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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

July 27, 2010

Mitcham Industries, Inc.

(Exact name of registrant as specified in its charter)

Texas

000-25142

76-0210849

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

8141 SH 75 South, P.O. Box 1175, Huntsville, Texas

77342

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

936-291-2277

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On July 27, 2010, Mitcham Industries, Inc. (the “Company”) and First Victoria National Bank (the “Bank”) entered into the Second Amendment to Loan Agreement (the “Amendment”) which amended the Loan Agreement dated September 24, 2008 (the “Loan Agreement”). Under the Amendment, the revolving credit facility is increased to \$35.0 million from \$25.0 million and interest on amounts outstanding is payable monthly at the Bank’s prime rate plus 50 basis points. The maturity of the Loan Agreement is also extended to May 31, 2012 from April 30, 2011. The Company may, at its option, convert any or all balances outstanding under the revolving credit facility into a series of term notes with monthly amortization over 48 months. Amounts available for borrowing are determined by a borrowing base. The borrowing base is computed based upon certain outstanding accounts receivable, certain portions of the Company’s lease pool and any lease pool assets that are to be purchased with proceeds from the facility. The revolving credit facility and any term loan are collateralized by essentially all of the Company’s domestic assets. Up to \$7.0 million of the revolving credit facility may be utilized to secure letters of credit. The Loan Agreement contains certain financial covenants that require, among other things, for the Company to maintain a debt to shareholders’ equity ratio of no more than 0.7 to 1.0, maintain a current assets to current liabilities ratio of not less than 1.25 to 1.0, and have quarterly earnings before interest, taxes, depreciation and amortization (“EBITDA”) of not less than \$2.0 million. The Loan Agreement also provides that the Company may not incur or maintain indebtedness in excess of \$1.0 million without the prior written consent of the Bank, except for borrowings related to the Loan Agreement. The Company paid a commitment fee of \$46,000 related to the Amendment.

**Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

The Company was formed under, and has previously been governed by, the Texas Business Corporation Act (the “TBCA”). Effective January 1, 2010, the TBCA ceased to apply to Texas corporations and the Texas Business Organizations Code (the “TBOC”) became applicable to all Texas corporations, including the Company. Accordingly, the Company’s Board of Directors approved an amendment and restatement of the Company’s Bylaws (the “Bylaws” and as amended and restated, the “Amended Bylaws”) on July 27, 2010 to (1) conform to terminology of the TBOC that varies from terminology used under the TBCA, (2) clarify and modernize certain provisions contained in the Company’s Bylaws, and (3) allow greater flexibility to use electronic transmissions to hold shareholder meetings and conduct voting. Below is a bulleted summary of the primary changes to the Bylaws:

Conforming to TBOC

- The following sections were amended to remove references to the TBCA: Article I (in new Section 2); Article II, Sections 6, 9, 10, 11 and 12; Article III, Sections 7 and 12; and Article IX.
- Article II, Section 2 was amended to reflect the TBOC’s requirements regarding the confinement of business to be conducted at special meetings of shareholders to what is stated in the meeting notice (other than procedural matters).
- Article II, Section 7 was amended to match language in the TBOC, which requires that a list of shareholders be prepared not later than the 11th day before the date of each meeting of the shareholders. The Company’s prior Bylaws provided that the voting list be prepared at least 10 days before each shareholder meeting.
- Article II, Section 8 was amended to conform the quorum requirement language to the provisions of the TBOC and clarify that abstentions and broker non-votes are included in the number of shares considered to be present at shareholder meetings.
- Article II, Section 9 was amended to conform the language regarding proxies to the provisions of the TBOC.

Clarifying Changes

- Article I was amended to add a new Section 1 for the purpose of defining “Corporation.” In addition, section headings were added in Article I to distinguish between the provisions relating to the Company’s name and offices.
- Article II, Section 10 was amended to specify the voting standard for the election of directors and other matters, including the treatment of abstentions and broker non-votes.
- Article III, Section 2 was amended to update and clarify the language on director tenure.
- Article III, Section 12 was amended to clarify the Board’s authority to delegate to committees.
- Article IV, Section 1 was amended to provide that the Chief Executive Officer may appoint other officers and agents of the Company.
- Article IV, Section 3 was amended to remove the reference to a Board determination that an officer removal be in the best interests of the Company and to clarify the removal standards.
- Article V, Section 1 was amended to clarify that the Company’s shares of stock may be certificated or uncertificated. In addition, additional detail regarding the content of certificates representing shares was incorporated into this section.
- Other sections include conforming changes and other non-substantive and technical edits and updates.

Electronic Communications

- Article II, Sections 3, 4, 7, 9 and 12 and Article III, Sections 3, 4, 5 and 7 were amended to permit (1) the holding of meetings of shareholders by remote communication and the content of related notices, (2) the electronic transmission of notices for meetings of shareholders, (3) electronically transmitted proxies and (4) electronically accessible voting lists.

Miscellaneous

- Article II, Sections 13 and 14 were added to include specific provisions regarding the timing and content of any advance notice that a shareholder must provide to the Company to propose nominees for election as directors and other business to be voted on by shareholders at shareholder meetings. Please see “Advance Notice Provisions” below for more detail regarding these suggested revisions.

The Amended Bylaws, and a copy marked to show changes from the prior Bylaws, are included as Exhibits 3.1(i) and 3.1(ii), respectively, to this Current Report on Form 8-K, and are incorporated herein by reference.

**Item 5.07 Submission of Matters to a Vote of Security Holders.**

The Company held its 2010 Annual Meeting of Shareholders (“Annual Meeting”) on July 27, 2010 in Houston, Texas. At the Annual Meeting, shareholders were requested to (1) elect six individuals to serve on the Board of Directors until the next annual meeting of shareholders, each until their respective successors are duly elected and qualified; and (2) ratify the selection by the Audit Committee of the Board of Directors of Hein & Associates LLP as the Company’s independent registered public accounting firm for the fiscal year ending January 31, 2011. Both proposals were described in the Company’s Notice of Annual Meeting and the Company’s Definitive Proxy Statement on Schedule 14A, which were filed with the Securities and Exchange Commission on May 28, 2010.

The following actions were taken by the Company’s shareholders at the Annual Meeting with respect to each of the proposals:

1. Elect six individuals to serve on the Board of Directors until the next annual meeting of shareholders, each until their respective successors are duly elected and qualified. All nominees were re-elected as directors by the votes indicated:

<u>Nominee</u>	<u>Voted For</u>	<u>Votes Withheld</u>	<u>Broker Non-Votes</u>
Billy F. Mitcham, Jr.	6,290,760	334,897	2,218,896
Peter H. Blum	6,312,327	313,330	2,218,896
Robert P. Capps	6,064,560	561,097	2,218,896
R. Dean Lewis	6,272,460	353,197	2,218,896
John F. Schwalbe	6,269,460	356,197	2,218,896
Robert J. Albers	6,332,277	293,380	2,218,896

2. Ratify the selection by the Audit Committee of the Board of Directors of Hein & Associates LLP as the Company’s independent registered public accounting firm for the fiscal year ending January 31, 2011. Proposal 2 was approved by the votes indicated:

<u>Voted For</u>	<u>Voted Against</u>	<u>Abstentions</u>
8,651,685	167,597	25,271

**Item 9.01. Financial Statements and Exhibits**

*(d) Exhibits.*

The following exhibits are filed as a part of this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
3.1(i)	Third Amended and Restated Bylaws of Mitcham Industries, Inc. (effective July 27, 2010)
3.1(ii)	Third Amended and Restated Bylaws of Mitcham Industries, Inc. (marked to show amendments effective July 27, 2010)
10.1	Second Amendment to Loan Agreement dated July 27, 2010 by and between Mitcham Industries, Inc. and First Victoria National Bank

**SIGNATURES**

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

Mitcham Industries, Inc.

*August 2, 2010*

*By: Robert P. Capps*

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*Name: Robert P. Capps  
Title: Chief Financial Officer*

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Exhibit Index

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**THIRD AMENDED AND RESTATED BYLAWS OF  
MITCHAM INDUSTRIES, INC.**

**JULY 27, 2010**

**ARTICLE I**

**Identification and Offices**

**SECTION 1. Name.** The name of the corporation is Mitcham Industries, Inc. (the “*Corporation*”).

**SECTION 2. Offices.** The Corporation may have such offices, either within or without the State of Texas, as the board of directors of the Corporation (the “*Board of Directors*”) may designate or as the business of the Corporation may require from time to time. The registered office of the Corporation required by the Texas Business Organizations Code (the “*TBOC*”) to be maintained in the State of Texas may be, but need not be, identical with the principal office of the Corporation in the State of Texas, as designated by the Board of Directors. The address of the registered office or the identity of the registered agent may be changed from time to time by the Board of Directors, pursuant to the provisions of the TBOC.

**ARTICLE II**

**Shareholders**

**SECTION 1. Annual Meeting.** The annual meeting of the shareholders shall be held on such date in each year and at such time and place as may be determined by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors is not held on the day designated for any annual meeting of the shareholders or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as may be convenient.

**SECTION 2. Special Meetings.** Special meetings of the shareholders, for any purpose or purposes, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the holder(s) of not less than 10% of the outstanding shares of the Corporation entitled to vote at the meeting. Other than procedural matters, the business transacted at all special meetings shall be confined to the purposes stated in the notice thereof.

**SECTION 3. Place of Meeting.** The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual or special meeting of the shareholders. The Board of Directors may determine that any meeting may be held by means of remote communication in accordance with TBOC requirements for notice and alternative forms of meetings. If no designation is made, or if a special meeting is called otherwise than by the Board of Directors, the place of meeting shall be the registered office of the Corporation in the State of Texas.

**SECTION 4. Notice of Meeting.** Notice stating the place, day and hour of any meeting of shareholders and, in case of a special meeting of shareholders, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. The notice may be given in person, by electronic transmission (on consent of the shareholder and in the form of electronic transmission specified by the shareholder) or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid. If electronically transmitted, notice shall be deemed provided when the notice is (a) transmitted to a facsimile number provided by the shareholder for the purpose of receiving notice; (b) transmitted to an electronic mail address provided by the shareholder for the purpose of receiving notice; (c) posted on an electronic network and a message is sent to the shareholder at the address provided by the shareholder for the purpose of alerting the shareholder of a posting; or (d) communicated to the shareholder by any other form of electronic transmission consented to by the shareholder. If a meeting is held by means of remote communication, notice shall include information on how to access the list of shareholders entitled to vote at the meeting.

**SECTION 5. Closing of Transfer Records and Fixing of Record Date.** For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any distribution, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period not to exceed 60 days. If the stock transfer books are closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least 10 days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may, by resolution, fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than 60 days and, in case of a meeting of shareholders, not less than 10 days prior to the date on which the particular action requiring such determination of shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a distribution, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the stock transfer books and the stated period of closing has expired.

**SECTION 6. Fixing Record Dates for Consents to Action.** Unless a record date shall have previously been fixed or determined pursuant to Section 5 of this Article II, whenever action by shareholders is proposed to be taken by consent in writing

without a meeting of shareholders, the Board of Directors may fix a record date for the purpose of determining shareholders entitled to consent to that action, which record date shall not precede, and shall not be more than 10 days after, the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors and the prior action of the Board of Directors is not required by the TBOC, the record date for determining shareholders entitled to consent to action in writing without a meeting shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of shareholders are recorded. Delivery shall be by hand or by certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or the Chief Executive Officer. If no record date shall have been fixed by the Board of Directors and prior action of the Board of Directors is required by the TBOC, the record date for determining shareholders entitled to consent to action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts a resolution taking such prior action.

**SECTION 7. Voting Lists.** The officer or agent having charge of the stock transfer books of the Corporation shall make, not later than the 11th day before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address, the type of shares and the number of shares held by each. The list shall be kept on file at the registered office or the principal place of business of the Corporation for a period of 10 days prior to such meeting, and shall be subject to inspection by any shareholder at any time during usual business hours. Instead of being kept on file, the voting list may be kept on a reasonably accessible electronic network if the information required to gain access to the list is provided with notice of meeting. If the list is made accessible electronically, the Corporation shall take reasonable measures to ensure the information is only accessible to shareholders. Such list shall also be produced and opened at the time and place of the meeting and shall be subject to the inspection by any shareholder during the whole time of the meeting. If a meeting of the shareholders is held by means of remote communication, the voting list shall be made open to inspection by a shareholder on a reasonably accessible electronic network. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

**SECTION 8. Quorum.** The holders of the majority of the shares of the Corporation entitled to vote, and represented in person or by proxy (counting for all such purposes all abstentions and broker non-votes), shall constitute a quorum at a meeting of shareholders unless otherwise provided in the Articles of Incorporation of the Corporation, as same may be amended from time to time (the "*Articles of Incorporation*"). If less than a quorum is represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At any reconvened meeting at which a quorum is present or represented, any business may be transacted that might have been transacted as originally notified. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

**SECTION 9. Proxies.** At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney in fact. A telegram, telex, cablegram or similarly reliable electronic transmission by the shareholder or his duly authorized attorney in fact, or a photographic, photostatic, facsimile or similarly reliable reproduction of a writing executed by the shareholder or his duly authorized attorney in fact shall be treated as an execution in writing for purposes of this section. Any electronic proxy transmission shall contain or be accompanied by information from which it can be determined that the transmission was authorized by the shareholder. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable before it has been voted unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest, including the appointment as proxy of (a) a pledgee, (b) a person who purchased or agreed to purchase, or owns or holds an option to purchase, the shares subject to the proxy, (c) a creditor of the corporation who extends its credit under terms requiring the appointment, (d) an employee of the corporation whose employment contract requires the appointment, or (e) a party to a voting agreement or shareholder's agreement created under the TBOC. A revocable proxy shall be deemed to have been revoked if the Secretary of the Corporation shall have received at or before the meeting instructions of revocation or a proxy bearing a later date, which instructions or proxy shall have been duly executed and dated in writing by the shareholder.

#### **SECTION 10. Voting of Shares.**

(a) Except as otherwise provided by the TBOC, and unless otherwise expressly provided in the Articles of Incorporation or in any resolution of the Board of Directors adopted with regard to a class or series of preferred stock authorized by the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.

(b) With respect to each matter other than the election of directors as to which no other voting requirement is specified by law, the Articles of Incorporation or The Nasdaq Stock Market LLC, the act of the shareholders shall be the affirmative vote of the holders of a majority of the shares entitled to vote on, and voted for or against, or expressly abstained with respect to, the matter at a meeting at which a quorum is present; provided that, for purposes of this sentence, abstentions and broker non-votes shall not be counted as voted either for or against such matter.

(c) Directors of the Corporation shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election of directors at a meeting of shareholders at which a quorum is present. Withholding votes, abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum at a meeting at which directors are nominated for election but otherwise will have no effect on the election of a director nominee.

**SECTION 11. Actions Without a Meeting.** Any action required or permitted by the TBOC to be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all shares entitled to vote on the action were presented and voted. Such writing, which may be in counterparts, shall be manually executed if practicable; provided, however, that if circumstances so require, effect shall be given to written consent transmitted by telegraph, telex, telecopy or similarly reliable means of visual data transmission.

Every written consent shall bear the date of signature of each shareholder who signs the consent. No written consent shall be effective to take the action that is the subject of the consent unless, within 60 days after the date of the earliest dated consent delivered to the Corporation in the manner required by this Section 11, a consent or consents signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take the action that is the subject of the consent are delivered to the Corporation by delivery to its registered office, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of shareholders are recorded. Delivery shall be by hand or by certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

Prompt notice of the taking of any action by shareholders without a meeting by less than unanimous written consent shall be given to those shareholders who did not consent in writing to the action.

**SECTION 12. Telephone and Remote Communication Meetings.** Subject to the TBOC requirements for notice and alternative forms of meetings, meetings of the shareholders of the Corporation may be conducted by means of conference telephone or similar communications equipment, including videoconferencing technology or the internet, whereby all persons participating in the meeting can hear and speak to each other.

**SECTION 13. Notice of Business by Shareholders.** At an annual meeting of shareholders, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the Board of Directors or (b) by any shareholder of the Corporation who complies with the notice procedures set forth in this Section 13. For business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 70 days nor more than 100 days prior to the meeting; provided, however, that in the event that less than 30 days' notice or prior public disclosure of the date of the meeting is given or made to the shareholders, notice by the shareholder to be timely must be received not later than the close of business on the 10<sup>th</sup> day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting the following information: (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (b) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business; (c) the number of shares of the Corporation which are beneficially owned by the shareholder; and (d) any material interest of the shareholder in such business. Notwithstanding anything in these Amended and Restated Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 13. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 13, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. Notwithstanding the foregoing provisions of this Section 13, a shareholder seeking to have a proposal included in the Corporation's proxy statement shall comply with the requirements of Regulation 14A under the Exchange Act (including, but not limited to, Rule 14a-8 or any successor provision).

**SECTION 14. Notice of Director Nominees by Shareholders.** Nominations of persons for election to the Board of Directors may be made at a meeting of shareholders (a) by or at the direction of the Board of Directors or (b) by any shareholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section 14. Nominations by shareholders shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a shareholder's notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than 70 days nor more than 100 days prior to the meeting; provided, however, that in the event that less than 30 days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the 10<sup>th</sup> day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. Such shareholder's notice shall set forth (a) as to each person whom the shareholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); and (b) as to the shareholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such shareholder and (ii) the number of shares of the Corporation which are beneficially owned by such shareholder. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director shall furnish to the Secretary of the Corporation that information required to be set forth in a shareholder's notice of nomination which pertains to the nominee. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in these Amended and Restated Bylaws. The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these Amended and Restated Bylaws, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.



**ARTICLE III**  
**Board of Directors**

**SECTION 1. General Power.** The powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed by its Board of Directors except as the Board of Directors shall delegate the power to so manage to the Executive Committee or other committee.

**SECTION 2. Number, Tenure and Qualifications.** Upon resolution of the Board of Directors, the number of directors may be increased or decreased, but no decrease shall have the effect of shortening the term of any incumbent director. Each director shall hold office until the next annual meeting of the shareholders, unless earlier removed, and until his successor shall have been duly elected and qualified, unless such director resigns or becomes disqualified or disabled. A director need not be a resident of the State of Texas or a shareholder of the Corporation.

**SECTION 3. Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice other than this Section 3 immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Texas, or through remote communication, for the holding of additional regular meetings without notice other than such resolution.

**SECTION 4. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the elected and acting directors from time to time. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Texas, or through remote communication, as the place for holding any special meeting called by them.

**SECTION 5. Notice.** Written notice of any special meeting of the Board of Directors shall be delivered personally to each director or by mail or telegram, telex, telecopy or similarly reliable means of visual data transmission to each director at his business address, in all cases at least one day prior to such meeting. Notice may be provided by electronic transmission on consent of the director and in the electronic form specified by such director. If mailed, such notice shall be deemed to be delivered two days after such notice has been deposited in the United States mail so addressed, with postage thereon prepaid. If electronically transmitted, notice shall be deemed provided when the notice is (a) transmitted to a facsimile number provided by the director for the purpose of receiving notice; (b) transmitted to an electronic mail address provided by the director for the purpose of receiving notice; (c) posted on an electronic network and a message is sent to the director at the address provided by the director for the purpose of alerting the director of a posting; or (d) communicated to the director by any other form of electronic transmission consented to by the director. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because that meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice, or waiver of notice of such meeting.

**SECTION 6. Quorum.** A majority of the number of directors fixed in accordance with Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

**SECTION 7. Manner of Acting.**

**(a) Actions at a Meeting.** Except as provided in Paragraph (b) of this Section 7, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Articles of Incorporation.

**(b) Actions Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting, if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, Executive Committee or other committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting. Such writing, which may be in counterparts, shall be manually executed if practicable; provided, however, that if circumstances so require, effect shall be given to written consent transmitted by telegraph, telex, telecopy, or similarly reliable means of visual data transmission.

**(c) Telephone and Remote Communication Meetings.** Subject to the provisions required by the TBOC for notice and alternative forms of meetings, meetings of the Board of Directors of the Corporation or any committee may be conducted by means of conference telephone or similar communications equipment, including videoconferencing or internet, whereby all persons participating in the meeting can hear and speak to each other.

**SECTION 8. Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of (a) the holders of a majority of the outstanding shares entitled to vote thereon at an annual or special meeting of shareholders called for that purpose, or (b) a majority of the remaining directors though less than a quorum of the Board of Directors. A person elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

A vacancy shall be deemed to exist by reason of the death or resignation of the person elected, or upon the failure of shareholders to elect directors to fill the unexpired term of directors removed in accordance with the provisions of Section 9 of this Article III.

A directorship to be filled by reason of an increase in the number of directors may be filled by (a) the affirmative vote of the holders of a majority of the outstanding shares entitled to vote thereon at an annual or special meeting of shareholders called for that purpose or (b) the Board of Directors for a term of office continuing only until the next election of one or more directors by the shareholders; provided, that the Board of Directors may not fill more than two such directorships during the period between any two successive annual meetings of shareholders.

**SECTION 9. Removal.** At any meeting of shareholders called expressly for the purpose of removal, any director or the entire Board of Directors may be removed, with or without cause, by a vote of the holders of a majority of the shares then entitled to vote at an election of directors. Removal of directors with or without cause may also be accomplished by unanimous written consent of the shareholders without a meeting. In case the entire board or any one or more of the directors are so removed, new directors may be elected at the same meeting, or by the same written consent, for the unexpired term of the director or directors so removed. Failure to elect directors to fill the unexpired term of the directors so removed shall be deemed to create a vacancy or vacancies in the Board of Directors.

**SECTION 10. Compensation.** By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefore.

**SECTION 11. Presumption of Assent.** A director of the Corporation who is present at a meeting of the Board of Directors in which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**SECTION 12. Executive and Other Committees.** There may be established an Executive Committee, and one or more other committees, composed of one or more directors designated by resolution adopted by a majority of the full number of directors of the Board of Directors as fixed in accordance with Section 2 of this Article III. The Executive Committee or such other committees may meet at stated times, or on notice to all members by any one member. Vacancies in the membership of the Executive Committee or such other committees shall be filled by a majority vote of the full number of directors on the Board of Directors at a regular meeting or at a special meeting called for that purpose. During the intervals between meetings of the Board, the Executive Committee, if it shall have been established, may advise and aid the officers of the Corporation in all matters concerning its interest and the management of its business, and shall generally perform such duties and exercise such powers as may be directed to delegated by the Board of Directors from time to time. Subject to such restrictions as may be contained in the Articles of Incorporation or that may be imposed by the TBOC, any such committee shall have and may exercise such powers and authority of the Board of Directors in the management of the business and affairs of the Corporation as the Board of Directors may determine by resolution and specify in the respective resolutions appointing them, or as permitted by applicable law, including, without limitation, the power and authority to (a) authorize a distribution and (b) authorize the issuance of shares of the Corporation. The designation of and delegation of power to the Executive Committee shall not operate to relieve the Board of Directors, or any members thereof, of any responsibility imposed upon it or him by law, nor shall such committee function where action of the Board of Directors cannot be delegated to a committee thereof under applicable law.

## **ARTICLE IV**

### **Officers**

**SECTION 1. General.** The officers of the Corporation shall be elected by the Board of Directors and shall consist of a President, a Secretary, and such other officers and assistant officers as the Board of Directors may deem necessary, including, without limitation, a Chairman of the Board of Directors, a Chief Executive Officer, a Chief Operating Officer, a Chief Financial Officer, a Controller, a Treasurer and one or more Vice Presidents. The officers of the Corporation shall have the respective responsibilities and duties indicated herein, if any, as well as any other responsibilities and duties designated to each such officer by the Board of Directors. Any two or more offices may be held by the same person. In addition, the Chief Executive Officer may appoint such other officers and agents as he may deem necessary for the efficient and successful conduct of the Corporation's business.

**SECTION 2. Election and Term of Office.** The officers of the Corporation shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after each annual meeting of the shareholders. If the election is not held at such meeting such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until his successor shall have been duly elected or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

**SECTION 3. Removal.** Any officer appointed by the Board of Directors may be removed by a majority vote of the whole Board of Directors; provided that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer or agent appointed by the Chief Executive Officer may be removed at any time by majority vote of the whole Board of Directors or by the Chief Executive Officer. Election or appointment of an officer or agent shall not of itself create contract rights.

**SECTION 4. Vacancies.** A vacancy in any office, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**SECTION 5. Chairman of the Board.** The Chairman of the Board of Directors, if there is one, shall be an executive officer of the Corporation and shall: (a) preside over all meetings of the Board of Directors at which he is present; (b) supervise the implementation of the policies adopted or approved by the Board of Directors; and (c) shall have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

**SECTION 6. Chief Executive Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer, if there is one, shall: (a) be responsible for the general management of the affairs of the Corporation; (b) see that all orders and resolutions of the Board of Directors and any committee thereof are carried into effect; (c) perform all duties customarily performed by persons occupying the office of chief executive officer; (d) preside at all meetings of shareholders and, in the absence of or because of the inability to act of the Chairman of the Board (if there is one), perform all duties of the Chairman of the Board, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman of the Board; and (e) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof. The Chief Executive Officer may sign, alone or with the Secretary or any other properly authorized officer of the Corporation, certificates for shares of the Corporation's capital stock, contracts, and other instruments of the Corporation as authorized by the Board of Directors.

**SECTION 7. President.** Under the direction and subject to the control of the Board of Directors and the Chief Executive Officer (if there is one), the President shall: (a) act in a general executive capacity; (b) assist the Board of Directors and the Chief Executive Officer in the administration and operation of the Corporation's business and the general supervision of its policies and affairs; (c) in the absence of or because of the inability to act of the Chief Executive Officer, perform all duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer; (d) perform all duties customarily performed by persons occupying the office of president; and (e) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof or the Chief Executive Officer (if there is one). The President may sign, alone or with the Secretary or any other properly authorized officer of the Corporation, certificates for shares of the Corporation's capital stock, contracts, and other instruments of the Corporation as authorized by the Board of Directors.

**SECTION 8. Chief Operating Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the President, the Chief Operating Officer, if there is one, shall: (a) have general charge and supervision of the day to day operations of the Corporation; (b) perform all duties customarily performed by persons occupying the office of chief operating officer; and (c) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one) or the President.

**SECTION 9. Chief Financial Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the President, the Chief Financial Officer, if there is one, shall: (a) assist the Chief Executive Officer (if there is one) and the President in the performance of their respective duties; (b) perform all duties relating to the general management and operation (with specific attention to financial matters) of the Corporation customarily performed by persons occupying the office of chief financial officer; and (c) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one) or the President. The Chief Financial Officer may, alone or with the Controller (if there if one) or the Treasurer when so authorized by the Board of Directors, sign and endorse checks, deposit slips and other monetary instruments for and on behalf of the Corporation as authorized by the Board of Directors.

**SECTION 10. The Vice Presidents.** In the absence of or because of the inability to act of the Chief Executive Officer (if there is one) and the President, the Vice President (or should there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation then in the order of their election) shall, subject to the control of the Board of Directors, perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Operating Officer (if there is one).

**SECTION 11. The Secretary.** The Secretary shall: (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Amended and Restated Bylaws, or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation, and see that the seal of the Corporation is affixed to all documents as may be necessary or appropriate; (d) keep a register of the post office address of each shareholder which shall be furnished to the Secretary by each such shareholder; (e) have general charge of the share transfer records of the Corporation; (f), perform all duties customarily performed by persons occupying the office of secretary; and (g) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Operating Officer (if there is one).

**SECTION 12. Controller.** The Controller, if there is one, shall be the chief accounting officer of the Corporation. Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the Chief Financial Officer (if there is one), the Controller shall: (a) maintain records of all assets, liabilities, and transactions of the Corporation; (b) be responsible for the design, installation and maintenance of accounting and cost control systems and procedures for the Corporation, including, without limitation, reviewing and approving all vendor invoices and customer invoices, reviewing the financial information of the Corporation's subsidiaries, and preparing the Corporation's consolidated financial statements and other

information; and (c) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Financial Officer (if there is one). The Controller may, alone or with the Chief Financial Officer (if there is one) or the Treasurer when so authorized by the Board of Directors, sign and endorse checks, deposit slips and other monetary instruments for and on behalf of the Corporation as authorized by the Board of Directors.

**SECTION 13. The Treasurer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the Chief Financial Officer (if there is one), the Treasurer, if there is one, shall: (a) have charge and custody of, and be responsible for, all funds and securities of the Corporation from any source whatsoever; (b) deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; (c) perform all duties customarily performed by persons occupying the office of treasurer; and (d) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Financial Officer (if there is one). If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum, and with such surety or sureties, as the Board of Directors shall determine.

**SECTION 14. Assistant Secretaries.** The Assistant Secretaries, when authorized by the Board of Directors, may sign with the Chief Executive Officer, the President, or a Vice President, certificates for shares of the Corporation's capital stock the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Secretaries, in general, shall have and exercise such other powers and perform such other duties as shall be assigned to them by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President, the Chief Operating Officer (if there is one), or the Secretary.

**SECTION 15. Assistant Treasurers.** The Assistant Treasurers shall, respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers, in general, shall have and exercise such other powers and perform such other duties as shall be assigned to them by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President, the Chief Financial Officer (if there is one), the Controller or the Treasurer.

**SECTION 16. Salaries.** The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation.

## ARTICLE V

### Certificates for Shares, Uncertificated Stock, Transfer and Replacement

**SECTION 1. Form and Issuance of Shares.** The shares of the Corporation's stock may be certificated or uncertificated, as provided under Texas law. Any certificates representing shares of the Corporation's capital stock shall be in such form as shall be approved from time to time by the Board of Directors. Each certificate shall state on the front of the certificate that the Corporation is organized under the laws of the State of Texas, the holder's name, the number and class of shares, and the designation of the series, if any, represented by the certificate. Any certificate subject to a restriction on the transfer or registration of the transfer of the ownership interests must state such restrictions on the certificate in accordance with the provisions of the TBOC. Certificates shall be signed by the Chief Executive Officer or the President and by the Secretary or an Assistant Secretary. If such certificates are signed or countersigned by a transfer agent or registrar, other than the Corporation, such signature of the Chief Executive Officer or the President and Secretary or Assistant Secretary, and the seal of the Corporation, or any of them, may be executed in facsimile, engraved or printed. If any officer who has signed or whose facsimile signature has been placed on any certificate shall have ceased to be such officer before the certificate is issued, it may be issued by the Corporation with the same effect as if the officer has not ceased to be such at the date of issue. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued with the number of shares and date of issue, shall be entered on the share transfer records of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, stolen or destroyed certified a new one may be issued therefore as provided in Section 3 of this Article V.

**SECTION 2. Transfer of Shares.** Transfer of shares of the Corporation's capital stock shall be made only on the stock transfer books of the Corporation upon surrender for cancellation of the certificate for such shares, together with a request to transfer and such other documents and opinion as counsel to the Corporation may require. The person in whose name shares stand on the stock transfer books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

**SECTION 3. Lost, Stolen or Destroyed Certificates.** The Corporation shall issue a new certificate in place of any certificate for shares previously issued if the registered owner of the certificate: (a) makes proof in affidavit form that it has been lost, destroyed or wrongfully taken; (b) requests the issuance of a new certificate before the Corporation has notice that the certificate has been acquired by a purchaser for value in good faith and without notice of an adverse claim; (c) gives a bond in such form, and with such surety or sureties, with fixed or open penalty, as the Corporation may direct, or indemnifies the Corporation (and its transfer agent and registrar, if any) against any claim that may be made on account of the alleged loss, destruction or theft of the certificates; and (d) satisfies any other reasonable requirements imposed by the Corporation. When a certificate has been lost, apparently destroyed or wrongfully taken, and the holder of record fails to notify the Corporation within a reasonable time after he has notice of it, and the Corporation registers a transfer of the shares represented by the certificate before receiving such notification, the holder of record is precluded from making any claim against the Corporation for the transfer or for a new certificate.

**ARTICLE VI  
Fiscal Year**

The Board of Directors shall, by resolution, fix the fiscal year of the Corporation.

**ARTICLE VII  
Distributions**

The Board of Directors may from time to time make distributions in the manner provided by law.

**ARTICLE VIII  
Seal**

The Board of Directors shall adopt a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the Corporation, the state of incorporation, and the five-pointed Texas star.

**ARTICLE IX  
Waiver of Notice**

Whenever any notice is required to be given to any shareholder or director of the Corporation under the provisions of these Amended and Restated Bylaws, the Articles of Corporation or the TBOC, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE X  
Procedure**

Meetings of the shareholders and of the Board of Directors shall be conducted in accordance with the procedure as contained in Robert's Rules of Order, to the extent applicable.

**ARTICLE XI  
Participation of Directors and Officers in Related Business**

Unless otherwise provided by contract, officers and directors of this Corporation may hold positions as officers and directors of other corporations, in related businesses, and their efforts to advance the interest of those corporations will not create a breach of fiduciary duty to this Corporation in the absence of bad faith.

**ARTICLE XII  
Amendments**

The Board of Directors shall have the power to alter, amend or repeal these Amended and Restated Bylaws or adopt new bylaws, subject to amendment, repeal or adoption of new bylaws by action of the shareholders and unless the shareholders in amending, repealing or adopting a particular bylaw expressly provide that the Board of Directors may not amend or repeal such bylaw. The Board of Directors may exercise this power at any regular or special meeting at which a quorum is present by the affirmative vote of a majority of the Directors present at the meeting and without any notice of the action taken with respect to the Bylaws having been contained in the notice of waiver of notice of meeting.

**SECONDT**HIRD** AMENDED AND RESTATED BYLAWS OF  
MITCHAM INDUSTRIES, INC.**

**June 2, 2003 JULY 27, 2010**

**ARTICLE I**

Offices and Agent Identification and Offices

**SECTION 1. Name.** The name of the corporation is Mitcham Industries, Inc. (the "Corporation").

**SECTION 2. Offices.** The Corporation may have such offices, either within or without the State of Texas, as the board of directors of the Corporation (the "Board of Directors") may designate or as the business of the Corporation may require from time to time. The registered office of the Corporation required by the Texas Business Corporation Act Organizations Code (the "TBCATBOC") to be maintained in the State of Texas may be, but need not be, identical with the principal office of the Corporation in the State of Texas, as designated by the Board of Directors. The address of the registered office or the identity of the registered agent may be changed from time to time by the Board of Directors, pursuant to the provisions of the TBCATBOC.

**ARTICLE II**

Shareholders

**SECTION 1. Annual Meeting.** The annual meeting of the shareholders shall be held on such date in each year and at such time and place as may be determined by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall is not be held on the day designated for any annual meeting of the shareholders or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as may be convenient.

**SECTION 2. Special Meetings.** Special meetings of the shareholders, for any purpose or purposes, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the holder(s) of not less than 10% of the outstanding shares of the Corporation entitled to vote at the meeting. Other than procedural matters, the business transacted at all special meetings shall be confined to the purposes stated in the notice thereof.

**SECTION 3. Place of Meeting.** The Board of Directors may designate any place, either within or without the State of Texas, as the place of meeting for any annual or special meeting called by of the shareholders. The Board of Directors may determine that any meeting may be held by means of remote communication in accordance with TBOC requirements for notice and alternative forms of meetings. If no designation is made, or if a special meeting be is called otherwise than by the Board of Directors, the place of meeting shall be the registered office of the Corporation in the State of Texas.

**SECTION 4. Notice of Meeting.** Written or printed notice Notice stating the place, day and hour of the any meeting of shareholders and, in case of a special meeting of shareholders, the purpose or purposes for which the meeting is called, shall be delivered not less than ten 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. The notice may be given in person, by electronic transmission (on consent of the shareholder and in the form of electronic transmission specified by the shareholder) or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid. If electronically transmitted, notice shall be deemed provided when the notice is (a) transmitted to a facsimile number provided by the shareholder for the purpose of receiving notice; (b) transmitted to an electronic mail address provided by the shareholder for the purpose of receiving notice; (c) posted on an electronic network and a message is sent to the shareholder at the address provided by the shareholder for the purpose of alerting the shareholder of a posting; or (d) communicated to the shareholder by any other form of electronic transmission consented to by the shareholder. If a meeting is held by means of remote communication, notice shall include information on how to access the list of shareholders entitled to vote at the meeting.

**SECTION 5. Closing of Transfer Records and Fixing of Record Date.** For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any distribution, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period not to exceed 60 days. If the stock transfer books shall be are closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten 10 days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may, by resolution, fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than 60 days and, in case of a meeting of shareholders, not less than ten 10 days prior to the date on which the particular action requiring such determination of shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a distribution, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the stock transfer books and the stated period of closing has expired.

**SECTION 6. Fixing Record Dates for Consents to Action.** Unless a record date shall have previously been fixed or determined pursuant to Section 5 of this Article II, whenever action by shareholders is proposed to be taken by consent in writing without a meeting of shareholders, the Board of Directors may fix a record date for the purpose of determining shareholders entitled to consent to that action, which record date shall not precede, and shall not be more than ten~~10~~ days after, the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors and the prior action of the Board of Directors is not required by the TBCATBOC, the record date for determining shareholders entitled to consent to action in writing without a meeting shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of shareholders are recorded. Delivery shall be by hand or by certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or the Chief Executive Officer. If no record date shall have been fixed by the Board of Directors and prior action of the Board of Directors is required by the TBCATBOC, the record date for determining shareholders entitled to consent to action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts a resolution taking such prior action.

**SECTION 7. Voting Lists.** The officer or agent having charge of the stock transfer books of the Corporation shall make, at least ten days~~not later than the 11th day~~ before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address, the type of shares and the number of shares held by each, which list, for a period of ten[ days prior to such meeting], The list shall be kept on file at the registered office or the principal place of business of the Corporation for a period of 10[ days prior to such meeting], and shall be subject to inspection by any shareholder at any time during usual business hours. Instead of being kept on file, the voting list may be kept on a reasonably accessible electronic network if the information required to gain access to the list is provided with notice of meeting. If the list is made accessible electronically, the Corporation shall take reasonable measures to ensure the information is only accessible to shareholders. Such list shall also be produced and opened at the time and place of the meeting and shall be subject to the inspection by any shareholder during the whole time of the meeting. If a meeting of the shareholders is held by means of remote communication, the voting list shall be made open to inspection by a shareholder on a reasonably accessible electronic network. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

**SECTION 8. Quorum.** AThe holders of the majority of the outstanding shares of the Corporation entitled to vote, and represented in person or by proxy (counting for all such purposes all abstentions and broker non-votes), shall constitute a quorum at a meeting of shareholders unless otherwise provided in the Articles of Incorporation of the Corporation, as same may be amended from time to time (the "Articles of Incorporation"). If less than a quorum is represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At any reconvened meeting at which a quorum shall be~~is~~ present or represented, any business may be transacted that might have been transacted as originally notified. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

**SECTION 9. Proxies.** At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney in fact. A telegram, telex, cablegram or similarsimilarly reliable electronic transmission by the shareholder or his duly authorized attorney in fact, or a photographic, photostatic, facsimile or similarsimilarly reliable reproduction of a writing executed by the shareholder or his duly authorized. attorney in fact shall be treated as an execution in writing for purposes of this section. Any electronic proxy transmission shall contain or be accompanied by information from which it can be determined that the transmission was authorized by the shareholder. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. Each proxy shall be revocable before it has been voted unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest, including the appointment as proxy of (a) a pledgee, (b) a person who purchased or agreed to purchase, or owns or holds an option to purchase, the shares subject to the proxy, (c) a creditor of the corporation who extends its credit under terms requiring the appointment, (d) an employee of the corporation whose employment contract requires the appointment, or (e) a party to a voting agreement or shareholder's agreement created under the TBCATBOC. A revocable proxy shall be deemed to have been revoked if the Secretary of the Corporation shall have received at or before the meeting instructions of revocation or a proxy bearing a later date, which instructions or proxy shall have been duly executed and dated in writing by the shareholder.

#### **SECTION 10. Voting of Shares.**

(a) Except as otherwise provided by the TBCATBOC, and unless otherwise expressly provided in the Articles of Incorporation or in any resolution of the Board of Directors adopted with regard to a class or series of preferred stock authorized by the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.

(b) With respect to each matter other than the election of directors as to which no other voting requirement is specified by law, the Articles of Incorporation or The Nasdaq Stock Market LLC, the act of the shareholders shall be the affirmative vote of the holders of a majority of the shares entitled to vote on, and voted for or against, or expressly abstained with respect to, the matter at a meeting at which a quorum is present; provided that, for purposes of this sentence, abstentions and broker non-votes shall not be counted as voted either for or against such matter.

(c) Directors of the Corporation shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election of directors at a meeting of shareholders at which a quorum is present. Withholding votes, abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum at a meeting at which directors are nominated for election but otherwise will have no effect on the election of a director nominee.

**SECTION 11. Actions Without a Meeting.** Any action required or permitted by the TBCATBOC to be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which the holders of all shares entitled to vote on the action were presented and voted. Such writing, which may be in counterparts, shall be manually executed if practicable; provided, however, that if circumstances so require, effect shall be given to written consent transmitted by telegraph, telex, telecopy or similarsimilarly reliable means of visual data transmission.

Every written consent shall bear the date of signature of each shareholder who signs the consent. No written consent shall be effective to take the action that is the subject of the consent unless, within 60 days after the date of the earliest dated consent delivered to the Corporation in the manner required by this Section 11, a consent or consents signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take the action that is the subject of the consent are delivered to the Corporation by delivery to its registered office, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of shareholders are recorded. Delivery shall be by hand or by certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

Prompt notice of the taking of any action by shareholders without a meeting by less than unanimous written consent shall be given to those shareholders who did not consent in writing to the action.

**SECTION 12. Telephone Meetings.** Subject to the provisions required by the TBCA for notice of meetings, meetings of the shareholders of the Corporation may be conducted by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other. **and Remote Communication Meetings.** Subject to the TBOC requirements for notice and alternative forms of meetings, meetings of the shareholders of the Corporation may be conducted by means of conference telephone or similar communications equipment, including videoconferencing technology or the internet, whereby all persons participating in the meeting can hear and speak to each other.

**SECTION 13. [Notice of Business by Shareholders.** At an annual meeting of shareholders, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the Board of Directors or (b) by any shareholder of the Corporation who complies with the notice procedures set forth in this Section 13. For business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than [70] days nor more than [100] days prior to the meeting; provided, however, that in the event that less than 30 days' notice or prior public disclosure of the date of the meeting is given or made to the shareholders, notice by the shareholder to be timely must be received not later than the close of business on the 10<sup>th</sup> day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting the following information: (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (b) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business; (c) the number of shares of the Corporation which are beneficially owned by the shareholder; and (d) any material interest of the shareholder in such business. Notwithstanding anything in these Amended and Restated Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 13. The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 13, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. Notwithstanding the foregoing provisions of this Section 13, a shareholder seeking to have a proposal included in the Corporation's proxy statement shall comply with the requirements of Regulation 14A under the Exchange Act (including, but not limited to, Rule 14a-8 or any successor provision).]

**SECTION 14. [Notice of Director Nominees by Shareholders.** Nominations of persons for election to the Board of Directors may be made at a meeting of shareholders (a) by or at the direction of the Board of Directors or (b) by any shareholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section 14. Nominations by shareholders shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a shareholder's notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than [70] days nor more than [100] days prior to the meeting; provided, however, that in the event that less than 30 days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the 10<sup>th</sup> day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. Such shareholder's notice shall set forth (a) as to each person whom the shareholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); and (b) as to the shareholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such shareholder and (ii) the number of shares of the Corporation which are beneficially owned by such shareholder. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director



shall furnish to the Secretary of the Corporation that information required to be set forth in a shareholder's notice of nomination which pertains to the nominee. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in these Amended and Restated Bylaws. The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these Amended and Restated Bylaws, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.]

### ARTICLE III Board of Directors

**SECTION 1. General Power.** The powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed by its Board of Directors except as the Board of Directors shall delegate the power to so manage to the Executive Committee or other committee.

**SECTION 2. Number, Tenure and Qualifications.** Upon resolution of the Board of Directors, the number of directors may be increased or decreased, but no decrease shall have the effect of shortening the term of any incumbent director. Each director shall hold office until the next annual meeting of the shareholders, unless earlier removed, and until his successor shall have been duly elected and qualified, unless such director resigns or becomes disqualified or disabled. A director need not be a resident of the State of Texas or a shareholder of the Corporation.

**SECTION 3. Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice other than this bylaw Section 3 immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Texas, or through remote communication, for the holding of additional regular meetings without notice other than such resolution.

**SECTION 4. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or a majority of the elected and acting directors from time to time. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Texas, or through remote communication, as the place for holding any special meeting called by them.

**SECTION 5. Notice.** Written notice of any special meeting of the Board of Directors shall be delivered personally to each director or by mail or telegram, telex, telecopy or similar similarly reliable means of visual data transmission to each director at his business address, in all cases at least one day prior to such meeting. Notice may be provided by electronic transmission on consent of the director and in the electronic form specified by such director. If mailed, such notice shall be deemed to be delivered two days after such notice has been deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by telegram, telex, telecopy or similar means of visual data transmission, such notice shall be deemed to be delivered when transmitted for delivery to the recipient at such address electronically transmitted, notice shall be deemed provided when the notice is (a) transmitted to a facsimile number provided by the director for the purpose of receiving notice; (b) transmitted to an electronic mail address provided by the director for the purpose of receiving notice; (c) posted on an electronic network and a message is sent to the director at the address provided by the director for the purpose of alerting the director of a posting; or (d) communicated to the director by any other form of electronic transmission consented to by the director. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because that meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice, or waiver of notice of such meeting.

**SECTION 6. Quorum.** A majority of the number of directors fixed in accordance with Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

#### **SECTION 7. Manner of Acting.**

**(a) Actions at a Meeting.** Except as provided in Paragraph (b) of this Section 7, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Articles of Incorporation.

**(b) Actions Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting, if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, Executive Committee or other committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting. Such writing, which may be in counterparts, shall be manually executed if practicable; provided, however, that if circumstances so require, effect shall be given to written consent transmitted by telegraph, telex, telecopy, or similar similarly reliable means of visual data transmission.

**(c) Telephone and Remote Communication Meetings.** Subject to the provisions required by the TBCATBOC for notice and alternative forms of meetings, meetings of the Board of Directors of the Corporation or any committee may be conducted by means of conference telephone or similar communications equipment, including videoconferencing or internet, whereby all persons participating in the meeting can hear and speak to each other.

**SECTION 8. Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of (a) the holders of a majority of the outstanding shares entitled to vote thereon at an annual or special meeting of shareholders called for that purpose, or (b) a majority of the remaining directors though less than a quorum of the Board of Directors. A person elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

A vacancy shall be deemed to exist by reason of the death or resignation of the person elected, or upon the failure of shareholders to elect directors to fill the unexpired term of directors removed in accordance with the provisions of Section 9 of this Article III.

A directorship to be filled by reason of an increase in the number of directors may be filled by (a) the affirmative vote of the holders of a majority of the outstanding shares entitled to vote thereon at an annual or special meeting of shareholders called for that purpose or (b) the Board of Directors for a term of office continuing only until the next election of one or more directors by the shareholders; provided, that the Board of Directors may not fill more than two such directorships during the period between any two successive annual meetings of shareholders.

**SECTION 9. Removal.** At any meeting of shareholders called expressly for the purpose of removal, any director or the entire Board of Directors may be removed, with or without cause, by a vote of the holders of a majority of the shares then entitled to vote at an election of directors. Removal of directors with or without cause may also be accomplished by unanimous written consent of the shareholders without a meeting. In case the entire board or any one or more of the directors are so removed, new directors may be elected at the same meeting, or by the same written consent, for the unexpired term of the director or directors so removed. Failure to elect directors to fill the unexpired term of the directors so removed shall be deemed to create a vacancy or vacancies in the Board of Directors.

**SECTION 10. Compensation.** By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

**SECTION 11. Presumption of Assent.** A director of the Corporation who is present at a meeting of the Board of Directors in which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**SECTION 12. Executive and Other Committees.** There may be established an Executive Committee, and one or more other committees, composed of one or more directors designated by resolution adopted by a majority of the full number of directors of the Board of Directors as fixed in accordance with Section 2 of this Article III. The Executive Committee or such other committees may meet at stated times, or on notice to all members by any one member. Vacancies in the membership of the Executive Committee or such other committees shall be filled by a majority vote of the full number of directors on the Board of Directors at a regular meeting or at a special meeting called for that purpose. During the intervals between meetings of the Board, the Executive Committee, if it shall have been established, may advise and aid the officers of the Corporation in all matters concerning its interest and the management of its business, and shall generally perform such duties and exercise such powers as may be directed to delegated by the Board of Directors from time to time. The Board of Directors may delegate to the Executive Committee or such other committees the authority to exercise all the powers Subject to such restrictions as may be contained in the Articles of Incorporation or that may be imposed by the TBOC, any such committee shall have and may exercise such powers and authority of the Board of Directors, except the power to declare dividends or to in the management of the business and affairs of the Corporation as the Board of Directors may determine by resolution and specify in the respective resolutions appointing them, or as permitted by applicable law, including, without limitation, the power and authority to (a) authorize a distribution and (b) authorize the issuance of shares of the Corporation, and where action of the full Board of Directors is required by the TBCA. The designation of and delegation of power to the Executive Committee shall not operate to relieve the Board of Directors, or any members thereof, of any responsibility imposed upon it or him by law, nor shall such committee function where action of the Board of Directors cannot be delegated to a committee thereof under applicable law.

## ARTICLE IV Officers

**SECTION 1. Principal Officers**General. The officers of the Corporation shall be elected by the Board of Directors and shall consist of a President, a Secretary, and such other officers and assistant officers as the Board of Directors may deem necessary, including, without limitation, a Chairman of the Board of Directors, a Chief Executive Officer, a Chief Operating Officer, a Chief Financial Officer, a Controller, a Treasurer and one or more Vice Presidents. The officers of the Corporation shall have the respective responsibilities and duties indicated herein, if any, as well as any other responsibilities and duties designated to each such officer by the Board of Directors. Any two or more offices may be held by the same person. In addition, the Chief Executive Officer may appoint such other officers and agents as he may deem necessary for the efficient and successful conduct of the Corporation's business.

**SECTION 2. Election and Term of Office.** The officers of the Corporation shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after each annual meeting of the shareholders. If the election shall is not be held at such meeting such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until

his successor shall have been duly elected or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

**SECTION 3. Removal.** Any officer appointed by the Board of Directors may be removed by a majority vote of the whole Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but, provided that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer or agent appointed by the Chief Executive Officer may be removed at any time by majority vote of the whole Board of Directors or by the Chief Executive Officer. Election or appointment of an officer or agent shall not of itself create contract rights.

**SECTION 4. Vacancies.** A vacancy in any office, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**SECTION 5. Chairman of the Board.** The Chairman of the Board of Directors, if there is one, shall be an executive officer of the Corporation and shall: (a) preside over all meetings of the Board of Directors at which he is present; (b) supervise the implementation of the policies adopted or approved by the Board of Directors; and (c) shall have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors.

**SECTION 6. Chief Executive Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer, if there is one, shall: (a) be responsible for the general management of the affairs of the Corporation; (b) see that all orders and resolutions of the Board of Directors and any committee thereof are carried into effect; (c) perform all duties customarily performed by persons occupying the office of chief executive officer; (d) preside at all meetings of shareholders and, in the absence of or because of the inability to act of the Chairman of the Board (if there is one), perform all duties of the Chairman of the Board, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman of the Board; and (e) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof. The Chief Executive Officer may sign, alone or with the Secretary or any other properly authorized officer of the Corporation, certificates for shares of the Corporation's capital stock, contracts, and other instruments of the Corporation as authorized by the Board of Directors.

**SECTION 7. President.** Under the direction and subject to the control of the Board of Directors and the Chief Executive Officer (if there is one), the President shall: (a) act in a general executive capacity; (b) assist the Board of Directors and the Chief Executive Officer in the administration and operation of the Corporation's business and the general supervision of its policies and affairs; (c) in the absence of or because of the inability to act of the Chief Executive Officer, perform all duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer; (d) perform all duties customarily performed by persons occupying the office of president; and (e) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof or the Chief Executive Officer (if there is one). The President may sign, alone or with the Secretary or any other properly authorized officer of the Corporation, certificates for shares of the Corporation's capital stock, contracts, and other instruments of the Corporation as authorized by the Board of Directors.

**SECTION 8. Chief Operating Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the President, the Chief Operating Officer, if there is one, shall: (a) have general charge and supervision of the day to day operations of the Corporation; (b) perform all duties customarily performed by persons occupying the office of chief operating officer; and (c) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one) or the President.

**SECTION 9. Chief Financial Officer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the President, the Chief Financial Officer, if there is one, shall: (a) assist the Chief Executive Officer (if there is one) and the President in the performance of their respective duties; (b) perform all duties relating to the general management and operation (with specific attention to financial matters) of the Corporation customarily performed by persons occupying the office of chief financial officer; and (c) have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one) or the President. The Chief Financial Officer may, alone or with the Controller (if there if one) or the Treasurer when so authorized by the Board of Directors, sign and endorse checks, deposit slips and other monetary instruments for and on behalf of the Corporation as authorized by the Board of Directors.

**SECTION 10. The Vice Presidents.** In the absence of or because of the inability to act of the Chief Executive Officer (if there is one) and the President, the Vice President (or should there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation then in the order of their election) shall, subject to the control of the Board of Directors, perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall have and exercise such other powers and perform such other duties as may be assigned to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Operating Officer (if there is one).

**SECTION 11. The Secretary.** The Secretary shall: (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Amended and Restated Bylaws, or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation, and see that the seal of the Corporation is affixed to all documents as may be necessary or appropriate; (d) keep a register of the post office address of each shareholder which shall be furnished to the Secretary by each such shareholder; (e) have

general charge of the share transfer records of the Corporation; (f), perform all duties customarily performed by persons occupying the office of secretary; and (g) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Operating Officer (if there is one).

**SECTION 12. Controller.** The Controller, if there is one, shall be the chief accounting officer of the Corporation. Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the Chief Financial Officer (if there is one), the Controller shall: (a) maintain records of all assets, liabilities, and transactions of the Corporation; (b) be responsible for the design, installation and maintenance of accounting and cost control systems and procedures for the Corporation, including, without limitation, reviewing and approving all vendor invoices and customer invoices, reviewing the financial information of the Corporation's subsidiaries, and preparing the Corporation's consolidated financial statements and other information; and (c) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Financial Officer (if there is one). The Controller may, alone or with the Chief Financial Officer (if there is one) or the Treasurer when so authorized by the Board of Directors, sign and endorse checks, deposit slips and other monetary instruments for and on behalf of the Corporation as authorized by the Board of Directors.

**SECTION 13. The Treasurer.** Under the direction and subject to the control of the Board of Directors, the Chief Executive Officer (if there is one) and the Chief Financial Officer (if there is one), the Treasurer, if there is one, shall: (a) have charge and custody of, and be responsible for, all funds and securities of the Corporation from any source whatsoever; (b) deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; (c) perform all duties customarily performed by persons occupying the office of treasurer; and (d) have and exercise such other powers and perform such other duties as may be designated to him from time to time by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President or the Chief Financial Officer (if there is one). If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum, and with such surety or sureties, as the Board of Directors shall determine.

**SECTION 14. Assistant Secretaries.** The Assistant Secretaries, when authorized by the Board of Directors, may sign with the Chief Executive Officer, the President, or a Vice President, certificates for shares of the Corporation's capital stock the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Secretaries, in general, shall have and exercise such other powers and perform such other duties as shall be assigned to them by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President, the Chief Operating Officer (if there is one), or the Secretary.

**SECTION 15. Assistant Treasurers.** The Assistant Treasurers shall, respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers, in general, shall have and exercise such other powers and perform such other duties as shall be assigned to them by the Board of Directors or any committee thereof, the Chief Executive Officer (if there is one), the President, the Chief Financial Officer (if there is one), the Controller or the Treasurer.

**SECTION 16. Salaries.** The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation.

## ARTICLE V

### Certificates for Shares, Uncertificated Stock, Transfer and Replacement

**SECTION 1. Certificates for Shares.** Certificates Form and Issuance of Shares. The shares of the Corporation's stock may be certificated or uncertificated, as provided under Texas law. Any certificates representing shares of the Corporation's capital stock shall be in such form as shall be approved from time to time by the Board of Directors. Such certificates Each certificate shall state on the front of the certificate that the Corporation is organized under the laws of the State of Texas, the holder's name, the number and class of shares, and the designation of the series, if any, represented by the certificate. Any certificate subject to a restriction on the transfer or registration of the transfer of the ownership interests must state such restrictions on the certificate in accordance with the provisions of the TBOC. Certificates shall be signed by the Chief Executive Officer or the President and by the Secretary or an Assistant Secretary. If such certificates are signed or countersigned by a transfer agent or registrar, other than the Corporation, such signature of the Chief Executive Officer or the President and Secretary or Assistant Secretary, and the seal of the Corporation, or any of them, may be executed in facsimile, engraved or printed. If any officer who has signed or whose facsimile signature has been placed on any certificate shall have ceased to be such officer before the certificate is issued, it may be issued by the Corporation with the same effect as if the officer has not ceased to be such at the date of issue. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued with the number of shares and date of issue, shall be entered on the share transfer records of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, stolen or destroyed certified a new one may be issued therefor as provided in Section 3 of this Article V.

**SECTION 2. Transfer of Shares.** Transfer of shares of the Corporation's capital stock shall be made only on the stock transfer books of the Corporation upon surrender for cancellation of the certificate for such shares, together with a request to transfer and such other documents and opinion as counsel to the Corporation may require. The person in whose name shares stand on the stock transfer books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

**SECTION 3. Lost, Stolen or Destroyed Certificates.** The Corporation shall issue a new certificate in place of any certificate for shares previously issued if the registered owner of the certificate: (a) makes proof in affidavit form that it has been lost, destroyed or wrongfully taken; (b) requests the issuance of a new certificate before the Corporation has notice that the certificate has been acquired by a purchaser for value in good faith and without notice of an adverse claim; (c) gives a bond in such form, and with such surety or sureties, with fixed or open penalty, as the Corporation may direct, or indemnifies the Corporation (and its transfer agent and registrar, if any) against any claim that may be made on account of the alleged loss, destruction or theft of the certificates; and (d) satisfies any other reasonable requirements imposed by the Corporation. When a certificate has been lost, apparently destroyed or wrongfully taken, and the holder of record fails to notify the Corporation within a reasonable time after he has notice of it, and the Corporation registers a transfer of the shares represented by the certificate before receiving such notification, the holder of record is precluded from making any claim against the Corporation for the transfer or for a new certificate.

**ARTICLE VI**  
Fiscal Year

The Board of Directors shall, by resolution, fix the fiscal year of the Corporation.

**ARTICLE VII**  
Distributions

The Board of Directors may from time to time make distributions in the manner provided by law.

**ARTICLE VIII**  
Seal

The Board of Directors shall adopt a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the Corporation, the state of incorporation, and the five-pointed Texas star.

**ARTICLE IX**  
Waiver of Notice

Whenever any notice is required to be given to any shareholder or director of the Corporation under the provisions of these Amended and Restated Bylaws, the Articles of Corporation or the TBCATBOC, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE X**  
Procedure

Meetings of the shareholders and of the Board of Directors shall be conducted in accordance with the procedure as contained in Robert's Rules of Order, to the extent applicable.

**ARTICLE XI**  
Participation of Directors and Officers in Related Business

Unless otherwise provided by contract, officers and directors of this Corporation may hold positions as officers and directors of other corporations, in related businesses, and their efforts to advance the interest of those corporations will not create a breach of fiduciary duty to this Corporation in the absence of bad faith.

**ARTICLE XII**  
Amendments

The Board of Directors shall have the power to alter, amend or repeal these Amended and Restated Bylaws or adopt new bylaws, subject to amendment, repeal or adoption of new bylaws by action of the shareholders and unless the shareholders in amending, repealing or adopting a particular bylaw expressly provide that the Board of Directors may not amend or repeal such bylaw. The Board of Directors may exercise this power at any regular or special meeting at which a quorum is present by the affirmative vote of a majority of the Directors present at the meeting and without any notice of the action taken with respect to the Bylaws having been contained in the notice of waiver of notice of meeting.

SECOND AMENDMENT TO LOAN AGREEMENT

THIS SECOND AMENDMENT TO LOAN AGREEMENT (the "Amendment") made and entered into on this the 27th day of July, 2010, by and between MITCHAM INDUSTRIES, INC., as "Borrower," and FIRST VICTORIA NATIONAL BANK, as "Lender," to amend, ratify and confirm that certain Loan Agreement (the "Loan Agreement") among the parties hereto dated the 24th day of September, 2008, governing the terms of a line of credit as therein described and evidenced by a promissory note of even date therewith in the original principal sum of \$25,000,000.00 (the "Loan").

In consideration of their mutual warranties, covenants and agreements contained herein, and in said Loan Agreement and Lender's renewal and extension of the existing line of credit to Borrower and the increase in that line of credit evidenced by the herein described promissory note, Borrower and Lender hereby warrant, covenant and agree as follows:

1. Borrower acknowledges, represents, warrants, and agrees that Borrower is presently indebted to Lender in the amount of the current principal balance of \$16,050,000.00 owing on the promissory note described in Paragraph II.A. of the Loan Agreement and any accrued interest thereon, and that Borrower has no defenses, rights of set off, counterclaims, causes of action or any other bars to enforcement of the obligations governed by the Loan Agreement or this amendment thereto.

2. The Loan Agreement has been previously amended by First Amendment to Loan Agreement dated March 24, 2010.

3. Borrower is the Borrower under the Loan Agreement. All of the warranties of Borrower relating to Borrower's corporate existence, good standing and authority to enter into this transaction as set forth in the Loan Agreement are hereby renewed, restated and confirmed, both as of the date of the Loan Agreement and the date of this Amendment thereto.

4. Borrower will execute and deliver to Lender a promissory note of even date herewith (the "Promissory Note") in the amount of \$35,000,000.00 in the form attached hereto and made a part hereof as Exhibit A, being partly in renewal and extension of the principal balance of the promissory note described in Paragraph II.A of the Loan Agreement and partly in renewal and increase of the existing line of credit on the terms as set forth on Promissory Note and in the Loan Agreement and this Amendment. Lender will advance to Borrower, according to the terms thereof and subject to the limitations expressed therein and in the Loan Agreement, as amended, the unadvanced portion of the principal of the Promissory Note remaining after renewal of the principal balance of the existing line of credit. An amount of \$2,000,000.00 of the unadvanced portion of the principal of the Promissory Note has been reserved for the purposes of funding amounts drawn on a letter of credit issued at Borrower's request pursuant to Paragraph V.B of the Loan Agreement and will continue to be reserved in accordance with the Loan Agreement. Lender's obligation to make advances to Borrower under the Loan Agreement will hereafter be limited to the unadvanced portion of the Promissory Note.

5. In addition to the other obligations of Borrower under the Loan Agreement, Borrower will pay to Lender a commitment fee in the amount of \$46,250.00 as consideration for the modification of the terms of the Loan set forth in this Amendment and in the Promissory Note described in Paragraph 4. The commitment fee will be due upon execution of this Amendment.

6. Paragraph V.B of the Loan Agreement is hereby amended in its entirety to read as follows:

"B. At Borrower's option, Lender will reserve for the purposes of funding amounts drawn on letters of credit issued by Lender or The Frost National Bank at Borrower's request and with Lender's approval up to \$7,000,000.00 of the amount of the Loan which would otherwise be available for advances hereunder. Amounts drawn on any such letters of credit will be advanced by Lender from the principal of the Loan upon draws made in accordance with the terms of the letter. The amounts either drawn or available to be drawn on any such letter of credit will reduce the amount of the principal of the Loan available to be advanced to Borrower and the aggregate amount of all advances on the loan, together with all amounts which may be drawn under any letters of credit will not exceed the original principal amount of the Note currently evidencing the line of credit extended to Borrower under this Agreement (\$35,000,000.00). Borrower will pay a fee of 1.0% of the face amount of each domestic letter of credit and 1.5% of the face amount of each foreign letter of credit for each year in which it will be in effect. Borrower will pay, in addition to the fees prescribed in the Loan Agreement for issuance of any letter of credit, any fees assessed by any other bank or other parties to the letter of credit transaction. Neither Lender nor The Frost National Bank will have any obligation to issue any letter of credit that is not acceptable to Lender as to form, term, and conditions."

7. Paragraph V.C of the Loan Agreement is hereby amended in its entirety to read as follows:

"C. Lender will, at Borrower's request, renew, extend and rearrange any portion of the unpaid balance of the Loan as a separate, amortizing loan evidenced by a promissory note requiring monthly installments of principal and interest in amounts sufficient to repay the balance over a period of 48 months at an interest rate One-half of One percent (0.5%) over the prime rate published in the Wall Street Journal at the time of such renewal and rearrangement, adjusted annually thereafter, in the form attached hereto as Exhibit "B." Any portion of the unpaid balance of the Loan which is so renewed and rearranged will be deducted from the amount of the Loan that is available to be advanced to Borrower hereunder, so that the total of all advances of principal of the Loan, the amounts drawn or which may be drawn under any letters of credit issued pursuant to Paragraph V. B, above, and the portion of the unpaid principal renewed and

rearranged as a separate, amortizing loan will never exceed the original principal amount of the Note currently evidencing the line of credit extended to Borrower under this Agreement (\$35,000,000.00).”

8 The Loan shall be governed by and subject to all of the terms, covenants and conditions of the Loan Agreement, as amended, and by the terms of the promissory note described in paragraph 4 above, and be secured by all of the same liens, pledges, assignments and security interests as are provided in the Promissory Note and the Loan Agreement, as amended, and in the security documents referenced therein. Borrower hereby grants, renews and ratifies all such liens, pledges, assignments and security interests in favor of Lender as continuing security for the indebtedness of Borrower under the Loan Agreement, as amended.

9. Borrower and Lender hereby renew, ratify, and confirm all of the warranties, covenants and agreements contained in the Loan Agreement, as amended, except to the extent modified by the terms of this Amendment thereto. The Loan Agreement, as so amended, and the documents referenced therein constitute the sole and only agreement of the parties hereto and supersedes any prior oral understandings or agreements between the parties respecting the subject matter of this agreement. This Amendment, together with the Loan Agreement and all prior amendments thereto, shall apply to and govern the extensions of credit described herein and all renewals, extensions and rearrangements of such indebtedness of Borrower to Lender.

EXECUTED on the date first hereinabove mentioned.

MITCHAM INDUSTRIES, INC.

By: /s/ Billy F. Mitcham, Jr.

Billy F. Mitcham, Jr.  
Its: President

BORROWER

FIRST VICTORIA NATIONAL BANK

By: /s/ Herschel Vansickle  
Herschel Vansickle  
Its: Sr. Vice-President

LENDER

STATE OF TEXAS  
COUNTY OF \_\_\_\_

§  
§

This instrument was acknowledged before me on \_\_\_, 2010, by Billy F. Mitcham, Jr., as President of Mitcham Industries, Inc., on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas

STATE OF TEXAS  
COUNTY OF VICTORIA

§  
§

This instrument was acknowledged before me on \_\_\_, 2010, by \_\_\_, as \_\_\_ of First Victoria National Bank, on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas

**EXHIBIT A**

**PROMISSORY NOTE**

\$35,000,000.00 Victoria, Texas July 27, 2010

FOR VALUE RECEIVED, the undersigned, hereinafter called “Borrower,” whether one or more, jointly and severally, hereby promise to pay to the order of First Victoria National Bank, hereinafter called “Lender,” at its banking house in the City of Victoria, in Victoria County, Texas, the sum of Thirty-Five Million Dollars (\$35,000,000.00) with interest thereon from date of advance until paid as hereinafter provided. All past due interest shall bear interest from maturity until paid at the same rate as the principal.

This note shall bear interest at a rate of One-half of One percent (0.5%) above the prime rate published in the Wall Street Journal as being the base rate on corporate loans established by a selected number of the largest banks in the United States, as such published prime rate is determined daily by the payee. In the event more than one such prime rate is published by the Wall Street Journal, the highest of

such rates shall be used to determine the interest rate on this note. No representation is made that such prime rate is the lowest or best rate charged by any bank to its customers. In the event the prime rate published by the Wall Street Journal should cease to be available for any reason, the payee shall select an index comparable to such prime rate to determine the rate of interest on this note.

It is contemplated by the parties hereto that this note will evidence a revolving line of credit and that advances and re-advances following payment of principal will be made by Lender to Borrower, from time to time from the date hereof to the maturity date of this note. Said advances will be made up to the principal amount of this note, but the aggregate outstanding balance of said advances at any one time will never exceed the principal amount of this note. Additional terms of advances are contained in a Loan Agreement dated September 24, 2008, as amended by First and Second Amendment thereto. The Borrower agrees to pay the interest accruing on such advances from the date or dates thereof at the rate stipulated herein to the Lender according to the terms hereof.

Notwithstanding any other provision in this note or any other loan document to the contrary, Lender shall not charge or collect and Lender does not intend to contract for interest in excess of that permitted by law for loans of this kind, and to prevent such occurrence, Lender will, at maturity or an earlier final payment of this note, determine the total amount of interest that can be lawfully charged or collected by applying the highest lawful rate of interest to the full periodic balances of principal for the period each is outstanding and unpaid and compare such amount with the total interest that has accrued under the terms of this note, and, if necessary, to prevent usury, reduce the total amount of interest payable by Borrower to the lesser amount. If the amount of interest that has been collected exceeds the lawful amount, Lender shall either make direct refund of such excess to Borrower or credit it against other sums owed by Borrower to Lender, whichever Lender deems appropriate. If at any time the rate of interest provided for in this note shall exceed the highest lawful rate, then any subsequent adjustment in the rate of interest on this note under the terms hereof will not reduce the rate of interest below the highest lawful rate until the total amount of interest accrued on this note equals the amount of interest, which would have accrued if there had been no limitation to the highest lawful rate. As used herein, the term "highest lawful rate" means the greatest of the rates of interest from time to time permitted under applicable law. Interest on this note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the annual interest rate over the number of days in a year, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

All interest accruing on the amounts of principal advanced hereunder shall be due in twenty-three (23) consecutive monthly installments in the amount of the accrued and unpaid interest on the date such installment is due, with the first of such installments being due on the 31st day of July, 2010, and a like installment becoming due on the last day of each succeeding calendar month thereafter until the 31st day of May, 2012, when the entire then remaining unpaid principal balance of this note and all accrued interest shall be due. This note shall be due in any event on or before the 31st day of May, 2012.

This note is partly in renewal, extension and rearrangement but not in extinguishment of the unpaid balance owing on a Promissory Note dated September 24, 2008, executed by Borrower and payable to the order of Lender in the original principal sum of \$25,000,000.00, as modified by Modification Agreement dated to be effective March 24, 2010, and evidencing a line of credit governed by a Loan Agreement of the same date and secured by a Security Agreement of the same date covering all assets of Borrower and by a Lease and Rental Assignment of the same date covering all equipment leases of Borrower. The unpaid balance of said note and the liens, pledges, assignments and security interests securing the same are hereby taken up, renewed and extended for the security of this note.

This note is secured by the Security Agreement dated September 24, 2008 between Borrower and Lender by which Borrower granted a security interest in all assets of Borrower, and by the Lease and Rental Assignment of the same date from Borrower to Lender by which Borrower granted security interests in all of its equipment leases, now owned or hereafter acquired by Borrower. Reference is here made to said Security Agreement and said Lease and Rental Assignment for all purposes. This note and the security therefor is also governed by the Loan Agreement dated September 24, 2008 between the Borrower and Lender, as amended from time to time.

As the term "Lender" is used in this note, it shall be construed to refer to Lender or to any current owner of this note, if other than Lender.

It is agreed that time is of the essence of this agreement, and that in the event of default in the payment of any installment of principal or interest which may be provided for hereunder, as the same becomes due and payable, Lender may declare the entire unpaid principal balance plus all accrued but unpaid interest due hereon immediately due and payable, and failure to exercise said option shall not constitute a waiver on the part of Lender of the right to exercise the same at any other time.

Should default be made in the payment of this note as the same becomes due or is declared due under the terms hereof, and should this note then be placed in the hands of an attorney for collection, or should this note be collected by suit or through the probate court, bankruptcy court, or other judicial proceedings, then the undersigned agree and promise to pay reasonable attorney's fees incurred by Lender herein in the collection of this note in addition to the principal and interest then owing.

This note, or any part hereof, may be paid before maturity at any time, and on the payment or collection of this note, no unearned interest shall be paid or collected.

Borrower and any and all co-makers, endorsers, guarantors and sureties hereby acknowledge their understanding that, unless waived, they have the right to notice of Lender's intent to accelerate the principal balance due on this note, the right to notice of actual acceleration of the principal balance of this note, and the right to presentment of this note by Lender's demand for payment. Borrower and any and all co-makers, endorsers, guarantors, and sureties further acknowledge their understanding that they may waive these rights by their signatures on this note or on their respective contracts and they do hereby severally waive their rights to notice of intent to accelerate, their rights to notice of acceleration, and their rights to presentment or other demand for payment. Borrower and any and all co-makers, endorsers, guarantors, and sureties further severally waive notice of protest, protest, demand and the filing of suit hereon for the purpose of fixing liability and consent that the time of payment hereof may be extended and re-extended from time to time without



notice to them, or any of them, and each agrees that his, her, or its liability on or with respect to this note shall not be affected by any release or discharge of any other maker, endorser, guarantor, or surety or by any release of or change in any security at any time existing or by any failure to perfect or to maintain perfection of any lien on or security interest in any such security, or any change in the Loan Agreement.

MITCHAM INDUSTRIES, INC.

By: \_\_\_\_

BILLY F. MITCHAM, JR.

Its: President

**EXHIBIT B**

**PROMISSORY NOTE**

\$\_\_ Victoria, Texas \_\_\_, 20\_\_

The undersigned, hereinafter called "Borrower," whether one or more, jointly and severally, hereby promise to pay to the order of First Victoria National Bank, hereinafter called "Lender," at its banking house in the City of Victoria, in Victoria County, Texas, the sum of \$\_\_\_, with interest thereon from date until paid as hereinafter provided. All past due interest shall bear interest at the same rate as the principal.

This note shall bear interest at a rate One-Half of One Percent (0.5%) over the prime rate published in the Wall Street Journal as being the base rate on corporate loans established by a selected number of the largest banks in the United States, as such published prime rate is determined annually by Lender on the date thirty (30) days in advance of the "Adjustment Date" as hereinafter defined. In the event more than one such prime rate is published by the Wall Street Journal, the highest of such rates shall be used to determine the interest rate on this note. No representation is made that such prime rate is the lowest or best rate charged by any bank to its customers. In the event the prime rate published in the Wall Street Journal should cease to be available for any reason, Lender shall select an index comparable to such prime rate to determine the rate of interest on this note on the next Adjustment Date.

The first adjustment of the interest rate on this note shall become effective on the \_\_\_ day of \_\_\_, 20\_\_\_, and subsequent adjustments shall become effective on the same calendar day, hereinafter called the "Adjustment Date," of each succeeding year thereafter. On the date thirty (30) days in advance of the Adjustment Date each year, Lender shall determine the rate of interest which this note shall bear from such Adjustment Date until the next Adjustment Date.

Notwithstanding any other provision in this note or any other loan document to the contrary, Lender shall not charge or collect and Lender does not intend to contract for interest in excess of that permitted by law for loans of this kind by Lender, and to prevent such occurrence, Lender will, at maturity or an earlier final payment of this note, determine the total amount of interest that can be lawfully charged or collected by applying the highest lawful rate of interest to the full periodic balances of principal for the period each is outstanding and unpaid and compare such amount with the total interest that has accrued under the terms of this note, and, if necessary, to prevent usury, reduce the total amount of interest payable by Borrower to the lesser amount. If the amount of interest that has been collected exceeds the lawful amount, Lender shall either make direct refund of such excess to Borrower or credit it against other sums owed by Borrower to Lender, whichever Lender deems appropriate. If at any time the rate of interest provided for in this note shall exceed the highest lawful rate, then any subsequent adjustment in the rate of interest on this note under the terms hereof will not reduce the rate of interest below the highest lawful rate until the total amount of interest accrued on this note equals the amount of interest, which would have accrued if there had been no limitation to the highest lawful rate. As used herein, the term "highest lawful rate" means the greatest of the rates of interest from time to time permitted under applicable law. Interest on this note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the annual interest rate over the number of days in a year, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

This note is payable in forty-eight (48) consecutive monthly installments of principal and interest in an amount sufficient to repay the entire principal and accrued interest by the maturity date of this note. The first of such installments shall become due on the \_\_\_ day of \_\_\_, 20\_\_\_, and a like installment shall become due on the same day of each succeeding calendar month thereafter until the entire unpaid principal and accrued interest has been paid in full. These installments shall be in the amount of \$\_\_\_ each, including interest, until the first adjustment of the interest rate. Thereafter, on the Adjustment Date each year, as the rate of interest is determined, the amount of the monthly installments shall be adjusted as required by Lender so that such installments shall be in substantially equal amounts and sufficient to amortize the indebtedness by the maturity date.

The final installment on this note shall be due, if not sooner paid on the \_\_\_ day of \_\_\_, 20\_\_\_.

If Lender has not received the full amount of any monthly installment by the end of ten (10) calendar days after the date it is due, Borrower shall pay a late charge to Lender in the amount of five percent (5.00%) of the late installment of principal and interest or a maximum of Fifty Dollars (\$50.00).

This note is in renewal, extension and rearrangement but not in extinguishment of a portion of the unpaid balance owing on a Promissory Note dated July , 2010, executed by Borrower and payable to the order of Lender in the original principal sum of \$35,000,000.00 and evidencing a line of credit governed by a Loan Agreement between Borrower and Lender dated September 24, 2008, as amended and secured by a Security Agreement covering all assets of Borrower and by a Lease and Rental Assignment covering all equipment leases of Borrower. The portion of the unpaid balance of said note represented by the amount of this note and the liens, pledges and security interests securing the same are hereby taken up, renewed and extended for the security of this note.

This note is governed by and secured as provided in the Loan Agreement between Borrower and Lender dated September 24, 2008, as it now exists or is hereinafter amended, and all of the covenants of Borrower contained therein will apply to the indebtedness evidenced by this note and all security interests, liens and collateral assignments described in the Loan Agreement will secure this note.

As the term "Lender" is used in this note, it shall be construed to refer to Lender or to any current owner of this note, if other than Lender.

It is agreed that time is of the essence of this agreement, and that in the event of default in the payment of any installment of principal or interest which may be provided for hereunder, as the same becomes due and payable, Lender may declare the entire unpaid principal balance plus all accrued but unpaid interest due hereon immediately due and payable, and failure to exercise said option shall not constitute a waiver on the part of Lender of the right to exercise the same at any other time.

Should default be made in the payment of this note as the same becomes due or is declared due under the terms hereof, and should this note then be placed in the hands of an attorney for collection, or should this note be collected by suit or through the probate court, bankruptcy court, or other judicial proceedings, then the undersigned agree and promise to pay reasonable attorney's fees incurred by Lender herein in the collection of this note in addition to the principal and interest then owing.

This note, or any part hereof, may be paid before maturity at any time, and on the payment or collection of this note, no unearned interest shall be paid or collected.

Borrower and any and all co-makers, endorsers, guarantors and sureties hereby acknowledge their understanding that, unless waived, they have the right to notice of Lender's intent to accelerate the principal balance due on this note, the right to notice of actual acceleration of the principal balance of this note, and the right to presentment of this note by Lender's demand for payment. Borrower and any and all co-makers, endorsers, guarantors, and sureties further acknowledge their understanding that they may waive these rights by their signatures on this note or on their respective contracts and they do hereby severally waive their rights to notice of intent to accelerate, their rights to notice of acceleration, and their rights to presentment or other demand for payment. Borrower and any and all co-makers, endorsers, guarantors, and sureties further severally waive notice of protest, protest, demand and the filing of suit hereon for the purpose of fixing liability and consent that the time of payment hereof may be extended and re-extended from time to time without notice to them, or any of them, and each agrees that his, her, or its liability on or with respect to this note shall not be affected by any release or discharge of any other maker, endorser, guarantor, or surety or by any release of or change in any security at any time existing or by any failure to perfect or to maintain perfection of any lien on or security interest in any such security.

MITCHAM INDUSTRIES, INC.

By—

Billy F. Mitcham, Jr.

Its President