TETRA TECHNOLOGIES INC
Form DEF 14A
March 22, 2010

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

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the registrant [X].

Filed by a party other than the registrant [__].

Check the appropriate box:

[__] Preliminary proxy statement.

[__] Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2)).

[X] Definitive proxy statement.

[__] Definitive additional materials.

[__] Soliciting material under Rule 14a-12.

TETRA TECHNOLOGIES, INC.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (check the appropriate box):

[X] No Fee required.

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(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date filed:

TETRA Technologies, Inc.
24955 Interstate 45 North
The Woodlands, Texas 77380

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 5, 2010

To our stockholders:

Where and When. We will hold our 2010 Annual Meeting of Stockholders at our corporate headquarters, 24955 Interstate 45 North, The Woodlands, Texas on Wednesday, May 5, 2010, at 11:00 a.m. local time.

Record Date. Only stockholders of record at the close of business on March 8, 2010 will be entitled to notice of and to vote at the Annual Meeting.

Purpose of the Meeting. We have called the Annual Meeting for the following purposes:

1. To elect nine directors to serve one-year terms ending at the 2011 Annual Meeting of Stockholders, or until their successors have been duly elected or appointed;

2. To ratify and approve the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010;

3. To consider and vote upon a proposal to amend and restate the Amended and Restated 2007 Equity Incentive Compensation Plan; and

4. To transact such other business as may properly come before the Annual Meeting or any adjournments.

You will find more information on our nominees for directors and the other purposes listed above in the attached proxy statement. You will find more instructions on how to vote starting on page 2 of the proxy statement.

Your vote is important! Please promptly vote your shares by telephone, the internet, or, if the proxy statement was mailed to you, by marking, signing, dating, and returning the enclosed proxy card as soon as possible, regardless of whether you plan to attend the Annual Meeting. You may revoke your proxy at any time before it is voted.

I hope you will be able to attend the Annual Meeting.

Bass C. Wallace, Jr.
Corporate Secretary

March 22, 2010
The Woodlands, Texas

TETRA Technologies, Inc.
24955 Interstate 45 North
The Woodlands, Texas 77380

PROXY STATEMENT

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This proxy statement, and the accompanying Notice of the 2010 Annual Meeting of Stockholders and proxy card are first being made available to our stockholders on or about March 22, 2010.

GENERAL INFORMATION

This proxy statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of TETRA Technologies, Inc., to be voted at our Annual Meeting of Stockholders to be held on Wednesday, May 5, 2010 at 11:00 a.m. local time, and at any adjournment(s) thereof. The purposes of the Annual Meeting are set forth in this proxy statement and in the accompanying Notice of Annual Meeting of Stockholders.

The complete mailing address of our principal executive offices is 24955 Interstate 45 North, The Woodlands, Texas 77380, and our telephone number is (281) 367-1983.

Attendance at the Annual Meeting is limited to stockholders as of the record date (or their authorized representatives) with evidence of their share ownership and our guests.

Internet and Electronic Availability of Proxy Materials

As permitted by the rules adopted by the Securities and Exchange Commission ("SEC"), we are making this proxy statement and related proxy materials available on the internet under the "notice and access" delivery model. The "notice and access" model removes the requirement for public companies to automatically send stockholders a printed set of proxy materials and allows companies instead to deliver to their stockholders a "Notice of Internet Availability of Proxy Materials" and to provide access to the documents over the internet. Our Notice of Internet Availability of Proxy Materials ("Notice") was first mailed to stockholders of record and beneficial owners on or about March 22, 2010. The Notice is not a form for voting, and presents only an overview of the more complex proxy materials. Stockholders are encouraged to access and review the proxy materials before voting.

This proxy statement, the form of proxy, and voting instructions are being made available to stockholders on or about March 22, 2010, at www.proxyvote.com. You may also request a printed copy of this proxy statement and the form of proxy by any of the following methods:

- by telephone at 1-800-579-1639;
- via the internet at www.proxyvote.com; or
- by email at sendmaterial@proxyvote.com.

Our Annual Report to Stockholders, including financial statements, for the fiscal year ended December 31, 2009 is being made available at the same time and by the same methods. The Annual Report to Stockholders is not to be considered as a part of the proxy solicitation material or as having been incorporated by reference.

In addition, any stockholder may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. Receiving future proxy materials by email will save the cost of printing and mailing documents to stockholders and will reduce the impact of annual meetings on the environment. A stockholder's election to receive proxy materials by email will remain in effect unless the stockholder terminates it.

General Voting Instructions

Below are instructions on how to vote as well as information on your rights as a stockholder as they relate to voting. Some of the instructions will differ depending on how your stock is held. It is important to follow the instructions that apply to your situation.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Investor Services, you are considered a stockholder of record and the Notice was sent directly to you by us.

If you are a stockholder of record, you may vote in person at the Annual Meeting. Your Notice will be your evidence of ownership and serve as your authorization to vote in person; we will provide a ballot for you when you arrive at the meeting. If you requested printed copies of the proxy materials, check the appropriate box on the proxy card and bring evidence of your share ownership to the meeting. The proxy card and the evidence of your ownership will serve as your authorization to vote in person.

If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You may vote by internet or telephone by following the instructions in the Notice or, if you requested printed copies of the proxy materials, you can also vote by delivering your proxy through the mail.

Beneficial Owners. If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in “street name,” and the Notice was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account.

If you are a beneficial owner, in order to vote in person at the Annual Meeting, you must obtain a valid proxy from the organization that holds your shares and bring evidence of your stock ownership from the organization with you to the meeting.

If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may direct the vote of your shares by the internet or telephone following the instructions on the Notice delivered to you by the organization holding your account. Many brokerage firms, banks, broker-dealers, or other similar organizations participate in the Broadridge Financial Solutions, Inc., Online and Telephone Program. This program provides eligible stockholders the opportunity to vote via the internet or by telephone. Voting forms will provide instructions for beneficial owners if the organization holding their account participates in the program or other similar programs.

401(k) Plan Participants. If you participate in our 401(k) Retirement Plan (the “401(k) Plan”) and have contributions allocated to the TETRA stock fund, you are entitled to direct the 401(k) Plan trustee to vote the shares of our common stock credited to your account as of the close of business on the record date. You may deliver your voting instructions to the 401(k) Plan trustee by internet or telephone by following the instructions on your proxy card, or by indicating your voting instructions on your proxy card and returning it by mail. All proxy cards that are properly completed, signed, and returned by mail or submitted via the internet or by telephone prior to April 30, 2010 will be voted. If you return your proxy card with no voting instructions marked, or if you do not return a proxy card or submit voting instructions via the internet or by telephone, your shares will be voted by the trustee as directed by our 401(k) Plan administrator.

How to Revoke Your Proxy. All valid proxies received prior to the Annual Meeting will be voted in accordance with the instructions so indicated. You may revoke your proxy and change your

vote at any time before the final vote at the Annual Meeting. A proxy may be revoked by a stockholder of record at any time before it is exercised by submitting a written revocation or a later-dated proxy to our Corporate Secretary at the mailing address provided above, by voting again via the internet or telephone, or by attending the Annual Meeting in person and so notifying the Inspector of Elections. If you are a beneficial owner and wish to change your vote, you must contact the organization that holds your shares prior to the Annual Meeting to assist you with this process. If you are a 401(k) Plan participant, you may revoke your voting instructions by submitting a new proxy containing your voting instructions via the internet, by telephone or by delivering a later dated proxy card by mail prior to April 30, 2010.

VOTING RULES

Stockholders Entitled to Vote – the Record Date. We fixed the close of business on March 8, 2010 as the record date for the determination of stockholders entitled to vote at the Annual Meeting and any adjournment(s) thereof. As of the record date, we had issued and outstanding 75,594,057 shares of common stock and no shares of preferred stock.

Quorum Required. A quorum must be present at the Annual Meeting for us to conduct business at the Annual Meeting. To establish a quorum, we need the presence, either in person or by proxy, of holders of a majority of the shares of our common stock issued, outstanding and entitled to vote. We will count abstentions and broker nonvotes to determine whether a quorum is present. Broker nonvotes occur when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power and the nominee has not received voting instructions from the beneficial owner.

Number of Votes. You are entitled to one vote per share of our common stock that you own as of the record date on each matter that is called to vote at the Annual Meeting.

Voting to Elect Directors. When voting to elect directors, you have three options:

- vote for all of the nominees;
- vote for one or more of the nominees, but not all; or
- withhold authority to vote for all of the nominees.

If a quorum is present at the Annual Meeting, the nine persons receiving the greatest number of votes will be elected to serve as directors. Therefore, any shares that are not voted and votes that are withheld will not influence the outcome of the election of directors. Brokers who have not received voting instructions from the beneficial owner do not have the discretionary authority to vote on the election of directors. Therefore, broker nonvotes will not be considered in the vote totals and will have no effect on the vote. You may not cumulate your votes for any one of the nominees.

Voting on Other Matters. When voting on all other matters, you have three options:

- vote FOR a given proposal;
- vote AGAINST a given proposal; or
- ABSTAIN from voting on a given proposal.

Each matter other than the election of directors requires the affirmative vote of a majority of the shares having voting power on such matter present or represented at the Annual Meeting. For the purpose of determining whether a proposal other than the election of directors has received a majority vote, abstentions will be included in the vote totals with the result that an abstention will have the same effect as a vote against the proposal. With respect to the approval of auditors, brokers who have not received voting instructions from the beneficial owner have the discretionary

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authority to vote on this matter. Therefore, broker nonvotes will be included in the vote totals and have the same effect as a vote against this proposal. Brokers do not have discretionary authority to vote on the proposal to amend and restate the Amended and Restated 2007 Equity Incentive Compensation Plan. Consequently, broker nonvotes will not be considered in the vote totals for this proposal and will have no effect on the vote.

In addition to the vote required by our bylaws described above, under New York Stock Exchange ("NYSE") rules, approval of the amendment and restatement of the Amended and Restated 2007 Equity Incentive Compensation Plan requires approval by a majority of votes cast on the proposal, provided that the total votes cast on the proposal represent over 50% in interest of all securities entitled to vote on the proposal. The NYSE takes the position that a broker nonvote is not a "vote cast." Accordingly, broker nonvotes have to be subtracted when determining whether the 50% in interest test has been met.

The proxy confers discretionary authority to the persons named in the proxy authorizing those persons to vote, in their discretion, on any other matters properly presented at the Annual Meeting. Our Board of Directors is not currently aware of any such other matters.

Voting of Proxies with Unmarked Votes. All proxies that are properly completed, signed, and returned or submitted via the internet or by telephone prior to the Annual Meeting will be voted. If you return or submit your proxy with no votes marked, your shares will be voted as follows:

· FOR the election of each of the nominees for director;

· FOR the appointment of Ernst & Young LLP as our independent registered public accounting firm; and

· FOR the approval of the amendment and restatement of the Amended and Restated 2007 Equity Incentive Compensation Plan.

It is possible for a proxy to indicate that some of the shares represented are not being voted as to certain proposals. This occurs, for example, when a broker is not permitted to vote on a proposal without instructions from the beneficial owner of the stock. In such a case, the nonvoted shares will be considered in the manner described above.

Who Counts the Votes. Votes will be counted by Broadridge Financial Solutions, Inc.

Information About the Solicitation of Proxies. Our Board of Directors is soliciting the proxy accompanying this statement in connection with the Annual Meeting. In addition to the solicitation of proxies by use of this proxy statement, our directors, officers and employees may solicit the return of proxies by mail, personal interview, telephone, or email. Our officers and employees will not receive additional compensation for their solicitation efforts, but they will be reimbursed for any out-of-pocket expenses incurred. Brokerage houses and other custodians, nominees, and fiduciaries will be requested, in connection with the stock registered in their names, to forward solicitation materials to the beneficial owners of such stock.

We will pay all costs of preparing, printing, assembling, and delivering the Notice of the Annual Meeting, the Notice, this proxy statement, the enclosed form of proxy card and any additional materials, as well as the cost of forwarding solicitation materials to the beneficial owners of stock and all other costs of solicitation.

PROPOSALS

PROPOSAL NO. 1: Election of Directors

In accordance with our Amended and Restated Bylaws, our Board of Directors has set the size of our Board of Directors at nine members. The Nominating and Corporate Governance Committee of the Board of Directors has recommended, and the Board of Directors has nominated and urges you to vote “FOR” the election of the nine persons listed below who have been nominated to serve one-year terms as directors. Each proxy solicited hereby will be so voted unless you specify otherwise in the proxy. A plurality vote is required for the election of directors in Proposal 1. Accordingly, if a quorum is present at the Annual Meeting, the nine nominees receiving the greatest numbers of votes will be elected to serve as directors. Proxies cannot be voted for more than nine nominees for election to the Board of Directors.

The terms of office of each of the nine current directors will expire at the time of the Annual Meeting. Each of the nine nominees listed below has been recommended by the Nominating and Corporate Governance Committee and nominated by the Board of Directors to serve a one-year term as a director. Pursuant to the terms of our Transition Agreement with Mr. Hertel, if he is recommended by the Nominating and Corporate Governance Committee, we are required to nominate him for election as a director during the term of his employment under the Transition Agreement. Each of the nominees has consented to be named in this proxy statement and to serve as a director, if elected.

It is intended that the proxies solicited hereby will be voted “FOR” the election of such nominees, unless the authority to do so has been withheld. If, at the time of the Annual Meeting, any of the nominees should be unable or decline to serve, the discretionary authority provided in the proxy will enable the proxy holder to vote for a substitute nominee of the Board of Directors. The Board of Directors has no reason to believe that any substitute nominee will be required.

Nominees for Director

The nominees for election as directors are as follows:

Name	Age	Position with us	Director Since
Stuart M. Brightman	53	Director, President and Chief Executive Officer	2009
Paul D. Coombs	54	Director	1994
Ralph S. Cunningham	69	Director	1999
Tom H. Delimitros	69	Director	1994
Geoffrey M. Hertel	65	Director	1984
Allen T. McInnes	72	Director	1993
Kenneth P. Mitchell	70	Director	1997

William D. Sullivan	53	Director	2007
Kenneth E. White, Jr.	63	Director	2002

Biographical summaries of the nominees for director, including the experiences, qualifications, attributes and skills of each director that have been considered by the Nominating and Corporate Governance Committee and the Board of Directors in determining that these nominees should serve as directors, are set forth below. See “Beneficial Stock Ownership of

Certain Stockholders and Management" below for information regarding the number of shares of our common stock owned by each nominee.

Stuart M. Brightman has served as our President and Chief Executive Officer since May 2009, at which time Mr. Brightman was also elected as a director. He served as Executive Vice President and Chief Operating Officer from April 2005 through May 2009. Mr. Brightman also serves as a director of Compressco Partners GP Inc., one of our subsidiaries. From April 2004 to April 2005, Mr. Brightman was self-employed. Mr. Brightman served as president of the Dresser Flow Control division of Dresser, Inc. from April 2002 until April 2004. Dresser Flow Control, which manufactures and sells valves, actuators, and other equipment and provides related technology and services for the oil and gas industry, had revenues in excess of $400 million in 2004. From November 1998 to April 2002, Mr. Brightman was president of the Americas Operation of the Dresser Valve Division of Dresser, Inc. He served in other capacities during the earlier portion of his career with Dresser, from 1993 to 1998. From 1982 to 1993, Mr. Brightman served in several financial and operational positions with Cameron Iron Works and its successor, Cooper Oil Tools. Mr. Brightman received his B.S. degree from the University of Pennsylvania and his Master of Business Administration degree from the Wharton School of Business.

Mr. Brightman has almost thirty years of experience in a manufacturing business related to the oil and gas industry. He has experience in corporate finance and in the management of capital intensive operations. Mr. Brightman's prior service as our Chief Operating Officer and his current position with us as President and Chief Executive Officer also provides our Board of Directors with an in-depth source of knowledge regarding our operations, our executive management team and the effectiveness of our compensation programs.

Paul D. Coombs has served as a member of our Board of Directors since June 1994. Mr. Coombs currently serves on our Reserves Committee. From April 2005 until his retirement in June 2007, Mr. Coombs served as our Executive Vice President of Strategic Initiatives, and from May 2001 to April 2005, as our Executive Vice President and Chief Operating Officer. From January 1994 to May 2001, Mr. Coombs served as our Executive Vice President – Oil & Gas, from 1987 to 1994 he served as Senior Vice President – Oil & Gas, and from 1985 to 1987, as General Manager – Oil & Gas. Mr. Coombs has served in numerous other positions with us since 1982.

Mr. Coombs has almost thirty years of experience with us, which, together with his entrepreneurial approach to management, provides the Board of Directors with insight into our capabilities and personnel. Mr. Coombs has substantial experience with the oil and gas services we provide and with oil and gas exploration and production operations in general.

Ralph S. Cunningham, Ph.D., has served as a member of our Board of Directors since 1999, and as Chairman of our Board of Directors since December 2006. Dr. Cunningham currently serves on our Audit Committee and our Nominating and Corporate Governance Committee. Dr. Cunningham is presently a director and president and chief executive officer of EPE Holdings, LLC, the general partner of Enterprise GP Holdings L.P., a publicly traded partnership subject to the reporting requirements of the Securities Exchange Act of 1934 (the "Exchange Act"). He also serves as a director of Enterprise Products GP, LLC, a director of LE GP, LLC, the general partner of Energy Transfer Equity, L.P., and as a director of DEP Holdings, LLC. Dr. Cunningham is a director of Agrium, Incorporated, a Canadian publicly traded company involved in the agricultural chemicals business, and a director of Cenovus Energy Inc., a Canadian publicly traded independent integrated oil company that was formerly named EnCana Corporation. Dr. Cunningham served as a director of Enterprise Products GP from 1998 until March 2005 and served as chairman and a director of TEPPCO GP from March 2005 until November 2005. He retired in 1997 from CITGO Petroleum Corporation, where he had served as president and chief executive officer since 1995. Dr. Cunningham served as vice chairman of Huntsman Corporation from April 1994 to April 1995; and from August 1990 to April 1994, he served as president of Texaco Chemical Company. Prior to joining Texaco Chemical Company, Dr. Cunningham held various executive positions with Clark Oil & Refining and Tenneco Inc. He began his career in Exxon's refinery operations. Dr. Cunningham received his B.S. degree in Chemical Engineering from Auburn University and his M.S. and Ph.D. degrees in Chemical Engineering from Ohio State University.

Dr. Cunningham has extensive experience in both the international oil and gas and chemicals industries, both as a director and in management positions with various operational responsibilities. He has significant board experience, having served as a director of public companies for approximately sixteen years.

Tom H. Delimitros has served as a member of our Board of Directors since 1994. Mr. Delimitros is Chairman of our Audit Committee and also serves on our Management and Compensation Committee and our Reserves Committee. He is a founding general partner of AMT Venture Funds, a private limited partnership formed in 1991 that provides equity and debt capital to emerging growth companies involved in advanced material technologies and the energy sector. Mr. Delimitros is also a director and is chairman of the audit committee of the board of directors of Plains Exploration & Production Company, a publicly held energy company that is subject to the reporting requirements of the Exchange Act. Mr. Delimitros received his B.S. and M.S. degrees in Materials Science and Engineering from the University of Washington in Seattle, where he currently serves as a University of Washington Foundation Board member, and he received his Master of Business Administration degree from Harvard University.

As a venture capitalist, Mr. Delimitros has worked with numerous smaller companies in the energy and chemicals industries and he brings a valuable entrepreneurial approach to management and compensation issues. Mr. Delimitros has extensive experience in corporate finance and accounting, as well as with the operation of chemicals businesses, including chemicals utilized in the oil and gas services industry.

Geoffrey M. Hertel has served as a member of our Board of Directors since 1984 and is a member of our Reserves Committee. Mr. Hertel previously served as our President from May 2000 through May 2009, and as our Chief Executive Officer from May 2001 through May 2009. Mr. Hertel remains employed by us, assisting in strategic planning. From January 2000 to May 2001 he also served as our Chief Operating Officer. From January 1994 to 2000, Mr. Hertel served as our Executive Vice President – Finance and Administration. He joined us in March 1993 as Senior Vice President – Finance and Administration. From 1981 to 1984 Mr. Hertel was associated with us as a nonvoting director and a special consultant to the board. Mr. Hertel has served as chairman of the board of directors of Compressco Partners GP Inc., one of our subsidiaries, since October 2008. He has served as president and a director of Fairway Petroleum, Inc., a private oil and gas company, since 1980, and as a director of Life-Tech, Inc., a private manufacturer of medical devices, since 1991. From 1972 to 1984, Mr. Hertel held various positions with Rotan Mosle, Inc., an investment banking firm, including senior vice president – corporate finance. Mr. Hertel received his B.A. degree in Finance and his Master of Business Administration degree from Michigan State University.

Mr. Hertel's long-term involvement with us as a director, chief financial officer and chief executive officer contributes an in-depth knowledge of our operations and a sense of strategic continuity to our Board of Directors. Mr. Hertel has considerable experience in corporate finance, strategic planning, and with the oil and gas services industry and the exploration and production of oil and gas.

Allen T. McInnes, Ph.D., has served as a member of our Board of Directors since 1993. He served as our President and Chief Executive Officer from April 1996 to January 2000. He has served as dean of the business school of Texas Tech University since September 2001. He has served as chairman of the board of TGC Industries, a publicly traded company that is subject to the reporting requirements of the Exchange Act and is involved in the geophysical business, since July 1993, and as a director of Chase Packaging Corporation, which is a shell company as defined in Rule 12b-2 of the Exchange Act, and a public company that is subject to the reporting requirements of the Exchange Act, since 1993. Dr. McInnes was a director of Alamosa Holdings, Inc., from February 2003 until December 2007. Dr. McInnes is a former executive vice president and director of Tenneco Inc., where at various times he had overall corporate-level responsibility for chemicals, minerals, packaging, international development, and real estate operations. Dr. McInnes received his B.B.A. degree in Finance, his Master of Business Administration degree, and his Ph.D. degree in Finance from the University of Texas, and he completed the Advanced Management Program at Harvard Business School in 1973.

Dr. McInnes has substantial experience in the leadership of large organizations and in corporate finance and accounting. In addition, Dr. McInnes' current position as Dean of the business school of Texas Tech University provides the board with an important link to recent developments in business management practices.

Kenneth P. Mitchell has served as a member of our Board of Directors since 1997. Mr. Mitchell is Chairman of our Nominating and Corporate Governance Committee and also serves on our Management and Compensation Committee. He is presently lead director and chairman of the executive committee of Balchem Corporation, a public company that is subject to the reporting requirements of the Exchange Act, that manufactures microencapsulated products and is a specialty repackager of industrial gases. Mr. Mitchell served as president and chief executive officer of Oakite Products, Inc., a specialty chemicals company, from 1986 until his retirement in 1993. From 1964 to 1986, he held a number of executive positions with Diamond Shamrock Corporation, all of which were related to various commodity and specialty chemicals businesses. Mr. Mitchell received his B.S. degree in Marketing and Finance from Ohio State University, and he completed the Senior Executive Program at M.I.T. in 1979.

Mr. Mitchell has extensive experience in various management roles in the specialty chemicals industry, including manufacturing, sales and marketing. In addition, Mr. Mitchell has considerable experience in executive compensation matters.

William D. Sullivan has served as a member of our Board of Directors since August 2007. Mr. Sullivan currently serves on our Management and Compensation Committee, our Nominating and Corporate Governance Committee, and our Reserves Committee. Mr. Sullivan currently serves as a director of Compressco Partners GP Inc., one of our subsidiaries. Mr. Sullivan is the non-executive chairman of the board of directors and serves on the nominating and corporate governance and compensation committees of St. Mary Land & Exploration Company, a publicly traded exploration and production company. Mr. Sullivan is also a director, serves on the audit and nominating and corporate governance committees, and is chairman of the conflicts committee of Legacy Reserves GP, LLC, the general partner of Legacy Reserves, LP, a publicly traded limited partnership holding oil and gas producing assets, primarily in the Permian Basin. Mr. Sullivan is a director and serves on the conflicts and audit committees of Targa Resources Partners GP, LLC, the general partner of Targa Resources Partners LP, a publicly traded limited partnership focused on mid-stream gas gathering, processing, liquids fractionation, and transportation. From 1981 through August 2003, Mr. Sullivan was employed in various capacities by Anadarko Petroleum Corporation, most recently as executive vice president, exploration and production. From August 2003 through June 2005, Mr. Sullivan was not in, and since August 2005 Mr. Sullivan has not entered into, an employment relationship with any employer. From June 2005 through August 2005, Mr. Sullivan served as president and chief executive officer of Leor Energy LP. Mr. Sullivan received his B.S. degree in Mechanical Engineering from Texas A&M University.

Mr. Sullivan has significant management experience in mid-stream oil and gas operations and in the exploration and production of oil and gas on an international level. Mr. Sullivan also has substantial experience in executive compensation matters and in serving on the boards of publicly held corporations and publicly traded limited partnerships operating in the oil and gas industry.

Kenneth E. White, Jr. has served as a member of our Board of Directors since 2002. Mr. White is Chairman of our Management and Compensation Committee, Chairman of our Reserves Committee, and also serves on our Audit Committee. He served as president and chief operating officer and a director of Torch Energy Advisors, a private company that owns and operates oil and gas projects on behalf of its investors, until his retirement in January 2001. Prior to his initial employment with Torch in 1989, Mr. White served as executive vice president and general manager of Gruy Engineering, a petroleum consulting firm affiliated with Torch. From 1982 to 1989, Mr. White served in several positions related to Gulf Coast reservoir management and engineering with Tenneco Oil. He received his B.S. degree in Mechanical Engineering from Louisiana State University.

Mr. White has substantial experience in the oil and gas industry, including with regard to the management, operation and analysis of oil and gas reserves. In addition, Mr. White has significant experience in executive compensation matters.

The Board of Directors recommends that you vote “FOR” the election of each of the above named nominees.

PROPOSAL NO. 2: Appointment of Independent Registered Public Accounting Firm

Proposal 2 requests stockholder approval of the Board of Directors’ appointment of the firm of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2010. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they desire and to respond to appropriate questions from those attending that meeting. Ernst & Young LLP have served as our independent auditors since 1981.

Our organizational documents do not require our stockholders to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm. We are doing so, as we have done in prior years, because we believe it is a matter of good corporate practice. If our stockholders do not ratify the appointment, the Audit Committee may reconsider its selection of the firm as our independent registered public accounting firm for the year ending December 31, 2010, but the Audit Committee may also elect to retain the firm.

The Board of Directors recommends that you vote “FOR” ratification and approval of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the 2010 fiscal year, and proxies returned will be so voted unless contrary instructions are indicated thereon.

PROPOSAL NO. 3: Approval of the Amendment and Restatement of our Amended and Restated 2007 Equity Incentive Compensation Plan

Our stockholders are being asked to consider and vote on a proposal to approve the amendment and restatement of the Amended and Restated 2007 Equity Incentive Compensation Plan, which is being renamed the “2007 Long Term Incentive Compensation Plan” and is referred to in this description as the 2007 LTIP. If the proposed amendment and restatement is approved by our stockholders, the 2007 LTIP will provide us with more flexibility in creating incentives for our employees, officers, directors and consultants. Our Board of Directors has approved the amendment and restatement of the Amended and Restated 2007 Equity Incentive Compensation Plan, subject to the approval of our stockholders at the Annual Meeting. Our executive officers and members of our Board of Directors will be eligible to receive awards under the 2007 LTIP and therefore have an interest in this proposal. We also have grants outstanding under the 1990 Stock Option Plan, as amended, the 1996 Stock Option Plan for Nonexecutive Employees and Consultants, the 1998 Director Stock Option Plan, as amended and restated, and the Amended and Restated 2006 Equity Incentive Compensation Plan, and each of these plans remains in effect in accordance with their terms, although no further options or awards may be granted under such plans.

The 2007 LTIP was originally adopted by our Board of Directors as the 2007 Equity Incentive Compensation Plan, and it was approved by our stockholders on May 4, 2007. Subsequently, our Board of Directors approved and adopted the Amended and Restated 2007 Equity Incentive Compensation Plan, primarily to meet the requirements of, and to facilitate compliance with, Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”). On May 9, 2008, our stockholders approved a further amendment to the Amended and Restated 2007 Equity Incentive Compensation Plan to increase the number of shares available under the plan from 90,000 to 4,590,000. Pursuant to our bylaws, approval of the currently proposed amendments requires the affirmative vote of a majority of the common shares represented in person or by proxy and entitled to vote on the proposal at the annual meeting of stockholders. In addition, under the rules of the NYSE, approval of the amendments requires approval by a majority of votes cast on the proposal, provided that the total votes cast on the proposal represents over 50% in interest of all securities entitled to vote on the proposal. If the stockholders approve the proposed amendments, the 2007 LTIP will be effective as of May 5, 2010. A copy of the 2007 LTIP, as amended and restated to reflect the proposed amendments, is attached to this proxy statement as Appendix A, in which we have shown the changes resulting from the proposed amendments, with deletions indicated by strikeouts and additions indicated by underlining. The following description of the proposed amendments to the Amended and Restated 2007 Equity Incentive Compensation Plan and of the 2007 LTIP itself is not intended to be complete and is qualified by reference to Appendix A, which contains the complete, marked text of the 2007 LTIP, as amended and restated to reflect the proposed amendments.

Summary of Proposed Amendments to the Plan

The following is a summary of the proposed amendments to the Amended and Restated 2007 Equity Incentive Compensation Plan. The full text of the 2007 LTIP, as amended and restated, is attached to this proxy statement as Appendix A for your reference.

The proposed amendments to the Amended and Restated 2007 Equity Incentive Compensation Plan will:

- clarify the authority of the Management and Compensation Committee with respect to the administration of the 2007 LTIP;

· increase the number of shares authorized for issuance under the 2007 LTIP by 1,000,000 shares from 4,590,000 shares (of which 926,826 shares remain available for grant as of March 8, 2010) to 5,590,000 shares;

· increase the maximum number of shares that may be granted to a participant in any calendar year from 100,000 to 400,000 shares;

· increase the maximum value of performance awards denominated or payable in dollars, stock or other awards that any participant may receive in any calendar year from $1,000,000 to $2,000,000;

· amend provisions concerning share usage while still expressly providing that the number of shares available for grant will not be increased by actions such as the tendering or withholding of shares in payment of a stock option exercise, or the withholding of shares to satisfy tax withholding obligations;

· allow performance awards to be settled in cash, shares of common stock, other awards or property;

· add certain financial measures to the business criteria that may be used to establish the performance goals applicable to performance awards;

· allow the Management and Compensation Committee the discretionary authority to accelerate the vesting period with respect to outstanding stock options, stock appreciation rights and restricted stock upon the retirement, death, or disability of a plan participant;

· amend provisions relating to consultants to conform with the provisions applicable to employees; and

· extend the termination date of the 2007 LTIP to February 27, 2017.

Equity Philosophy

As described in more detail in the Compensation Discussion and Analysis included in this proxy statement, our equity compensation philosophy is to pay for performance through competitive compensation programs that relate directly to our short and long-term goals, and to reward executives, managers, and professionals who achieve these goals, while at the same time, remaining sensitive to the potential impact on our other stockholders. Stock-based awards linked to our short and long-term goals provide a significant incentive to our employees for improved performance, and we believe equity awards are critical to attracting and retaining employees who are vital to our development and financial success, while also aligning the employees' interests with those of our stockholders.

In connection with our equity-based compensation programs, we seek to balance our need to attract and retain employees with efforts to closely monitor and reduce our "burn rate," which is the total number of equity awards granted in a given year divided by the number of common shares outstanding at the end of such year. Our three-year average burn rate for 2007 through 2009 is 1.99%, which is under the allowable threshold recommended by RiskMetrics Group. The selection of employees and consultants who may receive awards under the 2007 LTIP and the amount and timing of any such awards will be determined by the Management and Compensation Committee pursuant to our Procedures for Grants of Awards under the TETRA Technologies, Inc. Equity Compensation Plans (the "Grant Procedures") for awards to be made under the plans. The Nominating and Corporate Governance Committee will be responsible for making recommendations regarding any awards to our non-employee directors, with such recommendations subject to final action of the Management and Compensation Committee and, with regard to members of those committees, the entire Board of Directors.

We strongly believe that our equity compensation philosophy has been a key component of our past success and will be equally important in the years ahead. Accordingly, approval of the proposed amendment and restatement of the 2007 LTIP is critical to our ability to attract, retain, and reward the caliber of employees necessary for continued achievement of superior performance.

Summary of Material Features of the Plan

The 2007 LTIP, as amended, will continue to provide for the grant to eligible persons of stock options, restricted stock, bonus stock, stock appreciation rights, and performance awards (collectively, "Awards").

The following are key features of the 2007 LTIP, including the proposed amendments.

- The 2007 LTIP is administered by the Management and Compensation Committee which has authority to (i) select the participants to whom awards may be granted, (ii) determine the type, amount, terms, and conditions of awards, (iii) modify or amend awards including the discretionary acceleration of vesting or the extension of the post-termination exercise period in certain circumstances, and (iv) interpret and determine any and all matters relating to the administration of the 2007 LTIP and the award grants.

- If the amendments are approved, the maximum number of shares of our common stock authorized under the 2007 LTIP will be 5,590,000 shares, or approximately 7.4% of our currently outstanding shares.

- At the time of grant, the exercise price of any option or stock appreciation right cannot be less than the fair market value of our common stock as of the date of grant.

- The 2007 LTIP does not allow liberal share counting. The 2007 LTIP provides that the plan share limit will not be increased by shares delivered or withheld to pay the exercise price of awards or to pay tax withholding obligations, nor will it be increased in connection with the exercise of a stock appreciation right, whether or not all of the shares of common stock covered by the right are actually issued upon exercise of the stock appreciation right.

- Stock options and stock appreciation rights cannot be repriced without the approval of our stockholders. The 2007 LTIP requires stockholder approval for any material plan amendments in accordance with NYSE rules.

Available Shares

If the amendments are approved, the maximum number of shares of common stock that may be covered by Awards granted under the 2007 LTIP shall be 5,590,000 shares, subject to adjustment in the event of stock splits and certain other corporate events. For purposes of implementing the limitation on the maximum number of shares of common stock that may be covered by Awards granted under the 2007 LTIP, an Award of an option or a stock appreciation right in respect of one share of common stock shall be deemed to be an Award of one share of common stock on the date of grant. An Award of a share of bonus stock or restricted stock shall be deemed to be an Award of 1.15 shares of common stock for every one share granted on the date of grant. With respect to any performance award to be settled in shares of common stock, the value of the maximum benefits that may be paid under a performance award shall be divided by the fair market value per share of common stock as of the date of grant of the performance award, and each share resulting from such computation shall be deemed to be an Award of 1.15 shares of common stock on the date of grant. If the number of shares issued in settlement of such performance award exceeds the number determined to have been issued on the grant date, each additional share issued shall be deemed to be an Award of 1.15 shares of common stock. In addition, during any calendar year, the number of shares of common stock reserved for issuance under the 2007 LTIP which are subject to Awards that may be granted to any one participant shall

not exceed 400,000 shares, subject to adjustment in the event of stock splits and certain other corporate events, and the maximum dollar amount of cash or fair market value of common stock that any participant may receive under a performance award may not exceed $2,000,000. To the extent shares cease to be issuable under an Award made under the 2007 LTIP, they will be available under the 2007 LTIP for the grant of additional Awards in the same amount as such shares were counted against the limit on the date of grant unless such shares cease to be subject to an Award because of the exercise of the Award or the vesting of a restricted stock award or similar Award. If any performance award granted under the 2007 LTIP may only be settled in cash, such award shall not be counted against the maximum number of shares that may be covered by Awards under the 2007 LTIP. Shares tendered or withheld in payment of the exercise price of a stock option do not increase the number of shares available under the 2007 LTIP. Shares withheld to satisfy tax withholding obligations on the exercise, vesting, or earning of an Award are not added to the shares authorized under the 2007 LTIP. All shares subject to a stock appreciation right, to the extent exercised, are considered issued, regardless of the actual number of shares issued to the participant.

Persons Eligible to Participate

Except with respect to Awards of incentive stock options, all employees, consultants, and non-employee directors of us and our affiliates are eligible to participate in the 2007 LTIP. Incentive stock options may be awarded only to employees. In selecting employees and consultants to receive Awards, including the type and size of the Award, the Management and Compensation Committee may consider any factors that it deems relevant. In considering Awards for non-employee directors, the Management and Compensation Committee shall consider the recommendations of the Nominating and Corporate Governance Committee and such other factors as the Management and Compensation Committee may consider relevant. As of March 8, 2010, there were approximately 2,840 employees and seven non-employee directors eligible to participate in the 2007 LTIP.

Administration

The 2007 LTIP will be administered by the Management and Compensation Committee, which consists of three or more directors appointed by the Board of Directors. The members of the Management and Compensation Committee as of the date of this proxy statement are Messrs. Delimitros, Mitchell, Sullivan and White (as Chairman). Our Board of Directors has determined that each of these directors is an “independent” director as defined under the rules of the NYSE. No person shall be eligible to serve on the Management and Compensation Committee unless such person is a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act, as then in effect, and also an “outside director” within the meaning of Section 162(m) of the Code and the rules and regulations thereunder. Subject to the provisions of the 2007 LTIP, the Management and Compensation Committee will (i) select the participants to whom awards may be granted, (ii) determine the type, amount, terms and conditions of awards, (iii) modify or amend awards including the discretionary acceleration of vesting or the extension of a post-termination exercise period in certain circumstances, (iv) interpret the 2007 LTIP and all Awards under the 2007 LTIP, (v) make rules as it deems necessary for the proper administration of the 2007 LTIP, (vi) make all other determinations necessary or advisable for the administration of the 2007 LTIP, and (vii) correct any defect or supply any omission or reconcile any inconsistency in the 2007 LTIP or in any Award under the 2007 LTIP in the manner and to the extent that it deems desirable to effectuate the 2007 LTIP. Any action taken or determination made by the Management and Compensation Committee pursuant to the 2007 LTIP will be binding on all parties. No member of the Board of Directors or the Management and Compensation Committee will be liable for any action or determination made in good faith with respect to the 2007 LTIP or an Award granted thereunder.

Types of Awards

The 2007 LTIP provides for the grant of any or all of the following types of Awards: (i) stock options, including incentive stock options and nonqualified stock options; (ii) restricted stock; (iii) bonus stock; (iv) stock appreciation rights; and (v) performance awards. All Awards will be evidenced by a written agreement and the terms, conditions, and/or restrictions contained in an Award may differ from the terms, conditions, and/or restrictions contained in any other Award. Each type of Award is discussed in more detail below.

Stock Options. The Management and Compensation Committee has the authority to grant options, in such form as the Management and Compensation Committee may from time to time approve, subject to the terms of the 2007 LTIP. The Management and Compensation Committee also has the authority to determine whether options granted to employees will be incentive options or nonqualified options.

To exercise an option granted under the 2007 LTIP, the person entitled to exercise the option must deliver to us payment in full of the exercise price for the shares being purchased, together with any required withholding tax, unless other arrangements have been made with the Management and Compensation Committee. The payment must be (i) in cash or check, (ii) with the consent of the Management and Compensation Committee, in shares of common stock already owned by the person for more than six months, or (iii) with the consent of the Management and Compensation Committee and in compliance with such instructions as the committee may specify, by sale through a broker. The value (the “Fair Market Value”) of each share of common stock delivered as payment of the exercise price on any given date will be deemed to be equal to the closing price on the principal exchange or over-the-counter market on which such shares are trading.

Except as described below, no option may be exercised later than the date which is ten years after the date of grant. The exercise price at which shares of common stock may be purchased upon the exercise of an option shall not be less than the Fair Market Value on the date of grant of the option. In the case of incentive stock options granted to employees owning more than ten percent (10%) of the total combined voting power of us and our affiliates, the exercise price at which shares of common stock may be purchased upon the exercise of such incentive option shall be equal to one hundred ten percent (110%) of the Fair Market Value per share of common stock at the time of the grant, and such incentive option may not be exercised later than five years after the date of grant. The aggregate fair market value (determined as of the respective date or dates of grant) of shares of common stock for which one or more options granted to any employee under the 2007 LTIP (or any other option plan of ours or our affiliates) may for the first time become exercisable as incentive stock options during any one calendar year cannot exceed $100,000.

The exercise price for and the number of shares of common stock subject to existing options shall be subject to appropriate adjustments in the event that the outstanding shares of our common stock are changed into or exchanged for a different number or kind of shares or other securities by reason of merger, consolidation, recapitalization, reclassification, stock split, stock dividend, combination of shares, or the like. The 2007 LTIP does not permit the Management and Compensation Committee to reprice options without stockholder approval. The 2007 LTIP does not provide the Management and Compensation Committee with discretionary authority to accelerate the vesting of Awards without stockholder approval except upon the retirement, death, or permanent disability of a participant or upon the occurrence of a change in control. The Management and Compensation Committee shall determine, at the date of grant, the time or times at which the options will be exercisable.

Restricted Stock Awards. The 2007 LTIP authorizes the Management and Compensation Committee to grant Awards in the form of restricted shares of common stock. These Awards are subject to such restrictions as the Management and Compensation Committee may impose, including forfeiture, transfer, and repurchase restrictions, and in no event will the term of any such Award exceed ten years. We have the right to repurchase restricted shares for the amount of cash paid for such shares, if any, if the participant terminates employment with or services to us prior to the lapse of such restrictions, or if the restricted stock is forfeited by the participant in accordance with the Award thereof.

Bonus Stock. The Management and Compensation Committee has the authority to grant shares of our common stock as “bonus stock” to employees, consultants, and non-employee directors of us or our affiliates for the performance of services by such individuals without additional consideration, except as may be required by the Management and Compensation Committee.

Stock Appreciation Rights. The Management and Compensation Committee may grant stock appreciation rights (rights to receive the excess of the Fair Market Value of the common stock on the date of exercise over the Fair Market Value of the common stock as of the date of grant), in shares of common stock. The Management and Compensation Committee may provide that the excess may not exceed a specified amount. The Management and Compensation Committee shall determine, at the date of grant, the time or times at which and the circumstances under which a stock appreciation right may be exercised. The term of such Award may not exceed ten years.

Performance Awards. The 2007 LTIP authorizes the Management and Compensation Committee to grant performance awards that may be settled in shares of common stock, cash, or other awards or property upon the attainment of certain performance goals measured over a designated performance period. After the end of each performance period, the Management and Compensation Committee will determine the amount, if any, of performance awards payable to each participant based upon the achievement of the performance goals. In the case of any performance award granted under the 2007 LTIP to our Chief Executive Officer or any of our four highest paid officers (other than the Chief Executive Officer), the performance goals will be objective and meet the requirements of Section 162(m) of the Code, and regulations thereunder, including the requirement that achievement of performance goals be substantially uncertain at the time of grant.

The performance goals may differ among Awards or participants; however, the Management and Compensation Committee may not exercise discretion to increase any amount payable under a performance award intended to comply with Section 162(m) of the Code. In establishing performance goals, the Management and Compensation Committee may use one or more of the following business criteria on a consolidated basis or for our specified subsidiaries, divisions, or business or geographical units: (i) earnings per share; (ii) increase in price per share; (iii) increase in revenues; (iv) increase in cash flow; (v) return on assets; (vi) return on investments; (vii) return on equity; (viii) return on net capital employed; (ix) economic value added; (x) gross margin; (xi) net income; (xii) earnings before interest, taxes, depreciation, depletion and amortization; (xiii) earnings before interest and taxes; (xiv) profit before taxes; (xv) operating income; (xvi) total stockholder return; (xvii) debt reduction; (xviii) health, safety and environmental performance; and (xix) any of the above goals determined on an absolute or relative basis or as compared to the performance of a published or special index deemed applicable by the Management and Compensation Committee, including, but not limited to, a market index or a group of comparable companies.

The amount determined to be payable under a performance award shall be paid in cash, other Awards or other property, or in shares of common stock, subject to the availability of shares under the 2007 LTIP. If a performance award is payable in shares, the number of shares of common stock to be paid shall be determined by dividing the amount of the performance award earned by the Fair Market Value per share of common stock on the determination date. A stock certificate evidencing the resulting shares of common stock (to the nearest full share) shall be delivered to the participant or his or her personal representative, and the value of any fractional share will be paid in cash. In the event there is not a sufficient number of shares available under the 2007 LTIP at the time of payment of any performance award, the performance award shall be paid first in shares to the extent available and the remainder shall be paid in cash; provided, however, that the Management and Compensation Committee may not increase the amount payable under any outstanding performance award which is intended to comply with Section 162(m) of the Code.

Transferability

Except as otherwise provided in the 2007 LTIP, no Award and no right under the 2007 LTIP, other than bonus stock or restricted stock as to which restrictions have lapsed, is (i) assignable, saleable, or transferable by a participant, or (ii) subject to any encumbrance, pledge, or charge of any nature. Any attempted transfer in violation of the 2007 LTIP will be void and ineffective for all purposes. The Management and Compensation Committee may, however, establish rules and procedures to allow the transfer of specific nonqualified stock options for estate planning purposes to one or more immediate family members or related family trusts or partnerships, or similar entities.

Change in Control

Unless otherwise provided in an Award, upon the occurrence of a change in control (defined generally as certain reorganizations, mergers, consolidations, sales of all or substantially all of our assets, or liquidations), the Management and Compensation Committee may, but is not required to, (i) accelerate vesting and the time at which all options and stock appreciation rights then outstanding may be exercised; (ii) waive all restrictions and conditions of all restricted stock then outstanding; or (iii) determine to amend performance awards or substitute new performance awards in consideration of the cancellation of outstanding performance awards.

If approved by our Board of Directors prior to or within 30 days after a change in control, the Board of Directors will have the right for the 45-day period following the change in control to require all participants to transfer to us all Awards previously granted to the participants in exchange for an amount equal to the cash value of the Awards. The cash value of an Award will equal the sum of (i) the cash value of all benefits to which the participant would be entitled upon settlement or exercise of any Award which is not an option or restricted stock and (ii) in the case of an option or restricted stock, the excess of the market value per share over the option price, or the market value per share of restricted stock, multiplied by the number of shares as to which such Award is vested.

Termination, Death, Disability and Retirement

Unless otherwise provided for in an Award, if the employment of an employee or service of a non-employee director or consultant is terminated for any reason other than death, disability, or retirement, any nonvested Award outstanding at the time of such termination will terminate, no further vesting will occur, and the participant will be entitled to exercise his or her exercise rights with respect to any portion of the Award which is vested until the earlier of (i) the expiration date set forth in the Award, or (ii) three months after the termination date.

Unless otherwise provided for in an Award, upon the retirement of a participant, any nonvested portion of an outstanding Award will terminate and no further vesting will occur; provided, however, that the Management and Compensation Committee, at its discretion, may accelerate the vesting of the nonvested portion of an outstanding award. Any exercise rights with respect to any vested Award will expire on the earlier of (i) the expiration date set forth in the Award, or (ii) twelve months after the date of retirement.

Unless otherwise provided for in an Award, (i) upon the termination due to the disability of a participant, (ii) upon the death of a participant, (iii) with respect to a participant who is either a retired former employee, non-employee director or consultant who dies during the period in which

he or she can exercise any vested Award (the "applicable retirement period"), or (iv) with respect to a disabled former employee, non-employee director or consultant who dies during the period that expires on the earlier of the expiration date set forth in any applicable outstanding Award or the first anniversary of the person's termination due to disability (the "applicable disability period"), any nonvested portion of an outstanding Award that has not already terminated will terminate and no further vesting will occur; provided, however, that upon the termination of employment or service due to the death or disability of a participant, the Management and Compensation Committee, at its discretion, may accelerate the vesting of the nonvested portion of an outstanding award. Any exercise rights with respect to any vested Award will expire on the earlier of (i) the expiration date set forth in the Award, or (ii) the later of (x) the first anniversary of such termination due to death or disability, or (y) the first anniversary of such person's death during the applicable retirement period (except in the case of an incentive stock option), or the applicable disability period.

The Management and Compensation Committee, in its discretion and on an individual basis, may provide that the vested portion of a stock option or stock appreciation right may remain exercisable for such period and upon such terms and conditions as are determined by the Management and Compensation Committee in the event that a participant ceases to be an employee, consultant or non-employee director, provided that such continuation may not exceed the expiration date set forth in the Award.

Adjustments Upon Changes in Capitalization or Reorganization

The type or number of shares authorized under the 2007 LTIP or subject to an Award and/or the exercise or purchase price applicable to an Award, subject to any required action by our stockholders, will automatically be proportionately adjusted in the event of a subdivision or consolidation of shares, payment of stock dividend, or any other increase or decrease in the number of shares effected without receipt of consideration by us, or in the event of a reorganization, merger, consolidation, or recapitalization.

Amendment or Termination of the Plan and Amendment of Awards

Except with respect to Awards then outstanding, if not sooner terminated by the Board of Directors, the 2007 LTIP will terminate on, and no further Awards shall be made after, February 27, 2017; provided that the termination of the 2007 LTIP will not affect any Award then outstanding, which shall continue to be governed by the terms of the 2007 LTIP. The Board of Directors may amend, suspend, or terminate the 2007 LTIP; provided, however, that no amendment, suspension, or termination of the 2007 LTIP may, without the consent of the holder of an Award, terminate such Award or adversely affect such person's rights in any material respect. Moreover, no amendment to the 2007 LTIP will be effective prior to its approval by our stockholders to the extent that (i) it would provide or accelerate vesting other than in connection with a change in control, or upon the retirement, death or disability of a participant, or would change stockholder approval requirements relating to option repricing, or (ii) such approval is required by applicable law, or the requirements of any securities exchange on which our stock may be listed or admitted for trading. The Board of Directors may, however, amend the 2007 LTIP as necessary to permit Awards to meet the requirements of the Code or other applicable laws, or to prevent adverse tax consequences to participants.

Subject to the restrictions set forth in the 2007 LTIP, the Management and Compensation Committee may amend any outstanding Award and may waive or accelerate any requirement or condition of an Award including the acceleration of vesting or waiver of restrictions; however, the Management and Compensation Committee may not waive or accelerate any term or condition of an Award (i) if it would cause adverse tax consequences under Section 409A of the Code, or (ii) if the Award is intended to qualify as performance-based compensation for purposes of Section 162(m) of the Code and such action would cause the Award not to so qualify. The Management and

Compensation Committee may not amend any outstanding Award in a manner that would adversely affect, in any material respect, the rights of a 2007 LTIP participant without such participant's consent.

New Plan Benefits

The 2007 LTIP is discretionary and the benefits and amounts of any awards to be received by our executive officers and other employees in the future are not determinable. Under the compensation arrangements for our non-employee directors, each of our current non-employee directors will receive a grant of restricted stock on May 20, 2010 in conjunction with our annual broad based awards to employees, in accordance with the procedures adopted by our Management and Compensation Committee. The number of shares of restricted stock issuable to the non-employee directors will equal $100,000 divided by the fair market value per share on the date of grant and is therefore not determinable at this time. The number of shares reflected in the table below is determined based on the average high and low stock prices for the five trading days ending March 8, 2010.

Name and Position	Dollar Value ($)	Number of Shares of Restricted Stock
Stuart M. Brightman, Director, President and Chief Executive Officer	-	-
Joseph M. Abell III, Senior Vice President and Chief Financial Officer	-	-
Edwin H. Goldman, Senior Vice President	-	-
Philip N. Longorio, Senior Vice President	-	-
Bass C. Wallace, Jr., General Counsel and Secretary	-	-
Geoffrey M. Hertel, former Chief Executive Officer	-	-
Executive officers as a group	-	-
Non-executive officer employees, as a group	-	-
Non-employee directors, as a group	$ 700,000	57,323

Federal Income Tax Consequences of the Plan

In General. The 2007 LTIP is not intended to be subject to any provision of the Employee Retirement Income Security Act of 1974, as amended, and is not qualified under Section 401(a) of the Code. The following summary is based on the applicable provisions of the Code, as currently in effect, and the income tax regulations and proposed income tax regulations issued thereunder.

Status of Options. Options granted under the 2007 LTIP may be either incentive stock options or nonqualified stock options. Under certain circumstances, an incentive stock option may be treated as a nonqualified stock option. The tax consequences, both to the option holder and to us, differ depending on whether an option is an incentive stock option or a nonqualified stock option.

Nonqualified Options. No federal income tax is imposed on the option holder upon the grant of a nonqualified stock option. If the shares of common stock received by an option holder upon the exercise of a nonqualified stock option are not subject to certain restrictions in the hands of the option holder, then the option holder will be treated as receiving compensation, taxable as ordinary income and subject to employment taxes in the year of exercise. The amount recognized as ordinary income and subject to employment taxes upon such an exercise is the excess of the fair market value of the shares of common stock at the time of exercise over the exercise price paid for

such common stock. At the time common stock received upon exercise of a nonqualified stock option is disposed of, any difference between the fair market value of the shares of common stock at the time of exercise and the amount realized on the disposition will be treated as a capital gain or loss. The gain, if any, realized upon such a disposition will be treated as a long-term or short-term capital gain, depending on the holding period of the shares of common stock. Any loss realized upon such a disposition will be treated as a long-term or short-term capital loss, depending on the holding period of the shares of common stock.

If the shares of common stock received by an option holder upon the exercise of a nonqualified stock option are subject to certain restrictions in the hands of the option holder at the time of receipt, then the income recognized for federal income tax purposes by the option holder, unless the option holder elects otherwise, and our tax deduction (assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation) should be deferred and should be measured with reference to the fair market value of the shares at the time the restrictions lapse. The restriction imposed on officers, directors, and 10% stockholders by Section 16(b) of the Exchange Act is such a restriction during the period prescribed thereby if other shares have been purchased by such an individual within six (6) months of the exercise of a nonqualified stock option.

Upon an option holder’s exercise of a nonqualified stock option, in the case of shares that are not subject to restrictions at the time of exercise, or upon the lapse of all such restrictions in the case of shares subject to restrictions at the time of exercise, and subject to the application of Section 162(m) of the Code as discussed below, we may claim a deduction for the compensation paid at the same time and in the same amount as compensation is treated as being received by the option holder, assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation. We are not entitled to any tax deduction in connection with a subsequent disposition by the option holder of the shares of common stock.

Incentive Stock Options. No federal income tax is imposed on the option holder upon the grant of an incentive stock option. The option holder will recognize no income for federal income tax purposes upon exercise of an incentive stock option if the option holder (a) does not dispose of the shares of common stock acquired pursuant to the exercise of an incentive stock option within two years from the date the option was granted or within one year after the shares of common stock were transferred to the option holder (the “Holding Period”), and (b) is an employee of either (i) the company granting the option, (ii) the parent company or a subsidiary of such corporation, or (iii) a corporation which has assumed such option of another corporation as a result of a corporate reorganization, merger, or similar transaction. Such employment must continue for the entire time from the date the option was granted until three months before the date of exercise, or twelve months before the date of exercise if employment ceases due to permanent and total disability. If common stock received upon exercise of an incentive stock option is disposed of after completion of the Holding Period, any difference between the exercise price paid for such common stock and the amount realized on the disposition will be treated as a capital gain or loss. The gain, if any, realized upon such a disposition will be treated as a long-term capital gain. Any loss realized upon such a disposition will be treated as a long-term capital loss. We would not be entitled to any deduction in connection with the grant or exercise of the option or the disposition of the shares of common stock so acquired.

If, however, an option holder disposes of shares of common stock acquired pursuant to exercise of an incentive stock option before the Holding Period has expired (a “Disqualifying Disposition”), the option holder would be treated as having received, at the time of disposition, compensation taxable as ordinary income. In such event, subject to the application of Section 162(m) of the Code, as discussed below, we may claim a deduction for compensation paid at the same time and in the same amount as compensation is treated as being received by the option holder. The amount treated as compensation is the lesser of (i) the excess of the fair market value of the common stock at the time of exercise over the exercise price, or (ii) the excess of the amount realized on disposition over the exercise price. The balance of the gain, if any, realized upon such a disposition will be treated as a long-term or short-term capital gain depending on the holding period. If the amount realized at the time of the disposition is less than the exercise price, the option holder will not be required to treat any amount as ordinary income, provided that the disposition is of a type that would give rise to a recognizable loss. In such event, the loss will be treated as a long-term or short-term capital loss depending upon the holding period. A disposition generally includes a sale, exchange, or gift, but does not include certain other transfers, such as by reason of death or a pledge or exchange of shares described in Section 424(c) of the Code.

Alternative Minimum Tax. Although the exercise of an incentive stock option does not result in current taxable income, there are implications with regard to the Alternative Minimum Tax (“AMT”). The excess of the fair market value of shares of common stock acquired upon exercise of an incentive stock option over the exercise price paid for such shares of common stock is an adjustment to AMT income for the option holder’s taxable year in which such exercise occurs (unless the shares of common stock are disposed of in the same taxable year and the amount realized is less than the fair market value of the shares on the date of exercise, in which event the amount included in AMT income will not exceed the amount realized on the disposition over the adjusted basis of the shares).

Payment of Option Price in Shares. In the case of a nonqualified option, if the option price upon the exercise of a nonqualified option is paid by the delivery of shares of common stock previously acquired by the option holder having a fair market value equal to the option price (“Previously Acquired Shares”), no gain or loss would be recognized on the exchange of the Previously Acquired Shares for a like number of shares of common stock. The option holder’s basis and holding period in the number of shares of common stock received from the exercise (to the extent equal to the number of Previously Acquired Shares used) would be the same as his or her basis and holding period in the Previously Acquired Shares used. The option holder would treat the fair market value of the number of shares of common stock received upon the exercise in excess of the number of Previously Acquired Shares used as ordinary compensation income. The option holder’s basis in such excess shares of common stock would be equal to the shares’ fair market value at the time of exercise. The option holder’s holding period in such excess shares of common stock begins on the date the option holder acquires those shares of common stock from the exercise of the nonqualified option.

In the case of an incentive stock option, the federal income tax consequences to the option holder of the payment of the option price with Previously Acquired Shares depends on the nature of the Previously Acquired Shares. If the Previously Acquired Shares were acquired through the exercise of a qualified stock option, an incentive stock option, or an option granted under an employee stock purchase plan (“Statutory Option”) and if such Previously Acquired Shares are being transferred prior to expiration of the applicable Holding Period, the transfer would be treated as a Disqualifying Disposition of the Previously Acquired Shares. If the Previously Acquired Shares were acquired other than pursuant to the exercise of a Statutory Option, or were acquired pursuant to the exercise of a Statutory Option but have been held for the applicable Holding Period, no gain or loss should be recognized on the exchange of the Previously Acquired Shares. In either case, (i) the option holder’s basis and holding period in the number of shares of common stock received (to the extent equal to the number of Previously Acquired Shares used) would be the same as his or her basis and holding period in the Previously Acquired Shares used, increased by any income recognized to the option holder upon the Disqualifying Disposition of the Previously Acquired Shares, (ii) the option holder’s basis in the number of shares of common stock received in excess of the number of Previously Acquired Shares used would be zero, (iii) the option holder’s holding period in such excess shares of common stock begins on the date the option holder acquires those shares of common stock, and (iv) the other incentive stock option rules would apply. Upon a subsequent Disqualifying Disposition of the shares of common stock so received, the shares with the lowest basis would be treated as disposed of first.

Restricted Stock. A participant who has been granted an Award of restricted stock will not recognize taxable income for federal income tax purposes at the time of the Award, and we will not be entitled to a tax deduction at the time of the Award, unless the participant makes an election to be taxed at the time of the Award. When the restrictions lapse without an election by the participant to be taxed at the time of the Award, the participant will recognize income for federal income tax purposes in an amount equal to the excess of the market value of the shares at such time over the amount, if any, paid for such shares. Subject to the application of Section 162(m) of the Code, as discussed below, we will be entitled to a deduction for the corresponding amount, assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation.

Bonus Stock. In general, a person will treat the fair market value of bonus stock Awards on the date such amount is received as compensation, taxable as ordinary income and subject to employment taxes. Subject to the application of Section 162(m) of the Code, as discussed below, we will be entitled to a deduction for the corresponding amount, assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation.

Stock Appreciation Rights. Upon receipt of shares of common stock pursuant to the exercise of a stock appreciation right, the fair market value of the shares received is recognized as income for federal income tax purposes at the time the shares are received. Subject to Section 162(m) of the Code, described below, and assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation, we will be entitled to a deduction at the same time and in the same amount as the income recognized by the 2007 LTIP participant.

Performance Awards. In general, a participant who receives a performance award will not be taxed on receipt of the Award; instead, the fair market value of the shares of common stock and any cash received in settlement of the performance award will be taxable as ordinary compensation income to the grantee of the performance award on the date that the requirements of the Award are met and the Award is timely settled in accordance with its terms. Subject to the application of Section 162(m) of the Code, as discussed below, and assuming we satisfy the federal income tax reporting and other deductibility requirements with respect to such compensation, we will be entitled to a deduction for an amount corresponding to the compensation income recognized by the grantee. If, upon a taxable disposition of the shares of common stock received in settlement of a performance award, the grantee receives proceeds of more or less than his or her basis in the shares of common stock, any gain will be a long-term or short-term capital gain, and any loss will be a long-term or short-term capital loss, depending on the holding period of the shares of common stock, measured from the date that the shares of common stock were received.

Withholding for Taxes

No common stock shall be issued under the 2007 LTIP until arrangements satisfactory to us have been made for the payment of any tax amounts that may be required to be withheld or paid by us with respect thereto at the minimum statutory rate. At the discretion of the Committee, such arrangements may include allowing the participant to tender to us shares of common stock already owned by the participant.

Additional Tax Consequences

Section 162(m) of the Code places a $1 million cap on the deduction of compensation paid to certain executives of publicly traded corporations in a given year. Amounts that qualify as "performance-based" compensation under Section 162(m)(4)(C) of the Code are exempt from the cap and do not count toward the $1 million limit. Generally, options granted with an exercise price at least equal to the fair market value of the stock on the date of grant will qualify as performance-based compensation. Other Awards may or may not so qualify, depending on their terms.

In addition, some Awards may constitute or result in the recognition of income that is subject to an additional income tax imposed on the participant at the rate of twenty percent (20%), plus interest and penalties, pursuant to Section 409A of the Code. We expect to design and administer all Awards in a manner that ordinarily should avoid adverse federal income tax consequences under Section 409A of the Code to any affected participant.

Notwithstanding the foregoing, the 2007 LTIP expressly provides that there is no commitment or guarantee that any federal, state, or local tax treatment will apply or be available to any person who participates or is eligible to participate in the 2007 LTIP.

The Board of Directors recommends that you vote "FOR" the approval of the amendment and restatement of the TETRA Technologies, Inc. Amended and Restated 2007 Equity Incentive Compensation Plan, and proxies returned will be so voted unless contrary instructions are indicated thereon.

INFORMATION ABOUT US

CORPORATE GOVERNANCE

The Board of Directors has adopted Corporate Governance Guidelines that give effect to the NYSE corporate governance listing requirements and various other corporate governance matters. The Board of Directors believes the Corporate Governance Guidelines assist in ensuring that the Board of Directors is independent from management, that the Board of Directors adequately performs its function as the overseer of management, and that the interests of management and the Board of Directors align with the interests of our stockholders.

The Corporate Governance Guidelines, as well as the charters of the Audit Committee, Management and Compensation Committee, Nominating and Corporate Governance Committee, and the Reserves Committee are available in the Corporate Governance section of the Investor Relations area of our website at www.tetratec.com. In addition, the Company has adopted a Code of Business Conduct and Ethics for directors, officers and employees and a Code of Ethics for Senior Financial Officers, copies of which are also available in the Corporate Governance section of the Investor Relations area of our website at www.tetratec.com. If any substantive amendments are made to either code, the nature of such amendment will be disclosed on our website. In addition, if a waiver from either code is granted to an executive officer, director, or principal accounting officer, the nature of such waiver will be disclosed on our website. We have also adopted stock ownership guidelines designed to align the interests of our executive officers and directors with the interests of our stockholders. Our stock ownership guidelines are also available in the Corporate Governance section of the Investor Relations area of our website at www.tetratec.com. We will provide to our stockholders, without charge, printed copies of the foregoing materials upon written request. Requests for copies should be addressed to Corporate Secretary, TETRA Technologies, Inc., 24955 Interstate 45 North, The Woodlands, Texas 77380.

Director Independence

The NYSE listing standards require our Board of Directors to be comprised of at least a majority of independent directors. Our Board of Directors will determine independence in accordance with the listing requirements of the NYSE, taking into consideration such facts and circumstances as the board considers relevant. In order to assist the Board of Directors in making its determination of whether directors are independent, each director has completed and delivered to us a questionnaire. The Board of Directors, with the assistance of the Nominating and Corporate Governance Committee, reviewed such questionnaires and such other information considered relevant with respect to the existence of any relationships between a director and us.

The Board of Directors has affirmatively determined that the following directors are independent: Ralph S. Cunningham, Tom H. Delimitros, Allen T. McInnes, Kenneth P. Mitchell, William D. Sullivan, and Kenneth E. White, Jr. Mr. Cunningham is a director of Enterprise Products GP, LLC, EPE Holdings, LLC and Cenovus Energy Inc. (formerly EnCana Corporation), Mr. Delimitros is a director of Plains Exploration & Production Company, and Mr. Sullivan is a director of St. Mary Land & Exploration Company, Targa Resources GP, LLC and Legacy Reserves GP, LLC. Each of these entities or their affiliates is a customer of ours, although the revenues we receive from them are not considered to be material. These transactions did not automatically disqualify Messrs. Cunningham, Delimitros, and Sullivan from being considered independent under the rules of the NYSE. Our Board of Directors has also determined that none of Messrs. Cunningham,

Delimitros, or Sullivan has a material interest in these transactions, and that each of them is independent.

In addition, based upon such standards, the Board of Directors has determined that Messrs. Brightman, Hertel and Coombs are not independent because of, in Messrs. Brightman's and Hertel's cases, their ongoing employment with us, and in Mr. Coombs' case, his recent prior employment with us.

Board Leadership, Structure and Risk Oversight

As set forth in our Corporate Governance Guidelines, our Board of Directors is comprised of a majority of directors who qualify as independent directors in accordance with the listing standards of the NYSE. We have no formal policy regarding the separation of the positions of Chairman of the Board and Chief Executive Officer. However, since 1992, we have bifurcated the positions of Chairman of the Board of Directors and Chief Executive Officer. Our Board of Directors believes that the separation of these positions strengthens the independence of our board and its ability to carry out its roles and responsibilities on behalf of our stockholders. In addition, as directors continue to have more oversight duties, we believe that the separation of the offices allows us to have a Chairman of the Board focused on the leadership of the board while allowing our Chief Executive Officer to focus his time and energy on managing our operations.

The Board of Directors' responsibilities include, but are not limited to, appointing our Chief Executive Officer, monitoring our performance relative to our goals, strategy, and to the performance of our competitors, reviewing and approving our annual budget, and reviewing and approving investments in and acquisitions and dispositions of assets and businesses. It is our management's responsibility to manage risk and to bring to the Board of Directors' attention any aspects of our business or operations that may give rise to a material level of risk.

Our Chief Executive Officer brings members of management from various business or administrative areas into meetings of the Board of Directors from time to time to make presentations and to provide insight to the board, including insight into areas of potential risk. Such risks include competition risks, industry risks, economic risks, liquidity risks, risks posed by significant litigation matters, risks from operations and risks related to acquisitions and dispositions. The Board of Directors, either directly or through its committees, reviews with our management policies, strategic initiatives and other actions designed to mitigate various types of risk. Our Audit Committee periodically reviews with our management and our independent auditors significant financial risk exposures and the processes we have implemented to monitor, control and report such exposures. Specific examples of risks overseen by our Audit Committee include risks related to the preparation of our financial statements, disclosure controls and procedures, internal controls and procedures required by the Sarbanes-Oxley Act, accounting, financial and auditing risks, and matters reported to the Audit Committee through our internal auditors and through anonymous reporting procedures. Our Nominating and Corporate Governance Committee periodically reviews our Code of Business Conduct and Ethics, periodically reviews and administers our Policy and Procedures with respect to Related Person Transactions, and reviews our compliance with applicable laws and regulations related to corporate governance. Our Management and Compensation Committee reviews and evaluates potential risks related to the design and implementation of our compensation programs, and our Reserves Committee reviews and evaluates risks related to the preparation and disclosure of information with respect to our oil and gas reserves.

Board Meetings and Committees

Meetings and Attendance. During 2009, the Board of Directors held six meetings. The standing committees of the Board of Directors currently consist of an Audit Committee, a Management and Compensation Committee, a Nominating and Corporate Governance Committee, and a Reserves Committee. During 2009, the Audit Committee held five meetings, the Management and Compensation Committee held four meetings, the Nominating and Corporate Governance Committee held four meetings, and the Reserves Committee held two meetings.

During 2009, each member of the Board of Directors attended 75% or more of the meetings of the Board of Directors held while serving as a member of the board, and 75% or more of the meetings of all committees of the Board of Directors of which he was a member that were held during the time he was a member. Our Corporate Governance Guidelines provide that our preference is to have our directors attend the annual meeting of stockholders. All members of our Board of Directors who were serving at the time of the annual meeting attended the Annual Meeting of Stockholders in 2009.

Audit Committee. The Board of Directors has an Audit Committee, which is currently composed of Mr. Delimitros, as Chairman, and Messrs. Cunningham and White. The Audit Committee's primary purpose is to assist the Board of Directors in its oversight of (i) the integrity of our financial statements, (ii) our compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications, and (iv) the performance of our internal audit function and independent auditors. The Audit Committee has sole authority to appoint and terminate our independent auditors. To promote the independence of its audit, the Audit Committee consults separately and jointly with the independent auditors, the internal auditors, and management. As required by the NYSE and SEC rules regarding audit committees, the Board of Directors has reviewed the qualifications of its Audit Committee and has determined that none of the current members of the Audit Committee has a relationship with us that might interfere with the exercise of his independence from us or our management, as independence is defined in the listing standards of the NYSE. Accordingly, our Board of Directors has determined that all current members of our Audit Committee, as well as Mr. McInnes, who was a member during 2009, are independent as defined in Section 10A of the Exchange Act and independent as defined in the listing standards of the NYSE. Further, our board has determined that Mr. Delimitros, the Chairman of our Audit Committee, is an audit committee financial expert within the definition established by the SEC.

Management and Compensation Committee. The Board of Directors has a Management and Compensation Committee, which is currently composed of Mr. White, as Chairman, and Messrs. Delimitros, Mitchell, and Sullivan. The functions performed by the Management and Compensation Committee include reviewing and establishing overall management compensation, administering our employee stock option plans, and approving salary and bonus awards to our executive officers. Our Board of Directors has determined that each member of the Management and Compensation Committee is independent, as independence is defined in the listing standards of the NYSE. The Management and Compensation Committee may designate a subcommittee and delegate authority to such subcommittee as it deems appropriate.

Compensation decisions for our Chief Executive Officer are made by the Management and Compensation Committee. The Management and Compensation Committee is also responsible for approving the compensation for our other executive officers and in such process, it reviews and gives significant consideration to the recommendations made by the Chief Executive Officer with respect to the non-equity compensation for such other executive officers. As part of its role in reviewing and approving management compensation, the Management and Compensation Committee administers our employee stock option plans and our cash incentive plan under which discretionary cash incentives may be awarded to our executive officers and other key employees based on performance, including the attainment of performance goals. Our Chief Executive Officer, with input from senior management, recommends to the Management and Compensation Committee base salaries, target bonus levels, actual bonus payouts, and equity awards, as well as company, division, and individual performance measures for our executive officers other than the Chief Executive Officer. The Management and Compensation Committee considers, discusses, and takes action on such proposals as it deems appropriate. The Nominating and Corporate

Governance Committee is responsible for reviewing and making compensation decisions with respect to our non-employee directors.

The Management and Compensation Committee has the authority to retain, approve fees and other terms for, and terminate any compensation consultant, outside counsel, or other advisors to assist the committee in the discharge of its duties. The Management and Compensation Committee did not retain the services of a compensation consultant during 2008 to provide services relating to our 2009 compensation. However, in February 2009, the Management and Compensation Committee retained the services of Longnecker & Associates, an executive compensation consulting firm, to provide information and recommendations related to our then outstanding option awards. Following its review of the Longnecker & Associates data and recommendations, the Management and Compensation Committee determined that no action should be taken with regard to such awards at that time.

In November 2009, after interviewing a number of consulting firms, our Management and Compensation Committee retained the services of Stone Partners, Inc., an independent human resource consulting firm, to provide an analysis of our executive compensation program, including appropriate peer comparisons, evolving compensation trends and regulatory initiatives, and the impact of the turmoil in the financial markets and world economy on executive compensation plan design. Based on the findings reported in the Stone Partners analysis, the Management and Compensation Committee further engaged Stone Partners to provide specific recommendations related to modifying the structures of our discretionary performance-based annual cash incentive program and our long-term equity incentive program. The Management and Compensation Committee's consideration of these recommendations, and actions taken by the committee to address the recommendations, are further discussed in the Compensation Discussion and Analysis. Stone Partners acted as independent advisor to the Management and Compensation Committee and does not provide any other services to us or earn any compensation from us outside of the services provided as an independent advisor to the Management and Compensation Committee.

Management and Compensation Committee Interlocks and Insider Participation. The members of the Management and Compensation Committee during 2009 were Messrs. Delimitros, Mitchell, Sullivan, and White, none of whom is or had previously been an officer or employee of ours, and none of whom had any relationship required to be disclosed under this section.

Nominating and Corporate Governance Committee. The Board of Directors has a Nominating and Corporate Governance Committee, which is currently composed of Mr. Mitchell, as Chairman, and Messrs. Cunningham and Sullivan. The Nominating and Corporate Governance Committee investigates and makes recommendations to the Board of Directors with respect to qualified candidates to be nominated for election to the board, and reviews and makes recommendations to the board with regard to candidates for directors nominated by stockholders in accordance with our bylaws. The Nominating and Corporate Governance Committee will consider candidates for director who are properly nominated by stockholders. Any stockholder wishing to propose a nominee should submit a recommendation in writing to our Corporate Secretary, indicating the nominee's qualifications and other relevant biographical information, confirmation of the nominee's consent to serve as a director, and all other information required by our bylaws for the nomination of director candidates. The Nominating and Corporate Governance Committee is responsible for reviewing and making compensation decisions with respect to non-employee directors provided that any recommendations relating to equity compensation are subject to final action by the Management and Compensation Committee. This committee also investigates and makes recommendations to the Board of Directors with regard to all matters of corporate governance, including the structure, operation, and evaluation of the board and its committees. Our Board of Directors has determined that each current member of the Nominating and Corporate Governance Committee, as well as Mr. McInnes, who was a member during 2009, is independent, as independence is defined in the listing standards of the NYSE.

Director Tenure. The Board of Directors does not believe that non-management directors who retire or change the primary employment position they held when they became a member of the board should necessarily leave the board. However, promptly following such event, the director must notify the Nominating and Corporate Governance Committee, which will review the continued appropriateness of the affected director remaining on the board under such circumstances. The affected director is expected to resign if requested to by the Nominating and Corporate Governance Committee following such review. In addition, in connection with a director's resignation or the recommendation of a new director nominee, the Nominating and Corporate Governance Committee will consider the issue of continuing director tenure, and take steps as may be appropriate to ensure that the Board of Directors maintains its majority independence.

Reserves Committee. The Board of Directors has a Reserves Committee, which is currently composed of Mr. White, as Chairman, and Messrs. Coombs, Delimitros, Hertel and Sullivan. The Reserves Committee is directly responsible for the appointment, compensation, retention (or termination) and oversight of our independent petroleum engineering consultants for the purpose of auditing our oil and gas reserves. The Reserves Committee is charged with fostering open communications among the committee, the independent petroleum engineering consultants, and our management, including the resolution of disagreements between management and the independent consultants. In addition, the Reserves Committee provides assistance to the board in ensuring our compliance with applicable regulatory and securities laws relating to the preparation and disclosure of information with respect to oil and gas reserves.

Executive Sessions of the Board of Directors. As set forth in our Corporate Governance Guidelines, our non-management directors meet in executive session at least four times per year. In addition, our independent non-management directors meet in executive session at least one time per year. These executive sessions are presided over by Dr. Cunningham. The non-management directors presently consist of all current directors except Messrs. Brightman and Hertel.

Communications with Directors. Our security holders and other interested parties may communicate with one or more of our directors (including the non-management directors as a group) by mail in care of our Corporate Secretary, TETRA Technologies, Inc., 24955 Interstate 45 North, The Woodlands, Texas 77380, or by email at corpsecretary@tetratec.com. Such communications should specify the intended recipient or recipients. All such communications, other than commercial solicitations or communications, will be forwarded to the appropriate director or directors.

Stockholder Nominations. Our Corporate Governance Guidelines provide that the Nominating and Corporate Governance Committee will consider proposals for nominees for director from others. In order to nominate a director at the annual meeting, our bylaws require that a stockholder follow the procedures set forth in Article III, Section 3 of our bylaws. (This bylaw provision is available on our website at www.tetratec.com.) In order to recommend a nominee for a director position, a stockholder must be a stockholder of record at the time the stockholder gives notice of the recommendation, and the stockholder must be entitled to vote for the election of directors at the meeting at which such nominee will be considered. Stockholder recommendations must be made pursuant to written notice delivered to our Corporate Secretary at our principal executive offices no later than 80 days prior to the date of the annual or special meeting at which directors are to be elected; provided, that the date of the annual or special meeting is not publicly announced more than 90 days prior to the annual or special meeting, such notice by the stockholder will be considered timely if delivered to the Corporate Secretary no later than the close of business on the tenth day following the day on which such announcement of the date of the meeting was communicated to the stockholders.

The stockholder notice must set forth the following:

1. name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated;
2. a representation that the stockholder is a holder of record of common stock entitled to vote at the meeting and intends to appear in person or by proxy to nominate the person or persons specified;
3. a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons under which the nomination(s) are to made by the stockholder;
4. for each person the stockholder proposes to nominate for election as a director, all information relating to such person that would be required to be disclosed in solicitations of proxies for the election of such nominees as directors pursuant to Schedule 14A promulgated under the Exchange Act; and
5. for each person nominated, a written consent to serve as a director, if elected.

In addition to complying with the foregoing procedures, any stockholder nominating a director must also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder.

Nominating and Corporate Governance Committee Nominations. The Nominating and Corporate Governance Committee selects each nominee for recommendation to the Board of Directors based on the nominee's skills, achievements, and experience. As set forth in our Corporate Governance Guidelines, the following will be considered, among other things, in selecting candidates for the Board of Directors: independence; knowledge, experience, and skill in areas critical to understanding us and our business; personal characteristics, such as integrity and judgment; diversity; and commitments to the boards of other companies.

When seeking candidates for director, the Nominating and Corporate Governance Committee may solicit suggestions from incumbent directors, management, stockholders, or others. While the committee has authority under its charter to retain a search firm for this purpose, no such firm was utilized in 2009. After conducting an initial evaluation of a potential candidate, the committee will interview that candidate if it believes such candidate might be suitable to be a director. The committee may also ask the candidate to meet with management. If the committee believes a candidate would be a valuable addition to the Board of Directors, it will recommend to the full Board of Directors that candidate's election.

Although we have not adopted a formal policy with regard to the consideration of diversity when evaluating candidates for election to the board, our Corporate Governance Guidelines provide that when assessing candidates, we will consider diversity. The Nominating and Corporate Governance Committee does believe that board membership should reflect diversity in the broadest sense, and so when reviewing candidates for nomination to the Board of Directors, the committee considers each nominee's skills, perspectives, experiences, personal characteristics and diversity, taking into account our needs and the current composition of the board. We strive to maintain a reasonable diversity of background and experience among the members of the board, so that each member may contribute a unique viewpoint to the board's deliberations. The Board of Directors' final selection of qualified candidates is based on merit, giving consideration to the candidate's knowledge, experience, skills in areas deemed critical to understanding our business, personal characteristics such as integrity and judgment, and diversity, including gender, ethnicity and background, and the candidates commitments to boards of other companies.

Certain Transactions

The Board of Directors has determined that there are no material transactions involving an executive officer, director, or other related person which require disclosure.

The Board of Directors, upon recommendation of the Nominating and Corporate Governance Committee, has adopted the TETRA Technologies, Inc. Policy and Procedures with respect to Related Person Transactions (“Policy”), for the review and approval of related person transactions. The Policy covers transactions in which (i) we, or any subsidiary of ours, are a participant, (ii) the aggregate amount involved exceeds $100,000, and (iii) any related party (generally, directors and executive officers, and their immediate family members, and 5% stockholders) has a direct or indirect interest. The Policy generally requires that such transactions be approved in advance by the Nominating and Corporate Governance Committee. Under the Policy, the Nominating and Corporate Governance Committee shall consider all relevant facts and circumstances available to the committee and will approve such transactions only if they are in, or are not inconsistent with, our best interests and the best interests of our stockholders. In the event a transaction is not identified as a related person transaction in advance, it will be submitted to the Nominating and Corporate Governance Committee, which will evaluate the transaction, including ratification or rescission of the transaction, and possible disciplinary action.

Stockholder Litigation

Between March 27, 2008 and April 30, 2008, two putative class action complaints were filed in the United States District Court for the Southern District of Texas (Houston Division) against us and certain of our officers by certain stockholders on behalf of themselves and other stockholders who purchased our common stock between January 3, 2007 and October 16, 2007. The complaints assert claims under Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5 promulgated thereunder. The complaints allege that the defendants violated the federal securities laws during the period by, among other things, disseminating false and misleading statements and/or concealing material facts concerning our current and prospective business and financial results. The complaints also allege that, as a result of these actions, our stock price was artificially inflated during the class period, which enabled our insiders to sell their personally-held shares for a substantial gain. The complaints seek unspecified compensatory damages, costs, and expenses. On May 8, 2008, the Court consolidated these complaints as In re TETRA Technologies, Inc. Securities Litigation, No. 4:08-cv-0965 (S.D. Tex.). On August 27, 2008, Lead Plaintiff Fulton County Employees’ Retirement System filed its Amended Consolidated Complaint. On October 28, 2008, we filed a motion to dismiss the federal class action. On July 9, 2009, the Court issued an opinion dismissing, without prejudice, most of the claims in this lawsuit but permitting plaintiffs to proceed on their allegations regarding disclosures pertaining to the collectability of certain insurance receivables.

Between May 28, 2008 and June 27, 2008, two petitions were filed by alleged stockholders in the District Courts of Harris County, Texas, 133rd and 113th Judicial Districts, purportedly on our behalf. The suits name our directors and certain officers as defendants. The factual allegations in these lawsuits mirror those in the class action lawsuit, and the claims are for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, and waste of corporate assets. The petitions seek disgorgement, costs, expenses, and unspecified equitable relief. On September 22, 2008, the 133rd District Court consolidated these complaints as In re TETRA Technologies, Inc. Derivative Litigation, Cause No. 2008-23432 (133rd Dist. Ct., Harris County, Tex.), and appointed Thomas Prow and Mark Patricola as Co-Lead Plaintiffs. This lawsuit was stayed by agreement of the parties pending the Court’s ruling on our motion to dismiss the federal class action. On September 8, 2009, the plaintiffs in this state court action filed a consolidated petition which makes factual allegations similar to the surviving allegations in the federal lawsuit.

Pursuant to our charter documents and existing indemnification agreements, we have advanced to the former and current officer and director defendants the fees and expenses they have incurred to defend themselves, subject to repayment in the event of a determination that they are not entitled to indemnification.

Equity Compensation Plan Information

The following table provides information as of December 31, 2009, regarding compensation plans (including individual compensation arrangements) under which equity securities are authorized for issuance.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options		Weighted Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance under Equity Comp. Plans (Excluding Securities Shown in the First Column)
Equity compensation plans approved by stockholders(1)				
1990 Employee Incentive	1,289,507	$	7.4298	0
2006 Equity Incentive	464,149	$	27.3305	0
2007 Equity Incentive	3,192,066	$	10.8586	931,042
Total:	4,945,722	$	11.5105	931,042
Equity compensation plans not approved by stockholders(2)				
1996 Nonexecutive Plan	679,742	$	11.7247	0
1998 Director Plan	144,000	$	15.2600	0
Brightman Plan	240,000	$	9.0767	0
Total:	1,063,742	$	11.6058	0
All Plans(3)				
Total:	6,009,464	$	11.5273	931,042

(1) Consists of the 1990 Stock Option Plan, as amended, the Amended and Restated 2006 Equity Incentive Compensation Plan, and the Amended and Restated 2007 Equity Incentive Compensation Plan.

(2) Consists of the 1996 Stock Option Plan for Nonexecutive Employees and Consultants (the “1996 Nonexecutive Plan”), the 1998 Director Stock Option Plan, as amended and restated (the “1998 Director Plan”), and the award granted to Mr. Brightman in connection with his initial employment. A description of each of these plans follows.

(3) The table above does not include information regarding the proposed amendment and restatement of the Amended and Restated 2007 Equity Incentive Compensation Plan to be considered at the annual meeting; 262,417 shares of restricted stock subject to awards outstanding under the Amended and Restated 2006 and 2007 Equity Incentive

Compensation Plans as of December 31, 2009; and 21,140 shares of restricted stock outstanding under the award granted to Philip N. Longorio on February 22, 2008, as an inducement to his initial employment.

Non-Stockholder Approved Plans

1996 Stock Option Plan for Nonexecutive Employees and Consultants

The TETRA Technologies, Inc. 1996 Stock Option Plan for Nonexecutive Employees and Consultants (the "1996 Nonexecutive Plan") was adopted effective July 25, 1996. As of December 31, 2009, options covering 679,742 shares were outstanding under the 1996 Nonexecutive Plan, and options under the 1996 Nonexecutive Plan covering 7,953 shares were exercised during the year ended December 31, 2009. No grants of awards were permitted to be made under the 1996 Nonexecutive Plan after May 2, 2006.

1998 Director Stock Option Plan

The TETRA Technologies, Inc. 1998 Director Stock Option Plan was adopted effective December 1998, was amended and restated effective June 27, 2003, and was further amended in December 2005 (the “1998 Director Plan”). As of December 31, 2009, options covering 144,000 shares were outstanding under the 1998 Director Plan, and options under the 1998 Director Plan covering 106,000 shares were exercised during the year ended December 31, 2009. No grants of awards were permitted to be made under the 1998 Director Plan after May 2, 2006.

Brightman Plan

As an inducement to his employment, Mr. Brightman was awarded, effective April 20, 2005, an option to purchase 80,000 shares at an exercise price of $27.23 per share (as adjusted to reflect the effect of our 3-for-2 stock split effected on August 26, 2005, and our 2-for-1 stock split effected on May 22, 2006, this presently equates to 240,000 shares at an exercise price of $9.0767 per share), which grant is evidenced by a Nonqualified Stock Option Agreement dated April 20, 2005. The option was 50% vested on the date of grant, and additional 25% portions of the award vested on the first and second anniversaries of the grant date. As of December 31, 2009, options covering 240,000 shares were outstanding under the award. The maximum term of the award is ten years.

Insider Stock Sales and Stock Ownership Guidelines

We acknowledge that sales of common stock by our executive officers will occur periodically. In particular, we believe that our executive officers who have a significant portion of their net worth in common stock may desire to diversify their investment portfolios over time and may be required to sell common stock to finance stock option exercises and to pay related taxes. We have established a policy for trading in common stock. This policy is designed to help ensure compliance with federal securities laws and allow the anticipated periodic sales to occur in an orderly fashion. The trading policy also prohibits our directors, officers, and employees from engaging in short sales of our common stock, and from buying or selling puts, calls, or options involving common stock (other than employee stock options).

Our Board of Directors has adopted stock ownership guidelines for our directors and executive officers. The stock ownership guidelines are intended to align the interests of our directors and executive officers with the interests of our stockholders. The policy establishes the following minimum ownership guidelines.

- Our executive officers must hold shares of our common stock equal to a multiple, based upon position, of their base salary. The multiples are as follows: Chief Executive Officer, three-times base salary; Chief Financial Officer and Chief Operating Officer, two-times base salary; and, Senior Vice Presidents and Vice Presidents, one-time base salary. Executive officers as of February 21, 2008 have until February 21, 2013, to be in compliance with the guidelines, and executive officers appointed after February 21, 2008 will have five years following attainment of executive officer status to be in compliance.

- Our non-employee directors, other than the Chairman of the Board of Directors, are required to hold shares of our common stock equal to five-times their annual cash retainer. Our chairman is required to hold shares of our common stock equal to one and one-half-times his annual cash retainer. Non-employee directors as of February 21, 2008 have until February 21, 2012, to be in compliance with the guidelines, and non-employee directors who are elected after February 21, 2008 will have four years from the date of their election or appointment to be in compliance.

AUDIT COMMITTEE REPORT

The Audit Committee assists the board in overseeing matters relating to our accounting and financial reporting practices, the adequacy of our internal controls, and the quality and integrity of our financial statements. The charter of the Audit Committee is available in the Corporate Governance section of the Investor Relations area of our website at www.tetratec.com.

Management is responsible for the preparation, presentation and integrity of our financial statements and for the appropriateness of our accounting and financial reporting principles and policies. Management is also responsible for establishing and maintaining our internal controls and procedures, establishing financial reporting processes and controls, and evaluating the effectiveness of such controls and procedures. Our independent registered public accounting firm, Ernst & Young LLP, is responsible for performing an independent audit of our financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the “PCAOB”) and issuing a report thereon as well as expressing an opinion on the effectiveness of our internal controls over financial reporting. The Audit Committee’s responsibility is to monitor and oversee these processes.

The Audit Committee consists of three directors who are independent, as independence is defined in the listing standards for the NYSE and the rules of the SEC. The Audit Committee met five times during the year ended December 31, 2009. The Audit Committee reviewed and discussed with management our financial results prior to the release of earnings. In addition, the Audit Committee reviewed and discussed with management and Ernst & Young LLP the interim financial information included in our quarterly reports on Form 10-Q for the fiscal quarters ended March 31, 2009, June 30, 2009, and September 30, 2009 prior to their being filed with the SEC.

The Audit Committee has received written disclosures and the letter from Ernst & Young LLP required by the applicable requirements of the PCAOB regarding Ernst & Young LLP’s communications with the Audit Committee concerning independence, and has discussed with Ernst & Young LLP its independence.

The Audit Committee has also discussed with Ernst & Young LLP the matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU section 380), as adopted by the PCAOB in Rule 3200T.

The Audit Committee reviewed our audited financial statements as of and for the year ended December 31, 2009, and discussed them with management and Ernst & Young LLP. Based on the review and discussions described above, the Audit Committee recommended to the board that our audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 for filing with the SEC.

Submitted by the Audit Committee of the Board of Directors,
Tom H. Delimitros, Chairman
Ralph S. Cunningham
Kenneth E. White, Jr.

This report of the Audit Committee shall not be deemed “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C or to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically request that the information be treated as soliciting material or specifically incorporate it by reference into a document filed under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act. Further, this report will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate this information by reference.

FEES PAID TO PRINCIPAL ACCOUNTING FIRM

The following table sets forth the aggregate fees billed to us by our principal accounting firm, Ernst & Young LLP, for the fiscal years ended December 31, 2009, and 2008, respectively:

	2009		2008	
Audit fees	$	1,778,688	$	1,914,100
Audit of Compressco subsidiary(1)		-		1,068,500
Audit related fees(2)		37,000		39,300
Tax fees(3)		64,989		154,336
All other fees(4)		-		13,400
Total fees	$	1,880,677	$	3,189,636

(1) Consists of fees related to the Compressco Partners, L.P. Registration Statement on Form S-1, filed on November 10, 2008, as amended.
(2) Consists primarily of fees for an employee benefit plan audit.
(3) Consists primarily of fees related to the Compressco MLP tax structuring in 2008, as well as fees for international tax compliance review in 2009 and 2008.
(4) Consists of fees for verification of financial information to regulatory agencies in 2008.

The Audit Committee approved 100% of these fees. Before approving these fees, the Audit Committee considered whether the provision of services by Ernst & Young LLP that are not related to the audit of our financial statements was compatible with maintaining the independence of Ernst & Young LLP, and the Audit Committee concluded that it was.

AUDIT COMMITTEE PREAPPROVAL POLICIES AND PROCEDURES

The Audit Committee’s policy provides that our independent registered public accounting firm (the “Audit Firm”) may provide only those services preapproved by the Audit Committee. The Audit Committee annually reviews and preapproves the audit, review, attest, and permitted non-audit services to be provided during the next audit cycle by the Audit Firm. To the extent practical, at the same meeting, the Audit Committee also reviews and approves a budget for each of such services. The term of any such preapproval is for the period of the annual audit cycle, unless the Audit Committee specifically provides for a different period.

Services proposed to be provided by the Audit Firm that have not been preapproved during the annual review and the fees for such proposed services must be preapproved by the Audit Committee. Additionally, fees for previously approved services that are expected to exceed the previously approved budget must be preapproved by the Audit Committee. The Audit Committee has delegated the authority to grant specific preapprovals under its policy with respect to these services and fees to its chairman, who reports such preapproval to the full Audit Committee no later than its next scheduled meeting. The Audit Committee may not delegate to management its responsibilities to preapprove services performed by the Audit Firm.

All requests or applications for the Audit Firm to provide services to us must be submitted to the Audit Committee or its chairman by the Audit Firm and the Chief Financial Officer and must include a joint statement as to whether, in their view, the request or application is consistent with applicable laws, rules, and regulations relating to auditor independence. It is our policy that if any of our employees or any representative of the Audit Firm becomes aware that any services are being, or have been, provided by the Audit Firm to us without the requisite preapproval, such individual must immediately notify the Controller or the Chief Financial Officer, who must promptly notify the

Chairman of the Audit Committee and appropriate members of senior management so that prompt action may be taken to the extent deemed necessary or advisable.

EXECUTIVE OFFICERS

Our current executive officers and their ages and positions are as follows:

Name	Age	Position
Stuart M. Brightman	53	President and Chief Executive Officer
Joseph M. Abell III	55	Senior Vice President and Chief Financial Officer
Edwin H. Goldman	61	Senior Vice President
Philip N. Longorio	56	Senior Vice President
Dennis R. Mathews	51	Senior Vice President
Bass C. Wallace, Jr.	51	General Counsel and Corporate Secretary
Edgar A. Anderson	52	President - Maritech Resources, Inc.
Ronald J. Foster	53	President - Compressco, Inc.
Ben C. Chambers	54	Vice President - Accounting and Controller
Bruce A. Cobb	60	Vice President - Finance and Treasurer
Linden H. Price	63	Vice President - Administration

(Information regarding the business experience of Mr. Brightman is set forth above under “Nominees for Director.”)

Joseph M. Abell III has served as our Senior Vice President and Chief Financial Officer since May 2001. From January 1998 to May 2001, he served as vice president of Sithe Energies, Inc. and then as senior vice president of one of its parent companies, Marubeni Power International, Inc., where he was involved in the acquisition, development, and financing of power generation projects in Latin America. From December 1994 through December 1997, Mr. Abell was employed as a project director by British Gas International, Inc. and prior to that time he held various acquisition, strategic planning, and project development positions in the power generation and gas pipeline businesses with American National Power, Transco Energy Company, and Tenneco Inc. Mr. Abell received his B.S. degree in Mechanical Engineering from Cornell University and his Master of Business Administration degree from the University of Chicago.

Edwin H. Goldman has served as our Senior Vice President since August 2008. From February 2002 through August 2008, he was employed in various executive management positions with Kellogg Brown & Root Inc., ultimately serving as vice president – upstream oil and gas facilities, by which he had direct responsibility for the onshore and offshore production facilities and pipeline business of the oil and gas market segment. From February 1999 through February 2002, Mr. Goldman was employed as manager of business strategy and development and manager of business acquisition, Africa, Middle East and Asia by Heerema Marine Contractors, a marine contracting company based in Leiden, Netherlands. From January 1997 to February 1999, Mr. Goldman served as director and commercial manager Asia-Pacific for Heerema Far East Pte. Ltd., in Singapore. Mr. Goldman served as manager of business strategy and development with Heere Mac Vof, based in Leiden, Netherlands, from 1990 through 1997. From 1980 through 1990, Mr. Goldman held various positions of international responsibility with Heerema Offshore Construction Group, Heerema Engineering US, and Heerema Engineering Service, and from 1977 through 1980, served as legal advisor with Smit International Marine Services and Global Marine Drilling Inc. Mr. Goldman received his Masters Degree at Law from Erasmus University in Rotterdam, Netherlands.

Philip N. Longorio has served as our Senior Vice President since February 2008. Mr. Longorio is a thirty-year veteran of the oil and gas service industry, and has held various executive management positions with both major and smaller oil service companies. From July 2004 through May 2007, Mr. Longorio served as president and chief executive officer of WellDynamics B.V., a joint venture between Halliburton Energy Services and Shell Technology Ventures that provides intelligent well technology. From December 1999 through February 2004, Mr. Longorio served as vice president of Sperry-Sun Drilling Services, a subsidiary of Halliburton Energy Services, and from 1988 through 1999, he served at Halliburton in executive management roles leading the well testing, wireline logging and perforating businesses. Mr. Longorio began his oilfield career in 1977 at Gearhart Industries. Mr. Longorio currently serves as non-executive chairman of the board of directors for GEODynamics, Inc., a private company involved in the manufacture and sale of shaped perforating charges for downhole well applications, and for SensorTran, a private company that provides products and services related to remote downhole well monitoring. Mr. Longorio is a United States Air Force veteran, and an active member of the SPE and SPWLA.

Dennis R. Mathews has served as our Senior Vice President since January 2001. He has served as Vice President of TETRA International since 1994, as General Manager of our INTEQ/TETRA joint venture from 1991 to 1994, and in numerous other positions with us since 1982. Mr. Mathews received his B.S. degree in Business Management from Southwestern Oklahoma State University.

Bass C. Wallace, Jr. has served as our General Counsel since 1994 and as our Corporate Secretary since 1996. From 1984 to 1994 he was engaged in the private practice of law. Mr. Wallace received his B.A. degree in Economics from the University of Virginia and his J.D. degree from the University of Texas School of Law.

Edgar A. Anderson has served as President of our Maritech Resources, Inc. subsidiary since January 2008. From April 2000 to December 2007, Mr. Anderson served as Maritech's Senior Vice President – Engineering. Mr. Anderson served as vice president of Global Industries, Ltd. and later as president of their subsidiary, Global Production Services, LLC from 1998 to 2000. From 1996 to 1998 Mr. Anderson served as exploitation engineering advisor with Kerr-McGee Oil and Gas, and from 1990 to 1996 as a senior staff engineer with Sonat Exploration Corporation, where he received the chairman's award for innovative completion ideas and production improvement contributions. Mr. Anderson is an associate member of the Houston Association of Professional Landmen and a Registered Professional Engineer in the State of Texas. He received his B.S. degree in Petroleum Engineering from Texas A&M University.

Ronald J. Foster has served as President of our Compressco, Inc. subsidiary since October 2008. From August 2002 to September 2008 Mr. Foster served as Senior Vice President of Sales and Marketing with Compressco. Prior to joining Compressco, Mr. Foster served as vice president of North American operations with Wood Group ESP. He has served as a director of Compressco Partners GP since October 2008. Mr. Foster received his B.S. degree in Economics from Oklahoma State University.

Ben C. Chambers has served as our Vice President – Accounting and Controller since May 2001. He served as Chief Accounting Officer from May 2000 to May 2001. He was first employed by us in 1993, and served as Controller of our Oil & Gas Services Division from January 1995 to May 2000. From 1979 to 1992, Mr. Chambers held various management positions with Baker Hughes, Inc., ultimately serving as controller for its Tubular Services Division. Mr. Chambers received his B.S. degree in Accounting from the University of Oklahoma, and he is a certified public accountant.

Bruce A. Cobb has served as our Vice President – Finance and Treasurer since May 2001. He served as our Controller and Treasurer from May 2000 to May 2001, and as our Chief Accounting Officer from June 1999 to May 2000. Mr. Cobb served as our Controller from 1991 to May 1999. From 1987 to 1991, he was the chief financial officer of Speeflo Manufacturing Company. From 1979 to 1987, Mr. Cobb served as division controller for Hughes Production Tools, a division of Hughes Tool Company. From 1973 to 1979, he practiced accounting with Ernst & Young. Mr. Cobb received his B.B.A. degree in Accounting from the University of Texas, and he is a certified public accountant.

Linden H. Price has served as our Vice President – Administration since May 2001. He has served as Director of our Human Resources department since September 1993. From 1989 to 1993, Mr. Price was director of human resources for TRW Environmental Services, a business unit of TRW Inc. From 1982 to 1989, he was director of human resources and administration for Grant Norpac, a geophysical services company. Mr. Price received his B.A. degree in Social Sciences from the College of Santa Fe and his M.S. degree in Human Development from the University of Maryland.

COMPENSATION DISCUSSION AND ANALYSIS

Oversight of Executive Compensation Program

The Management and Compensation Committee of our Board of Directors is responsible for discharging the responsibilities of our Board of Directors relating to the compensation of our executive officers and advising our board on our compensation philosophy, programs, and objectives. The Management and Compensation Committee oversees our compensation programs, which include components that are designed specifically for (i) our most senior executive officers, which includes our current Chief Executive Officer, our former Chief Executive Officer, and the executive officers named in the Summary Compensation Table (collectively, the “Named Executive Officers” or “NEOs”); (ii) employees who are designated as our senior officers (“Senior Officers”); and (iii) a broad-base of our employees. Additionally, the Management and Compensation Committee is charged with the review and approval of all annual compensation decisions relating to the CEO, and with the review and oversight of annual compensation decisions relating to other NEOs and Senior Officers (collectively, “Senior Management”).

Consistent with the listing requirements of the NYSE, the Management and Compensation Committee is composed entirely of independent, non-management members of our Board of Directors. With the exception of awards received under our Amended and Restated 2007 Equity Incentive Compensation Plan, no Management and Compensation Committee member participates in any of the Company’s employee compensation programs. Each year, we review any and all relationships that each director may have with us, and the Board of Directors subsequently reviews our findings. The Board of Directors has determined that none of the Management and Compensation Committee members have any material business relationships with us.

The responsibilities of the Management and Compensation Committee include the following:

- establishing a compensation philosophy designed to support our overall business strategy and objectives, and establishing a compensation strategy designed to attract and retain executive talent, motivate executive officers to improve their performance and the financial performance of the company, and otherwise implement the compensation philosophy;

- reviewing and annually establishing annual and long-term performance goals and objectives for our Senior Management intended to support our compensation philosophy and the Management and Compensation Committee’s compensation strategies;

- evaluating annually the performance of our CEO and other NEOs in light of approved performance goals and objectives;

- reviewing and approving annually the compensation of the CEO and other NEOs based on their performance evaluations, including annual salary, performance-based bonus awards, bonus opportunities including long-term incentive opportunities, and any other matter relating to the compensation of the CEO and other NEOs which the Management and Compensation Committee considers appropriate;

- reviewing at least annually all equity-based compensation plans and arrangements, including the number of shares remaining available for issuance under those plans, and making recommendations to our Board of Directors regarding the need to amend existing plans or to adopt new plans for the purposes of implementing the Management and Compensation Committee’s goals regarding long-term and equity-based compensation;

- reviewing at least annually all components of compensation paid to or available to the CEO and other NEOs which may include salary, bonuses (both performance-based and otherwise), long-term incentive compensation, perquisites, and other personal benefits to determine the appropriateness of each component in light of our compensation philosophy;
- reviewing and approving all employment, severance, change of control or other compensation agreements or arrangements to be entered into or otherwise established with our CEO and other NEOs;
- producing an annual Management and Compensation Committee report for inclusion in our proxy statement or Annual Report on Form 10-K in accordance with the rules and regulations of the SEC; and
- reviewing with the CEO matters relating to management succession, including compensation related issues.

Overview of Compensation Philosophy and Objectives

In order to recruit and retain highly qualified and competent individuals as Senior Management, we strive to maintain a compensation program that is competitive in the global labor market. Our guiding philosophy is to maintain an executive compensation program that will attract, retain, motivate and reward highly qualified and talented individuals to enable us to perform better than our competitors. The following are our key objectives in setting the compensation programs for our Senior Management:

- design competitive total compensation programs to enhance our ability to attract and retain knowledgeable and experienced Senior Management;
- motivate our Senior Management to deliver outstanding financial performance and meet or exceed general and specific business, operational, and individual objectives;
- set compensation and incentive levels that reflect competitive market practices in relevant markets and are generally within the median range for the relevant peer group;
- provide a significant percentage of total compensation that is “at risk,” or “variable,” based on predetermined performance measures and objectives; and
- ensure that a significant portion of the total compensation package is determined by increases in stockholder value, thus assuring an alignment of Senior Management and stockholder interests.

Implementation and Management of Compensation Programs

Role of Management and Compensation Committee. The Management and Compensation Committee determines our overall compensation philosophy and sets the compensation of our CEO and other members of Senior Management. In making compensation decisions, the Management and Compensation Committee considers compensation paid by companies in our peer group; compensation data from available surveys of the oilfield services and the oil and gas industries for executive officers with similar positions and with roles and responsibilities similar to our Senior Management; market data, analysis and recommendations provided by any compensation consultant engaged by the Management and Compensation Committee; and recommendations from our CEO with respect to specific compensation matters, including changes in compensation for our Senior Management. The Management and Compensation Committee has the authority to retain compensation consultants, outside counsel, or other advisors to assist the committee in the discharge of its duties. In any given year, the Management and Compensation Committee bases its decision on whether to retain a

compensation consultant on factors including prevailing market conditions, changes in the regulation of executive compensation, and the quality and applicability of any other relevant data that may be available. If a compensation consultant is engaged, the Chairman of the Management and Compensation Committee maintains a direct line of communication with the consultant and arranges meetings with the consultant that may include other members of the committee and/or the CEO. Through this communication with the Chairman of the Management and Compensation Committee, the consultant reports to, and acts at the discretion of, our Management and Compensation Committee. Although our CEO may receive the consultant's report and data, the Management and Compensation Committee retains and exercises control and authority over the compensation consultant.

The Management and Compensation Committee did not engage a compensation consultant to provide services relating to our 2009 compensation decisions. The Management and Compensation Committee considered the Oilfield Manufacturing and Services Industry Survey (OFMS) report, along with other compensation data available at www.salary.com in assessing market compensation data and evaluating our compensation program for 2009, including the compensation of our Senior Management. The OFMS report includes data on salaries, bonuses, and long-term equity incentives that is obtained from participating companies. The following companies, which we considered our peer group for the purpose of evaluating our compensation programs during 2009, were respondents to the 2008 OFMS:

Allis-Chalmers Energy Inc.	Atwood Oceanics, Inc.	Basic Energy Services
BJ Services Company	Bolt Technology Corp.	Bristow Group Inc.
Bronco Drilling Company Inc.	Cal Dive International Inc.	Dawson Geophysical Company
Diamond Offshore Drilling Inc.	Dresser-Rand Group Inc.	Dril-Quip Inc.
ENGlobal Corp.	ENSCO International Inc.	Exterran Holdings Inc.
FMC Technologies	Gardner Denver Inc.	Global Industries Ltd.
Grey Wolf Inc.	Gulf Island Fabrication Inc.	Halliburton Co.
Helix Energy Solutions Group Inc.	Hercules Offshore Inc.	Hornbeck Offshore Services Inc.
Lufkin Industries Inc.	McDermott International Inc.	Mitcham Industries Inc.
Nabors Industries	Noble Corp.	Oceaneering International Inc.
Parker Drilling	Particle Drilling Technologies, Inc.	Patterson-UTI Energy Inc.
Petroleum Development Corp.	RPC Inc.	Schlumberger Limited
Seacor Holdings, Inc.	Smith International Inc.	Superior Well Services Inc.
T-3 Energy Services	Tidewater Inc.	Transocean Inc.
Union Drilling, Inc.	Unit Corporation	Weatherford International Ltd.
W-H Energy Services Inc.		

Although the Management and Compensation Committee did not utilize a compensation consultant relating to our 2009 compensation decisions, in February 2009, the Management and Compensation Committee retained the services of Longnecker & Associates, an executive compensation consulting firm, to provide information and recommendations related to our then outstanding option awards. Following its review of the Longnecker & Associates data and recommendations, the Management and Compensation Committee determined that no action should be taken with regard to such awards at that time.

Role of CEO. Our CEO makes recommendations to the Management and Compensation Committee with regard to salary adjustments and the annual and long-term incentives available to our Senior Management, excluding himself. Based upon his judgment and experience, taking into consideration available industry-based compensation surveys and other data, including data provided by the Management and Compensation Committee's consultant, if one is retained for that year, our CEO annually reviews with the Management and Compensation Committee specific compensation recommendations for Senior Management. In preparation for these evaluations, our CEO compiles a year-end compensation report that includes industry-based compensation data, 39

data generated by any compensation consultant engaged by the Management and Compensation Committee, and our CEO's personal evaluation of the performance of Senior Management.

In its review of our CEO's compensation report and its consideration of whether changes in compensation recommended therein for the 2009 fiscal year were in line with our overall compensation philosophy, current competitive market conditions, and current economic conditions, the Management and Compensation Committee considered the CEO's comments in addition to its own evaluations of Senior Management. The Management and Compensation Committee reviewed our CEO's compensation report among themselves and with our CEO and approved prospective changes in compensation for Senior Management other than our CEO. The Management and Compensation Committee, in executive session, establishes the compensation for our CEO. The Management and Compensation Committee generally gives our CEO discretion as to when prospective changes in base salary for Senior Management are made effective during the following year.

In addition to the 2008 year-end recommendations made by the CEO with respect to the compensation of our Senior Management for fiscal year 2009, in November 2009, the CEO recommended that the Management and Compensation Committee rescind the wage and salary reductions that had been in effect since February 2009. The wage and salary reductions are further discussed in "Salary" below.

Timing of Compensation Decisions. Our CEO typically distributes his year-end compensation report and specific compensation recommendations to the Management and Compensation Committee, as well as the entire Board of Directors, prior to the December board and committee meetings. The Management and Compensation Committee reviews the CEO's compensation report, information and recommendations provided by its compensation consultant, if any for that year, and such other information it considers relevant, and typically approves prospective changes in compensation for Senior Management that may be implemented in the following year at the CEO's discretion. Also at its December meeting, the Management and Compensation Committee typically reviews a preliminary estimate of the aggregate amount of the discretionary incentive compensation bonuses that may be awarded based on current year performance. The actual amount of the discretionary incentive compensation available for annual awards is finalized, individually allocated, and approved by the Management and Compensation Committee at a meeting early the following year prior to payment, based upon the determination of our full year financial results. Finally, at its December meeting, the Management and Compensation Committee reviews succession plans for our CEO and other members of Senior Management, as well as total headcount and aggregate compensation costs.

Compensation Elements

We strongly believe that Senior Management should be compensated with a total package that includes, at a minimum, the following three elements: salary, performance-based cash incentives, and equity incentives. A significant portion of the total prospective compensation paid to each member of Senior Management should be tied to measurable financial and operational objectives. These objectives, whether on a divisional or company-wide basis, may include absolute performance and performance relative to a peer group. During periods when performance meets or exceeds established objectives, Senior Management should be paid at or above targeted levels, respectively. When our performance does not meet key objectives, incentive award payments, if any, should be less than such targeted levels. The Management and Compensation Committee seeks to structure a balance between achieving strong short-term annual results and ensuring long-term viability and success. To reinforce the importance of balancing these perspectives, we endeavor to provide each member of Senior Management with both annual and long-term incentives. Currently, a majority of short-term incentives are in the form of discretionary cash bonuses that are based on both objective performance criteria and subjective criteria and all long-term incentives are in the form of equity awards. While the mix of salary, annual cash incentive bonuses, and long-term incentives earned by Senior Management can vary from year-to-year depending on individual performance and on our overall performance, the Management and Compensation Committee believes that the potential future value of long-term incentives, which is heavily contingent on our long-term health and success, should constitute a significant portion of total compensation in any one year.

Salary. The Management and Compensation Committee reviews relevant survey data and information and analysis provided by its consultant, if one is retained for that year, to ensure that our salary program is competitive. We believe that a competitive salary program is an important factor in our ability to attract and retain Senior Management, and we generally target a median range for our base salaries relative to the survey data. Benchmarking is also important, and we do consider the compensation offered by our peer companies in establishing a target level of base salary. The Management and Compensation Committee reviews the salaries of all members of Senior Management at least annually. Salaries may be adjusted for performance, which may include individual, business unit and/or company-wide performance, expansion of duties and responsibilities, and changes in market salary levels. In considering salary adjustments, the Management and Compensation Committee will give weight to the foregoing factors with particular emphasis on corporate performance goals, our CEO’s analysis of the individual’s performance, and our CEO’s specific compensation recommendations. However, the Management and Compensation Committee does not rely on formulas and considers all factors when evaluating salary adjustments.

In December 2008, the Management and Compensation Committee approved proposed salary increases for certain of our Senior Management and NEOs, to be made effective during 2009 at the discretion of our CEO. However, subsequent to the December 2008 review, in February 2009, the Board of Directors, as part of our efforts to reduce costs and expenses, approved wage and salary reductions of 5% to 20% of base annual compensation rates. As part of this general wage and salary reduction, the Management and Compensation Committee also approved salary reductions for our Senior Management, including our then CEO, Mr. Hertel, and other NEOs. The salary reductions were effective as of the pay period beginning on February 14, 2009.

Immediately following our annual meeting of stockholders on May 5, 2009, Mr. Hertel resigned from, and Mr. Brightman was appointed by the Board of Directors to, the positions of President and Chief Executive Officer. On May 19, 2009, the Management and Compensation Committee approved an increase, effective as of May 9, 2009, of Mr. Brightman’s annual base salary from $410,000 to $500,000, subject to the 20% salary reduction that had been in effect for Mr. Hertel, our prior CEO.

In November 2009, our CEO recommended that the Management and Compensation Committee rescind the wage and salary reduction program that had been in effect since February 2009. In its consideration of the CEO’s recommendation, the Management and Compensation Committee evaluated a number of relevant factors, including our forecasted 2009 year-end results and recommendations from a compensation consultant engaged by the Management and Compensation Committee for our 2010 compensation analysis. Following this review, the Management and Compensation Committee approved the reinstatement of our Senior Managements’ pre-reduction salaries, and the reinstatement of salaries and wages for other employees. The following table sets forth the annual base salaries that were effective for our NEOs as of January 2, 2010:

Name	Base Salary
Stuart M. Brightman	$ 500,000
Joseph M. Abell III	$ 285,000
Edwin H. Goldman	$ 325,000
Geoffrey M. Hertel	$ 400,000
Philip N. Longorio	$ 325,000
Bass C. Wallace, Jr.	$ 260,000

In connection with the February 2009 salary reductions, we adopted a claw-back program that was designed to give our employees as of December 31, 2009, including Messrs. Brightman, Abell, Goldman, Longorio, and Wallace, but excluding Mr. Hertel, an opportunity to be reimbursed 30% to 100% of the amount by which their respective wages and salaries were reduced, depending on the level of our long-term debt as of December 31, 2009 and, in certain circumstances, the amount of our per share earnings in 2009. The interpretation and implementation of the claw-back program was solely within the Board of Directors' discretion. On February 17, 2010, the Board of Directors approved a 50% reimbursement for all of our employees as of December 31, 2009 who had participated in the wage and salary reduction program, including all of our NEOs other than Mr. Hertel, pursuant to the terms of the claw-back program. We have entered into a transition agreement with Mr. Hertel relating to his continued employment by us, and under the terms of this agreement, Mr. Hertel's salary following the May 5, 2009 transition was not subject to the wage and salary reduction, nor was he eligible for any reimbursement under the claw-back program.

Discretionary Performance-Based Cash Incentive (Bonus). We have maintained a discretionary performance-based cash bonus program which provides each member of Senior Management the opportunity to earn a cash bonus based upon levels of performance versus objective performance criteria, including consolidated or divisional pre-tax profits, other financial metrics and safety statistics, and subjective individual criteria. In addition, the performance criteria applicable to members of Senior Management with operational responsibilities may include performance criteria for their respective divisions and/or units, financial metrics applicable to certain capital projects or acquisitions, and safety criteria. For 2009, the performance objectives for Messrs. Brightman, Abell, Hertel and Wallace included the attainment of budgeted per-share earnings on a consolidated basis and the achievement of personal performance goals. For Messrs. Goldman and Longorio, performance objectives for 2009 included, for the operations within their respective scopes of responsibility, attainment of budgeted levels of pre-tax profitability and improved safety performance, and the achievement of personal performance goals. The discretionary performance-based cash bonus program has been used to provide incentive compensation relating to short-term (annual) performance. Although we do establish specific performance objectives, the amount of the cash incentive bonus ultimately received by a member of our Senior Management is subject to the discretion of the Management and Compensation Committee. If our performance meets, but does not exceed, our targeted performance objectives and the subjective criteria are satisfied, a discretionary cash incentive bonus may be paid at the target level. If our performance significantly exceeds targeted performance objectives, then the discretionary cash incentive bonus may exceed the target level.

The target percentages in the table below represent the 2009 annual cash incentive bonus opportunities for our NEOs if the annual performance objectives and/or subjective criteria are achieved. Although specific incentive bonus targets for each member of Senior Management have generally been set at the beginning of the year, the amount of bonus ultimately payable is discretionary and is heavily influenced by the recommendations of our CEO and the evaluation of the Management and Compensation Committee. For significant achievement, the specific target award opportunity, including those set forth in the table below, may be exceeded.

The following table sets forth the target award opportunities established as a percentage of base salary for the CEO and other NEOs for the 2009 discretionary performance-based cash bonus program:

Target Incentive Opportunities as a Percentage of Base Salary		
Stuart M. Brightman	50	%
Joseph M. Abell III	32	%
Edwin H. Goldman	32	%
Geoffrey M. Hertel	50	%
Philip N. Longorio	32	%
Bass C. Wallace, Jr.	32	%

Although our 2009 performance was favorable compared to our budgeted expectations, the Management and Compensation Committee acknowledged that part of our success was attributable to the record performance of our Offshore Services segment, and the collection of approximately $40.0 million in settlement of our insurance litigation regarding costs associated with damages sustained during Hurricanes Rita and Katrina. The Management and Compensation Committee recognized that our successful efforts to reduce long-term debt and increase cash flow during 2009 were promulgated and led by our Senior Management as a group, and specifically by Mr. Brightman. The Management and Compensation Committee noted that Mr. Brightman's leadership of the organization following his transition into the President and CEO positions had been exemplary, particularly given the difficult market conditions experienced during 2009. In addition, prior to our hiring of Mr. Goldman in August 2008, Mr. Brightman was responsible for the day-to-day operations of our Offshore Services segment and the Management and Compensation Committee determined that Mr. Brightman's prior management had laid the groundwork for the Offshore Services segment's record 2009 performance. The Management and Compensation Committee also considered and discussed the individual contributions of Messrs. Abell, Hertel and Wallace to our 2009 results, and made subjective assessments of each individual's effectiveness in advancing our long-term strategies. Based on these deliberations, the Management and Compensation Committee approved a discretionary payment of 96% of Mr. Brightman's target award opportunity, and 75% of the target award opportunities for Messrs. Abell, Hertel and Wallace.

In its review of Mr. Goldman's 2009 performance, the Management and Compensation Committee considered the record profitability of our Offshore Services segment, which is led by Mr. Goldman, and the improved safety statistics reported by a majority of the business units within the Offshore Services segment. The Management and Compensation Committee considered and discussed Mr. Goldman's individual contribution to these results, and made a subjective assessment of his effectiveness in advancing our long-term strategies. Based on these deliberations, the Management and Compensation Committee concluded that Mr. Goldman's leadership of the Offshore Services segment was a critical factor in its success during 2009, and approved a discretionary payment of approximately 240% of Mr. Goldman's target award opportunity.

In its review of Mr. Longorio's 2009 performance, the Management and Compensation Committee considered the difficult market environment for many of the businesses under his leadership. Specifically, demand for the services and products provided by these businesses was adversely affected by decreased levels of oil and gas drilling activity and lower average commodity prices during much of 2009 compared to 2008. The Management and Compensation Committee also noted that most of the businesses within Mr. Longorio's oversight reported improved safety statistics. The Management and Compensation Committee considered and discussed Mr. Longorio's individual contribution to the improved safety results, and made a subjective assessment of his effectiveness in advancing our long-term strategies. Based on these deliberations, the

Management and Compensation Committee concluded that Mr. Longorio's contributions to improved safety results during 2009 merited recognition, and approved a discretionary payment of 30% of Mr. Longorio's target award opportunity.

Equity Incentive Awards. Historically, equity incentives, predominantly awards of stock options and restricted stock, have comprised a significant portion of our Senior Management's total compensation package. In establishing equity incentive opportunities for Senior Management, the Management and Compensation Committee considers peer group compensation practices and past individual performance. In general, equity incentives have been awarded on the same date to each member of Senior Management. In an effort to formalize this practice, the Management and Compensation Committee adopted Procedures for Grants of Awards Under the TETRA Technologies, Inc. Equity Compensation Plans (the "Grant Procedures") for annual and other awards to be made under the plans. With respect to annual awards to employees, under the Grant Procedures, the Management and Compensation Committee determines the number of shares available for awards after consultation with our CEO. Our CEO then makes a recommendation to the Management and Compensation Committee as to the number and type of awards for members of Senior Management. The Management and Compensation Committee considers such recommendations and, after considering such other factors and information as it deems appropriate, the committee makes any adjustments it feels appropriate. The Grant Procedures generally provide that the annual equity awards will be approved at a meeting of the Management and Compensation Committee held in conjunction with our annual meeting of stockholders. To avoid timing of equity-based awards ahead of the release of our quarterly earnings, the annual awards to our Senior Management under the Grant Procedures generally have a grant date of May 20th. With respect to newly hired employees, the Grant Procedures provide that the awards will be made on a monthly basis. The Grant Procedures provide that the Management and Compensation Committee may refrain from or delay regularly scheduled awards if it or Senior Management are aware of any material non-public information.

With respect to our equity incentives, the Management and Compensation Committee seeks to strike a balance between achieving strong short-term annual results and ensuring strong long-term success. The equity incentive portion of the compensation package primarily addresses our longer-term success. Stock options and restricted stock awards are the two forms of equity compensation which have historically been utilized, although additional forms of equity compensation are authorized under our equity plans. Both of these forms of equity incentives are geared toward longer-term performance, as both generally, although not always, require a period of vesting, and their values are materially affected by share price appreciation. As our stockholder value increases, so too does the value of the equity incentive compensation increase to our Senior Management. We believe that tying a portion of our Senior Management's compensation directly to our stockholders' returns is an important aspect of our total compensation plan.

While our Grant Procedures provide that annual equity awards are generally approved at a meeting of our Management and Compensation Committee held in conjunction with our annual meeting, the Grant Procedures may be amended or modified by the Management and Compensation Committee. In February 2009, in order to address concerns related to the retention of employees created by the decline in the market price of our common stock, the Management and Compensation Committee elected to modify the date of the 2009 annual equity award. At that time, more than 85% of the stock options granted to our employees in prior years were significantly out-of-the-money, leaving the holders of those options without any effective long-term incentive. On February 11, 2009, the Management and Compensation Committee approved the award of stock options to a broad-base of employees and to certain members of Senior Management, to be effective as of February 12, 2009. Such awards, granted at 100% of the market price on the effective grant date, vest over a period of three years following the grant date. Messrs. Brightman, Abell, Goldman, Hertel, Longorio and Wallace each received an award of stock options in conjunction with this initiative.

Tax and Accounting Implications of Executive Compensation

Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), places a limit of $1,000,000 on the amount of compensation that may be deducted by the Company in a year with respect to the CEO and other NEOs, unless the compensation is performance-based compensation (as described in Section 162(m) and the restated regulations), as well as pursuant to a plan approved by the our stockholders. We have qualified certain equity compensation paid to Senior Management for deductibility under Section 162(m). We may from time to time pay compensation to our Senior Management that may not be deductible, including discretionary bonuses or other types of compensation outside of our plans. Although the Management and Compensation Committee has generally attempted to structure executive compensation so as to preserve deductibility, it also believes that there are circumstances where our interests are best served by maintaining flexibility in the way compensation is provided, even if it might result in the non-deductibility of certain compensation under the Code.

On January 1, 2006, we began accounting for stock-based compensation in accordance with SFAS No. 123(R), now codified as FASB Codification Topic 718.

Retirement, Health, and Welfare Benefits

We offer a variety of health and welfare benefits to all eligible employees. Members of Senior Management are generally eligible for the same benefit programs on the same basis as the rest of our broad-based employees. Our health and welfare programs are intended to protect employees against catastrophic loss and to encourage a healthy lifestyle. These health and welfare programs include medical, wellness, pharmacy, dental, life insurance, and accidental death and disability.

401(k) Plan. We offer a 401(k) program that is intended to supplement a participant's personal savings and social security. Under our 401(k) Retirement Plan (the "401(k) Plan"), eligible employees may contribute on a pretax basis up to 70% of their compensation, subject to an annual maximum established under the Code. Prior to February 14, 2009, we made a matching contribution under the 401(k) Plan equal to 50% of the first 6% of a participant's annual compensation that is contributed to the 401(k) Plan. On February 14, 2009, the matching contribution was suspended in conjunction with wage and salary reductions adopted on that date. Members of Senior Management participate in the 401(k) Plan on the same basis as other employees, and our matching contributions to all members of Senior Management were suspended on February 14, 2009. In November 2009, the Board of Directors approved our reinstatement of matching contributions under the 401(k) Plan, effective as of December 26, 2009 for non-exempt employees, and as of January 2, 2010 for exempt employees. As of December 31, 2009, approximately 95% of all eligible employees were participating in the 401(k) Plan. All employees (other than nonresident aliens) who have reached the age of eighteen and have completed six months of service with us are eligible to participate in the 401(k) Plan.

Nonqualified Deferred Compensation Plan. We provide our Senior Management, directors, and certain other key employees with the opportunity to participate in the Executive Nonqualified Excess Plan, an unfunded, deferred compensation program. There were thirty-one participants in the program at December 31, 2009. Under the program, participants may defer a specified portion of their annual total cash compensation, including salary and performance-based cash incentive, subject to certain established minimums. The amounts deferred may increase or decrease depending on the participant's deemed investment elections from among hypothetical investment election options. Deferral contributions and earnings credited to such contributions are 100% vested and may be distributed in cash at a time selected by the participant and irrevocably designated on the participant's deferral form. In-service distributions may not be withdrawn until two years following the participant's initial enrollment. Notwithstanding the participant's deferral election,

the participant will receive distribution of his deferral account if the participant becomes disabled or dies, or upon a change in control.

Perquisites

We have a general policy under which we allow few perquisites ("perks") and they are generally de minimis. Perks are not a material component of compensation. On rare occasions, the Chief Executive Officer allows exceptions to this rule for NEOs, excluding the CEO. Any individual perks exceeding $2,500 for the CEO must be authorized by the Management and Compensation Committee in advance. In general, NEOs do not receive allowances for the private use of country clubs, automobile expenses, airline and travel costs other than those costs allowed for all employees, tickets to sporting events and entertainment events, hunting and fishing camp costs, home security, and meals. During 2009, neither Mr. Hertel nor Mr. Brightman during their respective terms as CEO received an allowance for any of the above.

Severance Plan and Termination Payments

We currently do not have a defined severance plan for, or any agreement with, any NEO that would require us to make any termination payments, with the sole exception of our transition agreement with Mr. Hertel, which is further discussed in "Employment Agreements," below.

Employment Agreements

We have previously entered into employment agreements with each of the Named Executive Officers that are substantially identical to the form of agreement executed by all of our employees. Each agreement evidences the at-will nature of employment and does not guarantee the term of employment, which is entirely at the discretion of the Board of Directors, or otherwise set forth the salary and other compensation of the NEOs, which is established in accordance with the procedures described above. In connection with Mr. Hertel's resignation from his positions as President and Chief Executive Officer in 2009, we entered into a Transition Agreement with Mr. Hertel setting forth the terms of his continued employment with us. The Transition Agreement, which was effective as of May 5, 2009, extends Mr. Hertel's employment with us from May 5, 2009 through January 5, 2012, subject to earlier termination in accordance with the terms of the Transition Agreement.

Under the terms of the Transition Agreement, Mr. Hertel is entitled to receive a monthly base salary of $33,333, and he is eligible to participate in all incentive, stock option, savings and retirement plans, practices, policies and programs generally available to our executive officers. For each calendar year ending during the employment period, Mr. Hertel will be eligible for an annual bonus on the same basis as our executive officers under our then current discretionary performance-based cash bonus program. Target payout of the annual bonus is $200,000 for each of the 2009 and 2010 calendar years, and $83,200 for the 2011 calendar year. Payout of the annual bonus is subject to Mr. Hertel's continued employment during the period to which each bonus relates.

It is contemplated that Mr. Hertel's duties as an employee will include assisting with the completion of an initial public offering by Compressco Partners, L.P. Under the Transition Agreement, Mr. Hertel is eligible for an additional cash bonus of between $250,000 and $900,000 if the offering is closed on or before June 30, 2010, based on the market capitalization of Compressco Partners after the closing of the offering. Mr. Hertel is also eligible to receive bonuses based on the successful transitions of Mr. Brightman to the positions of President and Chief Executive Officer and Edwin H. Goldman to the position of Senior Vice President. Subject to the complete discretion of the Board of Directors based on its subjective evaluation of the success of the transition over two performance periods, Mr. Hertel may be eligible to receive cash bonuses of

up to $200,000 in the aggregate for the period from May 5, 2009 until May 4, 2010, and $200,000 in the aggregate for the period from May 5, 2010 until May 4, 2011. Payout of the transition bonuses is subject to the continued employment of Messrs. Brightman and Goldman, respectively, during the period to which each bonus relates. In the event a change in control occurs on or before May 4, 2010 and Mr. Brightman and/or Mr. Goldman remain employed by us immediately prior to the change of control, the payment of all or a portion of the initial transition bonus will be accelerated and payable within seven days following the change in control.

Mr. Hertel's employment will automatically terminate upon his death and may be terminated by us in the event of his "disability" (as defined in the Transition Agreement) during the Employment Period. In addition, Mr. Hertel may terminate his employment with us for "Good Reason," as specified in the Transition Agreement, or for any other reason upon 30 days' advance notice. The Transition Agreement defines "Good Reason" as (i) any failure by us to comply with the compensation provisions of the Transition Agreement other than an isolated, insubstantial and inadvertent failure; (ii) our requiring Mr. Hertel to be based at any office or location other than our headquarters in The Woodlands, Texas; (iii) any purported termination by us of Mr. Hertel's employment other than as expressly permitted by the Transition Agreement; or (iv) any failure on our part to require the Transition Agreement to be assumed by any successor entity. The Transition Agreement also provides that Mr. Hertel's employment may be terminated by us for "Cause," as specified in the Transition Agreement. "Cause" is defined as (i) the willful and continued failure of Mr. Hertel to perform substantially his duties and obligations under the Transition Agreement (for reasons other than injury, illness or incapacity) after a written demand for such performance is provided by us; (ii) Mr. Hertel's conviction or the entry of a plea of guilty or nolo contendre to a misdemeanor involving moral turpitude or a felony; (iii) fraud, theft, embezzlement or a similar misappropriation of our funds or property or those of our affiliates; or (iv) the willful engagement in illegal conduct or gross misconduct which is materially injurious to us or our affiliates.

If Mr. Hertel's employment terminates as a result of his death, if we terminate Mr. Hertel's employment as a result of his disability or other than for Cause, or if Mr. Hertel terminates his employment for "Good Reason," then (i) we will continue to pay his base salary through the end of the employment period; (ii) we will pay an amount equal to any bonus that would have been payable as a result of the initial public offering of Compressco Partners as if his employment had not been terminated; (iii) we will pay an amount equal to any transition bonus that would have been payable as if Mr. Hertel's employment had not been terminated; (iv) Mr. Hertel or his heirs will continue to be eligible to participate in welfare benefit plans; and (v) we will pay any business expenses which have been incurred through the date of termination in accordance with the our policies. If at any time following the termination of Mr. Hertel's employment and during the noncompetition period thereafter he breaches any of the nondisclosure, noncompetition and nonsolicitation provisions provided for under the Transition Agreement, we will no longer be obligated to make the foregoing payments. If we terminate Mr. Hertel's employment for "Cause," Mr. Hertel will only be entitled to receive payment of his base salary through the date of termination and any deferred compensation or other employee benefits which he is otherwise entitled to receive. If Mr. Hertel terminates his employment for any reason other than "Good Reason," Mr. Hertel will be entitled to receive (i) his base salary through the date of termination; (ii) the payment of any business expenses incurred but not reimbursed through the date of termination; and (iii) the payment of any deferred compensation or other employee benefits which he is entitled to receive.

The Transition Agreement includes nondisclosure, noncompetition, and nonsolicitation provisions binding on Mr. Hertel during the employment period and for a period of three years after his separation of service under the Transition Agreement.

Change in Control Agreements

Except for the provisions contained in Mr. Hertel’s Transition Agreement, we do not have any change in control agreements with any NEO. Our Amended and Restated 2006 Equity Incentive Compensation Plan and Amended and Restated 2007 Equity Incentive Compensation Plan do, however, address change in control with respect to awards under the plans, including stock options and restricted stock agreements. In relation to options and restricted stock, the Management and Compensation Committee, at its sole discretion may, in the event of a change in control, accelerate vesting and/or the time at which outstanding options may be exercised under the various option agreements. Upon a change in control, the Management and Compensation Committee may also eliminate restrictions relating to restricted stock. Compensation deferred under our Executive Nonqualified Excess Plan will become payable to plan participants if the plan is terminated within twelve months of a change in control.

Indemnification Agreements

Each of our current directors and our NEOs has executed an indemnification agreement which provides that we will indemnify these directors and officers to the fullest extent permitted by our Restated Certificate of Incorporation, Amended and Restated Bylaws and applicable law. The indemnification agreement also provides that our directors and officers will be entitled to the advancement of fees as permitted by applicable law, and sets out the procedures required for determining entitlement to and obtaining indemnification and expense advancement. In addition, our charter documents provide that each of our directors and officers and any person serving at our request as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise is indemnified to the fullest extent permitted by law in connection with any threatened, pending, or completed action, suit, or proceeding (including civil, criminal, administrative, or investigative proceedings) arising out of or in connection with his services to us or to another corporation, partnership, joint venture, trust, or other enterprise, at our request. We purchase and maintain insurance on behalf of any person who is a director or officer of the aforementioned corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as an officer or director.

Stock Ownership Guidelines

Our Board of Directors has adopted stock ownership guidelines for our directors and executive officers. The stock ownership guidelines are intended to align the interests of our directors and executive officers with the interests of our stockholders. Under these guidelines, our executive officers must hold shares of our common stock equal to a multiple, based upon position, of their base salary. The multiples are as follows: Chief Executive Officer, three-times base salary; Chief Financial Officer and Chief Operating Officer, two-times base salary; and, Senior Vice Presidents and Vice Presidents, one-time base salary. Executive officers as of February 21, 2008 have until February 21, 2013, to be in compliance with the guidelines, and executive officers appointed after February 21, 2008, will have five years following attainment of executive officer status to be in compliance.

Changes for Fiscal Year 2010

In September 2009, our Management and Compensation Committee retained the services of Stone Partners, Inc., an independent human resource consulting firm, to provide an analysis of our executive compensation program, including appropriate peer comparisons, evolving compensation trends and regulatory initiatives, and the impact of the turmoil in the financial markets and world economy on executive compensation plan design. Stone Partners utilized a peer group of fifteen companies, the Stone Partners Oilfield Services and Manufacturing Industry Executive

Compensation Survey 2009, the Mercer Energy and Executive Compensation Surveys 2009, and the Watson Wyatt Top Management Compensation Survey 2009 to benchmark base salary, annual cash incentives, and long-term incentives paid to our Senior Management against the 25th, 50th and 75th percentiles of the averaged peer group and survey data. Stone Partners provided this data and their analysis to our Management and Compensation Committee and certain members of Senior Management for their respective review and consideration. While certain members of Senior Management received Stone Partners' report and data, the Management and Compensation Committee retained and exercised control and authority over Stone Partners. Following its review of the report and data provided by Stone Partners, the Management and Compensation Committee further engaged Stone Partners to provide specific recommendations related to modifying the structures of our discretionary performance-based annual cash incentive program and our long-term equity incentive program. The Management and Compensation Committee has implemented certain of the recommended modifications in an effort to bring our total compensation package into closer alignment with the market median.

Salary. As discussed under "Compensation Elements" above, in November 2009 our Management and Compensation Committee, based in part upon the recommendations of Stone Partners, restored the individual wages and salaries of our employees, including Senior Management, to their levels prior to the reduction which was implemented in February 2009. With the exception of proposed salary increases related to expanded job responsibilities for two members of Senior Management who are not NEOs, the Management and Compensation Committee did not review prospective changes in base salaries for fiscal year 2010 at the December 2009 meeting. It is anticipated that our CEO will recommend for the Management and Compensation Committee's review and consideration any other changes in our Senior Management's base salary levels on an as-needed basis during 2010.

Cash Incentive Compensation Plan. As part of its engagement by our Management and Compensation Committee, Stone Partners submitted recommendations to assist us in developing a cash incentive compensation plan that would further our compensation philosophy, emphasize pay-for-performance, and provide competitive compensation opportunities. As we have previously reported, in March 2010 the Management and Compensation Committee adopted a Cash Incentive Compensation Plan that provides for both annual and long-term cash incentive opportunities to our officers, including Senior Management, managers, other key employees and consultants beginning in 2010.

While the amount of each award payment to members of Senior Management under the plan will be subject to the discretion of the Management and Compensation Committee, the plan provides for award opportunities based upon financial and nonfinancial performance goals as well as personal performance goals. For each annual incentive award, a threshold, target and stretch performance goal will be established for each applicable performance measure and the amount of the award payment that may be received will be based upon the level of achievement of such goals, subject to the discretion of the Management and Compensation Committee. In addition, recipients of annual incentive awards will have the opportunity to participate in an over achievement bonus pool that may be established under the plan. For each long-term incentive award, a threshold, target, stretch and over achievement performance goal will be established for each applicable performance measure and the amount of the award payment that may be received will be based upon the level of achievement of such goals, subject to the discretion of the Management and Compensation Committee.

The financial and nonfinancial performance measures for Senior Management may be based upon the performance criteria described in the plan or such other measures as determined by the Management and Compensation Committee. For the 2010 plan year, the performance measures for the annual incentive awards will be: (i) our consolidated diluted net income per common share; (ii) health, safety and environmental measures; (iii) divisional profit before taxes;

(iv) profit before taxes for specified business and geographical units; (v) profit before tax margin for Compressco, Inc.; and (vi) the net number of compressor units placed into service by Compressco, Inc. The Management and Compensation Committee has assigned weightings of 60% on consolidated diluted net income per common share, 10% on health, safety and environmental measures, and 30% on personal objectives for Messrs. Brightman, Abell, Hertel and Wallace. For Messrs. Goldman and Longorio, the Committee assigned weightings of 10% on the consolidated financial performance of the company, 20% on health, safety and environmental measures, 50% on the pre-tax profitability of their respective business operations, and 20% on personal objectives.

The following table sets forth the 2010 annual incentive award opportunities established by the Management and Compensation Committee as a percentage of base salary for our CEO and other NEOs under the Cash Incentive Compensation Plan:

	Threshold		Target		Stretch	
Stuart M. Brightman	15	%	75	%	120	%
Joseph M. Abell III	11	%	55	%	88	%
Edwin H. Goldman	11	%	55	%	88	%
Geoffrey M. Hertel(1)	11	%	50	%	88	%
Philip N. Longorio	11	%	55	%	88	%
Bass C. Wallace, Jr.	11	%	55	%	88	%

(1) Pursuant to the terms of his transition agreement, Mr. Hertel's 2010 annual incentive target will be 50% of his annual base salary, and payment will be determined on the same basis as other members of Senior Management.

As of the date of this proxy statement, the Management and Compensation Committee has not established the performance measures for the 2010 long-term incentive awards or the threshold, target, stretch and over achievement opportunities under such awards for Senior Management. It is anticipated that these performance measures and award opportunities will be established on or before May 31, 2010, as required by the Cash Incentive Compensation Plan.

Equity Incentive Awards. As part of their review and analysis of our long-term incentive compensation programs, Stone Partners made recommendations regarding our long-term incentive compensation, including the long-term cash incentive awards discussed above and long-term equity incentive opportunities. The Management and Compensation Committee considered the report and data provided by Stone Partners including the changes in the market for long-term incentives as well as our fiscal 2009 grant levels in terms of the number of awards as well as the targeted and expected value of those grants. The Management and Compensation Committee has determined that a mix of stock options, restricted stock and long-term performance based cash awards should be made to certain of our Senior Management. The stock options and restricted stock will vest ratably over a three-year period. The long-term cash incentives will vest at the end of a three-year performance period based upon the level of attainment of established performance measures. To enable these awards, we are submitting for stockholder approval at the Annual Meeting a proposal to amend our Amended and Restated 2007 Equity Incentive Plan to increase the number of shares of our common stock that may be issued under the plan by one million shares and to allow performance awards under the plan to be paid in either cash or stock. If the proposed amendments to the Amended and Restated 2007 Equity Incentive Plan are approved, we will be in a position to make the anticipated equity-based compensation awards to our Senior Management.

MANAGEMENT AND COMPENSATION COMMITTEE REPORT

The Management and Compensation Committee met three times during the year ended December 31, 2009. The Management and Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based upon the review and discussions described above, the Management and Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement to be delivered to stockholders.

Submitted by the Management and Compensation Committee
of the Board of Directors,
Kenneth E. White, Jr., Chairman
Tom H. Delimitros
Kenneth P. Mitchell
William D. Sullivan

This report of the Management and Compensation Committee shall not be deemed "soliciting material" or be "filed" with the SEC subject to Regulation 14A or 14C or to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically request that the information be treated as soliciting material or specifically incorporate it by reference into a document filed under the Securities Act or the Exchange Act. Further, this report will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate this information by reference.

COMPENSATION OF EXECUTIVE OFFICERS

Summary Compensation

The following table sets forth the compensation earned by (i) our Chief Executive Officer ("Principal Executive Officer"), (ii) our Chief Financial Officer ("Principal Financial Officer"), (iii) each of our three most highly compensated executive officers, and (iv) our former Chief Executive Officer who served as the Principal Executive Officer for a portion of 2009 (each a "Named Executive Officer") for the fiscal year ended December 31, 2009.

Summary Compensation Table

Name and Principal Position	Year	Salary(1)(2) ($)		Bonus ($)	Stock Awards(3) ($)	Option Awards(3) ($)	All Other Compensation(4) ($)	Total ($)
Stuart M. Brightman	2009	$ 442,353	(5)	$ 240,000	$ -	$ 204,000	$ 6,739	$ 893,092
President & CEO	2008	$ 391,538	(6)	$ -	$ -	$ 588,280	$ 11,727	$ 991,545
	2007	$ 356,154	(7)	$ -	$ 419,700	$ -	$ 11,706	$ 787,559
Joseph M. Abell III	2009	$ 277,053		$ 68,400	$ -	$ 118,320	$ 4,742	$ 468,515
Sr. Vice President &	2008	$ 267,500		$ -	$ -	$ 412,560	$ 10,613	$ 690,673
CFO	2007	$ 250,000	(8)	$ -	$ 279,800	$ -	$ 10,476	$ 540,277
Edwin H. Goldman(9)	2009	$ 315,938	(10)	$ 250,000	$ -	$ 128,520	$ 3,782	$ 698,239
Sr. Vice President	2008	$ 112,500		$ 39,000	$ 374,996	$ -	$ 1,359	$ 527,855
Philip N. Longorio(11)	2009	$ 315,938		$ 31,200	$ -	$ 128,520	$ 4,532	$ 480,189
Sr. Vice President	2008	$ 273,750		$ 25,350	$ 553,868	$ 114,600	$ 4,268	$ 971,836
Bass C. Wallace, Jr.	2009	$ 252,750		$ 62,400	$ -	$ 114,240	$ 4,405	$ 433,795
General Counsel &	2008	$ 236,926		$ -	$ -	$ 382,000	$ 9,147	$ 628,073
Corporate Secretary	2007	$ 220,002		$ -	$ 195,860	$ -	$ 8,350	$ 424,212
Geoffrey M. Hertel	2009	$ 430,769		$ 150,000	$ -	$ 167,280	$ 7,426	$ 755,475
Former President &	2008	$ 375,000		$ -	$ -	$ 764,000	$ 11,560	$ 1,150,560

CEO	2007	$ 459,616	$ -	$ -	$ -	$ 12,254	$ 471,870

(1) Includes the following amounts earned during 2009 and paid in February, 2010 under the 2009 salary reduction claw-back program:

	Claw-back Amount
Stuart M. Brightman	$ 39,296
Joseph M. Abell III	$ 18,909
Edwin H. Goldman	$ 21,563
Philip N. Longorio	$ 21,563
Bass C. Wallace, Jr.	$ 17,250
Geoffrey M. Hertel	$ -

(2) Includes amounts earned but deferred pursuant to the Executive Nonqualified Excess Plan.

(3) The amounts included in the “Stock Awards” and “Option Awards” columns reflect the aggregate grant date fair value of awards granted during the fiscal years ended December 31, 2009, 2008, and 2007, in accordance with FASB ASC Topic 718. A discussion of the assumptions used in valuation of stock and option awards may be found in “Note L – Equity-Based Compensation” in the Notes to Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2009, as filed with the SEC on March 1, 2010.

(4) The amounts reflected represent the employer paid portion of life, health, and disability insurance benefits, and matching contributions under our 401(k) Retirement Plan during a portion of 2009, and the full years 2008 and 2007. Following the suspension of matching contributions under our 401(k) Retirement Plan as of February 14, 2009, no additional matching contributions were made.

(5) Mr. Brightman elected to defer $35,069 of his 2009 salary under the Executive Nonqualified Excess Plan.

(6) Mr. Brightman elected to defer $35,238 of his 2008 salary under the Executive Nonqualified Excess Plan.

(7) Mr. Brightman elected to defer $32,054 of his 2007 salary under the Executive Nonqualified Excess Plan.

(8) Mr. Abell elected to defer $60,000 of his 2007 salary under the Executive Nonqualified Excess Plan.

(9) Mr. Goldman was first employed by us on August 18, 2008; 2007 compensation data is not applicable.

(10) Mr. Goldman elected to defer $12,938 of his 2009 salary under the Executive Nonqualified Excess Plan.

(11) Mr. Longorio was first employed by us on February 22, 2008; 2007 compensation data is not applicable.

Grants of Plan Based Awards

The following table discloses the actual number of stock options and restricted stock awards granted during the fiscal year ended December 31, 2009 to each Named Executive Officer, including the grant date fair value of these awards.

Grants of Plan Based Awards Table

Name	Grant Date	Date of Compensation Committee Action(1)	All Other Stock Awards: Number of Shares of Stock (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards(2) ($)
Stuart M. Brightman	2/12/2009	2/11/2009	-	100,000	$ 3.78	$ 204,000
Joseph M. Abell III	2/12/2009	2/11/2009	-	58,000	$ 3.78	$ 118,320
Edwin H. Goldman	2/12/2009	2/11/2009	-	63,000	$ 3.78	$ 128,520
Philip N. Longorio	2/12/2009	2/11/2009	-	63,000	$ 3.78	$ 128,520
Bass C. Wallace, Jr.	2/12/2009	2/11/2009	-	56,000	$ 3.78	$ 114,240
Geoffrey M. Hertel	2/12/2009	2/11/2009	-	82,000	$ 3.78	$ 167,280

(1) Under our grant procedures, we may designate effective grant dates following the date of our Management and Compensation Committee action in the event such committee action takes place shortly before or after an earnings announcement or the release of material non-public information.
(2) The FASB ASC Topic 718 value of the awards granted on February 12, 2009 was $2.04 per option. A discussion of the assumptions used in valuation of stock and option awards may be found in "Note L – Equity-Based Compensation" in the Notes to Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2009, as filed with the SEC on March 1, 2010.

Outstanding Equity Awards at Fiscal Year End

The following table shows outstanding stock option awards classified as exercisable and unexercisable as of December 31, 2009 for each Named Executive Officer. The table also discloses the number and value of unvested restricted stock awards as of December 31, 2009, assuming a market value of $11.08 per share (the closing price of our common stock on December 31, 2009).

Outstanding Equity Awards at Fiscal Year End Table

	Option Awards							Stock Awards			
	Number of Securities Underlying Unexercised Options										
Name	Exercisable (#)	Unexercisable (#)			Option Exercise Price(1) ($/Share)	Option Expiration Date		Number of Shares of Stock that Have Not Vested (#)			Market Value of Shares of Stock that Have Not Vested(2) ($)
Stuart M. Brightman	240,000	0		$	9.0767	4/20/2015					
Stuart M. Brightman	40,132	15,868	(3)	$	29.9950	5/8/2016					
Stuart M. Brightman	24,383	52,617	(4)	$	21.1000	5/20/2018					
Stuart M. Brightman	0	100,000	(5)	$	3.7800	2/12/2019					
Stuart M. Brightman								7,500	(6)	$	83,100
Joseph M. Abell III	54,664	0		$	4.6689	4/19/2011					
Joseph M. Abell III	32,106	0		$	4.3400	2/21/2013					
Joseph M. Abell III	75,000	0		$	9.2067	12/28/2011					
Joseph M. Abell III	25,110	9,930	(3)	$	29.9950	5/8/2016					
Joseph M. Abell III	17,100	36,900	(4)	$	21.1000	5/20/2018					
Joseph M. Abell III	0	58,000	(5)	$	3.7800	2/12/2019					
Joseph M. Abell III								5,000	(6)	$	55,400
Edwin H. Goldman	0	63,000	(5)	$	3.7800	2/12/2019					
Edwin H. Goldman								14,259	(7)	$	157,990
Philip N. Longorio	4,750	10,250	(4)	$	21.1000	5/20/2018					
Philip N. Longorio	0	63,000	(5)	$	3.7800	2/12/2019					

Philip N. Longorio						21,140	(8)	$ 234,231
Bass C. Wallace, Jr.	30,000	0		$ 9.2067	12/28/2011			
Bass C. Wallace, Jr.	15,833	34,167	(4)	$ 21.1000	5/20/2018			
Bass C. Wallace, Jr.	0	56,000	(5)	$ 3.7800	2/12/2019			
Bass C. Wallace, Jr.						2,400	(9)	$ 26,592
Bass C. Wallace, Jr.						3,500	(6)	$ 38,780
Geoffrey M. Hertel	240,000	0		$ 9.2067	12/28/2011			
Geoffrey M. Hertel	52,777	47,223	(10)	$ 21.1000	5/20/2018			
Geoffrey M. Hertel	28,187	53,813	(11)	$ 3.7800	2/12/2019			

(1) Under the terms of our equity plans, the option exercise price must be greater than or equal to 100% of the closing price of the common stock on the date of grant. A discussion of the assumptions used in valuation of stock and option awards may be found in "Note L – Equity-Based Compensation" in the Notes to Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2009, as filed with the SEC on March 1, 2010.

(2) Market Value is determined by multiplying the number of shares of stock that have not vested by $11.08, the closing price of our common stock on December 31, 2009.

(3) The stock option award vested 20% on May 8, 2007, vests an additional 1.6667% of the award each month, and will become fully vested on May 8, 2011.

(4) The stock option award vested 20% on May 20, 2009, vests an additional 1.6667% of the award each month, and will become fully vested on May 20, 2013.

(5) The stock option award will vest 33.33% on February 12, 2010, will vest an additional 2.7778% of the award each month thereafter, and will become fully vested on February 12, 2012.

(6) The restricted stock award vested 20% on May 20, 2008, vests an additional 10% of the award once every six months, and will become fully vested on May 20, 2012.

(7) The restricted stock award vested 20% on August 18, 2009, vests an additional 10% of the award once every six months, and will become fully vested on August 18, 2013.
(8) The restricted stock award vested 20% on February 22, 2009, vests an additional 10% of the award once every six months, and will become fully vested on February 22, 2013.
(9) The restricted stock award vested 20% on May 8, 2007, vests an additional 10% of the award once every six months, and will become fully vested on May 8, 2012.
(10) The stock option award vested 33.33% on May 20, 2009, vests an additional 2.7778% of the award each month, and will become fully vested on May 20, 2011.
(11) The stock option award vested 3.125% on February 12, 2009, vests an additional 3.125% of the award each month, and will become fully vested on September 12, 2011.

Option Exercises and Stock Vested

The following table sets forth certain information regarding options and stock awards exercised and vested, respectively, by each of our Named Executive Officers during the fiscal year ended December 31, 2009.

Option Exercises and Stock Vested Table

	Option Awards			Stock Awards		
Name	Number of Shares Acquired on Exercise (#)		Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)		Value Realized on Vesting ($)
Stuart M. Brightman	0	$	-	3,000	$	19,781
Joseph M. Abell III	0	$	-	2,000	$	13,141
Edwin H. Goldman	0	$	-	2,622	$	23,330
Philip N. Longorio	0	$	-	9,060	$	35,474
Bass C. Wallace, Jr.	0	$	-	3,000	$	19,251
Geoffrey M. Hertel	4,160	$	25,412	3,330	$	20,745

Nonqualified Deferred Compensation

The following table discloses contributions, earnings, and balances for each of the Named Executive Officers under the TETRA Technologies, Inc. Executive Nonqualified Excess Plan, as of December 31, 2009.

Nonqualified Deferred Compensation Table

Name		Executive Contributions in Last Fiscal Year ($)		Registrant Contributions in Last Fiscal Year ($)		Aggregate Earnings in Last Fiscal Year ($)		Aggregate Withdrawals/ Distributions ($)		Aggregate Balance at Last Fiscal Year End ($)
Stuart M. Brightman	$	35,069	$	-	$	56,489	$	-	$	250,217
Joseph M. Abell III	$	-	$	-	$	6,127	$	11,931	$	35,968
Edwin H. Goldman	$	12,938	$	-	$	2,992	$	-	$	15,930
Philip N. Longorio	$									