

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

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File No. 1-2960

Newpark Resources, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

72-1123385
(I.R.S. Employer
Identification No.)

2700 Research Forest Drive, Suite 100
The Woodlands, Texas
(Address of principal executive offices)

77381
(Zip Code)

(281) 362-6800
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of July 18, 2012, a total of 88,135,978 shares of common stock, \$0.01 par value per share, were outstanding.

NEWPARK RESOURCES, INC.

INDEX TO QUARTERLY REPORT ON FORM 10-Q
FOR THE THREE AND SIX MONTHS ENDED
June 30, 2012

| | | |
|----------------|---|----|
| PART I | FINANCIAL INFORMATION | |
| ITEM 1. | Financial Statements | |
| | Condensed Consolidated Balance Sheets as of June 30, 2012 and December 31, 2011 | 2 |
| | Condensed Consolidated Statements of Operations for the Three and Six Months Ended June 30, 2012 and 2011 | 3 |
| | Condensed Consolidated Statements of Comprehensive Income for the Three and Six Months Ended June 30, 2012 and 2011 | 4 |
| | Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2012 and 2011 | 5 |
| | Notes to Unaudited Condensed Consolidated Financial Statements | 6 |
| ITEM 2. | Management's Discussion and Analysis of Financial Condition and Results of Operations | 11 |
| ITEM 3. | Quantitative and Qualitative Disclosures about Market Risk | 23 |
| ITEM 4. | Controls and Procedures | 23 |
| PART II | OTHER INFORMATION | 24 |
| ITEM 1. | Legal Proceedings | 24 |
| ITEM 1A. | Risk Factors | 24 |
| ITEM 2. | Unregistered Sales of Equity Securities and Use of Proceeds | 24 |
| ITEM 3. | Defaults Upon Senior Securities | 24 |
| ITEM 4. | Mine Safety Disclosures | 25 |
| ITEM 5. | Other Information | 25 |
| ITEM 6. | Exhibits | 26 |
| | Signatures | 27 |

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. We also may provide oral or written forward-looking statements in other materials we release to the public. The words "anticipates," "believes," "estimates," "expects," "plans," "intends," and similar expressions are intended to identify these forward-looking statements but are not the exclusive means of identifying them. These forward-looking statements reflect the current views of our management; however, various risks, uncertainties and contingencies, including the risks identified in Item 1A, "Risk Factors," in Part I of our Annual Report on Form 10-K for the year ended December 31, 2011, and those set forth from time to time in our filings with the Securities and Exchange Commission, could cause our actual results, performance or achievements to differ materially from those expressed in, or implied by, these statements, including the success or failure of our efforts to implement our business strategy.

We assume no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Quarterly Report on Form 10-Q might not occur.

For further information regarding these and other factors, risks and uncertainties affecting us, we refer you to the risk factors set forth in Item 1A, "Risk Factors", in Part I of our Annual Report on Form 10-K for the year ended December 31, 2011.

ITEM 1. Financial Statements

Newpark Resources, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

| (In thousands, except share data) | June 30, 2012 | December 31, 2011 |
|---|-------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 28,832 | \$ 25,247 |
| Receivables, net | 333,976 | 328,590 |
| Inventories | 174,820 | 175,929 |
| Deferred tax asset | 13,211 | 13,224 |
| Prepaid expenses and other current assets | 12,427 | 10,828 |
| Total current assets | <u>563,266</u> | <u>553,818</u> |
| Property, plant and equipment, net | 247,856 | 231,055 |
| Goodwill | 75,166 | 71,970 |
| Other intangible assets, net | 19,077 | 20,850 |
| Other assets | 10,217 | 9,144 |
| Total assets | <u>\$ 915,582</u> | <u>\$ 886,837</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Short-term debt | \$ 792 | \$ 2,232 |
| Accounts payable | 84,161 | 97,168 |
| Accrued liabilities | 28,327 | 47,443 |
| Total current liabilities | <u>113,280</u> | <u>146,843</u> |
| Long-term debt, less current portion | 238,843 | 189,876 |
| Deferred tax liability | 47,034 | 46,844 |
| Other noncurrent liabilities | 13,906 | 5,428 |
| Total liabilities | <u>413,063</u> | <u>388,991</u> |
| Commitments and contingencies (Note 8) | | |
| Common stock, \$0.01 par value, 200,000,000 shares authorized and 95,496,604 and 94,497,526 shares issued, respectively | 955 | 945 |
| Paid-in capital | 480,414 | 477,204 |
| Accumulated other comprehensive income | (3,133) | 789 |
| Retained earnings | 65,080 | 34,983 |
| Treasury stock, at cost; 6,407,673 and 2,803,987 shares, respectively | (40,797) | (16,075) |
| Total stockholders' equity | <u>502,519</u> | <u>497,846</u> |
| Total liabilities and stockholders' equity | <u>\$ 915,582</u> | <u>\$ 886,837</u> |

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

Newpark Resources, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

| (In thousands, except per share data) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|------------|---------------------------|------------|
| | 2012 | 2011 | 2012 | 2011 |
| Revenues | \$ 245,756 | \$ 230,822 | \$ 508,092 | \$ 433,473 |
| Cost of revenues | 201,534 | 178,911 | 416,436 | 337,913 |
| Selling, general and administrative expenses | 19,944 | 21,150 | 41,257 | 36,968 |
| Other operating income, net | (477) | (835) | (491) | (952) |
| Operating income | 24,755 | 31,596 | 50,890 | 59,544 |
| Foreign currency exchange loss (gain) | 461 | (468) | 231 | (145) |
| Interest expense, net | 2,553 | 2,100 | 4,921 | 4,357 |
| Income from operations before income taxes | 21,741 | 29,964 | 45,738 | 55,332 |
| Provision for income taxes | 7,278 | 10,684 | 15,641 | 20,198 |
| Net income | \$ 14,463 | \$ 19,280 | \$ 30,097 | \$ 35,134 |
| Income per common share -basic: | \$ 0.16 | \$ 0.21 | \$ 0.34 | \$ 0.39 |
| Income per common share -diluted: | \$ 0.15 | \$ 0.19 | \$ 0.31 | \$ 0.35 |

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

Newpark Resources, Inc.
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

| (In thousands) | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|------------------|---------------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 |
| Net income | \$ 14,463 | \$ 19,280 | \$ 30,097 | \$ 35,134 |
| Foreign currency translation adjustments | <u>(7,917)</u> | <u>1,903</u> | <u>(3,922)</u> | <u>7,001</u> |
| Comprehensive income | <u>\$ 6,546</u> | <u>\$ 21,183</u> | <u>\$ 26,175</u> | <u>\$ 42,135</u> |

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

Newpark Resources, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

| (In thousands) | Six Months Ended June 30, | |
|---|---------------------------|------------------|
| | 2012 | 2011 |
| Cash flows from operating activities: | | |
| Net income | \$ 30,097 | \$ 35,134 |
| Adjustments to reconcile net income to net cash provided by operations: | | |
| Depreciation and amortization | 15,808 | 13,575 |
| Stock-based compensation expense | 3,003 | 2,065 |
| Provision for deferred income taxes | 178 | 9,997 |
| Net provision for doubtful accounts | 1,073 | 699 |
| Loss (gain) on sale of assets | 104 | (117) |
| Change in assets and liabilities: | | |
| Increase in receivables | (10,793) | (32,334) |
| Increase in inventories | (870) | (1,981) |
| Increase in other assets | (2,826) | (5,729) |
| (Decrease) increase in accounts payable | (8,705) | 5,091 |
| Decrease in accrued liabilities and other | (11,247) | (5,273) |
| Net cash provided by operating activities | 15,822 | 21,127 |
| Cash flows from investing activities: | | |
| Capital expenditures | (26,315) | (16,842) |
| Business acquisition, net of cash acquired | - | (25,601) |
| Proceeds from sale of property, plant and equipment | 371 | 280 |
| Net cash used in investing activities | (25,944) | (42,163) |
| Cash flows from financing activities: | | |
| Borrowings on lines of credit | 173,846 | 2,256 |
| Payments on lines of credit | (126,233) | (2,629) |
| Proceeds from employee stock plans | 468 | 1,543 |
| Purchase of treasury stock | (24,825) | (598) |
| Post-closing payment for business acquisition | (11,892) | - |
| Other financing activities | (53) | (22) |
| Net cash provided by financing activities | 11,311 | 550 |
| Effect of exchange rate changes on cash | 2,396 | 1,780 |
| Net increase (decrease) in cash and cash equivalents | 3,585 | (18,706) |
| Cash and cash equivalents at beginning of year | 25,247 | 83,010 |
| Cash and cash equivalents at end of period | \$ 28,832 | \$ 64,304 |
| Cash paid for: | | |
| Income taxes (net of refunds) | \$ 5,836 | \$ 11,380 |
| Interest | \$ 4,106 | \$ 3,602 |

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Basis of Presentation and Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements of Newpark Resources, Inc. and our wholly-owned subsidiaries, which we refer to as “we,” “our” or “us,” have been prepared in accordance with Rule 10-01 of Regulation S-X for interim financial statements required to be filed with the Securities and Exchange Commission (“SEC”), and do not include all information and footnotes required by the accounting principles generally accepted in the United States (“U.S. GAAP”) for complete financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2011. Our fiscal year end is December 31, our second quarter represents the three month period ended June 30 and our first half represents the six month period ending June 30. The results of operations for the second quarter and first half of 2012 are not necessarily indicative of the results to be expected for the entire year. Unless otherwise stated, all currency amounts are stated in U.S. dollars.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments necessary to present fairly our financial position as of June 30, 2012, the results of our operations for the second quarter and first half of 2012 and 2011, and our cash flows for the first half of 2012 and 2011. All adjustments are of a normal recurring nature. Our balance sheet at December 31, 2011 is derived from the audited consolidated financial statements at that date.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. For further information, see Note 1 in our Annual Report on Form 10-K for the year ended December 31, 2011.

New Accounting Standards

Each reporting period we consider all newly issued but not yet adopted accounting and reporting guidance applicable to our operations and the preparation of our consolidated financial statements. We do not believe that any issued accounting and reporting guidance we have not yet adopted will have a material impact on our financial statements at the time they may be adopted.

Note 2 – Earnings per Share

The following table presents the reconciliation of the numerator and denominator for calculating earnings per share:

| (In thousands, except per share data) | Second Quarter | | First Half | |
|---|----------------|-----------|------------|-----------|
| | 2012 | 2011 | 2012 | 2011 |
| Basic EPS: | | | | |
| Net income | \$ 14,463 | \$ 19,280 | \$ 30,097 | \$ 35,134 |
| Weighted average number of common shares outstanding | 88,600 | 89,791 | 89,536 | 89,707 |
| Basic income per common share | \$ 0.16 | \$ 0.21 | \$ 0.34 | \$ 0.39 |
| Diluted EPS: | | | | |
| Net income | \$ 14,463 | \$ 19,280 | \$ 30,097 | \$ 35,134 |
| Assumed conversions of Senior Notes | 1,283 | 1,241 | 2,539 | 2,438 |
| Adjusted net income | \$ 15,746 | \$ 20,521 | \$ 32,636 | \$ 37,572 |
| Weighted average number of common shares outstanding-basic | 88,600 | 89,791 | 89,536 | 89,707 |
| Add: Dilutive effect of stock options and restricted stock awards | 457 | 1,061 | 561 | 739 |
| Dilutive effect of Senior Notes | 15,682 | 15,682 | 15,682 | 15,682 |
| Diluted weighted average number of common shares outstanding | 104,739 | 106,534 | 105,779 | 106,128 |
| Diluted income per common share | \$ 0.15 | \$ 0.19 | \$ 0.31 | \$ 0.35 |
| Stock options and warrants excluded from calculation of diluted earnings per share because anti-dilutive for the period | 2,440 | 2,536 | 2,123 | 3,731 |

Weighted average dilutive stock options and restricted stock outstanding totaled approximately 2.9 million and 4.2 million shares for the second quarter of 2012 and 2011, respectively, and 2.9 million and 3.2 million for the first half of 2012 and 2011, respectively. The resulting net effect of stock options and restricted stock were used in calculating diluted earnings per share for the period.

Note 3 – Stock-Based Compensation

During the second quarter of 2012, the Compensation Committee of our Board of Directors approved equity-based compensation to executive officers and other key employees. These awards included a grant of 871,181 time-vesting shares of stock, which vest equally over a three-year period. The fair value on the date of grant for these awards was \$5.57 per share. Non-employee directors received shares of restricted stock totaling 117,115 shares, which will vest in full on the first anniversary of the grant date.

Additionally, 1,438,158 stock options were granted to executive officers and other key employees at an exercise price of \$5.57, which provides for equal vesting over a three-year period with a term of ten years. The estimated fair value of the stock options on the grant date using the Black-Scholes option-pricing model was \$2.89. The assumptions used in the Black-Scholes model included a risk free interest rate of 0.68%, expected life of 5.22 years and expected volatility of 60.3%.

Note 4 – Treasury Stock

In February 2012, our Board of Directors approved a share repurchase program that authorized the repurchase of up to \$50.0 million of our outstanding shares of common stock. As of June 30, 2012, we had repurchased 3,530,509 shares for an aggregate price of approximately \$6.89 million. All of the shares repurchased are held as treasury stock. We record treasury stock purchases under the cost method whereby the entire cost of the acquired stock is recorded as treasury stock. Repurchases may be suspended at any time.

Note 5 – Acquisition

In April 2011, we completed the acquisition of the drilling fluids and engineering services business from Rheochem PLC, a publicly-traded Australian-based oil and gas company. The acquired business provides drilling fluids and related engineering services to the oil and gas exploration and geothermal industries with operations in Australia, New Zealand and India. Total cash paid in 2011 was AUD\$27.2 million (\$28.8 million), including post-closing payments of AUD\$0.8 million (\$0.8 million) based on a true-up of the final working capital conveyed at closing and AUD\$2.0 million (\$2.1 million) related to a six month earn-out provision in the agreement. During the second quarter of 2012, the final payment was made which totaled AUD\$11.9 million (\$11.9 million), reflecting additional consideration required based on financial results of the acquired business over a one year earn-out period ended February 2012.

The transaction has been accounted for using the acquisition method of accounting and accordingly, assets acquired and liabilities assumed were recorded at their fair values as of the acquisition date. The excess of the total consideration, including projected additional consideration, was recorded as goodwill and includes the value of the access to markets in Asia Pacific and an assembled workforce.

The following table summarizes the amounts recognized for assets acquired and liabilities assumed, as of the April 2011 acquisition date.

| (In thousands) | |
|---|------------------|
| Cash and cash equivalents | \$ 315 |
| Receivables, net | 3,316 |
| Inventories | 7,166 |
| Prepaid expenses and other current assets | 773 |
| Property, plant and equipment, net | 9,465 |
| Goodwill | 13,842 |
| Customer relationships (11 year life) | 10,492 |
| Tradenname (5 year life) | 700 |
| Other assets | 510 |
| Total assets acquired | <u>\$ 46,579</u> |
| Accounts payable | \$ 717 |
| Accrued liabilities | 16,243 |
| Deferred tax liability | 3,432 |
| Other noncurrent liabilities | 271 |
| Total liabilities assumed | <u>\$ 20,663</u> |
| Total cash conveyed at closing | <u>\$ 25,916</u> |

The accrued liabilities at the date of acquisition in the table above includes \$14.8 million reflecting the post-closing payments to the seller under the terms of the agreement, including \$2.9 million that was paid during the third quarter of 2011 and the final payment of \$11.9 million paid in the second quarter of 2012.

Proforma results of operation for the acquired business have not been presented as the effect of this acquisition is not material to our consolidated financial statements.

Note 6 – Receivables and Inventories

Receivables - Receivables consist of the following:

| (In thousands) | June 30, 2012 | December 31, 2011 |
|---------------------------------|------------------|----------------------|
| Gross trade receivables | \$ 324,800 | \$ 306,791 |
| Allowance for doubtful accounts | (3,819) | (3,161) |
| Net trade receivables | 320,981 | 303,630 |
| Other receivables | 12,995 | 24,960 |
| Total receivables, net | \$ 333,976 | \$ 328,590 |

Inventories - Our inventories include \$173.1 million and \$174.7 million of raw materials and components for our drilling fluids systems at June 30, 2012 and December 31, 2011, respectively. The remaining balance consists primarily of composite mat finished goods.

Note 7 – Financing Arrangements and Fair Value of Financial Instruments

Our financing arrangements include \$172.5 million of unsecured convertible senior notes (“Senior Notes”) and a \$125.0 million revolving credit facility, of which \$66.0 million was outstanding at June 30, 2012. The Senior Notes bear interest at a rate of 4.0% per year, payable semi-annually in arrears on April 1 and October 1 of each year, beginning April 1, 2011. Holders may convert the Senior Notes at their option at any time prior to the close of business on the business day immediately preceding the October 1, 2017 maturity date. The conversion rate is initially 90.8893 shares of our common stock per \$1,000 principal amount of Senior Notes (equivalent to an initial conversion price of \$11.00 per share of common stock), subject to adjustment in certain circumstances. Upon conversion, the Senior Notes will be settled in shares of our common stock. We may not redeem the Senior Notes prior to their maturity date.

Our financial instruments include cash and cash equivalents, receivables, payables and debt. We believe the carrying values of these instruments, with the exception of our Senior Notes, approximated their fair values at June 30, 2012 and December 31, 2011. The estimated fair value of our Senior Notes is \$158.6 million at June 30, 2012 and \$195.8 million at December 31, 2011, based on Level 2 inputs including quoted market prices at these respective dates.

Note 8 – Commitments and Contingencies

In the ordinary course of conducting our business, we become involved in litigation and other claims from private party actions, as well as judicial and administrative proceedings involving governmental authorities at the federal, state and local levels. In the opinion of management, any liability in these matters should not have a material effect on our consolidated financial statements.

Note 9 – Segment Data

Summarized operating results for our reportable segments is shown in the following table (net of inter-segment transfers):

| (In thousands) | Second Quarter | | First Half | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2012 | 2011 | 2012 | 2011 |
| Revenues | | | | |
| Fluids | | | | |
| Systems & Engineering | \$ 202,388 | \$ 191,205 | \$ 420,884 | \$ 361,672 |
| Mats & Integrated Services | 30,071 | 27,793 | 60,604 | 50,856 |
| Environmental Services | 13,297 | 11,824 | 26,604 | 20,945 |
| Total Revenues | \$ 245,756 | \$ 230,822 | \$ 508,092 | \$ 433,473 |
| Operating Income (loss) | | | | |
| Fluids | | | | |
| Systems & Engineering | \$ 13,480 | \$ 20,792 | \$ 27,475 | \$ 39,991 |
| Mats & Integrated Services | 13,075 | 14,730 | 27,414 | 26,514 |
| Environmental Services | 3,514 | 2,980 | 7,089 | 4,600 |
| Corporate Office | (5,314) | (6,906) | (11,088) | (11,561) |
| Operating Income | \$ 24,755 | \$ 31,596 | \$ 50,890 | \$ 59,544 |

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our financial condition, results of operations, liquidity and capital resources should be read together with our unaudited condensed consolidated financial statements and notes to unaudited condensed consolidated financial statements contained in this report as well as our Annual Report on Form 10-K for the year ended December 31, 2011. Our second quarter represents the three month period ended June 30 and our first half represents the six month period ending June 30. Unless otherwise stated, all currency amounts are stated in U.S. dollars.

Overview

We are a diversified oil and gas industry supplier providing products and services primarily to the oil and gas exploration ("E&P") industry. We operate our business through three reportable segments: Fluids Systems and Engineering, Mats and Integrated Services and Environmental Services. Our Fluids Systems and Engineering segment, which generated 83% of consolidated revenues in the first half of 2012, provides customized drilling fluids solutions to E&P customers globally, operating through four geographic regions: North America; Europe, the Middle East and Africa ("EMEA"); Latin America; and following our April 2011 acquisition (as described below), Asia Pacific.

Our Mats and Integrated Services segment, which generated 12% of consolidated revenues in the first half of 2012, provides composite mat rentals, well site construction and related well site services to E&P customers in the U.S. We also sell composite mats to E&P customers outside of the U.S., and to domestic customers outside of the oil and gas industry. Our Environmental Services segment, which generated 5% of consolidated revenues in the first half of 2012, processes and disposes of waste generated by E&P customers along the U.S. Gulf Coast. While we continue to expand our operations globally, particularly in our Fluids Systems and Engineering segment, our North American operations generated 78% of consolidated revenues in the first half of 2012.

In North America we have continued the roll-out of Evolution®, our high performance water-based drilling fluid system launched in 2010, which we believe provides superior performance and environmental benefits to our customers, as compared to traditional fluids systems used in the industry. After the initial introduction into the Haynesville shale during 2010, the system is now being used by customers in several major North American drilling basins. Revenues from wells using the Evolution system were approximately \$50 million in the first half of 2012.

In April 2011, we completed the acquisition of the drilling fluids and engineering services business from Rheochem PLC, a publicly-traded Australian-based oil and gas company. The acquired business provides drilling fluids and related engineering services with operations in Australia, New Zealand and India. Total cash paid in 2011 was AUD\$27.2 million (\$28.8 million), including post-closing payments of AUD\$0.8 million (\$0.8 million) based on a true-up of the final working capital conveyed at closing and AUD\$2.0 million (\$2.1 million) related to a six month earn-out provision in the agreement. During the second quarter of 2012, the final payment was made which totaled AUD\$11.9 million (\$11.9 million), reflecting additional consideration required based on financial results of the acquired business over a one year earn-out period ended February 2012.

Our operating results depend, to a large extent, on oil and gas drilling activity levels in the markets we serve, as well as the depth of drilling, which governs the revenue potential of each well. The drilling activity in turn, depends on oil and gas commodity pricing, inventory levels and demand, and more recently, regulatory actions such as those affecting operations in the Gulf of Mexico.

Rig count data is the most widely accepted indicator of drilling activity. Average North American rig count data for the second quarter and first half of 2012, as compared to the second quarter and first half of 2011 is as follows:

| | Second Quarter | | 2012 vs 2011 | |
|--------------------|----------------|-------|--------------|------|
| | 2012 | 2011 | Count | % |
| U.S. Rig Count | 1,970 | 1,826 | 144 | 8% |
| Canadian Rig Count | 177 | 187 | (10) | (5%) |
| North America | 2,147 | 2,013 | 134 | 7% |

| | First Half | | 2012 vs 2011 | |
|--------------------|------------|-------|--------------|-----|
| | 2012 | 2011 | Count | % |
| U.S. Rig Count | 1,980 | 1,774 | 206 | 12% |
| Canadian Rig Count | 380 | 379 | 1 | 0% |
| North America | 2,360 | 2,153 | 207 | 10% |

Source: Baker Hughes Incorporated

While the average total U.S. rig count has increased by 8% from the second quarter of 2011 to the second quarter of 2012, there has been a significant regional shift in activity over this period. This shift from dry gas drilling to oil and liquid-rich drilling resulted in a significant decline in several key dry gas basins, including the Haynesville shale (East Texas), Barnett (East Texas) and areas in the Rockies, which was more than offset by increases in oil and liquid-rich basins, including the Bakken (North Dakota), Eagle Ford (South Texas), Mississippian Lime (mid-continent) and Permian Basin (West Texas). During periods of transition such as the first half of 2012, operating expenses within our U.S. business units were elevated, as we re-deployed personnel and assets among regions and modify our regional business unit infrastructures to meet the changing activity levels.

Second Quarter of 2012 Compared to Second Quarter of 2011

Consolidated Results of Operations

Summarized results of operations for the second quarter of 2012 compared to the second quarter of 2011 are as follows:

| (In thousands) | Second Quarter | | 2012 vs 2011 | |
|--|----------------|------------|--------------|---------|
| | 2012 | 2011 | \$ | % |
| Revenues | \$ 245,756 | \$ 230,822 | \$ 14,934 | 6 % |
| Cost of revenues | 201,534 | 178,911 | 22,623 | 13 % |
| Selling, general and administrative expenses | 19,944 | 21,150 | (1,206) | (6 %) |
| Other operating income, net | (477) | (835) | 358 | (43 %) |
| Operating income | 24,755 | 31,596 | (6,841) | (22 %) |
| Foreign currency exchange loss (gain) | 461 | (468) | 929 | (199 %) |
| Interest expense, net | 2,553 | 2,100 | 453 | 22 % |
| Income from operations before income taxes | 21,741 | 29,964 | (8,223) | (27 %) |
| Provision for income taxes | 7,278 | 10,684 | (3,406) | (32 %) |
| Net income | \$ 14,463 | \$ 19,280 | \$ (4,817) | (25 %) |

Revenues

Revenues increased 6% to \$245.8 million in the second quarter of 2012, compared to \$230.8 million in the second quarter of 2011. This \$14.9 million improvement includes a \$12.4 million (7%) increase in revenues in North America, largely driven by the 7% improvement in the North America rig count. Revenues from our international operations increased by \$2.6 million (5%). Additional information regarding the change in revenues is provided within the operating segment results below.

Cost of revenues

Cost of revenues increased 13% to \$201.5 million in the second quarter of 2012, as compared to \$178.9 million in the second quarter of 2011. The increase is primarily driven by the 6% increase in revenues, along with elevated operating expenses driven by the shift in activity from dry gas to liquid rich regions in the U.S. Additional information regarding the change in cost of revenues is provided within the operating segment results below.

Selling, general and administrative expenses

Selling, general and administrative expenses decreased \$1.2 million to \$19.9 million in the second quarter of 2012 from \$21.2 million in the second quarter of 2011, primarily due to lower performance-based employee incentive compensation.

Foreign currency exchange

Foreign currency exchange was a \$0.5 million loss in the second quarter of 2012, compared to a \$0.5 million gain in the second quarter of 2011, and primarily reflects the impact of currency translations on assets and liabilities held in our foreign operations that are denominated in currencies other than functional currencies.

Interest expense, net

Interest expense totaled \$2.6 million for the second quarter of 2012 compared to \$2.1 million for the second quarter of 2011. The increase is primarily attributable to the increased borrowings in the second quarter of 2012, as compared to the second quarter of 2011.

Provision for income taxes

The provision for income taxes for the second quarter of 2012 was \$7.3 million, reflecting an effective tax rate of 33.5%, compared to \$10.7 million in the second quarter of 2011 with an effective tax rate of 35.7%. The \$3.4 million reduction is primarily attributable to the decrease in pretax income.

Operating Segment Results

Summarized financial information for our reportable segments is shown in the following table (net of inter-segment transfers):

| (In thousands) | Second Quarter | | 2012 vs 2011 | |
|---------------------------------|-------------------|-------------------|-------------------|-----------|
| | 2012 | 2011 | \$ | % |
| Revenues | | | | |
| Fluids systems and engineering | \$ 202,388 | \$ 191,205 | \$ 11,183 | 6% |
| Mats and integrated services | 30,071 | 27,793 | 2,278 | 8% |
| Environmental services | 13,297 | 11,824 | 1,473 | 12% |
| Total revenues | <u>\$ 245,756</u> | <u>\$ 230,822</u> | <u>\$ 14,934</u> | <u>6%</u> |
| Operating income (loss) | | | | |
| Fluids systems and engineering | \$ 13,480 | \$ 20,792 | \$ (7,312) | |
| Mats and integrated services | 13,075 | 14,730 | (1,655) | |
| Environmental services | 3,514 | 2,980 | 534 | |
| Corporate office | (5,314) | (6,906) | 1,592 | |
| Operating income | <u>\$ 24,755</u> | <u>\$ 31,596</u> | <u>\$ (6,841)</u> | |
| Segment operating margin | | | | |
| Fluids systems and engineering | 6.7% | 10.9% | | |
| Mats and integrated services | 43.5% | 53.0% | | |
| Environmental services | 26.4% | 25.2% | | |

Fluids Systems and Engineering**Revenues**

Total revenues for this segment consisted of the following:

| (In thousands) | Second Quarter | | 2012 vs 2011 | |
|----------------|-------------------|-------------------|------------------|------------|
| | 2012 | 2011 | \$ | % |
| United States | \$ 142,486 | \$ 137,147 | \$ 5,339 | 4 % |
| Canada | 7,231 | 3,653 | 3,578 | 98 % |
| Total | | | | |
| North America | 149,717 | 140,800 | 8,917 | 6 % |
| EMEA | 25,304 | 26,202 | (898) | (3) % |
| Latin America | 18,153 | 17,609 | 544 | 3 % |
| Asia Pacific | 9,214 | 6,594 | 2,620 | 40 % |
| Total | \$ 202,388 | \$ 191,205 | \$ 11,183 | 6 % |

North American revenues increased 6% to \$149.7 million in the second quarter of 2012, as compared to \$140.8 million in the second quarter of 2011, largely attributable to the 7% increase in the North American rig count, along with share gains in several regions. The growth in several North American basins was partially offset by an \$8.7 million decline in our completion services and equipment rental revenues in the mid-continent region, which was primarily attributable to increased competition arising from the shift of competitors' equipment and personnel from dry gas areas to this mid-continent area.

Internationally, revenues were up 5% to \$52.7 million in the second quarter of 2012, as compared to \$50.4 million in second quarter 2011. This increase is primarily attributable to the full period impact of the Asia Pacific business unit, which was acquired during the second quarter of 2011.

Operating Income

Operating income for this segment was \$13.5 million, reflecting an operating margin of 6.7% in the second quarter of 2012, compared to \$20.8 million and a 10.9% operating margin in the second quarter of 2011. Of this \$7.3 million decrease in operating income, \$5.8 million of the decrease was attributable to our North American business, despite an \$8.9 million increase in revenues. The decline in operating income includes a \$4.3 million decrease in the completion services and equipment rental business associated with the \$8.7 million revenue decline described above. Due to the relatively fixed nature of operating expenses in this service and equipment rental business unit, the incremental operating income impact from the decline in revenues is higher than what is typically experienced in this segment. Operating expenses were also elevated during the second quarter of 2012 due to operating cost inefficiencies as customer activities transition away from dry gas regions into oil and liquid-rich regions.

Our international operating income declined \$1.5 million on a \$2.3 million increase in revenues. This decrease in operating income is primarily due to the customer mix changes and elevated operating costs in preparation for new contracts in North Africa.

Mats and Integrated Services

Revenues

Total revenues for this segment consisted of the following:

| (In thousands) | Second Quarter | | 2012 vs 2011 | |
|------------------------------------|----------------|-----------|--------------|--------|
| | 2012 | 2011 | \$ | % |
| Mat rental and integrated services | \$ 15,766 | \$ 18,574 | \$ (2,808) | (15) % |
| Mat sales | 14,305 | 9,219 | 5,086 | 55 % |
| Total | \$ 30,071 | \$ 27,793 | \$ 2,278 | 8 % |

Mat rental and integrated services revenues decreased \$2.8 million as compared to the prior year period, as a \$1.7 million increase in the U.S. Gulf Coast, a \$1.4 million increase in the Rocky Mountain region, along with small gains in our international rental business was offset by a \$6.5 million decline in the Northeast U.S. In addition, mat sales increased by \$5.1 million over the prior year period due to increasing demand for our Durabase™ composite mat products from international E&P customers and other industries.

Operating Income

Segment operating income decreased by \$1.7 million on the \$2.3 million increase in revenues. The decline in operating income is primarily attributable to the higher mix of mat sales relative to mat rental activity. Incremental margins on mat sales are less than mat rentals or service activities due to the fixed nature of operating expenses in the rental business, including depreciation expense on our rental mat fleet.

Environmental Services

Revenues

Total revenues for this segment consisted of the following:

| (In thousands) | Second Quarter | | 2012 vs 2011 | |
|---------------------------|----------------|-----------|--------------|------|
| | 2012 | 2011 | \$ | % |
| E&P waste | \$ 10,749 | \$ 9,393 | \$ 1,356 | 14 % |
| NORM and industrial waste | 2,548 | 2,431 | 117 | 5 % |
| Total | \$ 13,297 | \$ 11,824 | \$ 1,473 | 12 % |

Environmental services revenues increased 12% to \$13.3 million in the second quarter of 2012, as compared to the second quarter of 2011. Substantially all of the increase is attributable to higher E&P waste, due to the increased activity in state waters and land oil drilling activities along the U.S. Gulf Coast.

Operating Income

Operating income for this segment increased by \$0.5 million in the second quarter of 2012, compared to the second quarter of 2011, primarily attributable to the \$1.5 million increase in revenues described above.

Corporate Office

Corporate office expenses decreased \$1.6 million to \$5.3 million in the second quarter of 2012, compared to \$6.9 million in second quarter 2011. The decrease is primarily attributable to a \$1.5 million decline in performance-based employee compensation and \$0.6 million of transaction-related expenses incurred in the second quarter of 2011, associated with the April 2011 acquisition described above.

First Half of 2012 Compared to First Half of 2011

Consolidated Results of Operations

Summarized results of operations for the first half of 2012 compared to the first half of 2011 are as follows:

| (In thousands) | First Half | | 2012 vs 2011 | |
|--|------------|------------|--------------|---------|
| | 2012 | 2011 | \$ | % |
| Revenues | \$ 508,092 | \$ 433,473 | \$ 74,619 | 17 % |
| Cost of revenues | 416,436 | 337,913 | 78,523 | 23 % |
| Selling, general and administrative expenses | 41,257 | 36,968 | 4,289 | 12 % |
| Other operating income, net | (491) | (952) | 461 | (48 %) |
| Operating income | 50,890 | 59,544 | (8,654) | (15 %) |
| Foreign currency exchange loss (gain) | 231 | (145) | 376 | (259 %) |
| Interest expense, net | 4,921 | 4,357 | 564 | 13 % |
| Income from operations before income taxes | 45,738 | 55,332 | (9,594) | (17 %) |
| Provision for income taxes | 15,641 | 20,198 | (4,557) | (23 %) |
| Net income | \$ 30,097 | \$ 35,134 | \$ (5,037) | (14 %) |

Revenues

Revenues increased 17% to \$508.1 million in the first half of 2012, compared to \$433.5 million in the first half of 2011. This \$74.6 million improvement includes a \$61.1 million (18%) increase in revenues in North America, largely driven by the 10% improvement in the North America rig count, along with market share gains in several regions. Revenues from our international operations increased \$13.6 million. Additional information regarding the change in revenues is provided within the operating segment results below.

Cost of revenues

Cost of revenues increased 23% to \$416.4 million in the first half of 2012, as compared to \$337.9 million in the first half of 2011. The increase is primarily driven by the 17% increase in revenues along with elevated operating expenses in the first half of 2012 driven by the shift in activity from dry gas to liquid rich regions in the U.S. Additional information regarding the change in cost of revenues is provided within the operating segment results below.

Selling, general and administrative expenses

Selling, general and administrative expenses increased \$4.3 million to \$41.3 million in the first half of 2012 from \$37.0 million in the first half of 2011. The first half of 2012 includes \$4.1 million of spending associated with the enterprise resource planning ("ERP") system conversion in the U.S. operations.

Foreign currency exchange

Foreign currency exchange was a \$0.2 million loss in the first half of 2012, compared to a \$0.1 million gain in the first half of 2011, and primarily reflects the impact of currency translations on assets and liabilities held in our foreign operations that are denominated in currencies other than functional currencies.

Interest expense, net

Interest expense totaled \$4.9 million for the first half of 2012 compared to \$4.4 million for the first half of 2011. The increase is primarily attributable to the increased borrowings in the first half of 2012, as compared to the first half of 2011.

Provision for income taxes

The provision for income taxes for the first half of 2012 was \$15.6 million, reflecting an effective tax rate of 34.2%, compared to \$20.2 million in the first half of 2011, reflecting an effective tax rate of 36.5%. The \$4.6 million reduction is primarily attributable to the decrease in pre-tax income.

Operating Segment Results

Summarized financial information for our reportable segments is shown in the following table (net of inter-segment transfers):

| (In thousands) | First Half | | 2012 vs 2011 | |
|---------------------------------|-------------------|-------------------|-------------------|------------|
| | 2012 | 2011 | \$ | % |
| Revenues | | | | |
| Fluids systems and engineering | \$ 420,884 | \$ 361,672 | \$ 59,212 | 16% |
| Mats and integrated services | 60,604 | 50,856 | 9,748 | 19% |
| Environmental services | 26,604 | 20,945 | 5,659 | 27% |
| Total revenues | <u>\$ 508,092</u> | <u>\$ 433,473</u> | <u>\$ 74,619</u> | <u>17%</u> |
| Operating (loss) income | | | | |
| Fluids systems and engineering | \$ 27,475 | \$ 39,991 | (12,516) | |
| Mats and integrated services | 27,414 | 26,514 | 900 | |
| Environmental services | 7,089 | 4,600 | 2,489 | |
| Corporate office | (11,088) | (11,561) | 473 | |
| Operating income | <u>\$ 50,890</u> | <u>\$ 59,544</u> | <u>\$ (8,654)</u> | |
| Segment operating margin | | | | |
| Fluids systems and engineering | 6.5% | 11.1% | | |
| Mats and integrated services | 45.2% | 52.1% | | |
| Environmental services | 26.6% | 22.0% | | |

Fluids Systems and Engineering

Revenues

Total revenues for this segment consisted of the following:

| (In thousands) | First Half | | 2012 vs 2011 | |
|---------------------|-------------------|-------------------|------------------|------------|
| | 2012 | 2011 | \$ | % |
| United States | \$ 284,839 | \$ 249,868 | \$ 34,971 | 14% |
| Canada | 25,950 | 14,457 | 11,493 | 79% |
| Total North America | 310,789 | 264,325 | 46,464 | 18% |
| EMEA | 55,303 | 53,270 | 2,033 | 4% |
| Latin America | 36,756 | 37,483 | (727) | (2%) |
| Asia Pacific | 18,036 | 6,594 | 11,442 | 174% |
| Total | <u>\$ 420,884</u> | <u>\$ 361,672</u> | <u>\$ 59,212</u> | <u>16%</u> |

North American revenues increased 18% to \$310.8 million in the first half of 2012, as compared to \$264.3 million in the first half of 2011, largely attributable to the 10% increase in the North American rig count, along with share gains in several regions. The growth in several North American basins was partially offset by a \$17.4 million decline in our completion services and equipment rental revenues in the mid-continent region, which was primarily attributable to increased competition arising from the shift of competitors' equipment and personnel from dry gas areas to this mid-continent area.

Internationally, revenues were up 13% to \$110.1 million in the first half of 2012, as compared to \$97.3 million in first half 2011. This increase includes an \$11.4 million increase in revenues from our Asia Pacific region following the April 2011 acquisition described above.

Operating Income

Operating income for this segment was \$27.5 million, reflecting an operating margin of 6.5% in the first half of 2012, compared to \$40.0 million and an 11.1% operating margin in the first half of 2011. Substantially all of this \$12.5 million operating income decline is attributable to our North America operations, despite a \$46.5 million increase in revenues. The decline in operating income includes a \$9.8 million decrease in the completion services and equipment rental business associated with the \$17.4 million revenue decline described above. Due to the relatively fixed nature of operating expenses in this service and equipment rental business unit, the incremental operating income impact from the decline in revenues is higher than what is typically experienced in this segment. In addition, the first half of 2012 includes \$2.6 million of additional costs associated with the recent ERP system conversion in the U.S. operations. Operating expenses were also elevated during the first half of 2012 due to operating cost inefficiencies as customer activities transition away from dry gas regions into oil and liquid-rich regions.

Operating income from our international operations declined \$.01 million on a \$12.7 million increase in revenues. Increases from our Asia Pacific and Latin America regions were offset by a decline in the EMEA region. The decline in the EMEA region is primarily attributable to increased salary costs and elevated operating costs in preparation for new contracts in North Africa.

Mats and Integrated Services

Revenues

Total revenues for this segment consisted of the following:

| (In thousands) | First Half | | 2012 vs 2011 | |
|------------------------------------|------------|-----------|--------------|------|
| | 2012 | 2011 | \$ | % |
| Mat rental and integrated services | \$ 31,890 | \$ 34,246 | \$ (2,356) | (7%) |
| Mat sales | 28,714 | 16,610 | 12,104 | 73% |
| Total | \$ 60,604 | \$ 50,856 | \$ 9,748 | 19% |

Mat rental and integrated services revenues decreased \$2.4 million as compared to the prior year period, as a \$13.7 million decline in the Northeast U.S. was partially offset by a \$5.3 million increase in the U.S. Gulf Coast and a \$4.9 million increase in the Rocky Mountain region, along with small gains in our international rental business. Mat sales increased by \$12.1 million due to increasing demand for our Durabase™ composite mat products from international E&P customers and other industries.

Operating Income

Segment operating income increased by \$0.9 million on the \$9.7 million increase in revenues, reflecting an incremental margin of 9.2%. The low incremental margin is primarily attributable to the higher mix of mat sales relative to rental activity. Due to the fixed nature of operating expenses in the rental business, including depreciation expense on our rental mat fleet, the decremental margin associated with the decline in rental and integrated service revenues is much higher than the incremental margin associated with the increase in mat sales.

Environmental Services

Revenues

Total revenues for this segment consisted of the following:

| (In thousands) | First Half | | 2012 vs 2011 | |
|---------------------------|------------------|------------------|-----------------|------------|
| | 2012 | 2011 | \$ | % |
| E&P waste | \$ 21,752 | \$ 15,747 | \$ 6,005 | 38% |
| NORM and industrial waste | 4,852 | 5,198 | (346) | (7%) |
| Total | <u>\$ 26,604</u> | <u>\$ 20,945</u> | <u>\$ 5,659</u> | <u>27%</u> |

Environmental services revenues increased 27% to \$26.6 million in the first half of 2012, as compared to the first half of 2011. Substantially all of the increase is attributable to higher E&P waste, due to the increased activity in state waters and land oil drilling activities along the U.S. Gulf Coast.

Operating Income

Operating income for this segment increased by \$2.5 million in the first half of 2012, compared to the first half of 2011, on a \$5.7 million increase in revenues, reflecting an incremental margin of 44%. The high incremental impact to operating income from the increase in revenues is due to the fixed nature of the majority of the operating expenses in this segment, including the operating costs of our disposal sites and transfer stations.

Corporate Office

Corporate office expenses decreased \$0.5 million to \$11.1 million in the first half of 2012, compared to \$11.6 million in first half 2011. The decrease includes a \$1.6 million decline in performance-based employee incentive costs and a \$1.0 million decline for transaction related expenses associated with the April 2011 acquisition described above, partially offset by \$1.3 million of additional costs associated with the ERP system conversion in our U.S. operations.

Liquidity and Capital Resources

Net cash provided by operating activities during the first half of 2012 totaled \$15.8 million. Net income adjusted for non-cash items provided \$50.3 million of cash during the period, while changes in operating assets and liabilities used \$34.4 million of cash. Increases in accounts receivable used \$10.8 million of cash in the first half of 2012 while decreases in accounts payable and accrued liabilities used \$20.0 million. Following our ERP system conversion in the U.S. operations of our Fluids Systems and Engineering segment, the pace of customer billings has lagged from our historical performance. While the pace of customer billings has improved throughout the first half of 2012, the receivables balance in this business unit has remained elevated, due in part to the lag time between customer invoicing and customer payment date, as our customers have historically paid 30-60 days from invoice date.

Net cash used in investing activities during the first half of 2012 was \$25.9 million, consisting primarily of \$14.9 million in capital expenditures in our fluids systems and engineering segment, including \$4.5 million associated with the construction of a new technology center and \$9.8 million associated with purchases of equipment at our operating locations. In addition, \$5.7 million was used in the mats and integrated services segment for expansion of the mat rental fleet and capacity expansion at our mat manufacturing facility. Net cash provided by financing activities during the first half of 2012 was \$11.3 million, including borrowings on our line of credit offset by \$24.8 million in repurchases of our outstanding common stock and payment associated with the one-year earn-out obligation of \$11.9 million following the April 2011 acquisition.

We anticipate that our working capital requirements for our operations will decline in the near term due to expected reductions in accounts receivable from the elevated levels at June 30, 2012. We expect total 2012 capital expenditures to range between \$50 million to \$60 million. We expect our \$28.8 million of cash on-hand at June 30, 2012, along with cash generated by operations and availability under our existing credit agreement to be adequate to fund our anticipated capital needs during the next 12 months.

Our capitalization is as follows:

| (In thousands) | June 30, 2012 | December 31, 2011 |
|------------------------------|------------------|----------------------|
| Senior Notes | \$ 172,500 | \$ 172,500 |
| Revolving credit facility | 66,000 | 17,000 |
| Other | 1,135 | 2,608 |
| Total | 239,635 | 192,108 |
| Stockholder's equity | 502,519 | 497,846 |
| Total capitalization | \$ 742,154 | \$ 689,954 |
| Total debt to capitalization | 32.3 % | 27.8 % |

Our financing arrangements include \$172.5 million of unsecured convertible senior notes ("Senior Notes") and a \$125.0 million revolving credit facility, of which \$66.0 million was outstanding at June 30, 2012. The Senior Notes bear interest at a rate of 4.0% per year, payable semi-annually in arrears on April 1 and October 1 of each year, beginning April 1, 2011. Holders may convert the Senior Notes at their option at any time prior to the close of business on the business day immediately preceding the October 1, 2017 maturity date. The conversion rate is initially 90.8893 shares of our common stock per \$1,000 principal amount of Senior Notes (equivalent to an initial conversion price of \$11.00 per share of common stock), subject to adjustment in certain circumstances. Upon conversion, the Senior Notes will be settled in shares of our common stock. We may not redeem the Senior Notes prior to their maturity date.

Our revolving credit facility (the "Credit Agreement") provides for a \$125 million revolving loan facility available for borrowings and letters of credit and expires in November 2016. Under the terms of the Credit Agreement, we can elect to borrow at an interest rate either based on LIBOR plus a margin based on our consolidated leverage ratio, ranging from 175 to 300 basis points, or at an interest rate based on the greatest of: (a) prime rate, (b) the federal funds rate in effect plus 50 basis points, or (c) the Eurodollar rate for a Eurodollar Loan with a one-month interest period plus 100 basis points, in each case plus a margin ranging from 75 to 200 basis points. The applicable margin on LIBOR borrowings on June 30, 2012 was 200 basis points. In addition, we are required to pay a commitment fee on the unused portion of the Facility of 37.5 basis points. The Credit Facility contains customary financial and operating covenants, including a consolidated leverage ratio, a senior secured leverage ratio and an interest coverage ratio. We were in compliance with these covenants as of June 30, 2012.

At June 30, 2012, \$66.0 million was outstanding under the Credit Agreement, and \$4.3 million in letters of credit were issued and outstanding under the Credit Agreement leaving \$54.7 million of availability at June 30, 2012. Additionally, we had \$1.1 million in letters of credit outstanding relating to foreign operations.

The Facility is a senior secured obligation, secured by first liens on all of our U.S. tangible and intangible assets, including our accounts receivable and inventory. Additionally, a portion of the capital stock of our non-U.S. subsidiaries has also been pledged as collateral.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which requires us to make assumptions, estimates and judgments that affect the amounts reported. We periodically evaluate our estimates and judgments related to uncollectible accounts and notes receivable, customer returns, reserves for obsolete and slow moving inventory, impairments of long-lived assets, including goodwill and other intangibles and our valuation allowance for deferred tax assets. Our estimates are based on historical experience and on our future expectations that we believe to be reasonable. The combination of these factors forms the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from our current estimates and those differences may be material.

For additional discussion of our critical accounting estimates and policies, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2011. Our critical accounting policies have not changed materially since December 31, 2011.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk from changes in interest rates and changes in foreign currency rates. A discussion of our primary market risk exposure in financial instruments is presented below.

Interest Rate Risk

At June 30, 2012, we had total debt outstanding of \$239.6 million, including \$172.5 million of borrowings under our Senior Notes, bearing interest at a fixed rate of 4.0%. Variable rate debt totaled \$67.1 million which included \$66.0 million outstanding under our revolving credit facility and \$1.1 million of borrowings under foreign bank lines of credit. At the June 30, 2012 balance, a 200 basis point increase in market interest rates during 2012 would cause our annual interest expense to increase approximately \$1.3 million, resulting in a \$0.01 per diluted share reduction in annual net earnings.

Foreign Currency

Our principal foreign operations are conducted in certain areas of EMEA, Brazil, Asia Pacific, Canada, U.K. and Mexico. We have foreign currency exchange risks associated with these operations, which are conducted principally in the foreign currency of the jurisdictions in which we operate which include European euros, Australian dollars, Canadian dollars and Brazilian reais. Historically, we have not used off-balance sheet financial hedging instruments to manage foreign currency risks when we enter into a transaction denominated in a currency other than our local currencies because the dollar amount of these transactions has not warranted our using hedging instruments.

ITEM 4. Controls and Procedures

Evaluation of disclosure controls and procedures

Based on their evaluation of our disclosure controls and procedures as of the end of the period covered by this report, our Chief Executive Officer and Chief Financial Officer have concluded that the disclosure controls and procedures were effective as of June 30, 2012, the end of the period covered by this quarterly report.

Changes in internal control over financial reporting

There has been no change in internal control over financial reporting during the quarter ended June 30, 2012 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. Legal Proceedings

The information set forth in the legal proceedings section of "Note 8, Commitments and Contingencies," to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q is incorporated by reference into this Item 1.

ITEM 1A. Risk Factors

There have been no material changes during the period ended June 30, 2012 in our "Risk Factors" as discussed in Item 1A to our Annual Report on Form 10-K for the year ended December 31, 2011.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not applicable

(b) Not applicable

(c) The following table details our repurchases of shares of our common stock, for the three months ended June 30, 2012:

| Period | Total Number of Shares Purchased | (1) | Average Price per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under Plans or Programs (2) |
|--------------------|----------------------------------|-----|-------------------------|--|--|
| April 1 - 30, 2012 | 929,101 | | \$ 8.04 | 929,101 | \$35.0 million |
| May 1 - 31, 2012 | - | | - | - | \$35.0 million |
| June 1 - 30, 2012 | 1,752,314 | | \$ 5.57 | 1,665,408 | \$25.7 million |
| Total | 2,681,415 | | \$ 6.42 | 2,594,509 | |

(1) During the three months ended June 30, 2012, we purchased an aggregate of 86,906 shares surrendered in lieu of taxes under vesting of restricted stock awards.

(2) The value of shares that may be repurchased reflects the value available under the program approved by our Board of Directors in February 2012, which was a new stock repurchase program of up to \$50 million of outstanding common stock.

ITEM 3. Defaults Upon Senior Securities

Not applicable.

ITEM 4. Mine Safety Disclosures

The information concerning mine safety violations and other regulatory matters required by section 1503 (a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95.1 of this Quarterly Report on Form 10-Q, which is incorporated by reference.

ITEM 5. Other Information

The following information is being provided to revise certain information in our Definitive Proxy Statement filed on April 25, 2012 (the "2012 Proxy"). Pages 57 through 61 of the 2012 Proxy contain tables representing calculations of amounts payable to the named executive officers in the context of certain termination events, such as death, disability, and change of control (the "Termination Tables"). The Termination Tables are intended to reflect the calculation of such payments assuming the executive's employment is terminated as of December 31, 2011. Errors were discovered in the estimation of the value of the tax gross-up benefit (the "280G Gross-up Benefit") included in the Termination Tables of the 2012 Proxy. The 280G Gross-up Benefit granted to certain of our named executive officers is described on pages 55 and 56 of the 2012 Proxy. Because the 280G Gross-up Benefit is only available in the context of a change of control event, only the calculations contained in the columns of the Termination Tables labeled "Termination Due to Change of Control" were impacted by this error. The table below contains both the original estimate of the 280G Gross-up Benefit in the 2012 Proxy and the revised estimate:

| Named Executive Officer | Estimate of 280G Excise Tax and Reimbursement per 2012 Proxy from Termination Due to Change of Control | Revised Estimate of 280G Excise Tax and Reimbursement from Termination Due to Change of Control¹ |
|--------------------------------|---|--|
| Paul Howes | \$1,239,299 | \$2,569,070 |
| Gregg Piontek | \$0 | \$503,711 |
| Mark Airola | \$0 | \$613,271 |
| Jeff Juergens ² | \$310,610 | \$0 |

(1) As of December 31, 2011.

(2) Mr. Juergens' Change of Control Agreement does not include the 280G Gross-up Benefit.

ITEM 6. Exhibits

- 10.1 Indemnification Agreement dated May 23, 2012, by and between Newpark Resources, Inc. and Lee Ann Kendrick.
- 10.2 Form of Restricted Stock Unit under the Newpark Resources, Inc. 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009).
- 10.3 Form of Non-Qualified Stock Option for Participants Outside the United States under the Newpark Resources, Inc. 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009).
- 10.4 Second Amendment to the Newpark Resources, Inc. Amended and Restated Non-Employee Directors' Restricted Stock Plan.
- 31.1 Certification of Paul L. Howes pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Gregg S. Piontek pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification of Paul L. Howes pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification of Gregg S. Piontek pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 95.1 Reporting requirements under the Mine Safety and Health Administration.
- *101.INS XBRL Instance Document
- *101.SCH XBRL Schema Document
- *101.CAL XBRL Calculation Linkbase Document
- *101.LAB XBRL Label Linkbase Document
- *101.PRE XBRL Presentation Linkbase Document
- *101.DEF XBRL Definition Linkbase Document

* Furnished with this Form 10-Q, not filed

NEWPARK RESOURCES, INC.

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, thereunto duly authorized.

Date: July 27, 2012

NEW PARK RESOURCES, INC.

By: /s/ Paul L. Howes

Paul L. Howes, President and
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Gregg S. Piontek

Gregg S. Piontek, Vice President and
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

| | |
|----------|---|
| 10.1 | Indemnification Agreement dated May 23, 2012, by and between Newpark Resources, Inc. and Lee Ann Kendrick. |
| 10.2 | Form of Restricted Stock Unit under the Newpark Resources, Inc. 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009). |
| 10.3 | Form of Non-Qualified Stock Option for Participants Outside the United States under the Newpark Resources, Inc. 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009). |
| 10.4 | Second Amendment to the Newpark Resources, Inc. Amended and Restated Non-Employee Directors' Restricted Stock Plan. |
| 31.1 | Certification of Paul L. Howes pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Gregg S. Piontek pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1 | Certification of Paul L. Howes pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
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INDEMNIFICATION AGREEMENT

This Indemnification Agreement (the "Agreement") is made as of the 23rd day of May, 2012, by and between NEWPARK RESOURCES, INC. a Delaware corporation (the "Company"), and Lee Ann Kendrick ("Indemnitee"), with reference to the following:

A. The Company has offered to employ Indemnitee as the Vice President, Human Resources of the Company.

B. The Certificate of Incorporation, as amended, and the Bylaws, as amended, of the Company provide that the Company shall indemnify its "agents" (as defined herein), including directors and officers, against specified expenses and losses arising as a result of their services as such agents, to the fullest extent permitted by the Delaware General Corporation Law (the "GCL").

C. Section 145(f) of the GCL provides that the indemnification provisions of the GCL are not exclusive of any rights to which a person seeking indemnification may be entitled under the Certificate of Incorporation or Bylaws of a corporation or under an agreement providing for indemnification.

D. Indemnitee has indicated that she may not be willing to be in the employ of the Company in the absence of indemnification in addition to that provided by the Company's Certificate of Incorporation and Bylaws.

E. It is the intention of this Agreement to provide to Indemnitee certain indemnification rights that are in addition to those rights described in the Company's Certificate of Incorporation and Bylaws.

NOW, THEREFORE, as an inducement to Indemnitee to serve as an officer of the Company, the Company agrees with Indemnitee as follows:

1. Indemnification. The Company shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to any proceeding (including but not limited to a proceeding by or in the right of the Company to procure a judgment in its favor) by reason of the fact that Indemnitee is or was an agent of the Company or of any other entity for which Indemnitee served at the request of the Company, against expenses (including but not limited to attorneys' fees and litigation costs), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the Company and its subsidiaries, and, in the case of a criminal proceeding, had no reasonable cause to believe that Indemnitee's conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in the best interests of the Company and its subsidiaries or that the Indemnitee had reasonable cause to believe that the Indemnitee's conduct was unlawful.

2. Mandatory Payment of Expenses. To the extent that Indemnitee has been successful on the merits in defense of any proceeding referred to in Section 1 or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses actually and reasonably incurred by Indemnitee in connection therewith.

3. Expenses; Indemnification Procedure.

3.1 Advance of Expenses. At the times specified in Section 3.4(a) hereof, the Company shall advance all expenses incurred by Indemnitee in defending any proceeding prior to the final disposition of such proceeding. Indemnitee hereby undertakes to repay such amounts advanced if it shall be determined ultimately that Indemnitee is not entitled to be indemnified by the Company.

3.2 Notice/Cooperation by Indemnitee. As a condition precedent to Indemnitee's right to be indemnified under this Agreement, Indemnitee shall give the Company notice in writing as soon as practicable of any claim made against Indemnitee for which indemnification will or could be sought under this Agreement. Notice to the Company shall be directed to the Secretary of the Company at the address shown on the signature page of this Agreement (or such other address as the Company shall designate in writing to Indemnitee). Delay in providing notice shall not preclude Indemnitee from asserting his rights under this Agreement, unless and only to the extent that such delay causes actual loss to the Company. Indemnitee shall give the Company such information and cooperation as it may reasonably require and as shall be within Indemnitee's reasonable ability to provide.

3.3 Determination of Standard of Conduct.

(a) It shall be a defense to any claim by Indemnitee for indemnification hereunder and to any action brought by Indemnitee pursuant to Section 3.4(a) (other than a claim or action to enforce a claim for expenses incurred in connection with any proceeding in advance of its final disposition) that Indemnitee has not met the standard of conduct which makes it permissible for the Company to indemnify Indemnitee for the amount claimed, but the burden of proving such defense (by clear and convincing evidence) shall be on the Company, and Indemnitee shall be entitled to receive interim payments of expenses pursuant to Section 3.1 unless and until such defense is finally adjudicated by court order or judgment from which no further right of appeal exists. It is the parties' intention that, if the Company contests Indemnitee's right to indemnification, the question of Indemnitee's right to indemnification shall be for the court to decide, and neither the failure of the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) to have made a determination that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) that Indemnitee has not met such standard of conduct, shall create a presumption that Indemnitee has or has not met the applicable standard of conduct. Except as provided in Sections 2 and 3.1, Indemnitee shall be indemnified by the Company under this Agreement unless it shall be determined by a court of competent jurisdiction that indemnification of Indemnitee is improper under the circumstances of the particular proceeding because the Indemnitee has not met the applicable standard of conduct set forth in Section 1.

(b) No indemnification or advance shall be made under this Agreement, except as provided in Section 2 or Section 3.1, in any circumstance where it appears that it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

3.4 Certain Procedural Matters.

(a) Any indemnification and advances provided for in this Agreement shall be made no later than thirty (30) days after receipt of the written request of Indemnitee. If a claim under this Agreement, under any statute, or under any provision of the Company's Certificate of Incorporation or Bylaws providing for indemnification is not paid in full by the Company within thirty (30) days after a written request for payment thereof has first been received by the Company, Indemnitee may, but need not, at any time thereafter bring an action against the Company to recover the unpaid amount of the Claim, and, subject to Section 14 of this Agreement, Indemnitee shall also be entitled to be paid for the expenses of bringing such action.

(b) Notice to Insurers. If, at the time of the receipt of a notice of a claim pursuant to Section 3.2 hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies. If the Company fails to take such action on Indemnitee's behalf, Indemnitee may do so, whereupon the Company shall indemnify Indemnitee against all expenses incurred by Indemnitee in connection with any proceeding brought by Indemnitee against the insurers for recovery under any such insurance.

(c) Selection of Counsel. The Company shall be entitled to assume the defense of any proceeding with respect to which it is obligated to advance expenses pursuant to Section 3.1, with counsel reasonably satisfactory to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to advance counsel fees to Indemnitee with respect to the same proceeding, provided that (i) Indemnitee shall have the right to employ his or her counsel in any such proceeding at Indemnitee's expense; and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense, or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company.

4. Additional Indemnification Rights; Non-exclusivity.

4.1 Scope. Notwithstanding any other provision of this Agreement, the Company hereby agrees to indemnify the Indemnitee to the fullest extent permitted by law (in effect at any time between the date the Indemnitee became an agent of the Company and the date the claim is resolved) notwithstanding that such indemnification is not specifically authorized by the other provisions of this Agreement, the Company's Certificate of Incorporation, Bylaws or by statute. In the event of any change in any applicable law, statute or rule which narrows the right of a Delaware corporation to indemnify a member of its Board of Directors or an officer or other agent, such changes, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement, shall have no effect on this Agreement or the parties' rights and obligations hereunder.

4.2 Other Rights Authorized. The indemnification provided by this Agreement shall not be exclusive of (a) any additional rights to indemnification for breach of duty to the Company and its stockholders while acting in the capacity of a director, officer, employee or agent of the Company or of any other entity for which Indemnitee served at the request of the Company or (b) any other rights to which Indemnitee may be entitled under any Bylaw, agreement, vote of stockholders or disinterested directors, or otherwise, both as to action in Indemnitee's official capacity and as to action in another capacity while holding such office, in each case, to the extent such additional rights to indemnification are authorized in the Company's Certificate of Incorporation. The indemnification provided under this Agreement shall continue as to Indemnitee for any action taken or not taken while serving in an indemnified capacity even though Indemnitee may have ceased to serve in such capacity at the time of any covered proceeding.

5. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expense, judgments, fines or penalties actually or reasonably incurred by him or her in the investigation, defense, appeal or settlement of any civil or criminal action, suit or proceeding, but not for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, judgments, fines or penalties to which Indemnitee is entitled.

6. Mutual Acknowledgement. Both the Company and Indemnitee acknowledge that in certain instances, Federal law or applicable public policy may prohibit the Company from indemnifying its directors, officers and agents under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company has undertaken or may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court in certain circumstances for a determination of the Company's right under public policy to indemnify Indemnitee.

7. Charter Provisions. The Company at all times shall have and maintain in its Certificate of Incorporation or Bylaws, or both, as necessary in order to be effective under the GCL, provisions for exculpating directors from liability and for indemnifying officers, directors, employees and agents, in each case to the fullest extent permitted under the GCL, which provisions shall not be amended except as required by applicable law or except to make changes, permitted by law, that would enlarge Indemnitee's right of indemnification.

8. Officer and Director Liability Insurance. The Board of Directors of the Company shall, from time to time, make the 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 officers and directors of the Company with coverage for losses from wrongful acts, or to ensure the Company's performance of its indemnification obligations under this Agreement. Among other consideration, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or if Indemnitee is covered by similar insurance maintained by a subsidiary or parent of the Company.

9. Severability. Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. The provisions of this Agreement shall be severable as provided in this Section 9. If this Agreement or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated, and the balance of this Agreement not so invalidated shall be enforceable in accordance with its terms.

10. Exceptions. Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

10.1 To indemnify or advance expenses to Indemnitee with respect to proceedings or claims initiated or brought voluntarily by Indemnitee and not by way of defense, except with respect to proceedings brought to establish or enforce a right to indemnification under this Agreement, the Company's Certificate of Incorporation or Bylaws, or any other statute or law or otherwise as required or permitted under Section 145 of the GCL, but such indemnification or advancement of expenses may be provided by the Company in specific cases if the Board of Directors has approved the initiation or bringing of such suit; or

10.2 To indemnify Indemnitee for any expenses incurred by the Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by the Indemnitee in such proceeding was not made in good faith or was frivolous; or

10.3 To indemnify Indemnitee for expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) which have been paid directly to Indemnitee by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Company; or

10.4 To indemnify Indemnitee for expenses and the payment of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute; or

10.5 To indemnify Indemnitee for any act, omission or transaction listed in the exceptions to waiver of personal liability of a director set forth in Section 102(b)(7) of the GCL.

11. Construction of Certain Phrases.

11.1 For purposes of this Agreement, “agent” means any person who is or was a director, officer, employee or other agent of the Company, or is or was serving at the request of the Company as a director, member of a committee of the Board of Directors, officer, employee or agent of another foreign or domestic corporation which was a predecessor corporation of the Company or of another enterprise at the request of such predecessor corporation; “proceeding” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and “expenses” includes, without limitation, attorney’s fees and any expenses of establishing a right to indemnification or any other right under this Agreement.

11.2 For purposes of this Agreement, “person” means any individual, and any domestic or foreign corporation, partnership, association, trust or other entity or organization, including a government or political subdivision or any agency or instrumentality thereof; and “predecessor or acquired person” means a person which was a predecessor of the Company or a majority of whose equity interests or assets is or was acquired by the Company.

11.3 For purposes of this Agreement, references to the “Company” shall include any subsidiary of the Company and, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that if Indemnitee is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

11.4 For purposes of this Agreement, references to “other enterprises” shall include employee benefit plans; references to “fines” shall include any excise taxes assessed on Indemnitee with respect to any employee benefit plan; and references to “serving at the request of the Company” shall include any service as a director, member of a committee of the Board of Directors, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to any employee benefit plan, its participants, or beneficiaries; and if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner “not opposed to the best interests of the Company” as referred to in this Agreement.

12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original.

13. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns, and shall inure to the benefit of Indemnitee and the heirs, executors, and administrators of the Indemnitee.

14. Attorneys' Fees. In the event that any action is instituted by Indemnitee under this Agreement to enforce or interpret any of the terms hereof, Indemnitee shall be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by Indemnitee with respect to such action, unless as a part of such action, the court of competent jurisdiction determines that each of the material assertions made by Indemnitee as a basis for such action was not made in good faith or was frivolous. In the event of an action instituted by or in the name of the Company under this Agreement, or to enforce or interpret any of the terms of this Agreement, Indemnitee shall be entitled to be paid all court costs and expenses, including attorneys' fees, incurred by Indemnitee in defense of such action (including with respect to Indemnitee's counterclaims and cross-claims made in such action), unless as a part of such action the court determines that each of Indemnitee's material defenses to such action was not made in good faith or was frivolous.

15. Notice. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (a) if delivered by hand and receipted for by the party addressed, on the date of such receipt, or (b) if mailed by domestic certified or registered mail with postage prepaid, on the third business day after the date postmarked. Addresses for notice to either party are as shown on the signature page of this Agreement, or as subsequently modified by written notice.

16. Choice of Law. This Agreement shall be governed by and its provisions construed in accordance with the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NEWPARK RESOURCES, INC. (the "Company")
2700 Research Forest Drive, Suite 100
The Woodlands, Texas 77381

Date

By: /s/ Paul L. Howes
Name: Paul L. Howes
Title: President & CEO

AGREED TO AND ACCEPTED:

/s/ Lee Ann Kendrick ("Indemnitee")
Lee Ann Kendrick



**GRANT NOTICE
RESTRICTED STOCK UNIT
FOR PARTICIPANTS OUTSIDE THE
UNITED STATES**

**NEWPARK RESOURCES, INC.
2700 Research Forest Drive, Ste 100
The Woodlands, Texas 77381**

Participant:

Employee ID:

You have been granted restricted stock units in **Newpark Resources, Inc.** as follows:

Type of Grant:
Grant No.:
Stock Plan: 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009)
Date of Grant:
Total Number of Shares:

| | |
|---------------------|---|
| <u>Vesting Date</u> | <u>Number of Shares</u> <u>Vesting on Vesting Date</u> |
|---------------------|---|

By your acceptance of this Restricted Stock Unit, you agree that the grant is governed by the terms and conditions of the above referenced stock plan, as amended from time to time thereafter, and by the terms and conditions of *Newpark Resources, Inc.* Restricted Stock Unit Agreement, which is attached hereto and incorporated herein by reference.

By: /s/ Paul L. Howes
Paul L. Howes
President and Chief Executive Officer

Attachment: Restricted Stock Unit Agreement

RESTRICTED STOCK UNIT AGREEMENT

1. **Grant of Restricted Stock Unit.**

(a) Subject to the conditions described in this agreement, the Grant Notice and the Appendix A (collectively, the "Award Agreement") and in the Newark Resources, Inc. 2006 Equity Incentive Plan (As Amended and Restated Effective June 10, 2009), as may be amended from time to time (the "Plan"), Newark Resources, Inc., a Delaware corporation (the "Company"), hereby grants to Participant Restricted Stock Units. This Award of Restricted Stock Units shall be effective as of the date (the "Date of Grant") of approval by the Compensation Committee. The Date of Grant is set forth in the Grant Notice. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan, the terms of which are incorporated herein by reference.

(b) The Company shall establish and maintain a Restricted Stock Unit account for the Participant, and such account shall be credited for the number of Restricted Stock Units granted to the Participant. The Restricted Stock Unit account shall be credited for any securities or other property (including cash dividends) declared and distributed during the Restriction Period with respect to one Share of Common Stock for each Restricted Stock Unit ("Notional Dividends"). Any such property shall be subject to the same vesting schedule as the Restricted Stock Units to which they relate and references herein to a Restricted Stock Unit shall mean and include all Notional Dividends with respect to such Restricted Stock Unit.

2. **Vesting.**

(a) Vesting Schedule. Subject to the satisfaction of the terms and conditions set forth in the Plan and this Award Agreement, the interest of the Participant in the Restricted Stock Units shall vest according to the schedule shown in the Grant Notice.

The term "Restriction Period" refers to the period, applicable to a given Restricted Stock Unit, from the Date of Grant until that Restricted Stock Unit has become vested and the restrictions thereon have lapsed, whether pursuant to this Section 2(a) or Section 2(b), below. References to the end of the Restriction Period or to times following the Restriction Period shall refer to the time of, or the time following, as the case may be, the vesting of a Restricted Stock Unit and the lapse of the restrictions thereon, and shall not be construed to refer to the event of or the period following the forfeiture of a Restricted Stock Unit.

(b) Vesting upon Change in Control. Notwithstanding the foregoing, in the event of a Change in Control, then immediately prior to the consummation of such Change in Control, any of the Restricted Stock Units held by Participant which remain unvested at such time shall immediately become vested. For purposes of this Award Agreement, "Change of Control" shall have the meaning set forth in the Plan unless the Participant has entered into a change of control letter agreement with the Company (a "Change in Control Agreement"), in which event the term shall have the meaning set forth in the Change in Control Agreement. To the extent there is any conflict between the definition in the Change in Control Agreement and the definition in the Plan, the definition in the Change in Control Agreement shall control. Upon the occurrence of a Change in Control or Potential Change in Control (as defined in the Change in Control Agreement), the provisions of the Change in Control Agreement pertaining to the acceleration of vesting of any Awards, including the Award evidenced by this Award Agreement, shall control.

In the case any item of income under the Award subject to this Award Agreement to which the definition of "Change in Control" under the Plan or Change in Control Agreement, as appropriate, would otherwise apply with the effect that the income tax under Section 409A of the Code would apply or be imposed on income under that Award, but where such tax would not apply or be imposed if the meaning of the term "Change in Control" met the requirements of Section 409A(a)(2)(A)(v) of the Code, then the term "Change in Control" herein shall mean, but only with respect to the income so affected, a transaction, circumstance or event that constitutes a "Change in Control" under the Plan or Change in Control Agreement, as appropriate, and that also constitutes a "change in control event" within the meaning of Treas. Reg. §1.409A-3(i)(5).

3. Payment. Payment of the vested Restricted Stock Units, excluding any Notional Dividends, shall be made in Shares of Common Stock. The Committee shall cause a stock certificate to be delivered to Participant with respect to such Shares free of all restrictions hereunder, except for applicable federal securities laws restrictions. Notional Dividends credited to the Restricted Stock Unit account with respect to Restricted Stock Units that vest shall be paid in-kind, or, in the discretion of the Committee, in cash. All payments hereunder shall be made not later than 2-1/2 months after the vesting date of the Restricted Stock Units. Pending the payment or delivery of amounts, Shares or other property hereunder, the Company's obligation hereunder shall constitute an unfunded, unsecured general obligation of the Company.

4. Forfeiture. In the event of the termination of the Participant's employment during the Restriction Period by either the Company or by Participant for any reason whatsoever, including, without limitation, as a result of the Participant's death or Disability, the unvested portion of the Restricted Stock Units held by Participant at that time shall immediately be forfeited; provided, however, that if the Participant is a party to a Change in Control Agreement and the Participant's employment is terminated under circumstances covered by such Change in Control Agreement, the provisions of the Change in Control Agreement shall control.

5. Restrictions on Transfer. Neither this Award, this Award Agreement nor the Restricted Stock Units may be assigned, pledged, sold or otherwise transferred or encumbered by the Participant; provided, however, that the designation of a beneficiary pursuant to the Plan shall not constitute an assignment, alienation, pledge, sale, transfer or encumbrance. No right or benefit hereunder shall in any manner be liable for or subject to any debts, contracts, liabilities, or torts of Participant. Any purported assignment, alienation, pledge, attachment, sale, transfer or other encumbrance of the Restricted Stock Units, regardless of by whom initiated or attempted, shall be void and unenforceable against the Company. If, notwithstanding the foregoing, an assignment, alienation, pledge, attachment, sale, transfer or other encumbrance of the Restricted Stock Units is effected by operation of law, court order or otherwise, the affected Restricted Stock Units shall remain subject to the risk of forfeiture, vesting requirement and all other terms and conditions of this Award Agreement. In the case of Participant's death or Disability, Participant's vested rights under this Award Agreement (if any) may be exercised and enforced by Participant's guardian or legal representative.

6. **Reorganization of the Company.** The existence of this Award Agreement shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; any merger or consolidation of the Company; any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock underlying the Restricted Stock Units or the rights of such Common Stock; the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

7. **Changes in Capitalization.** In the event that at any time after the Date of Grant the outstanding shares of Common Stock are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of a merger, consolidation, spin-off, recapitalization, reorganization, liquidation, dissolution or other similar corporate change, or any other increase, decrease or change in the Common Stock without receipt or payment of consideration by the Company including stock split, stock dividend, combination of shares or the like, the aggregate number of Restricted Stock Units which have not vested under this Award Agreement, subject to any required action by the stockholders of the Company, shall automatically be proportionately adjusted.

8. **Certain Restrictions.** By executing this Award Agreement, Participant acknowledges that he will make or enter into such written representations, warranties and agreements and execute such documents as the Company may reasonably request in order to comply with the securities law or any other applicable laws, rules or regulations, or with this Award Agreement or the terms of the Plan. The Company may from time to time impose such conditions on the transfer of the Shares issuable upon vesting of the Restricted Stock Units as it deems necessary or advisable to ensure that any transfers of such Shares will satisfy the applicable requirements of federal and state securities laws. Such conditions may include, without limitation, the partial or complete suspension of the right to transfer such Shares until the Shares have been registered under the Securities Act of 1933, as amended.

9. **Amendment and Termination.** This Award Agreement may not be terminated by the Board of Directors or the Compensation Committee at any time without the written consent of Participant. No amendment or termination of the Plan will adversely affect the rights and privileges of Participant under the Award Agreement or to the Restricted Stock Units granted hereunder without the consent of Participant.

10. **No Guarantee of Employment.** Neither this Award Agreement nor the award of Restricted Stock Units evidenced hereby shall confer upon Participant any right with respect to continuance of employment with the Company nor shall it interfere in any way with the right the Company would otherwise have to terminate such Participant's employment at any time.

11. Taxes and Withholdings.

(a) **Tax Consequences.** The granting, vesting and/or payments of all or any portion of the Restricted Stock Units, including any Notional Dividends, may trigger tax liability. Participant agrees that he shall be solely responsible for all tax liability arising from the Restricted Stock Units, including the Notional Dividends. Participant is encouraged to contact his tax advisor to discuss any tax implications which may arise in connection with the Restricted Stock Units.

(b) **Withholding.** Participant shall be liable for any and all taxes, including withholding taxes, arising from the Restricted Stock Units and/or any Notional Dividends. Participant understands and acknowledges that the Company will not deliver the Shares or make any other payment hereunder until it is satisfied that appropriate arrangements have been made to satisfy any tax obligation under this Award Agreement or the Plan and agrees to make appropriate arrangements suitable to the Company for satisfaction of all tax withholding obligations. Further, Participant hereby agrees and grants to the Company the right to withhold from any payments or amounts of compensation, payable in cash or otherwise, in order to meet any tax withholding obligations under this Award Agreement or the Plan. As such, if the Company requests that Participant take any action required to effect any action described in this Section 11 and to satisfy the tax withholding obligation pursuant to this Award Agreement and the Plan, Participant hereby agrees to promptly take any such action.

12. No Guarantee of Tax Consequences. The Company, Board of Directors and Compensation Committee make no commitment or guarantee to Participant that any federal, state or local tax treatment will apply or be available to any person eligible for benefits under this Award Agreement and assumes no liability whatsoever for the tax consequences to Participant.

13. Severability. In the event that any provision of this Award Agreement is, becomes or is deemed to be illegal, invalid, or unenforceable for any reason, or would disqualify the Plan or this Award Agreement under any law deemed applicable by the Board of Directors or the Compensation Committee, such provision shall be construed or deemed amended as necessary to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board of Directors or the Compensation Committee, materially altering the intent of the Plan or this Award Agreement, such provision shall be stricken as to such jurisdiction, the Participant or this Award Agreement, and the remainder of this Award Agreement shall remain in full force and effect.

14. Terms of the Plan Control. This Award Agreement and the underlying Award are made pursuant to the Plan. The terms of the Plan, as amended from time to time and interpreted and applied by the Compensation Committee, shall govern and take precedence in the event of any conflict with the terms of this Award Agreement. Notwithstanding the foregoing, if the Participant is a party to a Change in Control Agreement, in the event of any conflict between the terms of this Award Agreement and the Plan, and the terms and provisions of such Change in Control Agreement, the terms of the Change in Control Agreement shall control.

15. Governing Law. This Award Agreement shall be construed in accordance with (excluding any conflict or choice of law provisions of) the laws of the State of Delaware to the extent federal law does not supersede and preempt Delaware law.

16. Consent to Electric Delivery; Electronic Signature. Except as otherwise prohibited by law, in lieu of receiving documents in paper format, Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including, but not limited to, prospectuses, prospectuses supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other Award made or offered by the Company. Electronic delivery may be via a Company electronic mail system or by reference to a location on a Company intranet to which Participant has access. Participant hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may be required to deliver, and agrees that his electronic signature is the same as, and shall have the same force and effect as, his manual signature.

17. Clawback Policy. Notwithstanding any provisions in the Plan or this Award Agreement to the contrary, this Award Agreement, the Restricted Stock Units subject to this Award Agreement and any Shares of Common Stock issuable (and Notional Dividends accrued thereon) pursuant to this Award Agreement shall be subject to potential cancellation, rescission, clawback and recoupment (i) to the extent necessary to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and any regulations or listing requirements promulgated thereunder, and/or (ii) as may be required in accordance with the terms of any clawback/recoupment policy as may be adopted by the Company to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and any regulations or listing requirements promulgated thereunder.

18. Section 409A. It is intended that the provisions of this Award Agreement comply with Section 409A of the Code, and all provisions of this Award Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If, at the time of Participant's separation from service (within the meaning of Section 409A, (i) Participant is a specified employee (within the meaning of Section 409A) and using the identification methodology selected by the Company from time to time), and (ii) the Company shall make a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section 409A) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company shall not pay such amount on the otherwise scheduled payment date pursuant to this Award Agreement but shall instead pay it without interest, on the first business day after such six-month period, or if earlier, upon the Participant's death. The Company reserves the right to make amendments to this Award Agreement as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A.

19. Data Authorization. Pursuant to applicable data protection laws, Participant's personal data will be collected and used as necessary for the Company's administration of the Plan and Participant's participation in the Plan. Participant's denial and/or objection to the collection, processing and transfer of personal data may affect Participant's participation in the Plan. As such, Participant voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein.

As part of the Company's administration of the Plan, the Company and its Subsidiaries may hold certain personal information about Participant including Participant's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares of Common Stock or directorships held in the Company, details of all options, units or any other entitlement to Shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in Participant's favor. This information is held for the purpose of managing and administering the Plan ("Data"). The Data may be provided by Participant or collected, where lawful, from third parties, and the Company or its subsidiaries will process the Data for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Data processing will take place through electronic and non-electronic means as necessary to administer the Plan and will be handled in conformance with the confidentiality and security provisions as set forth by applicable laws and regulations in Participant's country of residence (and country of employment, if different). The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for Participant's participation in the Plan.

The Company and its Subsidiaries may transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of Participant's participation in the Plan, and the Company and its Subsidiaries may each further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. Please note these entities may be located in the European Economic Area, the United States or elsewhere in the world. Participant hereby authorizes (where required under applicable law) these parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing Participant's participation in the Plan. This includes any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares of Common Stock on Participant's behalf to a broker or other third party with whom Participant may elect to deposit any Shares of Common Stock acquired pursuant to the Plan.

Participant may, at any time, exercise Participant's rights provided under applicable personal data protection laws. These rights may include (i) obtain confirmation as to the existence of the Data, (ii) verify the content, origin and accuracy of the Data, (iii) request the integration, update, amendment, deletion, or blockage of the Data, (iv) oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the impletion, administration and/or operation of the Plan and Participant's participation in the Plan, and (v) withdraw Participant's consent to the collection, processing or transfer of Data as provided hereunder (in which case, Participant's Award will be null and void). Participant may seek to exercise these rights by contacting the Participant's local Human Resources manager or the Company's Human Resources Department.

APPENDIX A
ADDITIONAL TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern Restricted Stock Units for Participants residing outside of the United States and in one of the countries listed herein. Capitalized terms not explicitly defined in this Appendix but defined in the Award Agreement shall have the same definitions as in the Award Agreement.

This Appendix also includes information regarding certain issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of May 2012. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time that the Participant exercises the Restricted Stock Unit or sells shares of Common Stock acquired upon exercise of the Restricted Stock Unit.

In addition, the information contained herein is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of a particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to a particular situation.

Further, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently working, the information contained herein may not be applicable.

The Company may, at any time and at its own discretion, restrict the available methods of exercising the Restricted Stock Unit, paying the purchase price or direct the repatriation of the proceeds of the sale of shares of Common Stock acquired upon exercise of the Restricted Stock Unit to facilitate compliance with any tax, securities or other relevant laws in the Participant's country.

AUSTRALIA

Notifications

Securities Law Notification. Australian securities laws may impose disclosure obligations in connection with offering Restricted Stock Units and Common Stock acquired under the Plan for sale in Australia. Without limiting Section 5 of the Award Agreement, Restricted Stock Units and Common Stock acquired under the Plan must not be sold, or offered for sale, in Australia, except in compliance with Australian laws.

Exchange Control Notification. Exchange control reporting is required for cash transactions exceeding AUD\$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report for the Participant. If there is no Australian bank involved in the transfer, the Participant will be required to file the report.

BRAZIL

Compliance with Law. By accepting the Restricted Stock Unit, the Participant acknowledges agreement to comply with applicable Brazilian law and to pay any and all applicable taxes associated with the exercise of the Restricted Stock Unit, the receipt of any dividends, and the sale of shares issued upon exercise of the Restricted Stock Unit.

Notifications

Exchange Control Information. If the Participant is a resident or domiciled in Brazil, the Participant will be required to submit an annual declaration of assets and rights outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares issued upon exercise of a Restricted Stock Unit.

CANADA

Termination of Employment. The following provision supplements Section 4 of the Agreement:

Participant's right to any unvested portion of the Restricted Stock Unit will terminate effective as of the date that is the earlier of (a) the date Participant receives notice of termination from the Company or Subsidiary, or (b) the date Participant is no longer actively providing service, regardless of notice period or period of pay in lieu of such notice required under applicable local laws (including, but not limited to statutory law, regulatory law and/or common law); the Company and/or Subsidiary shall have the exclusive discretion to determine when Participant is no longer actively providing service for purposes of the Restricted Stock Unit.

Form of Settlement – Award Payable Only in Shares. Notwithstanding any discretion in the Plan or anything to the contrary in the Award Agreement, the Restricted Stock Units do not provide any right for you, as a resident of Canada, to receive a cash payment and shall be paid in Shares only.

Data Privacy. The following provision supplements Section 19 of the Agreement:

The Participant hereby authorizes the Company and Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company and Subsidiary or its affiliates to disclose and discuss the Restricted Stock Unit with their advisors. The Participant further authorizes the Company and Subsidiary to record such information and keep such information in the Participant's employee file.

Notifications

Securities Law Information. You are permitted to sell Shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided that the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed (*i.e.*, The New York Stock Exchange).

ITALY

Data Privacy Notice. This provision replaces Section 19 of the Agreement:

Participant understands that the Company and any Subsidiary may hold certain personal information, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance (to the extent permitted under Italian law) or other identification number, salary, nationality, job title, any shares or directorships held in the Company or any Subsidiary or affiliate thereof, details of all Awards granted, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, managing and administering the Plan ("Data").

Participant understands that providing the Company with Data is necessary for the performance of the Plan and that refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect Participant's ability to participate in the Plan. The Controller of personal data processing is Newpark Resources, Inc. with registered offices at 2700 Research Forest Drive Suite 100, The Woodlands, Texas 77381, and, pursuant to Legislative Decree no. 196/2003, its Representative in Italy for privacy purposes is AVA S.p.A., with registered offices at Via Salaria, 1313/C, Rome, Italy.

Participant understands that Data will not be publicized, but it may be transferred to banks, other financial institutions, or brokers involved in the management and administration of the Plan. Participant understands that Data may also be transferred to the independent registered public accounting firm engaged by the Company. Participant further understands that the Company and/or any Subsidiary will transfer Data among themselves as necessary for the purpose of implementing, administering and managing participation in the Plan, and that the Company and/or any Subsidiary may each further transfer Data to third parties assisting the Company in the implementation, administration, and management of the Plan, including any requisite transfer of Data to a broker or other third party with whom Shares acquired at vesting of the Restricted Stock Unit may be deposited. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing participation in the Plan. Participant understands that these recipients may be located in or outside the European Economic Area, such as in the United States or elsewhere. Should the Company exercise its discretion in suspending all necessary legal obligations connected with the management and administration of the Plan, it will delete Data as soon as it has completed all the necessary legal obligations connected with the management and administration of the Plan.

Participant understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The processing activity, including communication, the transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require Participant's consent thereto, as the processing is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan. Participant understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, Participant has the right to, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the Data processing.

Participant is aware that Data will not be used for direct-marketing purposes. In addition, Data provided can be reviewed and questions or complaints can be addressed by contacting local human resources representatives.

Plan Document Acknowledgment. By accepting the Restricted Stock Unit, the Participant acknowledges receipt of the Plan, the Agreement and this Appendix and has reviewed the Plan, the Award Agreement and this Appendix in their entirety and fully accepts all provisions thereof. The Participant has read and further acknowledges and specifically and expressly approves the following provisions of the Award Agreement: (i) Section 2; (ii) Section 3; (iii) Section 4; (iv) Section 11; (v) Section 14 and (vi) the Data Privacy provision in this Appendix.

Notifications

Exchange Control Information. Participant is required to report the following on an annual tax return: (1) any transfers of cash or shares to or from Italy exceeding €10,000, (2) any foreign investments or investments held outside of Italy at the end of the calendar year exceeding €10,000 if such investments (e.g., options, shares of Common Stock or cash) may result in income taxable in Italy, and (3) the amount of the transfers to and from abroad which have had an impact during the calendar year on the Participant's foreign investments or investments held outside of Italy. Under certain circumstances, the Participant may be exempt from the requirement under (1) above if the transfer or investment is made through an authorized broker resident in Italy.



**GRANT NOTICE
RESTRICTED STOCK UNIT
FOR PARTICIPANTS OUTSIDE THE
UNITED STATES**

**NEWPARK RESOURCES, INC.
2700 Research Forest Drive, Ste 100
The Woodlands, Texas 77381**

Optionee:

Employee ID:

You have been granted an option to purchase stock in **Newpark Resources, Inc.** as follows:

Type of Option: Grant No.:
 Stock Option Plan: 2006 Equity Incentive Plan
 (As Amended and Restated Effective June 10, 2009)
 Date of Grant:
 Total Number of Option Shares:
 Option Price per Share: \$5.57

| | |
|--------------|---|
| Vesting Date | Number of Shares Vesting on Vesting Date |
|--------------|---|

By your acceptance of this Stock Option Grant, you agree that this option is granted under and governed by the terms and conditions of the 2006 EQUITY INCENTIVE PLAN (As Amended and Restated Effective June 10, 2009) (as amended from time to time) and by the terms and conditions of *Newpark Resources, Inc.* Non-Qualified Stock Option Agreement, which is attached hereto and incorporated herein by reference.

By: /s/ Paul L. Howes
 Paul L. Howes
 President and Chief Executive Officer

Attachment: Non-Qualified Stock Option Agreement

NON-QUALIFIED STOCK OPTION AGREEMENT

This **Non-Qualified Stock Option Agreement** (along with the Grant Notice and the Appendix A, the "**Agreement**") is by and between **NEWPARK RESOURCES, INC.**, a Delaware corporation (the "**Company**"), and **Optionee**, with reference to the following facts:

- A. The Company has duly adopted the **2006 Equity Incentive Plan** (As Amended and Restated Effective June 10, 2009) (as amended, hereinafter referred to as the "**2006 Plan**") which authorizes the Compensation Committee of the Board of Directors of the Company (the "**Committee**") to grant equity compensation, including but not limited to Non-Qualified Stock Options and Incentive Stock Options, within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and which is intended to encourage ownership of stock of the Company by officers and other key management employees and to provide additional incentive for them to promote the success of the Company.
- B. The Committee has determined that Optionee is entitled to participate in the 2006 Plan, and has taken appropriate action to authorize the granting of a Non-Qualified Stock Option to Optionee for the number of shares, at the price per share and on the terms set forth in the Grant Notice.
- C. Optionee desires to participate in the 2006 Plan and to receive a Non-Qualified Stock Option on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Grant of Option.

The Company hereby grants to Optionee the right and option (hereinafter referred to as the "**Option**") to purchase all or any part of an aggregate of the **Option Shares** of common stock, \$.01 par value, of the Company (the "**Common Stock**"), subject to the terms and conditions set forth herein, the Grant Notice, the Appendix A and in the 2006 Plan, each of which are incorporated herein by reference. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the 2006 Plan.

2. Option Period.

2.1 The Option shall commence on the Date of Grant and shall expire, and all rights to purchase the Option Shares shall terminate, at the close of business on the day (the "Expiration Date") immediately preceding the tenth anniversary of the Date of Grant, unless terminated earlier as provided in this Agreement. The Option shall not be exercisable until all legal requirements under the 2006 Plan have been fully complied with. Subject to the foregoing, the Option shall be exercisable as shown in the Grant Notice, provided, however, if Optionee shall not in any period purchase all of the Option Shares which Optionee is entitled to purchase in such period, Optionee may purchase all or any part of such Option Shares at any time after the end of such period and prior to the Expiration Date or the earlier termination of the Option as provided in this Agreement.

2.2 Notwithstanding the foregoing, in the event of a Change in Control, then immediately prior to the consummation of such Change in Control, any Option evidenced hereby held by Optionee which remains unvested at such time shall immediately become vested. For purposes of this Agreement, "Change of Control" shall have the meaning set forth in the 2006 Plan unless the Optionee has entered into a change of control letter agreement with the Company (a "Change in Control Agreement"), in which event the term shall have the meaning set forth in the Change in Control Agreement. To the extent there is any conflict between the definition in the Change in Control Agreement and the definition in the 2006 Plan, the definition in the Change in Control Agreement shall control. Upon the occurrence of a Change in Control or Potential Change in Control (as defined in the Change in Control Agreement), the provisions of the Change in Control Agreement pertaining to the acceleration of vesting of any Awards, including the Option evidenced by this Agreement, shall control.

In the case any item of income under the Option subject to this Agreement to which the definition of "Change in Control" under the Plan or Change in Control Agreement, as appropriate, would otherwise apply with the effect that the income tax under Section 409A of the Code would apply or be imposed on income under that Option, but where such tax would not apply or be imposed if the meaning of the term "Change in Control" met the requirements of Section 409A(a)(2)(A)(v) of the Code, then the term "Change in Control" herein shall mean, but only with respect to the income so affected, a transaction, circumstance or event that constitutes a "Change in Control" under the Plan or Change in Control Agreement, as appropriate, and that also constitutes a "change in control event" within the meaning of Treas. Reg. §1.409A-3(i)(5).

3. Exercise of Option.

3.1 The Option may be exercised in whole or in part (but not as to fractional shares or fewer than 100 shares or, if less, for all the remaining Option Shares, in any single exercise) only by notice in writing from the Optionee to the Company, or a broker designated by the Company, of the Optionee's binding commitment to purchase shares specifying the number of shares the Optionee intends to purchase under the option and the date on which the Optionee agrees to complete the transaction and, if required to comply with the Securities Act of 1933, containing a representation that it is the Optionee's intention to acquire the shares for investment and not with a view to distribution, accompanied by payment of the Option Price and any amounts required to be withheld for tax purposes under Section 14 of the 2006 Plan.

3.2 The Option Price of Option Shares purchased shall be paid in full (a) in cash or by check acceptable to the Committee, (b) by the delivery of Shares which have been outstanding for at least six months or such other minimum period as may be required by applicable accounting rules to avoid a charge to the Company's earnings for financial reporting purposes (unless the Committee approves a shorter period) and which have a Fair Market Value on the date the Option is exercised not in excess of the full Option Price for the Option Shares with respect to which the Option is being exercised and by paying the remaining amount of such Option Price as provided in clause (a) above, (c) to the extent permitted by Applicable Laws, by a Cashless Exercise, or (d) by any combination of the foregoing permissible forms of payment.

4. Employment of Optionee.

4.1 Except as otherwise provided in Section 5 of this Agreement, Optionee may not exercise the Option unless, at the time of exercise, Optionee is an Employee of the Company or a Subsidiary and has been in the employ of the Company or a Subsidiary continuously since the Date of Grant, subject to any determination made by the Committee with respect to authorized leaves of absence.

4.2 Nothing contained herein shall be construed to impose upon the Company or upon any Subsidiary any obligation to employ Optionee for any period or, except as specifically provided otherwise herein, to supersede or in any way alter, increase or diminish the respective rights and obligations of the Company or Subsidiary and Optionee under any employment contract now or hereafter existing between them.

5. Termination of Employment.

5.1 If the employment of Optionee with the Company or a Subsidiary shall terminate because of Disability or death of Optionee, (a) the Option, to the extent exercisable on the date of termination of employment, shall remain in full force and effect and may be exercised pursuant to the provisions hereof at any time until the earlier of the Expiration Date and the expiration of 12 months following termination of the employment of Optionee, and (b) the Option, to the extent not then presently exercisable, shall terminate as of the date of such termination of employment and shall not be exercisable thereafter.

5.2 If the employment of Optionee with the Company or a Subsidiary is terminated by the Company or Subsidiary for Cause, the Option, whether vested or not, shall terminate concurrently with the first discovery by the Company of any reason for the termination of Optionee's employment for Cause and shall not be exercisable thereafter. If Optionee's employment with the Company or a Subsidiary is suspended pending an investigation of whether reason for termination for Cause existed, all of Optionee's rights under the Option, including but not limited to the right to exercise the Option, shall likewise be suspended during such period of investigation.

5.3 If the employment of Optionee with the Company or a Subsidiary shall terminate for any reason other than the reasons set forth in Section 5.1 or Section 5.2 hereof, unless otherwise provided by the Committee, (a) the Option, to the extent then presently exercisable, may be exercised pursuant to the provisions hereof at any time until the earlier of the Expiration Date and the expiration of three months after the date of such termination of employment (except that the three month period shall be extended to 12 months if Optionee shall die during such three month period), and (b) the Option, to the extent not then presently exercisable, shall terminate as of the date of such termination of employment and shall not be exercisable thereafter.

6. Securities Laws Requirements.

6.1 The Option shall not be exercisable unless and until any applicable registration or qualification requirements of federal and state securities laws, and all other requirements of law or any regulatory bodies having jurisdiction over such exercise or issuance and delivery, have been fully complied with. The Company will use reasonable efforts to maintain the effectiveness of a registration statement under the Securities Act for the issuance of the Option and the Option Shares but there may be times when no such registration statement will be currently effective. Exercise of the Option may be temporarily suspended without liability to the Company during times when no such registration statement is currently effective, or during times when, in the reasonable opinion of the Committee, such suspension is necessary to preclude violation of any requirements of applicable law or regulatory bodies having jurisdiction over the Company. If the Option would expire for any reason other than the passage of the Expiration Date, then if exercise of the Option is duly tendered before such expiration, the Option shall be exercisable and deemed exercised (unless the attempted exercise is withdrawn) as of the first day after the end of such suspension. The Company shall have no obligation to file any registration statement covering resales of the Option Shares.

6.2 Upon each exercise of the Option, Optionee shall represent, warrant and agree, by an exercise notice delivered to the Company, that (a) no Option Shares will be sold or otherwise distributed in violation of the Securities Act or any other applicable federal or state securities laws, (b) if Optionee is subject to the reporting requirements under Section 16(a) of the Exchange Act, Optionee will furnish to the Company a copy of each Form 4 or Form 5 filed by Optionee and will timely file all reports required under federal securities laws, and (c) Optionee will report all sales of Option Shares to the Company in writing on the form prescribed from time to time by the Company. All Option Share certificates may be imprinted with legends reflecting federal and state securities law restrictions and conditions and the Company may comply therewith and issue "stop transfer" instructions to its transfer agents and registrars without liability.

7. Non-transferability of Option.

The Option evidenced by this Agreement is not transferable other than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order, and shall be exercisable during Optionee's lifetime only by Optionee or by Optionee's guardian or legal representative. To the extent the Option is transferred in accordance with the foregoing provisions of this Section 7, the Option may only be exercised by the person or persons who acquire a pecuniary interest in the Option pursuant to such transfer. Except as provided above, the Option evidenced by this Agreement shall not be assignable by operation of law and shall not be subject to attachment, execution, garnishment, sequestration, the law of bankruptcy or any other legal or equitable process. Any attempted assignment, transfer, pledge, hypothecation or other disposition contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process thereupon, shall be null and void and without effect.

8. Changes in Capitalization.

In the event that at any time after the Date of Grant the outstanding shares of Common Stock are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of a merger, consolidation, spin-off, recapitalization, reorganization, liquidation, dissolution or other similar corporate change, or any other increase, decrease or change in the Common Stock without receipt or payment of consideration by the Company including stock split, stock dividend, combination of shares or the like, the aggregate number of Option Shares subject to the Option which have not vested under this Agreement, subject to any required action by the stockholders of the Company, shall automatically be proportionately adjusted. Notwithstanding the foregoing, however, nothing contained in this Agreement shall allow, or have the effect of, a "modification" or an "extension" (within the meaning of those terms under Section 409A of the Code and the Treasury Regulations and administrative guidance thereunder) of any Option, which would include, but not be limited to, any change having the effect of a reduction of the exercise price under any Option to an amount less than the Fair Market Value of a Share of Common Stock as of the Date of Grant as determined for purposes of Section 409A of the Code.

9. Reorganization of the Company.

The existence of the Option and this Agreement shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; any merger or consolidation of the Company; any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock or the rights thereof; the dissolution or liquidation of the Company, or any sale or transfer of all or any part of the assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

10. Privileges of Ownership.

Optionee shall not have any of the rights of a stockholder with respect to the Option Shares covered by the Option except to the extent that share certificates have actually been issued and registered in Optionee's name on the books of the Company or its registrar upon the due exercise of the Option. The Company shall be allowed a reasonable time following notice of exercise in which to accomplish the issuance and registration.

11. Reference to 2006 Plan.

The Option is granted pursuant to the 2006 Plan and this Agreement and the Option are subject to all of the terms and conditions of the 2006 Plan, which are hereby incorporated by reference. In the event of any conflict between this Agreement and the 2006 Plan, the provisions of the 2006 Plan shall prevail. By execution of this Agreement, Optionee agrees to be bound by all terms, provisions, conditions and limitations of the 2006 Plan and all determinations of the Committee pursuant thereto.

12. Clawback Policy.

Notwithstanding any provisions in the 2006 Plan or this Agreement to the contrary, the Option, this Agreement and any Shares acquired pursuant to the exercise of the Option shall be subject to potential cancellation, rescission, clawback and recoupment (i) to the extent necessary to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and any regulations or listing requirements promulgated thereunder, and/or (ii) as may be required in accordance with the terms of any clawback/recoupment policy as may be adopted by the Company to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and any regulations or listing requirements promulgated thereunder.

13. Notices.

Any notice to be given under the terms of this Agreement shall be addressed to the Company in care of its Corporate Secretary at 2700 Research Forest Drive, Suite 100, The Woodlands, Texas 77381, and any notice to be given to Optionee shall be addressed to Optionee at the address appearing on the employment records of the Company, or at such other address or addresses as either party may hereafter designate in writing to the other. Any such notice shall be deemed duly given when enclosed in a properly sealed envelope, addressed as herein required and deposited, postage prepaid, in a post office or branch post office regularly maintained by the United States Government.

14. Tax Liability.

Regardless of any action the Company or Subsidiary takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Optionee's participation in the 2006 Plan and legally applicable to the Optionee or deemed by the Company or Subsidiary to be an appropriate charge to the Optionee even if technically due by the Company or Subsidiary ("Tax-Related Items"), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Optionee's responsibility and may exceed the amount actually withheld by the Company or Subsidiary. The Optionee further acknowledges that the Company and/or Subsidiary (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the issuance of shares of Common Stock upon exercise of the Option, the subsequent sale of shares of Common Stock acquired pursuant to such issuance and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Optionee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Optionee has become subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable event, the Optionee acknowledges that the Company and/or the Subsidiary may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax-withholding event, as applicable, the Optionee will pay or make adequate arrangements satisfactory to the Company and/or the Subsidiary to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or the Subsidiary, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- a. withholding from the Optionee's wages or other cash compensation paid to the Optionee by the Company and/or the Subsidiary;
- b. withholding from proceeds of the sale of shares of Common Stock acquired upon exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization); or
- c. withholding in shares to be issued upon exercise of the Option.

The Company shall withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, the Optionee is deemed to have been issued the full number of shares subject to the exercised Option, notwithstanding that a number of the shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Optionee's participation in the 2006 Plan.

Optionee shall pay to the Company or the Subsidiary any amount of Tax-Related Items that the Company or the Subsidiary may be required to withhold or account for as a result of the Optionee's participation in the 2006 Plan that are not, in the discretion of the Company or the Subsidiary, satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares of Common Stock, if the Optionee fails to comply with the Optionee's obligations in connection with the Tax-Related Items.

15. **Nature of Grant.**

- a. In accepting this Option grant, the Optionee acknowledges that:
- b. the 2006 Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- c. the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options, even if Options have been granted repeatedly in the past;
- d. all decisions with respect to future Option grants, if any, will be at the sole discretion of the Company;
- e. the Optionee is voluntarily participating in the 2006 Plan;
- f. the Option and the shares of Common Stock subject to the Option are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or the Subsidiary, and which are outside the scope of the Optionee's employment contract, if any;
- g. the Option and the shares of Common Stock subject to the Option are not intended to replace any pension rights or compensation;
- h. the Option and the shares of Common Stock subject to the Option are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, Subsidiary or affiliate of the Company;

- i. the Option grant and the Optionee's participation in the 2006 Plan will not be interpreted to form an employment contract or relationship with the Company or any subsidiary or affiliate of the Company;
- j. the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty;
- k. if the underlying shares of Common Stock do not increase in value, the Option will have no value;
- l. if the Optionee exercises the Option and obtains shares of Common Stock, the value of the shares of Common Stock acquired upon exercise may increase or decrease in value, even below the purchase price; and
- m. no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from termination of the Optionee's employment or service with the Company or the Subsidiary (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Option to which the Optionee is not otherwise entitled, the Optionee irrevocably agrees never to institute any claim against the Company or the Subsidiary, waives his or her ability, if any, to bring such a claim, and releases the Company and the Subsidiary from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then by participating in the 2006 Plan, the Optionee shall be deemed irrevocably to have waived any entitlement to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

16. Data Privacy.

The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Optionee's personal data as described in this Agreement and any other Option grant materials by and among, as applicable, the Subsidiary, the Company and its affiliates for the exclusive purpose of implementing, administering and managing the Optionee's participation in the 2006 Plan.

The Optionee understands that the Company and the Subsidiary may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all Options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the exclusive purpose of implementing, administering and managing the 2006 Plan ("Data").

The Optionee understands that Data will be transferred to a designated broker or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the 2006 Plan. The Optionee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Optionee's country. The Optionee understands that the Optionee may request a list with the names and addresses of any potential recipients of the Data by contacting the Optionee's local stock plan representative. The Optionee authorizes the Company, a designated broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the 2006 Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Optionee's participation in the 2006 Plan. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the 2006 Plan. The Optionee understands that the Optionee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Optionee's stock plan representative. The Optionee understands, however, that refusing or withdrawing the Optionee's consent may affect the Optionee's ability to participate in the 2006 Plan. For more information on the consequences of the Optionee's refusal to consent or withdrawal of consent, the Optionee understands that the Optionee may contact the Optionee's stock plan representative.

17. **Number and Gender.**

Terms used herein in any number or gender include other numbers or genders, as the context may require.

18. **Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. **Governing Law.**

This Agreement and performance under it, shall be construed in accordance with and under the laws of the State of Delaware. Should a court or other body of competent jurisdiction determine that any term or provision of this Agreement is excessive in scope, such term or provision shall be adjusted rather than voided and interpreted so as to be enforceable to the fullest extent possible, and all other terms and provisions of this Agreement shall be deemed valid and enforceable to the fullest extent possible.

20. **Electronic Delivery.**

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the 2006 Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the 2006 Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. **No Advice Regarding Grant.**

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the 2006 Plan, or the Optionee's acquisition or sale of the underlying shares of Common Stock. The Optionee is hereby advised to consult with the Optionee's own personal tax, legal and financial advisors regarding the Optionee's participation in the 2006 Plan before taking any action related to the 2006 Plan.

22. **Appendix.**

Notwithstanding any provisions in this Agreement, the Options grants shall be subject to any special terms and conditions set forth in the Appendix to this Agreement, including additional terms for all non-U.S. Optionees and additional terms for the Optionee's country. If the Optionee relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to the Optionee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local laws or facilitate the administration of the 2006 Plan. The Appendix constitutes part of the Agreement.

23. **Severability.**

The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

24. **Entire Agreement.**

The 2006 Plan, this Non-Qualified Stock Option Agreement, the Appendix, and the Grant Notice constitute the entire agreement and understanding of the parties with respect to the subject matter of the Agreement, and supercede all prior understandings and agreements, whether oral or written, between the parties with respect to the subject matter hereof.

APPENDIX A
ADDITIONAL TERMS AND CONDITIONS

This Appendix includes additional terms and conditions that govern Options for Optionees residing outside of the United States and in one of the countries listed herein. Capitalized terms not explicitly defined in this Appendix but defined in the Agreement shall have the same definitions as in the Agreement.

This Appendix also includes information regarding certain issues of which the Optionee should be aware with respect to participation in the 2006 Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of May 2012. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Optionee not rely on the information in this Appendix as the only source of information relating to the consequences of participation in the 2006 Plan because the information may be out of date at the time that the Optionee exercises the Option or sells shares of Common Stock acquired upon exercise of the Option.

In addition, the information contained herein is general in nature and may not apply to the Optionee's particular situation, and the Company is not in a position to assure the Optionee of a particular result. Accordingly, the Optionee is advised to seek appropriate professional advice as to how the relevant laws in the Optionee's country may apply to a particular situation.

Further, if the Optionee is a citizen or resident of a country other than the one in which the Optionee is currently working, the information contained herein may not be applicable.

The Company may, at any time and at its own discretion, restrict the available methods of exercising the Option/paying the purchase price or direct the repatriation of the proceeds of the sale of shares of Common Stock acquired upon exercise of the Option to facilitate compliance with any tax, securities or other relevant laws in the Optionee's country.

AUSTRALIA

Option Period. The first sentence of Section 2.1 is replaced with the following:

The Option shall commence on the Date of Grant and shall expire, and all rights to purchase the Option Shares shall terminate, at the close of business on the day (the "Expiration Date") immediately preceding the seventh anniversary of the Date of Grant, unless terminated earlier as provided in this Agreement.

Exercise of Option. Notwithstanding Section 3 of the Agreement, the Optionee may not exercise any portion of this Option unless and until the Fair Market Value (as defined in the 2006 Plan) per Option Share exceeds the Option Price for three business days after each Vesting Date.

Notifications

Securities Law Notification. Australian securities laws may impose disclosure obligations in connection with offering Options and Common Stock acquired under the 2006 Plan for sale in Australia. Without limiting Section 7 of the Agreement, Options and Common Stock acquired under the 2006 Plan must not be sold, or offered for sale, in Australia, except in compliance with Australian laws.

Exchange Control Notification. Exchange control reporting is required for cash transactions exceeding AUD\$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report for the Optionee. If there is no Australian bank involved in the transfer, the Optionee will be required to file the report.

BRAZIL

Compliance with Law. By accepting the Option, the Optionee acknowledges agreement to comply with applicable Brazilian law and to pay any and all applicable taxes associated with the exercise of the Option, the receipt of any dividends, and the sale of shares issued upon exercise of the Option.

Notifications

Exchange Control Information. If the Optionee is a resident or domiciled in Brazil, the Optionee will be required to submit an annual declaration of assets and rights outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares issued upon exercise of an Option.

CANADA

Exercise of Option. Notwithstanding anything in the Agreement or the 2006 Plan, Optionee is not permitted to pay the purchase price or any Tax-Related Items by delivery to the Company, or attestation to the Company of ownership, of other Common Stock owned by Optionee.

Termination of Employment. The following provision supplements Section 5 of the Agreement:

Optionee's right to any unvested Option Shares will terminate effective as of the date that is the earlier of (a) the date Optionee receives notice of termination from the Company or Subsidiary, or (b) the date Optionee is no longer actively providing service, regardless of notice period or period of pay in lieu of such notice required under applicable local laws (including, but not limited to statutory law, regulatory law and/or common law); the Company and/or Subsidiary shall have the exclusive discretion to determine when Optionee is no longer actively providing service for purposes of the Option.

Data Privacy. The following provision supplements Section 16 of the Agreement:

The Optionee hereby authorizes the Company and Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the 2006 Plan. The Optionee further authorizes the Company and Subsidiary or its affiliates to disclose and discuss the Option with their advisors. The Optionee further authorizes the Company and Subsidiary to record such information and keep such information in the Optionee's employee file.

ITALY

Exercise of Option. Notwithstanding anything in the Agreement or the 2006 Plan, Optionee will be restricted to a Cashless Exercise. To complete a Cashless Exercise, the Optionee will need to instruct the broker designated by the Committee to sell the Shares issued upon exercise of the Option and use the proceeds to remit the Option Price to the Company, along with any applicable Tax-Related Items, which then leaves the balance to the Optionee. Optionee will not be permitted to hold Option Shares after exercise. Depending on the development of local laws or the Optionee's country of residence, the Company reserves the right to modify the methods of exercising the Option and, in its sole discretion, to permit additional forms of exercise and payment.

Data Privacy Notice. This provision replaces Section 16 of the Agreement:

Optionee understands that the Company and any Subsidiary may hold certain personal information, including, but not limited to, Optionee's name, home address and telephone number, date of birth, social insurance (to the extent permitted under Italian law) or other identification number, salary, nationality, job title, any shares or directorships held in the Company or any Subsidiary, details of all Awards granted, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Optionee's favor, for the exclusive purpose of implementing, managing and administering the 2006 Plan ("Data").

Optionee understands that providing the Company with Data is necessary for the performance of the 2006 Plan and that refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect Optionee's ability to participate in the 2006 Plan. The Controller of personal data processing is Newpark Resources, Inc. with registered offices at 2700 Research Forest Drive Suite 100, The Woodlands, Texas 77381, and, pursuant to Legislative Decree no. 196/2003, its Representative in Italy for privacy purposes is AVA S.p.A., with registered offices at Via Salaria, 1313/C, Rome, Italy.

Optionee understands that Data will not be publicized, but it may be transferred to banks, other financial institutions, or brokers involved in the management and administration of the 2006 Plan. Optionee understands that Data may also be transferred to the independent registered public accounting firm engaged by the Company. Optionee further understands that the Company and/or any Subsidiary will transfer Data among themselves as necessary for the purpose of implementing, administering and managing participation in the 2006 Plan, and that the Company and/or any Subsidiary may each further transfer Data to third parties assisting the Company in the implementation, administration, and management of the 2006 Plan, including any requisite transfer of Data to a broker or other third party with whom Shares acquired at vesting of the Option may be deposited. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing participation in the 2006 Plan. Optionee understands that these recipients may be located in or outside the European Economic Area, such as in the United States or elsewhere. Should the Company exercise its discretion in suspending all necessary legal obligations connected with the management and administration of the 2006 Plan, it will delete Data as soon as it has completed all the necessary legal obligations connected with the management and administration of the 2006 Plan.

Optionee understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The processing activity, including communication, the transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require Optionee's consent thereto, as the processing is necessary to performance of contractual obligations related to implementation, administration, and management of the 2006 Plan. Optionee understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, Optionee has the right to, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the Data processing.

Optionee is aware that Data will not be used for direct-marketing purposes. In addition, Data provided can be reviewed and questions or complaints can be addressed by contacting local human resources representatives.

Plan Document Acknowledgment. By accepting the Option, the Optionee acknowledges receipt of the 2006 Plan, the Agreement and this Appendix and has reviewed the 2006 Plan, the Agreement and this Appendix in their entirety and fully accepts all provisions thereof. The Optionee has read and further acknowledges and specifically and expressly approves the following provisions of the Agreement: (i) Section 4: Employment of Optionee; (ii) Section 14: Tax Liability; (iii) Section 15: Nature of Grant; (iv) Section 19: Governing Law; (v) Section 22: Appendix; and (vi) the Data Privacy provision in this Appendix.

Notifications

Exchange Control Information. Optionee is required to report the following on an annual tax return: (1) any transfers of cash or shares to or from Italy exceeding €10,000, (2) any foreign investments or investments held outside of Italy at the end of the calendar year exceeding €10,000 if such investments (e.g., Options, shares of Common Stock or cash) may result in income taxable in Italy (this will include reporting any vested Options if their intrinsic value (i.e., the difference between the fair market value of the shares underlying the vested options at the end of the year and the purchase price) combined with other foreign assets exceed €10,000), and (3) the amount of the transfers to and from abroad which have had an impact during the calendar year on the Optionee's foreign investments or investments held outside of Italy. Under certain circumstances, the Optionee may be exempt from the requirement under (1) above if the transfer or investment is made through an authorized broker resident in Italy.

**SECOND AMENDMENT
TO THE
NEWPARK RESOURCES, INC.
AMENDED AND RESTATED
NON-EMPLOYEE DIRECTORS' RESTRICTED STOCK PLAN**

This Second Amendment to the Newpark Resources, Inc. Amended and Restated Non-Employee Directors' Restricted Stock Plan (the "Second Amendment") is made and adopted by Newpark Resources, Inc. ("Newpark") effective June 7, 2012.

WHEREAS, Newpark has adopted the Newpark Resources, Inc. Amended and Restated Non-Employee Directors' Restricted Stock Plan, as amended by that First Amendment on June 11, 2008 (the "Amended and Restated Plan") (capitalized terms used but not defined herein shall have the meanings attributable to them in the Amended and Restated Plan); and

WHEREAS, pursuant to Paragraph 18 of the Amended and Restated Plan, the Board may amend the Amended and Restated Plan;

WHEREAS, the Board desires to amend the Amended and Restated Plan to amend the fixed dollar value of each Original Grant and each subsequent grant of Restricted Shares to a Non-Employee Director upon re-election to the Board.

NOW, THEREFORE, the Amended and Restated Plan shall be amended as follows:

1. Paragraph 4.2 of the Amended and Restated Plan is amended and restated to read in its entirety as follows:

"4.2 Commencing with the annual meeting of stockholders in 2012, each Non-Employee Director (whether in office on the Effective Date or subsequently elected) shall be granted the Applicable Number of Restricted Shares automatically on the date of each annual meeting of stockholders (or stockholder action in lieu thereof by which the Board is elected) at which such Non-Employee Director is re-elected. For purposes of determining the Applicable Number, the date of each annual meeting at which the Non-Employee Director is re-elected (or stockholder action in lieu thereof by which the Board is elected) shall be the Date of Grant. If following the annual meeting of stockholders in 2012 no annual meeting of stockholders (or stockholder action in lieu thereof by which the Board is elected) occurs in a calendar year, and such Non-Employee Director continues in office as a Non-Employee Director at the end of such calendar year, then such Non-Employee Director automatically shall be granted the Applicable Number of Restricted Shares pursuant to this paragraph 4.2 on the last Business Day of such calendar year (which, for purposes of determining the Applicable Number, shall be the Date of Grant), subject to the terms and conditions of this Amended and Restated Plan. Notwithstanding the foregoing, a Non-Employee Director shall not receive a grant of Restricted Shares pursuant to this paragraph 4.2 if such Non-Employee Director received an Original Grant within six months before the date on which such Non-Employee Director would have become entitled to receive a grant pursuant to this paragraph 4.2. For purposes of this Amended and Restated Plan, the term "Business Day" shall mean a day on which the New York Stock Exchange is open for business and is conducting normal trading activity and the term "Applicable Number" shall mean for grants of Restricted Shares occurring automatically under paragraph 4.1 or this paragraph 4.2 on or after the annual meeting of stockholders in 2012, a number derived by dividing (x) \$130,000 by (y) the Fair Market Value of a Restricted Share determined as of the Date of Grant."

2. Except as amended hereby, the Amended and Restated Plan shall continue in full force and effect and the Amended and Restated Plan and this Amendment shall be construed as one instrument. This Second Amendment shall be construed in accordance with, and governed by, the laws of the State of Delaware without regard to conflict of law principles.

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Paul L. Howes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Newpark Resources, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 27, 2012

By: /s/ Paul L. Howes

Paul L. Howes, President and Chief Executive
Officer

Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Gregg S. Piontek, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Newpark Resources, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 27, 2012

By: /s/ Gregg S. Piontek
Gregg S. Piontek, Vice President and
Chief Financial Officer

Certification
Pursuant to 18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q for the period ended June 30, 2012, of Newpark Resources, Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul L. Howes, President and Chief Executive Officer (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 27, 2012

By: /s/ Paul L. Howes
Paul L. Howes, President and Chief Executive
Officer

Certification
Pursuant to 18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q for the period ended June 30, 2012, of Newpark Resources, Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregg S. Piontek, Vice President and Chief Financial Officer (Principal Financial Officer) of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 27, 2012

By: /s/ Gregg S. Piontek
Gregg S. Piontek, Vice President and
Chief Financial Officer

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), each operator of a coal or other mine is required to include certain mine safety results in its periodic reports filed with the Securities and Exchange Commission ("SEC"). While we have disputed that certain operations of our subsidiary, Excalibar Minerals LLC ("Excalibar"), are subject to the jurisdiction of the Mine Safety and Health Administration ("MSHA"), we are providing below the required mine safety data for the four specialized barite and calcium carbonate grinding facilities operated by Excalibar that are subject to the regulation by MSHA under the Federal Mine Safety and Health Act of 1977 (the "Mine Act").

As required by the reporting requirements regarding mine safety in Section 1503 of the Dodd-Frank Act and the SEC's final rules promulgated thereunder, the table below presents the following information for the three months ended June 30, 2012 for each of the specialized facilities operated by our subsidiary:

- (a) The total number of Mine Act Section 104 significant and substantial citations received, which are for alleged violations of a mining safety standard or regulation where there exists a reasonable likelihood that the hazard could result in an injury or illness of a reasonably serious nature;
 - (b) The total number of Mine Act Section 104(b) orders received, which are for an alleged failure to totally abate the subject matter of a Mine Act Section 104(a) citation within the period specified in the citation;
 - (c) The total number of Mine Act Section 104(d) citations and orders received, which are for an alleged unwarrantable failure to comply with a mining safety standard or regulation;
 - (d) The total number of flagrant violations under Section 110(b)(2) of the Mine Act received;
 - (e) The total number of imminent danger orders issued under Section 107(a) of the Mine Act;
 - (f) The total dollar value of proposed assessments from MSHA under the Mine Act;
 - (g) The total number of mining-related fatalities;
 - (h) Mine Act Section 104(e) written notices for an alleged pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of a coal mine health or safety hazard, or the potential to have such a pattern; and
 - (i) The total number of pending legal actions before the Federal Mine Safety and Health Review Commission as required by Section 1503(a)(3) of the Dodd-Frank Act. The number of legal actions pending as of June 30, 2012 that are:
 - (1) contests of citations and orders referenced in Subpart B of 29 CFR Part 2700: 0
 - (2) contests of proposed penalties referenced in Subpart C of 29 CFR Part 2700: 0
 - (3) complaints for compensation referenced in Subpart D of 29 CFR Part 2700: 0
 - (4) complaints of discharge, discrimination or interference referenced in Subpart E of 29 CFR Part 2700: 0
 - (5) applications for temporary relief referenced in Subpart F of 29 CFR Part 2700: 0
 - (6) appeals of judges' decisions or orders to the Federal Mine Safety and Health Review Commission referenced in Subpart H of 29 CFR Part 2700: 0
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For the Three Months Ended June 30, 2012

| Mine or Operating Name/MSHA Identification Number | (A) Section 104 S&S Citations (#) | (B) Section 104(b) Orders (#) | (C) Section 104(d) Citations and Orders (#) | (D) Section 110(b)(2) Violations (#) | (E) Section 107(a) Orders (#) | (F) Total Dollar Value of MSHA Assessments Proposed (#) | (G) Total Number of Mining Related Fatalities (#) | (H) Received Notice of Potential Pattern of Violations Under Section 104(e) (yes/no) | | (I) Legal Actions Pending as of Last Day of Period (#) | (J) Legal Actions Initiated During Period (#) | (K) Legal Actions Resolved During Period (#) |
|---|-----------------------------------|-------------------------------|---|--------------------------------------|-------------------------------|---|---|--|---|--|---|--|
| | | | | | | | | Received | Notice of Potential Pattern of Violations Under Section 104(e) (yes/no) | | | |
| Houston Plant /41-04449 | - | - | - | - | - | - | - | No | No | - | - | - |
| Dyersburg Plant / 40-03183 | 1 | - | - | - | - | \$ 127.00 | - | No | No | - | - | - |
| Excalibar Minerals (New Iberia Plant) / 16-01302 | - | - | - | - | - | - | - | No | No | - | - | - |
| Corpus Christ Plant / 41-04002 | 2 | - | - | - | - | \$ 293.00 | - | No | No | - | - | - |
| Collins Gulch Gravel Pit | - | - | - | - | - | - | - | No | No | - | - | - |

In evaluating the above information regarding mine safety and health, investors should take into account factors such as (i) the number of citations and orders will vary depending on the size of the coal mine or facility, (ii) the number of citations issued will vary from inspector-to-inspector and mine-to-mine, and (iii) citations and orders can be contested and appealed, and in that process, may be reduced in severity and amount, and are sometimes dismissed.