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 March 31, 2009

or

o **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)

(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 o

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes o No o

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 o Accelerated filer ☑ Non-accelerated filer o (Do not check if a smaller reporting company) Smaller Reporting Company o

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

Yes o No ☑

As of April 24, 2009, a total of 88,657,033 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 MONTHS ENDED
MARCH 31, 2009

Item Number	Description	Page Number
	PART I — FINANCIAL INFORMATION	
1	Financial Statements:	
	Condensed Consolidated Balance Sheets as of March 31, 2009 (Unaudited) and December 31, 2008	3
	Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2009 and 2008 (Unaudited)	4
	Condensed Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2009 and 2008 (Unaudited)	5
	Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2009 and 2008 (Unaudited)	6
	Notes to Unaudited Condensed Consolidated Financial Statements	7
2	Management's Discussion and Analysis of Financial Condition and Results of Operations	14
3	Quantitative and Qualitative Disclosures About Market Risk	21
4	Controls and Procedures	22
	PART II — OTHER INFORMATION	
1	Legal Proceedings	22
1A	Risk Factors	22
2	Unregistered Sales of Equity Securities and Use of Proceeds	23
3	Defaults Upon Senior Securities	23
4	Submission of Matters to a Vote of Security Holders	23
5	Other Information	23
6	Exhibits	24
	Signatures	25

Exhibit 10.1
Exhibit 31.1
Exhibit 31.2
Exhibit 32.1
Exhibit 32.2

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, 2008, 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 Part I of our Annual Report on Form 10-K for the year ended December 31, 2008.

Table of Contents

PART I FINANCIAL INFORMATION

ITEM 1. Financial Statements

Newpark Resources, Inc.
Condensed Consolidated Balance Sheets

(In thousands, except share data)	March 31, 2009 (unaudited)	December 31, 2008
ASSETS		
Cash and cash equivalents	$ 9,309	$ 8,252
Receivables, net	134,310	211,366
Inventories	142,423	149,304
Deferred tax asset	18,004	22,809
Prepaid expenses and other current assets	9,074	11,062
Total current assets	313,120	402,793
Property, plant and equipment, net	227,710	226,627
Goodwill	59,614	60,268
Deferred tax asset, net	176	707
Other intangible assets, net	18,090	18,940
Other assets	4,011	4,344
Total assets	$ 622,721	$ 713,679
LIABILITIES AND STOCKHOLDERS' EQUITY		
Foreign bank lines of credit	$ 8,775	$ 11,302
Current maturities of long-term debt	10,513	10,391
Accounts payable	57,639	89,018
Accrued liabilities	29,002	38,946
Total current liabilities	105,929	149,657
Long-term debt, less current portion	143,967	166,461
Deferred tax liability	7,074	15,979
Other noncurrent liabilities	2,589	3,700
Total liabilities	259,559	335,797
Common stock, $0.01 par value, 100,000,000 shares authorized 91,387,536 and 91,139,966 shares issued, respectively	914	911
Paid-in capital	457,540	457,012
Accumulated other comprehensive (loss) income	(1,749)	1,296
Retained deficit	(78,091)	(66,087)
Treasury stock, at cost; 2,730,503 and 2,646,409 shares, respectively	(15,452)	(15,250)
Total stockholders' equity	363,162	377,882
Total liabilities and stockholders' equity	$ 622,721	$ 713,679

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 March 31, 2009	2008
Revenues	$ 126,938	$ 194,736
Cost of revenues	123,512	155,120
Gross profit	3,426	39,616
Selling, general and administrative expenses	16,230	19,191
Other income, net	(25)	(189)
Operating (loss) income	(12,779)	20,614
Foreign currency exchange loss	29	296
Interest expense, net	1,650	3,227
(Loss) income from continuing operations before income taxes	(14,458)	17,091
Provision for income taxes	(2,454)	5,695
(Loss) income from continuing operations	(12,004)	11,396
Loss from discontinued operations, net of tax	—	(45)
Net (loss) income	$ (12,004)	$ 11,351
Basic weighted average common shares outstanding	88,323	90,099
Diluted weighted average common shares outstanding	88,323	90,332
(Loss) income per common share — basic and diluted:		
(Loss) income from continuing operations	$ (0.14)	$ 0.13
Loss from discontinued operations	—	—
Net (loss) income per common share	$ (0.14)	$ 0.13

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

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

	Three Months Ended March 31,	
(In thousands)	**2009**	**2008**
Net (loss) income	$ (12,004)	$ 11,351
Changes in interest rate swap and cap, net of tax	72	(781)
Foreign currency translation adjustments	(3,117)	2
Comprehensive (loss) income	$ (15,049)	$ 10,572

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

Table of Contents

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

(In thousands)	Three Months Ended March 31, 2009	2008
Cash flows from operating activities:		
Net (loss) income	$ (12,004)	$ 11,351
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Net loss from discontinued operations	—	45
Depreciation and amortization	6,927	7,024
Stock-based compensation expense	427	1,656
Provision for deferred income taxes	(3,596)	4,808
Provision for doubtful accounts	587	660
Gain on sale of assets	(224)	(16)
Change in assets and liabilities:		
Decrease (increase) in receivables	74,374	(27,024)
Decrease (increase) in inventories	5,520	(11,271)
Decrease in other assets	2,543	1,840
Decrease in accounts payable	(30,958)	(540)
(Decrease) increase in accrued liabilities and other	(10,558)	1,961
Net operating activities of continuing operations	33,038	(9,506)
Net operating activities of discontinued operations	—	1,978
Net cash provided by (used in) operating activities	33,038	(7,528)
Cash flows from investing activities:		
Capital expenditures	(7,540)	(5,809)
Proceeds from sale of property, plant and equipment	533	16
Net cash used in investing activities	(7,007)	(5,793)
Cash flows from financing activities:		
Net (payments) borrowings on lines of credit	(24,957)	22,401
Principal payments on notes payable and long-term debt	(96)	(592)
Long-term borrowings	740	—
Proceeds from employee stock plans	103	—
Purchase of treasury stock	(202)	(3,197)
Net financing activities of continuing operations	(24,412)	18,612
Net financing activities of discontinued operations	—	(52)
Net cash (used in) provided by financing activities	(24,412)	18,560
Effect of exchange rate changes on cash	(562)	(2,230)
Net increase (decrease) in cash and cash equivalents	1,057	3,009
Cash and cash equivalents at beginning of period	8,252	5,741
Cash and cash equivalents at end of period	$ 9,309	$ 8,750
Cash paid for:		
Income taxes (net of refunds)	$ 1,853	$ 854
Interest	$ 1,426	$ 3,081

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

NEWPARK RESOURCES, INC.
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 generally accepted accounting principles 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, 2008. Our fiscal year end is December 31, and our first quarter represents the three month period ending March 31. The results of operations for the first quarter of 2009 are not necessarily indicative of the results to be expected for the entire year.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments necessary to present fairly our financial position as of March 31, 2009, the results of our operations for the first quarter of 2009 and 2008, and our cash flows for the first quarter of 2009 and 2008. All adjustments are of a normal recurring nature. Our balance sheet at December 31, 2008 reflects the audited financial statements at that date.

Selling, general and administrative expenses, as reported in our Condensed Consolidated Statements of Operations for the first quarter of 2009 and 2008, include all expenses of this nature from our operating segments, as well as our corporate office. Previously, selling, general and administrative expense within our operating segments were reported within Cost of Revenues. As a result of this reclassification, $14.4 million of expenses previously reported in cost of revenues for the first quarter of 2008 are now reflected in selling, general and administrative expenses.

The preparation of financial statements in conformity with generally accepted accounting principles 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, 2008.

New Accounting Standards

On January 1, 2009, we adopted Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133" ("SFAS 161"). SFAS 161 changes the disclosure requirements for derivative instruments and hedging activities. Entities are required to provide enhanced disclosures about (1) how and why an entity uses derivative instruments, (2) how derivative instruments and related hedged items are accounted for under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), and its related interpretations, and (3) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. The adoption did not have a material effect on our consolidated financial position or results of operations.

On January 1, 2009, we adopted FASB Staff Position 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP 142-3"). FSP 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under FASB Statement No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142"). The objective of FSP 142-3 is to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS 141(R), "Business Combinations", and other U.S. generally accepted accounting principles. FSP 142-3 was effective for fiscal years beginning after December 15, 2008. The adoption did not have a material effect on our consolidated financial position or results of operations.

In September 2006, the FASB issued SFAS No. 157 "Fair Value Measurements" ("SFAS 157"). This standard defines fair value, establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America and expands disclosure about fair value measurements. SFAS 157 introduces a fair value hierarchy (levels 1 through 3) to prioritize inputs to fair value and classifies the measurements for disclosure purposes.

- In January 2008, we entered into interest rate swap agreements to effectively fix the underlying LIBOR rate on our borrowings under our $50.0 million term loan. These swap agreements are valued based upon level 2 fair value criteria under the guidelines of SFAS 157, where the fair value of these instruments is determined using other observable inputs, including quoted prices for similar assets/liabilities and market corroborated inputs as well as quoted prices in inactive markets. The fair value of the interest rate swap arrangements was a liability of $1.2 million and $1.3 million, net of tax as of March 31, 2009 and December 31, 2008, respectively.
- In October 2008, the FASB issued FASB staff position 157-3, "Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active," ("FSP 157-3"). FSP 157-3 clarifies the application of SFAS 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset when the market for that financial asset is not active. FSP 157-3 was effective upon issuance. Upon adoption, the provisions of SFAS 157 were to be applied prospectively with limited exceptions.

On January 1, 2009, we adopted SFAS No. 141(R) (revised 2007), "Business Combinations", ("SFAS 141(R)") which provides revised guidance on the accounting for acquisitions of businesses. This standard changes the current guidance, requiring that all acquired assets, liabilities, minority interest and certain contingencies be measured at fair value, and certain other acquisition-related costs be expensed rather than capitalized. SFAS 141(R) applies to acquisitions that are effective after December 31, 2008, and application of the standard to acquisitions prior to that date is not permitted. The adoption did not have a material effect on our consolidated financial position or results of operations.

On January 1, 2009, we adopted, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51" ("FAS 160"). FAS 160 amends ARB 51 to establish accounting and reporting standards for the noncontrolling (minority) interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements and establishes a single method of accounting for changes in a parent's ownership interest in a subsidiary that do not result in deconsolidation. SFAS No. 160 was effective for fiscal years beginning on or after December 15, 2008. The adoption did not have a material effect on our consolidated financial position or results of operations.

Table of Contents

Note 2 — Earnings per Share

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

(In thousands, except per share data)	First Quarter 2009	First Quarter 2008
Net (loss) income	$ (12,004)	$ 11,351
Weighted average number of common shares outstanding	88,323	90,099
Add: Net effect of dilutive stock options and warrants	—	233
Adjusted weighted average number of common shares outstanding	88,323	90,332
Net (loss) income per common share:		
Basic	$ (0.14)	$ 0.13
Diluted	$ (0.14)	$ 0.13
Stock options, restricted stock and warrants excluded from calculation of diluted earnings per share because anti-dilutive for the period	5,361	5,051

For the three months ended March 31, 2009, we did not have any dilutive stock options or restricted stock. For the three months ended March 31, 2008, we had dilutive stock options and restricted stock of approximately 0.7 million shares. The resulting net effects of stock options and restricted stock were used in calculating diluted income per share for this period.

On June 1, 2000, we completed the sale of 120,000 shares of Series B Convertible Preferred Stock, $0.01 par value per share (the “Series B Preferred Stock”), and a warrant (the “Series B Warrant”) to purchase up to 1,900,000 shares of our common stock at an exercise price of $10.075 per share, subject to anti-dilution adjustments. Prior to 2006, all outstanding shares of the Series B Preferred Stock were converted to common stock. The Series B Warrant was originally issued with a seven year life, expiring June 1, 2007. This warrant contains certain registration provisions, which, if not met, reduce the exercise price of the warrant by 2.5%, for each year we are not in compliance with the registration requirements, and extend the term of the warrant. Effective May 1, 2009, we are now in compliance with the registration requirements for the warrant. Previously, we were not in compliance with these requirements which resulted in adjustments to the exercise price and extended the term of the warrant. As of March 31, 2009, the Series B Warrant, as adjusted for certain anti-dilution provisions, remains outstanding and provides for the right to purchase up to 2,094,765 shares of our common stock at an exercise price of $9.14. The remaining life of the warrant is approximately 33 months.

Table of Contents

Note 3 — Receivables, net

Receivables consists of the following:

(In thousands)	March 31, 2009	December 31, 2008
Trade receivables	$ 114,518	$ 168,320
Unbilled receivables	19,850	42,692
Gross trade receivables	134,368	211,012
Allowance for doubtful accounts	(4,728)	(4,259)
Net trade receivables	129,640	206,753
Notes and other receivables	4,670	4,613
Total receivables, net	$ 134,310	$ 211,366

Note 4 — Inventory

Inventory consists of the following:

(In thousands)	March 31, 2009	December 31, 2008
Finished goods — mats	$ 4,826	$ 4,701
Raw materials and components:		
Drilling fluids raw material and components	136,834	144,138
Supplies and other	763	465
Total raw materials and components	137,597	144,603
Total	$ 142,423	$ 149,304

Note 5 — Financing Arrangements

In December 2007, we entered into a $225.0 million Amended and Restated Credit Agreement (“Credit Agreement”) which consists of a $175.0 million revolving credit facility and a $50.0 million term loan. The Credit Agreement contains covenants normal and customary for lending facilities of this nature. The financial covenants include the following:

	Covenant	March 31, 2009	December 31, 2008
Fixed charge coverage ratio	1.20 minimum	1.72	2.92
Consolidated leverage ratio	3.00 maximum	2.46	1.82
Funded debt-to-captalization ratio	45.0% maximum	29.8%	31.8%

We were in compliance with all financial covenants as of March 31, 2009. However, continued compliance with our covenants, particularly the fixed charge coverage ratio and consolidated leverage ratio, are largely dependent on our ability to generate sufficient levels of EBITDA, as defined in the Credit Agreement, and reduce our debt levels. If there continues to be reduced drilling activity in the oil and gas industry, we expect to have difficulty complying with these covenants in 2009 based upon our current and expected financial condition and results of operations. As a result, we have initiated discussions with our lead bank, in an effort to explore our options, which may include a waiver or amendment to our Credit Agreement. Any waiver or amendment to the Credit Agreement may increase the cost of our borrowings and impose additional limitations over certain types of activities.

Note 6 — Commitments and Contingencies

Shareholder Actions

Settlement of Shareholder Derivative and Class Action Litigation

In connection with our announcement regarding an internal investigation commissioned by our Audit Committee in April 2006, and subsequent announcements, we were served with a number of shareholder class action and derivative lawsuits. These suits asserted claims against us and certain of our former officers and current and former directors alleging damages resulting from the loss of value in our common stock and, derivatively, for damages we allegedly suffered.

In April 2007, we announced that we reached a settlement of our pending derivative and class action litigation. The settlement received final approval from the U.S. District Court for the Eastern District of Louisiana on October 9, 2007. This settlement resolved all pending shareholder class and derivative litigation against us, our former and current directors, and former officers. As part of the settlement, however, we preserved certain claims against our former Chief Executive Officer and former Chief Financial Officer for matters arising from invoicing irregularities at Soloco Texas, LP and the backdating of stock options.

James D. Cole Arbitration

By letter dated April 25, 2007, counsel for James D. Cole, our former Chief Executive Officer and former director, notified us that Mr. Cole was pursuing claims against us for breach of his employment agreement and other causes of action. Mr. Cole sought recovery of approximately $3.1 million purportedly due under his employment agreement and reimbursement of certain defense costs incurred in connection with the shareholder litigation, the SEC's investigation, and our internal investigation. Mr. Cole also claimed $640,000 pursuant to the non-compete provision of his employment agreement. Pursuant to the terms of the employment contract, the matter was submitted to arbitration. We also submitted to the same arbitration proceedings the claims preserved against Mr. Cole arising from the derivative litigation referenced above. In the first quarter of 2009, we concluded a settlement agreement with Mr. Cole under which we have paid Mr. Cole a lump sum and released any claims we have against him arising from the derivative litigation. Our decision to settle this case was influenced by the fact that our internal investigation did not conclude that Mr. Cole gained direct personal financial benefit from the transactions that were the subject of the investigation. As part of the settlement, Mr. Cole, has released us from all remaining claims under his employment contract (including the non-compete provision) and his indemnity agreement.

Matthew Hardey Lawsuit

On November 2, 2007, we were served with a lawsuit filed on behalf of Matthew Hardey, our former Chief Financial Officer, against Newpark Resources and Paul L. Howes, our current Chief Executive Officer. The lawsuit was filed on October 9, 2007, in the 24th Judicial District Court in Jefferson Parish, Louisiana. We have removed this case to Federal Court (United States District Court for the Eastern District of Louisiana). The lawsuit includes a variety of allegations arising from our internal investigation and Mr. Hardey's termination, including breach of contract, unfair trade practices, defamation, and negligence. The lawsuit does not specify the amount of damages being sought by Mr. Hardey. We dispute the allegations in the lawsuit and intend to vigorously defend our position.

SEC Investigation

On March 12, 2007, we were advised that the SEC has opened a formal investigation into the matters disclosed in Amendment No. 2 to our Annual Report on Form 10-K/A filed on October 10, 2006. We are cooperating with the SEC in their investigation.

Note 7 — Segment Data

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

(In thousands)	First Quarter 2009	First Quarter 2008
Revenues		
Fluids systems and engineering	$ 106,588	$ 157,216
Mats and integrated services	8,863	21,251
Environmental services	11,487	16,269
Total revenues	$ 126,938	$ 194,736
Operating (loss) income		
Fluids systems and engineering	$ (5,574)(1)	$ 21,107
Mats and integrated services	(3,414)(1)	51
Environmental services	1,157	4,237
Corporate office	(4,948)(1)	(4,781)
Operating (loss) income	$ (12,779)	$ 20,614

(1) In response to the significant declines in industry activity in North America, we have initiated cost reduction programs including workforce reductions. Through April 2009, we have reduced our North American employee base by 386 since December 31, 2008, in addition to eliminating contract employee positions. Our operating loss for the first quarter of 2009 includes employee termination and related charges of $2.6 million, of which $0.9 million was recorded as a liability as of March 31, 2009. The $2.6 million includes $2.0 million in fluids systems and engineering, $0.4 million in mats and integrated services and $0.2 million in our corporate office. Substantially all accrued employee termination costs at March 31, 2009 were subsequently paid in April 2009.

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 consolidated financial statements and notes to consolidated financial statements contained in this report as well as our Annual Report on Form 10-K for the year ended December 31, 2008. Our fiscal year end is December 31, and our first quarter represents the three month period ending March 31.

Overview

We are a diversified oil and gas industry supplier, and have three reportable segments: Fluids Systems and Engineering, Mats and Integrated Services, and Environmental Services. We provide these products and services principally to the exploration and production ("E&P") industry in the U.S. Gulf Coast, West Texas, U.S. mid-continent, U.S. Rocky Mountains, Canada, Mexico, Brazil, United Kingdom ("U.K.") and certain areas of Europe and North Africa. Further, we are expanding our presence outside the E&P sector through our Mats and Integrated Services segment, where we are marketing to utilities, municipalities and government sectors.

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 product demand.

The current economic recession, the instability in the credit markets and declines in oil and natural gas commodity prices have significantly impacted North American drilling activity during the first quarter of 2009. This decline in E&P spending negatively impacted operating results during the first quarter of 2009, and is expected to continue to negatively impact operating results for the remainder of 2009, as compared to the results achieved during 2008.

Rig count data is the most widely accepted indicator of drilling activity. Average North American rig count data for the first quarter of 2009, as compared to the previous quarter and comparable quarter of the prior year is as follows:

	First Quarter 2009	Fourth Quarter 2008	First Quarter 2008	Change from Fourth Quarter 2008		Change from First Quarter 2008	
				Count	%	Count	%
U.S. Rig Count	1,344	1,904	1,770	(560)	(29%)	(426)	(24%)
Canadian Rig Count	332	411	516	(79)	(19%)	(184)	(36%)
North America	1,676	2,315	2,286	(639)	(28%)	(610)	(27%)

Source: Baker Hughes Incorporated

The U.S. and Canadian rig counts were 955 and 65 during the week ended April 24, 2009, respectively.

In response to the significant declines in activity and the increasing price competition, we have initiated cost reduction programs including workforce reductions, reduced discretionary spending, a temporary salary reduction for substantially all North American employees including executive officers, as well as reductions in capital expenditures. As part of this cost reduction program, we have reduced our North American employee base by 386 since December 31, 2008 in addition to eliminating contract employee positions. As a result of these workforce reductions, our first quarter 2009 operating results include $2.6 million of charges associated with employee termination costs.

During the first quarter of 2009, our total debt balance was reduced by $24.9 million to $163.3 million at March 31, 2009. We anticipate that our debt levels will continue to decline in the near-term, as working capital requirements for our operations will continue to decline in the current environment of lower revenue levels. Further, capital expenditures are being reduced in response to the current market environment. Cash generated by operations including the anticipated decreases in working capital levels, along with availability under our existing credit agreement is expected to be adequate to fund our anticipated capital needs. In December 2007, we entered into a $225.0 million Amended and Restated Credit Agreement (“Credit Agreement”) which consists of a $175.0 million revolving credit facility and a $50.0 million term loan. The Credit Agreement contains covenants normal and customary for lending facilities of this nature. The financial covenants include the following:

	Covenant	March 31, 2009	December 31, 2008
Fixed charge coverage ratio	1.20 minimum	1.72	2.92
Consolidated leverage ratio	3.00 maximum	2.46	1.82
Funded debt-to-captalization ratio	45.0% maximum	29.8%	31.8%

We were in compliance with all financial covenants as of March 31, 2009. However, continued compliance with our covenants, particularly the fixed charge coverage ratio and consolidated leverage ratio, are largely dependent on our ability to generate sufficient levels of EBITDA, as defined in the Credit Agreement, and reduce our debt levels. If there continues to be reduced drilling activity in the oil and gas industry, we expect to have difficulty complying with these covenants in 2009 based upon our current and expected financial condition and results of operations. To address this, we have initiated discussions with our lead bank, in an effort to explore our options, which may include a waiver or amendment to our Credit Agreement. Any waiver or amendment to the Credit Agreement may increase the cost of our borrowings and impose additional limitations over certain types of activities.

Results of Operations

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

(In thousands)	First Quarter 2009	First Quarter 2008	2009 vs 2008 $	2009 vs 2008 %
Revenues				
Fluids systems and engineering	$ 106,588	$ 157,216	$ (50,628)	(32%)
Mats and integrated services	8,863	21,251	(12,388)	(58%)
Environmental services	11,487	16,269	(4,782)	(29%)
Total revenues	$ 126,938	$ 194,736	$ (67,798)	(35%)
Operating (loss) income				
Fluids systems and engineering	$ (5,574)	$ 21,107	$ (26,681)	
Mats and integrated services	(3,414)	51	(3,465)	
Environmental services	1,157	4,237	(3,080)	
Corporate office	(4,948)	(4,781)	(167)	
Operating (loss) income	$ (12,779)	$ 20,614	$ (33,393)	
Segment operating margin				
Fluids systems and engineering	(5.2%)	13.4%		
Mats and integrated services	(38.5%)	0.2%		
Environmental services	10.1%	26.0%		

First Quarter 2009 Compared to First Quarter 2008

Fluids Systems and Engineering

Revenues

Total revenues for this segment consisted of the following:

(In thousands)	First Quarter 2009	First Quarter 2008	2009 vs 2008 $	2009 vs 2008 %
Drilling fluids and engineering	$ 60,936	$ 90,007	$ (29,071)	(32%)
Completion fluids and services	8,919	21,966	(13,047)	(59%)
Industrial minerals	8,885	16,586	(7,701)	(46%)
Total North America	78,740	128,559	(49,819)	(39%)
Mediterranean	25,037	28,260	(3,223)	(11%)
Brazil	2,811	397	2,414	608%
Total	$ 106,588	$ 157,216	$ (50,628)	(32%)

North American revenues decreased 39% to $78.7 million for the first quarter of 2009, as compared to $128.6 million for the first quarter of 2008. Drilling fluids and engineering revenues decreased 32%which is largely attributable to the decline in industry drilling activity noted above, along with increased pricing pressure as the number of rigs serviced by this business segment decreased 29%. North American completion fluids and services and wholesale industrial minerals revenues were down a combined 54%, on the lower industry activity.

Mediterranean revenues decreased 11% compared to the first quarter of 2008, primarily due to the impact of the strengthening US dollar, as international revenue levels have remained relatively stable in local currency terms. Brazil revenues were $2.8 million in the first quarter of 2009, compared to $0.4 million in the first quarter of 2008, reflecting the ramp-up in activity under contracts entered into during 2008.

Operating Income

Operating income for this segment decreased $26.7 million for the first quarter of 2009 on a $50.6 million decrease in revenues, compared to the first quarter of 2008. Of this change, North American operations generated a $24.9 million decline in operating income on a $49.8 million decrease in revenues. This decrease in operating income is primarily attributable to the rapid decline in North American drilling activity throughout the first quarter of 2009, and the related increase in pricing pressure from competition. Further, the benefits of cost reduction initiatives taken during the first quarter of 2009 had minimal impact to the quarter, due to the timing of the actions, along with $2.0 million of charges associated with employee termination costs. Operating income was further negatively impacted by lower gross profit on industrial mineral sales. During the first quarter of 2009, gross profits on industrial minerals were reduced by $1.8 million, as a result of higher product costs, due to freight premiums paid on barite ore purchases.

Operating income from international operations decreased $1.8 million on a $0.8 million decrease in revenues. The lower operating income includes a $0.9 million decrease from the Mediterranean operations, primarily due to the strengthening US dollar against the functional currencies in this region, as well as a $0.9 million decrease from Brazil due to the increased operating costs being incurred, as this business continues to ramp-up and prepare for future contracts.

Following the workforce reductions during the first four months of 2009, the North American employee base of this segment has been reduced by 296, in addition to reductions in contracted personnel. As a result of these reductions, combined with the employee termination costs incurred during the first quarter of 2009, North American personnel expenses are anticipated to be reduced in the second quarter of 2009 by approximately $5 million from first quarter 2009 levels.

Mats and Integrated Services

Revenues

Total revenues for this segment consisted of the following:

	First Quarter		2009 vs 2008	
(In thousands)	2009	2008	$	%
Mat rental and integrated services	$ 7,421	$ 16,950	$ (9,529)	(56%)
Mat sales	1,442	4,301	(2,859)	(66%)
Total	$ 8,863	$ 21,251	$ (12,388)	(58%)

The $9.5 million decrease in mat rental and integrated services revenues is primarily attributable to declines in the Gulf Coast market served by this segment, while revenues in the Rocky Mountain market have remained relatively stable. The declines in the Gulf Coast revenues are primarily the result of decreases in coastal drilling activity caused by the overall decline in industry activity, as well as a continuing shift in focus away from coastal drilling toward more inland locations. The decline in revenue is further impacted by the increased pricing competition following the declines in market activity, and timing of projects from customers outside the E&P industry.

Mat sales primarily consist of export sales of composite mats to various international markets, as well as to non-oilfield industries domestically. Mat sales volume decreased by $2.9 million in the first quarter of 2009 from the first quarter of 2008, as mats sales volumes typically fluctuate significantly based on the specific timing of large order deliveries.

Operating Income

Mats and integrated services operating income decreased by $3.5 million for the first quarter of 2009 on a $12.4 million decrease in revenues compared to the first quarter of 2008. The decrease in operating margin is primarily attributable to the declines in revenues and pricing pressures, as well as the delayed impact of cost reductions. The benefits of cost reduction initiatives taken during the first quarter of 2009 had a minimal impact to the quarter's operating results, due to the timing of the actions, along with $0.4 million of charges associated with employee termination costs.

Following the workforce reductions during the first four months of 2009, the employee base of this segment has been reduced by 78, in addition to reductions in contracted personnel. As a result of these reductions, combined with the employee termination costs incurred during the first quarter of 2009, North American personnel expenses are anticipated to be reduced in the second quarter of 2009 by approximately $1 million from first quarter 2009 levels.

Environmental Services

Revenues

Total revenues for this segment consisted of the following:

	First Quarter		2009 vs 2008	
(In thousands)	2009	2008	$	%
E&P waste — Gulf Coast	$ 8,393	$ 13,074	$ (4,681)	(36%)
E&P waste — West Texas	1,063	1,230	(167)	(14%)
NORM and industrial waste	2,031	1,965	66	3%
Total	$ 11,487	$ 16,269	$ (4,782)	(29%)

E&P waste revenues in the Gulf Coast region decreased 36% to $8.4 million in the first quarter of 2009 compared to the first quarter of 2008. Volumes processed by this region declined 52% during this period, consisting of 17% reduction from well blow-out disposals in the first quarter of 2008 which did not recur, and a 35% reduction reflective of the decline in Gulf Coast rig activity during this period. This decline in volumes processed was partially offset by changes in sales mix and pricing increases.

E&P waste revenues in West Texas decreased by 14% to $1.1 million in the first quarter of 2009 compared to the first quarter of 2008. Volumes processed by this region declined 56% during this period; however, this was largely offset by improvements in pricing.

NORM and industrial waste revenues increased by 3% to $2.0 million in the first quarter of 2009, compared to the first quarter of 2008.

Operating Income

Environmental services operating income decreased by $3.1 million on a $4.8 million decline in revenues in the first quarter of 2009, compared to the first quarter of 2008. The $4.8 million reduction in operating income resulting from the revenue decline was partially offset by $1.7 million of operating expense reductions, including a $1.3 million reduction in transportation costs and a $0.3 million reduction in personnel expenses.

Corporate Office

Corporate office expenses increased $0.2 million to $4.9 million for the first quarter of 2009 from the first quarter of 2008. The increase in expenses in the first quarter of 2009 is primarily attributable to legal expenses associated with the settlement of a lawsuit with our former Chief Executive Officer during the first quarter of 2009, as well as $0.2 million in employee termination costs.

Interest Expense, net

Interest expense, net totaled $1.7 million for the first quarter of 2009 compared to $3.2 million for the first quarter of 2008. The decrease in interest expense is primarily attributable to lower interest rates in 2009, following the sharp decline in borrowing rates during the fourth quarter of 2008. As of March 31, 2009, the weighted average borrowing rate under our credit facilities was 3.52% compared to a weighted average borrowing rate of 5.22% at March 31, 2008.

Provision for Income Taxes

The provision for income taxes for the first quarter of 2009 was a $2.5 million benefit, reflecting an income tax rate of 17.0%, compared to $5.7 million of expense for the first quarter of 2008, reflecting an income tax rate of 33.3%. The low effective tax rate in the first quarter of 2009 is primarily due to the write off of a previously recognized net operating loss carryforward tax asset in Canada, along with losses generated in certain foreign countries during the quarter, for which the recording of a tax benefit is not permitted.

Liquidity and Capital Resources

Net cash provided by operating activities during the first quarter of 2009 totaled $33.0 million. The net loss adjusted for non-cash items used $7.9 million of cash during the period, while decreases in working capital provided $40.9 million of cash. The decrease in working capital during the period includes a $74.4 million decrease in receivables partially offset by a $31.0 million decrease in accounts payable, primarily due to lower sales levels and corresponding lower purchases.

Net cash used in investing activities during the first quarter of 2009 was $7.0 million, consisting primarily of capital expenditures which included $3.7 million for our Brazil and Mediterranean operations. Net cash used in financing activities during the first quarter of 2009 was $24.4 million which was primarily payments on our credit facilities.

Table of Contents

Our capitalization was as follows as of:

(In thousands)	March 31, 2009	December 31, 2008
Term credit facility	$ 40,000	$ 40,000
Revolving credit facility	113,000	136,000
Foreign bank lines of credit	8,775	11,543
Other	1,481	611
Total	163,256	188,154
Stockholder's equity	363,162	377,882
Total capitalization	$ 526,418	$ 566,036
Total debt to capitalization	31.0%	33.2%

In December 2007, we entered into a $225.0 million Credit Agreement with a five-year term, expiring in December 2012. The Credit Agreement consists of a $175.0 million revolving credit facility along with a $50.0 million term loan ("Term Loan"), which is to be repaid through annual principal repayments of $10.0 million which began in December 2008. There are no prepayment penalties should we decide to repay the Term Loan in part or in full prior to the scheduled maturity dates.

We can elect to borrow under the Credit Agreement at an interest rate either based on the prime rate plus a margin ranging from 0 to 100 basis points or at LIBOR plus a margin ranging from 150 to 250 basis points, both of which margins vary depending on our leverage. As of March 31, 2009, $95.0 million of the outstanding principal of the revolving credit facility is bearing interest at LIBOR plus 200 basis points, or 2.54%, while the remaining $18.0 million in outstanding principal is bearing interest at Prime Rate plus 50 basis points, or 3.75%. In January 2008, we entered into interest rate swap agreements to effectively fix the underlying LIBOR rate on our borrowings under the Term Loan. The initial notional amount of the swap agreements totaled $50.0 million, reducing by $10.0 million each December, matching the required principal repayments under the Term Loan. As a result of the swap agreements, we will pay a fixed rate of 3.74% plus the applicable LIBOR margin, which was 200 basis points at March 31, 2009, over the term of the loan. The weighted average interest rate on the outstanding balances under our Credit Agreement including the interest rate swaps as of March 31, 2009 and December 31, 2008 were 3.52% and 3.46%, respectively.

The Credit Agreement 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.

At March 31, 2009, $11.1 million in letters of credit were issued and outstanding, including $3.0 million required by insurance carriers in relation to our insurance programs. In addition, we had $113.0 million outstanding under our revolving credit facility at March 31, 2009, leaving $50.9 million of availability at that date.

As noted above, we were in compliance with these financial covenants as of March 31, 2009. However, continued compliance with our covenants, particularly the fixed charge coverage ratio and consolidated leverage ratio, are largely dependent on our ability to generate sufficient levels of EBITDA, as defined in the Credit Agreement, and reduce our debt levels. The Credit Agreement also contains covenants that allow for, but limit, our ability to pay dividends, repurchase our common stock, and incur additional indebtedness.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles, 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, 2008. Our critical accounting policies have not changed materially since December 31, 2008.

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

Our policy is to manage exposure to interest rate fluctuations by using a combination of fixed and variable-rate debt. At March 31, 2009, we had total debt outstanding of $163.3 million.

In January 2008, we entered into interest rate swap agreements to effectively fix the underlying LIBOR interest rate on our borrowings under the term loan portion of our credit facility. The initial notional amount of the swap agreements totaled $50.0 million, reducing by $10.0 million each December, matching the required principal repayments under the term loan. As of March 31, 2009, $40.0 million remained outstanding under this term loan. As a result of the swap agreements, we will pay a fixed rate of 3.74% plus the applicable LIBOR margin, which was 200 basis points at March 31, 2009, over the term of the loan.

The remaining $123.3 million of debt outstanding at March 31, 2009 bears interest at a floating rate. At March 31, 2009, the weighted average interest rate under our floating-rate debt was 2.92%. At the March 31, 2009 balance, a 200 basis point increase in market interest rates during 2009 would cause our annual interest expense to increase approximately $2.5 million, resulting in a $0.02 per diluted share reduction in annual net earnings.

Foreign Currency

Our principal foreign operations are conducted in Canada, Mexico, Brazil, U.K. and certain areas of Europe and North Africa. 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, Canadian dollars and Brazilian reals. 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 are effective.

Changes in internal control over financial reporting

There has been no change in internal control over financial reporting during the quarter ended March 31, 2009 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 6, “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

Information regarding risk factors appears in Item 1A to our Annual Report on Form 10-K for the year ended December 31, 2008. The risk factor described below updates, and should be read in conjunction with, the risk factors identified in our Annual Report on Form 10-K for the period ended December 31, 2008.

Noncompliance with debt covenants contained in our credit agreement could adversely affect our ability to borrow under our credit agreement and could ultimately render our outstanding indebtedness immediately due and payable.

Our Amended and Restated Credit Agreement contains certain financial covenants. Although we were in compliance with all of these covenants as of the end of the first quarter of 2009 and continue to be so as of the date of this Quarterly Report, our results of operations began deteriorating during the fourth quarter of 2008, as a consequence of the reduction in the U.S. rig count and related negative trends in the demand for our products and services. If there continues to be reduced drilling activity in the oil and gas industry, we expect to have difficulty complying with these covenants in 2009 based upon our current and expected financial conditions and results of operations. A breach of any of these covenants could result in a default under our credit agreement unless we are able to remedy any default within the applicable cure period or obtain, on a timely basis, the necessary waivers or amendments to the credit agreement. Any waiver or amendment to our credit agreement may require us to amend the terms of our credit agreement which could increase the cost of our borrowings, require the payment of additional fees, and adversely impact the results of operations. Upon the occurrence of any event of default that is not waived or otherwise cured within the applicable cure periods, the lenders under our credit agreement could elect to exercise any of their available remedies, which include the right to not lend any additional amounts to us or, in certain instances, to declare all outstanding borrowings, together with accrued interest and other fees, to be immediately due and payable. If we are unable to repay the borrowings under the credit agreement when due, the lenders could be permitted to proceed against their collateral. The election to exercise any such remedies could have a material adverse effect on our business and financial condition.

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 March 31, 2009:

Period	Total Number of Shares Purchased	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 the Plans or Programs
January 1 – 31, 2009	—	—	—	
February 1 – 28, 2009	—	—	—	
March 1 – 31, 2009	84,094(1)	$ 2.40	—	$9.9 million
Total	84,094	$ 2.40		$9.9 million

(1) The shares purchased during the quarter ended March 31, 2009, represent shares surrendered in lieu of taxes under vesting of restricted stock awards.

ITEM 3. Defaults Upon Senior Securities

Not applicable.

ITEM 4. Submission of Matters to a Vote of Security Holders

Not applicable.

ITEM 5. Other Information

Not applicable.

ITEM 6. Exhibits

10.1	Amended and Restated Employment Agreement dated December 31, 2008 by and between Newpark Resources, Inc. and Paul L. Howes. (1)
31.1	Certification of Paul L. Howes pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of James E. Braun 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 James E. Braun pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) This copy of the Amended and Restated Employment Agreement is being filed again to correct a typographical error in the version originally filed as an exhibit to the Current Report on Form 8-K on January 7, 2009.

Table of Contents

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: May 1, 2009

NEWPARK RESOURCES, INC.

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

By: /s/ James E. Braun
James E. Braun, Vice President and
Chief Financial Officer
(Principal Financial Officer)

By: /s/ Gregg S. Piontek
Gregg Piontek, Vice President, Controller and
Chief Accounting Officer
(Principal Accounting Officer)

EXHIBIT INDEX

10.1	Amended and Restated Employment Agreement dated December 31, 2008 by and between Newpark Resources, Inc. and Paul L. Howes. (1)
31.1	Certification of Paul L. Howes pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of James E. Braun 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 James E. Braun pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) This copy of the Amended and Restated Employment Agreement is being filed again to correct a typographical error in the version originally filed as an exhibit to the Current Report on Form 8-K on January 7, 2009.

Exhibit 10.1

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT dated and effective December 31, 2008 (the "**Effective Date**") is entered into by Newpark Resources, Inc. (the "**Company**"), a Delaware corporation, and Paul L. Howes (the "**Executive**") and is intended to incorporate and accurately reflect all prior negotiations, discussions, or agreements between the parties concerning the amendment and restatement of the terms and conditions of Executive's employment.

WHEREAS, the Company has employed Executive as its Chief Executive pursuant to an Employment Agreement dated March 22, 2006, as amended by the Amendment to Employment Agreement dated June 7, 2006, (the "**Prior Employment Agreement**").

WHEREAS, the parties mutually desire to amend and restate the Prior Employer Agreement to take into account Section 409A of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations and other guidance thereunder ("**Code Section 409A**") with respect to certain payments provided for in the Prior Employment Agreement and to make certain other mutually agreed upon modifications to the Prior Employment Agreement.

WHEREAS, as of the Effective Date this Agreement supersedes the Prior Agreement.

NOW, THEREFORE in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually covenanted and agreed by and between the parties as follows:

1. Employment of Executive Officer.

1.1 Employment Term. The Company hereby offers to employ and continue to employ Executive, and Executive hereby accepts continued employment by the Company, as its Chief Executive Officer ("**CEO**") on the terms and conditions set forth in this Agreement.

(a) The Executive's Employment Term under this Agreement commenced on March 22, 2006 ("**Employment Date**"), and shall continue for a period of five (5) years and nine (9) days thereafter, i.e. March 31, 2011, (the "**Initial Employment Term**"), and shall automatically be renewed for successive one (1) year periods thereafter ending on each succeeding March 31 (each such additional period each an "**Extension Term**" and, collectively with the Initial Term, the "**Employment Term**"), unless Executive's employment is terminated by either party giving written notice to the other party at least sixty (60) days in advance of the expiration of the Initial Employment Term or any Extension Term.

1.2 Compensation and Benefits.

(a) **Base Salary.** As of the Effective Date and during the remainder of the Employment Term, the Company will pay Executive a base salary at an annualized rate of at least Four Hundred Eighty-Six Thousand Dollars ($486,000) per twelve month year ("**Base Salary**"). The Board of Directors of the Company (the "**Board**") will review annually Executive's Base Salary and, at its reasonable discretion, may increase such Base Salary as it deems appropriate, provided Executive's Base Salary for any subsequent twelve month year shall not be less than the preceding twelve month year except with Executive's prior written agreement. Board approved adjustments in Base Salary shall be automatically incorporated herein by reference and be contractual obligations of Company. Such Base Salary shall be paid in accordance with the Company's standard payroll practice for its executive officers.

(b) **Incentive Compensation**. In addition to the Base Salary, during the Employment Term Executive shall be eligible for participation in the 2003 Executive Incentive Plan ("**EICP**") and the 2003 Long Term Incentive Plan ("**LTIP**"), subject to any amendments made at Board's discretion as provided herein, in each of the years ending December 31, 2006, 2007, and 2008. Performance measures and goals will be set by the Compensation Committee of the Board. The Performance Target (as defined in the EICP) under the EICP on the Effective Date is equal to eighty (80%) percent of Base Salary with a maximum limitation of one hundred sixty percent (160%) of Executive's annual Base Salary during the relevant Performance Period (as defined in the EICP). Any payout for 2006 performance shall be based on the Company performance prorated for the eligible period. Payout under the EICP for a particular year will be made in cash by March 15 of the next year, e.g. payout for 2006 will occur on or before March 15, 2007. The EICP and LTIP as in effect as of March 22, 2006, are incorporated herein by reference as if set forth in their entirety within this document. Actual awards in accordance with the Board approved plan, and any amendments, are at the discretion of the Compensation Committee, provided that Company represents and warrants to Executive that the terms of the EICP and LTIP will not be amended, modified, changed, or interpreted or applied to make them less generous than they are on March 22, 2006, without prior written notice.

(c) **Stock Options and Share Awards**. In addition, Executive shall receive such number of stock options and performance restricted share awards as are granted by the Compensation Committee in accordance with the Board approved plans (all such plans being referred to as the "**Plans**"). Vesting shall be as provided in these existing plans, and subject to any amendments. In accordance with the Employment Offer Term Sheet dated February 15, 2006, that Company provided to Executive, under the Company's Long Term Incentive Award Guidelines the annual stock award for Executive would consist of 80,000 fair market value options and a performance restricted share award of 50,000 shares. When used in this Agreement "stock" and "shares" mean the Company's publicly traded common stock, $.01 par value. Further, throughout this Agreement, the words "stock options, awards, and grants" are used separately or in various combinations to describe awards of shares or the right to acquire shares of Company stock under various benefit plans or this Agreement, or both.

(d) **Employment Inducement Awards.** As an incentive to accepting employment with Company and entering into the Prior Employment Agreement, Executive was awarded at no cost to Executive: (i) three hundred seventy-five thousand (375,000) fair market value options at the market price on the day the Prior Employment Agreement was dated which vest ratably over three (3) years with the first year being the anniversary of the Prior Employment Agreement and (ii) two hundred thousand (200,000) time restricted shares, which shares vest ratably over five (5) years with the first year being the anniversary of the Prior Employment Agreement.

(e) **Benefit Plans and Vacation.** Subject to the terms of such plans, during the Employment Term, Executive shall be entitled to participate in any and all employee benefits plans or programs of the Company to the extent that he is otherwise eligible to participate under the terms of those plans, including participation in any welfare benefit programs provided by the Company (including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance programs), and fringe benefits and perquisites available generally to other executives of the Company, including rights to indemnification, advance of litigation expenses, exculpation and Directors and Officers liability insurance ("**D&O insurance**") provided to directors and officers of the Company, including special arrangement provisions that may be applicable to other senior executives. The Company shall not be obligated to institute, maintain, or refrain from changing, amending, or discontinuing any benefit plan, or perquisite, so long as such changes are similarly applicable to similarly-situated employees generally, provided, however, the Company shall at all times defend, indemnify, and hold harmless Executive to the maximum extent permitted by law from any actual cost, loss, damages, attorneys fees, or liability suffered or incurred by Executive for Executive's service as Chief Executive Officer of the Company and participation in the management of the Company and shall at all times provide at the Company's sole cost D&O insurance coverage in amounts adequate to fully satisfy its obligations to Executive. The Company shall also provide Executive with D&O insurance tail coverage for 6 years (or the maximum time period permitted by law) in the same amount following the termination of Executive's employment. That certain Indemnification Agreement by and between the Company and Executive and dated June 7, 2006 (with some identical copies thereof having been dated May 7, 2006), as amended by Amendment to Indemnification Agreement dated September 1, 2007, is attached hereto and incorporated herein by reference.

Executive shall be entitled to an annual medical examination at the Cleveland Clinic, or other like medical facility in New Orleans or Houston at Company's cost.

During the Employment Term, Executive shall be entitled to four (4) weeks paid vacation each calendar year, including 2006, to be used and accrued in accordance with the Company's policies in effect from time to time, provided the four (4) of weeks of vacation provided in this paragraph shall not be reduced under such policies.

When Executive travels in connection with his duties and as otherwise appropriate, Company will provide Executive with travel life insurance in the minimum amount of $2,000,000, medical evacuation insurance that provides for transport to the city in which Executive is then living, and other appropriate security precautions available to Company executives during international travel.

(f) **Expense Reimbursement.** The Company will reimburse Executive in full for all reasonable and necessary business, entertainment and travel expenses incurred or expended by Executive during the Employment Term in the performance of the duties hereunder in accordance with the Company's customary practices applicable to its executive officers. Notwithstanding the foregoing, (i) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (ii) the reimbursement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.

(g) **Other Benefits.** The Company shall assist Executive with a country club membership at a club of his choice in the Houston, Texas area. The Company shall pay one-half of the Club initiation fee. The Company shall pay Executive an annual stipend of $20,000 during the Employment Term to be used by Executive in his discretion for monthly club dues, automobile costs and the like.

(h) **Schedule of Compensation and Benefit Plans.** Attached to this Agreement is a schedule of the compensation and benefit plans by name or description that the Company and Executive understand and intend to cover Executive. The terms and provisions of the items listed on the Schedule, as modified by this Agreement, are incorporated herein by reference (whether or not the actual plan documents are attached as exhibits) and are contractual by and between Company and Executive.

(i) **Supplemental Disability Benefit.** During any period (other than brief absences) in which Executive is unable to perform the essential functions of his position, despite any reasonable accommodation required by law, by reason of illness or injury, (i) the Company may place Executive on an approved leave of absence and relieve him of some or all of his duties while on leave; (ii) the Company shall pay Executive his Base Salary as of the date the illness or injury commenced, inclusive of any short-term disability benefits or other paid leave to which Executive may be entitled or eligible, for a maximum of six (6) months with such payments to be made on the Company's regular payroll dates; and (iii) if Executive is receiving long-term disability benefits and provided Executive continues to be eligible to receive such benefits, the Company shall pay to Executive the excess, if any, of 50% of his Base Salary as of the date of the illness or injury commenced divided by twelve (12) over the monthly benefit under the long-term disability plan over, for a period of one (1) year for each year of service up to five (5) years or Executive reaches age 65, whichever occurs first, with such payments to commence in the calendar month in which the Executive first begins to receive benefits under the long-term disability plan and to be made on the Company's regular payroll dates. The Company's actions consistent with (i) shall not constitute a termination of Executive's employment.

1.3 Extent of Services; Conflicts of Interest.

(a) Executive shall devote substantially all of his working time, attention and energies to the business of the Company, and its affiliated entities, from the Company's headquarters. Executive may be involved in charitable and professional activities, trade and industry associations and the like, and, with the prior written consent of the Chairman of the Board, serve on boards of other entities, provided such activities do not interfere with the performance of his duties hereunder or any provision of this Agreement.

(b) During the Employment Term, Executive shall not, directly or indirectly, without the prior consent of a majority of the members of the Board, render any services to any other person or entity or acquire any interests of any type in any other entity, that might be deemed in competition with the Company or any of its subsidiaries or affiliates or in conflict with his position as Chief Executive Officer, provided, however, that the foregoing shall not be deemed to prohibit Executive from (a) acquiring, solely as an investment, any securities of a partnership, trust, limited liability company, corporation or other entity (i) so long as he remains a passive investor in such entity, (ii) so long as he does not become part of any control group thereof, and (iii) so long as such entity is not, directly or indirectly, in competition with the Company or any of its subsidiaries or affiliates, or (b) serving as a consultant, advisor or director of any corporation which has a class of outstanding equity securities registered under Sections 12(b) or 12(g) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and which is not in competition with the Company or any of its subsidiaries or affiliates.

2. Termination of Employment.

2.1 Termination. Executive's employment by the Company shall be terminated (1) automatically, upon the death of Executive; (2) by reason of Executive's Disability (as defined below); (3) at the election of Executive without Good Reason (as defined below) upon 30 days' advance written notice to the Company; (4) at the election of Executive with Good Reason (as defined below) immediately upon written notice to the Company; (5) by the Company without Cause (as defined below) upon 30 days' advance written notice to Executive; (5) by the Company with Cause (as defined below) immediately upon written notice to Executive; or (6) by Executive or the Company pursuant to Section 1.1(a).

2.2 Termination by Executive without Good Reason or pursuant to Section 1.1(a). If Executive's employment is terminated by Executive without Good Reason or by 60-day notice of non-renewal by Executive pursuant to Section 1.1(a), Executive shall be entitled to receive only the following: (i) any unpaid Base Salary through the date of termination; (ii) any earned but unpaid portion of the stipend referred to in Section 1.2(g) through the date of termination; (iii) any unreimbursed expenses incurred or expended by Executive pursuant to Section 1.2(f) as of the date of termination; and (iv) such stock options, share awards, and grants as shall have fully vested before the date of termination pursuant to the terms of the associated Plans. Executive shall be ineligible for and shall forfeit all rights with respect to any stock option, share awards, and grants that have not vested as of the date of termination. The amounts, if any, in (i), (ii), and (iii), if any, shall be paid at the time and in the manner required by applicable law but in no event later than thirty (30) business days after the date of termination.

2.3 Termination by Executive for Good Reason, by Company without Cause, or by Company pursuant to Section 1.1(a).

(a) If Executive's employment is terminated by Executive for Good Reason, by the Company without Cause, or by 60-day notice of non-renewal by the Company pursuant to Section 1.1(a), Executive shall be entitled to receive the following: (i) any unpaid Base Salary through the date of termination; (ii) any earned but unpaid portion of the stipend referred to in Section 1.2(g) through the date of termination; (iii) any unreimbursed expenses incurred or expended by Executive pursuant to Section 1.2(f) as of the date of termination; and (iv) such stock options, share awards, and grants as shall have fully vested before the date of termination pursuant to the terms of the associated Plans. Subject to Section 2.3(b)(iii) and, where applicable, Section 2.7(a), Executive shall be ineligible for and shall forfeit all rights with respect to any stock option, share awards, and grants that have not vested as of the date of termination. The amounts, if any, in (i), (ii), and (iii) shall be paid at the time and in the manner required by applicable law but in no event later than thirty (30) business days after the date of termination.

(b) Except where Section 2.7 is applicable, if Executive's employment is terminated by Executive for Good Reason, by the Company without Cause, or by the Company pursuant to Section 1.1(a), and such termination constitutes a Separation from Service, Executive shall be entitled to receive the following in addition to the payments provided for in Section 2.3(a): (i) an amount equal to two (2) times the amount of his Base Salary at the time of termination; (ii) an amount equal to two times (2X) the Performance Target (as defined in the EICP and Section 1.2(b)) for the Performance Period (as defined in the EICP) in which the date of termination occurs; (iii) full vesting of all time related restricted shares and options awarded at commencement of

employment pursuant to Section 1.2(d), provided however, there will be no vesting of annual stock awards in the post-employment exercise period in accordance with the Plans; (iv) should Executive timely elect to continue coverage under a group health insurance plan sponsored by Employer or one of its affiliates, pay or reimburse Executive for the cost of continued coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**") for Executive and any of his eligible dependents until the earlier of (A) the date Executive becomes eligible for coverage under another group health insurance plan or otherwise ceases to be entitled to COBRA continuation coverage and (B) eighteen (18) months following the date of termination; and (v) reimbursement by the Company for the costs of outplacement services obtained by the Executive within the two (2) year period after termination, not to exceed $20,000; provided, however, that the Company's obligations are contingent on Executive's compliance with his obligations under Appendix A and Appendix B to this Agreement, as such appendices may be amended by mutual agreement, which are incorporated by this reference.

(c) Subject to Section 3.12, the amounts set out in Section 2.3(b)(i) and (ii) shall be paid to Executive in the form of a single lump sum payment on or prior to the date that is sixty (60) days following Executive's Separation from Service.

2.4 Termination for by the Company for Cause. If Executive's employment is terminated by the Company for Cause, Executive shall be entitled to receive only the following: (i) any unpaid Base Salary through the date of termination; (ii) any unreimbursed expenses incurred or expended by Executive pursuant to Section 1.2(f) as of the date of termination; and (iii) such stock options, share awards, and grants as shall have fully vested before the date of termination pursuant to the terms of the associated Plans. Executive shall be ineligible for and shall forfeit all rights with respect to any stock option, share awards, and grants that have not vested as of the date of termination. The amounts, if any, in (i) and (ii) shall be paid at the time and in the manner required by applicable law but in no event later than thirty (30) business days after the date of termination.

2.5 Termination as a Result of Death. If Executive dies during the Employment Term, such person as Executive shall designate in a written notice to Employer or, if no such person is designated, his estate, shall be entitled to receive only the following: (i) any unpaid Base Salary through the date of death; (ii) any earned but unpaid portion of the stipend referred to in Section 1.2(g) through the date of death; (iii) any unreimbursed expenses incurred or expended by Executive pursuant to Section 1.2(f) as of the date of death; and (iv) such stock options, share awards, and grants as shall have fully vested before the date of death pursuant to the terms of the associated Plans. Executive shall be ineligible for and shall forfeit all rights with respect to any stock option, share awards, and grants that have not vested as of the date of death. The amounts, if any, in (i), (ii), and (iii), if any, shall be paid at the time and in the manner required by applicable law but in no event later than thirty (30) business days after the date of death.

2.6 Termination by Reason of Executive's Disability.

(a) The Company may terminate Executive's employment by reason of Executive's Disability upon written notice to Executive. For purposes of this Agreement, "**Disability**" means and shall be deemed to have occurred if (i) Executive is receiving benefits under the Company's long-term disability plan or is receiving Social Security total disability benefits; or (ii) in the absence of Executive's receipt of such benefits, (x) Executive has been unable to perform the essential functions of his position, despite any reasonable accommodation required by law, by reason of an illness or injury for a continuous period of not less than six (6) months or six (6) months in any twelve (12)-month period, or (y) a majority of the eligible members of the Board determine in good faith that the Executive will be unable to perform the essential functions of his position, despite any reasonable accommodation required by law, by reason of an illness or injury for a continuous period of not less than six (6) months.

(b) If Executive's employment is terminated by reason of Executive's Disability, Executive shall be entitled to receive only the following in addition to any remaining benefits under Section 1.2(i): (i) any unpaid Base Salary through the date of termination; (ii) any earned but unpaid portion of the stipend referred to in Section 1.2(g) through the date of termination; (iii) any unreimbursed expenses incurred or expended by Executive pursuant to Section 1.2(f) as of the date of termination; and (iv) such stock options, share awards, and grants as shall have fully vested before the date of termination pursuant to the terms of the associated Plans. Executive shall be ineligible for and shall forfeit all rights with respect to any stock option, share awards, and grants that have not vested as of the date of termination. The amounts, if any, in (i), (ii), and (iii), if any, shall be paid at the time and in the manner required by applicable law but in no event later than thirty (30) business days after the date of termination.

2.7 Termination by Executive for Good Reason, by Company without Cause, or by Company pursuant to Section 1.1(a) following a Change in Control.

(a) If, within twenty-four (24) months following a Change in Control, Executive's employment is terminated by Executive for Good Reason, by the Company without Cause, or by the Company pursuant to Section 1.1(a), and such termination constitutes a Separation from Service, Executive shall be entitled to receive the following in addition to the payments provided for in Section 2.3(a) and in lieu of the payments and benefits provided for in Section 2.3(b): (i) an amount equal to 2.99 times the amount of his Base Salary at the time of termination; (ii) an amount equal to 2.99 times the greater of the highest Performance Award (as defined in the EICP) received by the Executive before the date of termination or the Performance Target set out in Section 1.2(b); (iii) full vesting of all stock options, awards, and grants previously awarded; (iv) continued participation in group benefit plans offered by the Company, including 401(k), medical, and life insurance during the remaining eligibility period, as long as it is available and not in contravention of the respective plan's provisions in existence at that time; (v) should Executive timely elect to continue coverage under a group health insurance plan sponsored by Employer or one of its affiliates, pay or reimburse Executive for the cost of continued coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**") for Executive and any of his eligible dependents until the earlier of (A) the date Executive becomes eligible for coverage under another group health insurance plan or otherwise ceases to be entitled to COBRA continuation coverage and (B) eighteen (18) months following the date of termination; (v) pay or reimburse Executive for premiums paid by him for medical insurance coverage for himself and any of his eligible dependents for the period from the date the payments or reimbursement under (vi) ends to three (3) years after the date of termination of employment with the Company; and (vi) reimbursement by the Company for the costs of outplacement services obtained by the Executive within the two (2) year period after termination, not to exceed $20,000; provided, however, that the Company's obligations are contingent on Executive's compliance with his obligations under Appendix A and Appendix B to this Agreement, as such appendices may be amended by mutual agreement, which are incorporated by this reference.

(b) Subject to Section 3.12, the amounts set out in Section 2.7(a)(i) and (ii) shall be paid to Executive in the form of a single lump sum payment on or prior to the date that is sixty (60) days following Executive's Separation from Service.

(c) **Gross-Up Payments.** If any payments or benefits received or to be received by Executive (whether pursuant to the terms of this Agreement or any other plan or agreement with the Company, any person whose actions results in a Change in Control or any person affiliated with the Company or such person) (such payments or benefits, excluding the Gross-Up Payment, the "**Total Payments**") are determined to result in the imposition of excise tax under section 4999 of the Code or any similar excise tax under the Code or under state or local statute the "**Excise Tax**"), the Company shall pay Executive an additional amount (such amount in the aggregate, the "**Gross-Up Amount**," and each payment thereof, or all such payments together, the "**Gross-Up Payment**") intended to compensate or reimburse Executive for the Excise Tax resulting from the Total Payments and for the federal, state and local income tax, employment tax and Excise Tax on the Gross-Up Payment. The purpose of this subsection 2.7(c) is to place Executive in the same economic position Executive would have been in had the Total Payments not been subject to the Excise Tax. For the purposes of this subsection 2.7(c):

(1) the Total Payments, which will consist of those amounts as constituting "parachute payments" (within the meaning of section 280G(b)(2) of the Code after giving effect to Section 280G(b)(4)(A));

(2) the value of any non-cash benefits or any deferred payment or benefit to be taken into account in determining the Total Payments;

(3) the amount of the Total Payments to be treated as "excess parachute payments" within the meaning of Section 280G(b)(1) of the Code, all reductions thereof for amounts representing "reasonable compensation for personal services" (within the meaning of section 280G(b)(4) of the Code) in excess of the "base amount" (within the meaning of section 280G(b)(3) of the Code) allocable to such "reasonable compensation for personal services" and all reductions by or for all such other amounts as are not subject to the Excise Tax;

(4) the amount of the Excise Tax; and

(5) the Gross-Up Amount and each Gross-Up Payment with respect thereto (which Gross-Up Payment(s) in the aggregate, shall equal the Gross-Up Amount),

shall be determined by the accounting firm which was the Company's independent auditor immediately prior to the Change in Control (the "**Auditor**") which determinations shall be subject to approval by written legal opinion (which may be subject to and reflect assumptions, exceptions and standards of certainly normal and reasonable for legal opinions of this type) of tax counsel (the "**Tax Counsel**") selected by the Auditor and approved by Executive as acceptable, which approval of Tax Counsel by Executive shall be timely and not unreasonably withheld.

A Gross-Up Payment shall be paid by the Company to Executive (or for Executive, if and to the extent the Gross-Up Payment is determined to be subject to tax withholding), by no later than the earlier of (i) each date as of which Excise Tax under Section 4999 of the Code is paid or is payable, whichever comes first; and (ii) each date as of which any portion of the Total Payments resulting in the Excise Tax are paid or otherwise provided (excluding dates, but not the amounts of, Total Payments paid or provided other than on, as of or with respect to an event or time that properly constitutes a permissible payment event under Treas. Reg. §1.409A-3) so as to then become properly includable in Executive's gross income for federal income tax purposes; provided, however, that notwithstanding any contrary provision hereof (other than Section 3.12 if applicable), if and to the extent that any amount owed by either party to the other hereunder constitutes a "reimbursement of expenses" within the meaning of Treas. Reg. §1.409A-3(i)(1)(iv) or a "tax gross-up payment" within the meaning of Treas. Reg. §1.409A-3(i)(1)(v), such amounts shall be paid by no later than the end of the taxable year of Executive following the taxable year of Executive in which the amount being reimbursed was paid by Executive.

As a result of the uncertainty in the application of Section 4999 of the Code, it is possible that the Gross-Up Amount and the aggregate of all Gross-Up Payments made as of any point in time as determined by the Auditor to be due to (or on behalf of) Executive will be lower than the Gross-Up Amount actually due ("**Underpayment**"). In the event that Executive thereafter is required to make a payment of any additional Excise Tax, the Auditor shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be paid by the Company to or for the benefit of Executive as an additional Gross-Up Payment, which shall be paid to or for Executive (as applicable) on the date the Excise Tax is paid or payable by Executive (whichever comes first), or as soon thereafter as the calculation of the amount of such additional Gross-Up Payment shall be administratively practicable, but in all events, no later than the end of Executive's taxable year next following Executive's taxable year in which the related taxes are remitted to the taxing authority.

In the event that the Excise Tax is finally determined to be less than the amount taken into account hereunder in calculating the Gross-Up Amount and the Gross-Up Payments paid, Executive shall repay to the Company, within ten (10) business days following the time that the amount of such reduction in the Excise Tax is finally determined, the portion of the Gross-Up Payment attributable to such reduction (plus that portion of the Gross-Up Payment attributable to the Excise Tax and federal, state and local income and employment taxes imposed on the Gross-Up Payment benefit being repaid by Executive, to the extent that such repayment results in a reduction in the Excise Tax and a dollar-for-dollar reduction in Executive's taxable income and wages for purposes of federal, state and local income and employment taxes), plus interest on the amount of such repayment at 120 percent of the rate provided in section 1274(b)(2)(B) of the Code. In the event that the Excise Tax is determined to exceed the amount taken into account hereunder in calculating the Gross-Up Payment (including by reason of any payment the existence or amount of which cannot be determined at the time of the payment of the Gross-Up Payment), the Company shall make an additional Gross-Up Payment in respect of such excess (plus any interest, penalties or additions payable by Executive with respect to such excess) within five (5) business days following the time that the amount of such excess is finally determined, but no later than the end of the calendar year following the calendar year in which the taxes related to the additional Gross-Up Payment are remitted. Executive and the Company shall each reasonably cooperate with the other relative to any administrative or judicial proceedings concerning the existence or amount of liability for the Excise Tax.

Executive's right to receive the Gross-Up Payment provided for in this Section 2.7(c), shall expire and terminate if a Change in Control has not occurred on or before April 23, 2013.

2.8 No Setoff and Disputed Amounts. The Company's obligation to make payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right, or action which Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable, or benefits to be provided to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not the Executive obtains or seeks to obtain other employment. In the event the Company disputes Executive's entitlement to or the Company's obligation to pay, or the calculation of any payment to Executive, the Company will pay any undisputed amounts at the time specified by this Agreement (or if the time for payment of any such undisputed amounts is not specified by this Agreement, within 30 days following Executive's Separation from Service) and will withhold only those payments or parts of payments that are disputed until the dispute can be resolved in accordance with the procedures in this Agreement. The Company shall immediately notify Executive in writing not more than sixty (60) days from the date of termination, how much it is disputing and the reason therefore in sufficient detail that Executive may evaluate the reason for the dispute. Provided that Executive provides notice to the Company within 90 days of the latest date upon which a disputed payment could have been timely made in accordance with the terms of this Agreement and Code Section 409A and further provided that, if not paid, Executive takes further enforcement measures within 180 days after such latest date, such disputed payment will be paid no later than the end of the first taxable year of Executive in which the Company and Executive enter into a legally binding settlement of the dispute, the Company concedes the amount is payable, or the Company is required to make such payment pursuant to a final and nonappealable judgment or other binding decision.

2.9 Investigation; Suspension. The Company may suspend Executive with pay pending an investigation authorized by the Company or an affiliate or a governmental authority or a determination by the Company whether Executive has engaged in acts or omissions constituting Cause, and such paid suspension shall not constitute a termination of Executive's employment. Executive shall cooperate with the Company in connection with any such investigation.

2.10 Earned and Vested Benefits. Nothing in this Agreement is intended to limit any earned, vested benefits (other than any entitlement to severance or separation pay, if any) that Executive may have under the applicable provisions of any benefit plan of the Company in which Executive is participating at the time of the termination of the employment relationship.

2.11 Deemed Resignation. Any termination of Executive's employment with the Company shall constitute an automatic resignation of Executive from all other positions as an employee, officer, director, manager, or other service provider of the Company and each affiliate of the Company, and an automatic resignation of Executive from the Board (if applicable and unless otherwise agreed in writing) and from the board of directors or similar governing body of the Company and any affiliate of the Company and from the board of directors or similar governing body of any corporation, limited liability company or other entity in which the Company or any affiliate holds an equity interest and with respect to which board or similar governing body Executive serves as the Company's or such affiliate's designee or other representative.

2.12 Payments Upon Death. In the event of Executive's death after he becomes entitled to payments pursuant to Section 2.3(b) or 2.7, any remaining unpaid amounts shall be paid, at the time and in the manner such payments otherwise would have been paid to Executive, to such person as Executive shall designate in a written notice to Employer (or, if no such person is designated, to his estate).

3. Miscellaneous Matters.

3.1 Exclusive Dispute Resolution Procedure. In the event either party contends the other has not complied with a provision of this Agreement or asserts any claims under the Employee Retirement Income Security Act, other than under Appendix A and Appendix B to this Agreement, as such appendices may be amended by mutual agreement and which are specifically excluded from this procedure, prior to seeking arbitration as provided for below, the party claiming a violation of this Agreement, shall advise the other party, in writing, of the specifics of the claim, including the specific provision alleged to have been violated, as well as provide the other party with any supporting documentation the party desires to produce at that time. If the Company is disputing amounts that Executive contends are due to him, the Company shall provide a complete statement of the amount it is disputing, the reason it is disputing it, and supporting documentation upon request by Executive. The parties will thereafter meet and attempt to resolve their differences in a period not to exceed thirty (30) days, unless the parties agree in writing to mutually extend the time for one additional thirty (30) day period. Following such attempts to resolve any such dispute, either party may require arbitration of the other. In order to do so, the request must be timely made, in writing, and delivered to the other party (Executive or the Board Chair) within thirty (30) days following the end of the resolution period (or any valid extension thereof) referenced herein above. The parties hereto agree that any controversy or claim arising out of or relating to this Agreement, or any dispute arising out of the interpretation or application of this Agreement, other than under Appendix A and Appendix B to this Agreement, as such appendices may be amended by mutual agreement and which are specifically excluded from this procedure, which the parties hereto are unable to resolve as provided for above, shall be finally resolved and settled exclusively by arbitration in the city where the Company's headquarters are then located or such other location as the parties may agree, by a single arbitrator in accordance with the substantive laws of the State of Texas to the extent not preempted by the Employee Retirement Income Security Act, which shall govern all applicable benefits issues, in keeping with the above required procedure. If the parties cannot agree upon an arbitrator, then each party shall choose its own independent representative, and those independent representatives shall choose the single arbitrator within thirty (30) days of the date of the selection of the first independent representative. The legal expenses of each party shall be borne by them respectively. However, the cost and expenses of the arbitrator in any such action shall be borne equally by the parties. The arbitrator's decision, judgment and award shall be final, binding and conclusive upon the parties and may be entered in the highest court, state or federal, having jurisdiction. The arbitrator to which any such dispute shall be submitted in accordance with the provision of this Article shall only have jurisdiction and authority to interpret, apply or determine compliance with the provisions of this Agreement, but shall not have jurisdiction or authority to add to, subtract from, or alter in any way the provisions of this Agreement.

3.2 Headings. Section and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

3.3 Notices. Any notice, communication, request, reply or advice (here severally and collectively called "**Notice**") required or permitted to be given under this Agreement must be in writing and is effectively given by deposit in the same in the United States mail, postage pre-paid and registered or certified with return receipt requested, by national commercial courier for next day delivery, or by delivering in person the same to the address of the person or entity to be notified. Notice deposited in the mail in the manner herein above described shall be effective 48 hours after such deposit, Notice sent by national commercial courier for next day delivery shall be effective on the date delivered, and Notice delivered in person shall be effective at the time of delivery. For purposes of Notice, the address of the parties shall, until changed as hereinafter provided, be as follows:

(a) If to the Company:

Newpark Resources, Inc.
2700 Research Forest Drive, Suite 100
The Woodlands, Texas 77381
Attention: Chairman of the Board

or at such address as the Company may have advised Executive in writing; and

(b) If to Executive:

Paul L. Howes
23 Rhapsody Bend Court
The Woodlands, Texas 77382

or at such other address as Executive may have advised the Company in writing.

3.4 Waiver. The failure by any party to enforce any of its rights under this Agreement shall not be deemed to be a waiver of such rights, unless such waiver is an express written waiver which has been signed by the waiving party, and in the case of the Company, expressly approved by its Board. Waiver of any one breach shall not be deemed to be a waiver of and other breach of the same or any other provision of this Agreement.

3.5 Choice of Law. The validity of the agreement, the construction of its terms and the determination of the rights and duties of the parties hereto shall be governed by and construed in accordance with the laws of the State of Texas without regard to choice of law principles (provided that the Indemnification Agreement, as amended, referred to in Section 1.2(e) shall be governed by and construed in accordance with the laws of the State of Delaware without regard to choice of law principles.

3.6 Invalidity of Provisions. If any provision of this Agreement is adjudicated to be invalid, illegal or unenforceable under applicable law, the validity or enforceability of the remaining provisions shall be unaffected. To the extent that any provision of this Agreement is adjudicated to be invalid, illegal or unenforceable because it is overbroad, that provision shall not be void but rather shall be limited only to the extent required by applicable law and enforced as so limited.

3.7 Entire Agreement; Written Modifications. This Agreement, Appendix A and Appendix B, and the specific documents referred to and incorporated herein by reference (whether or not copies thereof are attached to this Agreement) together contain the entire agreement between the parties and supersedes all prior or contemporaneous representations, promises, understandings and agreements between Executive and the Company.

3.8 No Assignments; Assumption by Successor. This Agreement is personal to the Company and the Executive and may not be assigned by either party without the prior written consent of the other. The Company will require any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of Company to (i) expressly assume and agree to perform this Agreement in the same manner and the same extent the Company would be required to perform it as if no such succession had taken place; and (ii) notify the Executive of the assumption of this Agreement within ten days of such assumption. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be Good Reason for Executive to elect to terminate employment and this Agreement. As used in this Agreement, Company shall mean Newpark Resources, Inc., and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this agreement by operation of law or otherwise. However, this agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators' successors, heirs, and distributes, devisees, and legatees. Executive shall not have any right to pledge, hypothecate, anticipate, or in any way create a lien upon any payments or other benefits provided under this Agreement; and no benefits payable under this Agreement shall be assignable in anticipation of payment either by voluntary or involuntary acts, or by operation of law, except by will or pursuant to the laws of descent and distribution.

3.9 Attorney's Fees. The prevailing party in any action brought to enforce this Agreement shall be entitled, in addition to such other relief that may be granted, to a reasonable sum for attorney's fees and costs incurred by such party in enforcing or defending against an action to enforce this Agreement.

3.10 Definitions. In this Agreement:

(a) "**Cause**" when used with reference to termination of the employment of Executive by the Company for "Cause," shall mean:

(1) Executive's conviction by a court of competent jurisdiction of, or entry of a plea of guilty or nolo contendere for an act on the Executive's part constituting a felony; or

(2) dishonesty; willful misconduct or gross neglect by Executive of his obligations under this Agreement that results in material injury to the Company;

(3) appropriation (or an overt act attempting appropriation) by Executive of a material business opportunity of the Company;

(4) theft, embezzlement or other similar misappropriation of funds or property of the Company by Executive; or

(5) the failure of Executive to follow the reasonable and lawful written instructions or policy of the Company with respect to the services to be rendered and the manner of rendering such services by Executive provided Executive has been given reasonable and specific written notice of such failure and opportunity to cure and no cure has been effected or initiated within a reasonable time, but not less than 90 days, after such notice.

(b) “**Change in Control**” means the following:

(1) A Change in Control shall be deemed to have occurred if (A) a Takeover Transaction (as defined in subsection 2 of this Section 3.10(b)) occurs; or (B) any election of directors of the Company takes place (whether by the directors then in office or by the stockholders at a meeting or by written consent) and a majority of the directors in the office following such election are individuals who were not nominated by a vote of two-thirds of the members of the Board or, if the Company had a nominating committee at such time, its nominating committee, immediately preceding such election; or (C) the Company effectuates a complete liquidation or a sale or disposition of all or substantially all of its assets.

(2) A “**Takeover Transaction”** shall mean (A) a merger or consolidation of the Company with, or an acquisition of the Company or all or substantially all of its assets by, any other corporation or entity, other than a merger, consolidation or acquisition in which the individuals who were members of the Board immediately prior to such transaction continue to constitute a majority of the Board of Directors or other governing body of the surviving corporation or entity (or, in the case of an acquisition involving a holding company, constitute a majority of the Board of Directors or other governing body of the holding company) for a period of not less than twelve (12) months following the closing of such transaction, or (B) one or more occurrences or events as a result of which any “person” (as such term is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) becomes the “beneficial owner” (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of thirty percent (30%) or more of the combined voting power of the Company’s then outstanding securities.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Good Reason**” means any of the following:

(1) the Company unreasonably interferes in a demonstrably willful and deliberate manner with Executive’s performance of his duties;

(2) the Company adversely changes Executive’s title or changes in any material respect the responsibilities, authority or status of Executive without prior notice and acceptance;

(3) the substantial or material failure of the Company to comply with its obligations under this Agreement or any other agreement that may be in effect that is not remedied within a reasonable time after specific written notice thereof by Executive to the Company;

(4) the diminution of the Executive’s salary and or a material diminution of the Executive’s benefits without prior notice and acceptance;

(5) the failure of the Company to obtain the assumption of this Agreement by any successor or assignee of the Company; or

(6) requiring Executive to relocate more than 50 miles from the then headquarters of the Company;

provided that in any of the above situations, Executive has given reasonable and specific written notice to the Chair of the Board of such failure and the Company has been given a reasonable opportunity to cure and no cure has been effected or initiated within a reasonable time after such notice, and provided further that the Company’s actions consistent with Section 1.2(i) or a suspension of Executive with pay pursuant to Section 2.9 do not constitute “Good Reason.”

(e) “**Separation from Service**” means separation from service (within the meaning of Code Section 409A) with the group of employers that includes the Company and each of its “Affiliates.” For this purpose, “**Affiliate**” means any incorporated or unincorporated trade or business or other entity or person, other than Employer, that along with Employer is considered a single employer under Code Section 414(b) or Code Section 414(c), but (i) in applying Code Section 1563(a)(1), (2), and (3) for the purposes of determining a controlled group of corporations under Code Section 414(b), the phrase “at least 50 percent” shall be used instead of the phrase “at least 80 percent” in each place the phrase “at least 80 percent” appears in Code Section 1563(a)(1), (2), and (3), and (ii) in applying Treasury Regulation Section 1.414(c)-2 for the purposes of determining trades or businesses (whether or not incorporated) that are under common control for the purposes of Code section 414(c), the phrase “at least 50 percent” shall be used instead of the phrase “at least 80 percent” in each place the phrase “at least 80 percent” appears in Treasury Regulation Section 1.414(c)-2.

3.11 Withholding and Deductions. With respect to any payment to be made to Executive, the Company shall deduct, where applicable, any amounts authorized by Executive and permissible under applicable law, and shall withhold and report all amounts required to be withheld and reported by applicable law. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

3.12 Code Section 409A. If Executive is a “specified employee” as defined in Code Section 409A, no benefit or payment that is subject to Code Section 409A (after taking into account all applicable exceptions to Code Section 409A, including but not limited to the exceptions for short-term deferrals, for reimbursements and certain other separation payments, and for “separation pay only upon an involuntary separation from service”) shall be made under this Agreement on account of the Executive’s Separation from Service until the later of the date prescribed for payment in this Agreement or the first day of the seventh month that begins after the date of Executive’s Separation from Service (or, if earlier, the date of death of Executive). For purposes of Code Section 409A, each payment provided for under this Agreement is hereby designated as a separate payment, rather than a part of a larger single payment or one of a series of payments. Any amount that Executive is entitled to be reimbursed under this Agreement will be reimbursed to Executive as promptly as practicable and in any event not later than the last day of the calendar year after the calendar year in which the expenses to be reimbursed are incurred, and the amount of the expenses eligible for reimbursement during any calendar year will not affect the amount of expenses eligible for reimbursement in any other calendar year.

EXECUTED as of the date first written above.

Witnesses:	NEWPARK RESOURCES, INC.
/s/ John A. Grinaldi DDS	By: /s/ Jerry W. Box Jerry Box
/s/ Melissa Lester, RDH	Board Chairman
Witnesses:	
/s/ Cynthia Johnson	/s/ Paul L. Howes Paul L. Howes
/s/ Elayne Johnson	

EXHIBIT 31.1

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: April 30, 2009

/s/ Paul L. Howes

Paul L. Howes, President and
Chief Executive Officer

EXHIBIT 31.2

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

I, James E. Braun, 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: April 30, 2009

/s/ James E. Braun
James E. Braun, Vice President and
Chief Financial Officer

EXHIBIT 32.1

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 March 31, 2009, 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: April 30, 2009

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

EXHIBIT 32.2

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 March 31, 2009, of Newpark Resources, Inc. (the “Company”), as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James E. Braun, 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: April 30, 2009

/s/ James E. Braun
James E. Braun, Vice President and
Chief Financial Officer