

Complete Production Services, Inc.

Form DEF 14A

April 18, 2011

Table of Contents

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

**SCHEDULE 14A
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934
(Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement

- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

COMPLETE PRODUCTION SERVICES, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

2) Aggregate number of securities to which transaction applies:

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

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Table of Contents

April 18, 2011

Dear Stockholder:

You are invited to attend the annual meeting of stockholders of Complete Production Services, Inc. to be held on May 25, 2011, at 9:00 a.m. local time, at The St. Regis Houston, 1919 Briar Oaks Lane, Houston, Texas 77027.

At this year's annual meeting you will be asked to: (i) elect three directors to serve for a three-year term; (ii) ratify the selection of our independent registered public accountants; (iii) hold an advisory vote on the compensation of our named executive officers; (iv) hold an advisory vote on the frequency of future advisory votes on the compensation of our named executive officers; and (v) transact such other business as may properly come before the annual meeting. The accompanying Notice of Meeting and Proxy Statement describe these matters. We urge you to read this information carefully.

Your board unanimously believes that (i) election of its nominees for directors, (ii) ratification of the Audit Committee's selection of independent registered public accountants, (iii) shareholder approval of the compensation of our named executive officers, as described in this Proxy Statement, and (iv) shareholder approval of holding an annual vote to approve the compensation of our named executive officers, each as described in the accompanying proxy statement, are in the best interests of Complete Production Services, Inc. and its stockholders, and, accordingly, recommends a vote **FOR** election of each of the three nominees for directors, **FOR** the ratification of the selection of Grant Thornton LLP as our independent registered public accountants, **FOR** the approval of the compensation of our named executive officers, as described in the accompanying proxy statement, and **FOR** the approval of an annual vote to approve the compensation of our named executive officers. If your shares are held of record by a broker, bank or other nominee, such nominee will NOT be able to vote your shares with respect to the following matters if you have not provided instructions to your broker, bank or other nominee: the election of directors, the advisory vote to approve the compensation of our named executive officers and the advisory vote to approve the frequency of future votes to approve the compensation of our named executive officers. **We strongly encourage you to submit your proxy card or voting instruction form and exercise your right to vote as a stockholder.**

In addition to the business to be transacted as described above, management will speak on our developments of the past year and respond to comments and questions of general interest to stockholders.

It is important that your shares be represented and voted whether or not you plan to attend the annual meeting in person. If you receive a proxy card, you may vote by telephone, on the Internet or by completing and mailing the enclosed proxy card. If you receive a voting instruction form from your broker or bank, follow the instructions on the form to vote your shares. Certain brokers permit voting over the telephone or on the Internet. Voting over the Internet, by telephone or by written proxy or voting instruction form will ensure your shares are represented at the annual meeting. **Your vote is important!**

Sincerely,

James F. Maroney
Vice President, Secretary and General Counsel

Table of Contents

**COMPLETE PRODUCTION SERVICES, INC.
11700 Katy Freeway, Suite 300
Houston, Texas 77079**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 25, 2011**

We will hold our annual meeting of stockholders at The St. Regis Houston, 1919 Briar Oaks Lane, Houston, Texas 77027, on May 25, 2011, at 9:00 a.m. local time, for the following purposes:

1. To elect Robert S. Boswell, Michael McShane, and Marcus A. Watts as directors with a three-year term expiring at the 2014 annual meeting of stockholders and until their successors are duly elected and qualified or until their earlier resignation or removal.
2. To ratify the selection of Grant Thornton LLP as our independent registered public accountants for the fiscal year ending December 31, 2011.
3. To hold an advisory vote on the compensation of our named executive officers as presented in this Proxy Statement.
4. To hold an advisory vote on the frequency of future advisory votes on the compensation of our named executive officers.
5. To transact any other business as may properly come before the annual meeting or any adjournments or postponements of the annual meeting.

These items of business are described in the attached proxy statement. Only our stockholders of record at the close of business on April 11, 2011, the record date for the annual meeting, are entitled to notice of and to vote at the annual meeting and any adjournments or postponements of the annual meeting.

A list of stockholders eligible to vote at our annual meeting will be available for inspection at the annual meeting, and at our executive offices during regular business hours for a period of no less than ten days prior to the annual meeting.

Your vote is very important. It is important that your shares be represented and voted whether or not you plan to attend the annual meeting in person. You may vote by completing and mailing the enclosed proxy card or voting instruction form, or by submitting a proxy over the Internet or by telephone, as indicated on the enclosed proxy card or the voting instruction form. Submitting a proxy over the Internet, by telephone or by mailing the enclosed proxy card or voting instruction form will ensure your shares are represented at the annual meeting.

By Order of the Board of Directors,

James F. Maroney
Vice President, Secretary and General Counsel
Complete Production Services, Inc.

TABLE OF CONTENTS

	Page
<u>INFORMATION CONCERNING VOTING AND SOLICITATION</u>	1
<u>General</u>	1
<u>Who Can Vote</u>	1
<u>Voting of Shares</u>	1
<u>Voting in Person</u>	2
<u>Revocation of Proxy</u>	3
<u>Quorum and Votes Required</u>	3
<u>Solicitation of Proxies</u>	4
<u>Assistance</u>	4
<u>ITEM 1: ELECTION OF DIRECTORS</u>	4
<u>Board Structure</u>	4
<u>Board Nominees</u>	4
<u>Executive Officers</u>	9
<u>CORPORATE GOVERNANCE</u>	10
<u>Risk Oversight</u>	12
<u>Board and Committee Independence</u>	12
<u>Board Meetings</u>	13
<u>Board Committees</u>	13
<u>Communication with the Board</u>	15
<u>Compensation of Directors</u>	16
<u>Director Compensation Table</u>	16
<u>ITEM 2: RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC</u>	
<u>ACCOUNTANTS</u>	18
<u>SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS AND CERTAIN</u>	
<u>BENEFICIAL OWNERS</u>	19
<u>EQUITY COMPENSATION PLAN INFORMATION TABLE</u>	21
<u>EXECUTIVE COMPENSATION</u>	21
<u>Compensation Discussion and Analysis</u>	21
<u>Summary Compensation Table</u>	37
<u>Grants of Plan-Based Awards</u>	39
<u>Outstanding Equity Awards at Fiscal Year End</u>	41
<u>Option Exercises and Stock Vested</u>	42
<u>Nonqualified Deferred Compensation Plan</u>	43
<u>Potential Payments Upon Termination or Change of Control</u>	44
<u>Compensation Risk Assessment</u>	48
<u>Compensation Committee Report</u>	49
<u>Audit Committee Report</u>	49
<u>Independent Registered Public Accountants</u>	50
<u>ITEM 3: ADVISORY VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	51
<u>ITEM 4: ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON THE</u>	
<u>COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	53
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	54
<u>Related Person Transactions Policy and Procedures</u>	54

<u>Related Person Transactions</u>	54
<u>OTHER MATTERS</u>	55
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	55
<u>Stockholder Proposals and Nominations</u>	55
<u>Householding of Proxy Materials</u>	56
<u>Incorporation by Reference</u>	56

Table of Contents

PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

General

Your proxy is solicited on behalf of the board (the board) of Complete Production Services, Inc., a Delaware corporation (Complete Production Services, we, our or us), for use at the 2011 annual meeting of stockholders to be held on Wednesday, May 25, 2011, at 9:00 a.m. local time, at The St. Regis Houston, 1919 Briar Oaks Lane, Houston, Texas 77027, or at any continuation, postponement or adjournment thereof, for the purposes discussed in this proxy statement and in the accompanying notice of annual meeting and any business properly brought before the annual meeting. Directions to the 2011 annual meeting can be viewed at www.completeproduction.com/fin-reports. Proxies are solicited to give all stockholders of record an opportunity to vote on matters properly presented at the annual meeting.

We intend to mail this proxy statement and accompanying proxy card on or about April 18, 2011 to all stockholders entitled to vote at the annual meeting.

Important Notice Regarding the Availability of Proxy Materials for the 2011 Stockholder Meeting to Be Held on May 25, 2011

This proxy statement, our 2010 annual report and a sample proxy card are available at: www.completeproduction.com/fin-reports⁽¹⁾. You are encouraged to access and review all of the important information contained in the proxy materials before submitting a proxy or voting at the annual meeting.

Who Can Vote

You are entitled to vote if you were a stockholder of record of our common stock as of the close of business on April 11, 2011. You are entitled to one vote for each share of common stock held on all matters to be voted upon at the annual meeting. Your shares may be voted at the annual meeting only if you are present in person or represented by a valid proxy.

Voting of Shares

You may vote by attending the annual meeting and voting in person or you may vote by submitting a proxy. The method of voting by proxy differs depending on whether you hold your shares as a record holder or in street name. If you hold your shares of common stock as a record holder, you may vote by completing, dating and signing the proxy card that was included with the proxy statement and promptly returning it in the preaddressed, postage paid envelope provided to you, or by submitting a proxy over the Internet or by telephone by following the instructions on the proxy card. The Internet and telephone voting facilities available to record holders will close at 12:00 p.m. Central time on May 24, 2011.

Your shares are said to be held in street name if they are held in a stock brokerage account or by a bank, trust or other nominee, in which case the broker, bank, trust or other nominee is considered to be the stockholder of record with respect to such shares. Even if your shares are held in street name, you are still considered the beneficial owner of those shares, and you will receive a voting instruction form from your broker, bank or other nominee that includes instructions on how to vote your shares by mail. Your broker, bank or nominee may allow you to deliver your voting

instructions over the Internet and may also permit you to submit voting instructions by telephone. Your voting instruction form will contain the details of any permitted Internet or telephonic voting.

(1) This website, wherever referenced in this proxy statement, is not intended to function as a hyperlink and the information contained on our website is not intended to be part of this proxy statement.

Table of Contents

Important note: If you hold some of your shares of record and other shares through a broker, you will receive a proxy card covering the shares of record and a separate voting instruction form with respect to the shares held through a broker. You will need to submit two proxies (the proxy card for your shares of record, and voting instruction form for your shares held through a broker, bank or other nominee) to ensure that all of your shares are voted.

If you vote through the Internet, you should be aware that you may incur costs to access the Internet, such as usage charges from telephone companies or Internet service providers and that these costs must be borne by you. If you vote by Internet or telephone, then you need not return a written proxy card by mail.

Your vote is very important. You should vote by submitting your proxy or voting instructions even if you plan to attend the annual meeting in person.

If You Do Not Specify How You Want Your Shares Voted

If you are a stockholder of record and you submit your properly signed proxy but do not specify how you want your shares voted on a proposal, the proxy holder will vote your shares:

FOR the election of each of the three nominees listed in this proxy to serve on our board for a term expiring at the 2014 annual meeting of stockholders;

FOR the ratification of the selection of Grant Thornton LLP as our independent registered public accountants for the fiscal year ending December 31, 2011;

FOR the approval, on an advisory basis, of the compensation of our named executive officers, as described in this Proxy Statement (the "say on pay advisory vote"); and

FOR holding an advisory vote to approve the compensation of our named executive officers **annually** (the "frequency advisory vote").

In their discretion, the proxy holders named in the proxy are authorized to vote on any other matters that may properly come before the annual meeting and at any continuation, postponement or adjournment thereof. The board knows of no other items of business that will be presented for consideration at the annual meeting other than those described in this proxy statement.

If your shares are held in "street name" through a broker, bank or other nominee, your broker will vote your shares in accordance with your voting instructions. If you do not provide voting instructions to your broker your broker has discretionary authority to vote your shares on certain routine matters. Broker non-votes occur when your broker, bank or other nominee has not received voting instructions from you and does not have discretionary authority to vote your shares on a particular proposal or matter. The effect of a broker non-vote is that your shares will not be voted on any proposal or matter on which your broker or other nominee does not have discretionary authority to vote. Shares that constitute broker non-votes will be counted as present at the annual meeting for the purpose of determining a quorum, but will not be considered entitled to vote on the proposal in question.

Brokers generally have discretionary authority to vote on the ratification of the selection of Grant Thornton LLP as our independent registered public accountants. Brokers, however, do not have discretionary authority to vote on the election of directors, say on pay advisory vote or the frequency advisory vote. We strongly encourage you to submit your voting instruction card and exercise your right to vote as a stockholder on these important proposals.

Voting in Person

If you are a stockholder of record and plan to attend the annual meeting and wish to vote in person, a ballot will be available upon request at the annual meeting. Please note, however, that if your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, and you wish to vote in person at the annual meeting, you must bring to the annual meeting a legal proxy from the record holder of the shares (your broker or other nominee) authorizing you to vote at the annual meeting.

Table of Contents

Revocation of Proxy

If you are a stockholder of record, you may revoke your proxy at any time before your proxy is voted at the annual meeting by taking any of the following actions:

delivering to our corporate secretary a signed written notice of revocation, bearing a date later than the date of the proxy, stating that the proxy is revoked;

signing and delivering a new proxy, relating to the same shares and bearing a later date than the original proxy;

submitting another proxy by telephone or over the Internet (your latest telephone or Internet voting instructions are followed); or

attending the annual meeting and voting in person, although attendance at the annual meeting will not, by itself, revoke a proxy.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed to:

Complete Production Services, Inc.
11700 Katy Freeway, Suite 300
Houston, Texas 77079
Attn: Secretary

If your shares are held in street name by a broker or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or other nominee. You must contact your broker, bank or other nominee to find out how to do so.

Quorum and Votes Required

At the close of business on April 11, 2011, 78,902,708 shares of our common stock were outstanding and entitled to vote. All votes will be tabulated by the inspector of election appointed for the annual meeting.

A majority of the outstanding shares of common stock present in person or represented by proxy will constitute a quorum at the annual meeting. Shares of common stock held by persons attending the annual meeting but not voting, shares represented by proxies that reflect abstentions as to a particular proposal and broker non-votes will be counted as present for purposes of determining a quorum.

Stockholder approval of each proposal requires the following votes:

For **Item 1 Election of Directors**, directors will be elected by a plurality of the votes cast. Thus, the three nominees receiving the greatest votes will be elected. As a result, abstentions will not be counted in determining which nominees received the largest number of votes cast. Brokers do not have discretionary authority to vote on the election of directors. Broker non-votes will not affect the outcome of the election of directors because brokers are not able to cast their votes on this proposal.

For **Item 2** *Ratification of Selection of Independent Registered Public Accounting Firm*, the affirmative vote of a majority of the voting power of all outstanding shares of the Company represented in person or by proxy at the annual meeting and entitled to vote is required for the ratification of the selection of Grant Thornton LLP as our independent registered public accountants for the fiscal year ending December 31, 2011. Abstentions will have the same effect as votes against this proposal. Brokers generally have discretionary authority to vote on the ratification of our independent registered public accountants, thus broker non-votes are generally not expected to result from the vote on Item 2. Any broker non-votes that may result will not affect the outcome of this proposal.

For **Item 3** *Say on Pay Advisory Vote*, the affirmative vote of a majority of the voting power of all outstanding shares of the Company represented in person or by proxy at the annual meeting and entitled to vote is required for approval of the say on pay advisory vote. The approval of Item 3 is a non-routine proposal on which a broker or other nominee does not have discretion to vote any

Table of Contents

uninstructed shares. Abstentions will have the same effect as votes against this proposal. Any broker non-votes that may result will not affect the outcome of this proposal.

For **Item 4 Frequency Advisory Vote**, the affirmative vote of a majority of the voting power of all outstanding shares of the Company represented in person or by proxy at the annual meeting and entitled to vote is required for approval of the frequency advisory vote. The approval of Item 4 is a non-routine proposal on which a broker or other nominee does not have discretion to vote any uninstructed shares. Abstentions will have the same effect as votes against this proposal. Any broker non-votes that may result will not affect the outcome of this proposal. With respect to Item 4, if none of the frequency alternatives (one year, two years or three years) receive a majority vote, we will consider the frequency that receives the highest number of votes by our stockholders to be the frequency that has been selected by our stockholders. However, because this vote is advisory and not binding on us or our board in any way, our board may decide that it is in our and our stockholders' best interests to hold an advisory vote on executive compensation more or less frequently than the option approved by our stockholders.

Solicitation of Proxies

Our board is soliciting proxies for the annual meeting from our stockholders. We will bear the entire cost of soliciting proxies from our stockholders. In addition to the solicitation of proxies by mail, we will request that brokers, banks and other nominees that hold shares of our common stock, which are beneficially owned by our stockholders, send notices, proxies and proxy materials to those beneficial owners and secure those beneficial owners' voting instructions. We will reimburse those record holders for their reasonable expenses. We have engaged Morrow & Co., LLC to assist in the solicitation of proxies and to provide related advice and informational support, for a service fee of approximately \$5,500 plus customary expenses. We also may use several of our regular employees, who will not be specially compensated, to solicit proxies from our stockholders, either personally or by telephone, Internet, telegram, facsimile or special delivery letter.

Assistance

If you need assistance in voting over the Internet or completing your proxy card or have questions regarding the annual meeting, please contact our investor relations department at (281) 372-2300 or investorrelations@completeproduction.com or write to: Complete Production Services, Inc., 11700 Katy Freeway, Suite 300, Houston, Texas 77079, Attn: Investor Relations.

ITEM 1:

ELECTION OF DIRECTORS

Board Structure

Our Amended and Restated Certificate of Incorporation provides that the number of directors shall be set by our board. Our board has set the current authorized directors at seven members. The directors are divided into three classes, with each class serving for a term of three years. At each annual meeting, the term of one class expires. The following three Class III directors have a term expiring at this annual meeting: Robert S. Boswell, Michael McShane, and Marcus A. Watts.

Board Nominees

Based upon the recommendation of our Nominating and Corporate Governance Committee (the Nominating Committee), our board has nominated Robert S. Boswell, Michael McShane, and Marcus A. Watts for re-election as directors to the board. Each nominee currently serves on our board. If elected, each director nominee would serve a three-year term expiring at the close of our 2014 annual meeting, or until his successor is duly elected. Biographical information on each of the nominees is furnished below under Director Biographical Information.

Table of Contents**Board Recommendation****THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE THREE NAMED NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS.****Director Biographical Information**

The biographical information concerning each of the nominees and continuing directors below describes each nominee's and director's history of service as one of our directors, business experience, public company directorships held currently or at any time during the past five years, involvement in certain legal or administrative proceedings, if applicable, and any other experience, qualifications, attributes or skills that caused the Nominating Committee and board to determine that the nominee or director should currently serve as a director of the board. There are no family relationships among our directors and executive officers.

Name	Age	Position	Class	Director Since	Term Expires
Joseph C. Winkler	59	Chairman and Chief Executive Officer	I	2005	2012
Robert S. Boswell	61	Director	III	2005	2011
Harold G. Hamm	65	Director	II	2005	2013
Michael McShane(1)(2)	56	Director	III	2007	2011
W. Matt Ralls(1)	61	Director	II	2005	2013
Marcus A. Watts(2)(3)	52	Director	III	2007	2011
James D. Woods(1)(2)(3)	79	Director	II	2001	2013

(1) Current member of the Audit Committee of the board

(2) Current member of the Compensation Committee of the board

(3) Current member of the Nominating and Corporate Governance Committee of the board

Nominees for Election at the Annual Meeting to Serve for a Three-Year Term Expiring at the 2014 Annual Meeting of Stockholders

Robert S. Boswell. Mr. Boswell has served as our director since September 2005. He currently serves as Chairman and Chief Executive Officer of Laramie Energy II, LLC, a Denver-based privately held oil and gas exploration and production company he co-founded in June 2007. Mr. Boswell also serves on the Board of Toromont Industries, Ltd. and the Board of Trustees of the Boys and Girls Clubs of America and is Vice Chairman of St. Joseph Hospital Foundation.

Prior to the formation of Laramie Energy II, Mr. Boswell served as Chairman and Chief Executive Officer of Laramie Energy, LLC, a privately held oil and gas exploration company, whose assets were sold in May 2007. From July 2004 until September 2005, Mr. Boswell served as a director of CES, one of our predecessors. Mr. Boswell served for many years as a director and executive of Forest Oil Corporation, a NYSE-listed independent exploration and production company, having served as a director from 1986 until September 2003 (also serving as Chairman of the Board from March 2000 until September 2003), Chief Executive Officer from December 1995 until September 2003, President from November 1993 to March 2000 and Chief Financial Officer from May 1991 until December 1995. Mr. Boswell

also served as a director of C.E. Franklin Ltd., a provider of products and services to the oilfield industry, specifically completion products, from 1976 until May 2003.

Our board has concluded that, with his track record as an entrepreneur in the energy exploration industry, Mr. Boswell provides the board with leadership skills and an understanding of our operations, particularly with respect to our oilfield services operations in Canada and the U.S. Rocky Mountain region, and should serve as one of our directors. Mr. Boswell's depth of experience at both the management and board level of a major NYSE company in the same industry contributes invaluable insight to our board as it confronts and seeks solutions to operational challenges and as it devises new strategic initiatives.

Michael McShane. Mr. McShane has served as our director since March 2007. Mr. McShane also serves as a director of Spectra Energy Corp, a NYSE-listed provider of natural gas infrastructure, since April 2008,

Table of Contents

Globalogix, a privately held company that provides comprehensive services to upstream oil & gas producers and operators, since June 2007, Forum Energy Technologies, a private international provider of manufactured technologies and applied products to the energy industry, since August 2010, Oasis Petroleum, a public exploration and production company focused on acquisition and development of unconventional oil and natural gas resources, since June 2010, and BOS Solutions, a private fluids management solutions company, since October 2010.

Previously, Mr. McShane served as a director and President and Chief Executive Officer of Grant Prideco, Inc., a NYSE-listed manufacturer and supplier of oilfield drill pipe and other drill stem products, from June 2002 until the completion of the merger of Grant Prideco with National Oilwell Varco, Inc. in April 2008, having also served as Chairman of the Board from May 2003 through April 2008. Prior to joining Grant Prideco, Mr. McShane was Senior Vice President Finance and Chief Financial Officer and director of BJ Services Company, a provider of pressure pumping, cementing, stimulation and coiled tubing services for oil and gas operators, from 1990 to June 2002, and Vice President Finance from 1987 to 1990 while BJ Services Company was a division of Baker-Hughes. Mr. McShane joined BJ Services Company in 1987 from Reed Tool Company, where he was employed for seven years in various financial management positions. Additionally, Mr. McShane served as a director for Triton LLC, a private company which builds and supports technologies and systems for subsea remote intervention operations and applications. In August 2008, Triton LLC merged with Forum Oilfield Technologies, Subsea Services International, Global Flow Technologies, and Allied Technology to create Forum Energy Technologies.

Mr. McShane's diverse career in the energy industry, from leading Grant Prideco, a manufacturer and supplier of oilfield equipment, to serving on the board of Triton LLC, a company focused on subsea remote intervention operations and applications, has led the board to conclude that Mr. McShane has the knowledge, skills and perspective relevant to an understanding of our operations and should serve as one of our directors. Furthermore, Mr. McShane's directorial experience on public and private company boards, including as a member of the finance and audit committees of Spectra Energy Corp, coupled with his finance and accounting background as a certified public accountant, enhances our audit committee.

Marcus A. Watts. Mr. Watts has served as our director since March 2007. Effective January 2011, Mr. Watts became President of The Friedkin Group, an umbrella company overseeing various business interests that are principally automotive related. From 1984 through December 2010, Mr. Watts served as a partner in the law firm of Locke Lord Bissell & Liddell LLP where he practiced corporate and securities law and served as the Vice Chairman of the firm and managing partner of its Houston office. Mr. Watts is the Past Chairman of the Advisory Board of the Salvation Army, the Past Chairman and Executive Committee member of the Society for the Performing Arts, and serves as a member of various committees for YMCA and American Diabetes Association.

From January 2001 to June 2005, Mr. Watts served as a director of Cornell Companies, a NYSE-listed company which is a provider of corrections, treatment and educational services outsourced by federal, state and local governmental agencies.

Our board has concluded that, with 25 years of experience in corporate securities law and corporate governance matters, including having represented issuers of equity and debt, underwriters, boards of directors and special committees, Mr. Watts adds insight into the legal, regulatory and compliance issues we encounter from time to time and should serve as one of our directors. Mr. Watts' prior service as a director of another NYSE-listed company enhances his contributions to our board meetings and deliberations.

Director Continuing in Office Until the 2012 Annual Meeting of Stockholders

Joseph C. Winkler. Mr. Winkler has served as our Chief Executive Officer and Director since September 2005 and as our Chairman of the Board since March 2007. Mr. Winkler is a director of Petroleum Equipment Suppliers

Association (PESA), an oilfield service and supply industry trade association and a director and member of the compensation and nominating and corporate governance committees of Dresser-Rand Group, Inc., a NYSE-listed provider of rotating equipment solutions. Mr. Winkler also is a member of the Dean's Planning and Advisory Council at Louisiana State University.

Table of Contents

Previously, Mr. Winkler served as President and Chief Executive Officer of Complete Energy Services, Inc. (CES) and as a director of CES, I.E. Miller Services, Inc. (IEM) and IPS, beginning in June 2005 (CES and IEM were combined with IPS in September 2005, with the resulting company renamed Complete Production Services, Inc.). Mr. Winkler also has extensive executive experience with National Oilwell Varco, Inc., a NYSE-listed oilfield capital equipment and services company, and its predecessor, Varco International, Inc., having served as the Executive Vice President and Chief Operating Officer from March 2005 until June 2005, President and Chief Operating Officer of Varco International from May 2003 until March 2005, and in various other executive capacities with Varco International, including as Executive Vice President and Chief Financial Officer, from April 1996 until May 2003. From 1993 to April 1996, Mr. Winkler served as the Chief Financial Officer of D.O.S., Ltd., a privately held provider of solids control equipment and services and coil tubing equipment to the oil and gas industry, which was acquired by Varco International in April 1996. Prior to joining D.O.S., Ltd., Mr. Winkler was Chief Financial Officer of Baker Hughes INTEQ, and served in a similar role for various companies owned by Baker Hughes Incorporated, including Eastman/Teleco and Milpark Drilling Fluids.

Mr. Winkler's current role as our Chief Executive Officer and his past role as President and Chief Executive Officer of our predecessor provides him considerable knowledge of and familiarity with our operations. This extensive institutional knowledge, coupled with Mr. Winkler's history of leadership and governance at National Oilwell Varco and its predecessor, position him to properly direct the review and deliberations of our board. Mr. Winkler's career in the oilfield service industry provides our board with a valuable resource of information on the markets in which we operate and the business and financial factors driving our financial results. As our Chief Executive Officer and Chairman, Mr. Winkler serves as the bridge between our management and the board, ensuring that both groups act with a common purpose. For these reasons, our board has concluded that Mr. Winkler should serve as one of our directors.

Directors Continuing in Office Until the 2013 Annual Meeting of Stockholders

Harold G. Hamm. Mr. Hamm has served as our director since September 2005, having served previously as a director of CES, one of our predecessors, from October 2004 until September 2005. Mr. Hamm has extensive leadership experience in public companies, and in particular in the oil and gas exploration and production industry. Since 2007, Mr. Hamm has served as President and Chief Executive Officer and a director of Continental Resources, Inc., a NYSE-listed independent exploration and production company founded by Mr. Hamm in 1967, and currently serves as its Chairman of the Board. Since October 2004, Mr. Hamm has served as Chairman of the Board of Hiland Holdings GP, the general partner of Hiland Partners LP, a private midstream master limited partnership, that focuses on the processing and marketing of natural gas and the fractionating and marketing of natural gas liquids. Previously, Mr. Hamm served as President and Chief Executive Officer and as a director of Continental Gas, Inc., a midstream natural gas gathering company, since December 1994 and then served as Chief Executive Officer and a director until 2004.

Mr. Hamm is also actively engaged in relevant industry associations and charitable activities. He currently serves on the executive boards of the Oklahoma Independent Petroleum Association, as past chairman, and of the Oklahoma Energy Explorers. Mr. Hamm is the founder and served as Chairman of the Board of Save Domestic Oil, Inc., is the founder and chairman of the Domestic Energy Producers Association and is past President of the National Stripper Well Association. Furthermore, the Harold and Sue Ann Hamm Foundation, which was founded in 2007, donated \$13 million as a founding donor for the Harold Hamm Oklahoma Diabetes Center located on the campus of the University of Oklahoma. Mr. Hamm is also a member of the Board of the Oklahoma Medical Research Foundation.

Our board has concluded that, with over 40 years of experience as a senior executive in the energy and oil and gas exploration and production industry, Mr. Hamm is widely recognized for his industry expertise, brings to the board a keen understanding of our industry, and should serve as one of our directors. In particular, Mr. Hamm's historical

experience in our industry from all aspects of both exploration and production of oil and gas enables him to provide our board with valuable insight into the Oklahoma and North Dakota markets and other areas where we operate. Mr. Hamm's role on the boards of directors of several

Table of Contents

large, publicly traded companies as well as his executive experience at Continental Resources provides him with the dual perspective to facilitate communications between management and board members.

W. Matt Ralls. Mr. Ralls has served as our director since December 2005. Since January 2009, Mr. Ralls has served as the President, Chief Executive Officer and director of Rowan Companies, Inc., a NYSE-listed contract drilling and manufacturing company.

Mr. Ralls has extensive leadership and financial management experience in the oil and gas drilling and production industry. Mr. Ralls also has recent public company directorship experience, having served as a board member and on the audit and corporate governance committees of Enterprise Products GP and Enterprise GP Holdings L.P., a NYSE-listed company that owns various partnership interests in the midstream energy industry, from February 2006 to March 2007 and on the audit committee of El Paso Pipeline Partners, L.P., a NYSE-listed natural gas transportation pipelines and storage company, from January 2008 to January 2009. Mr. Ralls served as Executive Vice President and Chief Operating Officer of GlobalSantaFe Corporation, a NYSE-listed international contract drilling company, from June 2005 until the completion of the merger of GlobalSantaFe with Transocean, Inc. in November 2007, having also served in the role of Senior Vice President and Chief Financial Officer from November 2001 to June 2005. Mr. Ralls also has executive experience with other oil drilling and production companies, including as: Senior Vice President, Chief Financial Officer and Treasurer of Global Marine from January 1999 to November 2001, when Global Marine merged to become GlobalSantaFe; Executive Vice President, Chief Financial Officer and Treasurer of Global Marine from 1997 to January 1999; Vice President of Capital Markets and Corporate Development for The Meridian Resource Corporation, a NYSE-listed corporation, from 1996 to 1997; and Executive Vice President, Chief Financial Officer and a director of Kelley Oil and Gas Corporation, a NASDAQ-listed company, from 1990 until 1996. Mr. Ralls also serves as a director for the American Petroleum Institute (API), and beginning January 2011, Mr. Ralls will serve as Chairman for the International Association of Drilling Contractors (IADC). API and IADC are trade associations for the oil and natural gas industry

Mr. Ralls spent the first 17 years of his career in commercial banking, mostly at the senior loan management level, with three large Texas banks, including NationsBank in San Antonio, Texas.

Mr. Ralls' extensive financial and senior executive management experience at companies focusing on various phases of the drilling and production industry, which provides him with a keen grasp of our operations and financial results, has led the board to conclude that Mr. Ralls should serve as one of our directors. This background culminates in strong financial acumen and leadership skills that he contributes to our board of directors. Mr. Ralls' finance background and past service on the audit committees of other public companies qualifies him as our Audit Committee's Financial Expert.

James D. Woods. Mr. Woods has served as our director since June 2001. Mr. Woods is currently retired and serves as a director of ESCO Technologies, a NYSE-listed supplier of engineered filtration products to the process, healthcare and transportation market, and Foster Wheeler Ltd., an OTC-traded holding company of various subsidiaries which provide a broad range of engineering, design, construction and environmental services. Mr. Woods serves as a director and is a past chairman of the Petroleum Equipment Supplier's Association, the National Ocean Industries Association and The Greater Houston YMCA. He also serves as a director of the University of Texas Health Science Center at Houston and as a trustee of the National Boys and Girls Club of America.

Mr. Woods enjoyed a long career at Baker Hughes Incorporated, having served as its Chief Executive Officer from April 1987 and Chairman from January 1989, in each case until January 1997, and most recently as its Chairman Emeritus and retired Chief Executive Officer.

Mr. Woods contributes considerable governance experience to our board, having recently served as a director and member of one or more board committees of the following public companies: OMI Corp., a NYSE-listed bulk shipping company, from 1998 to 2007 (compensation and nominating and corporate governance committees); USEC Inc., a NYSE-listed supplier of enriched uranium from 2001 to 2007 (audit committee); Integrated Production Services, Inc. (IPS) (renamed Complete Production Services subsequent to the combination of IPS with Complete Energy Services, Inc. and I.E. Miller Services, Inc. in September

Table of Contents

2005) from June 2001 until September 2005; Kroger, Co., a NYSE-listed food retail company, from 1994 to 2001; and National Oilwell Varco, Inc., a NYSE-listed global provider of mechanical components for drilling rigs, from 1988 to 2006.

Our board has concluded that Mr. Woods should serve as one of our directors because his distinguished career as an executive in the oilfield service industry provides the board with leadership experience and expertise in our industry. In particular, Mr. Woods' experience in managing the growth of Baker Hughes Incorporated, including his role in leading the merger of two of the largest companies in the oil service industry, lends considerable insight to the board in its endeavors to identify acquisition and growth opportunities.

Executive Officers

Set forth below is information regarding each of our executive officers as of April 11, 2011:

Name	Age	Position
Joseph C. Winkler	59	Chairman and Chief Executive Officer
Brian K. Moore	54	President and Chief Operating Officer
Jose Bayardo	39	Senior Vice President, Chief Financial Officer and Treasurer
James F. Maroney	60	Vice President, Secretary and General Counsel
Kenneth L. Nibling	60	Vice President Human Resources and Administration
Dewayne Williams	40	Vice President Accounting, Corporate Controller, Chief Accounting Officer and Assistant Treasurer

Joseph C. Winkler. See above Director Continuing in Office Until the 2012 Annual Meeting of Stockholders.

Brian K. Moore. Mr. Moore has served as our President and Chief Operating Officer since March 2007 and prior to that served as our President, IPS Operations from September 2005 through March 2007. From April 2004 through September 2005, Mr. Moore served as President and Chief Executive Officer and a director of IPS, one of our predecessor companies. From January 2001 through April 2004, Mr. Moore served as General Manager Oilfield Services, U.S. Land Central Region, at Schlumberger Ltd., an international oilfield and information services company. Prior to serving as General Manager Oilfield Services, Mr. Moore served as Pressure Pumping Manager for Schlumberger's Eastern Region from July 1999 to January 2001. Mr. Moore has over 30 years of oilfield service experience including 15 years with Camco International where he served in various management and engineering positions including General Manager Coiled Tubing Operations.

Jose A. Bayardo. Mr. Bayardo has served as our Senior Vice President, Chief Financial Officer and Treasurer since August 2010, and previously served as the Vice President, Chief Financial Officer and Treasurer since October 2008. From February 2007 to October 2008, Mr. Bayardo served as our Vice President Corporate Development and Investor Relations. From April 2006 to January 2007, he served as Vice President of our IPS Division's Rocky Mountain and Mid-continent operations. From April 2003 to April 2006, he served as the Vice President of Corporate Development of IPS, our predecessor company. Prior to joining us, Mr. Bayardo was an investment banker with JPMorgan.

James F. Maroney. Mr. Maroney has served as our Vice President, Secretary and General Counsel since October 2005. From August 2005 until October 2005, Mr. Maroney surveyed various opportunities until accepting employment with us. Mr. Maroney served as Of Counsel to National Oilwell Varco, Inc. from March 2005 to August

2005. He served as Vice President, Secretary and General Counsel of Varco International from May 2000 until March 2005. Prior to that time, Mr. Maroney served as Vice President, Secretary and General Counsel of Tuboscope, Inc., predecessor to Varco International.

Table of Contents

Kenneth L. Nibling. Mr. Nibling has served as our Vice President – Human Resources and Administration since October 2005. From August 2005 to October 2005, Mr. Nibling surveyed various opportunities until accepting employment with us. He served as Vice President, Human Resources of National Oilwell Varco, Inc. from March 2005 through July 2005. He served as Varco International, Inc.’s Vice President – Human Resources and Administration from May 2000 until March 2005. Prior to that time, Mr. Nibling served as Vice President – Human Resources and Administration of Tuboscope, Inc., predecessor to Varco International.

Dewayne Williams. Mr. Williams has served as our Vice President – Accounting, Corporate Controller, Chief Accounting Officer and Assistant Treasurer since May 2009. From September 2005 to May 2009, Mr. Williams served as our Assistant Controller. From August 2004 until September 2005, Mr. Williams served as the Financial Reporting Manager with Core Laboratories N.V., a publicly held oilfield service company, and from December 1999 to August 2004 he served as the SEC Reporting Manager of NATCO Group Inc., a publicly held oil service company. Prior to December 1999, Mr. Williams’ experience included Financial Reporting and Accounting Manager with Enron Corp, and service as an Audit Senior with Coopers & Lybrand, L.L.P and with Arthur Andersen, L.L.P. Mr. Williams is a Certified Public Accountant.

CORPORATE GOVERNANCE

Our board adheres to strong corporate governance practices and has adopted corporate governance guidelines to set forth its agreements concerning overall governance practices. Our board has also adopted a Code of Business Conduct and Ethics, which contains general guidelines for conducting our business that applies to all of our employees, including our principal executive officer and our principal financial officer, our principal accounting officer and our controller, and a Code of Ethics for Non-Employee Directors that applies to all of our non-employee directors. Our guidelines and codes of ethics can be found in the corporate governance section of our website at www.completeproduction.com. In the event of any future amendments to certain provisions of our Code of Business Conduct and Ethics, or any waivers of such provisions, applicable to our directors and executive officers, we intend to disclose such amendments or waivers at the same location on our website identified above.

Board Qualifications, Evaluation of Nominees and Consideration of Diversity

Our corporate governance guidelines provide our board and Nominating Committee with a roadmap for selecting and evaluating nominees for the board and for reviewing whether continuing directors possess attributes relevant to our business. The Nominating Committee evaluates the backgrounds and skills of continuing directors using criteria consistent with the criteria considered by the Nominating Committee in recommending new director candidates, which include:

technical, operational and/or economic knowledge of our business and the facets of the oil and gas industry that are at the focal point of our operations;

experience at the executive level in operational, financial and/or administrative management;

financial and risk management acumen; and

experience in or familiarity with our business and markets (including international expertise), technological trends and developments that affect our business, and corporate securities and tax laws.

In conducting its evaluation of candidates and continuing directors, the Nominating Committee assesses each individual in the context of the board as a whole, with the goal of assembling a board that has the ability to best perpetuate our success and represent stockholder interests through the exercise of sound judgment. The Nominating

Committee evaluates the diversity of backgrounds, skills, work experience, geographic representation and oil and gas industry focus that it believes are critical to a successful board for our company at this time. The Nominating Committee is especially interested in:

ensuring geographic representation across the basins in which we conduct our operations;

ensuring that directors collectively have a broad range of experience across the phases of the oil and gas industry that are the focus of our business;

Table of Contents

drawing from the expertise of active or retired chief executive officers and other senior executives, particular those with experience at public companies and/or backgrounds in capital markets and mergers and acquisitions;

integrity and commitment to the highest ethical standards;

consistent availability and commitment to attending board meetings;

an ability to challenge and share ideas in a positive and constructively critical manner and be responsive to our needs; and

an ability to communicate effectively with other members of the board and management.

Although the Nominating Committee does not expect candidates and continuing directors to possess all of the foregoing attributes, each person should exhibit one or more of those characteristics.

To identify nominees, the Nominating Committee typically begins by polling board members and senior management for their recommendations, and will also consider candidates who are properly proposed by stockholders. The Nominating Committee has the option of retaining a third-party search firm to identify candidates if deemed necessary or advisable. The Nominating Committee, as it deems appropriate, also may review the composition and qualification of the boards of directors of our competitors or other similarly situated companies and may seek the input of industry experts or analysts. After reviewing the qualifications, experience, background and the potential effect upon board chemistry of any new candidate, the Nominating Committee will recommend final candidates for interviews by our independent directors and members of our senior management team. Once the Nominating Committee has reviewed and deliberated over the feedback of the entire board and senior management, as well as any other information gathered about a nominee, the Nominating Committee makes its recommendation to the board. As discussed under **Other Matters – Stockholder Proposals and Nominations**, any candidates properly recommended by stockholders for nomination to the board will be evaluated in the same manner that candidates suggested by board members, management or other parties are evaluated.

Board Leadership Structure

Our Chairman and Chief Executive Officer roles have been combined since March 2007, within the first year after we became a public company. Our board has determined that balancing the combined role of Chairman and Chief Executive Officer with a rotating presiding director position is the most appropriate leadership structure for our company at this time. In particular, the combined role of Chairman and Chief Executive Officer facilitates centralized coherent leadership that maximizes the effectiveness of our board, given the breadth of our board's industry experience, the board's relatively small size and the long-standing history of many of our directors with us. The combined role approach also minimizes any ambiguity about accountability among senior management and directors and aligns the strategy and goals of the board with management. The board's leadership structure additionally fosters efficient decision-making critical to the success of our operations.

Our board maintains a rotating presiding director position in order to maximize the valuable input from our non-employee directors. The presiding director rotates every quarter in accordance with a pre-established schedule. We believe this structure enhances the opportunity for each director to contribute and provide individualized value on a regular basis, as well as facilitates coordination and communication among the non-management directors. The presiding director presides over the quarterly executive sessions of non-management members of the board. The presiding director may also synthesize any issues raised in the executive sessions and coordinate with and communicate such issues to the next scheduled presiding director.

The board recognizes the importance of regularly evaluating our particular circumstances to determine if our leadership structure continues to serve the best interests of us and our stockholders. To this end, the board engages in a regular assessment of whether the then current leadership structure remains the most appropriate for us. Our corporate governance guidelines permit the board to fill the positions of Chairman and Chief Executive Officer with one individual or two different individuals and also allow the board to appoint a

Table of Contents

permanent presiding non-employee director. As a result, the board has the flexibility to alter its leadership structure in the future to adapt to changing circumstances as and when needed.

Risk Oversight

Our board understands that management has the duty to manage the risks inherent to our company, but also understands that it must oversee an enterprise-wide approach to such risk management, which is designed to enhance management's and the board's ability to identify, understand, evaluate, articulate and successfully manage the various risks to which we are exposed. Our approach is designed to consider the probability and impact of occurrences, to cost effectively attempt to mitigate, preempt or avoid the impact of the identified risks in a manner that balances the benefits against the costs associated with the risk, while striving to achieve improved long-term financial and operational performance and enhanced stockholder value. We recognize that an enterprise-wide approach to risk management is not a means for eliminating all risk, and is a supplement to and not a replacement for proper internal controls.

Our board believes that a fundamental part of risk oversight is not only understanding the risks that we face, the steps management is taking to manage those risks and the effectiveness of those steps, but also an understanding of what level of risk is appropriate for us and how that level of risk may change over time or due to circumstances. Another key component of the board's oversight is regular communications with senior management during board and committee meetings, and otherwise as advisable, regarding risk management, control and mitigation. Management monitors and assesses risk on an ongoing basis, with a focus on the following categories of risk that are fundamental to the success of our plans: strategic, legal, environmental, financial, information technology, human capital and operational. In particular, management regularly engages in the following processes in order to monitor the foregoing areas of risk: customer and competitor analysis, management succession planning, financial statement review, bi-weekly division updates, site visits by senior management, quarterly health, safety and environmental meetings, quarterly division president meetings and market reviews. To ensure active discussion about risk management and to facilitate the board's role in risk oversight, each quarter management reports to the board on the results of our business in such a manner as to apprise the board of the risks inherent in the risk categories described above. In addition, enterprise risk management is more comprehensively reviewed by the board as part of the annual planning and budgeting process and oversight of the same is addressed at our regularly scheduled board meetings.

While the board has the ultimate responsibility for the oversight of the enterprise risk management process, various committees of the board are structured to oversee specific risks and report certain strategic oversight issues to the entire board, as set forth below. The committees periodically provide updates to the board regarding material risk management issues and management's response.

Committee	Primary Risk Oversight Responsibility
Audit Committee	Overseeing financial compliance risk and internal controls over financial reporting and discussing with management our significant financial risk exposures.
Compensation Committee	Overseeing our compensation practices and evaluating the balance between risk-taking and rewards to senior officers and other employees.
Nominating Committee	Evaluating each director's independence and the effectiveness of our Corporate Governance Guidelines and Code of Business Conduct and Ethics and overseeing management's succession planning.

Board and Committee Independence

Our board has determined that each of Messrs. McShane, Ralls, Watts and Woods is an independent member of the board under the listing standards of the NYSE and has no material relationship with us that would impair such director's independence. Our board has further determined that each of our standing

Table of Contents

committees (i.e., Audit Committee, Compensation Committee and Nominating and Governance Committee) is comprised solely of independent members of our board. In making these determinations, our board considered all relationships between us and the director and the director's family members. As noted above, our board determined Mr. Watts to be independent. Mr. Watts retired as a partner of the law firm of Locke Lord Bissell & Liddell LLP (LLB&L) as of December 31, 2010. Through December 31, 2010, Mr. Watts was the partner in charge of our legal services account with LLB&L. Based on the amount paid by us to LLB&L in 2010 and the absence of any other material relationship between Mr. Watts and us, our board determined that Mr. Watts is independent as of January 2011. For a discussion of transactions involving Mr. Watts, as well as Messrs. Boswell and Hamm (whom our board determined to be not independent), see Certain Relationships and Related Transactions.

Board Meetings

Our board held four meetings during fiscal year 2010 and acted by unanimous written consent two times. During fiscal year 2010, all directors attended at least 75% of the combined total of (i) all board meetings and (ii) all meetings of committees of the board of which the director was a member. The chairman of the board or his designee, taking into account suggestions from other board members, establishes the agenda for each board meeting and distributes it in advance to each member of the board. Each board member is free to suggest the inclusion of items on the agenda. The board regularly meets in executive session without management present. The board has a policy that all directors attend the annual meeting of stockholders, absent unusual circumstances. All of our directors attended last year's annual meeting of stockholders.

Board Committees

Our board maintains a standing: (i) Audit Committee, (ii) Nominating and Corporate Governance Committee and (iii) Compensation Committee. To view the charter of each of these committees please visit our website at www.completeproduction.com. The membership of our standing committees as of the record date is as follows:

Director	Independent Under NYSE Standards	Audit Committee	Nominating and Corporate Governance Committee	Compensation Committee
Joseph C. Winkler	No			
Robert S. Boswell	No			
Harold G. Hamm	No			
Michael McShane	Yes	**		C
W. Matt Ralls	Yes	C		
Marcus A. Watts	Yes		C	**
James D. Woods	Yes	**	**	**

** Member

C Chair

Audit Committee

The Audit Committee has sole authority for the appointment, compensation and oversight of our independent registered public accountants and reviews the appointment, performance and replacement of our internal auditors, and has responsibility for reviewing and discussing with our management and our independent registered public accountants (when appropriate), the audited consolidated financial statements, prior to filing or issuance, included in our Annual Report on Form 10-K and our unaudited condensed consolidated financial information included in our earnings press releases. The Audit Committee carries out its responsibilities in accordance with the terms of its charter.

W. Matt Ralls (Chairman) and Michael McShane were members of the Audit Committee throughout fiscal year 2010. R. Graham Whaling was a member of the Audit Committee until his resignation from our board in January 2010, at which time his vacancy on the Audit Committee was filled by Mr. Woods.

Table of Contents

Messrs. Ralls, McShane and Woods are currently members of the Audit Committee. Our board has determined that all of our Audit Committee members are financially literate under the current listing standards of the NYSE and are independent under the requirements of SEC Rule 10A-3. Our board has also determined that Mr. Ralls qualifies as an audit committee financial expert as defined by the Securities Exchange Commission, or SEC. During fiscal year 2010, the Audit Committee met eleven times.

Nominating and Corporate Governance Committee

Marcus A. Watts (Chairman) and James D. Woods were members of the Nominating Committee throughout fiscal year 2010 and are currently members of the Nominating Committee. The Nominating Committee met once and acted by unanimous written consent once in fiscal year 2010.

The purpose of the Nominating Committee is to make recommendations concerning the size and composition of our board and its committees, evaluate and recommend candidates for election as directors, develop, implement and review our corporate governance policies, and evaluate the effectiveness of our board. The Nominating Committee works with the board as a whole on an annual basis to determine the appropriate skills and characteristics required of board members in the context of the current make-up of the board and its committees.

Our entire board is responsible for nominating members for election to the board and for filling vacancies on the board that may occur between annual meetings of the stockholders. The Nominating Committee is responsible for identifying, screening and recommending candidates to the entire board for prospective board membership. In evaluating the suitability of individuals, the Nominating Committee considers many factors, including issues of experience, integrity, qualifications (such as an understanding of finance and marketing), educational and professional background and willingness to devote adequate time to board duties. See Board Qualifications, Evaluation of Nominees and Consideration of Diversity. When formulating its board membership recommendations, the Nominating Committee also considers any advice and recommendations offered by our Chief Executive Officer. The Nominating Committee may also review the composition and qualification of the board of our competitors or other companies and may seek input from industry experts. In determining whether to recommend a director for re-election, the Nominating Committee also considers the board's and each committee's annual performance self-evaluation as well as annual individual director evaluations, which address the director's past attendance at meetings and participation in and contributions to the activities of the board and the like. The Nominating Committee evaluates each individual in the context of the board as a whole, with the objective of recommending a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment.

The Nominating Committee will consider stockholder recommendations of candidates on the same basis as it considers all other candidates. Stockholder recommendations should be submitted to us under the procedures discussed in Other Matters Stockholder Proposals and Nominations, and should include the candidate's name, age, business address, residence address, principal occupation or employment, the number of shares beneficially owned by the candidate and information that would be required to solicit a proxy under federal securities law. In addition, the notice must include the recommending stockholder's name, address, the number of shares beneficially owned and the time period those shares have been held.

Compensation Committee

Michael McShane (Chairman) and James D. Woods were the members of the Compensation Committee during fiscal year 2010, with R. Graham Whaling serving as Chairman through his resignation on January 15, 2010. The Nominating Committee recommended for appointment, and the board appointed, Marcus A. Watts to the Compensation Committee in February 2011. Messrs. McShane, Watts and Woods are currently members of the Compensation Committee. Our board has determined that all Compensation Committee members qualify as

non-employee directors within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act) and as outside directors within the meaning of Section 162(m) of the

Table of Contents

Internal Revenue Code. The Compensation Committee met five times and acted by unanimous written consent six times in fiscal year 2010

The Compensation Committee reviews and establishes the compensation of our executive officers, including our Chief Executive Officer, on an annual basis, has direct access to third party compensation consultants, and administers our stock incentive plans, including the review and grant of stock options and restricted stock to all eligible employees under our stock incentive plans.

The Compensation Committee reviews annually, generally in the first quarter of each fiscal year, the base salaries for our executive officers. The Compensation Committee also determines annually, generally during the first quarter, the annual cash bonuses to be awarded to our executive officers and certain members of senior management based upon pre-established financial performance criteria set under the Management Incentive Plan for the prior fiscal year and our performance relative to such criteria. In addition, under our equity grant policy, the Compensation Committee makes grants of equity awards at least annually and the grant date for the annual grant has been established as the last business day of January. Our Chief Executive Officer makes recommendations to the Compensation Committee regarding our other executive officers' compensation based on his evaluation of the performance of each other executive officer against objectives established by our Chief Executive Officer and the executive officer at the beginning of each year, the officer's scope of responsibilities, our financial performance, retention considerations and general economic and competitive conditions.

The Compensation Committee has the sole authority to retain consultants and advisors as it may deem appropriate in its discretion, and the Compensation Committee has the sole authority to approve related fees and other retention terms. Since September 2006, the Compensation Committee has engaged Pearl Meyer & Partners (PM&P), independent compensation consultants, to advise the Compensation Committee on an ongoing basis. The consultant reports directly to the Compensation Committee and works closely with our Vice President Human Resources and Administration, who is management's representative to the Compensation Committee. PM&P, when invited, attends meetings of the Compensation Committee. The Compensation Committee determines when to hire, terminate or replace the consultant, and which projects are to be performed by the consultant. During fiscal 2010 and early 2011, the Compensation Committee directed PM&P to provide: (i) a summary report on projected 2010 increases in base salaries and total cash compensation for executives in the energy and energy services sector; (ii) a comprehensive market analysis of our executives' 2010 compensation forms and levels, including an analysis of share allocation and usage levels, executive benefits and perquisites, and severance and change of control provisions; (iii) a framework for determining 2010 long-term incentive compensation; (iv) a summary report on recent developments in corporate governance and executive compensation; (v) a review of our Compensation Committee charter; (vi) a comprehensive market analysis of our director compensation forms and levels; (vii) a brief analysis of our financial performance compared to our peer group; and (viii) a summary overview of the 401(k) plans of our peer group. The only services provided by PM&P during 2010 were as directed by the Compensation Committee related to executive compensation and as directed by the Nominating Committee related to director compensation and evaluations.

Communication with the Board

Interested persons, including our stockholders, may communicate with our board, including our non-management directors, by sending a letter to our Secretary at our principal executive offices at 11700 Katy Freeway, Suite 300, Houston, Texas 77079. Our Secretary will submit all correspondence to the board or to any specific director to whom the correspondence is directed.

Table of Contents**Compensation of Directors**

Our executive officers do not receive additional compensation for their service as directors. The table below summarizes the compensation received by our non-employee directors for the year ended December 31, 2010.

Director Compensation Table

Director	Fees Earned or Paid in Cash(1)	Stock Awards(2)(3)(5)	Option Awards(2)(4)(5)	Total
Robert S. Boswell	\$ 41,000	\$ 71,620	\$ 28,380	\$ 141,000
Harold G. Hamm	\$ 41,000	\$ 71,620	\$ 28,380	\$ 141,000
Michael McShane	\$ 51,000	\$ 71,620	\$ 28,380	\$ 151,000
W. Matt Ralls	\$ 54,500	\$ 71,620	\$ 28,380	\$ 154,500
Marcus A. Watts	\$ 51,000	\$ 71,620	\$ 28,380	\$ 151,000
R. Graham Whaling(6)				
James D. Woods	\$ 39,500	\$ 71,620	\$ 28,380	\$ 139,500

- (1) In 2010, each non-employee director was entitled to receive an annual retainer fee of \$35,000 and fees of \$1,500 for attendance in person at each meeting of our board of directors or \$750 for each meeting of our board of directors attended telephonically. The chairman of the Audit Committee was entitled to receive an additional annual retainer fee of \$15,000 and each director who serves as committee chairman (other than the chairman of the Audit Committee) was entitled to receive an additional annual retainer fee of \$10,000.

Members of our board also are entitled to reimbursement of their expenses, in accordance with our policy, incurred in connection with attendance at board and committee meetings and conferences with our senior management. We do not offer our non-employee directors any perquisites or other forms of compensation.

- (2) Non-employee directors receive an automatic grant, upon initial appointment and on the last business day of January of each year of equity awards valued at \$100,000 as follows: (a) options to purchase 5,000 shares of our common stock, valued as of the date of grant, based on a Black-Scholes model of option valuation, and (b) the balance of the \$100,000, in restricted stock, valued based on the closing price of our common stock on the date of grant. During 2010 and in prior years, directors were required to hold and could not transfer 65% of their vested restricted shares until their directorship on our board terminated. This obligation was terminated in 2011 in connection with our adoption of stock ownership guidelines, as described below. The options have a term of ten years and vest in three equal installments, generally on each of the first, second and third anniversaries of the grant date, subject to continued service on the board of directors. Vesting of options is accelerated in the event of the director's retirement. The restricted stock generally vests in full on the first anniversary of the grant date.
- (3) The amounts shown represent the aggregate grant date fair value of shares of restricted stock granted in fiscal year 2010, as described in Financial Accounting Standards Board Accounting Standards Codification Topic 718, Stock Compensation, as amended (FASB ASC Topic 718). The grant date fair value of the 5,716 shares of restricted stock granted on January 29, 2010 under our 2008 Incentive Award Plan, as amended (the 2008 Plan), to the non-employee directors was \$71,620, as computed in accordance with FASB ASC Topic 718, based on the

closing price of our common stock of \$12.53 on the grant date. The 2010 restricted stock grants vested in full on January 29, 2011.

- (4) The grant date fair value of the options to purchase 5,000 shares of our common stock granted on January 29, 2010 under our 2008 Plan was \$28,380, based on the Black-Scholes model of option valuation to determine grant date fair value, as prescribed under FASB ASC Topic 718. The following assumptions were used in the Black-Scholes model: market price of stock, \$12.53; exercise price of option, \$12.53; expected stock volatility, 50.4%; risk-free interest rate, 2.34% (based on the constant maturities treasury bond rate for the expected term); expected life, 5.1 years; dividend yield, 0%.

Table of Contents

- (5) The table below shows the aggregate numbers of option awards (exercisable and unexercisable) and unvested stock awards held as of December 31, 2010 by each non-employee director.

Director	Options Outstanding at Fiscal Year End	Outstanding Unvested Restricted Shares at Fiscal Year End
Robert S. Boswell	30,000	5,716
Harold G. Hamm	30,000	5,716
Michael McShane	25,000	5,716
W. Matt Ralls	30,000	5,716
Marcus A. Watts	25,000	5,716
R. Graham Whaling	32,397	0
James D. Woods	30,000	5,716

- (6) Mr. Whaling resigned from the Board effective January 15, 2010. Upon Mr. Whaling's termination of service from our board, the vesting of all of his then outstanding unvested options and unvested shares of restricted stock was accelerated, and the exercise period for each of his outstanding options was extended until January 15, 2013.

In December 2010, the Compensation Committee commissioned from PM&P a report on our director compensation program and a market analysis of director compensation trends. The report showed that (i) the annual cash retainer of \$35,000 paid to our non-employee directors is well below the market median of \$47,500 within our peer group; (ii) our annual total cash compensation is significantly less than our peer group's median; (iii) our long term equity incentive grants of \$100,000 are substantially less than our peer group's median long term equity incentive grant levels of approximately \$190,000 and (iv) total direct compensation for our non-employee directors, on average, was approximately \$172,000 in 2010, compared to a median total of approximately \$250,000 for our peer group. Our peer group for purposes of PM&P's director compensation review is the same as the peer group described under Compensation Discussion and Analysis Approach for Determining Form and Amount of Compensation Comparison to Market Practices. The Compensation Committee had previously considered increasing director compensation in November 2008, but decided to maintain it at the level in effect since February 2007, the last time we increased director compensation, in light of the decline in economic and industry conditions in 2008. In December 2010 and early 2011, the Compensation Committee approved the following changes to our compensation program for non-employee directors:

increased the annual retainer from \$35,000 to \$55,000, effective as of the first quarterly retainer payment for 2011.

increased the annual value of the equity award grants made to non-employee directors from \$100,000 to \$170,000, to be granted entirely in shares of restricted stock (instead of in a combination of shares of restricted stock and options), effective as of the January 31, 2011 grant date. The restricted stock will continue to vest in full on the first anniversary of the date of grant, subject to continued service with us.

in connection with the implementation of stock ownership guidelines for non-employee directors described below, eliminated the requirement that non-employee directors continue to hold and may not transfer 65% of their shares of restricted stock that have vested until their directorship on our board is terminated.

Stock Ownership Guidelines. In early 2011, the Compensation Committee recommended to our board for approval, and our board approved, new stock ownership guidelines for our named executive officers and non-employee directors. See Compensation Discussion and Analysis Long-term Equity Incentive Awards Stock Options and Restricted Stock Stock Ownership Guidelines for a description of the guidelines as they apply to our named executive officers. Under the guidelines, a non-employee director will have five years, beginning as of January 1, 2011, to attain the required ownership threshold, which was established as a share value equal to five times the annual cash retainer for such non-employee director. Compliance with the new ownership guidelines will be assessed on an annual basis as of December 31 of the applicable year.

Table of Contents

ITEM 2:

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

The Audit Committee of our board has selected Grant Thornton LLP (Grant Thornton) as our independent registered public accountants for the year ending December 31, 2011, and the board has directed that management submit the selection of independent registered public accountants for ratification by the stockholders at the annual meeting. A representative of Grant Thornton is expected to be present at the annual meeting and will have an opportunity to make a statement if he or she so desires and will be available to respond to appropriate questions.

Stockholder ratification of the selection of Grant Thornton as our independent registered public accountants is not required by our bylaws or otherwise. However, the board is submitting the selection of Grant Thornton to the stockholders for ratification as a matter of corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent accounting firm at any time during the year if the Audit Committee determines that such a change would be in our best interests and in the best interests of our stockholders.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF GRANT THORNTON LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS FOR FISCAL YEAR 2011.

Table of Contents

**SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS
AND CERTAIN BENEFICIAL OWNERS**

The following table shows ownership of our common stock on April 11, 2011, based on 78,902,708 shares of common stock outstanding on that date, by (i) each person known to us to own beneficially more than five percent (5%) of our capital stock; (ii) each director and nominee; (iii) our Chief Executive Officer and Chief Financial Officer, and each of our other three most highly compensated executive officers for the year ended December 31, 2010 (collectively the named executive officers); and (iv) all of our current directors and nominees, named executive officers and executive officers as a group. Except to the extent indicated in the footnotes to the following table, the person or entity listed has sole voting and dispositive power with respect to the shares that are deemed beneficially owned by such person or entity, subject to community property laws, where applicable:

Name	Shares of Common Stock(1)	Rights to Acquire Common Stock(2)	Total Shares Beneficially Owned	Percentage of Outstanding Common Stock(3)
Directors and Nominees:				
Joseph C. Winkler(4)	910,452	1,118,571	2,029,023	2.54
Robert S. Boswell	62,919	25,001	87,920	*
Harold G. Hamm(5)	3,290,055	25,001	3,315,056	4.20
Michael McShane	31,886	20,001	51,887	*
W. Matt Ralls	33,495	25,001	58,496	*
Marcus A. Watts	33,886	20,001	53,887	*
James D. Woods	44,504	25,001	69,505	*
Other Named Executive Officers:				
Brian K. Moore	373,771	224,101	597,872	*
Jose Bayardo	136,052	98,400	234,452	*
James F. Maroney	49,128	0	49,128	*
Kenneth L. Nibling(6)	44,705	0	44,705	*
All current executive officers and directors (including nominees) as a group (12 persons)				
	5,035,971	1,584,878	6,620,849	8.23
Stockholders Holding 5% or more				
Black Rock, Inc.(7) 40 East 52nd Street New York, New York 10022	6,142,131	0	6,142,131	7.78
Dimensional Fund Advisors LP(8) Palisades West, Building One 6300 Bee Cave Road Austin, Texas 78746	4,247,758	0	4,247,758	5.38
T. Rowe Price Associates, Inc.(9) 100 E. Pratt Street Baltimore, Maryland 21202	3,223,168	0	3,223,168	4.08

* Less than 1%.

Table of Contents

- (1) Includes unvested shares of restricted common stock as follows:

Directors and Nominees	Unvested Restricted Stock	Other Named Executive Officers	Unvested Restricted Stock
Mr. Winkler	205,066	Mr. Woods	6,085
Mr. Boswell	6,085	Mr. Moore	107,199
Mr. Hamm	6,085	Mr. Bayardo	51,300
Mr. McShane	6,085	Mr. Maroney	44,099
Mr. Ralls	6,085	Mr. Nibling	38,999
Mr. Watts	6,085	All current executive officers and directors	499,073

- (2) Represents shares which the person or group has a right to acquire within sixty (60) days of April 11, 2011, upon the exercise of options.
- (3) Shares of common stock subject to options which are currently exercisable or which become exercisable within sixty (60) days of April 11, 2011 are deemed to be beneficially owned by the person holding such options for the purposes of computing the percentage of ownership of such person but are not treated as outstanding for the purposes of computing the percentage of any other person.
- (4) Includes 3,200 shares owned by Mr. Winkler's spouse.
- (5) Includes an aggregate of 35,701 shares owned directly by Harold G. Hamm; 2,346,597 shares owned by Harold G. Hamm GRAT 6 and Harold G. Hamm GRAT 8 (collectively, the GRATs); and 907,757 shares owned by the Revocable Inter Vivos Trust of Harold G. Hamm, as amended and restated, dated as of April 23, 1984 (the Inter Vivos Trust). Each of the GRATs and the Inter Vivos Trust is an estate planning trust. Mr. Hamm is the grantor and serves as a trustee of each of these trusts. As such, Mr. Hamm may be deemed to have shared voting and dispositive power over the shares beneficially owned by these trusts.
- (6) Includes 1,000 shares owned by Mr. Nibling's son. Mr. Nibling disclaims beneficial ownership of the shares held by his son.
- (7) According to a Schedule 13G filed on February 3, 2011 by BlackRock, Inc., a parent holding company (BlackRock), on behalf of its investment advisory subsidiaries consisting of BlackRock Japan Co. Ltd., BlackRock Institutional Trust Company, N.A., BlackRock Fund Advisors, BlackRock Asset Management Australia Limited, BlackRock Advisors LLC, BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock (Luxembourg) S.A. and BlackRock International Limited that hold the securities. BlackRock has sole voting and dispositive power with respect to all 6,142,131 shares.
- (8) According to a Schedule 13G filed by Dimensional Fund Advisors LP (Dimensional) on February 11, 2011. Dimensional is an investment adviser registered under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts (such investment companies, trusts and accounts, collectively referred to as the Funds). In certain cases, subsidiaries of Dimensional may act as an adviser or sub-adviser to certain Funds. In its role as investment advisor, sub-adviser and/or manager, neither Dimensional nor its subsidiaries possess voting and/or investment power over the shares

that are owned by the Funds, but may be deemed to be the beneficial owner of such shares. Dimensional disclaims beneficial ownership of all such securities.

- (9) According to a Schedule 13G/A filed by T. Rowe Price Associates, Inc. (Price Associates) on February 10, 2011, represents shares owned by various individuals and institutional investors with respect to which Price Associates serves as investment adviser with power to direct investments and/or sole power to vote the shares, including 407,050 shares over which Price Associates possesses sole voting power and 3,223,168 shares over which Price Associates possesses sole dispositive power. For purposes of the reporting requirements of the Exchange Act, Price Associates is deemed to be a beneficial owner of such shares; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such shares.

Table of Contents**EQUITY COMPENSATION PLAN INFORMATION TABLE****Equity Compensation Plan Information**

The following table provides information as of December 31, 2010, about compensation plans under which shares of our common stock may be issued to employees, consultants or non-employee directors of our board of directors upon exercise of options, warrants or rights.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights(b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))(c)
Plans approved by stockholders	3,141,583	\$ 12.68	6,142,128
Plans not approved by stockholders	0	\$ 0.00	0
Total	3,141,583	\$ 12.68	6,142,128

- (a) Represents the number of securities to be issued upon exercise of outstanding options under our 2008 Plan and our Amended and Restated 2001 Stock Incentive Plan, as amended.

We assumed the CES 2003 Stock Incentive Plan and the IEM 2004 Stock Incentive Plan in connection with our September 2005 combination with Complete Energy Services, Inc. and I.E. Miller Services, Inc. in September 2005 (the Combination). While the plans will continue to govern the existing options granted thereunder, they were terminated in connection with the Combination as to any future awards. Similarly, we assumed the Pumpco Services, Inc. 2005 Stock Incentive Plan in connection with our acquisition of Pumpco Services, Inc. in November 2006 and while the plan will continue to govern the existing options granted thereunder, the plan was terminated in connection with the acquisition as to any future awards. As of December 31, 2010, (i) options for 357,411 shares of our common stock were outstanding under the CES 2003 Stock Incentive Plan with a weighted-average exercise price of \$6.69; (ii) options for 52,948 shares of our common stock were outstanding under the IEM 2004 Stock Incentive Plan with a weighted-average exercise price of \$6.69; and (iii) options for 65,000 shares of our common stock were outstanding under the Pumpco Services, Inc. 2005 Stock Incentive Plan with a weighted-average exercise price of \$5.00.

- (b) Represents the weighted-average exercise price of outstanding options under our 2008 Plan and our Amended and Restated 2001 Stock Incentive Plan, as amended.
- (c) Represents the number of securities remaining available for issuance under our 2008 Plan, as all prior plans were terminated as of May 22, 2008.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis section discusses the compensation programs and policies for our named executive officers and the Compensation Committee's role in the design and administration of these programs and policies, as well as specific compensation decisions for our named executive officers, who consist of:

Joseph C. Winkler, our Chairman of the Board and Chief Executive Officer;

Brian K. Moore, our President and Chief Operating Officer;

Jose A. Bayardo, our Senior Vice President and Chief Financial Officer;

James F. Maroney, our Vice President, Secretary and General Counsel; and

Kenneth L. Nibling, our Vice President - Human Resources and Administration.

Table of Contents

Executive Summary

The Compensation Committee evaluates and establishes our executive s compensation pursuant to a strategy that balances the stability of a base salary with appropriate equity incentives and performance-based cash awards. Generally, an employee s level of responsibility correlates to the amount of compensation at risk, with greater responsibility equating to a higher proportion of total compensation mix being attributable to equity awards and performance-based cash bonuses.

Review of 2010 Financial Performance

Our financial and operational performance for our fiscal year 2010 was strong and greatly improved compared to 2009. Our improved performance was also reflected in the value delivered to our stockholders based on our stock price, which more than doubled in 2010. Highlights included:

Year-over-year increase in revenue of 48%, from \$1.06 billion in 2009 to \$1.56 billion in 2010.

Net income of \$84.2 million, or \$1.08 per diluted share, in 2010, compared to a net loss of \$187.9 million or \$2.42 per diluted share in 2009.

Adjusted EBITDA of approximately \$375 million in 2010, compared to \$149.1 million in 2009, which exceeded our Stretch level of targeted Adjusted EBITDA for 2010 under our annual cash bonus program, as described below.

A 127% increase in our stock price from December 31, 2009 to December 31, 2010, from \$13.00 to \$29.55 per share.

2010 Compensation Highlights

Fiscal year 2009 was a challenging year due to the continued downturn in the economy, volatility in the oil and gas industry and reduced demand for our completion and production services. In 2009, we implemented strict cost saving measures and focused on generating cash flow and net income. In early 2010, in light of the continued challenging economic environment and the difficulties in assessing the magnitude and duration of the industry s recovery, coupled with a desire to provide our management with additional incentive to improve 2010 financial and operating performance, the Compensation Committee took the following steps:

In January 2010, the Compensation Committee determined to: (1) keep base salaries at the reduced levels established in March 2009 (which represented a 20% reduction from January 2009 levels) in order to conserve our cash liquidity; and (2) continue to award long-term equity incentive awards in

Table of Contents

2010 as a multiple of base salary, but measured awards off of base salaries in effect as of January 1, 2009, in order to properly incentivize our named executive officers.

In March 2010, the Compensation Committee re-instituted our annual cash Management Incentive Program, or MIP, which the Compensation Committee had suspended for 2009, under slightly revised parameters. As revised, the 2010 MIP (i) provided that 40% of the bonus opportunity would be payable with respect to our Adjusted EBITDA performance for each of the first and second halves of the 2010 fiscal year, with the remaining 20% payable with respect to our Adjusted EBITDA performance for the full 2010 fiscal year, and (ii) provided for a reduced target bonus opportunity, equal to two-thirds of each such officer's original target bonus opportunity, if we did not achieve profitability (i.e., net income) in 2010. In the event we returned to profitability in 2010, the 2010 MIP provided that target bonus opportunities would be paid at their original levels established in 2006. The original target bonus opportunities, as a percentage of base salary, are 100% for Mr. Winkler, 75% for Mr. Moore, 60% for Mr. Bayardo and 50% for Messrs. Maroney and Nibling.

In July 2010, the Compensation Committee considered the favorable trends in our business relative to the challenging market conditions we experienced in 2009, and the increase in our asset utilization and pricing in most of our business lines and in most of our operating areas in the first two quarters of 2010, and took the following additional actions in recognition of improving conditions and to continue to provide appropriate performance incentives to our management:

Base salaries. In an effort to move closer to our stated compensation objective of paying salaries at market median, the base salaries for each of our named executive officers were increased, with increases ranging from 17.9% to 56.2% of salaries in effect since March 2009.

Annual performance-based cash bonus opportunities under the MIP. In order to enhance the tie between executive compensation and our performance, and to provide competitive market based compensation and continued incentives to improve our net income, the Compensation Committee increased the target bonus opportunities payable under our 2010 MIP for each of Messrs. Bayardo, Maroney and Nibling, for the second half of 2010 and full year 2010. There was no change to the target bonus opportunities of either Mr. Winkler or Mr. Moore.

Because we achieved net income and exceeded our stretch level of targeted Adjusted EBITDA in 2010, we paid 200% of the applicable target bonus opportunity under our MIP. The foregoing Compensation Committee actions resulted in higher total compensation than in 2009, in keeping with our philosophy of pay in line with performance, with each of Messrs. Winkler and Moore earning 200% of their original target bonus opportunity and Messrs. Bayardo, Maroney and Nibling earning 229%, 222% and 221%, respectively, of their original target bonus opportunity. Our bonus awards and further achievements during the fiscal year are discussed in more detail below.

2011 Developments and Changes

After giving consideration to our strong 2010 financial and operating performance, the Compensation Committee, in an effort to continue its pay for performance practices, implemented the following changes for 2011:

Annual performance-based cash bonus opportunities under the MIP. In February 2011, given the stronger financial and operational position of the company and our industry, we returned to one annual performance period for the MIP based on the achievement of pre-established levels of targeted EPS (for our named executive officers) and established target bonus opportunities for our named executive officers at the levels set in July 2010 (presuming net income for full year 2010).

Long-term equity incentive awards. In February 2011, we increased the multiple of base salary at which long-term equity values are granted for Messrs. Moore, Bayardo and Maroney to improve the competitiveness of their total direct compensation when compared to the market.

Table of Contents

Compensation Governance and Best Practices

We strive to maintain strong governance standards with respect to our compensation programs, procedures and practices. The Compensation Committee has, among other things, taken the following actions in recent years:

Retained an independent compensation consultant who reports directly to the Compensation Committee and does not provide any other services to management or the Company.

Provided a balanced mix of compensation designed to motivate our executives to improve our financial and operating performance and maintain alignment with our long-term strategic objectives.

In 2011, implemented stock ownership guidelines, which align our executives' long-term interests with those of our stockholders and discourage excessive risk-taking.

Objectives and Elements of our Compensation Programs and Policies

The Compensation Committee's objective is to provide a total compensation package that is balanced with the proper incentives and is competitive with public companies within our peer group, while aligning the interests of our executives with our stockholders. We believe a significant portion of compensation should be tied to our measurable performance, and our pay strategy for senior management results in a significant percentage of annual compensation being delivered in the form of equity, rather than cash. Our pay strategy also places more compensation at risk in the form of annual incentive opportunities and equity awards for employees with higher levels of responsibility. The following table summarizes the elements of compensation, the Compensation Committee's strategy with respect to that element and the objectives served.

Pay Element	Rationale/Strategy	Objective Served
Base Salary	Create a stable part of the total compensation package.	Attract and retain executive officers.
	Align base salary with the market median of the company's peer groups to maintain market competitiveness and ensure motivation.	Provide financial stability while recognizing individual performance, achievements and contributions.
Annual Cash Bonus	Continually evaluate and modify, as needed, cash bonus criteria and opportunities for our executive officers to ensure alignment with our financial and operational performance goals and to respond to changing market and industry conditions.	Motivate the executive officers to achieve and exceed our short term financial performance goals that create long-term value for our stockholders.
	Set annual bonus targets as necessary to provide total direct	Subjecting a significant portion of our executive officers' compensation to the company's performance, while maintaining market competitiveness.

compensation (salary, target bonus and long-term incentives) between the median and 75th percentile of the company's peer groups.

Tie pay to pre-established financial objectives, such as EPS or EBITDA, based on our then current financial status and outlook.

Create value for our stockholders by establishing performance metrics that correlate to stockholder value.

Table of Contents

Pay Element	Rationale/Strategy	Objective Served
Long-term Equity Incentives	<p>Employ long-term equity incentive award target guidelines based on the value of the award on the date of grant and the executive officer's position and salary.</p> <p>Provide long-term incentive awards in a mix of options (35%), based on the Black-Scholes model for valuations, and restricted shares (65%), based on fair market value on grant, for senior management.</p>	<p>Provide awards that are tied to stock price appreciation and the interests of our stockholders.</p> <p>Provide a mix of options and restricted stock awards designed to enhance retention of executive officers and long-term value creation and stock price appreciation.</p> <p>Minimize the dilutive impact of equity incentives.</p>
Severance Benefits	<p>Honor the severance commitments made to our executive officers at the time they were hired and which are market competitive.</p> <p>Provide benefits consistent with our peer group.</p> <p>Serve the best interests of the company's stockholders in the event of a proposed transaction by limiting payout of these benefits to instances where there is a qualifying termination in connection with the change of control.</p>	<p>Provide financial stability for the executive officers and retention of talented executives.</p> <p>Facilitate the completion of transactions that are in the best interests of our stockholders without concern over their personal financial security.</p>

Consistent with our performance-based philosophy, we reserve the largest potential compensation awards for performance-based programs. Our annual performance-based cash bonus program rewards our short-term financial performance, while our long-term equity awards reward our long-term stock price performance and align the interests of our senior management with our stockholders. The average mix of 2010 compensation paid to our named executive officers is reflected below. Approximately 78% of our named executive officers' pay is performance-based in the form of annual cash performance awards and long-term equity incentive awards.

Average NEO Compensation Mix

Approach for Determining Form and Amount of Compensation

The Compensation Committee reviews and approves all compensation decisions relating to our Chief Executive Officer and other executive officers. Our Chief Executive Officer provides significant input regarding the compensation decisions of the other executive officers and annually makes recommendations to the Compensation Committee for consideration.

Table of Contents

Use of Compensation Consultant

The Compensation Committee has retained Pearl Meyer & Partners (PM&P) since September 2006 as its compensation consultant to advise the Compensation Committee on an as needed basis. PM&P reports directly to the Compensation Committee and works closely with our Vice President Human Resources and Administration, who is management s representative to the Compensation Committee. PM&P, when invited, attends meetings of the Compensation Committee. The Compensation Committee determines when to hire, terminate or replace the consultant, and which projects are to be performed by the consultant. PM&P did not provide any other services to the Company during 2010, other than to the Nominating Committee with respect to director compensation and evaluations.

Comparison to Market Practices

In January 2010, the Compensation Committee commissioned PM&P to perform a comprehensive market analysis of our executives compensation forms and levels. In its January 2010 report, PM&P compared our executives compensation forms and levels to peer company proxy data for the following pay components: (i) base salary; (ii) target annual cash incentives; (iii) target total cash compensation; (iv) long-term incentives (using grant date fair values); and (v) total direct compensation (target total cash compensation plus long-term incentives). In addition, in January 2010, the Compensation Committee commissioned PM&P to perform a study of long-term incentive trends and an analysis of peer group and our own share allocation and usage levels.

The Compensation Committee worked closely with management and the consultant to define the peer group companies in the oilfield products and services industry, determining to exclude certain companies which were considered too large or not comparable.

The peer group reviewed for early 2010 compensation determinations consisted of the same group of companies as the 2009 peer group, as set forth in the table below. In June 2010, to assess the impact of improving market and industry conditions on executive compensation practices, the Compensation Committee commissioned PM&P to update its comprehensive market analysis and review of our executives compensation

Table of Contents

forms and levels. The peer group reviewed for the June 2010 report consisted of the same group of companies as the January 2010 and the 2009 peer groups.

Company Name	January 2010 Report		June 2010 Report	
	TTM Revenue(1) (\$ millions)	Market Capitalization(2) (\$ millions)	TTM Revenue(3) (\$ millions)	Market Capitalization(4) (\$ millions)
Basic Energy Services, Inc.	\$ 645	\$ 280	\$ 515	\$ 421
BJ Services Co.(5)	\$ 4,151	\$ 5,512	\$ 3,637	\$ 6,286
Cameron International Corp.	\$ 5,283	\$ 9,239	\$ 5,313	\$ 9,651
Dresser-Rand Group Inc.	\$ 2,473	\$ 2,317	\$ 2,283	\$ 2,912
FMC Technologies Inc.	\$ 4,450	\$ 6,655	\$ 4,403	\$ 8,249
Helix Energy Solutions Group, Inc.	\$ 1,749	\$ 1,227	\$ 1,092	\$ 1,525
Key Energy Services, Inc.	\$ 1,289	\$ 944	\$ 1,049	\$ 1,361
Newpark Resources, Inc.	\$ 582	\$ 238	\$ 524	\$ 594
Oceaneering International	\$ 1,896	\$ 2,998	\$ 1,822	\$ 3,612
Oil States International, Inc.	\$ 2,481	\$ 1,785	\$ 1,973	\$ 2,417
RPC, Inc.	\$ 663	\$ 950	\$ 625	\$ 1,349
Superior Energy Services, Inc.	\$ 1,677	\$ 1,654	\$ 1,377	\$ 2,126
25th Percentile	\$ 1,133	\$ 949	\$ 943	\$ 1,358
Median	\$ 1,822	\$ 1,720	\$ 1,599	\$ 2,271
Average	\$ 2,278	\$ 2,817	\$ 2,051	\$ 3,375
75th Percentile	\$ 2,898	\$ 3,627	\$ 2,621	\$ 4,280
Complete Production Services, Inc.	\$ 1,292	\$ 778	\$ 1,029	\$ 1,171

(1) TTM = Trailing Twelve Months for the period ending September 30, 2009.

(2) Market capitalization as of November 30, 2009.

(3) TTM for the period ending March 31, 2010.

(4) Market capitalization as of April 30, 2010.

(5) TTM for BJ Services is through December 31, 2009 and the market capitalization information is through March 31, 2010. Although BJ Services has since ceased to be a public company, pay level information through September 30, 2009 was available in documents filed with the SEC.

All of the peer group companies are in the oil and gas field services industry, with the exception of Dresser-Rand Group Inc., which is in the engines and turbines industry. The data was regressed to reflect comparables for a company with a revenue size of \$1.2 billion for named executive officers, and was trended to January 1, 2010 using an annual average aging factor of 3.2%, which the consultant advised was reflective of the slowing trend in compensation increases during the economic downturn and an anticipated modest increase in executive pay as of October 2009. The Compensation Committee intends to continually monitor the peer group to ensure that it is appropriate for benchmarking purposes.

Table of Contents*Goals and Objectives for Form of Compensation Relative to Market*

The Compensation Committee strives to target compensation for our named executive officers and other members of the senior management team relative to the market, as defined by the peer group described above, as follows:

Form of Compensation	Target Relative to Peer Group Market
Base Salary	Median
Long-term equity incentive award value	Median to 75th percentile
Total direct compensation (including base salary, long-term equity incentive award value and performance-based cash bonus)	Median to 75th percentile

We believe in retaining the best talent among our senior executive management team. While our pay philosophies were established as guidelines, the Compensation Committee also considers the performance of the executive officer over time, as well as our financial and operating performance and the performance of our stock price, as described above. To retain and motivate these key individuals, and while being mindful of industry and market conditions, the Compensation Committee may determine that it is in our best interests to provide total compensation packages with one or more members of our senior executive management that may deviate from the general principle of targeting compensation at the levels discussed above.

Components of Compensation*Base Salaries*

Base salaries provide our executive officers with a degree of financial certainty and stability. In order to attract and retain highly qualified executives, in 2006 the Compensation Committee established a philosophy to provide base salaries comparable to those being paid by our peer group companies, targeting base salaries at the median market rates. The Compensation Committee annually reviews and determines the base salaries of our named executive officers. Salaries also are reviewed in the case of executive promotions or other significant changes in responsibilities. The Compensation Committee typically takes into consideration the Chief Executive Officer's recommendations based on his evaluation of the performance of each other named executive officer against objectives established by the Chief Executive Officer and the executive at the beginning of each year and his subjective assessment of their performance during the year, the executive's scope of responsibilities, our financial performance, retention considerations and general economic and competitive conditions.

In January 2010, the Compensation Committee reviewed the January 2010 study prepared by PM&P, which showed that our named executive officers' 2009 base salaries were below the market median, with an average competitive position at the 21st percentile, and that total direct compensation at target performance was, on average, 70% of market median (with 2009 total direct compensation consisting of base salary and long-term equity incentive awards only given the suspension of the MIP in 2009). The Compensation Committee also compared our base salaries in effect prior to the March 2009 reduction and found them to be positioned at 94% of the market median. Although the pre-reduction salaries were closer to the Compensation Committee's stated objectives of paying at market median, due to the challenging economic environment and difficulties in assessing the magnitude and duration of the recovery period, the Compensation Committee determined in January 2010 to keep base salaries at the reduced levels established in March 2009, as set forth in the table below.

In June 2010, in light of our improved financial and operational performance, and in order to best assess the impact of improving market and industry conditions on executive compensation practices, the Compensation Committee commissioned PM&P to update its comprehensive market analysis and review of our executives' compensation forms and levels. The June 2010 report showed that base salaries in effect since April 2009 for our named executive officers and certain other members of senior management were, on average, at the 23rd percentile of the market. Based on the June 2010 report, and in line with our continued commitment to pay at market median and our improved outlook, the Compensation Committee determined to

Table of Contents

increase base salaries as set forth in the table below. For the remainder of 2010, the named executive officers' base salaries were at or slightly above the market median, as shown below. The Compensation Committee believed these increases were necessary for retaining our senior management team and encouraging the continued achievement of our short-term operational goals and long-term strategic objectives.

Name and Principal Position	January- March 2009 Salary	April 2009- June 2010 Salary	July- December 2010 Salary	% of Market Median*
Joseph C. Winkler Chairman and Chief Executive Officer	\$ 800,000	\$ 640,000	\$ 775,000	107%
Brian K. Moore President and Chief Operating Officer	\$ 530,000	\$ 424,000	\$ 500,000	105%
Jose A. Bayardo Senior Vice President and Chief Financial Officer	\$ 290,000	\$ 232,000	\$ 362,300	101%
James F. Maroney Vice President, Secretary and General Counsel	\$ 325,000	\$ 260,000	\$ 328,000	101%
Kenneth L. Nibling Vice President Human Resources and Administration	\$ 305,000	\$ 244,000	\$ 290,900	101%

* % of Market Median is based on the results of PM&P's June 2010 report and the base salaries in effect for July-December 2010.

In January 2011, base salaries for our named executive officers and other members of our senior management team were increased by 4%. The Compensation Committee took this step based on PM&P's June 2010 report, which found that full year base salaries for our named executive officers and other members of our senior management team were generally positioned at the 45th percentile of market and base salaries in 2011 for companies in the energy services sector are expected to increase by 3.5% to 4.0%. The increase in base salaries helps to ensure the Compensation Committee moves closer to its stated objective of targeting full year base salaries to be at the market median.

Annual Performance-Based Cash Bonuses

We maintain an annual cash performance-based bonus program titled the Management Incentive Plan, or MIP. Under our MIP, annual cash bonuses are earned based upon annual financial performance measures and targets established by the Compensation Committee at the commencement of each year. The MIP provides for four levels of targeted financial performance and corresponding payouts as a percentage of bonus opportunity: Entry paying at 10% of bonus opportunity; Expected Value paying at 100% of bonus opportunity; Over Achievement paying at 150% of bonus opportunity; and Stretch paying at 200% of bonus opportunity, with linear interpolation between the measures. Individual target bonus opportunity is expressed as a percentage of each participant's base salary, which varies based

on position. Based on market data initially reviewed by the Compensation Committee in early 2006, and revisited in 2010 based on PM&P's January and June 2010 reports, this program facilitates our objective of aligning total direct compensation (base salaries, annual performance-based cash bonuses, and long-term equity awards) between the median and 75th percentile when our performance under our annual cash bonus plan is between the Expected Value and Over Achievement levels.

2010 Reinstatement of MIP after 2009 Suspension

The Compensation Committee suspended the MIP in 2009 due to challenging economic and industry conditions and related uncertainties. In March 2010, the Compensation Committee reviewed and evaluated the parameters of our annual MIP in light of our board-approved budget and strategic plan and current economic and industry conditions. In order to provide incentives for the executive officers to improve financial and

Table of Contents

operating results and to properly reward achievement of 2010 goals, the Compensation Committee determined to reinstate the MIP for 2010 under slightly revised parameters as follows:

For 2010, if we did not achieve net income for 2010, each named executive officer's target bonus opportunity would be reduced to two-thirds of the original target bonus opportunities established in 2006 and continued in 2010 with net income, as shown in the table below.

Position	2010 Bonus Opportunity at Expected Value (EV) with Net Income	2010 Bonus Opportunity at Expected Value (EV) with Net Loss
Chairman and Chief Executive Officer	100% of base salary	67% of base salary
President and Chief Operating Officer	75% of base salary	50% of base salary
Chief Financial Officer	60% of base salary	40% of base salary
All Other Named Executive Officers	50% of base salary	33% of base salary

An adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) performance measure was adopted for the 2010 MIP in response to the impact of the reduced market activity and pricing that occurred in 2009 and our resulting focus on cost savings and cash flow generation in the near term as we returned to profitability. EPS was previously used in the 2008 MIP but EBITDA had been used as the performance measure in other prior years (2005 and 2006) and was employed in 2010 to focus our efforts on improving cash flows and profitability.

The 2010 fiscal year was divided into three performance periods, with separate targeted Adjusted EBITDA for each performance period. At the outset of fiscal year 2010, there continued to be substantial market uncertainty, resulting in difficulties in establishing long-range targets. To meet our MIP goals of motivating, incenting and retaining key employees, we established shorter performance periods, which in turn allowed us to forecast and appropriately motivate based on updated activity levels as the year progressed. We believed the shorter performance periods would provide us with the flexibility to establish more reasonable goals tied to market activity levels and keep bonus eligible employees more motivated towards achieving realistic performance targets. The table set forth below shows the three performance periods and percentage of bonus opportunity that could have been earned for the relevant period.

Performance Period	% of Bonus Opportunity at EV that can be earned
January 1, 2010 – June 30, 2010	40%
July 1, 2010 – December 31, 2010	40%
January 1, 2010 – December 31, 2010	20%

July 2010 Modifications to Target Bonus Opportunity

In July 2010, after reviewing PM&P's updated report on executive compensation and assessing the general improvement in economic and industry conditions, as well as indicators of our own improved financial performance and outlook, the Compensation Committee approved a modification to the 2010 MIP as it related to the target bonus opportunities for our named executive officers. Under the modified 2010 MIP,

Table of Contents

The target bonus opportunities for each of Messrs. Bayardo, Maroney and Nibling for the second half of 2010 and full year 2010, would be increased above the target bonus opportunities set at the commencement of the year, with no change to the target bonus opportunities of Messrs. Winkler or Moore, as set forth in the tables below.

Name	Target Bonus Opportunity At Expected Value of Performance with Net Income		
	January 1 - June 30, 2010	July 1 - December 31, 2010	January 1 - December 31, 2010
Joseph C. Winkler	100%	100%	100%
Brian K. Moore	75%	75%	75%
Jose A. Bayardo	60%	75%	67.5%
James F. Maroney	50%	60%	55%
Kenneth L. Nibling	50%	60%	55%

Name	Target Bonus Opportunity At Expected Value of Performance with Net Loss		
	January 1 - June 30, 2010	July 1 - December 31, 2010	January 1 - December 31, 2010
Joseph C. Winkler	67%	67%	67%
Brian K. Moore	50%	50%	50%
Jose A. Bayardo	40%	50%	45%
James F. Maroney	33%	40%	36.5%
Kenneth L. Nibling	33%	40%	36.5%

Target bonus opportunity is determined using the salary in effect at the end of the performance period. Thus, the target bonus opportunity for the first six month period is based on the salary in effect on June 30, 2010 and the second six month period and fiscal year end target bonus opportunities are based on the salary in effect on December 31, 2010.

2010 MIP Targets

At the beginning of each calendar year, the Compensation Committee establishes in writing the financial performance criteria to be used for that fiscal year and the Entry, Expected Value, Over Achievement and Stretch performance levels related to that performance criteria. For fiscal 2010, the Compensation Committee adopted Adjusted EBITDA as the performance criteria in response to the impact of the reduced market activity and pricing that occurred in 2009 and our resulting focus on cash flow as we returned to profitability. In setting the actual Adjusted EBITDA targets for the year, the Compensation Committee considered, among other factors, our prior financial performance, budgeted performance and anticipated developments. For purposes of the 2010 MIP, Adjusted EBITDA is a non-GAAP measure consisting of net income (loss) from continuing operations before net interest expense, taxes, depreciation and amortization, non-controlling interest and impairment loss, as reported in our public filings with the SEC.

In 2010, the performance objectives for our named executive officers were based completely on targeted Adjusted EBITDA for the first six months (40% weighting), the second six months (40% weighting) and the full year (20% weighting), as set forth in the table below. Following the end of the year in which the performance objectives are to be achieved, the Compensation Committee determines whether and to what extent the specified performance objectives have been achieved.

Table of Contents

Description	Entry	Performance Threshold		
		Expected Value	Over Achievement	Stretch
First Half of 2010 (January 1 – June 30, 2010)				
Adjusted EBITDA Payout Threshold	\$ 87.7 million	\$ 97.4 million	\$ 116.9 million	\$ 126.6 million
Second Half of 2010 (July 1 – December 31, 2010)				
Adjusted EBITDA Payout Threshold	\$ 165.6 million	\$ 184.0 million	\$ 202.4 million	\$ 220.8 million
Full Year 2010				
Adjusted EBITDA Payout Threshold	\$ 253.3 million	\$ 281.4 million	\$ 319.3 million	\$ 347.4 million

2010 MIP Actual Performance

Adjusted EBITDA was \$141.2 million for the first half of 2010, \$233.7 million for the second half of 2010 and \$374.9 million for full year 2010, resulting in Stretch bonus awards, or 200% of each named executive officer's bonus opportunity being payable for each of the three performance periods. The Compensation Committee determined that based on \$84.2 million of net income for the year ended December 31, 2010, the higher target bonus opportunities payable in the event of net income discussed above would be applicable. This resulted in an actual weighted target bonus opportunity for each of our named executive officers equal to the target bonus opportunity for the full fiscal year with net income. The actual amounts awarded under the MIP to our named executive officers for fiscal year 2010, based on 200% of target bonus opportunity being payable, are reflected in the Summary Compensation Table.

2011 MIP

In March 2011, based on the recommendation of management, the Compensation Committee (i) determined to return to one annual performance period for the MIP (January 1 – December 31, 2011), (ii) established the performance metric for the named executive officers based on the achievement of pre-established levels of targeted EPS, and (iii) continued the target bonus opportunities as a percentage of base salary that were established in July 2010 for the performance period covering the second half of 2010.

Long-term Equity Incentive Awards – Stock Options and Restricted Stock

Stock options and shares of restricted stock provide an incentive for our executives and other employees to focus their efforts towards a strategy that will increase our market value, as represented by our stock price. Capital accumulation from vested and unvested equity in these programs serves as a method for motivating and retaining our executives. Our employees, including our named executive officers, are eligible to participate in our annual grant of equity awards, which are made effective on the last business day of January in accordance with our Equity Award Policy. Grants of equity awards to our employees at other times during the year occur generally only in connection with certain events, such as a new hire, promotions, pursuant to obligations assumed in connection with acquisitions, or the achievement of certain individual or departmental performance objectives.

In connection with our initial public offering, the Compensation Committee established equity grant guidelines based on input from the compensation consultant and review of market practices. The guidelines established for our senior

management, including our named executive officers, is to provide equity awards based on the value of the award on the date of grant as a multiple of the executive's base salary. Our equity grant guidelines are consistent with our emphasis on long-term compensation that closely ties our executives' compensation with the price of our common stock and satisfies our objective to link executive compensation to stockholder return. The Compensation Committee reviews these guidelines each year, and, as part of its review, considers the equity practices of our peer group and related market data, current and proposed total direct compensation, the rate of our share usage, the dilution of our common stock, and individual and

Table of Contents

corporate performance achievements. The grant guidelines for each executive officer as originally approved in 2007 and as continued in 2010 were as follows:

Position	2010 Multiples
Chief Executive Officer	3.00 times base salary
President and Chief Operating Officer	2.25 times base salary
Chief Financial Officer	1.75 times base salary
Vice President and General Counsel	1.50 times base salary
Vice President, Human Resources and Administration	1.50 times base salary

The total value of the equity awards granted based on these guidelines is divided 35% for options and 65% for shares of restricted stock. The valuation of the options is based on a Black-Scholes model of option valuation, and the valuation of restricted stock is based on the closing price of our common stock on the grant date. The Compensation Committee believes that the 35% options/65% restricted stock ratio, which was first implemented in 2008 and represented a shift toward a greater percentage of restricted stock, reduces our annual rate of share usage and helps address the retention disincentive created by underwater options and the potential that in a slowly rising or down market the cost of the options to us may be more than the value delivered to the recipient.

The Compensation Committee reviewed PM&P's January 2010 report for market norms and trends for long-term incentive compensation. PM&P's January 2010 report relied on the same peer group reviewed as part of the compensation consultant's January 2009 review of our long-term incentive compensation and found that our named executive officers' and senior management team's long-term equity incentive values were, on average, at 83% of the market median and 61% of the 75th percentile of market. In order to continue to properly incentivize our executive officers while conserving our cash liquidity, and in light of the lower value of awards delivered in 2009 (81% of guideline value due to poor stock price performance), the Compensation Committee determined that equity awards granted in 2010 would be calculated as a multiple of base salary in accordance with our guidelines, but the base salary used to calculate the number of equity awards to be granted would be the higher base salary that was in effect as of January 1, 2009, prior to the 20% base salary reduction that took effect on March 1, 2009.

The Compensation Committee annually reviews the rate of share usage and dilution of our common stock resulting from the grant of our equity awards. In setting 2010 equity awards, the Compensation Committee reviewed our fiscal year 2009 rate of share usage of 2.86% (unadjusted) of the common shares outstanding, which was above the 75th percentile of the peer group companies. With stock price increases during 2010, our 2010 rate of share usage returned to normal levels, generally considered to be between the market median and 75th percentile, of less than 2.0% (unadjusted) of the common shares outstanding.

2011 Overview

As discussed above, the Compensation Committee commissioned an updated report on executive compensation practices and market trends from PM&P in June 2010. Our stated goals and objectives for long-term equity incentive awards are to target grant values between the market median and 75th percentile of market. PM&P's June 2010 report showed that overall, our target salary grant multiples that form the basis of our equity grant guidelines position our executive officers, on average, at 71% of the average of the targeted value range. After considering the June 2010 report and in an effort to move closer to our goal of targeting long-term equity incentive values between the market median and 75th percentile of market, the Compensation

Table of Contents

Committee determined in January 2011 to increase the equity grant guidelines as follows, effective January 1, 2011:

Position	2011 Multiples
Chief Executive Officer	3.00 times base salary (no change)
President and Chief Operating Officer	2.75 times base salary
Chief Financial Officer	2.25 times base salary
Vice President and General Counsel	1.75 times base salary
Vice President, Human Resources and Administration	1.50 times base salary (no change)

Delegation of Authority to Grant Equity Awards

Our board of directors maintains an Equity Award Sub-Committee, with our Chief Executive Officer serving as the sole member of this committee. The Compensation Committee and the board delegated to this committee the authority to grant equity awards to employees who are not Section 16 officers. The foregoing delegation is generally subject to the following limitations and conditions:

the aggregate number of awards that may be granted is set by the Compensation Committee each year;

the options must have an exercise price equal to the closing price of our common stock on the grant date and have a term not longer than ten years; and

the awards shall be exercisable in installments, with full vesting to occur no sooner than the third anniversary after the grant date, and the awards shall be made under and subject to the terms set forth in our equity plans and form award agreements approved by our Compensation Committee.

In accordance with this delegation of authority, for fiscal year 2010, the Equity Award Sub-Committee granted 37,700 options and 333,200 shares of restricted stock on our annual grant date of the last business day of January, which was January 29, 2010. The Equity Award Sub-Committee also was authorized to grant an aggregate of 60,000 options and shares of restricted stock to new hires throughout 2010 and actually granted zero options and 18,700 shares of restricted stock to new hires during the course of the year.

Policies with Respect to Equity Compensation Awards Determinations

Our board of directors and Compensation Committee maintain a written policy regarding granting of equity awards. Under our policy, we make grants of equity awards at least once annually and the grant date for the annual grant has been established as the last business day of January. The date of approval for such grants must precede, or occur on, the last business day of January. All options must be granted with an exercise price equal to the closing price of our common stock on the date of grant. The Compensation Committee, in approving the annual grants is required to (i) specify the annual grants of equity awards to be made to each executive officer who is required to file reports pursuant to Section 16 of the Exchange Act, and (ii) specify the total grants to be made to the employees as a group comprising each of our business units and/or divisions, as applicable. The Equity Award Sub-Committee, consisting of our Chief Executive Officer, may then allocate the equity awards to the specific employees within such business units and/or divisions and such allocation shall be complete and evidenced by a unanimous written consent executed by the Equity Award Sub-Committee on or before the last business day of January.

The Compensation Committee and the Equity Award Sub-Committee may from time to time grant equity awards in addition to the annual grant effective as of a specified future date or upon the occurrence of a specified and objectively

determinable future event, such as an individual's commencement of employment or promotion, in which case such future date shall be the date of grant of the equity award. In no event may the grant date of an equity award be made effective as of a date earlier than the approval date of the award and in no event may the exercise price of an option grant be less than the closing price of our common stock on the NYSE on the grant date.

Table of Contents

Stock Ownership Guidelines

In early 2011, the Compensation Committee recommended, and our board approved, stock ownership guidelines for our named executive officers and non-employee directors. Under the guidelines, named executive officers will have five years, beginning as of January 1, 2011, to attain the required ownership threshold, which was established as a share value equal to six times base salary, in the case of our Chief Executive Officer, and three times base salary, in the case of our other named executive officers. Compliance with the new ownership guidelines will be assessed on an annual basis as of December 31 of the applicable year. Unvested shares of restricted stock count toward satisfaction of the ownership guidelines, while vested and unvested outstanding options do not count towards satisfaction of the guidelines. Our board retains the discretion to amend these stock ownership guidelines, including the guidelines applicable to non-employee directors, from time to time.

Severance and Change of Control Agreements

Since 2006, the Compensation Committee has maintained agreements for the members of our senior management (currently totaling 12 employees), including our named executive officers, that provide such employees with certain payments and other benefits in the event of a change of control, in the event of a qualifying termination of employment in connection with a change of control and in the event of certain terminations of employment not related to a change of control. In originally adopting these agreements, the Compensation Committee considered the then existing terms of the agreement with our Chief Executive Officer providing certain severance and change of control benefits, and the then existing terms of the employment letters with our executive officers providing certain severance benefits. The Compensation Committee also sought to provide relative internal equity among the participants.

The benefits payable to our named executive officers in connection with a change of control vary with position and range from a multiple of three (for our CEO) to two and a half (for the other named executive officers) times salary and termination bonus, based on position, plus continuation of 401(k) contribution and health and other benefits for a period of years multiplied by the applicable multiple. These payments and benefits are payable only upon a double trigger, wherein the executive's employment is terminated by us without cause or by the executive for good reason within six months prior to or two years following a change of control. The payments and benefits also include full acceleration of all equity awards upon a change of control (i.e., a single trigger). Gross-up payments to reimburse for excise taxes payable by the executive are provided to our named executive officers. These provisions are prevalent in our industry and ensure that the named executive officers will receive the full value of the expected payments. These provisions were also negotiated by certain of our executives at the time of their hiring. These agreements are designed to retain our executive officers and provide continuity of management in the event of an actual or threatened change in control and to ensure that our executive officers direct their energies to creating the best deal for our stockholders without concern for their personal prospects.

The agreements also provide certain benefits and payments in the event a named executive officer is terminated without cause. The benefits payable to our named executive officers in connection with this type of termination vary with position and range from a multiple of two (for our CEO) to one and two-thirds (for the other named executive officers) times salary and bonus, based on position, plus acceleration of all equity awards, and continuation of health and other benefits for a period of years multiplied by the applicable multiple. These provisions were consistent with the letter agreements of the executive officers and certain of the terms of our Chief Executive Officer's agreement. These benefits were also prevalent in approximately two-thirds of the companies reviewed. A more complete description of the material terms of our severance and change of control arrangements can be found under **Potential Payments Upon Termination or Change of Control**.

Perquisites and Other Benefits

The only perquisite that we provide to our named executive officers that is not provided to our employees generally is a car allowance with an incremental cost of less than \$10,000 per year and a physical exam with

Table of Contents

an incremental cost of less than \$2,000 per year. The car allowance is intended to cover expenses related to the lease, purchase, insurance and maintenance of a vehicle. It is provided in recognition of the need to have executive officers visit customers, business partners and other stakeholders in order to fulfill their job responsibilities. This travel causes wear and tear on personal vehicles and increases fuel expenses. We believe that providing this benefit is a relatively inexpensive way to enhance the competitiveness of the executive s compensation package.

In November 2008, following a review by PM&P of our peer groups, the Compensation Committee established a nonqualified deferred compensation plan (the DCP), which is intended to be an excess benefit restoration plan, for our executive officers and other members of senior management. The DCP became effective as of January 1, 2009 and is similar to and operates in conjunction with our Complete Production Services Inc. 401(k) Employee Savings Plan (the 401(k) Plan). Section 401(k) of the Code limits contributions and company matching for certain employees earning specified amounts in any year. As in the 401(k) Plan, contributions to the DCP are voluntary. The terms of the DCP permit us to match, on a dollar-for-dollar basis, an executive s elective deferrals (up to 4% of the executive s base salary, less the matching contributions we made under the 401(k) Plan) as well as to make discretionary contributions. The Compensation Committee felt that this was a valuable and appropriate benefit for the executives as it helped them plan for retirement and given that we do not provide any supplemental retirement benefits or other form of deferred compensation plan.

In 2009, based on management s recommendation, the Compensation Committee determined to suspend company contributions to the DCP and our 401(k) Plan, effective as of May 1, 2009. Effective as of January 1, 2011, the Compensation Committee amended the 401(k) Plan to provide for reinstatement of matching contributions equal to 100% of a participant s elective deferrals under the 401(k) Plan, in an amount not to exceed (i) 4% of the participant s base salary plus cash bonus for the fiscal year, minus (ii) \$9,800. The Compensation Committee also amended the DCP to provide for the reinstatement of contributions as of January 1, 2011.

Deductibility of Compensation

Section 162(m) of the Internal Revenue Code limits the tax deductibility by a company of annual compensation in excess of \$1,000,000 paid to certain of our executive officers. However, performance-based compensation that has been approved by stockholders is excluded from the \$1,000,000 limit if, among other requirements, the compensation is payable only upon attainment of pre-established, objective performance goals and our board of directors committee that establishes such goals consists only of outside directors. All members of the Compensation Committee are intended to qualify as outside directors. Additionally, stock options will qualify for the performance-based exception where, among other requirements, the exercise price of the option is not less than the fair market value of the stock on the date of grant, and the plan includes a per-executive limitation on the number of shares for which options may be granted during a specified period. Our stock option grants under our equity plans are intended to meet the criteria of performance-based compensation under Section 162(m), while our restricted stock awards do not qualify as performance-based compensation. Compensation paid under the 2010 MIP did not qualify as performance-based compensation because the Compensation Committee established the 2010 MIP parameters outside of the time frames required under Section 162(m). As a result, approximately \$3 million of the compensation paid by us to our named executive officers in 2010 was not deductible under Section 162(m) (including approximately \$2.3 million of compensation paid to Mr. Winkler, our Chief Executive Officer).

The Compensation Committee considers the anticipated tax treatment to us and our executive officers when reviewing executive compensation and our compensation programs. While the tax impact of any compensation arrangement is one factor to be considered, such impact is evaluated in light of the Compensation Committee s overall compensation philosophy. The Compensation Committee will consider ways to maximize the deductibility of executive compensation, while retaining the discretion it deems necessary to compensate officers in a manner commensurate with performance and the competitive environment for executive talent. From time to time, the Compensation

Committee may award compensation to our executive officers that is not fully deductible if it determines that such award is consistent with its

Table of Contents

philosophy and is in our and our stockholders best interests, such as time vested grants of restricted stock or retention bonuses, as part of initial employment offers.

Sections 280G and 4999 of the Code impose certain adverse tax consequences on compensation treated as excess parachute payments. An executive is treated as having received excess parachute payments for purposes of Sections 280G and 4999 of the Code if he or she receives compensatory payments or benefits that are contingent on a change in the ownership or control of a corporation, and the aggregate amount of such contingent compensatory payments and benefits equal or exceeds three times the executive's base amount. If this occurs, the portion of the payments and benefits in excess of one times the base amount is treated as an excess parachute payment subject to a 20% excise tax under Section 4999 of the Code, in addition to any applicable federal income and employment taxes. Also, the corporation's compensation deduction in respect of the executive's excess parachute payment is disallowed under Section 280G of the Code. If we were to be subject to a change of control, certain amounts received by our executives (for example, amounts attributable to the accelerated vesting of stock options and the payments and benefits payable upon a qualifying termination following a change of control) could be excess parachute payments under Sections 280G and 4999 of the Code. We provide certain of our executive officers with tax gross-up payments in the event of a qualifying termination in connection with a change of control as the Compensation Committee believes this is consistent with market practice within our industry and these terms were negotiated by the executives in connection with their hiring.

Advisory Vote on Executive Compensation

The Company has not previously conducted an advisory vote of the stockholders on executive compensation.

EXECUTIVE COMPENSATION TABLES**Summary Compensation Table**

The following table sets forth summary information concerning the compensation awarded, paid to, or earned by each of our named executive officers for all services rendered in all capacities to us for the years ended December 31, 2010, 2009 and 2008.

Name and Principal Position	Year	Salary(1)	Stock Awards(2)(4)	Option Awards(3)	Non-Equity	All Other Compensation(5)	Total
					Incentive Plan Compensation(4)		
Joseph C. Winkler Chairman and Chief Executive Officer	2010	\$ 707,500	\$ 1,561,238	\$ 858,138	\$ 1,442,000	\$ 11,200	\$ 4,580,076
	2009	\$ 666,667	\$ 1,263,411	\$ 513,074	\$ 0	\$ 26,800	\$ 2,469,952
	2008	\$ 552,000	\$ 2,722,068	\$ 487,396	\$ 1,330,714	\$ 18,822	\$ 5,111,000
Brian K. Moore President and Chief Operating Officer	2010	\$ 462,000	\$ 775,607	\$ 426,454	\$ 704,400	\$ 9,600	\$ 2,378,061
	2009	\$ 443,875	\$ 627,539	\$ 254,976	\$ 0	\$ 22,000	\$ 1,349,590
	2008	\$ 310,000	\$ 1,147,392	\$ 205,312	\$ 597,857	\$ 18,825	\$ 2,279,386
Jose A. Bayardo(6) Senior Vice President and Chief Financial Officer	2010	\$ 297,150	\$ 330,792	\$ 181,272	\$ 426,561	\$ 11,200	\$ 1,246,975
	2009	\$ 242,875	\$ 267,297	\$ 108,567	\$ 0	\$ 22,000	\$ 640,739
	2008	\$ 210,833	\$ 370,512	\$ 66,244	\$ 345,616	\$ 18,800	\$ 1,012,005

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James F. Maroney	2010	\$ 294,000	\$ 317,009	\$ 174,881	\$ 333,600	\$ 9,600	\$ 1,129,090
Vice President, Secretary	2009	\$ 272,187	\$ 256,400	\$ 104,158	\$ 0	\$ 20,467	\$ 653,212
and General Counsel	2008	\$ 254,400	\$ 627,480	\$ 112,307	\$ 367,971	\$ 18,810	\$ 1,380,968
Kenneth L. Nibling	2010	\$ 267,450	\$ 298,214	\$ 163,261	\$ 301,230	\$ 9,600	\$ 1,039,755
Vice President Human	2009	\$ 255,437	\$ 241,016	\$ 97,728	\$ 0	\$ 20,200	\$ 614,381
Resources and Administration	2008	\$ 238,500	\$ 588,636	\$ 105,288	\$ 344,973	\$ 18,810	\$ 1,296,207

(1) Includes any amount of salary deferred under the 401(k) Plan that is otherwise payable in cash during the year.

Table of Contents

- (2) The amounts shown are the grant date fair value of the shares of restricted stock granted determined in accordance with FASB ASC Topic 718 based on the closing price of our common stock of \$12.53 on the grant date.

The restricted stock vests in equal annual installments generally over a three-year period on each anniversary of the date of issuance, subject to continued service with us. The issuance of the restricted stock awarded in 2008 was delayed until stockholder approval of our 2008 Plan in May 2008, but the vesting was based off the originally schedule January issuance date. The holders of our restricted stock are entitled to vote and receive dividends, if issued, on the shares of common stock covered by the restricted stock grant.

- (3) The amounts shown are the grant date fair value of the stock options granted, determined in accordance with FASB ASC Topic 718. The amounts shown are not necessarily indicative of the value to be realized by the named executive officers for such stock options especially in light of the fact that most of the stock options are underwater. Please see Outstanding Equity Awards at Fiscal Year End table. For a discussion of valuation assumptions for the compensation cost recognized, see Footnote 12, Stockholders Equity to our 2010 consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010.

The options shown vest in equal annual installments over a three-year period on each anniversary of the grant date, subject to continued service with us, and have a term ranging from five to ten years.

- (4) The amounts shown represent the bonus performance awards earned under the MIP for services rendered during fiscal year 2010. Our 2010 Adjusted EBITDA of \$374.9 million resulted in bonus awards for 2010 at approximately 200% of each executive's applicable target bonus opportunity. Bonuses to our executive officers are based upon a percentage of their base salary. See Compensation Discussion and Analysis Components of Compensation Annual Performance-Based Cash Bonuses for a more complete description of the 2010 bonus plan.

- (5) The amounts shown for 2010 include our incremental cost for the provision to each of the named executive officers of (a) a car allowance for fiscal 2010 equal to \$9,600 and (b) physical exams for fiscal 2010 equal to \$1,600 for each of Messrs. Winkler and Bayardo. We did not make any contributions under our 401(k) plan or deferred compensation plan to any of our employees for 2010.

- (6) Mr. Bayardo became a named executive officer in October 2008 upon his promotion to Vice President and Chief Financial Officer. Compensation shown for 2008 is for the full 2008 fiscal year.

Table of Contents**Grants of Plan-Based Awards**

The following table sets forth summary information regarding all grants of plan-based awards made to our named executive officers for the year ended December 31, 2010:

	Approval Date	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares of Stock or Units(2)	All Other Option Awards: Number of Securities Underlying Awards(3)	Exercise or Base Price of Option Awards (\$/Sh)	
			Target	Threshold	Maximum				
Winkler	01/28/2010	01/29/2010					147,700	\$ 12.53	\$
	01/28/2010	01/29/2010				124,600			\$ 1
	03/24/2010(1)	03/24/2010(1)	\$ 171,520	\$ 721,000	\$ 1,442,000				
Moore	01/28/2010	01/29/2010					73,400	\$ 12.53	\$
	01/28/2010	01/29/2010				61,900			\$
	03/24/2010(1)	03/24/2010(1)	\$ 84,800	\$ 352,200	\$ 704,400				
yardo	01/28/2010	01/29/2010					31,200	\$ 12.53	\$
	01/28/2010	01/29/2010				26,400			\$
	03/24/2010(1)	03/24/2010(1)	\$ 37,120	\$ 213,281	\$ 426,561				
Maroney	01/28/2010	01/29/2010					30,100	\$ 12.53	\$
	01/28/2010	01/29/2010				25,300			\$
	03/24/2010(1)	03/24/2010(1)	\$ 34,320	\$ 166,800	\$ 333,600				
. Nibling	01/28/2010	01/29/2010					28,100	\$ 12.53	\$
	01/28/2010	01/29/2010				23,800			\$
	03/24/2010(1)	03/24/2010(1)	\$ 32,208	\$ 150,615	\$ 301,230				

(1) Amounts shown represent potential value of performance bonus awards under the MIP for fiscal year 2010 based on our performance against pre-established Adjusted EBITDA goals for three performance periods covering the first half of 2010 (January 1-June 30, 2010), the second half of 2010 (July 1-December 31, 2010) and full year 2010 (January 1-December 31, 2010). As described above under Compensation Discussion and Analysis Components of Compensation Annual Performance-Based Cash Bonuses, the Compensation Committee established the MIP in March 2010 and then made certain modifications to the program in July 2010 with respect to the target bonus opportunities payable for the performance periods covering the second half of 2010 and the full year 2010, and in September 2010 the targets for the second half of 2010 were set. Amounts shown under

Threshold correspond to Entry level performance for the first half of 2010 (i.e., Adjusted EBITDA of \$87.7 million), assuming we did not generate net income in 2010 and did not achieve Entry level of performance for either the second half of 2010 or full year 2010. Amounts shown under Target correspond to Expected Value levels of performance across all three performance periods (i.e., targeted Adjusted EBITDA of \$97.4 million for the first half of 2010, \$184.0 million for the second half of 2010 and \$281.4 million for full year 2010), assuming we generated net income in 2010. Amounts shown under Maximum correspond to Stretch level of performance across all three performance periods (i.e., targeted Adjusted EBITDA of \$126.6 million for the first half of 2010, \$220.8 million for the second half of 2010 and \$347.4 million for full year 2010), assuming we generated net income in 2010. Target bonus payouts at Expected Value are expressed as a percentage of each participant's base salary, which varies by position, that was in effect as of the end of the applicable performance period. Actual amounts awarded under the plan to our named executive officers for 2010 are reflected in the Summary Compensation Table. See Compensation Discussion and Analysis Components of Compensation Annual Performance-Based Cash Bonuses for a more complete description of the MIP.

- (2) Amounts shown represent restricted shares of our common stock issued under our 2008 Plan that vest in three equal installments on January 29, 2011, January 29, 2012, and January 29, 2013, subject to continued service with us.

Table of Contents

- (3) Amounts shown represent options granted under our 2008 Plan that vest in three equal annual installments over a three-year period on January 29, 2011, January 29, 2012, and January 29, 2013, subject to continued service with us, and have a ten-year term.
- (4) The dollar value of the options shown represents the grant date fair value based on the Black-Scholes model of option valuation to determine grant date fair value, as prescribed under FASB ASC Topic 718. The actual value, if any, an executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised. There is no assurance that the value realized by an executive will be at or near the value estimated by the Black-Scholes model. The following assumptions were used in the Black-Scholes model: market price of stock, \$12.53; exercise price of option, \$12.53; expected stock volatility, 50.4%; risk-free interest rate, 2.34% (based on the constant maturities treasury bond rate for the expected term); expected life, 5.1 years; dividend yield, 0%. The dollar value of the restricted stock shown represents the grant date fair value determined in accordance with FASB ASC Topic 718, based on \$12.53, the closing price of our common stock on the January 29, 2010, the date of grant.

Table of Contents**Outstanding Equity Awards at Fiscal Year End**

The following table sets forth summary information regarding the outstanding equity awards held by our named executive officers at December 31, 2010:

Name	Option Award				Stock Awards	
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options(1)	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested(2)
	Joseph C. Winkler	0	147,700	\$ 12.53	1/29/2020	286,367(3)
	93,100	186,200	\$ 6.41	1/30/2019		
	74,068	37,032	\$ 15.90	1/31/2018		
	87,200	0	\$ 19.87	1/31/2017		
	87,200	0	\$ 24.00	4/20/2016		
	52,950	0	\$ 6.69	6/23/2015		
	544,687	0	\$ 6.69	6/20/2015		
Brian K. Moore	0	73,400	\$ 12.53	1/29/2020	139,966(4)	\$ 4,135,995
	42,267	96,533	\$ 6.41	1/30/2019		
	31,200	15,600	\$ 15.90	1/31/2018		
	26,200	0	\$ 19.54	3/20/2017		
	17,500	0	\$ 19.87	1/31/2017		
	16,600	0	\$ 24.00	4/20/2016		
Jose A. Bayardo	0	31,200	\$ 12.53	1/29/2020	58,333(5)	\$ 1,723,740
	19,700	39,400	\$ 6.41	1/30/2019		
	10,067	5,033	\$ 15.90	1/31/2018		
	14,500	0	\$ 19.87	1/31/2017		
	4,500	0	\$ 23.27	9/5/2016		
	14,500	0	\$ 24.00	4/20/2016		
James F. Maroney	0	30,100	\$ 12.53	1/29/2020	58,966(6)	\$ 1,742,445
	18,900	37,800	\$ 6.41	1/30/2019		
	17,067	8,533	\$ 15.90	1/31/2018		
	19,900	0	\$ 19.87	1/31/2017		
	6,634	0	\$ 24.00	4/20/2016		
	17,334	0	\$ 11.66	10/3/2015		

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Kenneth L. Nibling	0	28,100	\$ 12.53	1/29/2020	55,433(7)	\$	1,638,045
	17,734	35,466	\$ 6.41	1/30/2019			
	16,000	8,000	\$ 15.90	1/31/2018			
	18,700	0	\$ 19.87	1/31/2017			
	18,700	0	\$ 24.00	4/20/2016			
	17,333	0	\$ 11.66	10/3/2015			

(1) The following table shows the vesting schedules relating to the unexercisable option awards which are represented in the above table by their expiration dates and presumes continued service with us through the vesting date:

Option Awards Vesting Schedule

Expiration Date	Grant Date	Vesting Schedule
01/29/2020	01/29/2010	Original grant vests in 3 equal installments on 1/29/2011, 1/29/2012 and 1/29/2013
01/30/2019	01/30/2009	Original grant vests in 3 equal installments on 1/30/2010, 1/30/2011 and 1/30/2012
01/31/2018	01/31/2008	Original grant vests in 3 equal installments on 1/31/2009, 1/31/2010 and 1/31/2011

Table of Contents

- (2) Represents the closing price of a share of our common stock on December 31, 2010 (\$29.55) multiplied by the number of shares that have not vested.
- (3) Represents 124,600 shares of restricted stock that vest in installments of 41,534, 41,533 and 41,533 shares on January 29 of 2011, 2012 and 2013, respectively, 131,401 of shares of restricted stock that vest in installments of 65,700 shares on January 30 of 2011 and 2012, respectively, and 30,366 shares of restricted stock that vest in full on January 31, 2011, in each case subject to continued service with us.
- (4) Represents 61,900 shares of restricted stock that vest in installments of 20,634, 20,633, and 20,633 shares on January 29 of 2011, 2012, and 2013, respectively, 65,266 shares of restricted stock that vest in installments of 32,633 shares on January 30 of 2011 and 2012, and 12,800 shares of restricted stock that vest in full on January 31, 2011, in each case subject to continued service with us.
- (5) Represents 26,400 shares of restricted stock that vest in installments of 8,800 shares on January 29 of 2011, 2012, and 2013, 27,800 shares of restricted stock that vest in installments of 13,900 shares on January 30 of 2011 and 2012, and 4,133 shares of restricted stock that vest in full on January 31, 2011, in each case subject to continued service with us.
- (6) Represents 25,300 shares of restricted stock that vest in installments of 8,434, 8,433, and 8,433 shares on January 29 of 2011, 2012, and 2013, respectively, 26,666 shares of restricted stock that vest in installments of 13,333 shares on January 30 of 2011 and 2012, and 7,000 shares of restricted stock that vest in full on January 31, 2011, in each case subject to continued service with us.
- (7) Represents 23,800 shares of restricted stock that vest in installments of 7,934, 7,933, and 7,933 shares on January 29 of 2011, 2012, and 2013, respectively, 25,066 shares of restricted stock that vest in installments of 12,533 shares on January 30 of 2011 and 2012, and 6,567 shares of restricted stock that vest in full on January 31, 2011, in each case subject to continued service with us.

Option Exercises and Stock Vested

The following table summarizes the vesting of stock awards for each of our named executive officers for the year ended December 31, 2010.

Name	Option Awards		Stock Awards	
	Number of Securities Acquired on Exercise	Value Realized on Exercise(1)	Number of Shares Acquired on Vesting	Value Realized on Vesting(2)
Joseph C. Winkler	0	\$ 0	109,732	\$ 1,379,657
Brian K. Moore	0	\$ 0	48,566	\$ 607,579
Jose A. Bayardo	0	\$ 0	19,166	\$ 240,150
James F. Maroney	0	\$ 0	21,900	\$ 274,407
Kenneth L. Nibling	35,067	\$ 222,301	20,567	\$ 257,705

(1)

The value realized upon exercise of stock options reflects the price at which shares acquired upon exercise of the stock options were sold or valued for income tax purposes, net of the exercise price for acquiring the shares.

- (2) Represents the closing price of a share of our common stock on the date of vesting multiplied by the number of shares that have vested.

Nonqualified Deferred Compensation Plan

Effective January 1, 2009, we adopted and established (and subsequently amended and restated for compliance and other issues) the Nonqualified Deferred Compensation Plan, or DCP. Our DCP allows participants to defer receipt of a portion of their eligible compensation to a future date, with an opportunity to earn tax-deferred returns on the deferrals. The following table sets forth summary information regarding

Table of Contents

aggregate contributions to and account balances under our DCP by our named executive officers for and as of the year ended December 31, 2010.

Name	Executive	Company	Aggregate	Withdrawals	Aggregate
	Contributions	Contributions	Earnings		Balance
	in	in	(Losses) in	in 2010	at December 31,
	2010(1)	2010	2010		2010
Joseph C. Winkler	\$ 63,500	0	\$ 0	0	\$ 134,403
Brian K. Moore	\$ 0	0	\$ 8,987	0	\$ 197,126
Jose A. Bayardo	\$ 0	0	\$ 105	0	\$ 909
James F. Maroney	\$ 22,008	0	\$ 2,014	0	\$ 25,438
Kenneth L. Nibling	\$ 14,000	0	\$ 4,034	0	\$ 35,261

(1) These contributions are included in the Salary column of the Summary Compensation Table for fiscal 2010.

General. The DCP is designed to provide a make-whole benefit to 401(k) Plan participants who have eligible compensation in excess of the Internal Revenue Code's qualified plan compensation limit. The IRS rules provide for an annual compensation limit that may limit the employer contributions we make on behalf of participants under our 401(k) Plan. The DCP is intended to restore such contributions that are lost due to the IRS limit. The DCP is an unfunded plan for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974, as amended. Deferred amounts under the DCP are our general unsecured obligations and are subject to our on-going financial solvency. We have established a rabbi trust for the purpose of accumulating funds to satisfy our obligations under the DCP. For 2010, employees with base salaries of \$110,000 or more, which includes all of our named executive officers, are eligible to participate in the DCP.

Contributions. Participants who are employees may elect to defer up to a maximum of 90% of their eligible base salary and up to a maximum of 90% of their annual incentive bonus. The terms of the DCP permits us to make matching contributions on a dollar for dollar basis of the participant's elective deferrals, and discretionary contributions, up to a maximum contribution equal to 4% of the participant's total compensation, less the amount of matching contributions we make under our 401(k) Plan. We suspended all of our contributions to the DCP effective as of May 1, 2009. Effective as of January 1, 2011, the Compensation Committee reinstated contributions to the DCP.

Distributions. Distributions are made to participants in a lump sum upon the earlier of (i) the participant's death, (ii) the date of the participant's separation from service with us, or for our named executive officers, the first day of the seventh month following the executive's termination of service with us, or (iii) a fixed date specified by the participant, which date must be at least two years after the Plan Year in which such deferrals were made.

Vesting. Participants are at all times 100% vested in the amounts that they elect to defer and in any company matching or other contributions.

Investment Options. Earnings on amounts contributed to our DCP are based on participant selections among the investment options determined by the plan's administrative committee, which is comprised of certain executive officer and other employees. This committee has the sole discretion to discontinue, substitute or add investment options at any time. Participants can select from among these investment options for purposes of determining the earnings or losses that we will credit to their plan accounts, but they do not have an ownership interest in the investment options.

they select. No above market crediting rates are offered under the DCP. Invested amounts can be transferred among available plan investment options. The investment options under the DCP and their annual rates of return for fiscal 2010 are contained in the table below.

Table of Contents

Name of Investment Option	Rate of Return through December 31, 2010	Name of Investment Option	Rate of Return through December 31, 2010
American Century Equity Income A Fund	13.01%	MidCap Growth R4 Fund	29.19%
American Century Mid Cap Value R Fund	18.97%	Money Market R4 Fund	0%
American Funds EuroPacific Growth R3 Fund	9.07%	Nuveen Small Cap Value A Fund	28.22%
American Funds Growth Fund of America R3 Fund	11.95%	Russell LifePoints® 2010 Strategy R3 Fund	11.59%
American Funds Washington Mutual R3 Fund	12.96%	Russell LifePoints® 2020 Strategy R3 Fund	13.06%
Calvert Social Investment Bond A Fund	6.17%	Russell LifePoints® 2030 Strategy R3 Fund	14.63%
Fidelity Adv Government Income T Fund	4.78%	Russell LifePoints® 2040 Strategy R3 Fund	14.72%
Fidelity Adv Small Cap T Fund	17.56%	Russell In Retirement R3 Fund	11.38%
Franklin High Income R Fund	13.17%	SAM Balanced Portfolio R4 Fund	13.09%
Franklin Rising Dividends R Fund	18.79%	SAM Cons Balanced Portfolio R4 Fund	11.41%
Franklin Templeton Moderate Target R Fund	11.75%	SAM Cons Growth Portfolio R4 Fund	14.52%
Invesco International Growth R Fund	12.11%	SAM Flexible Income Portfolio R4 Fund	10.07%
LargeCap S&P 500 Index R4 Fund	14.47%	SAM Strategic Growth Portfolio R4 Fund	15.65%
MFS Value R2 Fund	11.13%	T. Rowe Price Growth Stock R Fund	16.34%

Potential Payments Upon Termination or Change of Control

We have agreements with each of our named executive officers and certain other members of our senior management that provide certain severance payments and benefits (the severance provisions) and certain change of control payments and benefits (the change of control provisions). On December 29, 2008, we entered into amended and restated agreements with each of our named executive officers and certain other members of our senior management to comply with Sections 162(m) and 409A of the Code.

Severance Provisions

Pursuant to the terms of the severance provisions, if we terminate the employee's employment other than for cause (as defined below), and for Mr. Winkler, the employee voluntarily terminates his employment for good reason (as defined below) prior to attainment of age 63, the employee will be entitled to receive certain compensation and benefits from us, including the following:

a severance payment equal to two times (in the case of Mr. Winkler) or 1.67 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) the sum of the employee's annual base salary plus termination bonus ;

a percentage of the employee's annual base salary equal to 100% (for Mr. Winkler), 75% (for Mr. Moore), 60% (for Mr. Bayardo) and 50% (for Messrs. Maroney and Nibling) for the year during which the employee's employment is terminated, pro-rated for the days served during that year;

for Messrs. Winkler, Moore, Bayardo, Maroney and Nibling, all unvested stock options and restricted stock will immediately vest; and

additional benefits, such as health and disability coverage and benefits and a lump sum payment in lieu of an automobile allowance for up to 24 months (in the case of Mr. Winkler) or 20 months (in the case of each Messrs. Moore, Bayardo, Maroney and Nibling) following the date of termination and an extended exercise period for options granted after the effective date of the agreements for an additional 12 months, or, if earlier, the tenth anniversary of the option grant date.

Table of Contents

Change of Control Provisions

Pursuant to the change of control provisions, upon a change of control all unvested stock options and restricted stock will immediately vest. In addition, if at any time during the period that commences six months prior to and ends two years following the effective date of a change of control, the employee voluntarily terminates his employment for good reason (as defined below) or we terminate the employee's employment other than for cause, the employee will be entitled to receive certain additional compensation and benefits from us (less any benefits received under the severance plan), including the following:

a severance payment equal to three times (in the case if Mr. Winkler) or 2.5 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) of the sum of the employee's annual base salary plus termination bonus;

a percentage of the employee's annual base salary equal to 100% (for Mr. Winkler), 75% (for Mr. Moore), 60% (for Mr. Bayardo) and 50% (for Messrs. Maroney and Nibling) for the year during which the employee's employment is terminated, pro-rated for the days served during that year;

a payment equal to three times (in the case if Mr. Winkler) or 2.5 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) the amount we would be required to contribute on the employee's behalf under our pension, 401(k), deferred compensation and other retirement plans based on the employee's termination base salary;

the employee shall become fully vested in the employee's accrued benefits under all pension, 401(k), deferred compensation or any other retirement plans maintained by us;

additional benefits, such as health and disability coverage and benefits and a lump sum payment in lieu of a car allowance for up to three years (in the case of Mr. Winkler) or 2.5 years (in the case of each Messrs. Moore, Bayardo, Maroney and Nibling) following the date of termination and an extended exercise period for options granted after the effective date of the agreements for an additional 12 months, or, if earlier, the tenth anniversary of the option grant date, and in the case of Mr. Winkler, a lump sum payment in lieu of outplacement services equal to 15% of his annual base salary for the year in which he terminates employment; and

in the case of Messrs. Winkler, Moore, Bayardo, Maroney and Nibling, additional tax-gross up payments to compensate for excise taxes imposed by Section 4999 of the Code on the compensation and benefits provided.

General

All payments under the executive agreements generally are designed to be paid in a manner that complies with, or is exempt from, Section 409A of the Code. Throughout the severance payout period (two years in the case of Mr. Winkler and 20 months in the case of Messrs. Moore, Bayardo, Maroney and Nibling) or the change of control payout period (three years in the case of Mr. Winkler and 2.5 years in the case of Messrs. Moore, Bayardo, Maroney and Nibling), the executive shall not induce any person in our employment to terminate such employment or accept employment with anyone other than us or, subject to certain limited exceptions, engage in any business or activity or render any services or provide any advice to any business or entity that directly or indirectly competes in any material manner with us. The initial term of the agreements for each of Messrs. Winkler, Moore, Bayardo, Maroney and Nibling terminates on December 29, 2011, the third anniversary of the effective date of the agreement. Unless either party gives notice of its intention not to renew, the term will be automatically extended for successive one-year

periods.

Cause is generally defined as the executive s: (a) conviction of a felony; (b) commission of any act of theft, fraud, embezzlement or misappropriation against us that is materially injurious; (c) willful and continued failure to devote substantially all of his business time to our business affairs, which failure is not remedied within a reasonable time after written demand is delivered; (d) unauthorized disclosure of our confidential information that is materially injurious to us; or (e) knowing or willful material violation of federal or state securities laws.

Table of Contents

A **change of control** is generally defined as one of the following: (a) any person becomes the beneficial owner of our securities representing 20% or more of our combined voting power; (b) a change in the majority of the membership of our board occurs without approval by two-thirds of the directors who are continuing directors; (c) we are merged, consolidated or combined with another corporation or entity and our stockholders prior to such transaction own less than 55% of the outstanding voting securities of the surviving entity; (d) a tender offer or exchange offer is made and consummated by a person or group of persons for the ownership of 20% or more of our voting securities; or (e) there is a disposition, transfer, sale or exchange of all or substantially all of our assets, or stockholder approval of a plan of our liquidation or dissolution, where **substantially all** means 85% or more. In addition, the events and transactions described in (a) through (e) will be considered a **change of control** only if the event or transaction is a **change of control event** as defined in Treasury Regulation Section 1.409A-3(i)(5) with respect to the affected executive.

Good reason is generally defined as any of the following which results in the terms of the employee's employment having been detrimentally and materially affected: (a) failure to re-elect or appoint the employee to any corporate office or directorship he currently occupies or a material reduction in his authority, duties or responsibilities or if the executive is assigned duties or responsibilities materially inconsistent from those immediately prior to such assignment; (b) a material reduction in the employee's compensation, benefits and perquisites; (c) we fail to obtain a written agreement satisfactory to the executive from our successor or assigns to assume and perform his employment agreement; or (d) we require the executive to be based at any office located more than 50 miles from our current offices.

Termination bonus is defined as an amount equal to the greater of (i) 100% (for Mr. Winkler), 75% (for Mr. Moore), 60% (for Mr. Bayardo) and 50% (for Messrs. Maroney and Nibling) of the employee's annual base salary for the year in which the employee terminates employment, or (ii) the highest annual bonus earned by the employee during any of the three full fiscal years preceding the employee's date of termination

In accordance with the requirements of the rules of the SEC, the following table presents our reasonable estimate of the benefits payable to the named executive officers under our employment agreements: (1) assuming that a change of control and qualifying termination of employment occurred on December 31, 2010, the last business day of fiscal year 2010; (2) assuming that a change of control occurred on December 31, 2010, the last business day of fiscal year 2010; and (3) assuming that a termination of employment without cause (and not within the change of control protective period), as described above, occurred on December 31, 2010, the last business day of fiscal year 2010. Excluded are benefits provided to all employees, such as accrued vacation, and benefits provided by third parties under our life and other insurance policies. Also excluded are accrued balances in accounts under the DCP and 401(k) plan. For the amounts accrued under the DCP at December 31, 2010, please see **Nonqualified Deferred Compensation**

Table of Contents

Plan. While we have made reasonable assumptions regarding the amounts payable, there can be no assurance that in the event of a change of control, the named executive officers will receive the amounts reflected below.

Potential Payments Upon Termination or Change of Control Table

Name and Trigger	Cash Severance(1)	Other Benefits(2)	Retirement Health and Insurance(3)	Value of Plan Contributions(4)	Value of Option Acceleration(5)	Value of Restricted Stock Acceleration(6)	280G Tax Gross-Up(7)	Total Value(8)
JOSEPH C. WINKLER								
<i>Change of Control Termination</i>	\$ 7,092,142	\$ 145,050	\$ 30,567	\$ 0	\$ 9,567,868	\$ 10,604,549	\$ 3,149,326	\$ 30,589,502
<i>Change of Control, No Termination</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,070,748	\$ 10,604,549	\$ 0	\$ 20,675,297
<i>Termination without Cause(9)</i>	\$ 4,986,428	\$ 135,450	\$ 20,378	\$ 0	\$ 9,567,868	\$ 10,604,549	N/A	\$ 25,314,673
MARIAN K. MOORE								
<i>Change of Control Termination</i>	\$ 3,119,643	\$ 24,000	\$ 25,472	\$ 0	\$ 3,603,422	\$ 4,135,995	\$ 0	\$ 10,908,532
<i>Change of Control, No Termination</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,747,822	\$ 4,135,995	\$ 0	\$ 7,883,817
<i>Termination without Cause(9)</i>	\$ 2,208,421	\$ 16,000	\$ 16,981	\$ 0	\$ 3,603,422	\$ 4,135,995	N/A	\$ 9,980,820
JOSE A. AYARDO								
<i>Change of Control Termination</i>	\$ 1,987,170	\$ 24,000	\$ 25,472	\$ 0	\$ 1,511,454	\$ 1,723,770	\$ 722,128	\$ 5,993,994
<i>Change of Control, No Termination</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,572,085	\$ 1,723,770	\$ 0	\$ 3,295,854
<i>Termination without Cause(9)</i>	\$ 1,399,600	\$ 16,000	\$ 16,981	\$ 0	\$ 1,511,454	\$ 1,723,770	N/A	\$ 4,667,805
JAMES F. FARONEY								
<i>Change of Control Termination</i>	\$ 1,903,928	\$ 24,000	\$ 25,472	\$ 0	\$ 1,503,483	\$ 1,742,445	\$ 0	\$ 5,199,328
<i>Change of Control, No Termination</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,563,690	\$ 1,742,445	\$ 0	\$ 3,306,135
<i>Termination without Cause(9)</i>	\$ 1,326,272	\$ 16,000	\$ 16,981	\$ 0	\$ 1,503,483	\$ 1,742,445	N/A	\$ 4,605,181

KENNETH L. NIBLING								
<i>Change of Control Termination</i>	\$ 1,735,133	\$ 24,000	\$ 25,472	\$ 0	\$ 1,408,145	\$ 1,638,016	\$ 586,232	\$ 5,416,998
<i>Change of Control, No Termination</i>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,464,406	\$ 1,638,016	\$ 0	\$ 3,102,421
<i>Termination without Cause(9)</i>	\$ 1,207,358	\$ 16,000	\$ 16,981	\$ 0	\$ 1,408,145	\$ 1,638,016	N/A	\$ 4,286,500

- (1) In the case of a change of control termination, represents a severance payment equal to: (a) three times (in the case of Mr. Winkler) or 2.5 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) the sum of the executive's annual base salary plus termination bonus (as defined above); and (b) a percentage of the executive's annual base salary equal to 100% (for Mr. Winkler), 75% (for Mr. Moore), 60% (for Mr. Bayardo) and 50% (for Messrs. Maroney and Nibling) for the year during which the executive's employment is terminated, pro-rated for the days served during that year.

In the case of a termination without cause, represents a severance payment equal to: (a) two times (in the case of Mr. Winkler) or 1.67 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) the sum of the employee's annual base salary plus termination bonus; and (b) a percentage of the executive's annual base salary equal to 100% (for Mr. Winkler), 75% (for Mr. Moore), 60% (for Mr. Bayardo) and 50% (for Messrs. Maroney and Nibling) for the year during which the executive's employment is terminated, pro-rated for the days served during that year.

The base salary used to calculate the cash severance payments represents the base salary in effect as of December 31, 2010.

- (2) In the case of a change of control termination, represents a lump sum payment in lieu of a car allowance for the payout period following the date of termination. In the case of Mr. Winkler only, also includes a lump sum payment in lieu of outplacement services equal to 15% of his annual base salary for the year in

Table of Contents

which his employment terminates. The executives also are entitled to an extended exercise period for options granted after the effective date of the executive agreements for an additional 12 months, or, if earlier, the tenth anniversary of the option grant date.

- (3) Represents continued benefits, such as medical, dental, disability and life insurance coverage and benefits for the payout period, based on our current costs to provide such coverage.
- (4) Our named executive officers are entitled to an additional payment equal to three times (in the case of Mr. Winkler) or 2.5 times (in the case of each of Messrs. Moore, Bayardo, Maroney and Nibling) the amount we would be required to contribute on the executive's behalf under our 401(k) plan and deferred compensation plan based on the executive's termination base salary. We did not make any contributions to our 401(k) plan or deferred contribution plan for 2010.
- (5) Represents the aggregate value of the acceleration of vesting of the executive's unvested stock options, based on the spread between the closing price of our common stock (\$29.55) on the NYSE on December 31, 2010 and the stock options' exercise prices. In the event of a change of control only, represents the aggregate value of the acceleration of vesting of the executive's unvested stock options using the Black-Scholes model value based on the remaining expected life of the stock options.
- (6) Represents the aggregate value of the acceleration of vesting of the executive's unvested restricted stock, based on the closing price of our common stock (\$29.55) on the NYSE on December 31, 2010.
- (7) Represents additional tax-gross up payments to compensate for excise taxes imposed by Section 4999 of the Code on the compensation and benefits provided, based on our best estimate of the executives' liabilities under Code Sections 280G and 4999.
- (8) Excludes the value to the executive of the continued right to indemnification by us. Executives will be indemnified by us and will receive continued coverage under our directors' and officers' liability insurance (if applicable).
- (9) Termination without cause and not within six months prior to, or 24 months after, a change of control.

COMPENSATION RISK ASSESSMENT

We believe that our compensation policies and practices appropriately balance risk and the achievement of long-term and short-term goals, and do not encourage unnecessary or excessive risk taking. In establishing and reviewing our compensation program, the Compensation Committee strives to ensure that incentive goals are appropriately structured and resulting payouts are appropriate for a given level of performance.

In 2010, management conducted a review of the design and operation of our compensation program. The review included an assessment of the level of risk associated with the various elements of compensation for all levels of employees. In addition, PM&P had discussions with our Compensation Committee regarding risks associated with our compensation programs and practices. As part of this review, discussion and assessment, the following factors were found to discourage excessive or unnecessary risk taking:

Our compensation programs appropriately balance short- and long-term incentives.

Long-term incentives provide a balanced portfolio approach using a mix of time-vested stock options and restricted stock.

The performance objectives under our annual incentive plan are driven by company-level success.

The amount of payouts under our annual performance-based cash bonus program is capped.

Our equity grant guidelines and policies help to ensure that our executives and stockholder interests are aligned.

Our Compensation Committee exercises discretion, where appropriate based on our financial and operating performance, not to grant annual performance-based cash bonuses, to modify our bonus program and opportunities and to reduce or freeze our base salaries.

Table of Contents

Based on this review and assessment, we have concluded (and our Compensation Committee concurred) that our compensation policies and practices are not reasonably likely to have a material adverse effect on the Company.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management, and based on the review and discussions, the Compensation Committee recommended to the board that the Compensation Discussion and Analysis be included in our 2010 Annual Report on Form 10-K and in this proxy statement for the 2011 annual meeting of stockholders.

Compensation Committee of the Board of Directors

Michael McShane

Marcus A. Watts

James D. Woods

Audit Committee Report

Following is the report of the Audit Committee with respect to Complete Production Services' audited financial statements for the fiscal year ending December 31, 2010, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2010 and the notes thereto.

The Audit Committee has reviewed and discussed our audited financial statements (including the appropriateness of Complete Production Services' critical accounting policies) with management. Our management is responsible for the preparation, presentation and integrity of our financial statements. Management is also responsible for establishing and maintaining internal controls over financial reporting (as defined in Exchange Act Rule 13a-15(f)) and for evaluating the effectiveness of those internal controls and for evaluating any changes in those controls that will, or is reasonably likely to, affect internal controls over financial reporting. Management is also responsible for establishing and maintaining disclosure controls (as defined in Exchange Act Rule 13a-15(e)) and for evaluating the effectiveness of disclosure controls and procedures.

The Audit Committee has reviewed and discussed our audited financial statements (including the quality of our accounting principles) with Grant Thornton LLP. The Audit Committee has discussed with Grant Thornton LLP the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol.1 AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. Further, the Audit Committee reviewed Grant Thornton LLP's Report of Independent Registered Public Accounting Firm included in our Annual Report on Form 10-K related to its audit of the consolidated financial statements and financial statement schedules.

The Audit Committee has also received written disclosures and the letter from Grant Thornton LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding Grant Thornton LLP's communications with the Audit Committee concerning independence and has discussed with Grant Thornton LLP its independence from us.

Based on the review and discussions referred to above, the Audit Committee recommended to the board of Complete Production Services, Inc. that its audited financial statements be included in the its Annual Report on Form 10-K for the fiscal year ended December 31, 2010.

Audit Committee of the Board of Directors

Michael McShane

W. Matt Ralls

James D. Woods

Table of Contents**Independent Registered Public Accountants**

Grant Thornton LLP provided audit and audit-related services to us during the fiscal years ended December 31, 2010 and 2009 as follows:

Type of Fees	Fiscal 2010	Fiscal 2009
Audit Fees	\$ 1,563,018	\$ 1,683,536
Audit-Related Fees	38,125	39,827
Tax Fees	0	0
All Other Fees	0	0
Total	\$ 1,601,143	\$ 1,723,363

Audit Fees

The category includes fees associated with our annual audit, our audit of internal controls over financial reporting and the review of our quarterly reports on Form 10-Q. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of our interim financial statements and the assistance with the review of our SEC registration statements and our debt offering agreements.

Audit-Related Fees

This category includes fees associated with accounting consultations and attestation services that are not required by statute or regulation.

Tax Fees

This category includes fees associated with tax return preparation, tax planning for merger and acquisition activities and tax consultations. We did not engage Grant Thornton LLP to provide any tax services during the fiscal years ended December 31, 2010 and 2009.

All Other Fees

We did not engage Grant Thornton LLP to provide any other services during the fiscal years ended December 31, 2010 and 2009.

Pre-Approval Policies and Procedures

The Audit Committee has specifically approved all of the audit, internal audit and non-audit services performed by Grant Thornton LLP and has determined the rendering of such non-audit services was compatible with maintaining Grant Thornton LLP's independence. The Audit Committee has delegated to the Chairman of the Audit Committee the authority to pre-approve audit-related and non-audit related services not prohibited by law to be performed by our independent registered public accountants and associated fees, provided the Chairman shall report any decisions to pre-approve such audit-related or non-audit services and fees to the full Audit Committee at its next regular meeting.

In fiscal years 2010 and 2009, all audit fees and audit-related fees were approved by the Audit Committee directly.

From and after the effective date of the SEC rule requiring Audit Committee pre-approval of all audit and permissible non-audit services provided by independent registered public accountants, the Audit Committee has approved all audit and permissible non-audit services prior to such services being provided by Grant Thornton LLP. The Audit Committee, or one or more of its designated members that have been granted authority by the Audit Committee, meets to approve each audit or non-audit services prior to the engagement of Grant Thornton LLP for such services. Each such service approved by one or more of the authorized and designated members of the Audit Committee is presented to the entire Audit Committee at its next meeting.

Table of Contents

ITEM 3

**ADVISORY VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS
(SAY ON PAY VOTE)**

Background

The recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) enables our stockholders to vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the SEC's rules.

Summary

We are asking our stockholders to provide advisory approval of the compensation of our named executive officers (which consist of our Chief Executive Officer, Chief Financial Officer and our next three highest paid executives), as such compensation is described in the Compensation Discussion and Analysis section, the tabular disclosure regarding such compensation and the accompanying narrative disclosure set forth in this Proxy Statement, beginning on page 21. Our executive compensation programs are designed to enable us to attract, motivate and retain executive talent, who are critical to our success. These programs link compensation to the achievement of pre-established corporate financial performance objectives and provide long-term incentive compensation that focuses our executives efforts on building stockholder value by aligning their interests with those of our stockholders. The following is a summary of some of the key points of our executive compensation program. We urge our stockholders to review the Executive Compensation Compensation Discussion and Analysis section of this Proxy Statement and executive-related compensation tables for more information.

Highlights of our compensation program for named executive officers include:

Emphasis on pay for performance. Our named executive officers receive a mixture of salary, long term equity incentive awards and performance-based cash compensation, with approximately 78%, on average, at risk and dependent on our performance as a company. We are responsive in our consideration of our and our industry's financial and operating performance and outlook, as demonstrated by salary cut backs and no bonuses in 2009 and, most recently, a flexible bonus plan for 2010 to properly motivate our executives to achieve meaningful goals and reward success. In 2010, we took a measured approach to increasing salaries only after our operations and financial outlook improved. Additionally, in order to focus on pay for performance, our Compensation Committee varied the percentage of salary payable in connection with a target bonus and applied different bonus opportunities depending on whether we achieved net income or net loss for fiscal year 2010. Over the past year, our stock price improved from \$13.00 to \$29.55 per share, representing over a 100% improvement. Consistent with our pay for performance philosophy, we rewarded our named executive officers with bonuses representing 200% of their target bonus opportunities based on our adjusted EBITDA performance.

Alignment with the long-term interests of our stockholders. We have a balanced approach and focus on both short- and long-term goals. On a short-term basis, we emphasize measures of our cash flow and earnings, such as EBITDA and EPS, in determining annual cash bonus compensation. On a longer-term basis, we utilize a balanced mixture of equity awards (with executives receiving 35% of their equity awards in the form of options and 65% in the form of shares of restricted stock) to encourage executives to focus on our financial and operational health both during the immediate fiscal year and for the future. In particular, equity awards are a

key component of our executive compensation program. In 2010, equity awards, in the form of options and shares of restricted stock, comprised approximately 47%, on average, of our named executive officers aggregate cash and equity compensation.

Commitment to strong corporate governance practices. As part of its commitment to strong corporate governance practices, our Compensation Committee has retained an independent

Table of Contents

compensation consultant and employed equity grant guidelines to ensure equity grants are linked to a multiple of base salary. As warranted, our Compensation Committee has exercised its discretion to award fewer equity grants by modifying the salary used to determine grants and, in 2009, lowering the value of equity awards delivered to executive officers to 81% of the pre-determined guidelines due to our poor stock price performance in that year. Additionally, as of February 2011, we implemented stock ownership guidelines for our executive officers to align the personal financial interests of our executives with those of our stockholders.

Board Recommendation

Our board believes that the information provided above and within the Executive Compensation section of this Proxy Statement demonstrates that our executive compensation program was designed appropriately and is working to ensure that management's interests are aligned with our stockholders' interests to support long-term value creation.

The following resolution will be submitted for a stockholder vote at the annual meeting:

RESOLVED, that the stockholders of Complete Production Services, Inc. (Complete) approve, on an advisory basis, the compensation of Complete's named executive officers, as disclosed in the Compensation Discussion and Analysis section and the related tabular and narrative disclosure set forth in the Proxy Statement.

The say on pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or our board.

OUR BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR ADOPTION OF THE RESOLUTION APPROVING THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS, AS DESCRIBED IN THE COMPENSATION DISCUSSION AND ANALYSIS SECTION AND THE RELATED TABULAR AND NARRATIVE DISCLOSURE SET FORTH IN THIS PROXY STATEMENT.

Table of Contents

ITEM 4

**ADVISORY VOTE ON THE FREQUENCY OF AN ADVISORY STOCKHOLDER VOTE ON THE
COMPENSATION OF OUR NAMED
EXECUTIVE OFFICERS (FREQUENCY VOTE)**

Background

The Dodd-Frank Act also enables our stockholders to indicate how frequently they believe we should seek an advisory vote on the compensation of our named executive officers. We are seeking an advisory, non-binding determination from our stockholders as to the frequency with which stockholders would have an opportunity to provide an advisory approval of our executive compensation program. We are providing stockholders the option of selecting a frequency of one, two or three years, or abstaining.

Annual Recommendation:

The Compensation Committee and the Board believe that it is in the best interest of the Company and our stockholders if we seek an advisory vote on the compensation of our named executive officers every year. We believe that this frequency is appropriate because it will enable our stockholders to vote, on an advisory basis, on the most recent executive compensation information that is presented in our proxy statement, leading to a more meaningful and coherent communication between us and our stockholders on the compensation of our named executive officers. We also believe an annual advisory vote on the compensation of our named executive officers will enable us to respond more quickly to stockholder concerns. Moreover, given the cyclical nature and volatility of our industry, our compensation programs must be responsive and responsible, and an annual advisory vote on executive compensation will provide us with the stockholder feedback we need to adequately assess whether our compensation programs and goals warrant change from year to year.

The Board's determination was further based on the premise that this recommendation could be modified in future years if it becomes apparent that an annual frequency vote is not meaningful, is burdensome or is more frequent than recommended by best corporate governance practices.

Board Recommendation

OUR BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR HOLDING AN ANNUAL ADVISORY VOTE ON THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS, AS DESCRIBED IN THE COMPENSATION DISCUSSION AND ANALYSIS SECTION AND THE RELATED TABULAR AND NARRATIVE DISCLOSURE SET FORTH IN THE PROXY STATEMENT.

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related Person Transactions Policy and Procedures

Our board maintains a written Related Party Transactions Policy and Procedures. Pursuant to this policy, a related party transaction (as defined below) may be consummated or may continue only if the Nominating Committee of our board approves or ratifies the transaction in accordance with the guidelines set forth in the policy. If advance committee approval of a related party transaction requiring the committee's approval is not feasible, then the transaction may be preliminarily entered into by management upon prior approval of the transaction by the Chairman of the Nominating Committee subject to ratification of the transaction by the Nominating Committee at the committee's next regularly scheduled meeting; provided that if ratification is not forthcoming, management shall make all reasonable efforts to cancel or annul such transaction. Management shall present to the Nominating Committee each proposed related party transaction, including all relevant facts and circumstances relating thereto and shall update the Nominating Committee as to any material changes to any approved or ratified related party transaction and shall provide a status report at least annually at a regularly scheduled meeting of the Nominating Committee of all then current related party transactions. In addition, under our policy, any related party transactions that could reasonably be expected to have a material impact on our financial statements shall be brought to the attention of the Audit Committee of our board.

For the purposes of our policy, a related party transaction is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which Complete Production Services, Inc. (including any of our subsidiaries) was, is or will be a participant and the amount involved exceeds \$100,000, and in which any related party had, has or will have a direct or indirect interest. A related party includes: (i) any person who is, or at any time since the beginning of our last fiscal year was, a member of our board, one of our executive officers or a nominee to become a member of our board; (ii) any person who is known to be the beneficial owner of more than 5% of any class of our voting securities; (iii) any immediate family member, as defined in the policy, of, or sharing a household with, any of the foregoing persons; and (iv) any firm, corporation or other entity in which any of the foregoing persons is employed or is a general partner or principal or in a similar position or in which such person has a greater-than-five-percent beneficial ownership interest.

Related Person Transactions

Robert S. Boswell, one of our directors, serves as Chairman and Chief Executive Officer of Laramie Energy II, LLC. Laramie Energy II paid us approximately \$1.5 million for oilfield services during fiscal 2010.

Harold G. Hamm, one of our directors, is a majority owner as well as the Chairman and Chief Executive Officer of Continental Resources, Inc., an independent exploration and production company. In connection with the acquisition by Complete Energy Services, Inc. (CES) of Hamm Co. in 2004, CES entered into a Strategic Customer Relationship Agreement with Continental Resources. By virtue of our combination in September 2005 with CES, we are now a party to such agreement. The agreement provides Continental Resources the option to engage a limited amount of our assets into a long-term contract at market rates. We sell services and products to Continental Resources and its subsidiaries. Revenues attributable to these sales totaled approximately \$131.3 million for the year ended December 31, 2010. In addition, we leased offices from Continental Management Co. and Mr. Hamm for \$200,906 for fiscal 2010. This lease was renewed in November 2010. Mr. Hamm is the owner of Continental Management Co.

Marcus A. Watts, one of our directors, was a partner in the law firm of Locke Lord Bissell & Liddell LLP until December 31, 2010 and retired from the firm as of that date. In 2010, we made payments of approximately \$642,131

to Locke Lord Bissell & Liddell LLP for legal services.

We believe that all of these related party transactions were either on terms at least as favorable to us as could have been obtained through arm's-length negotiations with unaffiliated third parties or were negotiated in connection with acquisitions, the overall terms of which were as favorable to us as could have been obtained through arm's-length negotiations with unaffiliated third parties.

Table of Contents

OTHER MATTERS

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than 10% of a registered class of our securities, to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. Based solely on a review of copies of such forms received with respect to fiscal year 2010 and the written representations received from certain reporting persons that no other reports were required, we believe that all directors, executive officers and persons who own more than 10% of our common stock have complied with the reporting requirements of Section 16(a), except that with respect to Harold G. Hamm, one of our directors, filed one late Form 4 regarding a change in beneficial ownership due to the transfer in October 2010 of shares by gift to a trust of which Mr. Hamm and his spouse are co-trustees.

Stockholder Proposals and Nominations

Proposals Pursuant to Rule 14a-8. Pursuant to Rule 14a-8 under the Exchange Act, stockholders may present proper proposals for inclusion in our proxy statement and for consideration at our next annual meeting of stockholders. To be eligible for inclusion in our 2011 proxy statement, your proposal must be received by us no later than December 19, 2011 based on a proxy statement date of April 18, and must otherwise comply with Rule 14a-8. While our board will consider stockholder proposals, we reserve the right to omit from our proxy statement stockholder proposals that we are not required to include under the Exchange Act, including Rule 14a-8.

Proposals and Nominations Pursuant to our Bylaws. Under our Amended and Restated Bylaws (bylaws), in order to nominate a director or bring any other business before the stockholders at the 2012 annual meeting that will not be included in our proxy statement, you must comply with these procedures as described below. In addition, you must notify us in writing and such notice must be delivered to our Secretary no earlier than January 26, 2012 and no later than February 27, 2012, unless our 2011 annual meeting is scheduled more than 30 days before or more than 70 days after the first anniversary of our 2010 annual meeting, in which case the notice must be delivered not earlier than the 120th day before and no later than the 90th day before the 2012 annual meeting or the 10th day after the day on which public announcement of the 2012 meeting date is made.

Our bylaws provide that a stockholder's nomination must contain the following information about the nominee: (i) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Exchange Act and Rule 14a-11 thereunder, and (ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected. Any candidates recommended by stockholders for nomination to the board will be evaluated in the same manner that nominees suggested by board members, management or other parties are evaluated.

Our bylaws provide that a stockholder's notice of a proposed business item must include: a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made. In addition, the bylaws provide that a stockholder proposing any nomination or other business item must include, as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made: (i) the name and address of such stockholder, as they appear on our books, and of such beneficial

owner; (ii) the class and number of shares of our capital stock which are owned beneficially and of record by such stockholder and such beneficial owner; (iii) a representation that the stockholder is a holder of record of our stock entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination; and (iv) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of our outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies from stockholders in support of such proposal or nomination. We may require any proposed nominee to furnish such other information as we may reasonably require to determine the eligibility of such proposed nominee to serve as our director.

Table of Contents

You may write to our Secretary at our principal executive office, 11700 Katy Freeway, Suite 300, Houston, Texas 77079 to deliver the notices discussed above and for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates pursuant to the bylaws.

Householding of Proxy Materials

The SEC has adopted rules that permit companies and intermediaries (such as banks and brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of banks and brokers with account holders who are our stockholders will be householding our proxy materials. A single proxy statement will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your bank or broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement and annual report, please notify your bank or broker, direct your written request to Investor Relations, Complete Production Services, Inc., 11700 Katy Freeway, Suite 300, Houston, Texas 77079, or contact Investor Relations by telephone at (281) 372-2300. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request householding of their communications should contact their bank or broker.

Incorporation by Reference

Notwithstanding anything to the contrary set forth in any of our previous filings under the Securities Act of 1933, as amended, or the Exchange Act which might incorporate future filings made by us under those statutes, neither the preceding Compensation Committee Report nor the Audit Committee Report will be incorporated by reference into any of those prior filings, nor will any such report be incorporated by reference into any future filings made by us under those statutes, except to the extent we specifically incorporate such reports by reference therein. In addition, information on our website, other than our proxy statement and form of proxy, is not part of the proxy soliciting material and is not incorporated herein by reference.

Forward-Looking Statements

This proxy statement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements relate to expectations concerning matters that are not historical facts. These forward-looking statements include, but are not limited to, statements related to risks associated with our compensation programs and our board's role in risk oversight. Readers are cautioned that these forward-looking statements are based on current expectations and are subject to risks, uncertainties, and assumptions that are difficult to predict. We undertake no obligation to revise or update any forward-looking statements for any reason. Forward-looking statements should be evaluated together with the many uncertainties that affect our business, particularly those mentioned in the risk factors in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2010 and in our periodic reports on Form 10-Q and current reports on Form 8-K.

COMPLETE PRODUCTION SERVICES, INC.

James F. Maroney
Vice President, Secretary and General Counsel

Table of Contents

Complete Production Services, Inc.
COMPANY #

Shareowner ServicesSM
 P.O. Box 64945
 St. Paul, MN 55164-0945

**Vote by Internet, Telephone or Mail
 24 Hours a Day, 7 Days a Week**

Your phone or Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

INTERNET www.eproxy.com/cpx

Use the Internet to vote your proxy until 12:00 p.m. (CT) on May 24, 2011.

PHONE 1-800-560-1965

Use a touch-tone telephone to vote your proxy until 12:00 p.m. (CT) on May 24, 2011.

MAIL Mark, sign and date your proxy card and return it in the postage-paid envelope provided.

If you vote your proxy by Internet or by Telephone, you do NOT need to mail back your Proxy Card.

Mark, sign and date your proxy card and return it in the postage-paid envelope we've provided or return it to Complete Production Services, Inc., c/o Shareowner ServicesSM, P.O. Box 64873, St. Paul, MN 55164-9397.

ò *Please detach here* ò

The Board of Directors Recommends a Vote FOR the nominees in Item 1, FOR Item 2 and FOR Item 3.

<p>1. To elect three Class III directors to serve for three-year terms until the annual meeting of stockholders in 2014:</p>	<p>01 Robert S. Boswell 02 Michael McShane 03 Marcus A. Watts</p>	<p>o Vote FOR all nominees (except as marked)</p>	<p>o Vote WITHHELD from all nominees</p>
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(Instructions: To withhold authority to vote for any indicated nominee, write the number(s) of the nominee(s) in the box provided to the right.)

2. To ratify the appointment of Grant Thornton LLP as our independent registered public accountants for the year ending December 31, 2011.

Table of Contents

**COMPLETE PRODUCTION SERVICES, INC.
ANNUAL MEETING OF STOCKHOLDERS**

May 25, 2011

9:00 a.m. local time

The St. Regis Houston

1919 Briar Oaks Lane

Houston, TX 77027

**Complete Production Services, Inc.
11700 Katy Freeway, Suite 300
Houston, Texas 77079**

proxy

This proxy is solicited by the Board of Directors for use at the Annual Meeting on May 25, 2011.

The shares of stock you hold in your account or in a dividend reinvestment account will be voted as you specify on the reverse side.

If no choice is specified, the proxy will be voted FOR the nominees in Item 1, FOR Items 2 and 3, and every 1 YEAR for Item 4.

By signing the proxy, you revoke all prior proxies and appoint James F. Maroney and Jose A. Bayardo, and each of them acting in the absence of the other, with full power of substitution, to vote your shares on the matters shown on the reverse side and any other matters which may come before the Annual Meeting and all adjournments.

See reverse for voting instructions.

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