

TOTAL COMPENSATION PROGRAM

Our commitment to our EMPLOYEES is to maintain COMPANY XYZ as an open, challenging and exciting global workplace, fostering innovation through teamwork, communication, and a continuous focus on excellence.

PHILOSOPHY STATEMENT

At Company XYZ, the overall goal is to attract, develop, retain and reward a talented, global workforce that will assist senior management in achieving the annual business plan and our long term strategic objectives. Senior management seeks to utilize a program that will foster growth in our annual revenue and profitability, maintain awareness on safety, and encourage employees to continuously improve our processes and systems. Additionally, we strive for a system that will award our employees with incentive compensation when the company exceeds objectives.

The Company's philosophy is to provide a total compensation structure composed of health and other **benefits, base salary, variable pay**, and long term **incentives**, which will be competitive and allow employees with exceptional performance the potential to earn a total compensation package in the top quartile for people in similar roles in the seismic industry.

COMPENSATION PLAN COMPONENTS

Health and Other Benefits

Company benefits are a form of indirect compensation designed to provide employees added health and welfare protection, promote goodwill and reward employment. Benefits are typically offered to employees as well as their immediate family members and may vary based on the local government regulations.

Base Salary

The purpose of the base salary is to compensate employees for meeting the expectations of their role within the Company and the annual performance targets of Geokinetics. The Company's goal is to maintain base salaries competitive with the compensation level for individuals in similar positions and industries and adjusting for experience level and individual performance.

Variable Compensation

Incentive compensation is designed to reward our professional and technical workforce collectively and individually for achieving goals that assist the company to meet and exceed its annual performance targets. The variable compensation structure is composed of Company performance, business unit performance, individual performance, all measured against our business goals and objectives.

Long Term Incentives

In addition to benefits and cash compensation, the Company periodically provides longer term incentives to key employees. The purpose of our long term incentive program is to improve retention and allow for employees to have opportunities to enjoy an equity stake in the firm and to better align our staff's interests with the interests of our shareholders.

COMPENSATION POLICY

The Company's compensation program will price positions to market by using local, international and industry specific data, including market data from peer companies, data for specialized positions, and data for specific geographic locations.

The Company's compensation program will be internally and externally equitable, taking into account the relative worth of each job in the Company, the general economic variances and adjusted to reflect the local economic marketplace.

The Company's compensation program will tie into the Company's annual performance planning and review process, as well as the Company's annual budgeting and long-range workforce planning process.

The Company's compensation program will be flexible enough to ensure that the company is able to recruit and retain a highly qualified workforce, while providing the structure necessary to effectively manage the overall program.

COMPENSATION SYSTEM

Health and Other Benefits

The Company's goal is to provide health and other benefits plans that meet or exceed the average benefits provided by similar employers in the local business market. The Company's will evaluate benefits programs annually to ensure that objectives are being met.

Base Salary Management

The Company will use an integrated approach to base pay management. Positions in the organization are divided by discipline into job families, each with an established structure. The company will benchmark jobs in each family and use salary surveys and competitive market pricing for these positions. This data will be reviewed annually. All merit increases, promotions, and market adjustments will occur on or before April 1st each year as part of the annual accounting cycle.

Variable Compensation

The Company will determine variable compensation based on three components: company performance, business unit performance, and personal performance, each measured against business goals. For employees who work in a corporate role, variable compensation will be divided into two components: company performance, and personal performance. Employees who are in sales positions may receive their variable compensation in the form of commission payments.

At the commencement of each year, management will set goals for the Company and each strategic business unit. After this period, employees and their supervisors will set personal performance objectives to align with the Company's goals. These objectives will set achievement metrics for the whole organization and all employees. When the metrics are achieved, the employee will be eligible for an established target variable compensation payment. Should these metrics fall below established targets, then the employee may earn less than his/her target bonus. However, should these metrics exceed expectations, the employee may earn additional incentive compensation (above target) as determined by management and the Compensation Committee.

Variable compensation payments will be determined after the close of the year and will be paid during the first quarter of the following year. Individuals must be employed at the time of payment to receive annual incentive compensation. Employees who have given notice will not be considered as "employed" for purposes of variable compensation or incentive payments.

Long Term Incentives

Current long term incentives include: equity awards and special retention bonus plans. Equity awards are generally in the form of stock or any derivative of stock, including options, phantom stock, restricted stock or stock appreciation rights. Retention bonus plans generally follow the same general procedures as variable incentive programs.

ROLES AND RESPONSIBILITIES

Board of Directors and Compensation Committee

- The Board of Directors is responsible for reviewing recommendations made by Senior Management and the Compensation Committee, and will give final approval for the compensation system that will be used by the Company.
- As part of the annual budgeting process the Board of Directors will review and approve, as appropriate, funds to be allocated for total compensation, which will include base salaries, variable compensation, annual long term incentives, and benefit plans.
- The Compensation Committee has authority to approve all long term incentives and all stock based awards recommended by the CEO.
- The Compensation Committee will set the specific components of the total compensation package for the Chief Executive Officer (CEO) and, with advice from the CEO, set the compensation package of the company's officers.

Executive Management

- The CEO is responsible and accountable to the Board of Directors and the Compensation Committee. In that capacity the CEO is charged with ensuring that the Company is staffed with highly qualified, fully competent employees, and that all programs are administered within the appropriate guidelines.
- The salary budget will include a gross amount for budget considerations. The CEO will have final authority for determinations of all salary adjustments, except for the compensation decisions for the CEO, the CEO's direct reports, and the corporate officers.
- The Chief Financial Officer shall ensure that salary budgets are updated annually, and bonuses are accrued properly.
- The Corporate Secretary will ensure that equity programs are administered in a compliant manner.
- The Vice President of Human Resources is charged with ensuring that all individual jobs are market priced at least once every two years, and has the responsibility of ensuring that the total compensation program is managed fairly and consistently, and continually meets the strategic needs of the business.

Approved and adopted by the Compensation Committee:



David N. Barbee
Vice President, Human Resources