Company dated March 11, 2014 (the "Current Agreement") and all amendments thereto shall be null and void effective as of the Effective Date. If the Merger Agreement is terminated for any reason before the consummation of the Closing (as such term is defined in the Merger Agreement), this Agreement shall automatically and immediately terminate and be of no further force or effect and the Current Agreement will continue pursuant to its terms.

(d) Withholding and other Deductions. The Company shall have the right to deduct from the Base Salary, other compensation payable to the Executive, and any other payments, including severance payments, that the Company may make to the Executive pursuant to the terms hereof, social security taxes and all federal, state, and municipal taxes and charges as may now be in effect or which may hereafter be enacted or required as charges on the compensation of the Executive.

(e) Headings; Interpretation. The section headings hereof are for convenience only and shall not control or affect the meaning or construction or limit the scope or intent of any of the provisions of this Agreement. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. In addition, as used in this Agreement, unless otherwise provided to the contrary, (i) all references to days, months or years shall be deemed references to calendar days, months or years or (ii) any reference to a "Section" shall be deemed to refer to a section of this Agreement.

(f) Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, first class postage prepaid or delivered by overnight messenger service, to the Executive at either the office of the Company to which the Executive is assigned or to his last known home address, and to the Company addressed to the Secretary of the Company at 508 West Wall, Suite 800, Midland, Texas 79701 (delivery of such copy being a necessary requirement for the notice, request, demand or communication to be effective) or to such other address as the addressee hereunder may designate.

(g) Modification; Waiver. No modification, amendment or waiver of this Agreement shall be binding upon the Company unless executed in writing on behalf of the Company by a person designated by the Board to sign such modification, amendment or waiver. A waiver by any Party of any breach of this Agreement shall not constitute a waiver of future reoccurrences of such breach, or other breaches. A waiver by any Party of any terms, conditions, rights or obligations under this Agreement shall not constitute a waiver of such term, condition, rights or obligation in the future. No delay or omission by a Party to exercise any right, power or remedy shall impair or waive any such right, power or remedy, or be construed as a waiver of any default. No whole or partial exercise of any right, power or privilege shall preclude any other or further exercise thereof.

(h) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Company, but shall not be assignable by the Executive. The Company may, without the Executive's consent, assign this Agreement to any of its affiliates or to a purchaser, or any of its affiliates, of the stock or assets of the Company.

(i) Applicable Law; Venue. THIS AGREEMENT SHALL BE INTERPRETED AND ENFORCED IN CONFORMITY WITH THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. VENUE OF ANY LEGAL ACTION ARISING FROM OR RELATING TO THIS AGREEMENT SHALL BE IN MIDLAND COUNTY, TEXAS.

(j) Section 409A. This Agreement is intended to provide payments that are exempt from, or to the extent not exempt, compliant with the provisions of Section 409A of the Internal Revenue Code (the "Code") and related regulations and Treasury pronouncements ("Section 409A"), and the Agreement shall be interpreted

accordingly. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A. For purposes of Section 409A, each payment under Section 6 will be treated as a separate payment. Notwithstanding any provision of this Agreement to the contrary, the Parties agree that any benefit or benefits under this Agreement that the Company determines are subject to the suspension period under Code Section 409A(a)(2)(B) shall not be paid or commence until (i) the first business day following such date that is six months after the Executive's termination date, or if earlier, (ii) the Executive's death. To the extent any benefits provided under this Agreement are otherwise taxable to the Executive, such benefits, for purposes of Section 409A shall be provided as separate monthly in-kind payments of those benefits, and to the extent those benefits are subject to and not otherwise excepted from Section 409A, the provisions of the in-kind benefits during one calendar year shall not affect the in-kind benefits to be provided in any other calendar year.

(k) Survival of Obligations. The Parties expressly agree the provisions of Sections 6(b)(ii), 6(b)(iv), 6(b)(vii) and 7 through 12 shall survive the termination of this Agreement.

(l) Knowledge and Legal Representation. **THE EXECUTIVE ACKNOWLEDGES THAT THE EXECUTIVE HAS CAREFULLY READ THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF THE EXECUTIVE'S CHOOSING TO THE EXTENT THE EXECUTIVE DESIRES LEGAL ADVICE REGARDING THIS AGREEMENT, AND UNDERSTANDS AND AGREES TO ALL OF THE PROVISIONS IN THIS AGREEMENT.**

(m) Counterparts. This Agreement may be executed in any number of counterparts (including executed counterparts delivered and exchanged by facsimile transmission) with the same effect as if the Parties had originally executed the same document, and all counterparts shall be construed together and shall constitute the same instrument.

(n) Attorneys' Fees. In the event of any litigation in relation to this Agreement, the prevailing Party, in addition to all other sums to which such Party may be entitled, shall be further entitled to recovery of all costs of such litigation, including reasonable attorneys' fees.

[signature page follows]

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement on the dates indicated below.

THE EXECUTIVE:

/s/ James W. Thomas

Name: James W. Thomas

COMPANY:

TGC INDUSTRIES, INC.

By: /s/ Wayne A. Whitener

Name: Wayne A. Whitener

Title: President

RESTATED INDEMNIFICATION AGREEMENT

This Restated Indemnification Agreement (this "Agreement") is made and entered into as of [ ], by and between Dawson Geophysical Company, a Texas corporation (formerly known as TGC Industries, Inc.) (the "Company"), and (the "Indemnitee").

WHEREAS, qualified persons are reluctant to serve organizations as directors or officers or in other capacities unless they are provided with adequate protection against risks of claims and actions against them arising out of their service to and activities on behalf of such organizations;

WHEREAS, the parties hereto recognize that the legal risks and potential liabilities, and the threat thereof, associated with lawsuits filed against persons serving the Company and/or its subsidiaries, and the resultant substantial time, expense and anxiety spent and endured in defending lawsuits bears no reasonable relationship to the compensation received by such persons, and thus poses a significant deterrent and increased reluctance on the part of experienced and capable individuals to serve the Company and/or its subsidiaries;

WHEREAS, the uncertainties related to obtaining adequate insurance and indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, Chapter 8 of the Texas Business Organizations Code (the "TBOC") of the State of Texas, under which law the Company is organized, empowers a corporation organized in Texas to indemnify persons who serve as directors and/or officers of the corporation, or persons who serve at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise;

WHEREAS, the Bylaws of the Company permit indemnification to the fullest extent permitted by applicable law;

WHEREAS, it is reasonable, prudent and necessary for the Company to contractually agree to indemnify such persons to the fullest extent permitted by law, so that such persons will serve or continue to serve the Company and/or its subsidiaries free from undue concern that they will not be adequately indemnified; and

WHEREAS, the Indemnitee is willing to serve, continue to serve and to take on additional service for and on behalf of the Company on the condition that the Indemnitee is indemnified according to the terms of this Agreement;

WHEREAS, this Agreement shall supersede and replace any prior agreement between the Indemnitee and the Company or its predecessors with respect to indemnification and the other matters contained herein, including, but not limited to, that certain Indemnification Agreement dated as of between the Indemnitee and [Dawson Geophysical Company/TGC Industries, Inc.];

NOW, THEREFORE, in consideration of the premises and of the Indemnitee's agreement to provide services to the Company and/or its subsidiaries and intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain Definitions. For purposes of this Agreement:

(a) "Agreement" shall have the meaning ascribed to such term in the preamble.

(b) "Board" means the Board of Directors of the Company.

(c) "Change in Control" means a change in control of the Company occurring after the date hereof in any of the following circumstances: (i) there shall have occurred an event required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement; (ii) any "person" (as such term is used in Section 13(d) and 14(d) of the Exchange Act), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation or other entity owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company, shall have become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding voting securities without prior approval of at least two-thirds of the members of the Board in office immediately prior to such person attaining such percentage interest; (iii) the Company is a party to a merger, consolidation, share exchange, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board in office immediately prior to such transaction or event constitute less than a majority of the Board thereafter; or (iv) during any fifteen-month period, individuals who at the beginning of such period constituted the Board (including for this purpose any new director whose election or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board.

(d) "Company" shall have the meaning ascribed to such term in the preamble.

(e) "Disqualifying Event" shall have the meaning ascribed to such term in Section 6(d).

(f) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(g) "Expenses" means any judgment, penalty, settlement, fine, excise or similar tax and all reasonable attorneys' fees, retainers, court costs, transcript

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costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness or otherwise participating in a Proceeding.

(h) "Indemnifiable Event" means any event or occurrence related to the fact that the Indemnitee is or was serving as a member of the Board and/or an officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(i) "Indemnitee" shall have the meaning ascribed to such term in the preamble.

(j) "Special Legal Counsel" means a law firm, or member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the five years previous to his selection or appointment has been, retained to represent: (i) the Company or the Indemnitee in any matter material to either such party; (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder; or (iii) the beneficial owner, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding voting securities. Notwithstanding the foregoing, the term "Special Legal Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing in the State of Texas, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights to indemnification under this Agreement.

(k) "Proceeding" includes (i) any threatened, pending or completed action, suit, arbitration, alternate dispute resolution proceeding, investigation, administrative hearing and any other proceeding, whether civil, criminal, administrative, arbitrative, investigative or other, (ii) any appeal of an action or proceeding described in (i), or (iii) any inquiry or investigation, whether conducted by or on behalf of the Company, a subsidiary of the Company or any other party, formal or informal, that the Indemnitee in good faith believes might lead to the institution of an action or proceeding described in (i), except one initiated by the Indemnitee (other than as provided pursuant to Section 8).

(l) "TBOC" shall have the meaning ascribed to such term in the recitals.

2. Indemnification Arrangement. In the event the Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Proceeding by reason of (or arising in part out of) an Indemnifiable Event, to the fullest extent permitted by the TBOC or other applicable law as the same may exist or be hereinafter amended (by statute or judicial decision) (but in the case of any

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such amendment, with respect to matters occurring before such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment), the Company shall, subject to and in accordance with the provisions of Section 6, indemnify and hold harmless the Indemnitee against any and all Expenses of such Proceeding as soon as practicable but in any event no later than (a) in the case of an initial written request for indemnification in connection with a Proceeding, five days after a determination has been made, or is deemed to have been made, that the Indemnitee is entitled to indemnification and (b) in the case of a written request for indemnification made pursuant to Section 5 in connection with a Proceeding for which a determination has been made that the Indemnitee is entitled to indemnification in connection with such Proceeding, five days after such written request.

3. Advancement or Reimbursement of Expenses. The rights of the Indemnitee provided under Section 2 shall include, but not be limited to, the right to be indemnified and to have all Expenses advanced (including the payment of Expenses before final disposition of a Proceeding) in all Proceedings to the fullest extent permitted, or not prohibited, by the TBOC or other applicable law. In addition, to the extent the Indemnitee is, by reason of (or arising in part out of) an Indemnifiable Event, a witness or otherwise participates in any Proceeding at a time when he is not named a defendant or respondent in the Proceeding, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. The Indemnitee shall be advanced Expenses, within five days after any request for such advancement, to the fullest extent permitted, or not prohibited, by Chapter 8 of the TBOC; provided that the Indemnitee has provided to the Company all affirmations, acknowledgments, representations and undertakings that may be required of the Indemnitee by Chapter 8 of the TBOC.

4. No Settlement without Consent. The Company shall not be liable to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its written consent. The Company shall not settle any action or claim in any manner which would impose any penalty or limitation on the Indemnitee without the Indemnitee's written consent. Neither the Company nor the Indemnitee will unreasonably withhold or delay their consent to any proposed settlement.

5. Request for Indemnification. To obtain indemnification as herein provided, the Indemnitee shall submit to the Secretary of the Company a written claim or request. Such written claim or request shall contain sufficient information to reasonably inform the Company about the nature and extent of the indemnification or advance sought by the Indemnitee. The Secretary of the Company shall promptly advise the Board of such request.

6. Determination of Request.

(a) Upon written request to the Company by the Indemnitee for indemnification pursuant to this Agreement, a determination, if required by applicable law, with respect to the Indemnitee's entitlement thereto shall be made in accordance with Section 8.103(a)(1) or (2) of the TBOC; provided, however, that notwithstanding the foregoing, if a Change in Control shall have occurred, such determination shall be made by a Special Legal Counsel selected by the

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Board, unless the Indemnitee shall request (at the time the Indemnitee submits the written request for indemnification) that such determination be made in accordance with Section 8.103(a)(1) or (2) of the TBOC.

(b) If entitlement to indemnification is to be determined by a Special Legal Counsel, the Company shall furnish notice to the Indemnitee within ten days after receipt of a claim of or request for indemnification, specifying the identity and address of the Special Legal

Counsel and a certification by the Special Legal Counsel that the Special Legal Counsel has reviewed and is in compliance with the requirements to be a Special Legal Counsel. The Indemnitee may, within seven days after receipt of such written notice of selection, deliver to the Company a written objection to such selection. Such objection may be asserted only on the ground that the Special Legal Counsel selected does not meet the requirements of a Special Legal Counsel as defined in this Agreement, and the objection shall set forth with particularity the factual basis for that assertion. If there is an objection to the selection of the Special Legal Counsel, either the Company or the Indemnitee may petition the Court for a determination that the objection is without a reasonable basis and/or for the appointment of a Special Legal Counsel selected by the Court. The Company shall pay any and all reasonable fees and expenses of the Special Legal Counsel incurred in connection with any such determination. If a Change in Control shall have occurred, the Indemnitee shall be presumed (except as otherwise expressly provided in this Agreement) to be entitled to indemnification under this Agreement upon submission of a request to the Company for indemnification, and thereafter the Company shall have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. The presumption shall be used by the Special Legal Counsel, or such other person or persons determining entitlement to indemnification, as a basis for a determination of entitlement to indemnification unless the Company provides information sufficient to overcome such presumption by clear and convincing evidence or the investigation, review and analysis of the Special Legal Counsel or such other person or persons convinces him or them by clear and convincing evidence that the presumption should not apply.

(c) The Indemnitee will cooperate with the person or persons making the determination under this Section 6 with respect to the Indemnitee's entitlement to indemnification under this Agreement, including providing to such person or persons, on reasonable advance request, any documentation or information that is: (i) not privileged or otherwise protected from disclosure; (ii) reasonably available to Indemnitee; and (iii) reasonably necessary to that determination.

(d) Any determination of the Indemnitee's entitlement to indemnification to be made pursuant to this Section 6 shall be made, and the Indemnitee shall be notified of such determination, not later than 20 days after receipt by the Secretary of the Company of the Indemnitee's written claim for indemnification; provided, however, that in the case of a determination to be

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made by Special Legal Counsel the selection of whom is the subject of an existing objection, such determination, and the Indemnitee's notification of such determination, shall be made not later than 20 days after the selection of the Special Legal Counsel is finally determined. Notwithstanding anything herein to the contrary, if the person or persons empowered under this Section 6 to determine entitlement to indemnification have not made a determination within the applicable period set forth in this Section 6(d), the Indemnitee shall be deemed to be entitled to indemnification unless the Company establishes that a Disqualifying Event has occurred. Subject to applicable law, determinations of entitlement to indemnification made, or deemed to have been made, in accordance with the provisions of this Section 6, shall be conclusive, final and binding on the parties hereto unless, in the event the Company has previously determined to indemnify the Indemnitee, the Company establishes as provided in the final sentence of this Section 6 that: (i) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification; or (ii) such indemnification is prohibited by applicable law (each event described in subclause (i) or (ii) of this Section 6, a "Disqualifying Event"). Notwithstanding the foregoing, the Company may bring an action, in an appropriate court in the State of Texas or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of a Disqualifying Event; provided, however, that in any such action the Company will have the burden of proving the occurrence of such Disqualifying Event.

7. Effect of Certain Proceedings. The termination of any Proceeding or of any matter therein, by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of the Indemnitee to indemnification or create a presumption that (a) the Indemnitee did not conduct himself in good faith and in a manner which he reasonably believed, in the case of conduct in his official capacity, to be in the best interests of the Company, or, in all other cases, that at least his conduct was not opposed to the Company's best interests, or (b) with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that his conduct was unlawful.

8. Expenses of Enforcement of Agreement. The Indemnitee shall be entitled to seek an adjudication to enforce his rights under, or to recover damages for breach of rights created under or pursuant to, this Agreement either, at the Indemnitee's option, in (a) an appropriate court of the State of Texas or any other court of competent jurisdiction, or (b) an arbitration to be conducted by a single arbitrator, selected by mutual agreement of the Company and the Indemnitee (or, failing such agreement by the then sitting Chief Judge of the United States District Court for the appropriate jurisdiction), pursuant to the commercial arbitration rules of the American Arbitration Association. In the event that the Indemnitee seeks any such judicial adjudication or arbitration award to enforce his rights under, or to recover damages for breach of rights created under or pursuant to, this Agreement, the Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company against, any and all Expenses actually and reasonably incurred by him in such judicial adjudication but only if he prevails therein. If it shall be determined in said judicial adjudication that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of Expenses sought, the

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Expenses incurred by the Indemnitee in connection with such judicial adjudication shall be reasonably prorated in good faith by counsel for the Indemnitee. Notwithstanding the foregoing, if a Change in Control shall have occurred, the Indemnitee shall be entitled to indemnification under this Section 8 regardless of whether the Indemnitee ultimately prevails in such judicial adjudication.

9. Common Attorney. Notwithstanding the obligation of the Company to indemnify the Indemnitee against Expenses pursuant to Section 2, in the event there is a Proceeding by reason of (or arising in part out of) an Indemnifiable Event against several persons, including the Indemnitee, who have a right of indemnification against the Company with respect to Expenses relating to such Proceeding and who have totally common interests such that their goals are identical and there are no conflicts-of-interest among them, then such group of persons shall, by majority vote of such persons, select a single attorney or law firm to serve as the sole and exclusive legal counsel for all of the members of such group (including the Indemnitee). In the event the Indemnitee acts independently by retaining the legal services of any other attorney or law firm to additionally or separately represent him, all Expenses relating to such independently retained attorney or law firm shall be the sole responsibility of the Indemnitee.

10. Nonexclusive Rights; Subsequent Change in Law. The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitee may at any time be entitled under applicable law, the

articles of incorporation of the Company, the Bylaws of the Company, agreement, insurance, arrangement, a vote of shareholders or a resolution of directors, or otherwise. To the extent that a change in the TBOC or other applicable law (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's articles of incorporation or bylaws and this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

11. D&O Liability Insurance. The Company shall from time to time make a good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the directors and officers of the Company or its subsidiaries or affiliates, with coverage for losses incurred in connection with their services to the Company or its subsidiaries or affiliates or to ensure the Company's performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. To the extent the Company maintains an insurance policy or policies providing directors' and/or officers' liability insurance, the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any of the Company's directors and/or officers. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that the Indemnitee has otherwise actually received such payment under any bylaws, insurance policy, contract, agreement or otherwise.

12. No Employment Rights. Nothing in this Agreement is intended to create in the Indemnitee any right to continued service as a director and/or officer with the Company.

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13. Amendments; Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

14. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

15. Term. This Agreement shall be effective from and after the date hereof, and shall continue until and terminate upon the later of: (a) the sixth anniversary after the Indemnitee has ceased to be a member of the Board and/or an officer of the Company or otherwise hold a position that could give rise to an Indemnifiable Event or (b) the final termination or resolution of all Proceedings with respect to which the Company is indemnifying the Indemnitee against any and all Expenses relating to such Proceeding pursuant to the terms of this Agreement that are commenced prior to such six-year anniversary.

16. Notification and Defense of Claims. The Indemnitee agrees to notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, information, or other document relating to any matter which may be subject to indemnification hereunder, whether civil, criminal, or investigative; provided. however, that the failure of the Indemnitee to give such notice to the Company shall not adversely affect the Indemnitee's rights under this Agreement except to the extent the Company has been materially prejudiced as a direct result of such failure. Nothing in this Agreement shall constitute a waiver of the Company's right to seek participation at its own expense in any Proceeding which may give rise to indemnification hereunder.

17. Binding Effect. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors or assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company), spouses, heirs, executors and personal or legal representatives. This Agreement shall continue in effect regardless of whether the Indemnitee continues to serve as a director and/or officer of the Company.

18. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law. To the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

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19. Governing Law. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Texas, without giving effect to conflicts of law provisions thereof.

20. Notice. All notices, demands and other communications required or permitted under this Agreement shall be made in writing and shall be deemed to have been duly received upon actual receipt if delivered by hand, against receipt, or mailed, postage prepaid, certified or registered mail, return receipt requested, and addressed to the Company at:

Dawson Geophysical Company
508 West Wall, Suite 800
Midland, Texas 79701
Attn: Secretary

and to Indemnitee at the address set forth on the signature page attached hereto.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

DAWSON GEOPHYSICAL COMPANY

By: _____
Name: Stephen C. Jumper
Title: President and Chief Executive Officer

INDEMNITEE

_____
Name: _____
Address: _____

VOTING AGREEMENT

THIS VOTING AGREEMENT (this "**Agreement**"), dated as of October 8, 2014, is by and between Dawson Geophysical Company, a Texas corporation (the "**Company**"), and (the "**Voting Shareholder**").

RECITALS

A. Concurrently with the execution and delivery of this Agreement, TGC Industries, Inc., a Texas corporation (the "**Parent**"), the Company and Riptide Acquisition Corp., a Texas corporation and a direct wholly owned subsidiary of Parent ("**Merger Sub**"), are entering into an Agreement and Plan of Merger, dated as of the date hereof (as the same may be amended from time to time, the "**Merger Agreement**"), which provides, among other things, for (i) Merger Sub to be merged with and into the Company, with the Company continuing as the surviving entity (the "**Merger**"), and (ii) each issued and outstanding share of common stock, par value $0.33-1/3 per share, of the Company ("**Company Common Stock**") (other than any Company Common Stock owned by Parent, Merger Sub or the Company or any wholly owned Subsidiary of the Company), to be converted into the right to receive the shares of common stock, par value $0.01 per share, of Parent ("**Parent Common Stock**").

B. As of the date hereof, the Voting Shareholder is the Beneficial Owner (as defined below) of the shares of Parent Common Stock set forth opposite the Voting Shareholder's name on Schedule A hereto (all such shares set forth on Schedule A, together with any shares of Parent Common Stock that are hereafter issued to or otherwise acquired or owned by the Voting Shareholder prior to the termination of this Agreement being referred to herein as the "**Subject Shares**"), which Subject Shares represent [ ]% of the outstanding shares of Parent Common Stock and voting power of the outstanding capital stock of the Parent.

C. As a condition to its willingness to enter into the Merger Agreement, the Company has required that the Voting Shareholder, and in order to induce the Company to enter into the Merger Agreement the Voting Shareholder (in the Voting Shareholder's capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of premises and the representations, warranties and agreements contained herein, the benefits to be derived by each party hereunder and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. *Certain Definitions*. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement. In addition, for purposes of this Agreement:

(a) "**Agreement**" shall have the meaning set forth in the preamble.

(b) "**Beneficially Owned**" or "**Beneficial Ownership**" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act.

"**Beneficial Owner**" shall mean, with respect to any securities, a Person who has Beneficial Ownership of such securities.

(c) "**Company**" shall have the meaning set forth in the recitals.

(d) "**Company Common Stock**" shall have the meaning set forth in the recitals.

(e) "**Expiration Date**" shall mean the earlier of (i) the date upon which the Merger Agreement is validly terminated pursuant to its terms, (ii) the date upon which the parties hereto agree to terminate this Agreement, (iii) the occurrence of a Company Adverse Recommendation Change made in accordance with the provisions of Section 7.3(b) of the Merger Agreement and (iv) the Effective Time.

(f) "**Merger**" shall have the meaning set forth in the recitals.

(g) "**Merger Agreement**" shall have the meaning set forth in the recitals.

(h) "**Merger Sub**" shall have the meaning set forth in the recitals.

(i) "**Parent Common Stock**" shall have the meaning set forth in the recitals.

(j) "**Parent**" shall have the meaning set forth in the preamble.

(k) "**Subject Shares**" shall have the meaning set forth in the recitals.

(l) "**Transfer**" shall mean, with respect to a security, the sale, transfer, pledge, hypothecation, encumbrance, assignment or disposition of such security, rights relating thereto or the Beneficial Ownership of such security or rights relating thereto, the offer to make such a sale, transfer, pledge, hypothecation, encumbrance, assignment or disposition, and each option, agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. As a verb, "**Transfer**" shall have a correlative meaning.

(m) "**Voting Shareholder**" shall have the meaning set forth in the preamble.

Section 2. *No Disposition or Solicitation*.

(a) Except as set forth in Section 5 of this Agreement, the Voting Shareholder undertakes that the Voting Shareholder shall not (i) Transfer or agree to Transfer any Subject Shares or (ii) grant or agree to grant any proxy or power-of-attorney with respect to any Subject Shares.

(b) The Voting Shareholder undertakes that, in his, her or its capacity as a shareholder of the Company, the Voting Shareholder shall not, and shall cause his, her or its investment bankers, financial advisors, attorneys, accountants and other advisors, agents and representatives not to, directly or indirectly solicit, initiate, facilitate or encourage any inquiries or proposals from discuss or negotiate with, or provide any non-public information to, any Person relating to, or otherwise facilitate, any Acquisition Proposal.

Section 3. *Voting of Subject Shares*. The Voting Shareholder undertakes that (a) at such time as Parent conducts a meeting of, or otherwise seeks a vote or consent of, its shareholders, the Voting Shareholder shall, or shall cause (or, with respect to any Subject Shares that the Voting Shareholder cannot direct the vote, use reasonable efforts to cause) the holder of record on any applicable record date to, vote the Subject Shares Beneficially Owned by the Voting Shareholder in favor of, or provide a consent with respect to, (i) approval of the issuance of shares of Parent Common Stock in the Merger, (ii) approval of the amendments to the Parent Certificate of Formation to effect the Reverse Stock Split and the Name Change, (iii) approval of any proposal to adjourn or postpone any shareholder meeting to a later date if there are not sufficient votes for the approval of the issuance of shares of Parent Common Stock in the Merger or approval of the amendments to the Parent Certificate of Formation on the date on which such meeting is held, and (iv) any other matter necessary for consummation of the transactions contemplated by the Merger Agreement which is considered at any such meeting or is the subject of any such consent solicitation, and (b) at each meeting of shareholders of Parent and in connection with each consent solicitation, the Voting Shareholder shall, or shall cause the holder of record on any applicable record date to, vote the Subject Shares Beneficially Owned by the Voting Shareholder against, and not provide consents with respect to, (i) any agreement or arrangement related to or in furtherance of any Acquisition Proposal, (ii) any liquidation, dissolution, recapitalization, extraordinary dividend or other significant corporate reorganization of Parent or any of its Subsidiaries, (iii) any action, proposal, transaction or agreement that would delay, prevent, frustrate, impede or interfere with the Merger or the other transactions contemplated by the Merger Agreement or result in the failure of any condition set forth in ARTICLE VIII of the Merger Agreement to be satisfied, and (iv) any action, proposal, transaction or agreement that would result in a breach of any covenant, representation or warranty or other obligation or agreement of Parent under the Merger Agreement or of the Voting Shareholder under this Agreement.

Section 4. *Reasonable Efforts to Cooperate*. The Voting Shareholder hereby consents to the publication and disclosure in the Proxy Statement/Prospectus (and, as and to the extent otherwise required by securities laws or the SEC or any other securities authorities, any other documents or communications provided by the Company, Parent or Merger Sub to any Governmental Authority or to securityholders of the Company) of the Voting Shareholder's

identity and Beneficial Ownership of Subject Shares and the nature of the Voting Shareholder's commitments, arrangements and understandings under and relating to this Agreement and, if deemed appropriate by the Company or Parent, a copy of this Agreement. The Voting Shareholder will promptly provide any information reasonably requested by the Company, Parent or Merger Sub for any regulatory application or filing made or approval sought in connection with the Merger or the other transactions contemplated by the Merger Agreement (including filings with the SEC).

Section 5. *Irrevocable Proxy*. In furtherance of the agreements contained in Section 3 of this Agreement, the Voting Shareholder hereby irrevocably grants to and appoints the Company and each of the executive officers of the Company, in their respective capacities as officers of the Company, as the case may be, and any individual who shall hereafter succeed to any such office of the Company, and each of them individually, the Voting Shareholder's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of the Voting Shareholder, to vote all Subject Shares Beneficially Owned by the Voting Shareholder that are outstanding from time to time and that the Voting Shareholder has the power to vote, to grant or withhold a consent or approval in respect of such Subject Shares and to execute and deliver a proxy to vote such Subject Shares, in each case solely to the extent and in the manner specified in Section 3 of this Agreement. The Voting Shareholder represents and warrants to the Company that all proxies heretofore given in respect of the Subject Shares that the Voting Shareholder has the power to vote are not irrevocable and that all such proxies have been properly revoked or are no longer in effect as of the date hereof. The Voting Shareholder hereby affirms that the irrevocable proxy set forth in this Section 5 is given by the Voting Shareholder in connection with, and in consideration of, the execution of the Merger Agreement by the Company and that the irrevocable proxy set forth in this Section 5 is coupled with an interest and, except as set forth in Section 8 hereof, may under no circumstances be revoked. The irrevocable proxy set forth in this Section 5 is executed and intended to be irrevocable in accordance with the provisions of Section 21.369 of the TBOC, subject, however, to automatic termination on the Expiration Date.

Section 6. *Further Action*. If any further action is necessary or desirable to carry out the purposes of this Agreement, the Voting Shareholder shall take all such action reasonably requested by the Company.

Section 7. *Representations and Warranties of the Voting Shareholder*. The Voting Shareholder represents and warrants to the Company as follows:

(a) The Voting Shareholder has all necessary power and authority and legal capacity to execute and deliver this Agreement and perform his, her or its obligations hereunder. The Voting Shareholder, if it is a corporation, partnership, limited liability company, trust or other entity, is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization. The execution, delivery and performance of this Agreement by the Voting Shareholder and the consummation by the Voting Shareholder of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Voting Shareholder and no further proceedings or actions on the part of the Voting Shareholder are necessary to

authorize the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby.

(b) This Agreement has been duly and validly executed and delivered by the Voting Shareholder and, assuming it has been duly and validly authorized, executed and delivered by the Company, constitutes the valid and binding agreement of the Voting Shareholder, enforceable against the Voting Shareholder in accordance with its terms, except to the extent that enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws now or hereafter in effect relating to creditor's rights generally and (ii) general principles of equity.

(c) The Voting Shareholder is the sole Beneficial Owner of his, her or its Subject Shares. The Voting Shareholder has legal, good and marketable title (which may include holding in nominee or "street" name) to all of the Subject Shares Beneficially Owned by the Voting Shareholder (other than Subject Shares held by retirement plans, trusts or the Voting Shareholder's spouse or in a similar fashion), free and clear of all liens, claims, options, proxies, voting agreements and security interests (other than as created by this Agreement or the restrictions on Transfer under the Securities Act). The Subject Shares listed on Schedule A opposite the Voting Shareholder's name constitute all of the shares of Parent Common Stock Beneficially Owned by the Voting Shareholder as of the date hereof.

(d) Except as set forth on Schedule A hereto, the Voting Shareholder has full voting power, full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all of the matters set forth in this Agreement, in each case with respect to all of the Subject Shares Beneficially Owned by the Voting Shareholder. None of the Voting Shareholder's Subject Shares are subject to any voting trust or other agreement or arrangement with respect to the voting of such shares, except as provided hereunder.

(e) The execution and delivery of this Agreement by the Voting Shareholder does not and the performance of this Agreement by the Voting Shareholder will not (i) conflict with, result in any violation of, require any consent under or constitute a default (whether with notice or lapse of time or both) under any mortgage, bond, indenture, agreement, instrument or obligation to which the Voting Shareholder is a party or by which the Voting Shareholder or any of his, her or its properties (including the Subject Shares) is bound, (ii) if the Voting Shareholder is a corporation, partnership, limited liability company, trust or other entity, conflict with, result in any violation of, require any consent under or constitute a default (whether with notice or lapse of time or both) under the Voting Shareholder's constituent documents, (iii) violate any judgment, order, injunction, decree or award of any court, administrative agency or other Governmental Authority that is binding on the Voting Shareholder or any of his, her or its properties or assets (including the Subject Shares), (iv) constitute a

violation by the Voting Shareholder of any law applicable to the Voting Shareholder, except for any violation, conflict or consent in clause (i), (iii) and (iv) as would not reasonably be expected to materially impair the ability of the Voting Shareholder to perform his, her or its obligations hereunder or to consummate the transactions contemplated herein on a timely basis.

(f) As of the date hereof, there is no action, suit, investigation or proceeding pending against, or to the knowledge of the Voting Shareholder, threatened against or affecting, the Voting Shareholder or any of his, her or its properties or assets (including the Subject Shares) that could reasonably be expected to impair the ability of the Voting Shareholder to perform his, her or its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

(g) The Voting Shareholder has had the opportunity to review this Agreement and the Merger Agreement with counsel of his, her or its own choosing. The Voting Shareholder understands and acknowledges that the Company is entering into the Merger Agreement in reliance upon the Voting Shareholder's execution, delivery and performance of this Agreement.

Section 8. *Termination*. This Agreement shall terminate automatically, without any notice or other action by any Person, on the Expiration Date; provided, however, nothing set forth in this Section 8 or elsewhere in this Agreement shall relieve any party hereto from liability, or otherwise limit the liability of any party hereto, for any material breach of this Agreement.

Section 9. *Shareholder Capacity*. Notwithstanding anything herein to the contrary, nothing set forth herein shall restrict any officer or director of the Company in the exercise of his or her fiduciary duties as an officer or director of the Company, but such officer or director shall take no action that would cause the Company to breach the Merger Agreement or any agreements contemplated thereby.

Section 10. *Miscellaneous*.

(a) Notices. Any notice required to be given hereunder shall be sufficient if in writing, and sent by facsimile transmission or by courier service (with proof of service), hand delivery or certified or registered mail (return receipt requested and first-class postage prepaid), addressed as follows:

(i) if to the Company, to it at:

Dawson Geophysical Company
508 West Wall, Suite 800
Midland, Texas 79701
Attention: Stephen C. Jumper
Facsimile: (432) 684-3030

with a copy, which will not constitute notice for purposes hereof, to:

Baker Botts L.L.P.
2001 Ross Avenue
Dallas, Texas 75201
Attention: Neel Lemon
Facsimile: (214) 661-4954

and

(ii) if to the Voting Shareholder, to his, her or its address set forth on a signature page hereto

with a copy, which will not constitute notice for purposes hereof, to:

Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Attention: Scott Wallace
Facsimile: (214) 200-0674

or to such other address as any party shall specify by written notice so given, and such notice shall be deemed to have been delivered as of the date so telecommunicated, personally delivered or mailed.

(b) Assignment; Binding Effect; Benefit. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that the Company may assign, in its sole discretion, all or any of its rights, interests and obligations hereunder to any direct or indirect wholly owned Subsidiary of the Company. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, shall or is intended to confer on any Person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(c) Entire Agreement. This Agreement, Schedule A hereto and any documents delivered by the parties in connection herewith constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect thereto.

(d) Amendments. This Agreement may be amended by the parties hereto in any and all respects. To be effective, any amendment or modification hereto must be in a written document each party has executed and delivered to the other parties.

(e) Extension; Waiver. At any time prior to the Expiration Date, each party may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive in whole or in part any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto or (iii) waive in whole or in part compliance with any of the agreements or conditions for the benefit of such party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. Except as provided in this Agreement, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, or delay or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default hereunder by any other party, shall be deemed to impair any such right, power or remedy, nor will it be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

(f) Governing Law. This Agreement and the rights and obligations of the parties hereto shall be governed by and construed and enforced in accordance with the substantive laws of the State of Texas, without regard to the conflicts of law provisions thereof that would cause the laws of any other jurisdiction to apply.

(g) Headings. Headings of the Sections of this Agreement are for the convenience of the parties only and shall be given no substantive or interpretative effect whatsoever.

(h) Severability. If any provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, to the extent possible, be modified in such a manner as to be valid, legal and enforceable but so as to retain most nearly the intent of the parties as expressed herein. If such a modification is not possible, that provision will be severed from this Agreement, and in either case the validity, legality and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

(i) Enforcement of Agreement. The parties hereto agree that the Company would be irreparably damaged in the event that the Voting

Shareholder fails to perform any of its obligations under this Agreement in accordance with its specific terms of this Agreement and that the Company would not have an adequate remedy at law for money damages in such event. It is accordingly agreed that the Company shall be

entitled to specific performance of the terms of this Agreement in addition to any other remedy at law or equity. The parties accordingly agree that the Company will be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which the Company is entitled at law or in equity or under this Agreement.

(j) Consent to Jurisdiction and Venue; WAIVER OF JURY TRIAL. To the fullest extent permitted by applicable law, each party hereto (i) agrees that any claim, action or proceeding by such party seeking any relief whatsoever arising out of, or in connection with, this Agreement or the transactions contemplated hereby shall be brought only in a state or federal court located in the State of Texas and not in any other state or federal court in the United States of America or any court in any other country, (ii) agrees to submit to the exclusive jurisdiction of such courts located in the State of Texas for purposes of all legal proceedings arising out of, or in connection with, this Agreement or the transactions contemplated hereby, (iii) waives and agrees not to assert any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court or any claim that any such proceeding brought in such a court has been brought in an inconvenient forum, (iv) agrees that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 10(a)or any other manner as may be permitted by law shall be valid and sufficient service thereof and (v) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

(k) Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

(l) No Presumption. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting of causing any instrument to be drafted.

[signature pages follow]

The parties hereto have executed this Voting Agreement as of the date first written above.

DAWSON GEOPHYSICAL COMPANY

By: _____
Name:
Title:

[SHAREHOLDER]

By: _____
Name:
Address:

Schedule A

Name	Number of Shares

VOTING AGREEMENT

THIS VOTING AGREEMENT (this "**Agreement**"), dated as of October 8, 2014, is by and among TGC Industries, Inc., a Texas corporation ("**Parent**"), and each of the individuals or entities listed on a signature page hereto (each, a "**Voting Shareholder**" and collectively, the "**Voting Shareholders**").

RECITALS

A. Concurrently with the execution and delivery of this Agreement, Parent, Dawson Geophysical Company, a Texas corporation (the "**Company**"), and Riptide Acquisition Corp., a Texas corporation and a direct wholly owned subsidiary of Parent ("**Merger Sub**"), are entering into an Agreement and Plan of Merger, dated as of the date hereof (as the same may be amended from time to time, the "**Merger Agreement**"), which provides, among other things, for (i) Merger Sub to be merged with and into the Company, with the Company continuing as the surviving entity (the "**Merger**"), and (ii) each issued and outstanding share of common stock, par value $0.33-1/3 per share, of the Company ("**Company Common Stock**") (other than any Company Common Stock owned by Parent, Merger Sub or the Company or any wholly owned Subsidiary of the Company), to be converted into the right to receive the shares of common stock, par value $0.01 per share, of Parent ("**Parent Common Stock**").

B. As of the date hereof, each Voting Shareholder is the Beneficial Owner (as defined below) of the shares of Company Common Stock set forth opposite such Voting Shareholder's name on Schedule A hereto (all such shares set forth on Schedule A, together with any shares of Company Common Stock that are hereafter issued to or otherwise acquired or owned by any Voting Shareholder prior to the termination of this Agreement being referred to herein as the "**Subject Shares**"), which Subject Shares represent 2.40% of the outstanding shares of Company Common Stock and voting power of the outstanding capital stock of Parent.

C. As a condition to its willingness to enter into the Merger Agreement, Parent has required that each Voting Shareholder, and in order to induce Parent to enter into the Merger Agreement each Voting Shareholder (in such Voting Shareholder's capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of premises and the representations, warranties and agreements contained herein, the benefits to be derived by each party hereunder and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. *Certain Definitions*. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement. In addition, for purposes of this Agreement:

(a) "**Agreement**" shall have the meaning set forth in the preamble.

(b) "**Beneficially Owned**" or "**Beneficial Ownership**" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act.

"**Beneficial Owner**" shall mean, with respect to any securities, a Person who has Beneficial Ownership of such securities.

(c) "**Company**" shall have the meaning set forth in the recitals.

(d) "**Company Common Stock**" shall have the meaning set forth in the recitals.

(e) "**Expiration Date**" shall mean the earlier of (i) the date upon which the Merger Agreement is validly terminated pursuant to its terms, (ii) the date upon which the parties hereto agree to terminate this Agreement, (iii) the occurrence of a Parent Adverse Recommendation Change made in accordance with the provisions of Section 7.3(b) of the Merger Agreement and (iv) the Effective Time.

(f) "**Merger**" shall have the meaning set forth in the recitals.

(g) "**Merger Agreement**" shall have the meaning set forth in the recitals.

(h) "**Merger Sub**" shall have the meaning set forth in the recitals.

(i) "**Parent Common Stock**" shall have the meaning set forth in the recitals.

(j) "**Parent**" shall have the meaning set forth in the preamble.

(k) "**Subject Shares**" shall have the meaning set forth in the recitals.

(l) "**Transfer**" shall mean, with respect to a security, the sale, transfer, pledge, hypothecation, encumbrance, assignment or disposition of such security, rights relating thereto or the Beneficial Ownership of such security or rights relating thereto, the offer to make such a sale, transfer, pledge, hypothecation, encumbrance, assignment or disposition, and each option, agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. As a verb, "**Transfer**" shall have a correlative meaning.

(m) "**Voting Shareholder**" shall have the meaning set forth in the preamble.

Section 2. *No Disposition or Solicitation*.

(a) Except as set forth in Section 5 of this Agreement, each Voting Shareholder undertakes that such Voting Shareholder shall not (i) Transfer or agree to Transfer any Subject Shares or (ii) grant or agree to grant any proxy or power-of-attorney with respect to any Subject Shares.

(b) Each Voting Shareholder undertakes that, in his, her or its capacity as a shareholder of Parent, such Voting Shareholder shall not, and shall cause his, her or its investment bankers, financial advisors, attorneys, accountants and other advisors, agents and representatives not to, directly or indirectly solicit, initiate, facilitate or encourage any inquiries or proposals from discuss or negotiate with, or provide any non-public information to, any Person relating to, or otherwise facilitate, any Acquisition Proposal.

Section 3. *Voting of Subject Shares*. Each Voting Shareholder undertakes that (a) at such time as the Company conducts a meeting of, or otherwise seeks a vote or consent of, its shareholders, each Voting Shareholder shall, or shall cause (or, with respect to any Subject Shares that the Voting Shareholder cannot direct the vote, use reasonable efforts to cause) the holder of record on any applicable record date to, vote the Subject Shares Beneficially Owned by such Voting Shareholder in favor of, or provide a consent with respect to, (i) approval and adoption of the Merger Agreement and each of the other transactions contemplated by the Merger Agreement, (ii) approval of any proposal to adjourn or postpone any shareholder meeting to a later date if there are not sufficient votes for the approval and adoption of the Merger Agreement on the date on which such meeting is held, and (iii) any other matter necessary for consummation of the transactions contemplated by the Merger Agreement which is considered at any such meeting or is the subject of any such consent solicitation, and (b) at each meeting of shareholders of the Company and in connection with each consent solicitation, such Voting Shareholder shall, or shall cause the holder of record on any applicable record date to, vote the Subject Shares Beneficially Owned by such Voting Shareholder against, and not provide consents with respect to, (i) any agreement or arrangement related to or in furtherance of any Acquisition Proposal, (ii) any liquidation, dissolution, recapitalization, extraordinary dividend or other significant corporate reorganization of the Company or any of its Subsidiaries, (iii) any action, proposal, transaction or agreement that would delay, prevent, frustrate, impede or interfere with the Merger or the other transactions contemplated by the Merger Agreement or result in the failure of any condition set forth in ARTICLE VIII of the Merger Agreement to be satisfied, and (iv) any action, proposal, transaction or agreement that would result in a breach of any covenant, representation or warranty or other obligation or agreement of the Company under the Merger Agreement or of such Voting Shareholder under this Agreement.

Section 4. *Reasonable Efforts to Cooperate*. Each Voting Shareholder hereby consents to the publication and disclosure in the Proxy Statement/Prospectus (and, as and to the extent otherwise required by securities laws or the SEC or any other securities authorities, any other documents or communications provided by the Company, Parent or Merger Sub to any Governmental Authority or to securityholders of Parent) of such Voting Shareholder's identity and Beneficial Ownership of Subject Shares and the nature of such Voting Shareholder's commitments, arrangements and understandings under and relating to this Agreement and, if deemed appropriate by the Company or Parent, a copy of this Agreement. Each Voting Shareholder will promptly provide any information reasonably requested by the Company, Parent or Merger Sub for any regulatory application or filing made or approval sought in connection with the Merger or the other transactions contemplated by the Merger Agreement (including filings with the SEC).

Section 5. *Irrevocable Proxy*. In furtherance of the agreements contained in Section 3 of this Agreement, each Voting Shareholder hereby irrevocably grants to and appoints Parent and each of the executive officers of Parent, in their respective capacities as officers of Parent, as the case may be, and any individual who shall hereafter succeed to any such office of Parent, and each of them individually, such Voting Shareholder's proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of such Voting Shareholder, to vote all Subject Shares Beneficially Owned by such Voting Shareholder that are outstanding from time to time and that the Voting Shareholder has the power to vote, to grant or withhold a consent or approval in respect of such Subject Shares and to execute and deliver a proxy to vote such Subject Shares, in each case solely to the extent and in the manner specified in Section 3 of this Agreement. Each Voting Shareholder represents and warrants to Parent that all proxies heretofore given in respect of the Subject Shares that the Voting Shareholder has the power to vote are not irrevocable and that all such proxies have been properly revoked or are no longer in effect as of the date hereof. Each Voting Shareholder hereby affirms that the irrevocable proxy set forth in this Section 5 is given by such Voting Shareholder in connection with, and in consideration of, the execution of the Merger Agreement by Parent and that the irrevocable proxy set forth in this Section 5 is coupled with an interest and, except as set forth in Section 8 hereof, may under no circumstances be revoked. The irrevocable proxy set forth in this Section 5 is executed and intended to be irrevocable in accordance with the provisions of Section 21.369 of the TBOC, subject, however, to automatic termination on the Expiration Date.

Section 6. *Further Action*. If any further action is necessary or desirable to carry out the purposes of this Agreement, each Voting Shareholder shall take all such action reasonably requested by Parent.

Section 7. *Representations and Warranties of the Voting Shareholders*. Each Voting Shareholder represents and warrants to Parent as to such Voting Shareholder, severally and not jointly, as follows:

(a) Such Voting Shareholder has all necessary power and authority and legal capacity to execute and deliver this Agreement and perform his, her or its obligations hereunder. Such Voting Shareholder, if it is a corporation, partnership, limited liability company, trust or other entity, is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization. The execution, delivery and performance of this Agreement by such Voting Shareholder and the consummation by such Voting Shareholder of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Voting Shareholder and no further proceedings or actions on the part of such Voting Shareholder are necessary to authorize the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated hereby.

(b) This Agreement has been duly and validly executed and delivered by such Voting Shareholder and, assuming it has been duly and validly authorized, executed and delivered by Parent, constitutes the valid and binding agreement of such Voting Shareholder, enforceable against such Voting Shareholder in accordance with its terms, except to the extent that enforceability

may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws now or hereafter in effect relating to creditor's rights generally and (ii) general principles of equity.

(c) Such Voting Shareholder is the sole Beneficial Owner of his, her or its Subject Shares. Such Voting Shareholder has legal, good and marketable title (which may include holding in nominee or "street" name) to all of the Subject Shares Beneficially Owned by such Voting Shareholder (other than Subject Shares held by retirement plans, trusts or the Voting Shareholder's spouse or in a similar fashion), free and clear of all liens, claims, options, proxies, voting agreements and security interests (other than as created by this Agreement or the restrictions on Transfer under the Securities Act). The Subject Shares listed on Schedule A opposite such Voting Shareholder's name constitute all of the shares of Company Common Stock Beneficially Owned by such Voting Shareholder as of the date hereof.

(d) Except as set forth on Schedule A hereto, such Voting Shareholder has full voting power, full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all of the matters set forth in this Agreement, in each case with respect to all of the Subject Shares Beneficially Owned by such Voting Shareholder. None of such Voting Shareholder's Subject Shares are subject to any voting trust or other agreement or arrangement with respect to the voting of such shares, except as provided hereunder.

(e) The execution and delivery of this Agreement by such Voting Shareholder does not and the performance of this Agreement by such Voting Shareholder will not (i) conflict with, result in any violation of, require any consent under or constitute a default (whether with notice or lapse of time or both) under any mortgage, bond, indenture, agreement, instrument or obligation to which such Voting Shareholder is a party or by which such Voting Shareholder or any of his, her or its properties (including the Subject Shares) is bound, (ii) if such Voting Shareholder is a corporation, partnership, limited liability company, trust or other entity, conflict with, result in any violation of, require any consent under or constitute a default (whether with notice or lapse of time or both) under such Voting Shareholder's constituent documents, (iii) violate any judgment, order, injunction, decree or award of any court, administrative agency or other Governmental Authority that is binding on such Voting Shareholder or any of his, her or its properties or assets (including the Subject Shares), (iv) constitute a violation by such Voting Shareholder of any law applicable to such Voting Shareholder, except for any violation, conflict or consent in clause (i), (iii) and (iv) as would not reasonably be expected to materially impair the ability of such Voting Shareholder to perform his, her or its obligations hereunder or to consummate the transactions contemplated herein on a timely basis.

(f) As of the date hereof, there is no action, suit, investigation or proceeding pending against, or to the knowledge of such Voting Shareholder,

threatened against or affecting, such Voting Shareholder or any of his, her or its properties or assets (including the Subject Shares) that could reasonably be expected to impair the ability of such Voting Shareholder to perform his, her or its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

(g) Such Voting Shareholder has had the opportunity to review this Agreement and the Merger Agreement with counsel of his, her or its own choosing. Such Voting Shareholder understands and acknowledges that Parent is entering into the Merger Agreement in reliance upon such Voting Shareholder's execution, delivery and performance of this Agreement.

Section 8. *Termination*. This Agreement shall terminate automatically, without any notice or other action by any Person, on the Expiration Date; provided, however, nothing set forth in this Section 8 or elsewhere in this Agreement shall relieve any party hereto from liability, or otherwise limit the liability of any party hereto, for any material breach of this Agreement.

Section 9. *Shareholder Capacity*. Notwithstanding anything herein to the contrary, nothing set forth herein shall restrict any officer or director of Parent in the exercise of his or her fiduciary duties as an officer or director of Parent, but such officer or director shall take no action that would cause Parent to breach the Merger Agreement or any agreements contemplated thereby.

Section 10. *Miscellaneous*.

(a) Notices. Any notice required to be given hereunder shall be sufficient if in writing, and sent by facsimile transmission or by courier service (with proof of service), hand delivery or certified or registered mail (return receipt requested and first-class postage prepaid), addressed as follows:

(i) if to Parent, to it at:

TGC Industries, Inc.
101 East Park Blvd., Suite 955
Plano, Texas 75074
Attention: Wayne A. Whitener
Facsimile:

with a copy, which will not constitute notice for purposes hereof, to:

Haynes and Boone, LLP
2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Attention: Scott Wallace
Facsimile: (214) 200-0674

and

(ii) if to a Voting Shareholder, to his, her or its address set forth on a signature page hereto

with a copy, which will not constitute notice for purposes hereof, to:

Baker Botts L.L.P.
2001 Ross Avenue
Dallas, Texas 75201
Attention: Neel Lemon
Facsimile: (214) 661-4954

or to such other address as any party shall specify by written notice so given, and such notice shall be deemed to have been delivered as of the date so telecommunicated, personally delivered or mailed.

(b) Assignment; Binding Effect; Benefit. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that Parent may assign, in its sole discretion, all or any of its rights, interests and obligations hereunder to any direct or indirect wholly owned Subsidiary of Parent. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, shall or is intended to confer on any Person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(c) Entire Agreement. This Agreement, Schedule A hereto and any documents delivered by the parties in connection herewith constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect thereto.

(d) Amendments. This Agreement may be amended by the parties hereto in any and all respects. To be effective, any amendment or modification hereto must be in a written document each party has executed and delivered to the other parties.

(e) Extension; Waiver. At any time prior to the Expiration Date, each party may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive in whole or in part any inaccuracies in the representations and warranties

made to such party contained herein or in any document delivered pursuant hereto or (iii) waive in whole or in part compliance with any of the agreements or conditions for the benefit of such party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. Except as provided in this Agreement, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, or delay or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default hereunder by any other party, shall be deemed to impair any such right, power or remedy, nor will it be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

(f) Governing Law. This Agreement and the rights and obligations of the parties hereto shall be governed by and construed and enforced in accordance with the substantive laws of the State of Texas, without regard to the conflicts of law provisions thereof that would cause the laws of any other jurisdiction to apply.

(g) Headings. Headings of the Sections of this Agreement are for the convenience of the parties only and shall be given no substantive or interpretative effect whatsoever.

(h) Severability. If any provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, to the extent possible, be modified in such a manner as to be valid, legal and enforceable but so as to retain most nearly the intent of the parties as expressed herein. If such a modification is not possible, that provision will be severed from this Agreement, and in either case the validity, legality and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

(i) Enforcement of Agreement. The parties hereto agree that Parent would be irreparably damaged in the event that any Voting Shareholder fails to perform any of its obligations under this Agreement in accordance with its specific terms of this Agreement and that Parent would not have an adequate remedy at law for money damages in such event. It is accordingly agreed that Parent shall be entitled to specific performance of the terms of this Agreement in addition to any other remedy at law or equity. The parties accordingly agree that Parent will be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which Parent is entitled at law or in equity or under this Agreement.

(j) Consent to Jurisdiction and Venue; WAIVER OF JURY TRIAL. To the fullest extent permitted by applicable law, each party hereto (i) agrees that any claim, action or proceeding by such party seeking any relief whatsoever arising out of, or in connection with, this Agreement or the transactions contemplated hereby shall be brought only in a state or federal court located in the State of Texas and not in any other state or federal court in the United States of America or any court in any other country, (ii) agrees to submit to the exclusive jurisdiction of such courts located in the State of Texas for purposes of all legal proceedings arising out of, or in connection with, this Agreement or the transactions contemplated hereby, (iii) waives and agrees not to assert any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court or any claim that any such proceeding brought in such a court has been brought in an inconvenient forum, (iv) agrees that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 10(a)or any other manner as may be permitted by law shall be valid and sufficient service thereof and (v) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

(k) Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.

(l) No Presumption. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting of causing any instrument to be drafted.

(m) Obligations. The obligations of each Voting Shareholder under this Agreement are several and not joint, and no Voting Shareholder shall have any liability or obligation under this Agreement for any breach hereunder by any other Voting Shareholder.

[signature pages follow]

The parties hereto have executed this Voting Agreement as of the date first written above.

TGC INDUSTRIES, INC.

By: _____
Name:
Title:

[Voting Agreement — Company Signature Page]

[Voting Shareholder Signature Page Begins on Next Page]

[SHAREHOLDER]

By: _____
Name:
Address:

[Voting Agreement — Voting Shareholder Signature Page]

Schedule A

Name	**Number of Shares**

NEWS RELEASE

DAWSON GEOPHYSICAL AND TGC INDUSTRIES
ANNOUNCE STRATEGIC BUSINESS COMBINATION

Conference Call to be Held on October 9 at 9:00 a.m. ET

MIDLAND, Texas, October 9, 2014 — Dawson Geophysical Company (Dawson) (NASDAQ: DWSN) and TGC Industries, Inc. (TGC) (NASDAQ: TGE) today jointly announced a proposed strategic business combination. Upon consummation of the transaction, current Dawson and TGC shareholders will own approximately 66% and 34% of the combined company, respectively. Closing of the transaction is anticipated during the first calendar quarter of 2015, subject to the approval by holders of 66.67% of the outstanding shares of both TGC and Dawson, as well as certain other closing conditions and regulatory approvals.

The transaction is structured as a tax-free stock-for-stock transaction. Dawson will merge with a TGC subsidiary and become a wholly-owned subsidiary of TGC. TGC will change its name to Dawson Geophysical Company (hereinafter referred to as new Dawson). The new Dawson shares will trade on NASDAQ under the symbol DWSN.

Immediately prior to the transaction, TGC will implement a 1-for-3 reverse stock split. The reverse stock split will provide for a sufficient number of TGC authorized shares to consummate the transaction and adjust the number of post-transaction shares to facilitate trading within reasonable price ranges and volumes on NASDAQ. After giving effect to the TGC reverse stock split, Dawson shareholders will receive 1.76 shares of TGC split-effected common stock for each share of Dawson common stock held at the effective time of the transaction, with cash to be paid in lieu of any fractional shares. For example, at the effective time of the transaction, a TGC shareholder currently owning 100 shares of TGC common stock will own 33 shares of split-effected TGC common stock, while a Dawson shareholder currently owning 100 shares of Dawson common stock will receive 176 shares of TGC split-effected common stock. As a result of the reverse stock split, TGC's currently outstanding shares will be reduced from approximately 22,001,125 million to 7,333,708 million shares and TGC will issue approximately 14,236,022 million TGC split-effected shares in exchange for approximately 8,065,233 shares held by Dawson shareholders. Based on the above-noted exchange ratio and reverse stock split, at the effective time of the transaction, the implied valuation of the current Dawson shares should be three times the trading price of the TGC shares multiplied by 1.76.

Stephen Jumper, current Chairman, President and Chief Executive Officer of Dawson, will serve as Chairman, President and CEO of new Dawson. Wayne Whitener, current President, CEO and a Director of TGC, will serve as Vice Chairman of the Board and an officer of new Dawson. Ongoing operations will be conducted under the Dawson and Eagle Canada names.

In addition to Messrs. Jumper and Whitener, the Board of Directors of new Dawson will include four members of the current Dawson board - Craig Cooper, Gary Hoover, Ted North and Mark Vander Ploeg - and two members of the current TGC board — William Barrett and Dr. Allen McInnes.

The Dawson and TGC Boards of Directors have approved the transaction, and directors and certain officers representing approximately 28.89% of outstanding TGC shares and approximately 2.40% of outstanding Dawson shares have agreed to vote in favor of the transaction. The Boards of Directors of both companies have recommended to their respective shareholders that they vote in favor of the transaction.

Transaction Highlights:

- *Expanded geographical presence and expertise to better serve client base*
- *Combined strong balance sheet will provide increased operational and financial flexibility*
- *Complementary equipment bases increase operational efficiencies and logistics*
- *Improved processes and increased efficiencies lead to lower cost structure and increased revenue*
- *Increased level of services and reduced outsourcing*
- *Increased channel count for improved efficiency, higher resolution imaging and to meet increased channel count requirements*
- *Expanded client base and order book will increase crew utilization rates*

Stephen Jumper, Chairman, President and Chief Executive Officer of Dawson, said, "This is an exciting time for our companies as we work together to combine our complementary resources and create a best-of-breed company. The combination of Dawson and TGC results in a stronger company that will better serve our valued clients, shareholders and employees. The demand on our technology has been to produce cost-effective, high-resolution images in a shorter cycle time. The combination of Dawson and TGC improves our ability to meet that demand with an expanded equipment base, logistics advantages, and improved services and expertise. Collectively, our resources are further positioned to increase utilization rates, reduce costs and provide multiple avenues of growth for the combined company."

Wayne Whitener, President and Chief Executive Officer of TGC, said, "We are extremely pleased to join forces with the Dawson Geophysical team. The combination of our shared technical, operational and international expertise provides opportunities to better serve our company's client base. I look forward to

contributing to the success and growth of the combined organization."

Jumper concluded, "The combination of Dawson and TGC is well-positioned to respond to the needs of today's industry. We believe the benefits of this combination will extend to our valued clients, shareholders and employees for years to come. We encourage your support as we approach the shareholder vote and look forward to putting into action our more than 100 years of combined industry experience."

Raymond James & Associates, Inc. served as financial advisor to Dawson while Stephens Inc. served as financial advisor to TGC. Baker Botts L.L.P. served as legal counsel to Dawson while Haynes and Boone LLP served as legal counsel to TGC.

Conference Call - October 9, 2014 - 9:00 a.m. Eastern Time

Dawson and TGC have scheduled a conference call to discuss the transaction for Thursday, October 9, 2014, at 9:00 a.m. Eastern Time / 8:00 a.m. Central Time. Participants can access the call at (877) 300-8521 (US), (855) 669-9657 (Canada) or (412) 317-6026 (International). To access the live audio webcast or the subsequent archived recording, visit the Dawson and TGC websites at www.dawson3d.com and www.tgcseismic.com, respectively. Callers can access the telephone replay through October 12, 2014 by dialing (877) 870-5176 (US) and (858) 384-5517 (International). The passcode is 10054247. The webcast will be recorded and available for replay on Dawson's and TGC's website until November 9, 2014.

Investors, analysts, and the general public will also have the opportunity to listen to the conference call over the Internet by visiting http://www.dawson3d.com or http://www.tgcseismic.com. For those who cannot listen to the live webcast, an archive will be available shortly after the call and will remain available for approximately twelve months on both above-mentioned websites.

Important Information For Investors and Shareholders

This release does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The transactions contemplated by the merger agreement, including the proposed merger and the proposed issuance of TGC common stock in the merger, will, as applicable, be submitted to the shareholders of Dawson and TGC for their consideration. TGC will file with the Securities and Exchange Commission (SEC) a registration statement on Form S-4 that will include a joint proxy statement of Dawson and TGC that also constitutes a prospectus of TGC. Dawson and TGC will mail the joint proxy statement/prospectus to their respective shareholders. Dawson and TGC also plan to file other documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS OF DAWSON AND TGC ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and shareholders will be able to obtain free copies of the joint proxy statement/prospectus and other documents containing important information about Dawson and TGC, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. Dawson and TGC make available free of charge at www.dawson3d.com and www.tgcseismic.com, respectively (in the "Investor Relations" section), copies of materials they file with, or furnish to, the SEC, or investors and shareholders may contact Dawson at (432) 684-3000 or TGC at (972) 881-1099 or c/o Dennard-Lascar Associates at (713) 529-6600 to receive copies of documents that each company files with or furnishes to the SEC.

Participants in the Merger Solicitation

Dawson, TGC, and certain of their respective directors and officers may be deemed to be participants in the solicitation of proxies from the shareholders of Dawson and TGC in connection with the proposed transactions. Information about the directors and officers of Dawson is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on December 18, 2013, as well as subsequent periodic reports filed with the SEC. Information about the directors and officers of TGC is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on April 30, 2014. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

About Dawson Geophysical

Dawson Geophysical Company is the leading provider of U.S. onshore seismic data acquisition services as measured by the number of active data acquisition crews. Founded in 1952, Dawson acquires and processes 2D, 3D and multi-component seismic data solely for its clients, ranging from major oil and gas companies to independent oil and gas operators as well as providers of multi-client data libraries.

About TGC Industries

TGC Industries, Inc., based in Plano, Texas, is a provider of seismic data acquisition services with operations throughout the continental United States and Canada. The Company has branch offices in Houston, Midland, Oklahoma City and Calgary.

Safe Harbor Provisions

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, Dawson Geophysical Company and TGC Industries, Inc. caution that statements in this press release which are forward-looking and which provide other than historical information involve risks and uncertainties that may materially affect Dawson's or TGC's actual results of operations. These risks include but are not limited to the volatility of oil and natural gas prices; dependence upon energy industry spending; industry competition; reduced utilization; delays, reductions or cancellations of service contracts; high fixed costs of operations and high capital requirements; external factors affecting Dawson's or TGC's crews such as weather interruptions and inability to obtain land access rights of way; whether either company enters into turnkey or dayrate contracts; crew productivity; the limited number of clients; credit risk related to clients; and the availability of capital resources. A discussion of these and other factors, including risks and uncertainties with respect to Dawson is set forth in Dawson's Form 10-K for the fiscal year ended September 30, 2013, and with respect to TGC, is set forth in TGC's Form 10-K for the fiscal year ended December 31, 2013. Dawson and TGC disclaim any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

# # #

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DAWSON
Dawson Geophysical Company
TGC
TGC Industries, Inc.
DAWSON GEOPHYSICAL
TGC INDUSTRIES
BUSINESS COMBINATION
OCTOBER 9, 2014

Forward Looking Statements

Statements in this presentation that relate to forecasts, estimates or other expectations regarding future events, including without limitation, statements regarding the pending transaction, technological advancements and the companies' financial position, business strategy and plans and objectives of management for future operations, may be deemed to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this presentation, words such as "anticipate," "believe," "estimate," "expect," "intend," and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are based on the beliefs of management as well as assumptions made by and information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to the possibility that the transaction does not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all; the risk that the benefits from the transaction may not be fully realized or may take longer to realize than expected; the ability to promptly and effectively integrate the businesses of Dawson and TGC; the reaction of the companies' customers, employees and counterparties to the transaction; diversion of management time on transaction-related issues; the volatility of oil and natural gas prices; dependence upon energy industry spending; disruptions in the global economy; industry competition; delays, reductions or cancellations of service contracts; high fixed costs of operations; external factors affecting our crews such as weather interruptions and inability to obtain land access rights of way; the type of contracts we enter into; crew productivity; limited number of customers; credit risk related to the companies' customers; the availability of capital resources and operational disruptions. A discussion of these and other factors, including risks and uncertainties with respect to Dawson is set forth in Dawson's Form 10-K for the fiscal year ended September 30, 2013, and with respect to TGC, is set forth in TGC's Form 10-K for the fiscal year ended December 31, 2013. Dawson and TGC disclaim any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Important Information

Important Information For Investors and Shareholders

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The transactions contemplated by the merger agreement, including the proposed merger and the proposed issuance of TGC common stock in the merger, will, as applicable, be submitted to the shareholders of Dawson and TGC for their consideration. TGC will file with the Securities and Exchange Commission (SEC) a registration statement on Form S-4 that will include a joint proxy statement of Dawson and TGC that also constitutes a prospectus of TGC. Dawson and TGC will mail the joint proxy statement/prospectus to their respective shareholders. Dawson and TGC also plan to file other documents with the SEC regarding the proposed transaction. INVESTORS AND SECURITY HOLDERS OF DAWSON AND TGC ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and shareholders will be able to obtain free copies of the joint proxy statement/prospectus and other documents containing important information about Dawson and TGC, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. Dawson and TGC make available free of charge at www.dawson3d.com and www.tgcseismic.com, respectively (in the "Investor Relations" section), copies of materials they file with, or furnish to, the SEC, or investors and shareholders may contact Dawson at (432) 684-3000 or TGC at (972) 881-1099 or c/o Dennard-Lascar Associates at (713) 529-6600 to receive copies of documents that each company files with or furnishes to the SEC.

Participants in the Merger Solicitation

Dawson, TGC, and certain of their respective directors and officers may be deemed to be participants in the solicitation of proxies from the shareholders of Dawson and TGC in connection with the proposed transactions. Information about the directors and officers of Dawson is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on December 18, 2013, as well as subsequent periodic reports filed with the SEC. Information about the directors and officers of TGC is set forth in its proxy statement for its 2014 annual meeting of shareholders, which was filed with the SEC on April 30, 2014. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

Principal Terms

- **Combined Company to Retain the Dawson Geophysical Name and Trading Symbol: DWSN**
  - Current Dawson and TGC Shareholders , respectively, will own approximately 66% and 34% of the combined company.
  - Continue Dawson and Eagle Canada as operating entities
  - Structured as a tax-free stock-for-stock transaction
  - Closing of the new Dawson Geophysical company is anticipated during the first calendar quarter of 2015
  - Requires 66.7% shareholder approval from both TGC and Dawson shareholders
  - Board of Directors – 5 previous Dawson Board members and 3 previous TGC Board members

New Dawson Management & Board of Directors

- **Executive Management Team**
  - Stephen Jumper – Chairman, CEO and President
  - Wayne Whitener – Vice-Chairman and Officer
- **Dawson to Designate Four Additional Board Members**
  - Craig Cooper
  - Gary Hoover
  - Ted North
  - Mark Vander Ploeg
- **TGC to Designate Two Additional Board Members**
  - William Barrett
  - Alan McInnes

Terms of the Transaction

Structured as a tax-free stock-for-stock transaction

- Dawson will merge into a wholly-owned subsidiary of TGC and Dawson shareholders will receive shares of TGC common stock
- TGC will effect a 1-for-3 reverse stock split, which will reduce the number of outstanding TGC common shares from 22,001,125 million to 7,333,708 million shares for transactional and charter purposes
- Dawson shareholders will receive 1.76 shares of TGC split-effected stock for every one share of Dawson stock.
- TGC will issue approximately 14,236,022 million of split-effected shares in exchange for the approximately 8,065,233 million shares of Dawson stock outstanding.

Nasdaq: DWSN
Nasdaq: TGE

What We Like About the new Dawson

- **Expanded Geographic Presence**
  - Every major basin in the US
  - Eagle Canada provides strong Canadian presence
- **Combined Equipment Base**
  - Increases utilization
  - Lowers cost
  - Drives value for clients, shareholders and employees
- **Combined Order Book Strength**
  - Improves utilization rates
  - Lowers costs
  - Increases visible growth
- **Strengthened Balance Sheet with Improved Financial Flexibility**

Our Philosophy

Staying the Course

- Full-service provider of data acquisition and data processing services
- First-Class Health, Safety & Environmental program
- Continued commitment to superior land survey and permitting services, improved IT support, expanded repair capabilities, trucking services, data processing, research and development, and dynamite energy source drilling services
- Top rated platform of shared - - people, equipment and services - - that flows through to our clients, shareholders and employees

Investment Highlights

- **Expanded geographical presence**
  - Positioned to better serve clients through regional deployments
- **Strengthened balance sheet**
  - Enhances operational and financial flexibility
  - Enables company to respond more quickly to client needs & market conditions
- **Compatible equipment bases**
  - increases operational efficiencies and logistics
  - Improves utilization rates and lowers costs
- **Improved processes drives efficiencies**
  - Leads to lower expenses & increased revenue
- **Expanded client base and order book**
  - Relieves pressure on utilization rates

The New Dawson Geophysical

- Experienced management team with more than 100 years combined experience
- Expanded equipment base and improved logistics designed to increase utilization and lower costs
- Combined client base and order book to relieve pressure on utilization rates
- Increased level of internal support services designed to reduce outsourcing
- Expanded channel count to shorten cycle times and provide higher resolution images


DAWSON
Dawson Geophysical Company
TGC
TGC Industries, Inc.
A Leading North American
Land Seismic Data Acquisition
and Processing Company
SEISMIC LEADERSHIP

NASDAQ:
DWSN

Nasdaq: DWSN
Nasdaq: TGE