AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JUNE 12, 1996
REGISTRATION NO. 333-

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SECURITIES AND EXCHANGE COMMISSION

FORM S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NEWPARK RESOURCES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	72-1123385
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

3850 NORTH CAUSEWAY, SUITE 1770
METAIRIE, LOUISIANA 70002
(504) 838-8222
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

JAMES D. COLE, PRESIDENT
NEWPARK RESOURCES, INC.
3850 NORTH CAUSEWAY, SUITE 1770
METAIRIE, LOUISIANA 70002
(504) 838-8222
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

Copies to:

BERTRAM K. MASSING, ESQ.	ROBERT F. GRAY, JR.
ERVIN, COHEN & JESSUP	FULBRIGHT & JAWORSKI L.L.P.
9401 WILSHIRE BOULEVARD	1301 MCKINNEY, SUITE 5100
BEVERLY HILLS, CALIFORNIA 90212	HOUSTON, TEXAS 77010-3095
(310) 281-6366	(713) 651-5100

Approximate date of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [_]

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [_]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [_]

CALCULATION OF REGISTRATION FEE

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TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE
Common Stock, $.01 par value.....	3,450,000 shares	$36.25	$125,062,500	$43,125

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(1) Includes 450,000 shares subject to the over-allotment option granted to the Underwriters.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c).

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR

DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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EXPLANATORY NOTE

This Registration Statement contains two forms of prospectus: one to be used in connection with an offering in the United States and Canada (the "U.S. Prospectus") and the other to be used in connection with a concurrent offering outside the United States and Canada (the "International Prospectus"). The U.S. Prospectus and the International Prospectus are identical in all respects except that they contain different front, inside front and back cover pages, miscellaneous different pages and different descriptions of the plan of distribution (contained under the caption "Underwriting" in the U.S. Prospectus and "Subscription and Sale" in the International Prospectus), and the International Prospectus contains an additional section under the caption "Certain United States Tax Consequences to Non-United States Holders".

The form of the U.S. Prospectus is included herein and is followed by those pages to be used in the International Prospectus which differ from, or are in addition to, those in the U.S. Prospectus. Each of the pages for the International Prospectus included herein is labeled "Alternate Page for International Prospectus".

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+INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A +
+REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE +
+SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
+OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT +
+BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR +
+THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE +
+SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE +
+UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF +
+ANY SUCH STATE. +
++

SUBJECT TO COMPLETION, DATED JUNE , 1996

3,000,000 Shares

Newpark Resources, Inc.

Common Stock
($.01 par value)

All the shares of Common Stock of Newpark Resources, Inc. ("Newpark" or the "Company") offered hereby are being sold by the Company. Of the 3,000,000 shares of Common Stock being offered, 2,550,000 shares are initially being offered in the United States and Canada (the "U.S. Shares") by the U.S. Underwriters (the "U.S. Offering"), and 450,000 shares are initially being concurrently offered outside the United States and Canada (the "International Shares") by the Managers (the "International Offering" and, together with the U.S. Offering, the "Offering"). The offering price and underwriting discounts and commissions of the U.S. Offering and the International Offering are identical.

A substantial portion of the net proceeds of the Offering will be used to fund the acquisition of certain of the assets of Campbell Wells, Ltd. (the "Acquisition"). The closing of the Offering will occur concurrently with, and is conditioned upon, the closing of the Acquisition. See "The Acquisition".

Newpark's Common Stock is listed on the New York Stock Exchange under the symbol "NR". On June 11, 1996, the reported last sale price of the Common Stock on The New York Stock Exchange Composite Tape was $36.875 per share.

FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE COMMON STOCK, SEE "RISK FACTORS" BEGINNING ON PAGE 8.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Newpark(1)
Per Share	$	$	$
Total(2)	$	$	$

(1) Before deduction of expenses payable by Newpark estimated at $.
(2) Newpark has granted the U.S. Underwriters and the Managers an option, exercisable by CS First Boston Corporation for 30 days from the date of this Prospectus, to purchase a maximum of 450,000 additional shares to cover over-allotments of shares. If the option is exercised in full, the total Price to Public will be $, Underwriting Discounts and Commissions will be $ and Proceeds to Newpark will be $.

The U.S. Shares are offered by the several U.S. Underwriters when, as and if issued by Newpark, delivered to and accepted by the U.S. Underwriters and subject to their right to reject orders in whole or in part. It is expected that the U.S. Shares will be ready for delivery on or about , 1996.

CS First Boston
Deutsche Morgan Grenfell
The Robinson-Humphrey Company, Inc.
Jefferies & Company, Inc.

The date of this Prospectus is , 1996.

[PICTURES]

IN CONNECTION WITH THIS OFFERING, CS FIRST BOSTON, ON BEHALF OF THE U.S. UNDERWRITERS AND THE MANAGERS, MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

DURING THIS OFFERING, CERTAIN PERSONS AFFILIATED WITH PERSONS PARTICIPATING IN THE DISTRIBUTION MAY ENGAGE IN TRANSACTIONS FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS IN SHARES OF COMMON STOCK PURSUANT TO EXEMPTIONS FROM RULES 10B-6, 10B-7 AND 10B-8 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "EXCHANGE ACT").

AVAILABLE INFORMATION

Newpark is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the Commission's regional offices at 7 World Trade Center, 13th Floor, New York, NY 10048 and 500 West Madison Street, Suite 1400, Chicago, IL 60661. Copies of such material can be obtained from the Public Reference section of the Commission at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates, and on the World Wide Web at "http://www.sec.gov". Newpark's Common Stock is traded on the New York Stock Exchange, and such reports and other information also can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, NY 10005.

Newpark has filed with the Commission a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities offered hereby. This Prospectus does not contain all the information set forth in the registration statement and the exhibits thereto, to which reference is hereby made. Statements made in this Prospectus as to the contents of any contract, agreement or other document are not necessarily complete. With respect to each such contract, agreement or other document filed as an exhibit to the registration statement, reference is made to the exhibit for a more complete description of the matter involved, and each such statement is qualified in its entirety by such reference. Any interested parties may inspect the registration statement, without charge, at the public reference facilities of the Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, and any interested parties may obtain copies of all or any part of the registration statement from the Commission at prescribed rates.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

Newpark's Annual Report on Form 10-K for the year ended December 31, 1995 filed by Newpark with the Commission is incorporated by reference into this Prospectus.

All documents filed by Newpark pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Prospectus and prior to the termination of the offering made hereby shall be deemed to be incorporated by reference into this Prospectus and made a part hereof from the date of filing of such documents. Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified, to constitute a part of this Prospectus.

Newpark will provide without charge to each person to whom a copy of this Prospectus is delivered, upon written or oral request, a copy of any and all documents incorporated by reference in this Prospectus, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents. Requests should be directed to Ms. Edah Keating, Corporate Secretary, Newpark Resources, Inc., 3850 North Causeway, Suite 1770, Metairie, Louisiana 70002, or by telephone at (504) 838-8222.

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and the consolidated financial statements, including the notes thereto, appearing elsewhere or incorporated by reference in this Prospectus. Unless otherwise indicated, (i) all information in this Prospectus assumes that the Underwriters' over-allotment option has not been exercised, (ii) all references in this Prospectus to "Newpark" or the "Company" include Newpark's subsidiaries, unless the context otherwise requires, and (iii) all share and per share data in this Prospectus have been adjusted to reflect the 5% stock dividend paid by Newpark effective December 1995.

THE COMPANY

Newpark is a leading provider of integrated environmental services to the oil and gas exploration and production industry in the U.S. Gulf Coast area, principally in Louisiana and Texas. These services are concentrated in three key product lines: (i) processing and disposal of nonhazardous oilfield waste ("NOW"); (ii) processing and disposal of similar oilfield waste that is contaminated with naturally occurring radioactive material ("NORM"); and (iii) mat rental services in which patented prefabricated wooden mats are used as temporary worksites in oilfield and other construction applications.

Over the past few years, Newpark has benefited from a stricter regulatory environment surrounding the exploration for and the production of oil and gas. In addition, Newpark's primary U.S. Gulf Coast service area is experiencing increased oil and gas exploration and production activities. Consequently, Newpark's sales increased to $98 million in 1995, from $56.3 million in 1993, and net earnings increased to $12.2 million in 1995, compared to $2.4 million in 1993. Including the Campbell Wells, Ltd., operations to be acquired by Newpark concurrently with the closing of this Offering, Newpark would have had, on a pro forma basis, 1995 sales of $116.8 million and 1995 net earnings of $16.5 million, without taking into account the full benefit of potential cost savings resulting from the Acquisition.

OILFIELD WASTE DISPOSAL AND OTHER ENVIRONMENTAL SERVICES

Newpark collects, processes and disposes of oilfield waste, primarily NOW and NORM. Newpark also treats NOW at the well site, remediates waste pits and provides general oilfield services. In its NOW processing and disposal business, Newpark processes the majority of the NOW received at its facilities for injection into environmentally secure geologic formations deep underground and creates from the remainder a product which is used as intermediate daily cover material or cell liner and construction material at municipal waste landfills. Since the fourth quarter of 1994, Newpark has provided processing and disposal of NOW waste that is contaminated with NORM by processing the waste into NOW for injection disposal into wells owned by Newpark. On May 21, 1996, Newpark was issued a license from the State of Texas authorizing the direct injection of NORM into disposal wells at Newpark's Big Hill, Texas, facility. The direct injection of NORM permitted under the new license expands Newpark's NORM disposal capacity and significantly reduces the amount of pre-injection processing and chemicals required, thereby reducing Newpark's cost of disposal. On June 10, 1996, Newpark amended an agreement with a major oil company to provide for a NORM waste disposal project, which Newpark estimates will require disposal of more than 200,000 barrels of NORM and related NOW and generate revenues of approximately $10 million over the first 12 months of the project.

Newpark also provides industrial waste management, laboratory and consulting services for the customers of its NOW and NORM services. Newpark's offsite waste processing operations utilize a combination of proprietary preparation technology to blend the waste into an injectable slurry and specific underground geology into which the slurry is injected.

MAT RENTAL

Newpark uses a patented interlocking wooden mat system to provide temporary worksites in unstable soil conditions typically found along the U.S. Gulf Coast. Prior to 1994, Newpark's mat rental services were provided primarily to the oil and gas exploration and production industry. In 1994, Newpark began marketing these temporary worksites to other industries. Increasing environmental regulation affecting the construction of pipelines, electrical distribution systems and highways in and through wetlands environments has provided a substantial new outlet for these services and has broadened the geographic area served by Newpark to include the coastal areas of the Southeastern U.S., particularly Florida and Georgia, in addition to the U.S. Gulf Coast. Mat rental revenue has increased from $11 million in 1990 to $31 million in 1995. In anticipation of increased demand for hardwood lumber used in construction of its mats, Newpark purchased a sawmill in Batson, Texas, in October 1992. Newpark has since doubled the capacity of the sawmill and expects to fully utilize such capacity in serving its mat rental business.

The recent trend toward more strict environmental regulation of both drilling and production operations conducted by Newpark's customers has resulted in greater synergy between Newpark's mat rental and general oilfield construction services and its other environmental services. Newpark offers its services individually and as an integrated package and provides a comprehensive combination of on-site waste management and construction services for both the drilling of new sites and the remediation of existing sites.

STRATEGY

Newpark's growth strategy is focused on expanding its NOW and NORM processing business and its mat rental business. By using proprietary technologies and know-how in the processing of NOW and NORM and patented prefabricated mats, Newpark believes it offers superior products and services. In addition, Newpark believes that expansion opportunities exist in markets outside the U.S. Gulf Coast, including foreign markets such as Venezuela, where heightened concerns about environmental issues should increase demand for Newpark's products and services.

Key elements of Newpark's growth strategy are:

- Expanding its NORM processing business by utilizing the increased capacity and reduced cost that can be achieved through the direct injection of NORM, as authorized under the terms of Newpark's recently awarded direct injection license, to encourage large volume contracts;

- Expanding its NOW and NORM processing capacity, while more efficiently handling the large quantities of waste generated from drilling and remediation;

- Applying its direct injection technology to other non-hazardous industrial waste markets;

- Expanding its mat rental business into other industries and other geographic areas, domestically and internationally; and

- Extending its integrated environmental services and providing a comprehensive integrated combination of on-site waste management and construction services throughout the U.S. Gulf Coast region.

Newpark was organized in 1932 as a Nevada corporation and in April 1991 changed its state of incorporation to Delaware. Newpark's principal executive offices are located at 3850 North Causeway Boulevard, Suite 1770, Metairie, Louisiana 70002, and its telephone number is (504) 838-8222.

THE ACQUISITION

On June 5, 1996, Newpark entered into an Asset Purchase and Lease Agreement (the "Acquisition Agreement") with Sanifill, Inc. ("Sanifill") and Campbell Wells, Ltd. ("Campbell Wells"), a wholly owned subsidiary of Sanifill, for the purchase and lease of certain marine related assets of the NOW service business of Campbell Wells (the "Acquired Business"), for an aggregate price of $70.5 million (the "Acquisition"). For the year ended December 31, 1995, Campbell Wells' revenue from the Acquired Business was approximately $19 million.

Upon consummation of the Acquisition, Newpark will assume a NOW Disposal Agreement (the "Disposal Agreement") with Campbell Wells and Sanifill providing for the delivery by Newpark of an agreed annual quantity of NOW for disposal at certain of Campbell Wells' landfarming facilities, none of which are being acquired by Newpark. Also upon consummation of the Acquisition, Sanifill will agree, with certain limitations, that it and its affiliates will not compete with Newpark in the site remediation and closure business or in the collection and disposal of NOW generated in a marine environment or transported in marine vessels within the States of Louisiana, Texas, Mississippi and Alabama, and in the Gulf of Mexico, for a period of five years from the closing of the Acquisition.

The purchase price for the Acquisition and the related transaction costs will be financed with the net proceeds of this Offering. The closing of this Offering will occur concurrently with, and is conditioned upon, the closing of the Acquisition.

Newpark believes that the Acquisition will provide economies of scale as Newpark will be able to handle substantially higher volumes of NOW waste through its facilities. While Newpark is acquiring from Campbell Wells facilities and equipment used in the collection, transfer and treatment of NOW, including docks, transfer stations and barges, Newpark intends to consolidate these facilities and equipment with Newpark's existing or newly expanded facilities, allowing Newpark to enjoy significant on-going consolidation benefits. Such consolidation is expected to result in a one-time restructuring charge against Newpark's third quarter earnings, which charge Newpark currently estimates to be approximately $4.2 million before taxes.

For further information regarding the Acquisition, see "The Acquisition" and "Use of Proceeds".

THE OFFERING

Common Stock offered by Newpark	
U.S. Offering	2,550,000 shares
International Offering	450,000 shares
Total	3,000,000 shares
Common Stock to be outstanding after this Offering (1)	13,795,973 shares
Use of Proceeds	To finance the purchase price of the Acquisition and to repay indebtedness which may be reborrowed for future expansion
New York Stock Exchange Symbol	NR

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(1) Assumes no exercise of outstanding stock options, which, if fully exercised, would result in the issuance of an additional 897,393 shares of Common Stock.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The following table sets forth summary historical financial information of Newpark for the five years ended December 31, 1995 and three months ended March 31, 1996 and 1995. The summary historical financial information for the five years ended December 31, 1995 set forth below is derived from the audited consolidated financial statements of Newpark. The summary historical financial information for the three months ended March 31, 1996 and 1995 is derived from the unaudited consolidated financial statements of Newpark included elsewhere in this Prospectus.

	THREE MONTHS ENDED MARCH 31,		YEARS ENDED DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
	(UNAUDITED)		(IN THOUSANDS, EXCEPT PER SHARE DATA)				
STATEMENT OF INCOME DATA:							
Revenues	$ 26,767	$ 22,209	$ 97,982	$ 79,632	$56,330	$49,457	$44,635
Operating income from continuing operations	6,092	3,711	20,980	11,891	4,392	4,961	4,734
Income from continuing operations before provision for income taxes	5,215	2,913	16,987	9,309	3,118	4,132	3,064
Provision (benefit) for income taxes	1,899	423	4,751	(85)	(1,670)	51	73
Income from continuing operations	3,316	2,490	12,236	9,394	4,788	4,081	2,991
Net income	$ 3,316	$ 2,490	$ 12,236	$ 9,394	$ 2,422	$ 5,286	$ 2,503
Income per common share:							
Income from continuing operations	$ .31	$ .24	$ 1.16	$ .90	$ .49	$ .43	$ .46
Net income per common share	$ .31	$ .24	$ 1.16	$ .90	$ .25	$ .55	$ .38
Weighted average shares outstanding	10,650	10,375	10,568	10,422	9,690	9,564	6,521

	AS OF MARCH 31,		AS OF DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
	(UNAUDITED)		(IN THOUSANDS)				
BALANCE SHEET DATA:							
Working capital	$ 31,026	$ 16,666	$ 32,108	$ 13,585	$ 5,361	$ 4,900	$12,121
Total assets	156,040	114,386	152,747	110,756	90,316	75,478	53,454
Short-term debt	10,113	8,566	7,911	10,032	14,928	12,212	1,377
Long-term debt	46,907	30,110	46,724	28,892	12,446	10,432	3,774
Total stockholders' equity	81,444	66,488	77,518	63,699	53,353	45,658	40,239

SUMMARY HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The following table sets forth summary historical financial information and pro forma financial information of Newpark for the year ended December 31, 1995 and the three months ended March 31, 1996. The summary historical financial information for the year ended December 31, 1995 set forth below is derived from the Consolidated Financial Statements of Newpark included elsewhere in this Prospectus, which have been audited by Deloitte & Touche LLP, independent auditors. The summary historical financial information for the three months ended March 31, 1996 is derived from the unaudited Consolidated Financial Statements of Newpark included elsewhere in this Prospectus. The summary pro forma information provides financial information giving effect to this Offering, the Acquisition and the repayment of indebtedness as described in "Use of Proceeds" for the periods presented. The pro forma information is provided for informational purposes only and is not necessarily indicative of actual results that would have been achieved had this Offering and the Acquisition been consummated at the beginning of the periods presented, or of future results. Management expects to implement net cost reductions which are not reflected in the pro forma statements of income. These cost reductions are related to the consolidation of certain duplicate administrative and personnel costs. See "Pro Forma Financial Information".

	YEAR ENDED DECEMBER 31, 1995		THREE MONTHS ENDED MARCH 31, 1996	
	ACTUAL	PRO FORMA	ACTUAL	PRO FORMA
	(IN THOUSANDS, EXCEPT PER SHARE DATA)			
STATEMENT OF INCOME DATA:				
Revenues	$ 97,982	$ 116,819	$ 26,767	$ 32,359
Cost of services provided	64,467	76,474	17,599	21,138
Operating costs	9,414	10,128	2,359	3,205
General and administrative expenses	2,658	4,604	717	1,206
Provision for uncollectible accounts and notes receivable	463	463	--	--
Operating income from continuing operations	20,980	25,150	6,092	6,810
Interest income	(183)	(183)	(30)	(30)
Interest expense	3,740	1,410	907	346
Non-recurring expense	436	436	--	--
Income from continuing operations before provision for income taxes	16,987	23,487	5,215	6,494
Provision for income taxes	4,751	7,002	1,899	2,327
Net income	$ 12,236	$ 16,485	$ 3,316	$ 4,167
Income per common share:				
Net income per common share	$ 1.16	$ 1.22	$ .31	$ .31
Weighted average shares outstanding	10,568	13,568	10,650	13,650

	AS OF DECEMBER 31, 1995		AS OF MARCH 31, 1996	
	ACTUAL	PRO FORMA	ACTUAL	PRO FORMA
	(IN THOUSANDS)			
BALANCE SHEET DATA:				
Working capital	$ 32,108	$ 33,108	$ 31,026	$ 32,026
Total assets	152,747	230,327	156,040	233,596
Short-term debt	7,911	7,911	10,113	10,113
Long-term debt	46,724	19,507	46,907	19,690
Total stockholders' equity	77,518	176,235	81,444	180,161

RISK FACTORS

In addition to the other information contained in or incorporated by reference into this Prospectus, prospective investors should carefully consider the following factors relating to the business of Newpark in evaluating an investment in the Common Stock.

DEPENDENCE ON OIL AND GAS INDUSTRY

Demand for Newpark's environmental and oilfield services depends in large part upon the level of exploration and production of oil and gas and the industry's willingness to spend capital on environmental and oilfield services. This in turn depends on oil and gas prices, expectations about future prices, the cost of exploring for, producing and delivering oil and gas, the discovery rate of new oil and gas reserves and the ability of oil and gas companies to raise capital. Domestic and international political, military, regulatory and economic conditions also affect the industry. Prices for oil and gas historically have been extremely volatile and have reacted to changes in the supply of and the demand for oil and natural gas, domestic and worldwide economic conditions and political instability in oil producing countries. No assurance can be given that current levels of oil and gas activities will be maintained or that demand for Newpark's services will reflect the level of such activities. Prices for oil and natural gas are expected to continue to be volatile and affect the demand for Newpark's services. A material decline in oil or natural gas prices or activities could materially affect the demand for the Company's services and, therefore, the Company's results of operations and financial condition.

IMPACT OF GOVERNMENTAL REGULATIONS

Newpark believes that the demand for its principal environmental services is directly related to state regulation of NOW and NORM. Any rescission or relaxation of such regulations, or a failure of governmental authorities to enforce such regulations, could result in decreased demand for the Company's services and, therefore, could materially affect the Company's results of operations and financial condition. Newpark's business may also be adversely affected by new regulations or changes in other applicable regulations. For example, in 1993, the Louisiana market for Newpark's pit closure and site remediation services was drastically curtailed as a result of uncertainty caused by proposed changes in regulations governing the possession, use, transfer and disposition of NORM. This uncertainty was resolved by the adoption of new regulations in January 1995.

NOW is currently exempt from the principal Federal statute governing the handling and disposal of hazardous waste. In recent years, proposals have been made to rescind this exemption. The repeal or modification of the exemption covering NOW or modification of applicable regulations or their interpretation regarding the treatment and/or disposal of NOW or NORM waste could require Newpark to alter significantly its method of doing business. Such repeal or modification could have a material adverse effect on Newpark's results of operations and financial condition.

LOW BARRIERS TO ENTRY; LOSS OF TECHNOLOGY RIGHTS

Although Newpark has applied for U.S. patents on certain aspects of its system for processing NOW and NORM, there is no assurance, even if such patents are granted, that such patents will give Newpark a meaningful competitive advantage. Barriers to entry by competitors for the Company's environmental and oilfield services are low. Therefore, competitive products and services have been and may be successfully developed and marketed by others. In addition, the environmental services business in the oilfield could be impacted by future technological change and innovation, which could result in a reduction in the amount of waste being generated or alternative methods of disposal being developed.

INCREASED COMPETITION

The processing of NOW and NORM waste is a relatively new industry. Competition in this market can be expected to increase as the industry develops. In the meantime, Newpark expects to encounter significant competition from third party competitors in connection with any proposed expansion into additional geographic areas and services. Newpark also faces competition from oil and gas producing customers who are continually

seeking to enhance and develop their own methods of disposal instead of utilizing the services of third party NOW and NORM disposal companies such as Newpark. The desire to use such internal disposal methods or of third parties to enter the disposal market could be increased by future technological change and innovation and limits the ability of Newpark to increase prices. The increased use by Newpark's oil and gas producing customers of their own disposal methods and other competitive factors could have a material adverse effect on Newpark's results of operations and financial condition.

FAILURE TO COMPLY WITH GOVERNMENTAL REGULATIONS

Newpark's business is subject to numerous and continually evolving Federal, state and local laws, regulations and policies that govern environmental protection, zoning and other matters. If existing regulatory requirements change, Newpark may be required to make significant unanticipated capital and operating expenditures. Although Newpark believes that it is presently in material compliance with applicable laws and regulations, there is no assurance that it will be deemed to be in compliance in the future. Governmental authorities may seek to impose fines and penalties on Newpark or to revoke or deny the issuance or renewal of operating permits for failure to comply with applicable laws and regulations. Under such circumstances, Newpark might be required to curtail or cease operations or conduct site remediation until a particular problem is remedied, which could have a material adverse effect on Newpark's results of operations and financial condition.

POTENTIAL ENVIRONMENTAL LIABILITY; INSUFFICIENCY OF INSURANCE

Newpark's business exposes it to risks such as the potential for harmful substances escaping into the environment resulting in personal injury or loss of life, severe damage to or destruction of property, environmental damage and suspension of operations. The current and past activities of Newpark and the activities of its former divisions and subsidiaries could result in the imposition of substantial environmental, regulatory and other liabilities on Newpark, including the costs of cleanup of contaminated sites and site closure obligations. Such liabilities could also be imposed on the basis of negligence, strict liability, breach of contract with customers or, in many instances, as a result of contractual indemnification by Newpark of its customers in the normal course of its business. Injection wells have been used for many years for disposal of oilfield waste; however, certain aspects of Newpark's technology have not been used previously by others and its future performance is uncertain.

While Newpark maintains liability insurance, the insurance is subject to coverage limits and certain policies exclude coverage for damages resulting from environmental contamination. Although there are currently numerous sources from which such coverage may be obtained, there can be no assurance that insurance will continue to be available to Newpark on commercially reasonable terms, that the possible types of liabilities that may be incurred by Newpark will be covered by its insurance, that Newpark's insurance carriers will be able to meet their obligations under the policies or that the dollar amount of such liabilities will not exceed Newpark's policy limits. Even a partially uninsured claim, if successful and of significant magnitude, could have a material adverse effect on Newpark's results of operations and financial condition.

FAILURE TO INTEGRATE ACQUIRED BUSINESS

The Acquisition is significantly larger than Newpark's previous acquisitions and significantly increases the size of Newpark's operations. Campbell Wells' net sales for 1995 from the Acquired Business were approximately $19 million, and Newpark's net sales for 1995 were approximately $98 million. Successful integration of the Acquired Business will depend primarily on Newpark's ability to manage this additional business and eliminate redundancies and excess costs. Material failure or substantial delay in accomplishing such integration could have a material adverse effect on Newpark's results of operations and financial condition.

RELIANCE ON KEY PERSONNEL

Newpark is dependent upon the efforts and talents of its executive officers and certain key personnel. Loss of the services of one or more of these persons could adversely affect the operations of Newpark.

PREFERRED STOCK

The Board of Directors of Newpark is authorized to issue, without further stockholder action, up to 1,000,000 shares of Preferred Stock with rights that could adversely affect the rights of holders of Newpark Common Stock. No shares of Preferred Stock are presently outstanding, and Newpark has no present plans to issue any such shares. The issuance of shares of Preferred Stock under certain circumstances could have the effect of delaying, deterring or preventing a change in control of Newpark or other corporate action and of discouraging bids for Newpark Common Stock at a premium.

THE ACQUISITION

On June 5, 1996, Newpark entered into the Acquisition Agreement with Sanifill and Campbell Wells for the purchase and lease of certain marine related assets of Campbell Wells' NOW service business, excluding its landfarming facilities and associated equipment, for an aggregate purchase price of $70.5 million. Upon consummation of the Acquisition, Newpark will assume obligations under the Disposal Agreement with Sanifill and Campbell Wells, providing for the delivery by Newpark for a period of 25 years of an agreed annual quantity of NOW waste for disposal at certain of Campbell Wells' landfarming facilities.

BUSINESS OF CAMPBELL WELLS

Campbell Wells, a wholly-owned subsidiary of Sanifill, provides NOW processing and disposal at four landfarming facilities located in Louisiana (the "Landfarms") and one facility in Zapata County, Texas (the "Zapata Facility"). Landfarming is a method of remediating NOW in surface-level treatment cells that generally consists of rinsing out salts, degrading organic compounds and drying the resultant material to a soil-like form. Since April 1994, Campbell Wells has operated a NORM processing facility in Lacassine, Louisiana (the "Lacassine Facility"). As part of its disposal service, Campbell Wells collects and arranges for the transportation of wastes from its transfer facilities to its landfarming facilities. Campbell Wells also disposes of nonhazardous oil and gas related wastes at the Zapata Facility, and a portion of this facility is utilized to dewater and stabilize sludges, drilling muds and other liquids into solid waste materials which are disposed of in disposal cells located on the site. For the year ended December 31, 1995, Campbell Wells' revenue from its NOW and NORM operations was approximately $31 million, of which approximately $19 million was generated by the Acquired Business.

DESCRIPTION OF ACQUISITION AGREEMENT

Assets to be Purchased. Under the Acquisition Agreement, Newpark will (a) assume leases (for their remaining useful life) associated with Campbell Wells' eight marine docks, including docks at three of the Landfarms, and five transfer stations in the State of Louisiana that are used in the collection, transfer and treatment of NOW, (b) purchase and lease (for their remaining useful life) all of Campbell Wells' or Sanifill's interest in (i) all barges and marine facilities used to transport NOW to the acquired docks and transfer stations, (ii) all equipment at the acquired docks and transfer stations and (iii) all pit remediation equipment, computers and related software, licenses or rights, office equipment, office furniture, goodwill and all other assets used in the NOW business not specifically excluded under the Acquisition Agreement. Newpark also will acquire all of the capital stock of a Sanifill subsidiary that has entered into the Disposal Agreement.

Assets Excluded. Newpark will not be acquiring any interest in any of the Landfarms or their associated operating equipment, the Lacassine Facility and its associated assets or the Zapata Facility and its associated assets. Newpark also will not be acquiring the name "Campbell Wells" or any other names used by Campbell Wells or Sanifill in connection with the Landfarms, the Lacassine Facility or the Zapata Facility, although it will be permitted to purchase all or any such names for nominal consideration at such time as Campbell Wells and Sanifill discontinue using them.

Purchase Price; Assumption of Liabilities. The aggregate purchase price under the Acquisition Agreement is $70.5 million, to be paid at the closing of this Offering. Other than obligations incident to the post-closing performance under the contracts and agreements to be specifically assumed by Newpark under the Acquisition

Agreement, Newpark will not assume any liabilities of Campbell Wells or Sanifill in the transaction, including any environmental liabilities arising from the ownership and prior operation of any of the assets to be acquired or the Landfarms. Sanifill and Campbell Wells have jointly and severally agreed to fully indemnify Newpark from all liabilities resulting from any claims based on events that occurred or circumstances that existed on or before the closing with respect to Campbell Wells' NOW disposal business.

NOW Disposal Agreement. The Disposal Agreement has been executed by a subsidiary of Sanifill and will be assumed by Newpark concurrently with the closing of the Acquisition. The Disposal Agreement provides that for each of the 25 years following the closing, Newpark will deliver to Campbell Wells for disposal at the Landfarms the lesser of (i) one-third of the barrels of NOW that Newpark receives for processing and disposal in the States of Louisiana, Texas, Mississippi and Alabama and in the Gulf of Mexico (the "Territory") and (ii) 1,850,000 barrels of NOW, in each case excluding saltwater. The number of barrels of NOW waste that Newpark is required to deliver to the Landfarms in any year is subject to reduction by a number of barrels determined by dividing revenues that Sanifill and its affiliates receive from the collection and disposal of oilfield wastes or site remediation in the Territory by the price per barrel that Newpark pays for disposal under the Disposal Agreement. No deduction is made for revenues received by Sanifill and its affiliates from (i) disposal at any of the Landfarms of NOW that is generated and collected on land and is delivered to the Landfarms from the generation site by on-land transportation ("Excluded NOW"), (ii) disposal of NOW at the Zapata Facility and collection of NOW within a 200-mile radius of the Zapata Facility, and (iii) disposal of NOW under the Disposal Agreement. Under the Disposal Agreement, Campbell Wells and Sanifill will jointly and severally fully indemnify Newpark from any and all liabilities, including environmental liabilities, in connection with Campbell Wells' and Sanifill's ownership and operation of the Landfarms, except for liability resulting from the delivery by Newpark or its customers of waste that does not conform to the specifications of the Disposal Agreement, which generally permit Newpark and such customers to deliver only waste that is legally classified as NOW. Newpark believes that such specifications are consistent with the type of waste that it is permitted to receive and that it will dispose of at the Landfarms.

Non-Competition Covenants. Sanifill will agree at the closing of the Acquisition that for a period of five years from such closing neither it nor any of its affiliates will engage, directly or indirectly, in the collection or disposal of NOW or the site remediation and closure business in the Territory. Campbell Wells will execute a Joinder Agreement by which it will agree to such restrictions. However, Sanifill and its affiliates will be able to continue to market and conduct activities related to (i) disposal at any of the Landfarms of Excluded NOW, (ii) disposal of NOW at the Zapata Facility and collection of NOW within a 200-mile radius of the Zapata Facility, (iii) collection and disposal of NOW or other waste at the Lacassine Facility and (iv) disposal of NOW under the Disposal Agreement. Sanifill and its affiliates also will be entitled, without violating the Noncompetition Agreement, to collect or dispose of NORM, which is a type of NOW; however, at present, the only facility that Sanifill operates that is legally authorized to dispose of NORM is the Lacassine Facility.

Closing. The Acquisition Agreement provides that the Acquisition will close concurrent with the completion of this Offering and following the satisfaction of all conditions precedent. However, either Newpark or Sanifill and Campbell Wells may terminate the Acquisition Agreement if the Acquisition does not close by September 10, 1996.

Conditions to Closing. The obligations of Newpark, Sanifill and Campbell Wells to consummate the Acquisition are conditioned upon the completion of this Offering and the satisfaction or, where permitted, the waiver of certain other customary terms and conditions, including (a) the receipt of all necessary third party consents, including all necessary regulatory approvals; (b) the accuracy (subject to certain materiality standards) of all representations and warranties contained in the Acquisition Agreement; and (c) that no action, suit or other proceeding shall be pending or threatened which, if unfavorably determined, would prevent the Acquisition or adversely affect the right of Newpark to acquire or operate the assets being purchased or leased.

NEWPARK'S PLAN FOR COMBINED OPERATIONS

Newpark anticipates that the Acquisition will provide increased efficiencies and economies of scale associated with handling a larger volume of waste through its facilities. Newpark plans to combine the service

capabilities of the Acquired Business with its existing operations to speed the turnaround of barges and boats at its transfer stations, thus providing better customer service. Economic efficiencies are expected to result from the reduction in size of the combined barge fleet operated by Newpark to service its transfer stations, and from the consolidation of operations at more efficient transfer stations, permitting Newpark to receive a substantially higher volume of waste without material additions to existing costs. Furthermore, Newpark expects that as a result of the Acquisition, access to Sanifill's disposal facilities under the Disposal Agreement will allow Newpark to reduce its barge transportation costs and make more efficient use of its barge fleet, further augmenting its processing capacity. Newpark believes that its current processing and disposal capacity, combined with access provided to the landfarm disposal facilities of Sanifill under the Disposal Agreement, will be adequate to provide for expected future demand for its oilfield waste disposal and other environmental services. Newpark will nevertheless continue its strategy of adding injection disposal capacity throughout the U.S. Gulf Coast region to more efficiently serve its customers. See "Pro Forma Financial Information".

While Newpark is acquiring from Campbell Wells facilities and equipment used in the collection, transfer and treatment of NOW, including docks, transfer stations and barges, Newpark intends to consolidate these facilities and equipment with Newpark's existing or newly expanded facilities, allowing Newpark to enjoy significant on-going consolidation benefits. Such consolidation is expected to result in a one-time restructuring charge against Newpark's third quarter earnings, which charge Newpark currently estimates to be approximately $4.2 million before taxes.

PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Newpark's Common Stock traded on The Nasdaq National Market under the symbol "NPRS" through December 5, 1995 and commenced trading on the New York Stock Exchange on December 6, 1995 under the symbol "NR". The following table sets forth for the periods indicated the high and low sales prices for the Common Stock:

PERIOD	HIGH	LOW
1994:		
First Quarter	$14.50	$ 8.25
Second Quarter	16.75	13.50
Third Quarter	19.75	15.75
Fourth Quarter	25.00	18.25
1995:		
First Quarter	$26.00	$14.75
Second Quarter	24.25	20.25
Third Quarter	23.25	17.00
Fourth Quarter	22.86	15.50
1996:		
First Quarter	$29.75	$19.75
Second Quarter (through June 7, 1996)	37.88	28.75

On December 30, 1995, Newpark paid a 5% stock dividend on the Common Stock to stockholders of record on November 30, 1995. Newpark has not paid cash dividends on the Common Stock since March 15, 1983, and does not intend to pay any cash dividends in the foreseeable future. The Board of Directors currently intends to retain earnings for use in Newpark's business, including the expansion of its mat rental business, both in domestic and foreign markets, and the continued development of injection wells within its waste disposal business.

USE OF PROCEEDS

The net proceeds to be received by Newpark from the sale of the Common Stock offered hereby are estimated to be approximately $98.7 million ($113.6 million if the over-allotment option is exercised in full), assuming a public offering price of $35.00 per share and after deducting estimated underwriting discounts and offering expenses. Newpark intends to utilize approximately $71.5 million of the net proceeds to pay the purchase price of the Acquisition and certain associated transaction costs. Newpark will use the remaining net proceeds, estimated to be approximately $27.2 million, to repay outstanding indebtedness under its bank credit agreement, including all of the $16 million outstanding under its revolving line of credit and $11.2 million under its term loan. Newpark anticipates that such payment will provide it increased flexibility to facilitate further development of its injection disposal capacity, both in oilfield and industrial waste markets, and expansion of its mat rental business into international markets.

Borrowings under the bank credit agreement have been used to refinance existing debt and for general working capital purposes and bear interest at either a specified prime rate or the LIBOR rate, plus a spread which is determined quarterly based upon the ratio of Newpark's funded debt to cash flow. The effective interest rate under the bank credit agreement was 8.56% at June 7, 1996. The revolving line of credit matures on December 31, 1998, and the term loan is being amortized over a period of five years ending June 29, 2000.

Although Newpark intends to fully repay its outstanding borrowings under its revolving line of credit and pay down its term loan, it may borrow amounts under the revolving line of credit and other facilities from time to time in the future to fund capital requirements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources".

CAPITALIZATION

The following table sets forth the consolidated capitalization of Newpark as of March 31, 1996 and on an as adjusted basis as of March 31, 1996 to reflect the sale of the 3,000,000 shares of Common Stock offered in this Offering (at an assumed public offering price of $35.00 per share and after deducting underwriting discounts and offering expenses) and the application of the net proceeds therefrom to complete the Acquisition and to repay outstanding indebtedness. The following table should be read in conjunction with the Consolidated Financial Statements of Newpark and the Notes thereto included elsewhere in this Prospectus.

	AS OF MARCH 31, 1996	
	ACTUAL	AS ADJUSTED
	(IN THOUSANDS)	
Short-term debt:		
Notes payable	$ 119	$ 119
Current maturities of long-term debt	9,994	9,994
Total short-term debt	10,113	10,113
Long-term debt, excluding current portion:		
Long-term debt	46,907	19,690
Other non-current liabilities	285	285
Total long-term debt	47,192	19,975
Stockholders' equity:		
Preferred Stock, $.01 par value, 1,000,000 shares authorized, none issued	--	--
Common Stock, $.01 par value, 20,000,000 shares authorized, 10,694,974 issued and outstanding, 13,694,974 as adjusted for this Offering(1)	106	136
Paid-in capital	145,162	243,849
Retained earnings (deficit)	(63,824)	(63,824)
Total stockholders' equity	81,444	180,161
Total capitalization	$138,749	$210,249

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(1) Assumes no exercise of outstanding stock options, which, if fully exercised, would result in the issuance of an additional 897,393 shares of Common Stock.

PRO FORMA FINANCIAL INFORMATION

The unaudited consolidated statements of income set forth below present the combined statements of income of Newpark and the Acquired Business, adjusted to give effect to the Acquisition, including the completion of this Offering and the repayment of indebtedness, as if the Acquisition and such repayment had occurred on January 1, 1995. The unaudited pro forma combined balance sheet set forth below combines the consolidated historical balance sheets of Newpark and the Acquired Business as of March 31, 1996, giving effect to the Acquisition, including the completion of this Offering and the repayment of indebtedness, as if the Acquisition and such repayment had been consummated on March 31, 1996. The Pro Forma Financial Information should be read in conjunction with the accompanying notes and the historical financial statements and notes thereto of Newpark and the Acquired Business appearing elsewhere in this Prospectus.

The Acquisition will be accounted for under the purchase method of accounting. The total purchase price for the Acquisition will be allocated to tangible and identifiable intangible assets and liabilities based upon Newpark's preliminary estimates of their fair value with the excess of cost over net assets acquired allocated to goodwill. Such allocation is subject to revision when additional information concerning asset and liability valuations is obtained, in accordance with FAS No. 38, "Accounting for Preacquisition Contingencies of Purchased Enterprises". In Newpark's opinion, the asset and liability valuation for the Acquisition will not be materially different from the pro forma information presented herein, and Newpark is not aware of any contingencies which may affect the allocation of the purchase price other than as set forth in the accompanying pro forma combined balance sheet.

For purposes of presenting pro forma results, no changes in revenues and expenses have been made to reflect the results of any modifications to operations that might have been made had the Acquisition been consummated on the assumed effective date of the transaction. The pro forma expenses include the recurring costs which are directly attributable to the Acquisition, such as depreciation expense and amortization of goodwill. The Pro Forma Financial Information does not purport to represent what Newpark's results of operations or financial position would actually have been had the Acquisition actually occurred on the dates specified or to project Newpark's results of operations for any future period.

Management expects to implement net cost reductions which are not reflected in the accompanying pro forma statements of income. These cost reductions are related to the consolidation of certain duplicate administrative and personnel costs. Such pretax savings for the year ended December 31, 1995 and three months ended March 31, 1996 are estimated to be $3 million and $700,000, respectively. The effect of these savings would have increased pro forma net income per share by $.14 and $.03, respectively. These estimated cost savings constitute a forward looking statement under the Securities Act. The Company's actual future net income per share could be materially and adversely affected by certain risks and uncertainties, including those set forth above under "Risk Factors".

Further, the accompanying pro forma information does not include the full benefit of potential cost savings related to efficiency of operation expected by Newpark. However, no assurance can be given as to the ultimate amount, if any, of net cost savings that will actually be realized.

PRO FORMA COMBINED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 1995

	HISTORICAL		PRO FORMA		
	NEWPARK	ACQUIRED BUSINESS	ADJUSTMENTS FOR ACQUISITION	ADJUSTMENTS FOR OFFERING	COMBINED
	(IN THOUSANDS, EXCEPT PER SHARE DATA)				
Revenues	$97,982	$18,837			$116,819
Operating costs and expenses:					
Cost of services provided	64,467	12,007			76,474
Operating costs	9,414		$ 1,741 (a) 2,226 (b) (3,253)(c)		10,128
	73,881	12,007	714	--	86,602
General and administrative expenses	2,658	1,946			4,604
Provision for uncollectible accounts and notes receivable	463				463
Operating income	20,980	4,884	(714)	--	25,150
Interest income	(183)				(183)
Interest expense	3,740			(2,330)(d)	1,410
Non-recurring expense	436			--	436
Income from operations before provision for income taxes	16,987	4,884	(714)	2,330	23,487
Provision for income taxes	4,751	1,661	(260)(e)	850 (e)	7,002
Net income	$12,236	$ 3,223	$ (454)(f)	$1,480	$ 16,485
Weighted average shares outstanding	10,568			3,000	13,568
Net income per common share:	$ 1.16				$ 1.22

PRO FORMA COMBINED STATEMENT OF INCOME

THREE MONTHS ENDED MARCH 31, 1996

	HISTORICAL		PRO FORMA		
	NEWPARK	ACQUIRED BUSINESS	ADJUSTMENTS FOR ACQUISITION	ADJUSTMENTS FOR OFFERING	COMBINED
	(IN THOUSANDS, EXCEPT PER SHARE DATA)				
Revenues	$26,767	$5,592			$32,359
Operating costs and expenses:					
Cost of services provided	17,599	3,539			21,138
Operating costs	2,359		$ 1,227 (a) 555 (b) (936)(c)		3,205
	19,958	3,539	846	--	24,343
General and administrative expenses	717	489			1,206
Provision for uncollectible accounts and notes receivable	--				--
Operating income	6,092	1,564	(846)	--	6,810
Interest income	(30)				(30)
Interest expense	907			(561)(d)	346
Non-recurring expense	--			--	--
Income from operations before provision for income taxes	5,215	1,564	(846)	561	6,494
Provision for income taxes	1,899	532	(309)(e)	205 (e)	2,327
Net income	$ 3,316	$1,032	$ (537)(f)	$ 356	$ 4,167
Weighed average shares outstanding	10,650			3,000	13,650
Net income per common share:	$ .31				$ .31

FOOTNOTES TO PRO FORMA COMBINED STATEMENTS OF INCOME

(a) Reflects adjustment to record the net cost to Newpark associated with the disposal of NOW at Campbell Wells' facilities as required under the terms of the Disposal Agreement.

(b) Reflects adjustment to record the amortization of intangible assets and goodwill arising in connection with the Acquisition. The non-competition covenants are amortized over the contractual life of the Disposal Agreement, which is 25 years. Intangibles associated with the going concern value of the business acquired, its customer list and other intangibles are amortized over 35 years.

(c) The allocation of the purchase price includes a liability for the estimated costs of immediately closing certain duplicative transfer stations and barge operations of the Acquired Business. This adjustment provides for a direct effect of this decision by eliminating certain of the duplicate operating expenses related to the closed facilities and barge operations. These estimated costs constitute forward looking statements under the Securities Act. The Company's actual future operating results could be materially and adversely affected by certain risks and uncertainties, including those set forth above under "Risk Factors--Failure to Integrate Acquired Business".

(d) Reflects adjustment to reduce interest expense related to repayment of borrowings under Newpark's bank credit facility utilizing the portion of the net proceeds of this Offering in excess of the purchase price in the Acquisition.

(e) Adjustment to reflect the effect on income tax expense, calculated at Newpark's marginal tax rate of 36.5%, on the adjustments reflected on the pro forma financial statements.

(f) This pro forma net income amount constitutes a forward looking statement under the Securities Act. The Company's actual future net income could be materially and adversely affected by certain risks and uncertainties, including those set forth above under "Risk Factors--Failure to Integrate Acquired Business".

PRO FORMA COMBINED BALANCE SHEET

AS OF MARCH 31, 1996

	HISTORICAL		PRO FORMA		
	NEWPARK	ACQUIRED BUSINESS	ADJUSTMENTS FOR ACQUISITION	ADJUSTMENTS FOR OFFERING	COMBINED
			(IN THOUSANDS)		
Assets:					
Current assets	$ 53,266	--	--	$ 1,000(a)	$ 54,266
Property, plant and equipment	90,996	$2,531	$ (208)(b)	--	93,319
Intangibles and other assets	11,778	--	74,233 (b)	--	86,011
Total assets	$156,040	$2,531	$74,025	$ 1,000	$233,596
Liabilities and Stockholders' Equity:					
Current Liabilities	$ 22,240	--	--	--	$ 22,240
Long-term debt	46,907	--	--	$(27,217)(a)	19,690
Other liabilities	5,449	$ 444	$ 5,612(b)	--	11,505
Total stockholders' equity	81,444	--	--	98,717 (a)	180,161
Total liabilities and stockholders' equity	$156,040	$ 444	$ 5,612	$ 71,500	$233,596

FOOTNOTES TO PRO FORMA COMBINED BALANCE SHEET

(a) Reflects the use of proceeds from this Offering to finance the purchase price of the Acquisition and to repay outstanding indebtedness under Newpark's bank credit facility as described in "Use of Proceeds".

(b) The purchase cost of the Acquisition was allocated to the assets and liabilities acquired based on their relative fair values, subject to final determination based on independent valuations, as follows:

Purchase Cost:		
Cash		$70,500
Purchase accounting reserves*		5,612
Less book value of net assets acquired		(2,087)
Excess of purchase cost over book value		$74,025
Allocated as follows:		
Property, plant and equipment, net		$ (208)
Intangibles and other assets:		
Non-compete and other	$8,500	
Goodwill	65,733	74,233
Total		$74,025

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* Purchase accounting reserves include the estimated costs to close certain duplicate facilities and barge operations of the Acquired Business.

SELECTED HISTORICAL FINANCIAL DATA

The selected consolidated historical financial data presented below for the five years ended December 31, 1995 are derived from the audited consolidated financial statements of Newpark. The selected historical financial information for the three months ended March 31, 1995 and 1996 is derived from the unaudited consolidated financial statements of Newpark, and, in the opinion of Newpark, includes all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair presentation of the operating results for such interim period. The results of operations for the three months ended March 31, 1996 are not necessarily indicative of results for the full year. The following data should be read in conjunction with the Consolidated Financial Statements of Newpark and the Notes thereto included elsewhere in this Prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

	YEARS ENDED DECEMBER 31,				
	1995	1994	1993	1992	1991
	(IN THOUSANDS, EXCEPT PER SHARE DATA)				
STATEMENT OF INCOME DATA:					
Revenues	$ 97,982	$ 79,632	$56,330	$49,457	$44,635
Cost of services provided	64,467	56,259	42,581	36,860	34,703
Operating costs	9,414	7,277	6,557	5,519	3,799
General and administrative expenses	2,658	3,231	2,129	1,963	1,305
Provision for uncollectible accounts and notes receivable	463	974	671	154	94
Operating income from continuing operations	20,980	11,891	4,392	4,961	4,734
Interest income	(183)	(78)	--	(18)	(47)
Interest expense	3,740	2,660	1,274	847	1,562
Non-recurring expense	436	--	--	--	--
Financial restructure costs	--	--	--	--	155
Income from continuing operations before provision for income taxes	16,987	9,309	3,118	4,132	3,064
Provision (benefit) for income taxes	4,751	(85)	(1,670)	51	73
Income from continuing operations	12,236	9,394	4,788	4,081	2,991
Income (loss) from discontinued operations	--	--	(2,366)	1,205	877
Income before extraordinary items	12,236	9,394	2,422	5,286	3,868
Extraordinary items	--	--	--	--	1,365
Net income	$ 12,236	$ 9,394	$ 2,422	$ 5,286	$ 2,503
Income (loss) per common share:					
Continuing operations	$ 1.16	$ .90	$ .49	$ .43	$ .46
Discontinued operations	--	--	(.24)	.12	.13
Extraordinary items	--	--	--	--	(.21)
Net income per common share	$ 1.16	$ .90	$ .25	$ .55	$ .38
Weighted average shares outstanding	10,568	10,422	9,690	9,564	6,521

	AS OF DECEMBER 31,				
	1995	1994	1993	1993	1992
	(IN THOUSANDS)				
BALANCE SHEET DATA:					
Working capital	$ 32,108	$ 13,585	$ 5,361	$ 4,900	$12,121
Total assets	152,747	110,756	90,316	75,478	53,454
Short-term debt	7,911	10,032	14,928	12,212	1,377
Long-term debt	46,724	28,892	12,446	10,432	3,774
Total stockholders' equity	77,518	63,699	53,353	45,658	40,239

	THREE MONTHS ENDED MARCH 31,	
	1996	1995
	(UNAUDITED) (IN THOUSANDS, EXCEPT PER SHARE DATA)	
STATEMENT OF INCOME DATA:		
Revenues	$ 26,767	$ 22,209
Cost of services provided	17,599	15,532
Operating costs	2,359	2,288
General and administrative expenses	717	648
Provision for uncollectible accounts and notes receivable	--	30
Operating income from operations	6,092	3,711
Interest income	(30)	(91)
Interest expense	907	889
Income from continuing operations before provision for income taxes	5,215	2,913
Provision for income taxes	1,899	423
Net income	$ 3,316	$ 2,490
Income per common share:		
Net income per common share	$ .31	$ .24
Weighted average shares outstanding	10,650	10,375

	AS OF MARCH 31,	
	1996	1995
	(UNAUDITED) (IN THOUSANDS)	
BALANCE SHEET DATA:		
Working capital	$ 31,026	$ 16,666
Total assets	156,040	114,386
Short-term debt	10,113	8,566
Long-term debt	46,907	30,110
Total stockholders' equity	81,444	66,488

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of Newpark's financial condition, results of operations, liquidity and capital resources should be read in conjunction with the Consolidated Financial Statements and the Notes thereto included elsewhere in this Prospectus.

OVERVIEW

The Baker Hughes Rotary Rig Count has historically been viewed as the most significant single indicator of oil and gas drilling activity in the domestic market. In 1993, the United States rig count averaged 754 rigs in operation, and increased to 774 in 1994. In 1995, the rig count averaged 723, the second lowest on record since the advent of the indicator in the early 1940's.

Newpark's operations principally occur in the following rig count measurement areas: (i) South Louisiana Land, (ii) Texas Railroad Commission Districts 2 and 3, (iii) Louisiana and Texas Inland Waters and (iv) the Offshore Gulf of Mexico. The rig count trend in the areas that Newpark serves has tracked these national trends as set forth in the table below:

	1993	1994	1995	1Q95	2Q95	3Q95	4Q95	1Q96
U.S. rig count	754	774	723	705	677	745	765	708
Newpark's service area	176	202	195	191	187	201	199	189
Newpark's service area to total	23.3%	26.1%	27.0%	27.1%	27.6%	27.0%	26.0%	26.7%

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Source: Baker Hughes Incorporated

Newpark believes that improved natural gas drilling activity, as evidenced by the rig count in the area it serves, was an important factor which allowed a trend of increasing prices in its site preparation and mat rental business to continue through 1994. Newpark believes the decline in the rig count within Newpark's service area during 1995, which continued in the first quarter of 1996, was primarily the result of low natural gas prices during most of 1995. As of June 7, 1996, the U.S. rig count was 781, and 214 within Newpark's service area, which Newpark believes is reflective of the continued increase in natural gas prices that commenced in November 1995.

Despite this decline in rig activity, the volume of waste received by Newpark increased at a compound rate of 44% from 1993 to 1995, primarily due to the recovery of the remediation market following implementation of NORM regulations and new, more stringent regulations governing the discharge of drilling and production waste in the coastal and inland waters and in the offshore Gulf of Mexico.

	YEARS ENDED DECEMBER 31,					
	1995		1994		1993	
	(IN THOUSANDS)					
Revenues by product line:						
Offsite waste processing	$31,126	31.8%	$20,738	26.0%	$11,354	20.2%
Mat rental service	30,775	31.4	23,048	28.9	21,042	37.4
General oilfield services	14,511	14.8	13,452	16.9	11,358	20.1
Wood product sales	12,609	12.9	13,105	16.5	7,947	14.1
Onsite environmental management	7,361	7.5	7,689	9.7	4,629	8.2
Other	1,600	1.6	1,600	2.0	--	--
Total revenues	$97,982	100.0%	$79,632	100.0%	$56,330	100.0%

	THREE MONTHS ENDED MARCH 31,			
	1996		1995	
	(IN THOUSANDS)			
Revenues by product line:				
Offsite waste processing	$ 7,833	29.3%	$ 7,391	33.3%
Mat rental service	7,901	29.5	6,632	29.9
General oilfield services	4,003	14.9	3,032	13.6
Wood product sales	3,956	14.8	2,624	11.8
Onsite environmental management	2,564	9.6	2,130	9.6
Other	510	1.9	400	1.8
Total revenues	$26,767	100.0%	$22,209	100.0%

THREE MONTHS ENDED MARCH 31, 1996 COMPARED TO THREE MONTHS ENDED MARCH 31, 1995

Revenues

Total revenues increased to $26.8 million in the three months ended March 31, 1996 from $22.2 million in the three months ended March 31, 1995, an increase of $4.6 million, or 20.5%. The major components of the increase by product line included: (i) $1.3 million of increased revenue from wood product sales due to increased sales of wood chips produced by additional capacity added during 1995; (ii) an increase of $1.3 million, or 19.1%, in mat rental revenue due to a 17.7% increase in volume on pricing similar to the 1995 period; (iii) an increase of $971,000, or 32.0%, in general oilfield service revenue, which resulted primarily from site preparation services related to the increased volume of mat rental services provided during the period; (iv) an increase of $442,000 in offsite waste processing revenues derived primarily from NORM disposal operations; and (v) an increase of $434,000 in onsite environmental management services related to the increased site remediation activity in the 1996 period. NORM processing volume during the current period increased to 37,200 barrels, compared to 12,600 barrels in the 1995 period. The effect of the volume increase was offset, in part, by a decrease in the average revenue per barrel, from $111.00 in the 1995 period to $48.00 in the current quarter. The change in average price reflects the lower level of radium contamination in waste received from site remediation projects, which represent a majority of current volume. NOW disposal revenue increased $57,000, to $6,048,000 in the current quarter, compared to $5,991,000 in the 1995 period. Total volume increased 8%, to 745,000 barrels, compared to 690,000 barrels in the year-ago quarter, but was partially offset by a decline in the average revenue per barrel to $8.12 in the 1996 quarter, from $8.68 in the prior period. The decline is due to changes in mix, with lower priced remediation volume of 123,000 barrels in the 1996 quarter, representing 16.5% of total volume, compared to 13.0% in the 1995 quarter.

Operating Income

Operating income increased by $2.4 million, or 64.2%, to $6.1 million in the 1996 period, compared to $3.7 million in the prior period. This represents an improvement in operating margin to 22.8% in the 1996 period, compared to 16.7% in the 1995 period. Primary components of the increase included $1.9 million resulting from the increase in the volume of mats rented and approximately $470,000 increased operating profit from wood product sales.

General and administrative expenses remained relatively unchanged, decreasing as a proportion of revenue to 2.7%, from 2.9% in the 1995 period, and increasing in absolute amount by $69,000.

Interest Expense

Interest expense was substantially unchanged at approximately $900,000 for both periods, although average outstanding borrowings increased approximately 43.9% from the prior period. This resulted from decreased net interest cost under the current credit agreement, which became effective as of June 29, 1995, and interest capitalization related to construction in progress in the current quarter.

Provision for Income Taxes

For the 1996 period, Newpark recorded an income tax provision of $1.9 million, or 36.4% of pre-tax income. The net provision for the 1995 period of $423,000, equal to a 15% effective rate, was comprised of a provision for federal income taxes net of the recognition of certain state income tax carryforwards available to offset estimated future earnings.

Net Income

Net income increased by $826,000, or 33.2%, to $3.3 million in 1996, compared to $2.5 million in the 1995 period.

YEAR ENDED DECEMBER 31, 1995 COMPARED TO YEAR ENDED DECEMBER 31, 1994

Revenues

Total revenues increased to $98 million in 1995, from $79.6 million in 1994, an increase of $18.4 million or 23.0%. The components of the increase by product line are as follows: (i) offsite waste processing revenues increased $10.4 million, as NOW revenue increased $5.5 million (due almost exclusively to additional volume) and NORM processing revenue increased to $6 million on approximately 70,000 barrels in 1995, from $1.2 million in revenue and 15,000 barrels in 1994; (ii) mat rental revenue increased $7.7 million, or 34%, due to (a) increased volume installed at similar pricing compared to the prior year and (b) an increase in revenues from extended rerentals of $3.6 million resulting from the longer use of sites and the trend toward deeper drilling in more remote locations, requiring larger sites to accommodate increased equipment and supplies on the site and resulting in the size of the average location growing 17% in 1995 as compared to the prior year; (iii) general oilfield service revenue increased $1.1 million, or 7.9%, primarily as a result of the increased level of site preparation work incident to the rental of mats in the oilfield segment of that business; (iv) onsite environmental management service revenue declined approximately $300,000, or 4%, with the reduced level of current drilling-related projects more than offsetting increased activity in the remediation of old sites; and (v) revenue from wood product sales decreased approximately $500,000, due in part to production inefficiencies during the start-up of a new processing line and the inclusion of a large non-recurring order in prior year revenue.

Operating Income from Continuing Operations

Operating income from continuing operations increased by $9.1 million, or 76.4%, to $21 million in the 1995 period, compared to $11.9 million in the prior year. This represents an improvement in operating margin to 21.4% in 1995, compared to 14.9% in 1994.

Primary components of the increase included: (i) approximately $2.9 million related to the effect of volume increases in both NOW and NORM processing; (ii) $3.6 million from increased mat rerentals; (iii) $1.3 million resulting from the increase in the volume of mats rented, to approximately 200 million board feet, compared to 157 million in 1994, at similar margins; and (iv) an approximate $200,000 increase in operating profit on a better gross margin mix from wood product sales.

The decline of $573,000 in general and administrative expenses primarily reflects the impact of approximately $600,000 of prior year charges for legal costs incurred in an appeal of an expropriation matter. Additionally, the provision for uncollectible accounts was $511,000 less in the 1995 period as compared to the 1994 period.

Interest Expense

Interest expense increased to $3.7 million in 1995, from $2.7 million in 1994. The increase was the result of an increase in borrowings, proceeds of which were used to fund continued additions to productive capacity, including Newpark's waste processing facilities, its prefabricated board road mats and additions to inventory, primarily at the sawmill facility.

Non-Recurring Expense

Results for the current period include $436,000 of non-recurring costs associated with a proposed merger which was not completed.

Provision for Income Taxes

During 1995, Newpark recorded an income tax provision of $4.8 million, or 28% of pre-tax income. While Newpark's net operating loss carryforwards remain to be used for income tax return purposes, for financial reporting purposes, substantially all of the remaining net operating loss and tax credit carryforwards applicable to federal taxes were recognized in the first half of the year, which reduced the effective tax rate for that portion of the year. During 1994, Newpark recorded a tax benefit of $85,000 as a result of the availability of net operating loss carryforwards.

Net Income

Net income increased by $2.8 million, or 30%, to $12.2 million in 1995, compared to $9.4 million in 1994.

YEAR ENDED DECEMBER 31, 1994 COMPARED TO YEAR ENDED DECEMBER 31, 1993

Revenues

Total revenues increased from $56.3 million in 1993 to $79.6 million in 1994, an increase of $23.3 million, or 41.4%. Components of the increase by product line included: (i) a $9.4 million increase in offsite waste processing, composed of (a) an increase of $8.2 million, resulting from a 72.5% increase in the number of barrels of NOW waste received, which grew to 2.3 million in 1994 from 1.3 million in 1993, and (b) $1.2 million from NORM processing which began in the fourth quarter of 1994; (ii) an increase of $5.2 million of wood product sales revenue due to an increase in the total tonnage of products sold at similar pricing; (iii) a $3 million increase in onsite environmental management revenue reflecting the recovery of this market during 1994 once definitive NORM regulations were effected in both Louisiana and Texas, resulting in a total of 355,000 barrels of remediation waste being handled in 1994, as compared to only 22,000 in 1993; (iv) a $2 million increase in mat rental revenue, the net effect of a 29% increase in average pricing to approximately $93 per thousand board feet installed and a 4% decline in total volume to 157 million board feet in 1994, compared to 164 million board feet in 1993; and (v) an increase of approximately $2.1 million in general oilfield service revenue, which primarily reflects the increased site construction services related to the increased volume of mats installed on customers' sites. Other revenue included $1.6 million in 1994 from the lease of the facility formerly operated as a marine repair yard in Houston, Texas.

Operating Income from Continuing Operations

Operating income from continuing operations increased $7.5 million, from $4.4 million, or 7.8% of revenue, in 1993, to $11.9 million, or 14.9% of revenue, in the current period. Factors contributing to the increase included: (i) a $3.1 million increase in operating income from offsite waste processing, of which approximately $600,000 relates to the receipt of 14,711 barrels of NORM waste solely during the fourth quarter of 1994, with the remainder attributable to increased volume and substantially unchanged profit contribution per barrel of NOW processed; (ii) $2.7 million from increased mat rental revenue; (iii) a $2.5 million increase resulting from the increase in the volume of mats rented; and (iv) a profit of approximately $800,000 (before related interest expense) from the lease of Newpark's former marine repair facility. These increases were partially offset by the following: (a) a $258,000 decrease in operating income from wood products sales due to higher inventory costs relative to 1993; (b) a $1.1 million increase in general and administrative expenses; and (c) a $300,000 increase in the provision for uncollectible accounts and notes receivable.

General and administrative expenses as a proportion of revenue rose to 4.1% in 1994, from 3.8% in 1993, while rising in total by $1.1 million, to $3.2 million in 1994, from $2.1 million in 1993. The principal items

associated with the increase included a charge for legal costs of approximately $600,000 incurred due to the appeal of an expropriation matter and a $130,000 provision for additional franchise taxes, as a result of a recently completed audit.

Interest Expense

Interest expense increased $1.4 million, to $2.7 million in 1994, compared to $1.3 million in 1993, as Newpark added approximately $17.5 million in net borrowings to finance new and existing facilities and equipment during 1994.

Provision for Income Taxes

During 1994, Newpark recorded a net deferred tax benefit of $200,000 as a result of recognizing the future benefit of the income tax carryforwards available to offset the estimated future earnings. See Note F in the Notes to Consolidated Financial Statements. The net deferred tax benefit was partially offset by current tax expense of $115,000.

Net Income

Net income increased to $9.4 million in 1994, from $2.4 million in 1993, an increase of $7 million, or 288%, equal to 29.9% of incremental revenues.

LIQUIDITY AND CAPITAL RESOURCES

During 1995 and to date during 1996, Newpark's working capital needs were met primarily from operating cash flow. Newpark's working capital position decreased by $1.1 million during the three months ended March 31, 1996 and increased by $18.5 million during the year ended December 31, 1995.

		DECEMBER 31,	
	MARCH 31, 1996	1995	1994
Working capital (in thousands)	$31,026	$32,108	$13,585
Current ratio	2.4	2.3	1.8

Throughout 1995, Newpark invested approximately $18 million to provide future capacity within key product lines. These improvements included the addition of two more injection wells and a grinding mill at the Big Hill facility, construction of a new injection facility (which includes two injection wells) at the Fannett site, construction of a bulk waste unloading facility adjacent to Newpark's existing Port Arthur facility, additions to Newpark's inventory of rental mats in the domestic market and an expansion of Newpark's rental mat business into Venezuela. As a result of these asset additions and expansion, long term debt increased to $46.7 million at year end, representing 36.3% of total long-term capital. A total of $43.4 million of the debt was funded through a credit facility with three banks, which was completed during the second quarter of the year.

Newpark's credit facility provides for a total of up to $50 million of term financing consisting of a $25 million term loan to be amortized over five years and a $25 million revolving line of credit. At Newpark's option, these borrowings bear interest at either a specified prime rate or the LIBOR rate, plus a spread which is determined quarterly based upon the ratio of Newpark's funded debt to cash flow. The credit agreement requires that Newpark maintain certain specified financial ratios and comply with other usual and customary requirements. Newpark was in compliance with all of the covenants in the credit agreement at March 31, 1996. The term loan was used to refinance existing debt and is being amortized over a five year term ending June 29, 2000. In March 1996, the term loan was increased to $35 million, and the $10 million increase was used initially to reduce borrowings on the revolving line of credit portion of the facility. The revolving line of credit matures December 31, 1998. Availability of borrowings under the line of credit is tied to the level of Newpark's accounts receivable and certain inventory. At March 31, 1996, $5.8 million of letters of credit were issued and outstanding under the

line and an additional $11.6 million had been borrowed and was outstanding thereunder. Effective April 24, 1996, Newpark replaced $3.8 million of outstanding letters of credit with a corporate guaranty, leaving $2 million of letters of credit outstanding.

Net cash provided by operating activities was $4.2 million during the three months ended March 31, 1996, compared to $1.9 million in the comparable period of the prior year, an increase of $2.3 million. Approximately $2 million, or 87%, of the improvement was attributable to increased earnings adjusted for non-cash tax expense and depreciation and amortization. The remainder of the increase was the net effect of improved receivable turnover, net of reductions in accounts payable. Net cash provided by operations was supplemented by $2.6 million in additional net borrowings to finance $6.8 million of incremental capital investment.

Newpark anticipates capital expenditures of approximately $19 million during the last three quarters of 1996, including: (i) approximately $7 million to purchase additional mats for its Venezuela joint venture; (ii) approximately $5 million for other international expansion in its mat business outside of Venezuela; and (iii) approximately $4 million to acquire and develop additional injection well sites and acquire associated equipment. Newpark also is in discussions with its joint venture partners in Venezuela for the purchase of their interests in such venture and anticipates that approximately $3 million may be used to acquire such interests during 1996. For 1997, Newpark anticipates capital expenditures of approximately $27 million, consisting of: (i) approximately $15 million in its mat rental business, including international expansion and mat purchases; (ii) approximately $8 million to acquire and develop additional injection well sites, including an industrial waste injection facility; and (iii) approximately $4 million for the upgrade and purchase of equipment. After taking into account the repayment of outstanding indebtedness as described in "Use of Proceeds", Newpark anticipates that all of its capital expenditure requirements will be satisfied with borrowings under its credit facilities and with cash flow from operations.

Newpark presently has no commitments beyond its bank lines of credit by which it could obtain additional funds for current operations; however, it regularly evaluates potential borrowing arrangements which may be utilized to fund future expansion plans. Newpark believes that following the consummation of the Acquisition (including the completion of this Offering and the application of the net proceeds as described in "Use of Proceeds"), available borrowings under its current credit facility and internally generated funds will be sufficient to support its working capital, capital expenditure and debt service requirements for the foreseeable future. Except as described in the preceding paragraph, Newpark is not aware of any material capital expenditures, significant balloon payments or other payments on long-term obligations or any other demands or commitments, including off-balance sheet items, to be incurred beyond the next 12 months.

Inflation has not materially impacted Newpark's revenues or income.

Deferred Tax Asset

Newpark accounts for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes". This standard requires, among other things, recognition of future tax benefits measured by enacted tax rates attributable to deductible temporary differences between the financial statement and income tax basis of assets and liabilities and to tax net operating loss and credit carryforwards to the extent that realization of such benefits is more likely than not. Newpark has provided a valuation allowance ($236,000 at December 31, 1995) for deferred tax assets which cannot be realized through future reversals of existing taxable temporary differences. Newpark believes that remaining deferred tax assets ($10,450,000 at December 31, 1995) are realizable through reversals of existing taxable temporary differences. Newpark will continue to assess the adequacy of the valuation allowance on a quarterly basis.

INTRODUCTION

Newpark is a leading provider of integrated environmental services to the oil and gas exploration and production industry in the U.S. Gulf Coast area, principally in Louisiana and Texas. These services are concentrated in three key product lines: (i) processing and disposal of nonhazardous oilfield waste ("NOW"); (ii) processing and disposal of similar oilfield waste that is contaminated with naturally occurring radioactive material ("NORM"); and (iii) mat rental services in which patented prefabricated wooden mats are used as temporary worksites in oilfield and other construction applications.

The following table sets forth, for the three months ended March 31, 1996 and 1995 and the years ended December 31, 1995, 1994, and 1993, the amount of revenues for each class of similar products and services:

	THREE MONTHS ENDED MARCH 31,		YEAR ENDED DECEMBER 31,		
	1996	1995	1995	1994	1993
	(UNAUDITED)		(IN THOUSANDS)		
Revenues:					
Offsite waste processing	$ 7,833	$ 7,391	$31,126	$20,738	$11,354
Mat rental	7,901	6,632	30,775	23,048	21,042
General oilfield services	4,003	3,032	14,511	13,452	11,358
Wood products sales	3,956	2,624	12,609	13,105	7,947
Onsite environmental management	2,564	2,130	7,361	7,689	4,629
Other	510	400	1,600	1,600	--
Total revenues	$26,767	$22,209	$97,982	$79,632	$56,330

OILFIELD WASTE DISPOSAL AND OTHER ENVIRONMENTAL SERVICES

Newpark collects, processes and disposes of oilfield waste, primarily NOW and NORM. Newpark also treats NOW at the well site, remediates waste pits and provides general oilfield services. In its NOW processing and disposal business, Newpark processes the majority of the NOW received at its facilities for injection into environmentally secure geologic formations deep underground and creates from the remainder a product which is used as intermediate daily cover material or cell liner and construction material at municipal waste landfills. Since the fourth quarter of 1994, Newpark has provided processing and disposal of NOW waste that is contaminated with NORM by processing the waste into NOW for injection disposal into wells owned by Newpark. On May 21, 1996, Newpark was issued a license from the State of Texas authorizing the direct injection of NORM into disposal wells at Newpark's Big Hill, Texas, facility. The direct injection of NORM permitted under the new license expands Newpark's NORM disposal capacity and significantly reduces the amount of pre-injection processing and chemicals required, thereby reducing Newpark's cost of disposal. On June 10, 1996, Newpark amended an agreement with a major oil company to provide for a NORM waste disposal project, which Newpark estimates will require disposal of more than 200,000 barrels of NORM and related NOW and generate revenues of approximately $10 million over the first 12 months of the project.

Newpark also provides industrial waste management, laboratory and consulting services for the customers of its NOW and NORM services. Newpark's offsite waste processing operations utilize a combination of proprietary preparation technology to blend the waste into an injectable slurry and specific underground geology into which the slurry is injected.

NOW

Nonhazardous Oilfield Waste, or NOW, is waste generated in the exploration for or production of oil and gas. These wastes typically contain levels of oil and grease, salts or chlorides, and heavy metals in excess of concentration limits defined by state regulators. NOW also includes soils which have become contaminated by

these materials. In the environment, oil and grease and chlorides disrupt the food chain and have been determined by regulatory authorities to be harmful to plant and animal life, and heavy metals can become concentrated in living tissues.

NORM

Naturally Occurring Radioactive Material, or NORM, is present throughout the earth's crust at very low levels. Among the radioactive elements, only Radium 226 and Radium 228 are slightly soluble in water. Because of their solubility, which can carry them into living plant and animal tissues, these elements present a hazard. Radium 226 and Radium 228 can be leached out of hydrocarbon bearing strata deep underground by salt water which is produced with the hydrocarbons. Radium generally precipitates out of the production stream as it is drawn to the surface and encounters a pressure or temperature change in the well tubing or production equipment, forming a rust-like scale. This scale contains radioactive elements which, over many years, can become concentrated on tank bottoms or at water discharge points at production facilities. Thus, NORM waste is NOW that has become contaminated with these radioactive elements at concentration levels in excess of limits established by state regulatory authorities.

MAT RENTAL

Newpark uses a patented interlocking wooden mat system to provide temporary worksites in unstable soil conditions typically found along the U.S. Gulf Coast. Prior to 1994, Newpark's mat rental services were provided primarily to the oil and gas exploration and production industry. In 1994, Newpark began marketing these temporary worksites to other industries. Increasing environmental regulation affecting the construction of pipelines, electrical distribution systems and highways in and through wetlands environments has provided a substantial new outlet for these services and has broadened the geographic areas served by Newpark to include the coastal areas of the Southeastern U.S., particularly Florida and Georgia, in addition to the U.S. Gulf Coast. Mat rental revenue has increased from $11 million in 1990 to $31 million in 1995. In anticipation of increased demand for hardwood lumber used in construction of its mats, Newpark purchased a sawmill in Batson, Texas, in October 1992. Newpark has since doubled the capacity of the sawmill and expects to fully utilize such capacity in serving its mat rental business.

The recent trend toward more strict environmental regulation of both drilling and production operations conducted by Newpark's customers has resulted in greater synergy between Newpark's mat rental and general oilfield construction services and its other environmental services. Newpark offers its services individually and as an integrated package and provides a comprehensive combination of on-site waste management and construction services for both the drilling of new sites and the remediation of existing sites.

DEVELOPMENT OF THE BUSINESS

Since 1990, Newpark has concentrated on expanding and further integrating its environmental service capabilities. Through acquisitions in 1990 and 1991, Newpark extended its environmental services into the Texas Gulf Coast region. In May 1991, Newpark expanded its processing capacity by constructing a new NOW processing facility in Port Arthur, Texas, replacing a smaller facility. Newpark has further increased capacity through subsequent equipment additions and improvements in process technology and procedures. Beginning in 1992, Newpark determined to develop a deep well injection program and, in March 1993, completed its first facility for underground disposal of NOW, at Big Hill, Texas. During 1994, Newpark obtained a permit to process NORM waste for disposal, and thus became a participant in the NORM disposal business. During its first full year of operation, the NORM plant processed 70,000 barrels of waste, generating revenue of $6 million.

Recent developments include:

. On June 10, 1996, Newpark amended an agreement with a major oil company to provide for a NORM waste disposal project, which Newpark estimates will require disposal of more than 200,000 barrels of NORM and related NOW and generate revenues of approximately $10 million over the first 12 months of the project.

- On May 21, 1996, Newpark was awarded a license from the State of Texas authorizing the direct injection of NORM into disposal wells at its Big Hill, Texas facility.

- The trend toward more stringent regulation of NOW and NORM waste continued during 1995. NORM regulations were adopted in several states, most importantly New Mexico and Texas. The NORM regulations were revised in Louisiana and Mississippi, and draft regulations have been prepared, but are not yet proposed, in Oklahoma.

- The volume of NOW processed by Newpark grew by 25% during 1995, to 2.9 million barrels, despite a slightly lower rig count. The effect on Newpark's services of a small decline in the number of active drilling rigs was substantially offset by deeper drilling by Newpark's customers. In the three months ended March 31, 1996, the volume of NOW processed increased by 8% compared to the same period in 1995.

- A NOW facility, located near Fannett, Texas, was opened in the third quarter of 1995 in anticipation of the conversion of the Big Hill facility into a NORM facility, and additional wells were drilled at the Big Hill facility, providing a further increase in waste disposal capacity.

- Newpark extended its mat rental services to non-oilfield uses in Florida and Georgia.

- Newpark initiated a joint venture to provide its mat rental services to the exploration and production market in Venezuela.

NORM Direct Injection License. On May 21, 1996, Newpark was awarded a new license from the State of Texas permitting receipt of NORM waste and direct injection disposal of NORM at its Big Hill facility, without the requirement to process the waste until it attains NOW characteristics. The Big Hill facility will become Newpark's principal NORM disposal facility. Under the new license, the processing facility and the disposal wells will be located at the same site, minimizing transportation costs. Additionally, since the new license allows injection of more concentrated NORM into the wells, subject only to Newpark's facility contamination limits, the volume of material injected is substantially lower than for the prior process, significantly expanding the capacity and extending the useful life of the site. Newpark believes that the new license will allow it to reduce prices to customers and encourage the use of the direct injection process for the disposal of large volumes of NORM. The recent contract with a major oil company for a large NORM disposal project is the first remediation project to take advantage of this new direct injection license.

Developments related to NOW. Newpark processed and disposed of 745,000 barrels of NOW in the first quarter of 1996, of which 622,000 barrels were generated from current drilling and production operations and 123,000 barrels were generated from the remediation of old pits and production facilities, compared with 690,000 barrels in the first quarter of 1995, of which 600,000 were from current drilling and production operations and 90,000 were from remediation activities. Newpark processed and disposed of 2,905,000 barrels of NOW in 1995, of which 2,364,000 barrels were generated from current drilling and production operations and 541,000 barrels were generated from the remediation of old pits and production facilities, compared with 2,329,000 barrels in 1994, of which 1,974,000 were from current drilling and production operations and 355,000 were from remediation activities.

During 1995, Newpark further expanded its NOW injection facility, located at Big Hill, Texas, drilling two additional injection wells and constructing a grinding mill at the site to more efficiently handle the large quantities of waste resulting from the growing remediation market. The mill is used to reduce and make uniform the size of the particles in the waste stream to maintain desired flow characteristics in Newpark's injection wells. In September 1995, Newpark opened its second injection site, at Fannett, Texas, drilling two wells at that facility, and in the fourth quarter, completed a bulk barge unloading facility adjacent to the original Port Arthur processing facility. Together with additions to personnel and equipment at its receiving facilities, this increased Newpark's NOW processing capacity to approximately 500,000 barrels per month. Newpark intends to use the Big Hill facility primarily for disposal of NORM, and the Fannett facility will become Newpark's primary facility for the disposal of NOW.

Services to wetlands construction projects. Many of the environmental concerns that have affected drilling in the environmentally sensitive marshes of the U.S. Gulf Coast are now beginning to affect other construction activities in the U.S. Gulf Coast and other geographic areas. Federal and state regulatory agencies have begun to require increased precautions to prevent construction-related damage to the environment in wetlands areas throughout the United States. Newpark believes that its prefabricated mat technology is well-suited for use in construction projects in wetlands and other areas characterized by unstable soil conditions. During 1995, Newpark performed projects in connection with pipeline, electrical utility and highway construction projects in Georgia, Florida, Texas and Louisiana. Newpark anticipates that similar opportunities will allow it to continue to diversify its geographic base by participating in construction related activities in other states.

Venezuela joint venture. The Venezuelan government has recently enacted legislation designed to speed the opening of its petroleum sector to foreign investment, including international oil companies, in furtherance of a national objective of increasing that country's production of oil to 5 million barrels per day by the year 2005. Many of the international oil companies investing in Venezuela are Newpark's customers in the United States. During the first quarter of 1995, Newpark invested in a joint venture, in which Newpark holds a 38.8% interest, providing mat rental services in Venezuela in support of oil and gas exploration and production activities. A total of 7,000 mats were shipped to the market during the year and, by year end, substantially all were under contract to a customer. As of May 31, 1996, there were approximately 12,000 mats in inventory in Venezuela, with an additional 6,000 mats in transit. Newpark expects that activity in Venezuela will continue to increase as further exploration concessions are granted.

Drilling activity. The level of drilling activity in Newpark's service areas declined 4%, to an average of 195 rigs working in 1995, compared to 202 during 1994. This mirrored the decline in the U.S. rig count, which averaged 723 in 1995 compared to 774 in 1994. The 1995 activity level was the second lowest since 1940, after an average of 717 recorded in 1992. In much of the coastal marsh and inland waters, termed the "transition zone", the high cost associated with access to the site and the lack of seismic data has been an obstacle to development. As a result, the area has been less actively drilled compared to offshore and land areas. High quality seismic data has become available for sites in the transition zone only through recent improvements in technology. The increased use of advanced seismic data and the computer-enhanced interpretation of that data has enabled Newpark's customers to select exploratory drilling sites with greater likelihood of success. This enables them to undertake more expensive projects, such as drilling in the transition zone along the U.S. Gulf Coast region.

Such projects rely heavily on services such as Newpark's integrated environmental services. Deeper wells require the construction of larger locations to accommodate the drilling equipment and the equipment for handling drilling fluids and associated wastes; such locations generally are in service for significantly longer periods and generate additional mat rental revenues. Deeper wells also require more chemically complex drilling fluid programs. Newpark believes that deeper drilling has contributed significantly to the increased demand for Newpark's services.

REGULATORY BACKGROUND

The oilfield market for environmental services has increased as regulations have increased. Louisiana, Texas and other states have enacted comprehensive laws and regulations governing the proper handling of NOW and NORM. This also has heightened the awareness of both the generators of waste and landowners of the need for proper treatment and disposal of such waste in both the drilling of new wells and the remediation of production facilities.

For many years, prior to current regulation, industry practice was to allow NOW to remain in the environment. Onshore, surface pits were used for the disposal of NOW; offshore, NOW was discharged directly into the water. As a result of increasing public concern over the environment, NOW disposal has in recent years

become subject to public scrutiny and governmental regulation. Operators of exploration and production facilities, including major and independent oil companies, have found themselves subject to laws and regulations issued by numerous jurisdictions and agencies. These laws and regulations have imposed strict requirements for ongoing drilling and production activities in certain geographic areas, as well as for the remediation of sites contaminated by past disposal practices and, in many respects, have prohibited the prior disposal practices. In addition, operators have become concerned about possible long-term liability for remediation, and landowners have become more aggressive about land restoration. For these reasons, operators are increasingly retaining service companies, such as Newpark, to devise and implement comprehensive waste management techniques to handle waste on an ongoing basis and to remediate past contamination of oil and gas properties.

Late in 1992, the Louisiana Department of Environmental Quality ("DEQ") began to promulgate and enforce new, stricter limits on the level of radium concentration above which NOW became categorized as NORM. NORM regulations require more stringent worker protection, handling and storage procedures than those required of NOW under Louisiana Statewide Executive Order 29-B. Uncertainty in measuring NORM concentration was created by apparent inconsistencies in the results produced by alternative testing methodologies allowed in then current regulations. Early in 1994, DEQ published draft NORM regulations which, with minor modification, became effective January 20, 1995, as LAC 33:XV.1401-1420, Chapter 14. In Texas, the Railroad Commission adopted final rules ("Rule 94") effective February 1, 1995. Adoption of these regulations has resolved the regulatory uncertainty associated with NORM in Texas and Louisiana.

The primary laws that have helped to create the market for Newpark's environmental services in the U.S. Gulf Coast region, and which apply to Newpark in the conduct of its business, are the Resource Conservation and Recovery Act of 1976, as amended in 1984 ("RCRA"), the Comprehensive Environmental Response, Compensation, and Liability Act, as amended in 1986 ("CERCLA"), the laws and regulations promulgated by the states of Louisiana, Texas and Alabama, the Federal Water Pollution Control Act, as amended (the "Clean Water Act"), and the Federal Oil Pollution Act of 1990 ("OPA"). These laws are discussed below under "Environmental Regulation".

DESCRIPTION OF BUSINESS

Oilfield Waste Disposal

NOW Waste Processing. Generally under state regulation, if NOW cannot be treated for discharge or disposed of on the oil or gas lease location where it is generated, it must be transported to a licensed NOW disposal or treatment facility. There are several alternatives for offsite disposal of NOW available to generators in the U.S. Gulf Coast, including: (i) land-farming, provided by Newpark's competitors; (ii) processing and conversion of the NOW into a reuse product; and (iii) underground injection. See "Injection Wells". Newpark processes NOW waste at a facility located at Port Arthur, Texas, which was opened in 1991. Newpark also operates six other receiving and transfer facilities located along the U.S. Gulf Coast from Venice, Louisiana, to Corpus Christi, Texas. Waste products are collected at the transfer facilities: offshore exploration and production sites; land and inland waters exploration and production sites; and remediation of existing or inactive well sites and production facilities. These facilities are supported by a fleet of 42 double-skinned barges certified by the U. S. Coast Guard to transport NOW. Waste received is transported by barge through the Gulf Intracoastal Waterway to Newpark's processing facility at Port Arthur, Texas, or trucked to facilities at Fannett or Big Hill, Texas. Since November 1994, Newpark has disposed of a majority of the waste received at its processing facility by injection of the waste into disposal wells at its Big Hill facility and, since the third quarter of 1995, at its Fannett facility, which is currently Newpark's primary NOW facility.

Previously a large portion and currently a small portion of the waste is converted into a commercial product that meets the specifications under applicable federal and state regulations for reuse as a covering material or cell liner material and other construction purposes at sanitary landfills. Under these regulations,

landfills must cover the solid waste deposited daily with earth or other inert material. Newpark's product is deposited at either the City of Port Arthur Municipal Landfill or the City of Beaumont Municipal Landfill for use as cover or construction material pursuant to contracts with the respective cities. This reuse is conducted under authorization from the Texas Natural Resources Conservation Commission and is permitted by the Texas Railroad Commission, under a permit that was renewed in January 1994, for a three year period. Newpark also has developed alternative uses for the product as roadbase material or construction fill material.

NORM Processing and Disposal. Newpark's entry into the onsite remediation (1993) and disposal (1994) of NORM waste is discussed under "Business-Development of the Business". Many alternatives are available to the generator for the treatment and disposal of NORM. These include both chemical and mechanical methods designed to achieve volume reduction, on-site burial of encapsulated NORM within old well bores, and soil washing and other techniques of dissolving and suspending the radium in solution for onsite injection of NORM liquids. When the application of these techniques are insufficient to bring the site into compliance with applicable regulations, the NORM must be transported to a licensed storage or disposal facility. The growth in the NORM disposal market also can be attributed to increased litigation on the part of landowners who contend that their property has been damaged by past practices of the oil and gas industry. In some cases, settlement of the litigation has mandated the remediation of sites by offsite disposal of the NORM waste. In addition, these lawsuits have caused other operators to dispose of NORM waste offsite to avoid the threat of future litigation.

Newpark's initial NORM processing facility in Port Arthur, Texas was licensed in September 1994 and began operations October 21, 1994. During 1995, Newpark received 70,000 barrels of NORM contaminated waste at its Port Arthur facility, generally by barge or truck, in drums or other containers, which was then processed and transported by truck to Newpark's injection well facility. On May 21, 1996, Newpark was awarded a new license permitting receipt of NORM waste and direct injection disposal of NORM at its Big Hill, Texas facility, without the requirement to process the waste until it attains NOW characteristics, as was the case at the Port Arthur facility. Additionally, since the processing facility and the disposal wells can now be located at the same site, transportation costs are minimized. Although Newpark will continue some processing of NORM as well as NOW at the Port Arthur facility, a substantial portion of the processing equipment will be moved from Port Arthur to the Big Hill facility. The new license also allows injection of more concentrated NORM into the wells, subject only to Newpark's facility contamination limits, without the introduction of viscosifiers and carrying agents that often results in significant volume expansion. As a result, the capacity and useful life of the site is extended. Newpark believes that the new license will allow it to reduce prices to customers and encourage the use of the direct injection process for the disposal of large volumes of NORM.

Injection Wells. In February 1993, upon receipt of a permit from the Texas Railroad Commission, Newpark began development of a 50 acre injection well facility in the Big Hill Field in Jefferson County, Texas. Newpark's injection technology is distinguished from conventional methods in that it utilizes environmentally secure geologic formations which are highly fractured, allowing Newpark to utilize very low pressure, typically under 100 pounds per square inch, to move the waste into the injection zone. Conventional wells typically use pressures as high as 2,000 pounds per square inch. In the event of a formation failure or blockage of the face of the injection zone, such pressure can force waste material beyond the intended zone, posing a hazard to the environment. The low pressure used by Newpark is inadequate to drive the injected waste from its intended geologic injection zone.

Three wells were initially installed at the Big Hill facility and two additional wells were successfully completed during 1995. Disposal operations began at this site in November 1993. During 1995, Newpark licensed and constructed a new injection well facility at a 400 acre site near Fannett, Texas, which was placed in service in September 1995. Because of differences between the geology and physical size of the two sites, the Fannett site is expected to provide greater capacity than the Big Hill site. The injection wells at Fannett receive NOW waste from Newpark's processing facilities at Port Arthur, as well as from customers in the surrounding area.

Newpark anticipates that it will open additional injection facilities for both NOW and NORM waste in Louisiana and Texas over the next two to three years. Newpark has identified a number of sites in the U.S. Gulf Coast region as suitable for development of such disposal facilities, has received permits for one additional site in Texas and plans to file for additional permit authority in Louisiana. Newpark believes that its proprietary injection technology has application to other markets and waste streams and has begun preliminary work and analysis to enter the nonhazardous industrial waste market in the future.

Newpark also operates an analytical laboratory in Lafayette, Louisiana, which supports all phases of its environmental services and provides independent laboratory services to the oil and gas industry. These services include analytical laboratory and sampling services, permit application and maintenance services and environmental site assessment and audit services.

Mat Rental

In 1988, Newpark acquired the right to use, in Louisiana and Texas, a patented prefabricated interlocking mat system for the construction of drilling and work sites, which has displaced use of individual hardwood boards. This system is quicker to install and remove, substantially reducing labor costs. It is also stronger, easier to repair and maintain and generates less waste material during construction and removal than conventional board roads. In 1994, Newpark acquired the exclusive right to use this system in the continental U.S. for the life of the patent, which expires in 2003.

Oilfield Use. Newpark provides this patented interlocking mat system to the oil and gas industry to ensure all-weather access to exploration and production sites in the unstable soil conditions common along the onshore Gulf of Mexico. The mats are generally rented to the customer for an initial period of 60 days; after that time, additional rentals are earned on a monthly basis until the mats are released by the customer.

Wetlands Use. Beginning in 1994, Newpark recognized the development of a related use for its patented mat system in providing access roads and temporary work sites to the pipeline, electrical utility and highway construction industries. Demand for these services was spurred by Federal Energy Regulatory Commission orders requiring compliance with environmental protection rules under the Clean Water Act in the pipeline construction business. In 1994, Newpark received approximately $2.4 million in revenue from this source. During 1995, approximately $7 million in revenues was attributable to wetlands applications.

Rerentals. Drilling and work sites are typically rented by the customer for an initial period of 60 days. Often, the customer extends the rental term for additional 30 day periods, resulting in additional revenues to Newpark. These rerental revenues provide high margins because only minimal incremental depreciation and maintenance costs accrue to each rerental period. Factors which may increase rerental revenue include: (i) the trend toward increased activity in the "transition zone" along the Gulf of Mexico, an area in which Newpark's mat system provides the primary means of access; (ii) a trend toward deeper drilling, taking a longer time to reach the desired depth; and, (iii) the increased frequency of commercial success, requiring logging, testing and completion (hook-up), extending the period during which access to the site is required. In the opinion of industry analysts, application of advanced technologies, particularly the use of three-dimensional seismic data, has contributed to these trends.

New Products. All of the established mat patents utilize hardwood to construct the mat. Beginning in 1994, Newpark began funding the development of a patented synthetic molded mat fabricated from recycled post-consumer plastic, rubber, fiberglass and resins. A limited number of pre-production samples of a prototype mat were delivered to Newpark for testing in April 1996. Pending successful results in the testing program and construction by the manufacturer of a production facility, Newpark expects to begin taking delivery of commercial quantities of these new mats during 1998. No assurances can be given, however, that these mats will be successfully produced or become accepted in the mat rental market.

Onsite Environmental Management

Promulgation and enforcement of increasingly stringent environmental regulations affecting drilling and production sites has increased the scope of services required by the oil companies. Often it is more efficient for the site operator to contract with a single company that can provide all-weather site access and provide the required onsite and offsite environmental services on a fully integrated basis. Newpark provides a comprehensive range of environmental services necessary for its customers' oil and gas exploration and production activities.

Site Assessment. Site assessment work begins prior to installation of mats on a drilling site, and generally begins with a study of the proposed well site, which includes site photography, background soil sampling, laboratory analysis and investigation of flood hazards and other native conditions. The assessment determines whether the site has previously been contaminated and provides a baseline for later restoration to pre-drilling condition.

Pit Design, Construction and Drilling Waste Management. Under its Environmentally Managed Pit ("EMP") Program, Newpark constructs waste pits at drilling sites and monitors the waste stream produced in drilling operations and the contents and condition of the pits with the objective of minimizing the amount of waste generated on the site. Where possible, Newpark disposes of waste onsite by land-farming, through chemical and mechanical treatment of liquid waste and by annular injection into a suitably permitted underground formation. Waste water treated onsite may be reused in the drilling process or, where permitted, discharged into adjacent surface waters.

Regulatory Compliance. Throughout the drilling process, Newpark assists the operator in interfacing with the landowner and regulatory authorities. Newpark also assists the operator in obtaining necessary permits and in complying with record maintenance and reporting requirements.

Site Remediation.

NOW (Drilling). At the completion of the drilling process, under applicable regulations, waste water on the site may be chemically or mechanically treated and discharged into surface waters. Other waste that may not remain on the surface of the site may be land-farmed on the site or injected under permit into geologic formations to minimize the need for offsite disposal. Any waste that does not remain onsite must be transported to an authorized facility for processing and disposal at the direction of the generator or customer.

NOW (Production). Newpark also provides services to remediate production pits and inactive waste pits including those from past oil and gas drilling and production operations. Newpark provides the following remediation services: (i) analysis of the contaminants present in the pit and a determination of whether remediation is required by applicable state regulation; (ii) treatment of waste onsite, and where permitted, reintroduction of that material into the environment; and (iii) removal, containerization and transportation to Newpark's processing facility of NOW waste not treated onsite.

NORM. In January 1994, Newpark became a licensed NORM contractor, allowing Newpark to perform site remediation work at NORM contaminated facilities in Louisiana and Texas. Because of the need for increased worker-protective equipment, extensive decontamination procedures and other regulatory compliance issues at NORM facilities, the cost of providing such services is materially greater than at NOW facilities and such services generate proportionately higher revenues and operating margins than similar services at NOW facilities.

Site Closure. The location is restored to its pre-drilling condition and reseeded with native grasses. Closure also involves delivery of test results indicating that closure has been completed in compliance with applicable regulations. This information is important to the customer because the operator is subject to future regulatory review and audits. In addition, the information may be required on a current basis if the operator is subject to a pending regulatory compliance order.

Wood Product Sales

By the end of 1991, Newpark had become aware of increasing environmental regulation affecting wetlands areas. These regulations have affected the oil and gas drilling industry as well as pipeline, electrical distribution and highway projects. In anticipation of increased demand for hardwood lumber used in providing access to such wetlands sites, Newpark purchased a sawmill in Batson, Texas, in October 1992. The mill's products include lumber, timber, and wood chips, as well as bark and sawdust. Pulp and paper companies in the area supply a large proportion of the hardwood logs processed at the sawmill and, in turn, are the primary customers for wood chips created in the milling process. During 1993, Newpark invested approximately $1 million in expansion of the sawmill to increase its capacity for producing wood chips. During 1995, Newpark invested an additional $750,000 to install a log watering system to maintain the level of moisture in the wood chips produced, as desired by its customers, and for expanded and improved sawing capacity, which improved both production and efficiency. Newpark believes that the capacity of the sawmill will be sufficient to meet its anticipated hardwood lumber needs for the foreseeable future.

General Oilfield Services

Newpark performs general oilfield services throughout the U.S. Gulf Coast area between Corpus Christi, Texas and Pensacola, Florida. General oilfield services performed by Newpark include preparing work sites for the installation of mats, connecting wells and placing them in production, laying flow lines and infield pipelines, building permanent roads, grading, lease maintenance (the maintenance and repair of producing well sites), cleanup and general roustabout services. General oilfield services are typically performed under short-term time and material contracts, which are obtained by direct negotiation or bid.

INTERNATIONAL EXPANSION

During the first quarter of 1995, Newpark initiated participation in a venture which provides mat rental services to the oil and gas industry in Venezuela. Revenue from foreign operations has been immaterial in each of the past three years. Newpark is currently in discussions with its joint venture partners in Venezuela for the purchase of their interests in such venture, and Newpark may acquire such interests during 1996. Newpark also is currently reviewing expansion opportunities for its mat rental services in other foreign markets, including Europe, Africa, Asia and South America.

SOURCES AND AVAILABILITY OF RAW MATERIALS AND EQUIPMENT

Newpark believes that its sources of supply for any materials or equipment used in its businesses are adequate for its needs and that it is not dependent upon any one supplier. No serious shortages or delays have been encountered in obtaining any raw materials.

PATENTS AND LICENSES

Newpark seeks patents and licenses on new developments whenever feasible and has recently applied for U.S. patents on its new NOW and NORM waste processing and injection disposal system. Newpark has the exclusive license for the life of the patent (which expires in 2003) to use, sell and lease the prefabricated mats that it uses in connection with its site preparation business in the 48 contiguous states of the United States. The licensor has the right to sell mats in states where Newpark is not engaged in business, but only after giving Newpark the opportunity to take advantage of the opportunity itself. The license is subject to a royalty which Newpark can satisfy by purchasing specified quantities of mats annually from the licensor.

Newpark relies on a variety of unpatented proprietary technologies and know-how in the processing of NOW and NORM. Although Newpark believes that this technology and know-how are important factors in the environmental services business, competitive products and services have been successfully developed and marketed by others. Newpark believes that its reputation in its industry, the range of services

offered, ongoing technical development and know-how, responsiveness to customers and understanding of regulatory requirements are of equal or greater competitive significance than its existing proprietary rights.

DEPENDENCE UPON LIMITED NUMBER OF CUSTOMERS

Newpark's customers are principally major and independent oil and gas exploration and production companies operating in the U.S. Gulf Coast area, with the vast majority of Newpark's customers concentrated in Louisiana and Texas.

During the year ended December 31, 1995, approximately 30% of Newpark's revenues were derived from 14 major oil companies, and one other customer accounted for approximately 16% of consolidated revenues. Given current market conditions and the nature of the products involved, Newpark does not believe that the loss of this customer would have a material adverse effect upon Newpark.

Newpark performs services either pursuant to standard contracts or under longer term negotiated agreements. As most of Newpark's agreements with its customers are cancelable upon limited notice, Newpark's backlog is not significant. For the year ended December 31, 1995, approximately half of the revenues of the environmental services segment were obtained on a bid basis, and half of its revenues were derived on a negotiated or contractual basis.

Newpark does not derive a significant portion of its revenues from government contracts of any kind.

COMPETITION

Newpark operates in highly competitive industry segments. Newpark believes that the principal competitive factors in its businesses are price, reputation, technical proficiency, reliability, quality and breadth of services offered, managerial experience. Newpark believes that it effectively competes on the basis of these factors and that its competitive position benefits from its proprietary position with respect to the patented mat system used in its site preparation business, its proprietary treatment and disposal methods for both NOW and NORM waste streams and its ability to provide its customers with an integrated well site management program including environmental and general oilfield services.

It is often more efficient for the site operator to contract with a single company that can prepare the well site and provide the required onsite and offsite environmental services. Newpark believes that its ability to provide a number of services as part of a comprehensive program enables Newpark to price its services competitively.

The NOW disposal market is very large. Only a small portion of the total waste generated is taken to a commercial disposal facility and many other methods exist for dealing with the waste stream. In the areas served by Newpark, there are at least 250 permitted commercial facilities, including landfarms, landfills and injection facilities authorized to dispose of NOW. There also are thousands of infield injection wells owned and operated by oil and gas producers.

ENVIRONMENTAL DISCLOSURES

Newpark has sought to comply with all applicable regulatory requirements concerning environmental quality. Newpark has made, and expects to continue to make, the capital expenditures necessary to maintain environmental compliance at its facilities, but, under current laws and regulations, does not expect that these will become material in the foreseeable future. No material capital expenditures for environmental compliance were made during 1995.

Newpark derives a significant portion of its revenue from providing environmental services to its customers. These services have become necessary in order for these customers to comply with regulations governing the discharge of materials into the environment. Substantially all of Newpark's capital expenditures made during 1994 and 1995, and those planned for 1996, are directly or indirectly the result of such regulation.

EMPLOYEES

At May 31, 1996, Newpark employed approximately 535 full and part-time personnel, none of which are represented by unions. Newpark considers its relations with its employees to be satisfactory.

ENVIRONMENTAL REGULATION

Newpark's business is affected both directly and indirectly by governmental regulations relating to the oil and gas industry in general, as well as environmental, health and safety regulations that have specific application to Newpark's business. Newpark, through the routine course of providing its services, handles and profiles hazardous regulated material for its customers. Newpark also handles, processes and disposes of nonhazardous regulated materials. This section discusses various federal and state pollution control and health and safety programs that are administered and enforced by regulatory agencies, including, without limitation, the U.S. Environmental Protection Agency ("EPA"), the U.S. Coast Guard, the U.S. Army Corps of Engineers, the Texas Natural Resource Conservation Commission, the Texas Department of Health, the Texas Railroad Commission, the Louisiana Department of Environmental Quality and the Louisiana Department of Natural Resources. These programs are applicable or potentially applicable to Newpark's current operations. Although Newpark intends to make capital expenditures to expand its environmental services capabilities, Newpark believes that it is not presently required to make material capital expenditures to remain in compliance with federal, state and local laws and regulations relating to the protection of the environment.

RCRA. The Resource Conservation and Recovery Act of 1976, as amended in 1984, ("RCRA"), is the principal federal statute governing hazardous waste generation, treatment, storage and disposal. RCRA and EPA-approved state hazardous waste management programs govern the handling of "hazardous wastes". Under RCRA, liability and stringent operating requirements are imposed on a person who is either a "generator" or "transporter" of hazardous waste or an "owner" or "operator" of a hazardous waste treatment, storage or disposal facility. The EPA and the states have issued regulations pursuant to RCRA for hazardous waste generators, transporters and owners and operators of hazardous waste treatment, storage or disposal facilities. These regulations impose detailed operating, inspection, training and emergency preparedness and response standards and requirements for closure, continuing financial responsibility, manifesting of waste, record-keeping and reporting, as well as treatment standards for any hazardous waste intended for land disposal.

Newpark's primary operations involve NOW, which is exempt from classification as a RCRA-regulated hazardous waste. However, extensive state regulatory programs govern the management of such waste. In addition, in performing other services for its customers, Newpark is subject to both federal (RCRA) and state solid or hazardous waste management regulations as contractor to the generator of such waste.

At various times in the past, proposals have been made to rescind the exemption that excludes NOW from regulation as hazardous waste under RCRA. Repeal or modification of this exemption by administrative, legislative or judicial process could require Newpark to change significantly its method of doing business. There is no assurance that Newpark would have the capital resources available to do so, or that it would be able to adapt its operations.

Newpark's operations also require it to comply with Subtitle I of RCRA, which regulates underground storage tanks in which liquid petroleum or hazardous substances are stored. States have similar regulations, many of which are more stringent in some respects than federal programs. The implementing regulations require that each owner or operator of an underground tank notify a designated state agency of the existence of such underground tank, specifying the age, size, type, location and use of each such tank. The regulations also impose design, construction and installation requirements for new tanks, tank testing and inspection requirements, leak detection, prevention, reporting and cleanup requirements, as well as tank closure and removal requirements.

Newpark has a number of underground storage tanks that are subject to the requirements of RCRA and applicable state programs. Violators of any of the federal or state regulations may be subject to enforcement orders or significant penalties by the EPA or the applicable state agency. Newpark is not aware of any instances

in which it has incurred liability under RCRA for failure to comply with regulations applicable to its underground storage tanks. However, cleanup costs associated with releases from these underground storage tanks or costs associated with changes in environmental laws or regulations could be substantial and could have a material adverse effect on Newpark.

CERCLA. The Comprehensive Environmental Response, Compensation and Liability Act, as amended in 1986, ("CERCLA"), provides for immediate response and removal actions coordinated by the EPA for releases of hazardous substances into the environment and authorizes the government, or private parties, to respond to the release or threatened release of hazardous substances. The government may also order persons responsible for the release to perform any necessary cleanup. Liability extends to the present owners and operators of waste disposal facilities from which a release occurs, persons who owned or operated such facilities at the time the hazardous substances were released, persons who arranged for disposal or treatment of hazardous substances and waste transporters who selected such facilities for treatment or disposal of hazardous substances. CERCLA has been interpreted to create strict, joint and several liability for the costs of removal and remediation, other necessary response costs and damages for injury to natural resources.

Among other things, CERCLA requires the EPA to establish a National Priorities List ("NPL") of sites at which hazardous substances have been or are threatened to be released and that require investigation or cleanup. The NPL is constantly expanding. In addition, the states in which Newpark conducts operations have enacted similar laws and keep similar lists of sites which may be in need of remediation.

Although Newpark primarily handles oilfield waste classified as NOW under relevant laws, this waste typically contains constituents designated by the EPA as hazardous substances under RCRA, despite the current exemption of NOW from hazardous substance classification, or under another environmental statute referenced by CERCLA. Where Newpark's operations result in the release of hazardous substances, including releases at sites owned by other entities where Newpark performs its services, Newpark could incur CERCLA liability. Previously owned businesses also may have disposed or arranged for disposal of hazardous substances that could result in the imposition of CERCLA liability on Newpark in the future. In particular, divisions and subsidiaries previously owned by Newpark were involved in extensive mining operations at facilities in Utah and Nevada. In addition, divisions and subsidiaries previously owned by Newpark were involved in waste generation and management activities in numerous states. These activities involved substances that may be classified as CERCLA hazardous substances. Any of those sites or activities potentially could be the subject of future CERCLA damage claims.

Newpark currently is, and in the past has been, named by the EPA as a potentially responsible party in CERCLA actions based on its disposal of oilfield wastes at such sites, but the liability associated with such actions has not been material. Nonetheless, the identification of additional sites at which clean-up action is required could subject Newpark to liabilities which could have a material adverse effect on Newpark.

The Clean Water Act. The Clean Water Act regulates the discharge of pollutants, including NOW, into waters. The Clean Water Act establishes a system of standards, permits and enforcement procedures for the discharge of pollutants from industrial and municipal waste water sources. The law sets treatment standards for industries and waste water treatment plants and provides federal grants to assist municipalities in complying with the new standards. In addition to requiring permits for industrial and municipal discharges directly into waters of the United States, the Clean Water Act also requires pretreatment of industrial waste water before discharge into municipal systems. The Clean Water Act gives the EPA the authority to set pretreatment limits for direct and indirect industrial discharges.

In addition, the Clean Water Act prohibits certain discharges of oil or hazardous substances and authorizes the federal government to remove or arrange for removal of such oil or hazardous substances. The Clean Water Act also requires the adoption of the National Contingency Plan to cover removal of such materials. Under the Clean Water Act, the owner or operator of a vessel or facility may be liable for penalties and costs incurred by the federal government in responding to a discharge of oil or hazardous substances.

Newpark treats and discharges waste waters at certain of its facilities. These activities are subject to the requirements of the Clean Water Act and federal and state enforcement of these regulations.

The Clean Water Act also has a significant impact on the operations of Newpark's customers. The EPA Region 6 Outer Continental Shelf ("OCS") permit covering oil and gas operations in federal waters in the Gulf (seaward of the Louisiana and Texas territorial seas) was reissued in November, 1992 and modified in December, 1993. This permit includes stricter discharge limits for oil and grease concentrations in produced waters to be discharged. These limits are based on the Best Available Treatment ("BAT") requirements contained in the Oil and Gas Offshore Subcategory national guidelines which were published March 3, 1993. Additional requirements include toxicity testing and bioaccumulation monitoring studies of proposed discharges.

EPA Region 6, which includes Newpark's market, continues to issue new and amended National Pollution Discharge Elimination System ("NPDES") general permits further limiting or restricting substantially all discharges of produced water from the Oil and Gas Extraction Point Source Category into waters of the United States. These permits include:

- Onshore subcategory permits for Texas, Louisiana, Oklahoma and New Mexico issued in February, 1991 (56 Fed. Reg. 7698). These permits completely prohibit the discharge of drilling fluids, drill cuttings, produced water or sand, and various other oilfield wastes generated by onshore operations into waters of the U.S. This provision has the effect of requiring that most oilfield wastes follow established state disposal programs.

- Permits for produced water and produced sand discharges into coastal waters of Louisiana and Texas issued on January 9, 1995 (60 Fed. Reg. 2387). Coastal means "any water landward of the territorial seas... or any wetlands adjacent to such waters". All such discharges must cease by January 1, 1997.

- The Outer Continental Shelf (OCS) permit for the western Gulf of Mexico, covering oil and gas operations in federal waters (seaward of the Louisiana and Texas territorial seas) reissued in November 1992 and modified in December 1993. It is expected to be combined with an OCS general permit covering new sources at its next revision.

- Permits for the territorial seas of Louisiana and Texas which were scheduled to be proposed in the spring of 1995. The most recent information from the EPA indicated the permits would be proposed in the spring of 1996. The territorial seas part of the Offshore Subcategory begins at the line of ordinary low water along the part of the coast which is in direct contact with the open sea, and extends out three nautical miles. These permits will cover both existing sources and new sources. All discharges in Louisiana state waters must comply with any more stringent requirements contained in Louisiana Water Quality Regulations, LAC 33.IX.7.708.

The combined effect of all these regulations will closely approach a "zero discharge standard" affecting all waters except those of the OCS. Newpark and many industry participants believe that these permits may ultimately lead to a total prohibition of overboard discharge in the Gulf of Mexico.

The Clean Air Act. The Clean Air Act provides for federal, state and local regulation of emissions of air pollutants into the atmosphere. Any modification or construction of a facility with regulated air emissions must be a permitted or authorized activity. The Clean Air Act provides for administrative and judicial enforcement against owners and operators of regulated facilities, including substantial penalties. In 1990, the Clean Air Act was reauthorized and amended, substantially increasing the scope and stringency of the Clean Air Act's regulations. The Clean Air Act has very little impact on Newpark's operations.

Oil Pollution Act of 1990. The Oil Pollution Act of 1990 contains liability provisions for cleanup costs, natural resource damages and property damages resulting from discharges of oil into navigable waters, as well as substantial penalty provisions. The OPA also requires double hulls on all new oil tankers and barges operating in waters subject to the jurisdiction of the United States. All marine vessels operated by Newpark already meet this requirement.

State Regulation. In 1986, the Louisiana Department of Natural Resources promulgated Order 29-B. Order 29-B contains extensive rules governing pit closure and the generation, treatment, storage, transportation and disposal of NOW. Under Order 29-B, onsite disposal of NOW is limited and is subject to stringent guidelines. If these guidelines cannot be met, NOW must be transported and disposed of offsite in accordance with the

provisions of Order 29-B. Moreover, under Order 29-B, most, if not all, active waste pits must be closed or modified to meet regulatory standards; those pits that continue to be allowed may be used only for a limited time. A material number of these pits may contain sufficient concentrations of NORM to become subject to regulation by the DEQ. Rule 8 of the Texas Railroad Commission also contains detailed requirements for the management and disposal of NOW and Rule 94 governs the management and disposal of NORM. In addition, the Texas Legislature recently enacted a law that has established an Oilfield Cleanup Fund to be administered by the Texas Railroad Commission to plug abandoned wells if the Commission deems it necessary to prevent pollution, and to control or clean up certain oil and gas wastes that cause or are likely to cause pollution of surface or subsurface water.

The Railroad Commission of Texas Rule 91 (16 TAC 3.91) became effective November 1, 1993. This rule regulates the cleanup of spills of crude oil and gas exploration and production activities including transportation by pipeline. In general, contaminated soils must be remediated to oil and grease content of less than 1%.

Many states maintain licensing and permitting procedures for the construction and operation of facilities that emit pollutants into the air. In Texas, the Texas Natural Resource Conservation Commission (the "TNRCC") requires companies that emit pollutants into the air to apply for an air permit or to satisfy the conditions for an exemption. Newpark has obtained certain air permits and believes that it is exempt from obtaining other air permits at its facilities including its Port Arthur, Texas, NOW processing facility. Newpark met with the TNRCC and filed for an exemption in the fall of 1991. A subsequent renewal letter was filed in 1995. Based upon its feedback from the TNRCC, Newpark expects that it will continue to remain exempt. However, should it not remain exempt, Newpark believes that any remedial actions that the TNRCC may require with regard to non-exempt air emissions would not have a material adverse effect on the consolidated financial statements of Newpark.

Other Environmental Laws. Newpark is subject to the Occupation Safety and Health Act that imposes requirements for employee safety and health and applicable state provisions adopting worker health and safety requirements. Moreover, it is possible that other developments, such as increasingly stricter environmental, safety and health laws, and regulations and enforcement policies thereunder, could result in substantial additional regulation of Newpark and could subject to further scrutiny Newpark's handling, manufacture, use or disposal of substances or pollutants. Newpark cannot predict the extent to which its operations may be affected by future enforcement policies as applied to existing laws or by the enactment of new statutes and regulations.

PROPERTIES

With few exceptions, Newpark leases its principal facilities and certain equipment.

Newpark's corporate offices in Metairie, Louisiana, are occupied at an annual rental of approximately $127,000 under a lease expiring in December 1997.

Its NOW processing facility in Port Arthur, Texas, is occupied at a current annual rental of $168,000 under a lease which, as a result of Newpark's 1995 exercise of the first of three four-year renewal options, now expires in 1999. The facility, which is located on 2.9 acres near the Intracoastal Waterway, was constructed by the landowner to Newpark's specifications beginning late in 1990 and began operations in mid 1991.

Newpark's NORM processing facility is also located in Port Arthur, Texas on 3 acres of leased land adjacent to the NOW facility. Annual property rentals are currently $37,000. The lease expires in July 1997 and has two five-year renewal options available. Newpark constructed the processing facility during 1994.

Newpark owns two injection disposal sites in Jefferson County, Texas, one on 50 acres of land and the other on 400 acres. Seven wells are currently operational at these sites.

Newpark maintains a fleet of 42 barges of which 21 are owned by Newpark, fifteen are on daily rental agreements, six are under 10-year lease terms and four are under 7-year lease terms. The barges are used to

transport waste to processing stations and are certified for this purpose by the U. S. Coast Guard. Annual rentals under the barge leases totaled approximately $1,500,000 during 1995.

Additional facilities are held under short-term leases with annual rentals aggregating approximately $800,000 during 1995. Newpark believes that its facilities are suitable for their respective uses and adequate for current needs.

Newpark owns property leased to others and used as a marine repair facility occupying approximately 23 acres on an island in the Houston Ship Channel. In December 1993, the property was leased to a third party that also obtained the option to purchase the facility as part of the lease agreement. Early in 1994, Newpark entered into a new financing of the property.

Newpark also owns 80 acres occupied as a sawmill facility near Batson, Texas. Newpark believes this facility is adequate for current production needs.

LEGAL PROCEEDINGS

Newpark and its subsidiaries are involved in litigation and other claims or assessments on matters arising in the normal course of business. In the opinion of Newpark, any recovery or liability in these matters should not have a material effect on Newpark's consolidated financial statements.

DIRECTORS AND EXECUTIVE OFFICERS

The following table provides certain information regarding Newpark's current directors and executive officers:

NAME	AGE	POSITION
James D. Cole(1)	55	Chairman of the Board, President, and Chief Executive Officer
William Thomas Ballantine	51	Executive Vice President and Director
Matthew W. Hardey	43	Vice President of Finance and Chief Financial Officer
Philip S. Sassower(1)(2)	56	Chairman of the Executive Committee and Director
Dibo Attar(3)	56	Director
William W. Goodson(2)(3)	81	Director
David P. Hunt	55	Director
Alan J. Kaufman(3)	58	Director
James H. Stone(1)(2)(3)	70	Director

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(1) Member of the Executive Committee.
(2) Member of the Audit Committee.
(3) Member of the Compensation Committee.

James D. Cole joined Newpark in 1976, serving as Executive Vice President until May 1977, when he was elected President and Chief Executive Officer. Mr. Cole has served as a director since joining Newpark and was elected Chairman of the Board of Directors in April 1996.

William Thomas Ballantine joined Newpark in December 1988, serving as Vice President of Operations, and was elected Executive Vice President in 1992. He was elected a Director of Newpark in October 1993.

Matthew W. Hardey joined Newpark in May 1988 as Treasurer and Assistant Secretary and was elected Vice President of Finance and Chief Financial Officer in April 1991. From 1985 until joining Newpark, Mr. Hardey was employed in the commercial banking business.

Philip S. Sassower served as Chairman of the Board of Newpark from December 1987 to April 1996, and, in April 1996, was elected Chairman of the Executive Committee of the Board of Directors. Mr. Sassower is also a general partner of BP Restaurants, L.P., and CIC Standby Ventures, L.P, and a member, the manager and the Chief Executive Officer of BP Acquisition L.L.C., the owner of a restaurant chain in the Southwest. Mr. Sassower also is a director and Chairman of the Finance Committee of Communication Intelligence Corporation, a company engaged in pen-based computer technologies.

Dibo Attar is a business consultant to several domestic and international companies and has been a private investor for more than ten years. Mr. Attar also serves as Chairman of the Board of T.H. Lehman & Co., Inc., KTI, Inc. and Renaissance Entertainment Corp.

William W. Goodson, who retired in 1983, served as Chairman of the Board of Directors of a Newpark subsidiary from 1982 to 1987. For more than five years prior thereto, he was President and Chief Operating Officer of the Newpark subsidiary engaged in the oilfield and environmental construction business, and other Newpark subsidiaries.

David P. Hunt joined Newpark's Board of Directors in November 1995. Prior to joining Newpark and until his retirement in 1995, Mr. Hunt was employed by Consolidated Natural Gas Company for 32 years, having most recently served as President and Chief Executive Officer of New Orleans based CNG Producing Company, an oil and gas exploration and production company.

Alan J. Kaufman has been engaged in the private practice of medicine since 1969. Dr. Kaufman is a neurosurgeon. Dr. Kaufman also is a director of Tesoro Petroleum Corporation.

James H. Stone is Chairman of the Board and Chief Executive Officer of Stone Energy Corporation, which is engaged in oil and gas exploration. Mr. Stone also serves as a Director of Hibernia Corporation.

Directors are elected annually to serve until the next annual meeting of stockholders and until their successors are elected and qualified. Executive officers are appointed by and serve at the discretion of the Board of Directors. No family relationships exist between any of the directors or officers of Newpark.

PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of Newpark's outstanding Common Stock as of May 31, 1996, by (i) each director of Newpark, (ii) the three executive officers of Newpark who earned in excess of $100,000 in salary and bonus in 1995, and (iii) all directors and executive officers as a group. Newpark is not aware of any person who is the beneficial owner of more than five percent (5%) of its outstanding Common Stock. Except as otherwise indicated below, each person named in the table has sole voting and investment power with respect to all shares of Common Stock beneficially owned by such person, except to the extent that authority is shared by spouses under applicable law.

NAME OF BENEFICIAL OWNER	SHARES BENEFICIALLY OWNED(1)	PERCENT OF CLASS PRIOR TO OFFERING	PERCENT OF CLASS AFTER OFFERING
Philip S. Sassower	341,250	3.15%	2.46%
James D. Cole(2)	272,256	2.52%	1.97%
James H. Stone(3)	252,225	2.33%	1.83%
Dibo Attar(4)	95,552	*	*
Alan Kaufman(5)	89,250	*	*
Matthew W. Hardey	39,398	*	*
Wm. Thomas Ballantine	14,525	*	*
William W. Goodson	5,250	*	*
David P. Hunt	2,050	*	*
All directors and executive officers as a group (9 persons)	1,111,756	10.17%	7.98%

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* Indicates ownership of less than one percent.

(1) Includes shares which may be purchased upon the exercise of options which are exercisable as of May 31, 1996, or become exercisable within 60 days thereafter, for the following: Mr. Sassower--52,500 shares; Mr. Stone--15,750 shares; Mr. Attar--15,750 shares; Dr. Kaufman--15,750 shares; Mr. Ballantine--14,525 shares; Mr. Hardey--21,000 shares; and all directors and executive officers as a group--135,275 shares.

(2) Includes 73,584 shares held by four separate Trusts of which Mr. Cole is a Trustee and of which the beneficiaries are children of Mr. Cole. Mr. Cole disclaims ownership of the 73,584 shares held by the four Trusts.

(3) Includes 1,050 shares held in a trust of which the beneficiaries are children of Mr. Stone and 8,675 shares owned by the Stone Foundation. Mr. Stone disclaims beneficial ownership of such shares.

(4) Includes 63,000 shares owned by a Swiss corporation and 1,050 shares held be a fund over which Mr. Attar has investment power.

(5) Includes (i) 13,649 shares held in an IRA account for the benefit of Dr. Kaufman; (ii) 5,250 shares held in a Trust of which the beneficiaries are children of Dr. Kaufman; and (iii) 3,150 shares held by his spouse. Dr. Kaufman disclaims beneficial ownership of such shares.

DESCRIPTION OF CAPITAL STOCK

Newpark's authorized capital stock consists of (i) 20,000,000 shares of Common Stock, $.01 par value per share; and (ii) 1,000,000 shares of Preferred Stock, $.01 par value per share. All outstanding shares of Common Stock are fully paid and nonassessable.

The following summaries of certain provisions of the capital stock of Newpark do not purport to be complete and are subject to, and qualified in their entirety by, the provisions of Newpark's Certificate of Incorporation and Bylaws.

COMMON STOCK

As of May 31, 1996, there were 10,795,973 outstanding shares of Common Stock held by 4,125 holders of record. Each share of Common Stock has an equal and ratable right to receive dividends when, as and if declared by the Board of Directors out of assets legally available therefor and subject to the dividend obligations of Newpark to the holders of any preferred stock then outstanding. See "Dividend Policy".

In the event of a liquidation, dissolution or winding up of Newpark, the holders of Common Stock are entitled to share equally and ratably in the assets available for distribution after the payment of all liabilities and subject to any prior rights of any holders of preferred stock that at the time may be outstanding.

The holders of Common Stock have no pre-emptive rights, conversion rights, redemption provisions or sinking fund provisions. Each share of Common Stock is entitled to one vote in the election of directors and on all matters submitted to a vote of stockholders. Stockholders are not entitled to cumulate votes in the election of directors and, therefore, holders of a majority of the outstanding shares of Common Stock can elect all the directors.

The Common Stock offered hereby, when issued and sold as contemplated by this Prospectus, will be validly issued, fully paid and nonassessable.

PREFERRED STOCK

Preferred stock may be issued from time to time in one or more series, and the Board of Directors, without further approval of the stockholders, is authorized to fix the dividend rates and terms, conversion rights, voting rights, redemption rights and terms (including sinking fund provisions), liquidation preferences and any other rights, preferences, privileges and restrictions applicable to each series of preferred stock. The purpose of authorizing the Board of Directors to determine such rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, adversely affect the voting power of the holders of Common Stock and, under certain circumstances, make it more difficult for a third party to gain control of Newpark.

CERTAIN CHARTER PROVISIONS

Newpark's Certificate of Incorporation provides that Newpark shall indemnify its officers and directors to the fullest extent permitted by Delaware law against claims arising out of their actions as officers or directors of Newpark. The Certificate of Incorporation also provides that, to the fullest extent permitted by law, Newpark's directors shall not be personally liable for monetary damages for breach of the director's fiduciary duty of care to Newpark or its stockholders. This provision does not eliminate the director's duty of care or eliminate a stockholder's right to seek equitable remedies such as an injunction or other forms of non-monetary relief. Each director will continue to be subject to liability for (i) breach of the director's duty of loyalty to Newpark or its stockholders; (ii) acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law; (iii) improper declarations of dividends; and (iv) transactions from which the director derived

an improper personal benefit. The provision also does not affect a director's responsibilities under any other law, such as the Federal securities laws or Federal or state environmental laws.

Newpark also is authorized by its Certificate of Incorporation to purchase and maintain insurance for its officers and directors against claims arising out of their actions as officers or directors of Newpark, whether or not Newpark would have the power to indemnify such officers or directors for the claim under applicable law. Newpark currently does not maintain such insurance.

Pursuant to the Certificate of Incorporation, Newpark has elected not to be governed by Section 203 of the Delaware General Corporation Law. Section 203 generally prevents a corporation from entering into certain business combinations with an interested stockholder (defined as any person or entity that is the beneficial owner of at least 15% of a corporation's voting stock) or its affiliates, unless (i) the transaction is approved by the board of directors of the corporation prior to such business combination; or (ii) the interested stockholder acquires 85% or the corporation's voting stock in the same transaction in which the stockholder exceeds 15%; or (iii) the business combination is approved by the board of directors and by a vote of two-thirds of the outstanding voting stock not owned by the interested stockholder.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Common Stock is American Stock Transfer & Trust Company of New York.

UNDERWRITING

Under the terms and subject to the conditions contained in an Underwriting Agreement dated , 1996 (the "U.S. Underwriting Agreement"), the underwriters named below (the "U.S. Underwriters"), for whom CS First Boston Corporation, Deutsche Morgan Grenfell/C. J. Lawrence Inc., The Robinson-Humphrey Company, Inc., and Jefferies & Company, Inc. are acting as representatives (the "Representatives"), have severally but not jointly agreed to purchase from Newpark the following respective numbers of U.S. Shares:

UNDERWRITER	NUMBER OF U.S. SHARES
CS First Boston Corporation	
Deutsche Morgan Grenfell/C. J. Lawrence Inc	
The Robinson-Humphrey Company, Inc	
Jeffries & Company, Inc	
Total	2,550,000

The U.S. Underwriting Agreement provides that the obligations of the U.S. Underwriters are subject to certain conditions precedent and the U.S. Underwriters will be obligated to purchase all of the U.S. Shares offered hereby (other than those shares covered by the over-allotment option described below) if any are purchased. The U.S. Underwriting Agreement provides that in the event of a default by a U.S. Underwriter, in certain circumstances the purchase commitments of non-defaulting U.S. Underwriters may be increased or the U.S. Underwriting Agreement may be terminated.

Newpark has entered into a Subscription Agreement (the "Subscription Agreement") with the Managers of the International Offering (the "Managers") providing for the concurrent offer and sale of the International Shares outside the United States and Canada. The closing of the U.S. Offering is a condition to the closing of the International Offering and vice versa.

Newpark has granted to the U.S. Underwriters an option, exercisable by CS First Boston Corporation and expiring at the close of business on the 30th day after the date of this Prospectus, to purchase up to 450,000 additional shares from Newpark at the initial public offering price, less the underwriting discounts and commissions, all as set forth on the cover page of this Prospectus. Such option may be exercised only to cover over-allotments in the sale of the shares of Common Stock offered hereby. To the extent that this option to purchase is exercised, each U.S. Underwriter and each Manager will become obligated, subject to certain conditions, to purchase approximately the same percentage of additional shares being sold to the U.S. Underwriters and the Managers as the number of U.S. Shares set forth next to such U.S. Underwriter's name in the preceding table and as the number set forth next to such Manager's name in the corresponding table in the prospectus relating to the International Offering bears to the sum of the total number of shares of Common Stock in such tables.

Newpark has been advised by the Representatives that the U.S. Underwriters propose to offer the U.S. Shares in the United States and Canada to the public initially at the public offering price set forth on the cover page of this Prospectus and, through the Representatives, to certain dealers at such price less a concession of $ per share, and the U.S. Underwriters and such dealers may allow a discount of $ per share on sales to certain other dealers. After the initial public offering, the public offering price and concession and discount to dealers may be changed by the Representatives.

The public offering price, the aggregate underwriting discounts and commissions per share and per share concession and discount to dealers for the U.S. Offering and the concurrent International Offering will be identical. Pursuant to an Agreement between the U.S. Underwriters and Managers (the "Intersyndicate Agreement") relating to the Offering, changes in the public offering price, concession and discount to dealers

will be made only upon the mutual agreement of CS First Boston Corporation, as representative of the U.S. Underwriters, and CS First Boston Limited ("CSFBL"), on behalf of the Managers.

Pursuant to the Intersyndicate Agreement, each of the U.S. Underwriters has agreed that, as part of the distribution of the U.S. Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock to any person outside the United States or Canada or to any other dealer who does not so agree. Each of the Managers has agreed or will agree that, as part of the distribution of the International Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock in the United States or Canada or to any other dealer who does not so agree. The foregoing limitations do not apply to stabilization transactions or to transactions between the U.S. Underwriters and the Managers pursuant to the Intersyndicate Agreement. As used herein, "United States" means the United States of America (including the States and the District of Columbia), its territories, possessions and other areas subject to its jurisdiction. "Canada" means Canada, its provinces, territories, possessions and other areas subject to its jurisdiction, and an offer or sale shall be in the United States or Canada if it is made to (i) any individual resident in the United States or Canada or (ii) any corporation, partnership, pension, profit-sharing or other trust or other entity (including any such entity acting as an investment adviser with discretionary authority) whose office most directly involved with purchase is located in the United States or Canada.

Pursuant to the Intersyndicate Agreement, sales may be made between the U.S. Underwriters and the Managers of such number of shares of Common Stock as may be mutually agreed upon. the price of any shares so sold will be the public offering price, less such amount as may be mutually agreed upon by CS First Boston Corporation, as representative of the U.S. Underwriters, and CSFBL, on behalf of the Managers, but not exceeding the selling concession applicable to such shares. To the extent there are sales between the U.S. Underwriters and the Managers pursuant to the Intersyndicate Agreement, the number of shares of Common Stock initially available for sale by the U.S. Underwriters or by the Managers may be more or less than the amount appearing on the cover page of the Prospectus. Neither the U.S. Underwriters nor the Managers are obligated to purchase from the other any unsold shares of Common Stock.

Newpark has agreed that it will not offer, sell, announce its intention to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any additional shares of its Common Stock or securities convertible into or exchangeable for any shares of its Common Stock without the prior written consent of CS First Boston Corporation for a period of 90 days after the date of this Prospectus, except issuances of shares pursuant to employee benefit plans (including stock option plans) existing on the date hereof. In addition, directors and executive officers of Newpark have agreed for a period of 90 days after the date of this Prospectus, that they will not offer, sell or otherwise dispose of shares of Common Stock without the prior written consent of CS First Boston Corporation.

Newpark has agreed to indemnify the U.S. Underwriters and the Managers against certain liabilities, including civil liabilities under the Securities Act, or contribute to payments that the U.S. Underwriters and the Managers may be required to make in respect thereof.

Jefferies & Company, Inc. has acted as financial advisor to the Company in connection with the Acquisition and has been paid a fee of $75,000 for such financial advisory services. Jefferies & Company, Inc. will be paid an additional fee of $175,000 upon the consummation of the Acquisition.

NOTICE TO CANADIAN RESIDENTS

RESALE RESTRICTIONS

The distribution of the U.S. Shares in Canada is being made only on a private placement basis exempt from the requirement that Newpark prepare and file a prospectus with the securities regulatory authorities in each province where trades of U.S. Shares are effected. Accordingly, any resale of the U.S. Shares in Canada must be made in accordance with applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with available statutory exemptions or pursuant to a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the U.S. Shares.

REPRESENTATIONS OF PURCHASERS

Each purchaser of U.S. Shares in Canada who receives a purchase confirmation will be deemed to represent to Newpark and the dealer from whom such purchase confirmation is received that (i) such purchaser is entitled under applicable provincial securities laws to purchase such U.S. Shares without the benefit of a prospectus qualified under such securities laws, (ii) where required by law, that such purchaser is purchasing as principal and not as agent, and (iii) such purchaser has reviewed the text above under "Resale Restrictions".

RIGHTS OF ACTION AND ENFORCEMENT

The securities being offered are those of a foreign issuer and Ontario purchasers will not receive the contractual right of action prescribed by section 32 of the Regulation under the Securities Act (Ontario). As a result, Ontario purchasers must rely on other remedies that may be available, including common law rights of action for damages or rescission or rights of action under the civil liability provisions of the U.S. federal securities laws.

All of the issuer's directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Ontario purchasers to effect service of process within Canada upon the issuer or such persons. All or a substantial portion of the assets of the issuer and such persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the issuer or such persons in Canada or to enforce a judgment obtained in Canadian courts against such issuer or persons outside of Canada.

NOTICE TO BRITISH COLUMBIA RESIDENTS

A purchaser of U.S. Shares to whom the Securities Act (British Columbia) applies is advised that such purchaser is required to file with the British Columbia Securities Commission a report within ten days of the sale of any U.S. Shares acquired by such purchaser pursuant to this Offering. Such report must be in the form attached to British Columbia Securities Commission Blanket Order BOR #95/17 a copy of which may be obtained from Newpark. Only one such report must be filed in respect of U.S. Shares acquired on the same date and under the same prospectus exemption.

LEGAL MATTERS

Certain matters with respect to the validity of the shares of Common Stock offered hereby are being passed upon for Newpark by Ervin, Cohen & Jessup, Beverly Hills, California. Fulbright & Jaworski L.L.P., Houston, Texas, has acted as counsel to the Underwriters in connection with certain legal matters relating to this Offering. Fulbright & Jaworski L.L.P. acts as counsel to Newpark from time to time in various matters.

EXPERTS

The consolidated financial statements of Newpark as of December 31, 1995 and 1994 and for each of the three years in the period ended December 31, 1995 included in this Prospectus and incorporated by reference from Newpark's Annual Report on Form 10-K for the year ended December 31, 1995, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and incorporated herein by reference, and have been so included and incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing. The Statements of Net Assets of Campbell Wells' Marine NOW Service Business as of December 31, 1995 and 1994 and the related statements of operations for each of the three years in the period ended December 31, 1995 included in this Prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Newpark Resources, Inc.

We have audited the accompanying consolidated balance sheets of Newpark Resources, Inc. and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Newpark Resources, Inc. and subsidiaries at December 31, 1995 and 1994, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP

New Orleans, Louisiana
March 1, 1996

NEWPARK RESOURCES, INC.

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	DECEMBER 31,		MARCH 31,
	1995	1994	1996
			(UNAUDITED)
ASSETS			
Current assets:			
Cash and cash equivalents	$ 1,018	$ 1,404	$ 1,063
Accounts and notes receivable, less allowance of $768 in 1995, $455 in 1994 and $762 in 1996	39,208	21,450	39,091
Inventories	11,996	7,099	8,923
Other current assets	4,088	1,544	4,189
Total current assets	56,310	31,497	53,266
Property, plant and equipment, at cost, net of accumulated depreciation	85,461	67,630	90,996
Cost in excess of net assets of purchased businesses, net of accumulated amortization	4,340	4,403	4,325
Deferred tax assets	--	2,271	--
Investment in joint venture	1,094	--	1,609
Other assets	5,542	4,955	5,844
	$152,747	$110,756	$156,040
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Notes payable	$ 169	$ 1,796	$ 119
Current maturities of long-term debt	7,742	8,236	9,994
Accounts payable	11,664	5,022	7,828
Accrued liabilities	3,462	2,858	3,599
Current taxes payable	1,165	--	700
Total current liabilities	24,202	17,912	22,240
Long-term debt	46,724	28,892	46,907
Other non-current liabilities	285	253	285
Deferred taxes payable	4,018	--	5,164
Commitments and contingencies (Note J)	--	--	--
Stockholders' equity:			
Preferred Stock, $.01 par value, 1,000,000 shares authorized, no shares outstanding	--	--	--
Common Stock, $.01 par value, 20,000,000 shares authorized, 10,634,177 shares outstanding in 1995, 10,485,074 in 1994 and 10,694,974 in 1996	105	99	106
Paid-in capital	144,553	134,252	145,162
Retained earnings (deficit)	(67,140)	(70,652)	(63,824)
Total stockholders' equity	77,518	63,699	81,444
	$152,747	$110,756	$156,040

See accompanying Notes to Consolidated Financial Statements.

NEWPARK RESOURCES, INC.

CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	YEARS ENDED DECEMBER 31,			THREE MONTHS ENDED MARCH 31,	
	1995	1994	1993	1996	1995
				(UNAUDITED)	
Revenues	$97,982	$79,632	$56,330	$26,767	$22,209
Operating costs and expenses:					
Costs of services provided	64,467	56,259	42,581	17,599	15,532
Operating costs	9,414	7,277	6,557	2,359	2,288
	73,881	63,536	49,138	19,958	17,820
General and administrative expenses	2,658	3,231	2,129	717	648
Provision for uncollectible accounts and notes receivable	463	974	671	--	30
Operating income from continuing operations	20,980	11,891	4,392	6,092	3,711
Interest income	(183)	(78)	--	(30)	(91)
Interest expense	3,740	2,660	1,274	907	889
Non-recurring expense	436	--	--	--	--
Income from continuing operations before provision for income taxes	16,987	9,309	3,118	5,215	2,913
Provision (benefit) for income taxes	4,751	(85)	(1,670)	1,899	423
Income from continuing operations	12,236	9,394	4,788	3,316	2,490
Loss from discontinued operations	--	--	(2,366)	--	--
Net income	$12,236	$ 9,394	$ 2,422	$ 3,316	$ 2,490
Weighted average shares outstanding	10,568	10,422	9,690	10,650	10,375
Income (loss) per common share:					
Continuing operations	$ 1.16	$ .90	$ .49	$ .31	$ .24
Discontinued operations	--	--	(.24)	--	--
Net income	$ 1.16	$ .90	$ .25	$ .31	$ .24

See accompanying Notes to Consolidated Financial Statements.

NEWPARK RESOURCES, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(IN THOUSANDS)
(INFORMATION FOR THE THREE MONTHS ENDED MARCH 31, 1996 IS UNAUDITED)

	COMMON STOCK	PAID-IN CAPITAL	RETAINED EARNINGS (DEFICIT)	TOTAL
Balance, January 1, 1993	$ 91	$128,035	$(82,468)	$45,658
Employee stock options	--	136	--	136
Stock sale	7	5,130	--	5,137
Net income	--	--	2,422	2,422
Balance, December 31, 1993	98	133,301	(80,046)	53,353
Employee stock options	1	950	--	951
Other	--	1	--	1
Net income	--	--	9,394	9,394
Balance, December 31, 1994	99	134,252	(70,652)	63,699
Employee stock options	1	1,582	--	1,583
Stock dividend	5	8,719	(8,724)	--
Net income	--	--	12,236	12,236
Balance, December 31, 1995	105	144,553	(67,140)	77,518
Employee stock options	1	609	--	610
Net income	--	--	3,316	3,316
Balance, March 31, 1996	$106	$145,162	$(63,824)	$81,444

See accompanying Notes to Consolidated Financial Statements.

NEWPARK RESOURCES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	YEAR ENDED DECEMBER 31,			THREE MONTHS ENDED MARCH 31,	
	1995	1994	1993	1996	1995
				(UNAUDITED)	
Cash flows from operating activities:					
Net income	$ 12,236	$ 9,394	$ 2,422	$ 3,316	$ 2,490
Adjustments to reconcile net income to net cash provided by continuing operations:					
Depreciation and amortization	9,967	7,370	5,929	2,818	2,335
Provision for doubtful accounts	463	974	671	--	30
Provision (benefit) from deferred income taxes	3,217	(200)	(1,700)	1,146	423
Loss (gain) on sales of assets	80	(9)	(237)	(41)	(2)
Change in assets and liabilities net of effects of acquisitions:					
(Increase) decrease in accounts and notes receivable	(17,129)	(3,723)	(2,513)	42	(4,137)
(Increase) decrease in inventories	(4,897)	739	(3,418)	2,575	907
(Increase) decrease in other assets	(1,536)	(1,839)	(211)	(403)	(1,068)
Increase (decrease) in accounts payable	2,577	(677)	282	(4,807)	1,222
Increase (decrease) in accrued liabilities and other	2,096	(937)	1,413	(397)	(298)
Net cash provided by operating activities	7,074	11,092	2,638	4,249	1,902
Cash flows from investing activities:					
Capital expenditures	(23,989)	(23,149)	(9,690)	(7,544)	(2,597)
Disposal of property, plant and equipment	564	97	124	1,136	11
Investment in joint ventures	(1,094)	--	--	(515)	--
Payments received on notes receivable	249	30	144	75	--
Advances on notes receivable	(227)	(1,000)	--	--	--
Proceeds from sale of net assets of discontinued operations	--	661	--	--	--
Other	--	--	(79)	--	--
Decrease in net assets of discontinued operations	--	--	722	--	--
Net cash used in investing activities	(24,497)	(23,361)	(8,779)	(6,848)	(2,586)
Cash flows from financing activities:					
Net borrowings on lines of credit	20,796	492	1,720	3,201	2,866
Principal payments on notes payable, capital lease obligations and long-term debt	(20,170)	(10,109)	(4,825)	(2,525)	(3,337)
Proceeds from issuance of debt	14,828	21,167	9,728	1,358	223
Proceeds from conversion of stock options	1,266	897	136	610	299
Other	317	55	--	--	--
Net cash provided by financing activities	17,037	12,502	6,759	2,644	51
Net (decrease) increase in cash and cash equivalents	(386)	233	618	45	(633)
Cash and cash equivalents at beginning of year	1,404	1,171	553	1,018	1,404
Cash and cash equivalents at end of year	$ 1,018	$ 1,404	$ 1,171	$ 1,063	$ 771

See accompanying Notes to Consolidated Financial Statements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Principles of Consolidation. Newpark Resources, Inc. ("Newpark" or the "Company") provides comprehensive environmental management and oilfield construction services to the oil and gas industry in the Gulf Coast region, principally Louisiana and Texas. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All material intercompany transactions are eliminated in consolidation.

Basis of Presentation. Newpark's interim financial statements as of March 31, 1995 and 1996 include all adjustments which, in the opinion of management, are necessary in order to make a fair presentation of such financial statements. All such adjustments are of a normal recurring nature. Operating results for the three months ended March 31, 1996 are not necessarily indicative of the results that may be expected for the entire year ending December 31, 1996.

Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents. All highly liquid investments with a remaining maturity of three months or less at the date of acquisition are classified as cash equivalents.

Fair Value Disclosures. Statement of Financial Accounting Standards ("SFAS") No. 107, "Disclosures about Fair Value of Financial Instruments", requires the disclosure of the fair value of all significant financial instruments. The estimated fair value amounts have been developed based on available market information and appropriate valuation methodologies. However, considerable judgment is required in developing the estimates of fair value. Therefore, such estimates are not necessarily indicative of the amounts that could be realized in a current market exchange. After such analysis, management believes the carrying values of the Company's significant financial instruments (consisting of cash and cash equivalents, receivables, payables and long-term debt) approximate fair values at March 31, 1996.

Inventories. Inventories are stated at the lower of cost (principally average and first-in, first-out) or market. The cost of lumber and related supplies for board roads is amortized on the straight-line method over their estimated useful life of approximately one year.

Depreciation and Amortization. Depreciation of property, plant and equipment, including interlocking board road mats, is provided for financial reporting purposes on the straight-line method over the estimated useful lives of the individual assets which range from three to thirty years. For income tax purposes, accelerated methods of depreciation are used.

During the year ended December 31, 1993, the Company made a change in the estimated service lives of its board road mats from five years to seven years. The new lives were adopted to recognize the longer service life provided by the mats. The effect of the change for the year ended December 31, 1993 was to increase income from continuing operations $1,175,000 ($0.12 per share).

The cost in excess of net assets of purchased businesses ("excess cost") is being amortized on a straight-line basis over forty years, except for $2,211,000 relating to acquisitions prior to 1971 that is not being amortized. Management of Newpark periodically reviews the carrying value of the excess cost in relation to the current and expected operating results of the businesses which benefit therefrom in order to assess whether there

has been a permanent impairment of the excess cost of the net purchased assets. Accumulated amortization on excess cost was $437,000 and $374,000 at December 31, 1995 and December 31, 1994, respectively.

Revenue Recognition. Revenues from certain contracts, which are typically of short duration, are reported as income on a percentage-of-completion method. Contract revenues are recognized in the proportion that costs incurred bear to the estimated total costs of the contract. When an ultimate loss is anticipated on a contract, the entire estimated loss is recorded. Included in accounts receivable are unbilled revenues in the amounts of $8,600,000 and $2,674,000 at December 31, 1995 and December 31, 1994, respectively, all of which are due within a one year period.

Income Taxes. Income taxes are provided using the liability method in accordance with SFAS No. 109, "Accounting for Income Taxes". Under this method, deferred income taxes are recorded based upon differences between the financial reporting and income tax basis of assets and liabilities and are measured using the enacted income tax rates and laws that will be in effect when the differences are expected to reverse.

Non-Recurring Expense. Results for the year ended December 31, 1995 include $436,000 of non-recurring costs associated with a proposed merger which was not completed.

Interest Capitalization. For the years ended December 31, 1995, 1994 and 1993, the Company incurred interest cost of $4,198,000, $2,805,000 and $1,359,000, respectively, of which $458,000, $145,000 and $85,000, respectively, was capitalized on qualifying construction projects. For the three months ended March 31, 1996 and 1995 (unaudited), the Company incurred interest cost of $2,125,000 and $945,000, respectively, of which $218,000 and $56,000, respectively, was capitalized.

Income Per Share. Income per share amounts are based on the weighted average number of shares outstanding during the respective period and exclude the negligible dilutive effect of shares issuable in connection with all stock plans. All per share and weighted average share amounts have been restated to give retroactive effect to a 5% stock dividend declared and paid during 1995.

New Accounting Standards. During 1995, SFAS No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" was issued. SFAS No. 121 establishes accounting standards for recording the impairment of long-lived assets, certain identifiable intangibles, goodwill and assets to be disposed of. The Company's adoption of SFAS No. 121 effective for 1996 did not have a material impact on the Company's consolidated financial statements.

In October 1995, SFAS No. 123, "Accounting for Stock-Based Compensation", was issued and effective for the Company beginning January 1, 1996. SFAS No. 123 requires expanded disclosures of stock-based compensation arrangements with employees and encourages (but does not require) compensation cost to be measured based on the fair value of the equity instrument awarded. Companies are permitted, however, to continue to apply APB Opinion No. 25, which recognizes compensation cost based on the intrinsic value of the equity instrument awarded. The Company will continue to apply APB Opinion No. 25 to its stock based compensation awards to employees and will disclose the required pro forma effect on net income and earnings per share.

Reclassifications. Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

B. DISCONTINUED OPERATIONS

On December 30, 1993, the operations of the Company's marine service subsidiary were sold to an unrelated third party for their estimated net book value of $1,135,000, of which $661,000 was received in cash during 1994 and a short term note was issued for the remainder. The Company leased the facility and certain

equipment to the new operator through June 30, 1996, with an option to purchase these assets at specified times during the lease term. The new operator has notified Newpark of its intent to exercise the purchase option before the expiration of the lease term. Newpark also agreed to make available certain short-term financing of up to $1.6 million through June 30, 1996, with annual interest at 7%, secured by, among other items, certain assets of the third party and the personal guarantee of one of its principals. Advances related to this financing arrangement amounted to $1.6 million at March 31, 1996 (unaudited), $1.6 million at December 31, 1995 and $1.4 million at December 31, 1994. Revenue of the marine repair business was $16,251,000 for the year ended December 31, 1993.

C. INVENTORIES

The Company's inventories at December 31, 1995 and 1994 are summarized as follows (in thousands of dollars):

	DECEMBER 31,	
	1995	1994
Raw materials and supplies (including logs and board road lumber)	$11,641	$6,752
Finished goods	355	347
	$11,996	$7,099

D. PROPERTY, PLANT AND EQUIPMENT

The Company's investment in property, plant and equipment at December 31, 1995 and 1994 is summarized as follows (in thousands of dollars):

	DECEMBER 31,	
	1995	1994
Land	$ 5,072	$ 4,273
Buildings and improvements	30,172	19,554
Machinery and equipment	90,448	77,353
Other	2,537	2,208
	128,229	103,388
Less accumulated depreciation	(42,768)	(35,758)
	$ 85,461	$ 67,630

As further discussed in Note B., the former marine repair facility is currently held for lease and included in the above table. The cost of this facility totaled $19.9 million at December 31, 1995 and December 31, 1994, with related accumulated depreciation at $6.3 million and $5.6 million, respectively. The principal components of the cost of this facility include land of $3.1 million, buildings and improvements of $9.8 million and machinery and equipment of $6.4 million. Rentals received were $1.6 million in each of 1995 and 1994.

E. CREDIT ARRANGEMENTS AND LONG-TERM DEBT

Credit arrangements and long-term debt consisted of the following (in thousands of dollars):

	DECEMBER 31,	
	1995	1994
Bank-line of credit	$18,378	$ 8,767
Bank-term note	25,000	--
Assets subject to lease, financed through 2001 with an interest rate of 10.1%	8,075	8,558
Interim construction credit agreement	482	--
Acquisition financing due in 1996 with an interest rate of 8%	327	743
Bank-inventory line of credit	--	1,796
Term financing of board road mats	--	8,730
Term financing of barges	--	2,814
Other, principally installment notes secured by machinery and equipment payable through 2000 with interest at 3.3% to 13.5%	2,373	7,516
	54,635	38,924
Less: current maturities of long-term debt	(7,911)	(8,236)
current maturities of lines of credit	--	(1,796)
Long-term portion	$46,724	$28,892

The Company maintains a $60.0 million bank credit facility with $25.0 million in the form of a revolving line of credit commitment and the remaining $35.0 million in a term note. The line of credit is secured by a pledge of accounts receivable and certain inventory. It bears interest at either a specified prime rate (8.5% at December 31, 1995 and 8.25% at March 31, 1996) or the LIBOR rate (5.63% at December 31, 1995 and 5.44% at March 31, 1996) plus a spread which is determined quarterly based upon the ratio of the Company's funded debt to cash flow. The average interest rate for the year ended December 31, 1995 was 8.56%. The line of credit requires monthly interest payments and matures on December 31, 1998. At December 31, 1995, $6.3 million of letters of credit were issued and outstanding and $18.4 million had been borrowed. At March 31, 1996 (unaudited), $5.8 million of letters of credit were issued and outstanding and $11.6 million had been borrowed, leaving $19.2 million available for cash advances under the line of credit. The term note was used to refinance existing debt and requires monthly interest installments and seventeen equal quarterly principal payments which commenced March 31, 1996. The term note bears interest at the Company's option of either a specified prime rate or the LIBOR rate, plus a spread which is determined quarterly based upon the ratio of the Company's funded debt to cash flow. The average interest rate for the year ended December 31, 1995 was 8.40%. The credit facility requires that the Company maintain certain specified financial ratios and comply with other usual and customary requirements. The Company was in compliance with the agreement at December 31, 1995 and at March 31, 1996.

On December 1, 1995, the Company entered into an interim construction credit agreement in an aggregate amount not to exceed $1,840,000 for the construction of an office building for two of its subsidiaries. The outstanding balance of this credit agreement was $482,000 at December 31, 1995 and $1.8 million at March 31, 1996 (unaudited). The agreement provides for an interest rate of 8.75% during construction. At the completion of construction, the interim construction credit agreement will be converted to a term loan. The term loan will require monthly principal and interest payments to fully amortize the amount over 10 years. The term note will bear a fixed interest rate of 2.25% per annum in excess of the treasury rate in effect on the date the term loan is signed.

Maturities of Long-Term Debt are $7,911,000 in 1996, $7,438,000 in 1997, $26,067,000 in 1998, $7,638,000 in 1999, $4,941,000 in 2000 and $640,000 thereafter.

F. INCOME TAXES

The provision for income taxes charged to continuing operations (income taxes related to discontinued operations for 1993 were not segregated as the amounts were immaterial) is almost exclusively U. S. Federal tax as follows (dollars in thousands):

	YEAR ENDED DECEMBER 31,		
	1995	1994	1993
Current tax expense	$1,534	$ 115	$ 30
Deferred tax expense (benefit)	3,217	(200)	(1,700)
Total provision (benefit)	$4,751	$ (85)	$(1,670)

The deferred tax expense (benefit) includes a decrease in the valuation allowance for deferred tax assets of $1,700,000, $3,129,000, and $2,407,000 for 1995, 1994 and 1993, respectively.

	YEAR ENDED DECEMBER 31,		
	1995	1994	1993
Income tax expense at statutory rate	34.0 %	34.0 %	34.0 %
Non-deductible portion of business expense	1.4	(2.5)	1.6
Tax benefit of NOL utilization	(10.0)	(33.6)	(90.1)
Other	2.6	1.2	0.9
Total income tax expense (benefit)	28.0 %	(0.9)%	(53.6)%

For federal income tax return purposes, the Company has net operating loss carryforwards ("NOLs") of $22,835,000 (net of amounts disallowed pursuant to IRC Section 382) that, if not used, will expire in 1998 through 2009. The Company also has $1,592,000 of alternative minimum tax credit carryforwards available to offset future regular income taxes subject to certain limitations. Substantially all of these carryforwards have been recognized for financial reporting purposes.

Temporary differences and carryforwards which give rise to a significant portion of deferred tax assets and liabilities are as follows (dollars in thousands):

	DECEMBER 31,	
	1995	1994
Deferred tax assets:		
Net operating losses	$ 8,696	$ 9,893
Alternative minimum tax credits	1,592	295
All other	398	444
Total deferred tax assets	10,686	10,632
Valuation allowance	(236)	(967)
Net deferred tax assets	$ 10,450	$ 9,665
Deferred tax liabilities:		
Depreciation	$ 8,767	$ 6,244
Amortization	1,823	1,074
All other	1,177	447
Total deferred tax liabilities	11,767	7,765
Total net deferred tax (liabilities) assets	$(1,317)	$ 1,900

Under SFAS No. 109, a valuation allowance must be established to offset a deferred tax asset if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax asset will

not be realized. At December 31, 1994, the Company evaluated the available evidence and believed that it was more likely than not that a portion of the deferred tax asset would not be realized. A valuation allowance was recorded in the financial statements to offset NOLs which the Company believed would not be utilized. At December 31, 1994, the Company recorded a net deferred tax asset of $1,900,000, of which $2,271,000 was recorded in non-current assets and $371,000 was recorded in current accrued liabilities, the realization of which was dependent on the Company's ability to generate taxable income in future periods. The Company believed that its estimate of future earnings based on contracts in place, the overall improved gas market and its prior earnings trend supported the recorded net deferred tax asset.

At December 31, 1995, the deferred tax liabilities of the consolidated group exceeded the deferred tax assets, therefore a deferred tax benefit was recorded for the full amount of the remaining federal NOLs. The valuation allowance recorded at December 31, 1995 relates to certain state NOLs which have not to date been recognized for financial reporting purposes. At December 31, 1995, the Company has recorded a net deferred tax liability of $1,317,000, of which $2,701,000 has been recorded in other current assets and $4,018,000 has been recorded as long-term deferred taxes payable.

G. PREFERRED STOCK

The Company has been authorized to issue up to 1,000,000 shares of Preferred Stock, $.01 par value, none of which are issued or outstanding at March 31, 1996.

H. COMMON STOCK AND STOCK OPTIONS

Changes in outstanding Common Stock for the three years ended December 31, 1995, 1994, and 1993 were as follows (in thousands of shares):

	YEARS ENDED DECEMBER 31,		
	1995	1994	1993
Outstanding, beginning of year	9,986	9,858	9,130
Shares issued in exchange for extinguishment of debt	--	--	700
Dividend shares issued	505	--	--
Shares issued upon exercise of options	143	128	28
Outstanding, end of year	10,634	9,986	9,858

The Amended and Restated Newpark Resources, Inc. 1988 Incentive Stock Option Plan (the "1988 Plan") was adopted by the Board of Directors on June 22, 1988 and thereafter was approved by the stockholders. The 1988 Plan was amended at various times by the Board of Directors and stockholders to increase the number of shares of Common Stock issuable thereunder to the current level of 1,050,000 shares. An option may not be granted for an exercise price less than the fair market value on the date of grant and may have a term of up to ten years.

Stock option transactions for the 1988 Plan for the three years ended December 31, 1995, 1994 and 1993 are summarized below:

	YEARS ENDED DECEMBER 31,		
	1995	1994	1993
Outstanding, beginning of year.....	374,981	303,149	215,191
Options granted.....	387,000	191,000	117,500
Dividend options granted.....	32,610	--	--
Options exercised.....	(87,667)	(119,168)	(27,542)
Options canceled.....	(22,166)	--	(2,000)
Outstanding, end of year.....	684,758	374,981	303,149
Option price per share:			
Outstanding, end-of-year.....	$3.80-$18.88	$3.00-$18.75	$3.00-$9.25

At December 31, 1995 and December 31, 1994, the total number of outstanding exercisable options were 145,979 and 54,144, respectively.

The 1992 Directors' Stock Option Plan (the "1992 Directors' Plan") was adopted on October 21, 1992 by the Compensation Committee and was approved by the stockholders in 1993.

The purpose of the 1992 Directors' Plan was to provide two directors ("Optionees") additional compensation for their services to Newpark and to promote an increased incentive and personal interest in the welfare of Newpark by such directors. The Optionees were each granted a stock option to purchase 52,500 shares of Common Stock at an exercise price of $8.33 per share, the fair market value of the Common Stock on the date of grant, for a term of ten years. No additional options may be granted under the Directors' Plan. At December 31, 1995, 52,500 options had been exercised under this plan.

The 1993 Non-Employee Directors' Stock Option Plan (the "1993 Non-Employee Directors' Plan") was adopted on September 1, 1993 by the Board of Directors and was approved by the stockholders in 1994.

The 1993 Non-Employee Directors' Plan is intended to allow each non-employee director of Newpark to purchase 15,750 shares of Common Stock. Non-employee directors are not eligible to participate in any other stock option or similar plan currently maintained by Newpark. The purpose of the 1993 Non-Employee Directors' Plan is to promote an increased incentive and personal interest in the welfare of Newpark by those individuals who are primarily responsible for shaping the long-range plans of Newpark, to assist Newpark in attracting and retaining on the Board persons of exceptional competence and to provide additional incentives to serve as a director of Newpark.

Upon the adoption of the 1993 Non-Employee Directors' Plan, the five non-employee directors then serving were each granted a stock option to purchase 15,750 shares of Common Stock at an exercise price of $8.57 per share, the fair market value of the Common Stock on the date of grant. In addition, each new Non-Employee Director, on the date of his or her election to the Board of Directors, automatically will be granted a stock option to purchase 15,750 shares of Common Stock at an exercise price equal to the fair market value of the Common Stock on the date of grant. The determination of fair market value of the Common Stock is based on market quotations. On November 2, 1995, the Board of Directors adopted, subject to stockholder approval, amendments to the Non-Employee Directors' Plan to increase the maximum number of shares issuable thereunder from 157,500 to 210,000 and to provide for the automatic grant at five year intervals of additional stock options to purchase 10,500 shares of Common Stock to each non-employee director who continues to serve on the Board. At December 31, 1995, 15,750 options had been exercised under the 1993 Non-Employee Directors' Plan.

On November 2, 1995, the Board of Directors adopted, subject to stockholder approval, the Newpark Resources, Inc. 1995 Incentive Stock Option Plan (the "1995 Plan"), pursuant to which the Compensation

Committee may grant incentive stock options and nonstatutory stock options to designated employees of Newpark. Initially, a maximum of 525,000 shares of Common Stock may be issued under the 1995 Plan, with such maximum number increasing on the last business day of each fiscal year of Newpark, commencing with the last business day of the fiscal year ending December 31, 1996, by a number equal to 1.25% of the number of shares of Common Stock issued and outstanding on the close of business on such date, with a maximum number of shares of Common Stock that may be issued upon exercise of options granted under the 1995 Plan being limited to 1,312,500.

I. SUPPLEMENTAL CASH FLOW INFORMATION

During 1994, the Company's noncash transactions included the consummation of the sale of the operations of the Company's marine repair business for $661,000 in cash and a $400,000 note receivable.

During 1993, the Company's noncash transactions included the issuance of 735,000 shares of the Company's common stock for extinguishment of certain notes payable issued in connection with the assets purchased from Quality Mill, Inc. and accrued liabilities incurred with the purchase of other fixed assets. Additionally, the Company sold property with a book value of $250,000 in exchange for $100,000 in cash and a $400,000 note receivable.

Included in accounts payable and accrued liabilities at December 31, 1995, 1994 and 1993 were equipment purchases of $4,141,000, $774,000 and $933,000, respectively. Also included are notes payable for equipment purchases in the amount of $257,000 and $635,000 for 1995 and 1993, respectively. Included in accounts payable and accrued liabilities at March 31, 1996 and 1995 (unaudited) were equipment purchases of $1,040,000 and $419,000, respectively. Also included are notes payable for equipment purchases in the amount of $351,000 at March 31, 1996 (unaudited).

Interest of $4,235,000, $2,713,000 and $1,912,000 was paid in 1995, 1994 and 1993, respectively, and interest of $986,000 and $892,000 was paid during the three months ended March 31, 1996 and 1995 (unaudited), respectively. Income taxes of $51,000, $90,200 and $82,000 were paid in 1995, 1994 and 1993, respectively, and income taxes of $1,218,000 were paid during the three months ended March 31, 1996 (unaudited). No income taxes were paid during the three months ended March 31, 1995.

J. COMMITMENTS AND CONTINGENCIES

Newpark and its subsidiaries are involved in litigation and other claims or assessments on matters arising in the normal course of business. In the opinion of management, any recovery or liability in these matters will not have a material adverse effect on Newpark's consolidated financial statements.

During 1992, the State of Texas assessed additional sales taxes for the years 1988-1991. The Company has filed a petition for redetermination with the Comptroller of Public Accounts. The Company believes that the ultimate resolution of this matter will not have a material adverse effect on the consolidated financial statements.

In the normal course of business, in conjunction with its insurance programs, the Company has established letters of credit in favor of certain insurance companies in the amount of $2,000,000 at March 31, 1996 (unaudited), and $2,825,000 at December 31, 1995 and December 31, 1994. At December 31, 1995 and March 31, 1996 (unaudited), the Company had outstanding guaranty obligations totaling $469,000 and $453,000, respectively, in connection with facility closure bonds issued by an insurance company.

Since May 1988, the Company has held the exclusive right to use a patented prefabricated mat system with respect to the oil and gas exploration and production industry within the State of Louisiana. On June 20, 1994, the Company entered into a new license agreement by which it obtained the exclusive right to use the same patented prefabricated mat system, without industry restriction, throughout the continental United States. The license agreement requires, among other things, that the company purchase a minimum of 20,000 mats annually

through 2003. The Company has met this annual mat purchase requirement since the inception of the agreement. Any purchases in excess of that level may be applied to future annual requirements. The Company's annual commitment to maintain the agreement in force is currently estimated to be $4,600,000.

At December 31, 1995 and March 31, 1996 (unaudited), the Company had outstanding a letter of credit in the amount of $3,816,000 issued to a state regulatory agency to assure funding for future site closure obligations at its NORM processing facility.

The Company leases various manufacturing facilities, warehouses, office space, machinery and equipment and transportation equipment under operating leases with remaining terms ranging from one to ten years with various renewal options. Substantially all leases require payment of taxes, insurance and maintenance costs in addition to rental payments. Total rental expenses of continuing operations for all operating leases were $5,210,000, $4,049,000 and $4,226,000, in 1995, 1994 and 1993, respectively.

Future minimum payments under noncancelable operating leases, with initial or remaining terms in excess of one year are: $1,683,000 in 1996; $1,192,000 in 1997; $924,000 in 1998; $859,000 in 1999; $781,000 in 2000; and $562,000 thereafter.

Capital lease commitments are not significant.

K. BUSINESS AND CREDIT CONCENTRATION

During 1995, one customer accounted for approximately 16% of total revenue ($15,890,000). In 1993 and 1994, the Company did not derive ten percent or more of its revenues from sales to any single customer.

Export sales are not significant.

L. CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Company to significant concentrations of credit risk consist principally of cash investments and trade accounts and notes receivable.

The Company maintains cash and cash equivalents with various financial institutions. These financial institutions are located throughout the Company's trade area and company policy is designed to limit exposure to any one institution. The Company performs periodic evaluations of the relative credit standing of these financial institutions which are considered in the Company's investment strategy.

Concentrations of credit risk with respect to trade accounts and notes receivable are limited due to the large number of entities comprising the Company's customer base and, for notes receivable, the required collateral. The Company maintains an allowance for losses based upon the expected collectibility of accounts and notes receivable.

M. SUPPLEMENTAL SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

	QUARTER ENDED			
	MARCH 31	JUNE 30	SEPTEMBER 30	DECEMBER 31
	(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)			
1996:				
Revenues	$26,767			
Operating income	6,092			
Net income	3,316			
Net income per share	.31			
1995:				
Revenues	$22,209	$22,454	$24,793	$28,526
Operating income	3,711	4,789	5,529	6,951
Net income	2,490	3,206	2,700	3,840
Net income per share	.24	.30	.26	.36
1994:				
Revenues	$17,146	$19,396	$21,169	$21,921
Operating income	2,288	2,843	3,165	3,595
Net income	1,740	2,273	2,436	2,945
Net income per share	.17	.22	.23	.28

INDEPENDENT AUDITORS REPORT

To the Board of Directors
Sanifill, Inc.

We have audited the accompanying statements of net assets of the marine NOW service business of Campbell Wells, Ltd. (the "Acquired Business") as of December 31, 1995 and 1994, and the related statements of operations for each of the three years in the period ended December 31, 1995. These financial statements are the responsibility of the management of Campbell Wells, Ltd. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the statements of net assets of the Acquired Business, as of December 31, 1995 and 1994, and the results of operations of the Acquired Business for each of the three years in the period ended December 31, 1995 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP

New Orleans, Louisiana
June 6, 1996

CAMPBELL WELLS, LTD.--MARINE NOW SERVICE BUSINESS

STATEMENTS OF NET ASSETS

	DECEMBER 31,		MARCH 31,
	1995	1994	1996
			(UNAUDITED)
PROPERTY AND EQUIPMENT			
Buildings and facilities	$ 300,029	$ 105,258	$ 327,949
Equipment	2,260,588	556,428	2,331,666
Furniture and fixtures	289,997	241,155	358,948
Vehicles	539,130	74,799	626,850
Leasehold improvements	226,867	194,699	289,152
	3,616,611	1,172,339	3,934,565
Less accumulated depreciation and amortization	1,383,535	503,992	1,403,219
	2,233,076	668,347	2,531,346
CAPITAL LEASE OBLIGATION	468,311	--	444,439
NET ASSETS	$1,764,765	$ 668,347	$2,086,907

See accompanying notes to financial statements

CAMPBELL WELLS, LTD.--MARINE NOW SERVICE BUSINESS

STATEMENTS OF OPERATIONS

	YEARS ENDED DECEMBER 31			THREE MONTHS ENDED MARCH 31,	
	1995	1994	1993	1996	1995
				(UNAUDITED)	
Revenues	$18,837,073	$15,368,935	$10,966,968	$ 5,591,672	$3,609,391
Costs of operations	12,007,350	9,745,841	7,371,250	3,539,372	2,636,321
Gross profit	6,829,723	5,623,094	3,595,718	2,052,300	973,070
Selling, general and administrative	1,945,619	1,627,348	1,393,359	488,806	412,618
Operating income	4,884,104	3,995,746	2,202,359	1,563,494	560,452
Income taxes	1,660,595	1,358,553	748,802	531,588	190,554
Net income	$ 3,223,509	$ 2,637,193	$ 1,453,557	$ 1,031,906	$ 369,898

See accompanying notes to financial statements

CAMPBELL WELLS, LTD.--MARINE NOW SERVICE BUSINESS

NOTES TO FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

On June 5, 1996, Newpark Resources, Inc. ("Newpark") entered into an Asset Purchase and Lease Agreement with Sanifill, Inc. ("Sanifill") and Campbell Wells Ltd. ("Campbell Wells"), a wholly owned subsidiary of Sanifill, for the purchase and lease of certain marine related assets of the nonhazardous oilfield waste ("NOW") service business of Campbell Wells (the "Acquired Business"). If the transaction is consummated, Newpark will purchase substantially all of Campbell Wells non-landfarm assets and will assume leases associated with five transfer stations located along the Gulf Coast and three receiving docks at the landfarm facilities operated by Campbell Wells. The accompanying financial statements have been prepared from the historical books and records of Campbell Wells and present (1) the assets of the Acquired Business as of December 31, 1995 and 1994 and (2) the results of operations of the Acquired Business for the years ended December 31, 1995, 1994, and 1993. Since only certain net assets are being acquired, statements of financial position and cash flows of the marine related NOW service business are not applicable.

The statements of operations may not necessarily be indicative of the results of operations that would have been realized had the Acquired Business been operated as a stand-alone entity or as an unaffiliated entity. The statements of operations include an allocation of selling, general and administrative expense based on a percentage of revenues. Campbell Wells believes this allocation is reasonable.

As a wholly owned subsidiary of Sanifill, Campbell Wells maintained a noninterest-bearing intercompany account with Sanifill for recording the parent company's investment, intercompany charges for costs and expenses, and intercompany transfers of cash, among other transactions. It is not feasible to ascertain the portion of the intercompany account related solely to the Acquired Business, and, consequently, the amount of related interest expense or interest income which would have been recorded in the accompanying statements of operations had the intercompany account been interest-bearing.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates--The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment--Property and equipment are stated at cost, less accumulated depreciation. Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost and depreciated. Depreciation is provided using the straight-line method in amounts considered sufficient to amortize the cost of the depreciable assets to operations over their estimated services lives. Leasehold improvements are amortized over the lives of the respective leases or their estimated service lives, whichever is shorter. Equipment leased under capital leases is amortized over the normal depreciation policy for owned assets. Depreciation expense for each of the three years in the period ended December 31, 1995 was approximately $194,000, $150,000 and $116,000, respectively. The periods used in determining depreciation and amortization follow:

	PERIOD
Buildings and leasehold improvements	10-30 years
Vehicles and equipment	3-7 years
Furniture and fixtures	3-7 years

Differences in useful lives are due to differences in lease terms or estimated lives for the different locations.

Revenue Recognition--Revenues in the Acquired Business are primarily comprised of disposal and barge cleaning fees. Disposal revenue is recognized once the waste is unloaded at the disposal or transfer facility.

Income Taxes--The operations of Campbell Wells and the Acquired Business were included in the consolidated U.S. federal income tax return of Sanifill, Inc. Campbell Wells, Ltd. assumed a federal tax rate of 34% of taxable income. The allocation did not distinguish between current and deferred income taxes. State income taxes were not material.

C. LEASE COMMITMENTS

In the operation of the Acquired Business, Campbell Wells leases various barges and tug boats, machinery and equipment, and transfer facilities under operating leases with remaining terms ranging from one to five years with various renewal options. Substantially all leases require payment of taxes, insurance and maintenance costs in addition to rental payments. Total rental expenses for all operating leases were approximately $1,862,000, $2,245,000 and $2,011,000 for the years ended December 31, 1995, 1994 and 1993, respectively.

Future minimum payments under noncancelable operating leases with initial or remaining terms in excess of one year are $895,000 in 1996, $419,000 in 1994, $346,000 in 1998, $347,000 in 1999 and $237,000 in 2000.

Property plant and equipment at December 31 includes the following amounts related to capital leases:

	DECEMBER 31,	
	1995	1994
Equipment leased under capital leases	$545,730	$118,658
Less accumulated depreciation	(89,658)	(3,956)
	$456,072	$114,702

Depreciation expense provided on these assets was $85,702 and $3,956 during 1995 and 1994, respectively.

The following is a schedule by years of future minimum lease payments under these capital leases together with the present value of the net minimum lease payments.

YEARS ENDED DECEMBER 31:	
1996	$133,451
1997	133,451
1998	133,451
1999	128,604
2000	28,104
Total minimum lease payments	557,061
Less interest portion	(88,750)
Present value of net minimum lease payments	$468,311

The carrying value of the capital lease obligation approximates the fair value.

D. CONTINGENCIES

Campbell Wells is involved in certain claims and litigation arising in the normal course of Acquired Business. In the opinion of Campbell Wells, the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the Acquired Business.

E. MAJOR CUSTOMERS

Revenue from various customers of the Acquired Business for the years ended December 31, 1995, 1994 and 1993, which amounted to 10% or more of total revenues were as follows:

	1995		1994		1993	
	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	(IN THOUSANDS)					
Customer A	$3,384	18.0%	--	--	--	--
Customer B	2,170	11.5%	$1,625	10.5%	--	--
Customer C	1,345	7.0%	1,618	10.5%	$1,731	15.0%

- ---

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY NEWPARK OR ANY UNDERWRITER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF OR THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF NEWPARK SINCE SUCH DATE.

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Newpark Resources, Inc.

3,000,000 Shares

Common Stock
($.01 par value)

PROSPECTUS

CS First Boston

Deutsche Morgan Grenfell

The Robinson-Humphrey Company, Inc.

Jefferies & Company, Inc.

- ---

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+INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A   +
+REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE   +
+SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY +
+OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT   +
+BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR   +
+THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE   +
+SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE   +
+WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES +
+LAWS OF ANY SUCH JURISDICTION.   +
++

[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

SUBJECT TO COMPLETION, DATED JUNE , 1996

3,000,000 Shares
Newpark Resources, Inc.
Common Stock
($.01 par value)

All the shares of Common Stock, $.01 par value ("Common Stock"), of Newpark Resources, Inc. ("Newpark" or the "Company") offered hereby are being sold by Newpark. Of the 3,000,000 shares of Common Stock being offered, 450,000 shares are initially being offered outside the United States and Canada (the "International Shares") by the Managers (the "International Offering") and 2,550,000 shares are initially being concurrently offered in the United States and Canada (the "U.S. Shares") by the U.S. Underwriters (the "U.S. Offering" and, together with the International Offering, the "Offering"). The offering price and underwriting discounts and commissions of the International Offering and the U.S. Offering are identical.

A substantial portion of the net proceeds of the Offering will be used to fund the acquisition of certain assets of Campbell Wells, Ltd. (the "Acquisition"). The closing of the Offering will, occur concurrently with, and is conditioned upon, the closing of the Acquisition. See "The Acquisition".

Newpark's Common Stock is listed on the New York Stock Exchange under the symbol "NR". On June 11, 1996, the reported last sale price of the Common Stock on The New York Stock Exchange Composite Tape was $36.875 per share.

FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE COMMON STOCK, SEE "RISK FACTORS" BEGINNING ON PAGE 8.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Newpark(1)
Per Share	$	$	$
Total(2)	$	$	$

(1) Before deduction of expenses payable by Newpark estimated at $.
(2) Newpark has granted the Managers and the U.S. Underwriters an option, exercisable by CS First Boston Corporation for 30 days from the date of this Prospectus, to purchase a maximum of 450,000 additional shares to cover over-allotments of shares. If the option is exercised in full, the total Price to Public will be $, Underwriting Discounts and Commissions will be $, and Proceeds to Newpark will be $.

The International Shares are offered by the several Managers when, as and if issued by Newpark, delivered to and accepted by the Managers and subject to their right to reject orders in whole or in part. It is expected that the International Shares will be ready for delivery on or about , 1996.

CS First Boston
The Robinson-Humphrey Company, Inc.

Deutsche Morgan Grenfell
Jefferies & Company, Inc.

The date of this Prospectus is , 1996.

[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

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In this Prospectus, references to "dollars" and "$" are to United States dollars.

IN CONNECTION WITH THIS OFFERING, CS FIRST BOSTON CORPORATION, ON BEHALF OF THE U.S. UNDERWRITERS AND THE MANAGERS, MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE COMMON STOCK AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

CERTAIN UNITED STATES TAX CONSEQUENCES TO NON-UNITED STATES HOLDERS

The following is a general discussion of certain United States federal income and estate tax consequences of the ownership and disposition of Common Stock by a holder of such stock that, for United States federal income tax purposes, is not a "United States person" (a "Non-United States Holder"). This discussion is not intended to be exhaustive and is based on statutes, regulations, rulings and court decisions as currently in effect all of which may be changed either retroactively or prospectively. This discussion does not consider any specific facts or circumstances that may apply to a particular Non-United States Holder (including, for example, the fact that, in the case of a Non-United States Holder that is a partnership, the U.S. tax consequences of purchasing, holding and disposing of Common Stock may be affected by determinations made both at the partnership and the partner level) and applies only to Non-United States Holders that hold Common Stock as a capital asset. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE UNITED STATES TAX CONSEQUENCES OF ACQUIRING, HOLDING AND DISPOSING OF COMMON STOCK (INCLUDING SUCH INVESTOR'S STATUS AS A UNITED STATES PERSON OR NON-UNITED STATES HOLDER) AS WELL AS ANY TAX CONSEQUENCES THAT MAY ARISE UNDER THE LAWS OF ANY STATE, MUNICIPALITY OR OTHER TAXING JURISDICTION.

For purposes of this discussion, "United States person" means a citizen or resident of the United States, a corporation or partnership created or organized in the United States or under the laws of the United States or of any political subdivision thereof, or an estate or trust whose income is includable in gross income for United States federal income tax purposes regardless of its source. An alien individual generally is treated as a United States person for any calendar year if either (i) the individual is present in the United States 183 days or more during such calendar year or (ii) the individual is present in the United States at least 31 days during such calendar year and the sum of the number of days present during such calendar year, one-third the number of days present during the first preceding year and one-sixth the number of days present during the second preceding year is 183 or more.

DIVIDENDS

Except as provided below with respect to the payment of dividends to certain partnerships, dividends paid to a Non-United States Holder generally will be subject to withholding of United States federal income tax at the rate of 30%, unless the withholding rate is reduced under an applicable income tax treaty between the United States and the country of tax residence of the Non-United States Holder. No U.S. withholding will apply if the dividend is effectively connected with a trade or business conducted within the United States by the Non-United States Holder (or, alternatively, where an income tax treaty applies, if the dividend is effectively connected with a permanent establishment maintained within the United States by the Non-United States Holder), but, instead, the dividend will be subject to the United States federal income tax on net income that applies to United States persons (and, with respect to corporate holders, may also be subject to the branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty). A Non-United States Holder may be required to satisfy certain certification requirements in order to claim treaty benefits or to otherwise claim a reduction in or exemption from withholding under the foregoing rules. A Non-United States Holder that is eligible for a reduced rate of U.S. withholding tax pursuant to a tax treaty may apply for a refund of any excess amounts currently withheld by filing an appropriate claim for refund with the United States Internal Revenue Service (the "Service").

If the holder of Common Stock is a domestic or foreign partnership engaged in a United States trade or business, the partnership generally will be required to withhold tax on any effectively connected dividend includible in the distributive share of partnership income (the "Distributive Share") of a partner who is a non-United States Holder, whether or not distributed, at the highest applicable rate of United States taxation (currently, 39.6% for a non-corporate partner and 35% for a corporate partner). A domestic partnership will be

required to withhold tax at the 30% withholding tax rate (or applicable treaty rate) on any dividend includible in the Distributive Share of a partner that is a non-United States Holder that is not an effectively connected dividend, whether or not distributed. Different withholding requirements may apply to partnerships, the interests of which are publicly traded, and those partnerships are accordingly advised to consult their tax advisors.

GAIN ON DISPOSITION

Subject to special rules described below, a Non-United States Holder generally will not be subject to United States federal income tax on gain recognized on a sale or other disposition of Common Stock unless the gain is effectively connected with a trade or business conducted within the United States by the Non-United States Holder (or, alternatively, where an income tax treaty applies, unless the gain is effectively connected with a permanent establishment maintained within the United States by the Non-United States Holder). Any such effectively connected gain would be subject to the United States federal income tax on net income that applies to United States persons (and, with respect to corporate holders, may also be subject to the branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty). Such tax is not collected by withholding.

In addition, an individual Non-United States Holder who holds Common Stock would generally be subject to tax at a 30% rate on any gain recognized on the disposition of such Common Stock if such individual is present in the United States for 183 days or more in the taxable year of disposition and either (i) has a "tax home" in the United States (as specifically defined for purposes of the United States federal income tax) or (ii) maintains an office or other fixed place of business in the United States and the income from the sale of the stock is attributable to such office or other fixed place of business. Individual Non-United States Holders may also be subject to tax pursuant to provisions of United States federal income tax law applicable to certain United States expatriates.

Also, special rules apply to Non-United States Holders if the Company is or becomes a "United States real property holding corporation" for United States federal income tax purposes. The Company believes that it has not been, is not currently, and is not likely to become, a United States real property holding corporation. If the Company were a United States real property holding corporation, gain or loss on a sale of the Common Stock by any Non-United States Holder (other than, in most cases, a Non-United States Holder that owns or owned (directly or constructively) 5% or less of the Common Stock during the five-year period ending on the date of such sale) would be treated as income effectively connected with the conduct of a trade or business within the United States by the holder and subject to the net income tax described above.

UNITED STATES FEDERAL ESTATE TAXES

Common Stock owned or treated as owned by an individual who is not a citizen or resident (as specially defined for United States federal estate tax purposes) of the United States at the date of death, or Common Stock subject to certain lifetime transfers made by such an individual, will be included in such individual's estate for United States federal estate tax purposes and may be subject to United States federal estate tax, unless an applicable estate tax treaty provides otherwise. Estates of nonresident aliens are generally allowed a credit that is equivalent to an exclusion of $60,000 of assets from the estate for United States federal estate tax purposes.

INFORMATION REPORTING AND BACKUP WITHHOLDING

The Company must report annually to the Service and to each Non-United States Holder the amount of dividends paid to, and the tax withheld with respect to, such holder, regardless of whether any tax was actually withheld. That information may also be made available to the tax authorities of the country in which a Non-United States Holder resides.

United States federal backup withholding tax (which, generally, is imposed at the rate of 31% on certain payments to persons not otherwise exempt who fail to furnish information required under United States information reporting requirements) generally will not apply to dividends paid to a Non-United States Holder either at an address outside the United States (provided that the payor does not have actual knowledge that the

payee is a United States person) or if the dividends are subject to withholding at the 30% rate (or lower treaty rate). As a general matter, information reporting and backup withholding also will not apply to a payment of the proceeds of a sale of Common Stock by a foreign office of a foreign broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a sale of Common Stock by a foreign office of a broker that is a United States person, or by a foreign office of a foreign broker that derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, or that is a "controlled foreign corporation" as to the United States, unless the broker has documentary evidence in its records that the holder is a Non-United States Holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment by a United States office of a broker of the proceeds of a sale of Common Stock is subject to both backup withholding and information reporting unless the holder certifies as to its non-United States status under penalties of perjury or otherwise establishes an exemption (and the broker has no actual knowledge to the contrary.) The backup withholding tax is not an additional tax and may be credited against the Non-United States Holder's United States federal income tax liability or refunded to the extent excess amounts are withheld, provided that the required information or appropriate claim for refund is filed with the Service.

NEW PROPOSED REGULATIONS

The United States Treasury recently proposed new regulations regarding the withholding and information reporting rules discussed above. Among other changes, the proposed regulations would unify certification forms and procedures, require certification of residence to claim treaty benefits, clarify reliance standards, impose special withholding rules on payments made to foreign partnerships and make other changes affecting withholding agents and intermediaries. If finalized in their current form, the proposed regulations would generally be effective for payments made after December 31, 1997, subject to certain transition rules.

[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

SUBSCRIPTION AND SALE

The institutions named below (the "Managers") have, pursuant to a Subscription Agreement dated , 1996 (the "Subscription Agreement"), severally and not jointly, agreed with Newpark to subscribe and pay for the following respective numbers of International Shares as set forth opposite their names:

MANAGER	NUMBER OF INTERNATIONAL SHARES
CS First Boston Limited.....	
Morgan Grenfell & Co., Limited.....	
The Robinson-Humphrey Company, Inc.	
Jefferies & Company, Inc.....	
Total.....	450,000

The Subscription Agreement provides that the obligations of the Managers are subject to certain conditions precedent and the Managers will be obligated to purchase all of the International Shares offered hereby (other than those shares covered by the over-allotment option described below) if any are purchased. The Subscription Agreement provides that, in the event of a default by a Manager, in certain circumstances the purchase commitments of the non-defaulting managers may be increased or the Subscription Agreement may be terminated.

Newpark has entered into an Underwriting Agreement (the "Underwriting Agreement") with the U.S. Underwriters of the U.S. Offering (the "U.S. Underwriters") providing for the concurrent offer and sale of the U.S. Shares in the United States and Canada. The closing of the U.S. Offering is a condition to the closing of the International Offering and vice versa.

Newpark has granted to the Managers and the U.S. Underwriters an option, exercisable by CS First Boston Corporation the representative of the U.S. Underwriters, expiring at the close of business on the 30th day after the date of this Prospectus to purchase up to 67,500 additional shares at the initial public offering price, less the underwriting discounts and commissions, all as set forth on the cover page of this Prospectus. Such option may be exercised only to cover over-allotments in the sale of the shares of Common Stock offered hereby. To the extent that this option to purchase is exercised, each Manager and each U.S. Underwriter will become obligated, subject to certain conditions, to purchase approximately the same percentage of additional shares being sold to the Managers and the U.S. Underwriters as the number of International Shares set forth next to such Manager's name in the preceding table and as the number set forth next to such U.S. Underwriter's name in the corresponding table in the Prospectus relating to the U.S. Offering bears to the sum of the total number of shares of Common Stock in such tables.

Newpark has been advised by CS First Boston Limited, on behalf of the Managers, that the Managers propose to offer the International Shares outside the United States and Canada initially at the public offering price set forth on the cover page of this Prospectus and, through the Managers, to certain dealers at such price less a commission of $ per share and that the Managers and such dealers may reallow a commission of $ per share on sales to certain other dealers. After the initial public offering, the public offering price and commission and reallowance may be changed by the Managers.

The offering price and the aggregate underwriting discounts and commissions per share and per share commission and re-allowance to dealers for the International Offering and the concurrent U.S. Offering will be identical. Pursuant to an Agreement between the U.S. Underwriters and Managers (the "Intersyndicate Agreement") relating to the Offering, changes in the offering price, the aggregate underwriting discounts and

commissions per share and per share commission and reallowance to dealers will be made only upon the mutual agreement of CS First Boston Limited, on behalf of the Managers, and CS First Boston Corporation, on behalf of the U.S. Underwriters.

Pursuant to the Intersyndicate Agreement, each of the Managers has agreed that, as part of the distribution of International Shares and subject to certain exceptions, it has not offered or sold, and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock in the United States or Canada or to any other dealer who does not so agree. Each of the U.S. Underwriters has agreed that, as part of the distribution of the U.S. Shares and subject to certain exceptions, it has not offered or sold and will not offer or sell, directly or indirectly, any shares of Common Stock or distribute any prospectus relating to the Common Stock to any person outside the United States and Canada or to any other dealer who does not so agree. The foregoing limitations do not apply to stabilization transactions or to transactions between the Managers and the U.S. Underwriters pursuant to the Intersyndicate Agreement. As used herein, "United States" means the United States of America including the States and the District of Columbia), its territories, possessions and other areas subject to its jurisdiction. "Canada" means Canada, its provinces, territories, possessions and other areas subject to its jurisdiction, and an offer or sale shall be in the United States or Canada if it is made to (i) any individual resident in the United States or Canada or (ii) any corporation, partnership, pension, profit-sharing or other trust or other entity (including any such entity acting as an investment adviser with discretionary authority) whose office most directly involved with the purchase is located in the United States or Canada.

Pursuant to the Intersyndicate Agreement, sales may be made between the Managers and the U.S. Underwriters of such number of shares of Common Stock as may be mutually agreed upon. The price of any shares so sold will be the public offering price less such amount agreed upon by CS First Boston Limited, on behalf of the Managers, and CS First Boston Corporation, as representative of the U.S. Underwriters, but not exceeding the selling concession applicable to such shares. To the extent there are sales between the Managers and the U.S. Underwriters pursuant to the Intersyndicate Agreement, the number of shares of Common Stock initially available for sale by the Managers or by the U.S. Underwriters may be more or less than the amount appearing on the cover page of this Prospectus. Neither the Managers nor the U.S. Underwriters are obligated to purchase from the other any unsold shares of Common Stock.

Each of the Managers and the U.S. Underwriters severally represents and agrees that: (i) it has not offered or sold and prior to the date six months after the date of issue of the Common Stock will not offer or sell any Common Stock to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by it in relation to the Common Stock in, from or otherwise involving the United Kingdom; and (iii) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Common Stock to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1995 or is a person to whom such document may otherwise lawfully be issued or passed on.

Newpark has agreed that it will not offer, sell, contract to sell, announce its intention to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any additional shares of its Common Stock or securities convertible into or exchangeable or exercisable for any shares of its Common Stock without the prior written consent of CS First Boston Corporation for a period of 90 days after the date of this Prospectus, except issuances of shares pursuant to employee benefit plans (including stock option plans) existing on the date hereof. In addition, directors and officers of Newpark have agreed for a period of 90 days after the date of this Prospectus, that they will not offer, sell or otherwise dispose of shares of Common Stock without the prior written consent of CS First Boston Corporation.

[ALTERNATE PAGE FOR INTERNATIONAL PROSPECTUS]

Newpark has agreed to indemnify the Managers and the U.S. Underwriters against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments that the Managers and the U.S. Underwriters may be required to make in respect thereof.

Jefferies & Company, Inc. has acted as financial advisor to the Company in connection with the Acquisition and has been paid a fee of $75,000 for such financial advisory services. Jefferies & Company, Inc. will be paid an additional fee of $175,000 upon the consummation of the Acquisition.

LEGAL MATTERS

Certain matters with respect to the validity of the shares of Common Stock offered hereby are being passed upon for Newpark by Ervin, Cohen & Jessup, Beverly Hills, California. Fulbright & Jaworski L.L.P., Houston, Texas, has acted as counsel to the Underwriters in connection with certain legal matters relating to this Offering. Fulbright & Jaworski L.L.P. acts as counsel to Newpark from time to time in various matters.

EXPERTS

The consolidated financial statements of Newpark as of December 31, 1995 and 1994 and for each of the three years in the period ended December 31, 1995 included in this Prospectus and incorporated by reference from Newpark's Annual Report on Form 10-K for the year ended December 31, 1995, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and incorporated herein by reference, and have been so included and incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing. The Statements of Net Assets of Campbell Wells' Marine NOW Service Business as of December 31, 1995 and 1994 and the related statements of operations for each of the three years in the period ended December 31, 1995 included in this Prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing herein, and have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

AVAILABLE INFORMATION

Newpark is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the Commission's regional offices at 7 World Trade Center, 13th Floor, New York, NY 10048 and 500 West Madison Street, Suite 1400, Chicago, IL 60661. Copies of such material can be obtained from the Public Reference section of the Commission at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates, and on the World Wide Web at "http://www.sec.gov". Newpark's Common Stock is traded on the New York Stock Exchange, and such reports and other information also can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, NY 10005.

Newpark has filed with the Commission a registration statement under the Securities Act with respect to the securities offered hereby. This Prospectus does not contain all the information set forth in the registration statement and the exhibits thereto, to which reference is hereby made. Statements made in this Prospectus as to the contents of any contract, agreement or other document are not necessarily complete. With respect to each such contract, agreement or other document filed as an exhibit to the registration statement, reference is made to the exhibit for a more complete description of the matter involved, and each such statement is qualified in its

entirety by such reference. Any interested parties may inspect the registration statement, without charge, at the public reference facilities of the Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, and any interested parties may obtain copies of all or any part of the registration statement from the Commission at prescribed rates.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

Newpark's Annual Report on Form 10-K for the year ended December 31, 1995 filed by Newpark with the Commission is incorporated by reference into this Prospectus.

All documents filed by Newpark pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Prospectus and prior to the termination of the offering made hereby shall be deemed to be incorporated by reference into this Prospectus and made a part hereof from the date of filing of such documents. Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified, to constitute a part of this Prospectus.

Newpark will provide without charge to each person to whom a copy of this Prospectus is delivered, upon written or oral request, a copy of any and all documents incorporated by reference in this Prospectus, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents. Requests should be directed to Ms. Edah Keating, Corporate Secretary, Newpark Resources, Inc., 3850 North Causeway, Suite 1770, Metairie, Louisiana 70002, or by telephone at (504) 838-8222.

PART II--INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the estimated expenses payable by the registrant in connection with the filing of this Form S-3 Registration Statement:

Securities and Exchange Commission registration fee	$ 43,125
NASD filing fee	13,006
New York Stock Exchange fee	1,500
Blue Sky fees and expenses (including legal fees)	*
Printing costs	150,000
Legal fees	400,000
Accounting fees and expenses	100,000
Miscellaneous expenses	*
Total	$ *

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* To be filed by amendment.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the General Corporation Law of the State of Delaware (the "GCL") permits a corporation to, and the registrant's bylaws require that it, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

As permitted under Section 145 of the GCL, the registrant's bylaws also provide that it shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation. However, in such an action by or on behalf of a corporation, no indemnification may be made in respect of any claim, issue or matter as to which the person is adjudged liable for negligence or misconduct in the performance of his duty to the corporation unless, and only to the extent that the court determines that, despite the adjudication of liability but in view of all the circumstances, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

In addition, the indemnification provided by section 145 shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

The registrant's Certificate of Incorporation (the "Certificate") provides that the registrant shall indemnify, to the fullest extent permitted by law, each of its officers, directors, employees and agents who was or is a party

to, or is threatened to be made a party to, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of the registrant. The Certificate also provides that, to the fullest extent permitted by law, no director of the registrant shall be liable to the registrant or its stockholders for monetary damages for breach of his fiduciary duty as a director.

The Certificate also provides that the registrant may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the registrant, or is serving at the request of the registrant as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability incurred by such person in any such capacity, or arising out of his status as such, regardless of whether the registrant is empowered to indemnify such person under the provisions of law. Newpark does not currently maintain any such insurance.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(A) EXHIBITS

1.1 Underwriting Agreement.*
2.1 Asset Purchase and Lease Agreement, dated June 5, 1996, among the registrant, Campbell Wells, Ltd. and Sanifill, Inc.
2.2 Now Disposal Agreement, dated June 4, 1996, among Sanifill, Inc., Now Disposal Operating Co. and Campbell Wells, Ltd.
4.1 Form of certificate representing shares of the registrant's Common Stock.(1)
5.1 Opinion of Ervin, Cohen & Jessup.*
23.1 Consent of Deloitte & Touche LLP.
23.2 Consent of Ervin, Cohen & Jessup (included in Exhibit 5.1).*
24.1 Powers of Attorney (set forth on Page II-4).
27.1 Financial Data Schedule.

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* To be filed by amendment
(1) Incorporated by reference from the registrant's Registration Statement on Form S-1 (File No. 33-40716).

ITEM 17. UNDERTAKINGS

A. The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more that a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (A)(1)(i) and (A)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Metairie, State of Louisiana on June 12 , 1996.

NEWPARK RESOURCES, INC.

By /s/ James D. Cole
James D. Cole, Chairman of the Board, President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints James D. Cole and Matthew W. Hardey, and each of them, as his true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or his or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ James D. Cole James D. Cole	Chairman of the Board, President and Chief Executive Officer	June 12, 1996
/s/ Matthew W. Hardey Matthew W. Hardey	Vice President of Finance and Chief Financial Officer	June 12, 1996
/s/ Wm. Thomas Balantine Wm. Thomas Balantine	Executive Vice President and Director	June 12, 1996
/s/ Philip S. Sassower Philip S. Sassower	Director	June 12, 1996
/s/ Dibo Attar Dibo Attar	Director	June 12, 1996
/s/ W.W. Goodson W. W. Goodson	Director	June 12, 1996

SIGNATURE	TITLE	DATE
/s/ David P. Hunt David P. Hunt	Director	June 12, 1996
/s/ Dr. Alan J. Kaufman Dr. Alan J. Kaufman	Director	June 12, 1996
/s/ James H. Stone James H. Stone	Director	June 12, 1996

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
1.1	Underwriting Agreement*	
2.1	Asset Purchase and Lease Agreement, dated June 5, 1996, among the registrant, Campbell Wells, Ltd. and Sanifill, Inc.	
2.2	Now Disposal Agreement, dated June 4, 1996, among Sanifill, Inc., Now Disposal Operating Co. and Campbell Wells, Ltd.	
4.1	Form of certificate representing shares of the registrant's Common Stock(1)	
5.1	Opinion of Ervin, Cohen & Jessup*	
23.1	Consent of Deloitte & Touche LLP	
23.2	Consent of Ervin, Cohen & Jessup (included in Exhibit 5.1)*	
24.1	Powers of Attorney (set forth on Page II-4)	
27.1	Financial Data Schedule	

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* To be filed by amendment.

(1) Incorporated by reference from the registrant's Registration Statement on Form S-1 (File No. 33-40716).

EXHIBIT 2.1

ASSET PURCHASE AND LEASE AGREEMENT

THIS ASSET PURCHASE AND LEASE AGREEMENT ("Agreement") is made and entered into this 5th day of June, 1996, by and between (a) SANIFILL, INC., a Delaware corporation ("Parent"), CAMPBELL WELLS, LTD., a Delaware limited partnership (the "Company"), and NOW DISPOSAL HOLDING CO., a Delaware corporation ("Holdco") (Parent, the Company and Holdco being sometimes collectively referred to herein as "Sellers"), and (b) NEWPARK RESOURCES, INC., a Delaware corporation ("Buyer" or "Newpark"), with reference to the following facts:

A. The Company engages in the remediation and closure of oilfield waste pits, including related loading and hauling, and the collection, transfer, transportation, treatment and disposal of nonhazardous oilfield waste associated with the exploration and production of oil, gas and geothermal energy("NOW") (such activities being referred to herein as the "Business"). Those portions of the Business that relate to (i) remediation and closure of oilfield waste pits, including related loading and hauling, and (ii) the collection, transfer and transportation of NOW (other than Excluded NOW, as defined below) are referred to herein as the "Acquired Business." Those portions of the Business that relate to (iii) the collection, transfer and transportation of "Excluded NOW", i.e., NOW generated and collected on land and delivered to the Company's Landfarms (as defined below) from the site where it was generated entirely by on-land transportation and (iv) the treatment and disposal of NOW are referred to herein as the "Excluded NOW Business." The Company does not engage in any business other than the Acquired Business and the Excluded NOW Business.

B. The parties agree (i) Buyer shall purchase from Holdco and Holdco shall sell to Buyer 100% of the outstanding shares (the "Equity Interests") in NOW DISPOSAL OPERATING CO., a Delaware corporation ("Disposeco"), and (ii) that Buyer shall purchase or lease from the Company, and the Company shall sell or lease to Buyer substantially all of the operating assets of the Company that are primarily used or useful in the Acquired Business, and that Sellers shall remain liable for the liabilities and obligations related to the Business, including the Acquired Business, except for certain obligations that Buyer will expressly assume, all as hereinafter set forth. Buyer may assign its rights and delegate its duties hereunder to Subsidiary (as defined below), provided that no such assignment of rights or delegation of duties shall relieve Buyer of its obligations under this Agreement. If such assignment is made, references to Buyer in this Agreement shall be deemed to refer to Subsidiary, or to Buyer and Subsidiary, as appropriate.

NOW, THEREFORE, for and in consideration of the mutual promises, agreements and warranties contained herein, Sellers and Buyer agree as follows:

1. Transfer of Acquired Business and Assets.

1.1 Included Assets. For the consideration hereinafter provided, the Company shall sell or lease, transfer and assign to Buyer on the Closing Date (as defined below), all of the business, properties and assets of the Company related to the Acquired Business, other than the "Excluded Assets" specified in Paragraph 1.2, and Holdco will sell to Buyer the Equity Interests. Unless otherwise stated in Paragraph 1.2, the business, properties and assets to be sold or leased to Buyer hereunder other than the Equity Interests (the "Included Assets"), together with the

Equity Interests, shall include all assets of the Company and Holdco related to the Acquired Business, including but not limited to the following:

(a) Assets to be Sold.

(i) All interests in goodwill related to the Acquired Business;

(ii) the right, on a nonexclusive basis, to use all patents, patent applications, copyrights, trademark registrations and applications therefor, inventions, trade secrets, technical know-how, special processes, and similar intangibles, parts lists, designs, specifications, drawings, bills of material, maintenance manuals, warranty service data and sales literature (collectively "Intangible Assets") related to the Acquired Business;

(iii) all books and records of account, employment records, customer lists, supplier lists, and any other information relating to or arising out of the Acquired Business prior to the Closing Date which has been reduced to writing, or copies thereof where it is appropriate for the Company to retain the originals;

(iv) all of Sellers' interest in the transfer stations ("Transfer Stations") and the docks associated with the Transfer Stations ("Transfer Station Docks") located in the State of Louisiana that are used in connection with the Acquired Business, including all buildings, structures, improvements and fixtures thereon (together the "Transfer Stations and Transfer Station Docks"), a complete listing of which is attached to this Agreement as Exhibit 1.1.C; Transfer Stations and Transfer Station Docks will be leased (if owned by the Company or an Affiliate, as defined below) or subleased (if held by the Company under lease or sublease other than from an Affiliate) to Buyer for their remaining useful lives, all in accordance with subparagraph 1.1(b);

(v) all barges and marine facilities (the "Marine Facilities") used in the Acquired Business in connection with the transfer of NOW to the Transfer Stations and Transfer Station Docks; a complete listing of the Marine Facilities is attached hereto as Exhibit 1.1.D; the Marine Facilities will be sold to Buyer for part of the Purchase Price, as defined below (if owned by the Company or an Affiliate), or leased to Buyer for their remaining useful lives at the same rental as paid by the Company, without any premium (if held by the Company or an Affiliate under lease or sublease) ;

(vi) all vehicles, machinery, pit remediation equipment and other equipment, furniture, tools, tooling, spare parts and other fixed assets (the "Fixed Assets"), including but not limited to the Fixed Assets listed on Exhibit 1.1.E attached hereto, except as disposed of in the ordinary course of business before the Closing Date;

(vii) all of the Company's rights as of the Closing Date under all contracts relating exclusively to the Acquired Business, to the extent assumed by Buyer;

(viii) all of the Company's right, title and interest in and to all names previously used by the Company or any predecessor in connection with the Acquired Business the use of which use has been permanently discontinued by the Company and the right to purchase for $1.00 at any time after the Closing Date any and all names that are Excluded

Assets, when, as and if Parent and the Company permanently discontinue such use or announce the intention to permanently discontinue such use; and

(ix) all other assets, whether tangible or intangible, definite or contingent, and of every kind and description and wherever situated, that are used or useful primarily in connection with the Acquired Business.

(b) Assets to be Leased. All of the assets listed on Schedule 1.1(b) within the Disclosure Memorandum (as defined below), will be leased to Buyer in accordance with the terms of one or more leases to be mutually approved by the parties and entered into on the Closing Date. Such leases will be consistent with Paragraph 13.1 of this Agreement.

1.2 Excluded Assets. All of the assets and property of the Company, Parent and Holdco other than the Equity Interests and the assets and property included within the Included Assets shall be "Excluded Assets," including but not limited to the following:

(a) Parent's, the Company's and Holdco's rights under this Agreement, including the consideration to be received hereunder;

(b) all interests in cash, accounts receivable and other components of working capital of the Company;

(c) all property and assets relating exclusively to the Excluded NOW Business;

(d) the NOW disposal facilities owned and operated by the Company designated as Elm Grove, LA (DNR Permit # OWD 89-1), Bourg, LA (DNR Permit #90-10 OWD), Bateman Island, LA (DNR Permit # 91-10 OWD), and Mermentau, LA (DNR Permit # SWD 83-6)(collectively the "Landfarms") and associated operating equipment;

(e) The Company's facility at Zapata, Texas, and all assets associated with such facility (the "Zapata Facility");

(f) The Company's landfarming facility designated as Lacassine, LA, and all assets associated with such facility (DNR Permit # 93-05 OWD) (the "Lacassine Facility"); and

(g) The name "Campbell Wells, Ltd.," and all other names that are used by Parent or the Company or both in connection with the operation of the Landfarms, the Zapata Facility or the Lacassine Facility.

2. Purchase and Lease Price and Payment.

2.1 Aggregate Consideration. The aggregate consideration to be paid by Buyer (the "Purchase Price") for the Equity Interests, Included Assets and Noncompetition Agreement (as defined below) shall be $70,500,000. In addition to the Purchase Price, if any excise, sales, use or similar taxes are imposed on the sale, lease and transfer of the Equity Interests and Included Assets to Buyer, Buyer shall pay such taxes up to an aggregate of $30,000, and Sellers shall pay the balance, if any, of such taxes.

2.2 Payment. The Purchase Price shall be paid on the Closing Date in cash in the form of a wire transfer of immediately available funds.

3. Ancillary Agreements.

On the Closing Date, as a necessary incident of the sale and purchase of the Equity Interests and the sale and purchase or lease of the Included Assets, the following agreements will be executed by the parties indicated below:

3.1 Noncompetition Agreement. Buyer and Parent will execute and deliver a noncompetition agreement (the "Noncompetition Agreement") in form and substance as set forth in Exhibit 3.1 attached to this Agreement, and the Company will execute and deliver a Joinder Agreement (the "Joinder Agreement") in form and substance as set forth in Exhibit 3.1A attached to this Agreement.

3.2 Guaranty. Buyer will execute and deliver an Assumption and Guaranty Agreement (the "Guaranty") in form and substance as set forth in Exhibit 3.2 attached to this Agreement with respect to Disposeco's obligations arising after the Closing under the NOW Disposal Agreement dated as of June 4, 1996, among Parent, the Company and Disposeco (the "Disposal Agreement").

4. Assumption of Liabilities.

Except as expressly set forth in this Agreement, Buyer is not assuming any of the obligations or liabilities of Parent, the Company or Holdco. The foregoing notwithstanding, Buyer shall assume and discharge in due course the Assumed Obligations (as defined below).

5. Acquired Business Employees.

The Disclosure Memorandum includes a list of all employees and independent contractors of the Company engaged in the Acquired Business as of the date of this Agreement ("Acquired Business Employees"). Buyer shall be given the opportunity to offer employment to any such Acquired Business Employees (other than the "Excluded Employees," i.e., those who are listed in the Disclosure Memorandum as engaged primarily in the operation of the Landfarms, the Zapata Facility or the Lacassine Facility and certain other administrative personnel designated by mutual agreement of Buyer and Sellers) in Buyer's sole discretion but shall be under no obligation to offer employment to any Acquired Business Employee. Sellers will be responsible for all of the obligations owed to the Acquired Business Employees and the Excluded Employees to and including the Closing Date, including but not limited to salary, bonus, vacation, severance and sick pay, retirement benefits and amounts owed under employee benefit plans, and shall defend, indemnify and hold harmless Buyer from all liability with respect thereto, except that Buyer will be responsible for severance pay of the Acquired Business Employees other than the Excluded Employees, whether or not they become employees of Buyer. No severance pay will be payable by Buyer with respect to Acquired Business Employees who become employees of Buyer, except upon termination of their employment with Buyer. For a period of five years after the Closing Date, none of the Company and its Affiliates will induce or influence (or attempt to induce or influence) any of the Acquired Business Employees that have entered into the employ of Buyer or Disposeco (or remained in the employ of Disposeco) to terminate such employment.

6. Representations and Warranties of Sellers.

Except as otherwise specifically disclosed by Sellers to Buyer in a written memorandum (the "Disclosure Memorandum") making reference to this Agreement, Sellers hereby jointly and severally warrant and represent the following:

6.1 Organization and Good Standing.

(a) Parent. Parent is a corporation duly organized and in good standing under the laws of the State of Delaware. It has corporate power and authority to enter into this Agreement and the Related Agreements (as defined below) and the transactions contemplated hereby. Parent owns, directly or indirectly, the Equity Interests and all of the outstanding equity interests in the Company.

(b) The Company. The Company is a limited partnership duly formed and validly existing under the laws of the State of Delaware and has partnership power and authority to conduct its business as it is now being conducted. The Company is duly registered to transact business in each jurisdiction where the character or location of the assets owned by it or the nature of the business transacted by it require such registration except where failure to be so registered would not have a Material Adverse Effect (as defined below), and such registrations are in full force and effect. The Disclosure Memorandum includes a list of the jurisdictions in which the Company is registered to transact business.

(c) Holdco. Holdco is a corporation duly organized and in good standing under the laws of the State of Delaware. It has corporate power and authority to enter into this Agreement and to sell the Equity Interests to Buyer. Holdco is not required to be qualified as a foreign corporation in any jurisdiction.

(d) Disposeco. Disposeco is a corporation duly organized and in good standing under the laws of the State of Delaware. It has corporate power and authority to conduct its business as it is now being conducted. Disposeco is duly qualified to transact business in each jurisdiction where the character or location of the assets owned by it or the nature of the business transacted by it require such qualification except where failure to be so registered would not have a Material Adverse Effect, and such qualifications are in full force and effect. The Disclosure Memorandum includes a list of the jurisdictions in which Disposeco is qualified to transact business.

6.2 Authority.

(a) Parent. The execution by Parent of this Agreement and each of the Related Agreements to which Parent is a party, the delivery of each such agreement to Buyer and the performance thereof by Parent have been duly authorized by the Board of Directors of Parent. All necessary stockholder and corporate action has been taken, and this Agreement and each of the Related Agreements to which Parent is a party are valid and binding upon Parent and enforceable in accordance with their terms, subject to the Bankruptcy Exception, as defined below. The execution, delivery and performance by Parent of this Agreement and each of the Related Agreements to which Parent is a party are not contrary to the Certificate of Incorporation or By-Laws of Parent and will not result in a violation or breach of any term or provision or constitute a default or give any party a right to accelerate the due date of any indebtedness underv

any indenture, mortgage, deed of trust or other contract or agreement to which Sellers, or any of them, are parties or by which Sellers, or any of them, are bound, which relate to or affect the Acquired Business, the Equity Interests or the Included Assets.

(b) The Company. The Company has the requisite power under its agreement and certificate of limited partnership and the Delaware Revised Uniform Limited Partnership Act to enter into this Agreement and each of the Related Agreements to which it is a party and to perform its obligations under each such agreement. The execution, delivery and performance of this Agreement and each of the Related Agreements to which the Company is a party and the consummation of the transactions contemplated by this Agreement and such Related Agreements have been duly authorized by all necessary partnership action on the part of the Company, and no other partnership proceedings on the part of the Company are necessary to authorize this Agreement or any of such Related Agreements and the transactions contemplated hereby and thereby. This Agreement and each of the Related Agreements to which the Company is a party are valid and binding upon the Company and enforceable in accordance with their terms, subject to the Bankruptcy Exception. The execution, delivery and performance of this Agreement and the Related Agreements to which the Company is a party are not contrary to the partnership agreement of the Company and will not result in a violation or breach of any term or provision or constitute a default or give any party a right to accelerate the due date of any indebtedness under any indenture, mortgage, deed of trust or other contract or agreement to which Sellers, or any of them, are parties or by which Sellers, or any of them, are bound, which relate to or affect the Acquired Business, the Equity Interests or the Included Assets.

(c) Holdco. The execution by Holdco of this Agreement, the delivery of this Agreement to Buyer and the performance thereof by Holdco have been duly authorized by the Board of Directors of Holdco. No other corporate action is required, and this Agreement is valid and binding upon Holdco and enforceable in accordance with its terms, subject to the Bankruptcy Exception, as defined below. The execution, delivery and performance of this Agreement by Holdco are not contrary to the Certificate of Incorporation or By-Laws of Holdco and will not result in a violation or breach of any term or provision or constitute a default or give any party a right to accelerate the due date of any indebtedness under any indenture, mortgage, deed of trust or other contract or agreement to which Sellers, or any of them, are parties or by which Sellers, or any of them, are bound, which relate to or affect the Acquired Business, the Equity Interests or the Included Assets.

6.3 Financial Statements. All of the information provided by the Company or Parent to Deloitte & Touche, Buyer's independent accountants, in connection with such firm's examination of the balance sheets of the Company with respect to the activities constituting the Acquired Business as of December 31, 1993, December 31, 1994, and December 31, 1995, and the related statements of income, equity and cash flows for the years ended December 31, 1993, December 31, 1994, and December 31, 1995, was prepared from the books and records of the Company and was true and correct in all material respects when so provided to such firm. The balance sheet of the Company with respect to such activities as of March 31, 1996, and the related statements of income, equity and cash flows for the three months then ended were prepared from the books and records of the Company, which books and records were true and correct in all material respects as of such date, and such financial statements (including the notes thereto) present fairly, as of the date or for the period presented, the financial position, results of operations and changes in cash flows attributable to such activities, in each case subject to year-end audit adjustments.

6.4 Holdco's and Parent's Interests. Holdco is the sole stockholder of Disposeco and has good title to the Equity Interests, free and clear of all Liens. The Equity Interests constitute 100% of the outstanding capital stock of Disposeco. Parent has no interest in the Business other than (a) its indirect ownership of the Equity Interests, (b) its equity interests, direct and indirect, in the Company and the subsidiaries and Affiliates of the Company, and (c) its interest in the Zapata Facility. Holdco has no interest in the Business other than its ownership of the Equity Interests.

6.5 Title to and Condition of Properties. Holdco has good title to the Equity Interests, and the Company has good title to the Included Assets. The Company has the legal right to transfer and assign or lease the Included Assets to Buyer without obtaining any consent, permit or approval of or from any other Person, other than approval under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), except where failure to obtain any such consent, permit or approval would not have a Material Adverse Effect. The tangible assets within the Included Assets are in good operating condition and repair, subject to ordinary wear and tear, taking into account the respective ages of the assets involved.

6.6 Contracts. Sellers have furnished to Buyer copies of or access to all master service agreements (without related addenda containing price information, which shall be made available to Buyer at the Closing) and all other contracts to be assumed by Buyer hereunder, except for provisions of such contracts that relate primarily to the Excluded NOW Business. The Disclosure Memorandum contains a list of all Material Contracts (as defined below). To the knowledge of Sellers, all of the Material Contracts are valid and binding obligations of the parties thereto in accordance with their respective terms, subject to the Bankruptcy Exception; there have been no material amendments to or modifications to any Material Contract (except as set forth in the copies furnished to Buyer); no event has occurred which is, or, following any grace period or required notice, would become a material default under the terms of any Material Contract; and the Company has not waived any material rights under any Material Contract.

6.7 No Litigation. There is no suit or action (equitable, legal or administrative), arbitration or other proceeding pending or, to the knowledge of Sellers, threatened against Parent or the Company or any of their Affiliates, which materially relates to the Equity Interests or the Included Assets or which would materially adversely affect Buyer's conduct of the Acquired Business after the Closing Date. There is no suit or action (equitable, legal or administrative), arbitration or other proceeding pending or, to the knowledge of Sellers, threatened by Parent, the Company or any of their Affiliates which relates to or affects the Equity Interests, the Included Assets or Buyer's conduct of the Acquired Business after the Closing Date.

6.8 Compliance With Laws. Parent and the Company are in compliance with all applicable laws, statutes, ordinances, regulations, decrees and other legal requirements, including but not limited to laws requiring the filing of tax returns and reports and the payment of taxes, except where the failure to comply would not have a Material Adverse Effect. Assuming satisfaction of the condition set forth in Paragraph 11.3, the execution and performance of this Agreement and the Related Agreements and the consummation of the transactions contemplated hereby will not violate any provision of or constitute a default under any law, rule or regulation, order, writ, injunction or decree of any court or other governmental agency or instrumentality applicable to Parent or the Company with respect to the Acquired Business, except where such violation or default would not have a Material Adverse Effect.

6.9 Insurance. The Disclosure Memorandum includes a complete list of all policies of fire, liability and other forms of insurance maintained by the Company which cover the Acquired Business and the Included Assets, indicating risks insured against, carrier, policy number, amount of coverage, premiums and expiration date.

6.10 Letters of Credit and Performance Bonds. The Disclosure Memorandum includes a list of all outstanding letters of credit and performance bonds that have been issued in connection with the Acquired Business, including a summary of the terms thereof and the obligations to which they relate.

6.11 Employee Benefit Plans. Buyer will not be subjected to any liability under any employee benefit plan maintained by Parent or the Company.

6.12 Permits, Licenses and Authorizations. The Company has all licenses, franchises, permits and other governmental authorizations that are legally required to enable it to conduct the Acquired Business in all material respects as conducted on the date hereof, except where failure to have any such license, franchise, permit or authorization would not have a Material Adverse Effect. All such licenses, franchises, permits and other governmental authorizations related to the Acquired Business are freely transferable to Buyer and will be included within the Included Assets. Except as otherwise provided in this Agreement, no authorizations, approvals or consents of any governmental department, commission, bureau, agency or other public body or authority are required for consummation of the transactions contemplated by this Agreement, except where failure to obtain any such authorizations, approvals or consents would not have a Material Adverse Effect.

6.13 Environmental Matters.

(a) To the knowledge of Parent and the Company, no underground storage tanks the existence of which would have a Material Adverse Effect exist on, under or in any real property or buildings and improvements thereon constituting part of the Included Assets (collectively, the "Property").

(b) To the knowledge of Parent and the Company, during the time that any Property was owned or leased by the Company or any predecessor with respect to the Acquired Business, it did not violate to an extent that would have a Material Adverse Effect any applicable federal, state and local laws, ordinances or regulations, now or previously in effect, relating to environmental conditions, industrial hygiene or Hazardous Materials (as defined below) on, under, in or about such Property (including without limitation the Hazardous Materials Laws, as defined below).

(c) As of the date hereof, to the best of the knowledge of Parent and the Company, there are no (i) enforcement, clean-up, removal, mitigation or other governmental or regulatory actions instituted, contemplated or threatened pursuant to any Hazardous Materials Laws against the Company or any predecessor with respect to the Acquired Business, or any Property included within the Included Assets, (ii) claims made or threatened by any person or governmental body against the Company or any predecessor relating to any Property or (iii) any occurrence or condition known to Parent or the Company on any Property that can reasonably be expected to subject Buyer or such Property to any material restrictions on occupancy, transferability or use of any Property under any Hazardous Materials Laws. The Disclosure

Memorandum includes a list of all complaints, notices of violation and claims relating to Hazardous Materials Laws which, to the knowledge of Sellers have been received by or asserted against the Company or any predecessor with respect to the Acquired Business or any Property which could reasonably be expected to have a Material Adverse Effect.

6.14 Absence of Certain Changes. Since December 31, 1995, there has not been:

(a) any material adverse change in the financial condition, assets, liabilities or net worth of the Company related to the Acquired Business;

(b) any damage, destruction, or loss, whether or not covered by insurance, materially and adversely affecting the Acquired Business or the Included Assets;

(c) any material increase in the compensation payable or to become payable to any employees of the Company engaged in the Acquired Business, other than the Excluded Employees, or any bonus payment or arrangement made to or with any of such employees;

(d) to the knowledge of Sellers, any mortgage, pledge or subjection to lien, charge, or encumbrance of any kind of any of tangible assets or Intangible Assets of the Company related to the Acquired Business;

(e) any sale, transfer or assignment of any assets, including any interest in any Intangible Assets, of the Company related to the Acquired Business, except sales for fair value in the ordinary course of business, or any cancellation for less than fair value of any debts or claims due the Company, except for any sales, transfers or assignments of assets that would not have a Material Adverse Effect ; or

(f) to the knowledge of Sellers, any amendment or termination of any Material Contract except (i) in the ordinary course of business, (ii) as included in copies of such contracts furnished to Buyer, or (iii) any amendments or terminations that would not have a Material Adverse Effect.

6.15 No Labor Problems. The Company is not a party to any contract or agreement with a labor union or any local or subdivision thereof and has not been charged with any unresolved unfair labor practices with respect to the Acquired Business; Sellers have no knowledge of any present organizing activity among employees of the Company involved in the Acquired Business, other than the Excluded Employees, by any union. To the knowledge of Sellers, there are no material controversies pending or threatened between the Company and any of its employees engaged in the Acquired Business, other than the Excluded Employees, and the Company has substantially complied in connection with the Acquired Business with all laws relating to the employment of labor, including provisions relating to wages, hours, benefits, collective bargaining, and the payment of social security and similar taxes, and is not liable for any arrears in wages or any taxes or penalties for failure to comply with any of the foregoing, except where such failure to comply would not have a Material Adverse Effect.

6.16 Interest in Competitors, Suppliers, etc. Neither Parent nor any of its Affiliates, and no officer or director of the Company or Family Member, as defined below, of

any such person, owns, directly or indirectly, individually or collectively, any interest in any Person which has a material contractual relationship with the Company related to the Acquired Business, including but not limited to lessors of real or personal property leased to the Company and entities against whom rights or options are exercisable by the Company with respect to the Acquired Business.

6.17 Purchases and Sales. Since December 31, 1995, the Company has not placed any orders for materials, merchandise or supplies in exceptional or unusual quantities based upon past operating practices.

6.18 Employees and Suppliers. To the best knowledge of Sellers, the Company has satisfactory relationships with its employees (other than Excluded Employees), suppliers and independent contractors relating to the Acquired Business, except where failure to have such satisfactory relationships would not have a Material Adverse Effect.

6.19 Intangible Assets. The Company is not obligated to pay any royalties or other fee to any licensor or other third party with respect to any Intangible Assets the right to use of which is included within the Included Assets. None of Sellers has received any claim alleging any conflict between any aspect of the Acquired Business and any Intangible Assets claimed to be owned by others.

7. Additional Obligations and Covenants of Sellers.

Sellers hereby jointly and severally covenant and agree as follows:

7.1 Conduct of Acquired Business. Except as otherwise provided in this Agreement, between the date hereof and the Closing Date:

(a) The Acquired Business will be conducted in the ordinary course, and Sellers will use commercially reasonable efforts to preserve the organization of the Company intact and will not take any action intended to interfere with the Company's relationships with its employees (other than Excluded Employees), suppliers and customers, except where the failure to comply with this subparagraph would not have a Material Adverse Effect.

(b) The Company will not, without Buyer's prior written approval, enter into any material transaction affecting the Acquired Business other than in the ordinary course of business.

(c) The Company will not, without Buyer's prior written approval, enter into or cancel any Material Contracts, except that the Company may, without Buyer's prior approval, terminate any Material Contract for any material default thereunder by any party other than the Company or an Affiliate of the Company.

(d) The Company will use commercially reasonable efforts to maintain the Included Assets in their condition as of the date of this Agreement, ordinary wear and tear excepted.

(e) The Company will perform all repairs and maintenance required by any leases or charters of barges and other leased assets within the Included Assets, so that, on

the Closing Date, such assets are in the condition that would be required by such leases and charters if they were to terminate on the Closing Date.

7.2 Access and Information. (a) Except as set forth in subparagraph (b) below, Sellers will afford to Buyer and Buyer's counsel, accountants and other representatives reasonable access, throughout the period from the date hereof to the Closing Date, to all of their properties, books, contracts and records related to the Acquired Business and will furnish Buyer during such period with all information that Buyer reasonably may request, including copies and/or extracts of pertinent records, documents and contracts. The Confidentiality Agreement between Parent and Buyer shall remain in force and effect and apply to the information received by Buyer and its representatives hereunder.

(b) Buyer hereby acknowledges that it will have no right to receive, and Sellers shall have no obligation to deliver, any documents in any way relating to bids or proposals or other marketing efforts of the Company prior to the Closing Date.

7.3 HSR Act Notification. Sellers have previously filed a notification form in compliance with the HSR Act, and will respond promptly to any reasonable inquiry or request for additional information that they receive with respect to such notification form. Sellers will furnish to Buyer copies of (a) the notification form, (b) any request for additional information that they receive promptly after receiving it and (c) the additional information to be furnished in response to any such request before it is filed, provided, however, that Sellers' obligation to provide such documents or information which, in the reasonable judgment of Sellers' counsel, should not be provided to Buyer because of antitrust considerations shall be satisfied by delivery of such documents or information to Buyer's counsel pursuant to a confidentiality agreement satisfactory to Sellers.

7.4 Continuation of Insurance, Letters of Credit and Bonds. From and after the date hereof and until the Closing Date, the Company will continue to carry its existing insurance coverage (so long as coverage is available on commercially reasonable terms), letters of credit and bonds posted to ensure performance in connection with the Acquired Business, subject only to varia tion in amounts required by the ordinary operations of the Acquired Business.

7.5 Efforts to Satisfy Conditions. Sellers agree to use commercially reasonable efforts to satisfy or cause to be satisfied all of the conditions precedent to their or Buyer's obligations under this Agreement, to the extent that their action or inaction can control or influence the satisfaction of such conditions, provided, however, that Sellers will not be required under this Paragraph 7.5 to take any action or refrain from taking any action to satisfy any objections that the Federal Trade Commission may raise with respect to the transactions contemplated by this Agreement and the Related Agreements.

7.6 Title at Closing. At the Closing, Holdco will transfer to Buyer good title to the Equity Interests, free and clear of all Liens (as defined below). At the Closing the Company will transfer to Buyer good title to the Included Assets, free and clear of all Liens other than Permitted Liens (as defined below) related thereto and the Liens set forth on Schedule 7.6 hereto, provided, however, that Buyer's acceptance of any of the Included Assets subject as of the Closing Date to any Liens or Permitted Liens shall not excuse or limit the obligations of Parent and the Company to defend, indemnify and hold harmless Buyer as provided

in this Agreement with respect to Seller Obligations evidenced or secured by such Liens and Permitted Liens

7.7 Consents of Others. As soon as reasonably practicable after the date hereof, and in any event prior to the Closing, Sellers will use commercially reasonable efforts to obtain all consents, authorization and permits that are required for the assignment and transfer to Buyer of all of leases, properties, assets, contracts, agreements and permits ("Entitlements") herein provided to be assigned and transferred, leased or subleased to Buyer. If any such consent is not obtained, the Company agrees to cooperate with Buyer in any reasonable arrangements designed to provide for Buyer the benefits under each such Entitlement, including enforcement of any and all rights of the Company (and Buyer as successor in interest) against all other parties thereto.

7.8 Information for Registration Statement. Sellers acknowledge that the financial statements referred to in Paragraph 6.3 will be included in a Registration Statement to be filed by Buyer with the Securities Exchange Commission in connection with the public offering contemplated by Paragraph 10.8. Sellers will furnish to Buyer such additional information concerning the Acquired Business as Buyer may reasonably request in order to comply with the requirements of the Securities Act of 1933, subject to Paragraph 7.2(b) and the limitations contained in Paragraph 7.3. Any other information hereafter furnished by Sellers to Buyer in writing specifically for inclusion in such Registration Statement will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein in the light of the circumstances under which they were made not misleading at the time such Registration Statement becomes effective or at the effective time of any post-effective amendment or supplement thereto.

8. Representations and Warranties of Buyer.

Except as otherwise specifically disclosed by Buyer to Sellers in writing, Buyer hereby represents and warrants the following:

8.1 Organization and Good Standing. Buyer is a corporation duly organized and validly existing under the laws of the State of Delaware. Buyer has corporate power to conduct its business as it is now being conducted, to own the Equity Interests, to carry on the Acquired Business and to own or lease, as applicable, and operate the Included Assets being purchased or leased hereunder.

8.2 Authority of Buyer. The execution, delivery and performance of this Agreement and the Related Agreements by Buyer have been duly authorized by the Board of Directors of Buyer. No further corporate action is necessary on the part of Buyer to make this Agreement and the Related Agreements valid and binding upon Buyer in accordance with their terms, subject to the Bankruptcy Exception. The execution, delivery and performance of this Agreement and the Related Agreements by Buyer will not result in a violation or breach of (a) the Certificate of Incorporation or Bylaws of Buyer or (b) any term or provision or constitute a default or give any party a right to accelerate the due date of any indebtedness under any indenture, mortgage, deed of trust or other contract or agreement to which Buyer is a party.

8.3 Newpark's Capitalization. The authorized capital stock of Newpark consists of 20,000,000 shares of Common Stock, $.01 par value, of which 10,795,442 shares were issued

and outstanding on May 31, 1996, and 1,000,000 shares of Preferred Stock, $.01 par value, of which no shares are issued and outstanding.

8.4 Newpark Reports. Newpark has delivered to Sellers copies of (i) Newpark's Annual Reports on Form 10-K for the years ended December 31, 1993, 1994 and 1995 and (ii) all of Newpark's Quarterly Reports on Form 10-Q, all Current Reports on Form 8-K and all proxy statements and other reports filed by Newpark with the Securities and Exchange Commission (the "Commission") since December 31, 1992 (the "Newpark Reports" herein). The Newpark Reports have been duly and timely filed with the Commission and are in compliance with the Rules and Regulations (as defined below). As of their respective dates, none of the Newpark Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Since the filing with the Commission of the most recent report on Form 10-Q included in the Newpark Reports, there has been no material adverse change in the financial condition, assets, liabilities or net worth of Newpark and its subsidiaries, taken as a whole.

8.5 Newpark Financial Statements. The financial statements contained in the Newpark Reports (the "Newpark Financial Statements") have been prepared in accordance with the books and records of Newpark and its subsidiaries and in accordance with generally accepted accounting principles consistently applied during the periods indicated, all as more particularly set forth in such financial statements and the Notes thereto. Each of the balance sheets included in the Newpark Financial Statements presents fairly as of its date the consolidated financial condition and assets and liabilities of Newpark and its subsidiaries. Except as and to the extent reflected or reserved against in such balance sheets (including the Notes thereto), Newpark (including its subsidiaries) did not have, as of the dates of such balance sheets, any material liabilities or obligations (absolute or contingent) of a nature customarily reflected in a balance sheet or the notes thereto prepared in accordance with generally accepted accounting principles. The consolidated statements of earnings and stockholders' equity and consolidated statements of changes in financial position included in the Newpark Financial Statements present fairly the results of operations and changes in financial position of Newpark and its subsidiaries for the periods indicated.

8.6 Knowledge and Experience of Buyer. Buyer is in the NOW collection, transfer, treatment and disposal business, including the marine NOW collection, transfer, treatment and disposal business, and is familiar with such industry and the risks associated therewith. Buyer has been provided access to all information considered by Buyer to be necessary for a full and complete evaluation of the Acquired Business and the Included Assets. Buyer has the knowledge, skill and experience in business, financial and investment matters to evaluate the merits, risks and consequences of the purchase of the Equity Interests and the purchase or lease of the Included Assets and consummation of the other transactions contemplated by this Agreement.

9. Additional Obligations and Covenants of Buyer.

9.1 Efforts to Satisfy Conditions. Buyer hereby covenants and agrees to use commercially reasonable efforts to satisfy or cause to be satisfied all of the conditions precedent to its or Sellers' obligations under this Agreement, to the extent that Buyer's action or inaction can control or influence the satisfaction of such conditions, provided, however, that Buyer will

not be required under this Paragraph 9.1 to take any action or refrain from taking any action to satisfy any objections that the Federal Trade Commission may raise with respect to the transactions contemplated by this Agreement and the Related Agreements, and further provided that Buyer shall not voluntarily fail to obtain the financing referred to in Paragraph 10.8 unless, in Buyer's reasonable judgment, such financing can be obtained only on terms that would have a Material Adverse Effect on Buyer.

9.2 HSR Act Notification. Buyer has previously filed a notification form in compliance with the HSR Act, and will respond promptly to any reasonable inquiry or request for additional information that it receives with respect to such notification form. Buyer will furnish to Sellers copies of (a) the notification form, (b) any request for additional information that it receives promptly after receiving it and (c) the additional information to be furnished in response to any such request before it is filed, provided, however, that Buyer's obligation to provide such documents or information which, in the reasonable judgment of Buyer's counsel, should not be provided to Sellers because of antitrust considerations shall be satisfied by delivery of such documents or information to Sellers' counsel pursuant to a confidentiality agreement satisfactory to Buyer.

10. Conditions Precedent to Obligations of Buyer.

The obligations of Buyer under this Agreement are subject to the satisfaction of each of the additional following conditions at or prior to the Closing, unless waived in writing by Buyer:

10.1 Accuracy of Warranties and Representations. The representations and warranties of Sellers herein shall be true and correct on and as of the Closing Date, with the same force and effect, except as to transactions permitted herein or to which Buyer may have consented in writing and changes occurring in the ordinary course of business after the date of this Agreement and not materially adversely affecting the Company, or its properties, prospects, or financial condition related to the Acquired Business, as though such representations and warranties had been made on and as of the Closing Date, and Sellers shall have performed all covenants required by this Agreement to be performed by them at or prior to the Closing.

10.2 No Material Adverse Change. There shall have been no changes after the date of this Agreement in the results of operations, assets, liabilities, financial condition or affairs of the Company with respect to the Acquired Business which in their total effect have or could reasonably be expected to have a Materially Adverse Effect.

10.3 HSR Act. Early termination shall have been granted or applicable waiting periods shall have expired under the HSR Act.

10.4 Injunction. On the Closing Date there shall be no effective injunction, writ or preliminary restraining order or any order of any nature issued by a court or governmental agency of competent jurisdiction to the effect that the transactions contemplated by this Agreement and the exhibits hereto may not be consummated as herein provided, no proceeding or lawsuit shall have been commenced by any governmental or regulatory agency for the purpose of obtaining any such injunction, writ or preliminary restraining order and no written notice shall have been received from any such agency indicating an intent to restrain, prevent, materially delay or restructure the transactions contemplated by this Agreement.

10.5 Sellers' Certificate. Sellers shall have furnished to Buyer a certificate dated the Closing Date and signed by the chief executive officer and the chief financial officer of each of Sellers stating that to the best of the knowledge of each, after reasonable inquiry, the conditions set forth in Paragraphs 10.1 and 10.2 above have been satisfied.

10.6 Opinion of Sellers' Counsel. A favorable opinion of H. Steven Walton, Vice President-Governmental Affairs and General Counsel of Parent, in form and substance as set forth in Exhibit 10.6 attached hereto, shall have been delivered to Buyer, dated the Closing Date.

10.7 Consents Obtained. All third party consents, authorization and permits that are required for the assignment and transfer to Buyer of all of the Entitlements shall have been obtained, except where, after giving effect to Paragraph 7.7, failure to obtain any such consents, authorizations and permits would not have a Material Adverse Effect.

10.8 Public Offering. Buyer shall consummated a public offering of its common stock providing net proceeds to Buyer of at least $60.0 Million.

11. Conditions Precedent to Obligations of Sellers.

The obligations of Sellers under this Agreement are subject to the satisfaction of each of the following additional conditions at or prior to the Closing, unless waived in writing by Sellers:

11.1 Accuracy of Warranties and Representations. The representations and warranties of Buyer contained in this Agreement shall be true and correct on and as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, and Buyer shall have performed all of the covenants required by this Agreement to be performed by it on or before the Closing.

11.2 No Material Adverse Change. There shall have been no changes after the date of this Agreement in (a) the results of operations, assets, liabilities, financial condition or affairs of Buyer and its subsidiaries, taken as a whole, or (b) any of the Newpark Reports or Newpark Financial Statements, which in their total effect have or could reasonably be expected to have a Material Adverse Effect.

11.3 HSR Act. Early termination shall have been granted or applicable waiting periods shall have expired under the HSR Act.

11.4 Injunction. On the Closing Date there shall be no effective injunction, writ or preliminary restraining order or any order of any nature issued by a court or governmental agency of competent jurisdiction to the effect that the transactions contemplated by this Agreement and the exhibits hereto, may not be consummated as herein provided, no proceeding or lawsuit shall have been commenced by any governmental or regulatory agency for the purpose of obtaining any such injunction, writ or preliminary restraining order and no written notice shall have been received from any such agency indicating an intent to restrain, prevent, materially delay or restructure the transactions contemplated by this Agreement.

11.5 Officers' Certificate of Buyer. Buyer shall have delivered to the Company a certificate dated the Closing, signed by the chief executive officer and the chief financial officer of Buyer and stating that, to the best of the knowledge of each, after reasonable inquiry, the conditions set forth in Paragraphs 11.1 and 11.2 have been satisfied.

11.6 Opinion of Buyer's Counsel. A favorable opinion of Ervin, Cohen & Jessup, counsel for Buyer, in form and substance as set forth in Exhibit 11.6, shall have been delivered to Sellers, dated the Closing Date.

12. Closing.

The closing ("Closing") of the transactions contemplated by this Agreement shall take place on the business day following the satisfaction of the condition set forth in Paragraph 10.8 or, if later, on the business day following the satisfaction or waiver of all of the other conditions precedent to the parties' obligations hereunder. The Closing shall take place at a location to be determined by mutual agreement. The term "Closing Date" herein shall mean the date of the Closing.

13. Additional Post-Closing Obligations and Covenants.

Following the Closing, Sellers and Buyer shall perform all post-Closing actions provided for herein, including those in Exhibits hereto, and the following covenants and agreements:

13.1 Lease Terms.

(a) The Purchase Price includes payment in full for all rentals and other amounts payable under the leases from Sellers of the Landfarm Docks listed under Item I., numbers 1 - 3 of Schedule 1.1(b) attached to the Disclosure Memorandum. Sellers, at their expense, will pay all costs of operation of such Landfarm Docks after the Closing Date, including all required services and maintenance. Sellers, at their expense, will maintain all permits that are required in connection with the operation of such Landfarm Docks and will carry property, casualty and liability insurance in such amounts and with respect to such perils as Buyer may reasonably request.

(b) Buyer will pay rent with respect to any other Included Assets that are leased by the Company in the same amount and under the same terms as were applicable to the Company before the Closing Date, and Buyer will pay all costs of operation of the Transfer Stations.

13.2 Bonds and Licenses. For a period of 90 days after the Closing Date, the Company will keep in force all of its performance bonds, permits, licenses and authorizations relating to the Acquired Business to provide time for Buyer to replace such items.

13.3 Further Documents. From time to time, as reasonably requested by Buyer, whether at or after the Closing and without further consideration, Sellers shall execute and deliver any further instruments of conveyance and transfer and take any other action required to more effectively convey and transfer the Equity Interests and the Included Assets to Buyer, provided

that such additional instruments and actions do not create any rights or obligations that are not contemplated by this Agreement.

13.4 Pending and Subsequent Actions. To the extent commercially reasonable, Sellers will cooperate, and will use their best efforts to have their officers, directors and employees cooperate, with Buyer (at Buyer's request and expense) on and after the Closing (a) in furnishing information, testimony and other assistance in connection with any actions, proceedings, arrangements, or disputes involving the Equity Interests, the Included Assets or the Acquired Business based upon contracts, arrangements or acts of the Company which were in effect or occurred on or prior to the Closing, and (b) by providing Buyer reasonable access and information regarding the Acquired Business on any matters in the possession or knowledge of Sellers for a period of two years following the Closing Date. In addition, Sellers shall, from time to time, upon the reasonable request of Buyer, consult with Buyer regarding the history of the Acquired Business and the Included Assets, including, without limitation, the contracts assumed by Buyer (to the extent such contracts do not relate to the Excluded NOW Business). Notwithstanding any other provision of this Agreement, the parties hereto acknowledge and agree that the consulting services to be provided by Sellers under this Paragraph shall not include providing any information or assistance with respect to the Excluded NOW Business or any other area of operations now or hereafter engaged in by Sellers, other than the Acquired Business. The parties agree that $1.0 Million of the Purchase Price is allocable to Sellers' agreement to provide the consulting services contemplated by this Paragraph.

13.5 Tax Matters. Sellers shall be solely responsible for all Taxes incurred or payable with respect to the Acquired Business for periods which end or ended on or before the Closing Date. Buyer shall be solely responsible for all Taxes incurred or payable with respect to the Acquired Business for all periods commencing on or after the Closing Date. All Tax refunds (and related interest) relating to the Acquired Business for taxable periods ending on or prior to the Closing Date shall be paid and inure to the benefit of Sellers. All Tax refunds (and related interest) relating to the Company for taxable periods commencing after the Closing Date shall be paid and inure to the benefit of Buyer. Sellers agree that, at Buyer's election, Sellers will consent to the treatment of the transactions contemplated by this Agreement in accordance with Section 338(h)(10) of the Internal Revenue Code of 1986, as amended.

14. Survival of Representations.

All representations and warranties made by the parties under or in connection with this Agreement (including any representations and warranties set forth in the certificates delivered pursuant to Paragraphs 10.5 and 11.5) shall survive the Closing for a period of one year, except for the representations and warranties set forth in Paragraphs 6.2, 6.4, 6.5, 6.11 and 6.13, which shall survive until the expiration of the applicable statute of limitations. The foregoing notwithstanding, if Buyer consummates the acquisition of the Equity Interests and Included Assets with Actual Knowledge (as defined below) of a material breach of warranty or representation of Sellers contained in this Agreement and nevertheless consummates the purchase of the Equity Interests and Included Assets, such consummation shall be deemed a waiver of such material breach to the extent of Buyer's Actual Knowledge thereof; such waiver shall not extend to or in any way affect Sellers' obligations under subparagraph 15.1(b) below. All covenants and agreements made by the parties under or in connection with this Agreement, including but not limited to the covenants set forth in subparagraphs 15.1(b) and 15.1(c), shall survive until the expiration of the applicable statute of limitations.

15. Indemnifications.

15.1 General Indemnification.

(a) Sellers (jointly and severally) and Buyer each hereby agree to defend, indemnify and hold harmless the other party against all Damages resulting from any breach of any warranty or representation made by such party contained herein.

(b) Sellers hereby jointly and severally agree to defend, fully indemnify and hold Buyer harmless against all Damages (as defined below) arising out of the Seller Obligations (as defined below), whether or not the existence of such Seller Obligations was disclosed to Buyer hereunder or constitutes a breach of representation or warranty.

(c) Buyer agrees to defend, fully indemnify and hold Sellers harmless from all Damages arising out of the Assumed Obligations (as defined below).

15.2 Indemnification Procedures and Limitations. The following provisions shall apply to all indemnification and hold harmless provisions of this Agreement:

(a) The party seeking indemnification (the "Indemnitee") shall, with reasonable promptness, provide the other party (the "Indemnitor") with copies of any claims or other documents received and shall otherwise make available to the Indemnitor all material relevant information. The Indemnitor shall have the right to defend any such claim at its expense, with counsel of its choosing, and the Indemnitee shall have the right, at its expense, using counsel of its choosing, to join in the defense of any such claim. The Indemnitee's failure to give prompt notice or to provide copies of documents or to furnish relevant data shall not constitute a defense in whole or in part to any claim by the Indemnitee against the Indemnitor except to the extent that such failure by the Indemnitee shall result in a material prejudice to the Indemnitor.

(b) The foregoing notwithstanding, if suit shall have been instituted against the Indemnitee and the Indemnitor shall have failed, after the lapse of a reasonable time after written notice to it of such suit, to take action to defend the same, the Indemnitee shall have the sole right to defend the claim and shall be entitled to charge the Indemnitor with the reasonable cost of any such defense, including reasonable attorneys' fees. Neither party shall settle or compromise any such claim unless it shall first obtain the written consent of the other, which shall not be unreasonably withheld.

(c) Neither Buyer nor Sellers shall have any obligation to indemnify the other with respect to Damages arising as a result of breach of warranty or representation hereunder except to the extent that the amount of all valid claims against such party for indemnification for breach of warranty or representation hereunder exceeds an aggregate of $200,000. This provision shall not apply to the express covenants and agreements contained herein, including but not limited to the covenants set forth in subparagraphs 15.1(b) and 15.1(c).

(d) In determining the amount of Damages which gives rise to liability hereunder, there shall be taken into account the amount of any Tax benefits and insurance recoveries actually realized by the damaged party and its Affiliates attributable to such Damages

or derived therefrom, also taking into account the Tax treatment of the receipt of any payment hereunder.

16. Amendment of Disclosure Memorandum.

By written notice to Buyer from time to time prior to the Closing, Sellers may supplement or amend the Disclosure Memorandum to correct any matter that would constitute a breach of any warranty or representation of Sellers contained in this Agreement; provided, however, that, except as provided in the following sentence, no such supplement or amendment will affect the rights or obligations of the parties to this Agreement until after the Closing Date. Notwithstanding any other provision hereof, if the Closing occurs, any such supplement or amendment of the Disclosure Memorandum will be effective for indemnification purposes to cure and correct any breach of any warranty or representation that would have existed if Sellers had not made such supplement or amendment.

17. Destruction of Assets.

Possession of the Included Assets shall pass to Buyer at the Closing. Accordingly, all risk of loss with respect to the Included Assets shall be borne by Sellers until the Closing. If on the Closing Date any Included Assets shall have suffered loss or damage on account of fire, flood, accident, act of war, civil commotion, or any other cause or event beyond the reasonable power and control of Sellers (whether or not similar to the foregoing) to an extent which materially affects the value to Buyer of the Included Assets, Buyer shall have the right at its election to complete the acquisition (in which event all claims of Sellers with respect to such loss or damage and all insurance proceeds arising therefrom shall be included within the Included Assets) or, if it does not so elect, it shall have the right, which shall be in lieu of any other right or remedy whatsoever, to terminate this Agreement. In the latter event, all parties shall be released from liability hereunder.

18. Termination.

Either Buyer or Sellers may forthwith terminate this Agreement by written notice to the other: (a) subject to clause (b) below, without liability to the other of them, if the Closing has not occurred on or before September 10, 1996, unless the failure of the Closing to occur on or before said date is due to the failure of the party seeking to terminate this Agreement to perform in all respects each of its obligations under this Agreement required to be performed by it on or before said date pursuant to the terms hereof; or (b) without prejudice to other rights and remedies which either party may have, if default shall be made by the other of them in the observance or in the due and timely performance of any of its covenants and agreements herein contained, or if there shall have been a breach material to any of the warranties and representations herein contained, or if any condition precedent to its obligations has not been satisfied. Paragraphs 21 through 32 shall survive any termination of this Agreement.

19. Notices.

Any and all notices, demands, requests or other communications hereunder shall be in writing and shall be deemed duly given when personally delivered to or transmitted by overnight express delivery or by facsimile to and received by the party to whom such notice is intended, or in lieu of such personal delivery or overnight express delivery or facsimile

transmission, 48 hours after deposit in the United States mail, first-class, certified or registered, postage prepaid, return receipt requested, addressed to the applicable party at the address provided below. The parties may change their respective addresses for the purpose of this Paragraph 19 by giving notice of such change to the other party in the manner which is provided in this Paragraph 19.

Sellers or any of them:	Sanifill, Inc. 2777 Allen Parkway, Suite 700 Houston, TX 77019-2155 Attention: H. Steven Walton, Esq., Vice President Facsimile No.: (713) 942-6299
	With a copy to:
	Baker & Botts, L.L.P. One Shell Plaza 910 Louisiana Houston, TX 77002-4995 Attention: Louise Shearer, Esq. Facsimile No.: (713) 229-1522
Buyer:	Newpark Resources, Inc. 3850 North Causeway, Suite 1770 Metairie, LA 70002 Attention: James D. Cole, President Facsimile No.: (504) 833-9506
	With a copy to:
	Ervin, Cohen & Jessup 9401 Wilshire Boulevard Beverly Hills, CA 90212 Attention: Bertram K. Massing, Esq. Facsimile No.: (310) 859-2325

20. Certain Definitions.

As used herein, the following terms have the following meanings:

"Actual Knowledge" of Buyer with respect to a material breach of a warranty or representation of Sellers contained herein means the actual personal knowledge of James D. Cole, Wm. T. Ballantine or Matthew W. Hardey of the existence of the facts that constitute such material breach, proven by Sellers by a preponderance of the evidence.

"Affiliate" or "affiliate" means a Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. For purposes of this definition, "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, directly or indirectly,

of the power (a) to vote 50% or more of the voting interests in such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"Assumed Obligations" means (a) the performance after the Closing Date of all obligations arising after the Closing Date under all contracts, leases and other agreements transferred to Buyer pursuant to the terms of this Agreement, provided that each such contract, lease or other agreement has been specifically disclosed in the Disclosure Memorandum and assumed by Buyer and (b) all of the obligations of the Acquired Business that come into existence after the Closing.

"Bankruptcy Exception" means the limitation on enforceability imposed by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws of general application relating to or affecting the enforcement of the rights of creditors or by equitable principles, whether enforcement is sought in equity or at law.

"Damages" means damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees).

"Family Member" means, in the case of a Person who is an individual, any parent, spouse or lineal descendant (including legally adopted descendants) of such Person, or the spouse of any such descendant.

"Hazardous Materials Laws" means any and all federal, state and local laws in effect that relate to or impose liability or standards of conduct concerning the environment, as now in effect and as have been amended or reauthorized, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. (S) 9601, et seq.), the Hazardous Materials Transportation Act (42 U.S.C. (S) 1802, et seq.), the Resource Conservation and Recovery Act (49 U.S.C. (S) 5101, et seq.), the Federal Water Pollution Control Act (33 U.S.C. (S) 1251, et seq.), the Toxic Substances Control Act (15 U.S.C. (S) 2601, et seq.), the Clean Air Act (42 U.S.C., (S) 7401 et seq.), the National Environmental Policy Act (42 U.S.C. (S) 4321, et seq.), the Refuse Act (33 U.S.C. (S) 407, et seq.), the Safe Drinking Water Act (42 U.S.C. (S) 300(f), et seq.), and all rules, regulations, codes and ordinances promulgated or published thereunder, and the provisions of any licenses, permits, orders and decrees issued pursuant to any of the foregoing.

"Hazardous Materials" means any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under the Hazardous Materials Laws.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien (including but not limited to any tax lien) or charge of any kind, covenant, condition or restriction, including any agreement to grant any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature of a lien, and the filing of or agreement to file any financing statement under the Uniform Commercial Code of any jurisdiction in connection with any of the foregoing.

"Material Adverse Effect" means a material adverse effect on the financial condition, results of operations or business of the entity referred to.

"Material Contracts" means all contracts or agreements affecting the Included Assets or the Acquired Business that involve (a) the ownership or use of real property included within the Included Assets, (b) the ownership or use of personal property included within the Included Assets having a value in excess of $100,000, (c) payments or receipts greater than $100,000 during any fiscal year and which by their terms do not terminate or may not be terminated by the Company within one year after the Closing Date without penalty or premium in excess of $50,000, or which involve payments or receipts greater than $200,000 in any year, (d) collective bargaining or labor unions involving employees engaged in the Acquired Business, other than the Excluded Employees, (e) the employment or engagement as an independent contractor of any person involved in the Acquired Business, other than the Excluded Employees, on a full-time, part-time, consulting or other basis, in each case involving greater than $75,000 in any year, (f) bonuses, incentive compensation, or stock option plans involving employees engaged in the Acquired Business, other than the Excluded Employees, (g) performance of any obligation of the Company related to the Acquired Business that is guaranteed by Parent or any other third party, including performance bonding arrangements, (h) payments based in any manner upon the revenues, purchases or profits of the Company involving the Acquired Business, (i) any restriction on the Company's engaging in any activity, (j) ownership or use of Intangible Assets related to the Acquired Business, or (k) transactions outside the ordinary course of the Acquired Business.

"Permitted Lien" means any of the following Liens: (a) carriers', warehousemen's, mechanics', landlords', materialmen's, suppliers', tax assessment and other governmental charges and other similar Liens arising in the ordinary course of business and securing obligations which do not relate to obligations for borrowed money and which are either not overdue or the amount, validity or applicability of which is being contested in good faith by appropriate proceedings; (b) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money); (c) easements, rights of way, restrictions or other similar charges, covenants or encumbrances which do not materially interfere with the continued use of the Included Assets; (d) Liens arising as a result of the institution of litigation and attachment or judgment Liens in existence less than 60 days after the entry thereof or with respect to which execution has been effectively stayed or the payment of which is covered in full by insurance or a bond; (e) negative pledge or other agreements to refrain from giving Liens; (f) rights reserved to or vested in any municipality or governmental, statutory or public authority by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise, grant, license or permit; (g) rights reserved to or vested in any municipality or governmental, statutory or public authority to control or regulate any property within the Included Assets, or to use such property in a manner which does not materially impair the use of such property; (h) any obligations or duties affecting any property within the Included Assets to any municipality or governmental, statutory or public authority with respect to any franchise, grant, license or permit; (i) zoning, planning and environmental laws and ordinances and municipal regulations; (j) encumbrances (other than to secure the payment of money), easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any property or rights of way related to the use of the Included Assets for the purpose of roads, pipelines, transmission lines, transportation liens, distribution liens, removal of gypsum, gas, oil, coal, metals, steam, minerals, timber or other natural resources, and other like purposes, or for the joint or common use of real property, rights of way, facilities or equipment, or defects, irregularities and deficiencies in title of any property

or rights of way, none of which materially interfere with the continued use of the Included Assets; and (k) any other Liens (other than to secure the payment of money) that are not of the same character as the Permitted Liens described in clauses (a), (b) and (d) above, the existence of which would not have a Material Adverse Effect on the use of the Included Assets.

"Person" or "person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

"Related Agreements" means the Disposal Agreement, the Noncompetition Agreement, the Guaranty and the Joinder Agreement.

"Rules and Regulations" means the rules and regulations adopted by the Commission under the Securities Act and the Securities Exchange Act of 1934.

"Seller Obligations" means all obligations of the Business other than the Assumed Obligations, and includes, without limitation, all liabilities arising under the laws and regulations for the protection of the environment with respect to the Landfarms and all liabilities secured by any Liens to which the Included Assets are subject at Closing, other than Permitted Liens of the types described in one or more of clauses (c) and (e) through (k) of the definition of Permitted Liens.

"Tax" (including with correlative meaning, the terms "Taxes" and "Taxable") means any income, gross receipts, ad valorem, premium, excise, value-added, sales, use, transfer, franchise, license, severance, stamp, occupation, service, lease, withholding, employment, payroll, premium, property or windfall profits tax, alternative or add-on-minimum tax, or other tax, fee or assessment, together with any interest and any penalty, addition to tax or additional amount imposed by any governmental authority responsible for the imposition of any such tax.

21. Assignment.

Rights hereunder shall not be assignable and duties hereunder shall not be delegable by either Sellers or Buyer without the prior written consent of the other. Sellers hereby consent to Buyer's transferring and assigning its rights and obligations hereunder to Newpark Disposal Service, L.L.C. ("Subsidiary"), a limited liability company and a wholly-owned subsidiary of Buyer, provided that any such transfer or assignment shall not relieve Buyer of its obligations hereunder. Nothing contained in or implied from this Agreement is intended to confer any rights or remedies upon any person or entity, other than the parties hereto and their successors in interest and permitted assignees, unless expressly stated herein to the contrary.

22. Applicable Law; Jurisdiction.

The provisions of this Agreement and all rights and obligations hereunder and under all documents, instruments and agreements executed under or in connection with this Agreement shall be governed and construed in accordance with the internal laws of the State of Texas applicable to contracts made and to be wholly performed within said State.

23. Remedies Not Exclusive.

No remedy conferred by any of the specific provisions of this Agreement is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity, or otherwise. The election of any one or more remedies by either party hereto shall not constitute a waiver of the right to pursue other available remedies.

24. Attorneys' Fees.

In any litigation relating to this Agreement, including litigation with respect to any instrument, document or agreement made under or in connection with this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees.

25. Successors and Assigns.

All covenants, representations, warranties and agreements of the parties contained herein shall be binding upon and inure to the benefit of the parties, their respective heirs, personal representatives and permitted successors and assigns.

26. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

27. Headings.

Captions and paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

28. Amendments; Waivers.

No provision or term of this Agreement or any agreement contemplated herein between the parties hereto may be supplemented, amended, modified, waived or terminated except in a writing duly executed by the party to be charged. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. Failure of a party to insist on strict compliance with any of the terms and conditions of this Agreement shall not be deemed a waiver of any such terms and conditions.

29. Entire Agreement.

All schedules, exhibits and financial statements provided for herein are a part of this Agreement. This Agreement and the other agreements and documents provided for in this Agreement comprise the entire agreement of the parties and supersede all earlier understandings of the parties with respect to the subject matter hereof.

30. Publicity.

Except as otherwise required by law, any press release, announcement or other public communication with respect to this Agreement or the sale and purchase of the Included Assets shall be subject to advance approval by both parties; each party agrees that it will not unreasonably withhold its approval of any such release, announcement or communication.

31. Expenses.

Except as otherwise expressly set forth herein or in the other agreements and documents provided for herein, Buyer, on the one hand, and Sellers, on the other hand, shall each be responsible for its own expenses with respect to this Agreement and the transactions contemplated hereby, including, without limitation, any broker's, finder's or similar fee or commission based on arrangements made by or on behalf of the responsible party.

32. Severability.

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall continue in full force and effect unless the enforcement of this Agreement on that basis would materially alter the rights and privileges of any party hereto or materially alter the terms of the transaction contemplated hereby.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SANIFILL, INC. ("Parent")

By_____

CAMPBELL WELLS, LTD. (the "Company")

By SANIFILL GP HOLDING CO., INC., its General Partner

By_____

NOW DISPOSAL HOLDING CO. ("Holdco")

By_____

NEWPARK RESOURCES, INC. ("Buyer")

By_____
James D. Cole, President

LIST OF EXHIBITS

Disclosure Memorandum

Exhibit 1.1.C - List of Transfer Stations and Transfer Station Docks, indicating whether owned or leased and by which entity

Exhibit 1.1.D - List of Marine Facilities, indicating whether owned or leased and by which entity

Exhibit 1.1.E - List of Fixed Assets

Exhibit 3.1 - Noncompetition Agreement

Exhibit 3.1A - Joinder Agreement

Exhibit 3.2 - Assumption and Guaranty Agreement

Exhibit 10.6 - Form of opinion of Sellers' counsel

Exhibit 11.6 - Form of opinion of Buyers' counsel

EXHIBIT 3.1

NONCOMPETITION AGREEMENT

This Noncompetition Agreement (the "Agreement"), dated as of _____, 1996, is made and entered into by and between SANIFILL, INC., a Delaware corporation ("Parent" or "Covenantor" herein), and NEWPARK RESOURCES, INC., a Delaware corporation ("Newpark" or "Buyer" herein), with reference to the following facts:

A. Ancillary to and concurrently with the execution and delivery of this Agreement, Covenantor, Campbell Wells, Ltd., a Delaware limited partnership and an indirect wholly-owned subsidiary of Parent ("Campbell Wells"), NOW Disposal Holding Co., a Delaware corporation and an indirect wholly-owned subsidiary of Parent ("Holdco"), and Newpark have closed under an Asset Purchase and Lease Agreement (the "Purchase Agreement") pursuant to which Newpark has purchased all of the equity interests in NOW Disposal Operating Co., a Delaware corporation and an indirect wholly-owned subsidiary of Parent ("Disposeco"), from Holdco and has purchased or leased from Campbell Wells the "Included Assets" (as defined in the Purchase Agreement) used in the "Acquired Business" (as defined in the Purchase Agreement). Newpark may assign its rights and delegate its duties under the Purchase Agreement and hereunder to a wholly-owned subsidiary ("Subsidiary"), provided that no such assignment of rights or delegation of duties shall relieve Buyer of its obligations under this Agreement. If such assignment is made, references to Buyer in this Agreement shall be deemed to refer to Subsidiary, or to Buyer and Subsidiary, as appropriate.

B. The execution and delivery of this Agreement are required under the Purchase Agreement.

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Covenantor and Buyer hereby agree and covenant as follows.

1. Certain Definitions. The following terms used herein shall have the following meanings:

Affiliate or affiliate - a Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. For purposes of this definition, "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, directly or indirectly, of the power to (a) vote 50% or more of the voting interests in such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise. In addition, at all times during the term of this Agreement, Campbell Wells shall be deemed to be an Affiliate of Parent, and Persons controlled by Campbell Wells and its controlled Affiliates, or jointly controlled by Campbell Wells and its controlled Affiliates and Parent and its Affiliates, shall be deemed

to be Affiliates of Parent. Notwithstanding the foregoing, a Person who controls Parent or Campbell Wells shall not be deemed to be an Affiliate of Parent or Campbell Wells solely by reason of such control.

Business - Any one or more of the following activities: the Collection or Disposal of NOW; the remediation and closure of oilfield waste pits, including related loading and hauling; and marketing, dealing in or soliciting orders for any of the products, services or support activities included within the Business.

Collection - The collection, transfer or transportation of NOW.

Competitor - Any Person that, directly or indirectly, engages in any aspect of the Business within any portion of the Territory.

Disposal - The treatment or disposal of NOW.

Excluded NOW - NOW that is generated and collected on land and is delivered to the Landfarms from the site where it was generated entirely by on-land transportation.

Landfarms - The NOW disposal facilities owned and operated by Campbell Wells designated as Elm Grove, LA (DNR Permit # OWD 89-1), Bourg, LA (DNR Permit #90-10 OWD), Bateman Island, LA (DNR Permit # 91-10 OWD), and Mermentau, LA (DNR Permit # SWD 83-6).

NOW - Nonhazardous oilfield waste associated with the exploration and production of oil, gas and geothermal energy, that contains less than 30 picocuries per gram of Radium 226 or 228.

Person or person - Any individual, a corporation, a partnership, an association, a trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

The Territory - All or any part of the following: the States of Louisiana, Texas, Mississippi and Alabama and the Gulf of Mexico.

2. Noncompetition. Covenantor hereby agrees, for itself and on behalf of its Affiliates, that, during the term of this Agreement, except as otherwise permitted under this Agreement, neither it nor any of its Affiliates will, within any part of the Territory, directly or indirectly, do any one or more of the following: (a) engage in any aspect of the Business; (b) own any interest in any Competitor; (c) operate, join, control or otherwise participate in any Competitor; or (d) lend credit or money for the purpose of assisting another to establish or operate any Competitor.

3. Term. The term of this Agreement commences on the date hereof and shall continue for sixty months thereafter.

4. Maintenance of Confidentiality. For the term of this Agreement, Covenantor and its Affiliates shall keep secret and retain in strictest confidence, except for disclosure to any of their Affiliates, and will not permit any Person other than their Affiliates to use any of the "Intangible Assets" (as defined in the Purchase Agreement) which Buyer has been granted the right to use, along with Covenantor and its Affiliates, under the Purchase Agreement.

5. Permitted Activities. Section 2 of this Agreement notwithstanding:

(a) Covenantor and its Affiliates, as passive investors, may own up to 5% (including ownership by Covenantor and all of its Affiliates) of the equity securities of any Person (other than Newpark) whose equity securities are publicly traded. In addition, in connection with their business described in subparagraph (b) below, Covenantor and its Affiliates shall be permitted from time to time to acquire interests representing more than 5% of the equity securities of Persons that derive less than 10% of their revenues from activities that cause such Persons to be Competitors, provided that Covenantor or its Affiliates or the Persons who engage in such competitive activities immediately formulate plans to dispose of those aspects of such businesses that cause such Persons to be Competitors and actually complete such dispositions within 90 days after such interests are acquired by Covenantor or one or more of its Affiliates.

(b) Buyer recognizes and acknowledges that Parent and its Affiliates are in the business of the collection, treatment and disposal of numerous varieties of wastes, including without limitation municipal solid wastes, construction and demolition debris, industrial nonhazardous wastes and special wastes, such as contaminated soil and sludges. Buyer agrees that this Agreement relates only to the Collection and Disposal of NOW and the remediation and closure of oilfield waste pits, including related loading and hauling, in the Territory and that this Agreement is not intended to limit or otherwise affect the business of Parent except as expressly set forth herein.

(c) Buyer further recognizes and acknowledges that Parent and its Affiliates from time to time enter into joint venture arrangements with independent (i.e., non-Affiliate) third parties ("Joint Venture Partners") and that some of such Joint Venture Partners may engage in aspects of the Business in the Territory. Without limiting the applicability of this Agreement to Covenantor and its Affiliates and such joint ventures, Buyer agrees that the terms of this Agreement shall not apply to Joint Venture Partners solely as a result of their entering into joint venture arrangements with Covenantor and its Affiliates.

(d) Parent and its Affiliates may continue to market, deal in, solicit orders for and conduct other activity related to: (i) Disposal and Collection at any of the Landfarms of Excluded NOW; (ii) Collection of NOW within a 200-mile radius of Campbell Wells' Zapata, Texas, facility and Disposal of NOW so Collected at such facility; (iii) Disposal and Collection of NOW contemplated under the NOW Disposal Agreement dated as of June 4, 1996, by and

among Parent, Campbell Wells and Disposeco; and (iv) Disposal and Collection of NOW at Campbell Wells' Lacassine, LA, facility.

6. Injunctive Relief. Covenantor hereby stipulates and agrees that any breach by it or by any of its Affiliates of this Agreement cannot be reasonably or adequately compensated by damages in an action at law and that, in the event of such breach, Buyer shall be entitled to injunctive relief, which may include but shall not be limited to restraining Covenantor and its Affiliates from engaging in any activity that would constitute a breach of this Agreement.

7. Severability. Covenantor acknowledges that it has carefully read and considered the provisions of this Agreement and, having done so, agrees that the restrictions set forth herein (including but not limited to the time periods of restriction and the geographical areas of restriction) are fair and reasonable and are reasonably required to protect the interests of Buyer and its stockholders. In the event that, notwithstanding the foregoing, any of the provisions of this Agreement shall be held to be invalid or unenforceable, the remaining provisions hereof shall nevertheless continue to be valid and enforceable, as though the invalid or unenforceable parts had not been included herein. In the event that any provision of this Agreement relating to time periods or areas of restriction or both shall be declared by a court of competent jurisdiction to exceed the maximum time periods or areas (or both) that such court deems reasonable and enforceable, said time periods or areas of restriction or both shall be deemed to become and thereafter shall be the maximum time periods and areas which such court deems reasonable and enforceable.

8. Entire Agreement. This Agreement, together with the Purchase Agreement and the other agreements specifically mentioned therein, constitutes the entire agreement of Covenantor and Buyer with respect to the subject matter hereof and supersedes all prior and contemporaneous oral agreements, understandings, negotiations and discussions of the parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. Any failure to insist on strict compliance with any of the terms and conditions of this Agreement shall not be deemed a waiver of any such terms or conditions.

9. Nature of Obligations. All covenants and obligations of Covenantor hereunder shall be binding on Covenantor, its Affiliates and the assigns, successors and legal representatives of each of them and shall inure to the benefit of Buyer and all of its Affiliates that engage in any aspect of the Business in any part of the Territory.

10. Notices. Any and all notices, demands, requests or other communications hereunder shall be in writing and shall be deemed duly given when personally delivered to or transmitted by overnight express delivery or by facsimile to and received by the party to whom such notice is intended, or in lieu of such personal delivery or overnight express delivery or facsimile transmission, 48 hours after deposit in the United States mail, first-class, certified or

registered, postage prepaid, return receipt requested, addressed to the applicable party at the address provided below. The parties may change their respective addresses for the purpose of this Paragraph 10 by giving notice of such change to the other party in the manner which is provided in this Paragraph 10.

Covenantor: Sanifill, Inc.
2777 Allen Parkway, Suite 700
Houston, TX 77019-2155
Attention: H. Steven Walton, Esq., Vice President
Facsimile No.: (713) 942-6299

With a copy to:

Baker & Botts, L.L.P.
One Shell Plaza
910 Louisiana
Houston, TX 77002-4995
Attention: Louise Shearer, Esq.
Facsimile No.: (713) 229-1522

Buyer: Newpark Resources, Inc.
3850 North Causeway, Suite 1770
Metairie, LA 70002
Attention: James D. Cole, President
Facsimile No.: (504) 833-9506

With a copy to:

Ervin, Cohen & Jessup
9401 Wilshire Boulevard
Beverly Hills, CA 90212
Attention: Bertram K. Massing, Esq.
Facsimile No.: (310) 859-2325

11. Attorneys' Fees. In any litigation relating to this Agreement, including litigation with respect to any supplement, modification or waiver of this Agreement or any of its provisions, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees.

12. Law Governing. The provisions of this Agreement and all rights and obligations hereunder shall be governed by and construed in accordance with the internal laws of the State of Texas applicable to contracts made and to be wholly performed within the State of Texas.

13. Captions. The captions in this Agreement are included for convenience of reference only, do not constitute a part hereof and shall be disregarded in the interpretation or construction hereof.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

SANIFILL, INC.

By: _____
Name:
Title:

NEWPARK RESOURCES, INC.

By: _____
Name:
Title:

EXHIBIT 3.1A

JOINDER AGREEMENT

This Joinder Agreement (the "Joinder"), dated as of _____, 1996, is made and entered into by Campbell Wells, Ltd., a Delaware limited partnership ("Campbell Wells"), with reference to the following facts:

A. Concurrently with the execution of this Joinder, Sanifill, Inc., a Delaware corporation ("Parent"), of which Campbell Wells is an indirect wholly-owned subsidiary, has entered into a Noncompetition Agreement (the "Agreement") with Newpark Resources, Inc., a Delaware corporation ("Newpark"), under which Parent agreed, on behalf of itself and its Affiliates, not to compete with Newpark and its Affiliates with respect to the Business in the Territory. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms as set forth in the Agreement, unless otherwise provided herein.

B. Campbell Wells is an Affiliate of Parent that has heretofore engaged in the Business. This Joinder sets forth Campbell Wells' agreement to be bound by the obligations of Parent under the Agreement.

NOW, THEREFORE, for good consideration, the receipt and sufficiency of which are hereby acknowledged, Campbell Wells hereby agrees as follows, for the benefit of Newpark and its Affiliates.

1. Campbell Wells hereby agrees that, with the exceptions contained in the Agreement, it and its Affiliates will perform all of the obligations imposed on Parent with respect to Campbell Wells and its Affiliates under the Agreement, with the same force and effect as if Campbell Wells were a party thereto having directly undertaken such obligations.

2. This Joinder and the Agreement shall be binding on Campbell Wells even if, at some future date, it ceases to be an Affiliate of Parent.

IN WITNESS WHEREOF, Campbell Wells has executed and delivered this Joinder as of the first date written above.

CAMPBELL WELLS, LTD.

By: SANIFILL GP HOLDING CO., INC.,
its General Partner

By:_____

ACCEPTED:

NEWPARK RESOURCES, INC.

By:_____
Name:
Title:

EXHIBIT 3.2

ASSUMPTION AND GUARANTEE AGREEMENT

This Assumption and Guarantee Agreement (the "Agreement"), dated as of _____, 1996, is entered into by and among Newpark Resources, Inc., a Delaware corporation ("Newpark"), Sanifill, Inc., a Delaware corporation ("Sanifill"), and Campbell Wells, Ltd., a Delaware limited partnership, the equity interests of which are owned directly or indirectly by Sanifill ("Campbell Wells" and, collectively with Sanifill, the "Sellers").

WHEREAS, Newpark and Campbell Wells are each engaged in the collection and disposal of nonhazardous oilfield waste; and

WHEREAS, the Sellers, NOW Disposal Holding Co. ("Holdco") and Newpark have entered into that certain Asset Purchase and Lease Agreement (the "Purchase Agreement") pursuant to which Newpark is, simultaneously with the execution of this Agreement, (i) purchasing all of the equity interests (the "Equity Interests") in NOW Disposal Operating Co., a Delaware corporation and a wholly-owned subsidiary of Holdco ("Disposeco"), and (ii) purchasing or leasing from Campbell Wells the "Included Assets" (as defined in the Purchase Agreement) used in the "Acquired Business" (as defined in the Purchase Agreement); and

WHEREAS, simultaneously with the execution of this Agreement, the Sellers and Newpark are also entering into that certain Noncompetition Agreement pursuant to which, with exceptions stated therein, the Sellers are agreeing not to engage in the collection or disposal of nonhazardous oilfield waste generated in the States of Louisiana, Texas, Mississippi and Alabama and in the Gulf of Mexico; and

WHEREAS, after giving effect to the transactions described above, Campbell Wells will continue to operate and own certain landfarms and a landfill at which nonhazardous oilfield wastes are disposed of; and

WHEREAS, the Sellers and Disposeco have previously entered into that certain NOW Disposal Agreement (the "Disposal Agreement") pursuant to which Disposeco has agreed to deliver and Campbell Wells has agreed to accept certain quantities of nonhazardous oilfield wastes at its landfarms in Louisiana each year for a period of 25 years; and

WHEREAS, in connection with the transactions referenced above, including without limitation the transfer of the Equity Interests pursuant to the Purchase Agreement, Newpark has agreed to guarantee the obligations of Disposeco under the Disposal Agreement and to take, or refrain from taking, certain other actions in connection with the Disposal Agreement; and

WHEREAS, the parties desire to enter into this Agreement to more fully set forth the terms and conditions of their understanding.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Unless otherwise specifically defined herein, all capitalized terms used herein shall have the respective meanings ascribed to such terms in the Disposal Agreement.

ARTICLE II

PERFORMANCE OF DISPOSAL AGREEMENT

Newpark hereby covenants and agrees that it shall cause Disposeco to fully perform all of its obligations under the Disposal Agreement in a timely manner. Newpark further covenants and agrees that it shall take all action, including without limitation supplying information necessary for the determination of quantities of NOW to be delivered pursuant to the Disposal Agreement, or shall refrain from taking any action, as is necessary or appropriate to permit Disposeco to fully perform all of its obligations under the Disposal Agreement in a timely manner.

ARTICLE

GUARANTEE OF DISPOSAL AGREEMENT

3.1 Unconditional Guarantee. Newpark hereby unconditionally and irrevocably guarantees the performance in full of all obligations of Disposeco under the Disposal Agreement (such obligations of Disposeco being collectively referred to herein as the "Guaranteed Obligation"), with the same force and effect and to the same extent as if Newpark were a party to the Disposal Agreement having the same rights and obligations thereunder as Disposeco.

3.2 No Set-Off; Guaranty of Performance or Payment Upon Demand. Newpark shall perform any obligations or pay any amounts due in respect of the Guaranteed Obligation promptly upon demand by the Sellers, without any set-off, defense or deduction for any claims or counterclaims of any kind, except for any such set-offs, defenses, deductions that Newpark could assert if it were a party to the Disposal Agreement having the same rights and obligations thereunder as Disposeco.

3.3 Waiver of Diligence, Etc. Newpark hereby waives diligence, presentment, demand, protest and notice of any kind with respect to this Agreement, as well as any requirement that Sellers exhaust any rights or take any action against Disposeco.

3.4 Waiver of Suretyship Defenses. To the extent permitted by applicable law, Newpark hereby waives any and all legal and equitable defenses that arise by reason of Newpark's status as a surety for Disposeco, which defenses would not be available to Newpark if it were a party to the Disposal Agreement having the same rights and obligations thereunder as Disposeco.

ARTICLE IV

COVENANTS, REPRESENTATIONS AND WARRANTIES OF NEWPARK

Newpark hereby covenants, represents and warrants to Sellers as of the date of this Agreement that:

4.1 Organization and Qualification. Newpark (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted and is proposed to be conducted and (c) is duly qualified or licensed and in good standing to do business in each jurisdiction in which the properties owned, leased or operated by it or the nature of the business conducted or proposed to be conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed or in good standing would not have, either individually or in the aggregate, a material adverse effect on the transactions contemplated hereby.

4.2 Authorization and Validity of Agreement. Newpark has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby. The execution, delivery and performance by Newpark of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Newpark. No action or approval of the equity owners of Newpark is necessary to authorize Newpark's execution or delivery of, or the performance of its obligations under, this Agreement. This Agreement has been duly executed and delivered by Newpark and is a valid and binding obligation of Newpark, enforceable in accordance with its terms.

4.3 No Conflict. The execution and delivery by Newpark of this Agreement do not, and exercise by Newpark of its rights hereunder and the consummation of the transactions contemplated hereby will not (a) require any consent, approval, order or authorization of or other action by any governmental entity on the part of or with respect to Newpark; (b) require on the part of Newpark any consent by or approval of or notice to any other Person; or (c) result in a violation of any law, rule, regulation, order, judgment or decree applicable to Newpark, except in any case covered by (a), (b) or (c) where failure to obtain such consent or such violation would not, either individually or in the aggregate, have a material adverse effect on the transactions contemplated hereby.

4.4 Transfer of Affiliates of Newpark. The parties recognize and agree that due to the method of calculating Annual Volume as set forth in Section [2.2] of the Disposal Agreement, the purpose and intent of the Disposal Agreement and of this Agreement would be frustrated in the event Newpark sold or otherwise transferred (an "Affiliate Transfer") its interest in, or substantially all of the assets of, any of its Affiliates which are engaged in processing or disposal of NOW in the Covered Region where such transfer resulted in such Persons no longer being, or such assets no longer being owned by, Affiliates of Newpark under the terms of the Disposal Agreement. Newpark agrees that it shall notify Campbell Wells of any such proposed Affiliate

Transfer prior to the consummation of such transaction and that no such Affiliate Transfer shall take place unless the transferee agrees (a) to report to Campbell Wells all quantities of NOW received by such former Affiliate of Newpark in the Covered Region during the remaining term of the Disposal Agreement and (b) that any subsequent retransfer of such interests or assets by such transferee shall be subject to this Article IV as if such transferee were Newpark. Newpark further agrees that it shall not enter into any Affiliate Transfer unless the agreement with the transferee expressly names Campbell Wells as a third party beneficiary of the obligation of the transferee to make such reports and to subject subsequent retransfers to this Article IV.

ARTICLE V

DISPUTE RESOLUTION

All disputes arising under this Agreement shall be resolved in accordance with the arbitration procedures set forth in Article X of the Disposal Agreement. In the event a set of facts gives rise to related disputes under this Agreement and the Disposal Agreement, such disputes shall be consolidated into a single arbitration proceeding, the result of which shall be binding on all parties under both Agreements, unless the arbitrator or arbitrators determine that it would be manifestly unfair to honor this provision and determine that separate arbitration procedures are required.

ARTICLE VI

MISCELLANEOUS

6.1 Status of the Parties. Each party hereto is and shall perform this Agreement as an independent contractor, and as such, shall have and maintain complete control over all of its employees, agents, and operations. Except as expressly otherwise provided in this Agreement, neither party nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other party.

6.2 No Set-Off Rights. The parties hereby agree that neither party shall have any right to set-off or apply against any sums due under this Agreement any sums due or amounts otherwise owing pursuant to any other provision of this Agreement or any other agreement or arrangement between the parties.

6.3 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Campbell Wells and Newpark may assign their rights, obligations and duties under this Agreement with the written consent of the other parties to the Agreement, which consent shall not be unreasonably withheld; provided that the assigning party shall remain primarily liable for all obligations and duties arising hereunder.

6.4 Notices. Notices and other communications provided for herein shall be in writing and shall be deemed to have been validly given (a) 3 days after deposit in the United States

mails, registered or certified mail with proper postage prepaid and return receipt requested, (b) upon transmission thereof and receipt of the appropriate confirmation if sent via telecopier or telefax, (c) the business day after the same shall have been deposited with a reputable overnight courier, shipping prepaid and (d) if delivered in person, upon delivery, in each case addressed as follows:

If to Newpark, to:

James D. Cole
President
Newpark Resources, Inc.
3850 N. Causeway, Ste. 1770
Metairie, Louisiana 70002
ph: 504-838-8222
fax: 504-833-9506

with a copy to:

Bertram K. Massing
Ervin, Cohen & Jessup
9401 Wilshire Boulevard
Ninth Floor
Beverly Hills, California 90212-2974
ph: 310-273-6333
fax: 310-859-2325

If to Campbell Wells, to:

W. Gregory Orr
President
Campbell Wells, Ltd.
2014 West Pinhook Road, Ste. 900
Lafayette, Louisiana 70508
ph: 318-266-7976
fax: 318-266-7922

with a copy to:

Louise A. Shearer
Baker & Botts. L.L.P.
One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
ph: 713-229-1286
fax: 713-229-1522

If to Sanifill, to:

H. Steven Walton
Secretary
Sanifill, Inc.
2777 Allen Parkway, Ste. 700
Houston, Texas 77019-2155
ph: 713-942-6200
fax: 713-942-6299

with a copy to:

Louise A. Shearer
Baker & Botts. L.L.P.
One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
ph: 713-229-1286
fax: 713-229-1522

or such other address as any party shall specify by written notice so given.

6.5 Non-Waiver. The failure of any party to enforce its rights under any provision of this Agreement shall not be construed to be a waiver of such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other breach.

6.6 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any and all other communications, representations, proposals, understandings or agreements, either written or oral,

between the parties hereto with respect to such subject matter. This Agreement may not be modified or amended, in whole or in part, except by a writing signed by both parties hereto.

6.7 Severability. If any provision of this Agreement is declared invalid or unenforceable, then such portion shall be deemed to be severable from this Agreement and shall not affect the remainder hereof.

6.8 Headings. The Article and Section headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement.

6.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one instrument.

6.10 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

EXECUTED as of the day and year first above written.

NEWPARK RESOURCES, INC.

By:_____
Name:_____
Title:_____

SANIFILL, INC.

By:_____
Name:_____
Title:_____

CAMPBELL WELLS, LTD.

By:_____
Name:_____
Title:_____

EXHIBIT 2.2

NOW DISPOSAL AGREEMENT

This NOW Disposal Agreement (the "Agreement"), dated as of June 4, 1996, but effective as of the Effective Date (as defined below), is entered into by and among Sanifill, Inc., a Delaware corporation ("Sanifill"), NOW Disposal Operating Co., a Delaware corporation and an indirect wholly-owned subsidiary of Sanifill ("Disposeco"), and Campbell Wells, Ltd., a Delaware limited partnership, the equity interests of which are owned directly or indirectly by Sanifill ("Campbell Wells").

WHEREAS, Campbell Wells is engaged, and Disposeco proposes to engage, in the collection and disposal of nonhazardous oilfield waste; and

WHEREAS, the parties desire that Disposeco agree to deliver, and Campbell Wells agree to accept at its Louisiana landfarms, certain quantities of nonhazardous oilfield waste each year for the next 25 years; and

WHEREAS, the parties further desire to set forth the basis on which the quantities of waste to be delivered by Disposeco and accepted by Campbell Wells shall be calculated, the price to be paid by Disposeco to Campbell Wells for such disposal and related activities, the procedures to be followed by the parties in determining the locations to which waste is to be taken and the procedures to be followed in effecting the transfer and receipt of such waste at Campbell Wells' facilities;

NOW, THEREFORE, in consideration of the above premises and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

For purposes of this Agreement, the following terms shall have the following meanings (unless indicated otherwise, all Article and Section references are to Articles and Sections in this Agreement):

Actual Volume: For any Contract Year, the aggregate amount of NOW actually delivered by or on behalf of Disposeco and accepted for disposal by Campbell Wells in accordance with the provisions of this Agreement.

Adjustment Dates: June 30, 1998 and each subsequent December 31 and June 30 during the term of this Agreement.

Affiliate: A Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified. For purposes of this definition, the term "control" (including the terms "controlling," "controlled by" and "under common control with") of a Person means the possession, direct or indirect, of the power

to (i) vote 50% or more of the voting interests in such Person or (ii) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

Annual Volume: For each Contract Year, the annual volume of NOW, before consideration of Prior Years Adjustments, required to be delivered by Disposeco to Campbell Wells for disposal at the Landfarms, which volume shall be determined in accordance with Section 2.2.1.

Collection. The collection, transfer or transportation of NOW.

Contract Year: Twelve-month period commencing each July 1 during the term of this Agreement; provided, however, that the first Contract Year shall be the period commencing on the Effective Date and ending on June 30, 1997.

Covered Region: The States of Louisiana, Texas, Mississippi and Alabama and the Gulf of Mexico.

Current Test Period: For any Adjustment Date, the six-month period commencing six months prior to such Adjustment Date and concluding on such Adjustment Date.

Disposal: The treatment or disposal of NOW.

Effective Date: The date Campbell Wells gives written notice to Disposeco of the effectiveness of the Agreement.

Excluded NOW: NOW generated and collected on land and delivered to the Landfarms from the site where it was generated entirely by on-land transportation.

Force Majeure: Substantial changes to laws, regulations or taxes directly and materially affecting the rights, obligations, consideration or ability to perform of the parties under this Agreement, including without limitation, regulatory changes, the loss of environmental or other permits directly and materially affecting the rights, obligations, consideration or the ability to perform of the parties under this Agreement, acts of God, landslides, lightning, forest fires, storms, hurricanes, floods, freezing, earthquakes, civil disturbances, strikes, lockouts, other industrial disturbances, acts of the public enemy, wars, blockades, public riots, breakage, explosions, accidents to machinery, pipelines or materials or other cause, whether of the kind enumerated or otherwise, which is not reasonably within the control of the party claiming the existence of a Force Majeure.

Landfarm Average Volume: For any Landfarm during each Contract Year, the product of (a) the Annual Volume for such Contract Year less the Prior Years Adjustment, if any, for such Contract Year multiplied by (b) the Median Range for such Landfarm as set forth in Section 2.4.

Landfarms: The NOW disposal facilities owned and operated by Campbell Wells designated as Elm Grove, LA (DNR Permit #OWD 89-1); Bourg, LA (DNR Permit #90-10 OWD); Bateman Island, LA (DNR Permit #91-10 OWD); and Mermentau, LA (DNR Permit #SWD 83-6).

NOW: Nonhazardous oilfield waste associated with the exploration and production of oil, gas and geothermal energy that contains less than 30 picocuries per gram of Radium 226 or 228. Without limiting the generality of the foregoing, for waste disposed of in Louisiana, the term NOW shall include all wastes containing less than 30 picocuries per gram of Radium 226 or 228 classified as NOW under Louisiana Statewide Order 29-B as currently in effect.

Preceding Test Period: For any Adjustment Date, the six month period commencing 12 months prior to such Adjustment Date and concluding six months prior to such Adjustment Date.

Prevailing Rate: At any given time, the price Disposeco shall be obligated to pay per barrel of NOW delivered to Campbell Wells and disposed at a Landfarm in accordance with this Agreement as determined in accordance with Section 3.1.

Person: Any individual, corporation, association, partnership, joint venture, trust, estate or other entity or organization or government or any agency or political subdivision thereof.

Prior Years Adjustment: Optional adjustments to Annual Volume pursuant to Section 2.1 for any Contract Year as determined in accordance with Section 2.3. The Prior Years Adjustment may be a negative number.

Quarter: Calendar quarters commencing each January 1, April 1, July 1 and October 1; provided, however, that the first Quarter shall commence on the Effective Date and end on September 30, 1996.

Zapata Facility: A NOW disposal facility owned and operated by Campbell Wells located near Zapata, Texas.

ARTICLE II

DISPOSAL

2.1 Delivery and Acceptance. In accordance with the terms and provisions of this Agreement, during each Contract Year, Disposeco shall deliver to Campbell Wells for disposal at the Landfarms a minimum amount of NOW equal to (i) the Annual Volume of NOW for such Contract Year (ii) minus the Prior Years Adjustment, if any, for such Contract Year as set forth in Section 2.3 (iii) minus 92,500 barrels of NOW. Subject to the terms and conditions and the limitations set forth in this Agreement, Campbell Wells shall accept for disposal at the Landfarms all NOW delivered by or on behalf of Disposeco; provided that in no event shall Campbell Wells be obligated to accept from or on behalf of Disposeco for disposal at the Landfarms more than 2.22 million barrels of NOW in any Contract Year. In the event Campbell Wells elects not to accept NOW delivered by Disposeco in excess of 2.22 million barrels during any Contract Year, Campbell Wells shall reject such waste in accordance with Section 5.6 of this Agreement.

2.2 Annual Volume.

2.2.1 Annual Volume. The Annual Volume of NOW during any Contract Year shall be equal to the Preliminary Annual Volume (as defined in Section 2.2.2 below) (a) minus the Volume Adjustment (as defined in Section 2.2.3 below), if any, exercised by Disposeco in accordance with Section 2.2.4 during such Contract Year, (b) minus the amount of NOW, if any, rejected by Campbell Wells pursuant to Section 7.5(ii).

2.2.2 Preliminary Annual Volume. For each Contract Year, the Preliminary Annual Volume of NOW shall be the lesser of (i) 33.33% of the total barrels of NOW that Newpark Resources, Inc., a Delaware corporation ("Newpark"), and its Affiliates accept, acquire, take possession of, procure, direct, control or otherwise receive for processing and disposal during the Contract Year in the Covered Region (with the exception of any NOW produced by third-party generators which Newpark or its Affiliates treat and dispose of on the site at which the NOW was generated) and (ii) 1,850,000 barrels of NOW, in each case excluding injectable saltwater.

2.2.3 Volume Adjustment. Within 25 days after the end of each Quarter, Campbell Wells shall determine the aggregate revenues actually received by Sanifill, Campbell Wells and their Affiliates during such preceding Quarter from the Collection or Disposal of NOW and other oilfield wastes, the remediation and closure of oilfield waste pits, including related loading and hauling, or onshore cleaning operations in the Covered Region, with the exception of revenues attributable to extraordinary levies as described in Section 3.5 and revenues from (i) the Disposal of Excluded NOW, (ii) the Disposal at the Zapata Facility of NOW Collected within a 200-mile radius of the Zapata Facility, including charges for such Collection or (iii) the Disposal of NOW pursuant to this Agreement (the "Sanifill NOW Revenues"). The Volume Adjustment for each Quarter shall be calculated by dividing the aggregate Sanifill NOW Revenues for such Quarter by the Prevailing Rate for such Quarter. Campbell Wells shall notify Disposeco (the "Volume Adjustment Notice") of the Volume Adjustment within 25 days after the end of each Quarter. Notwithstanding the foregoing, any Person who acquires any of the Landfarms, directly or indirectly, shall become subject to this Section 2.2.3 as if it were Campbell Wells; provided, however, that no revenues from operations of such Person or its Affiliates that existed at the time of such acquisition shall be included in calculations under this Section 2.2.3.

2.2.4 Exercise of the Volume Adjustment. Disposeco shall have the option to decrease the Annual Volume for the current Contract Year (or, if applicable, the subsequent Contract Year) by all or part of the Volume Adjustment for any Quarter by notifying Campbell Wells in writing of its intention to do so before the expiration of the fourth complete Quarter after the end of the Quarter in which the Volume Adjustment Notice for such Volume Adjustment is received. Volume Adjustments shall be exercised in the order in which they are accrued. Any portion of the Volume Adjustment for any Quarter as to which Disposeco fails to timely exercise such option shall expire.

2.3. Carryforward Account; Prior Years Adjustment.

2.3.1 Determination of Carryforward Amount. Within 30 days after the end of each Contract Year during the term of this Agreement, Disposeco shall determine and notify

Campbell Wells of the amount equal to the difference between (i) the Actual Volume for such Contract Year and (ii) the Annual Volume for such Contract Year. For any Contract Year in which the Annual Volume is more than the Actual Volume, the difference shall be referred to as a "Negative Carryforward." For any Contract Year in which the Actual Volume is more than the Annual Volume, the difference shall be referred to as a "Positive Carryforward."

2.3.2 Carryforward Account; Initial Balance. The parties shall maintain a Carryforward Account. The initial balance of the Carryforward Account shall be zero. The balance of the Carryforward Account shall be increased by the amount of any Positive Carryforward; provided that the balance of the Carryforward Account may not exceed 185,000 barrels. Any portion of a Positive Carryforward which would cause the current balance of the Carryforward Account to exceed 185,000 barrels shall be disregarded. The balance of the Carryforward Amount shall be reduced by the amount of any Negative Carryforward. The balance of the Carryforward Account may be negative.

2.3.3 Reduction in Balance from Unused Positive Carryforwards. In the event that a Positive Carryforward accruing in any Contract Year is not fully offset against Negative Carryforwards accruing prior to such Positive Carryforward or within the two Contract Years immediately following the Contract Year in which such Positive Carryforward accrued, the portion of such Positive Carryforward not so offset shall be deducted from the positive balance of the Carryforward Account as of the end of the second Contract Year after the Contract Year in which such Positive Carryforward accrued. No such reduction shall cause the balance in the Carryforward Account to be negative.

2.3.4 Deliveries following a Negative Carryforward Account Balance. Following any Contract Year in which a Negative Carryforward (the "Triggering Carryforward") accrues causing the balance of the Carryforward Account to become negative in any Contract Year, Disposeco shall be obligated to deliver to Campbell Wells, over the two Contract Years immediately following the Contract Year in which such Negative Carryforward accrued, amounts of NOW in excess of the Annual Volumes for such Contract Years equal to the negative Carryforward Account balance. In the event Disposeco fails to deliver such amounts over the next two Contract Years, at the end of the second Contract Year, Campbell Wells will invoice Disposeco, and Disposeco shall be obligated to pay, an amount equal to the Prevailing Rate at the time multiplied by the quantity of the remaining portion of the Triggering Carryforward. Upon receipt of payment, the Carryforward Account balance shall be adjusted to reflect such amounts as if they had been actually delivered during the preceding Contract Year.

2.3.5 Prior Years Adjustment. In any Contract Year with a positive Carryforward Account balance, the amount of the positive Carryforward Account balance shall be applied as a Prior Years Adjustment pursuant to Section 2.1. Such amount so applied shall be subtracted from the Annual Volume for such Contract Year in accordance with Section 2.1.

2.4 Allocation of NOW among Landfarms. Unless otherwise provided in this Agreement or agreed by the parties, on a Quarterly basis, deliveries of NOW by Disposeco to all Landfarms shall be allocated to the individual Landfarms such that the amount of NOW delivered to an individual Landfarm as a percentage of NOW delivered to all Landfarms shall fall within the Permissible Range for such Landfarm as set forth below. Upon request of any party, the parties agree to meet at least annually to review the Permissible Ranges and to

negotiate in good faith to modify the Permissible Ranges as the parties deem appropriate. In the event Disposeco delivers NOW to any Landfarm in excess of the Permissible Range for such Landfarm, Campbell Wells shall have the right, but not the obligation, to reject such NOW in accordance with Section 5.6. Rejection of NOW by Campbell Wells pursuant to this Section 2.4 shall not reduce the Annual Volume of NOW to be delivered by Disposeco for such Contract Year or otherwise affect Disposeco's obligation to deliver NOW in such quantities as are permissible or required under the terms of this Agreement. Subject to Section 2.8, Disposeco shall use commercially reasonable efforts to cause substantially all materials delivered by Disposeco or its Affiliates to the Landfarm near Mermentau to be delivered by truck.

Landfarm	Median Range	Permissible Range
Bourg, LA	40%	35% - 45%
Bateman Island, LA	50%	45% - 55%
Mermentau, LA	10%	5% - 15%
Elm Grove, LA	N/A	N/A

2.5 Radium Concentration. Notwithstanding anything contained in this Agreement to the contrary, Campbell Wells shall not be obligated to accept NOW from Disposeco at any Landfarm where such NOW (i) when combined with other NOW in an individual treatment cell, would cause the weighted average concentration of Radium 226 or 228 to exceed 5 pCi/gm, excluding background or (ii) would require the loading of two or more treatment cells simultaneously to prevent the weighted average concentration of Radium 226 or 228 from exceeding 5 pCi/gm, excluding background. In the event Disposeco delivers NOW contravening the foregoing sentence, Campbell Wells shall have the right, but not the obligation, to reject such NOW in accordance with Section 5.6. Rejection of NOW by Campbell Wells pursuant to this Section 2.5 shall not reduce the Annual Volume of NOW to be delivered by Disposeco for such Contract Year or otherwise affect Disposeco's obligation to deliver NOW in such quantities as are permissible or required under the terms of this Agreement.

2.6 Variance as to All Landfarms.

2.6.1 Conflict of Provisions. In the event of any irreconcilable conflict between the provisions of Section 2.6 and the provisions of Sections 2.1 and 2.3, the provisions of Sections 2.1 and 2.3 shall control.

2.6.2 Quarterly Variance. Subject to the other terms and conditions of this Agreement and unless otherwise agreed in advance by the parties, in every Quarter during the term of this Agreement, (a) Disposeco shall be obligated to deliver to Campbell Wells for disposal at the Landfarms a minimum of 20% of the Annual Volume of NOW for such Contract Year and (b) Campbell Wells shall be obligated to accept from Disposeco for disposal at all Landfarms a maximum of 555,000 barrels of NOW.

2.6.3 Monthly Variance. Subject to the other terms and conditions of this Agreement and unless otherwise agreed in advance by the parties, Campbell Wells shall be

obligated to accept from Disposeco for disposal at the Landfarms a maximum of 250,000 barrels of NOW during any one month. The parties agree to cooperate to minimize monthly variances in NOW delivered for disposal at the Landfarms.

2.7 Variance as to Individual Landfarms. Subject to the other terms and conditions of this Agreement and unless otherwise agreed in advance by the parties, in each Quarter, Disposeco shall be obligated to deliver to each Landfarm a minimum of 20% of the Landfarm Average Volume for such Landfarm for such Contract Year and (b) Campbell Wells shall be obligated to accept from Disposeco for disposal at such Landfarm a maximum of 33% of the Landfarm Average Volume for such Landfarm for such Contract Year.

2.8 Limitation on Deliveries to Landfarms by Truck. Notwithstanding anything contained herein to the contrary, unless otherwise agreed by the parties, Campbell Wells shall not be obligated to accept from Disposeco or its Affiliates for disposal in any Contract Year more than 185,000 barrels of NOW delivered by truck to the Landfarm near Mermentau or more than 75,000 barrels of NOW delivered by truck to the Landfarm near Bourg.

2.9 Adjustments for the First Contract Year and the First Quarter. For the first Contract Year, the fixed numerical volume amounts specified in Section 2.1, Section 2.2.2(ii), Section 2.3 and Section 2.6.1 shall be adjusted by multiplying such amounts by a fraction, the numerator of which shall be the number of days in the first Contact Year and the denominator of which shall be 365. For the first Quarter, the fixed numerical volume amount specified in Section 2.6.2 shall be adjusted by multiplying such amount by a fraction, the numerator of which shall be the number of days in the first Quarter and the denominator of which shall be 91.

2.10 Schedules Attached. Attached to this Agreement are three Schedules (Nos. 1, 2 and 3) that illustrate the operation of Sections 2.1 and 2.3. Such Schedules are hereby incorporated into this Agreement by reference and constitute an integral and material part of the parties' understanding.

ARTICLE III

PAYMENT

3.1 Prevailing Rate. The initial Prevailing Rate shall be equal to $5.50 per barrel of NOW delivered to Campbell Wells and disposed of at a Landfarm, net of all currently applicable taxes. The Prevailing Rate may be adjusted in accordance with Section 3.2, provided that the Prevailing Rate shall never be less than $5.50 per barrel.

3.2 Adjustments to the Prevailing Rate. On each Adjustment Date, the Prevailing Rate shall be subject to an adjustment equal to the sum of the following (the "Rate Adjustment"):

(i) 30% of the difference between the average waste disposal price received by Disposeco and its Affiliates for NOW Disposal (not including taxes and exclusive of charges to customers for services, such as cleaning, off-loading, waste processing and related operations) during the Current Test Period and such average price during the Preceding Test Period; and

(ii) 15% of the difference between the average price per barrel (not including taxes) charged to customers received by Disposeco and its Affiliates for NOW services (such as cleaning, off-loading, waste processing and related operations) during the Current Test Period and such average price during the Preceding Test Period.

Within 30 days after each Adjustment Date, Disposeco will determine the Rate Adjustment and the adjusted Prevailing Rate (the "Current Rate") and will apply the Current Rate retroactively to all invoices received from Campbell Wells for the previous six-month period to determine the difference between (i) the amounts which would have been invoiced if the Current Rate had been charged and (ii) amounts actually invoiced under the previous Prevailing Rate (the "Invoice Adjustment Amount"). Campbell Wells shall have 15 days to review Disposeco's determination of the Rate Adjustment, the Current Rate and the calculation of the Invoice Adjustment Amount. In the event the parties are not able to agree on the proper calculation of such amounts after 15 days, the parties shall submit the matter to Fast-Track Arbitration as set forth in Section 10.2. If the Invoice Adjustment Amount is positive, Disposeco shall pay Campbell Wells the Invoice Adjustment Amount within 15 days. If the Invoice Adjustment Amount is negative, Disposeco shall be entitled to a credit for such amount against future invoices from Campbell Wells. Disposeco hereby covenants and agrees that it shall not during the term of this Agreement adjust fees for services covered by clause (ii) of this Section 3.2 or fees for Disposal covered by clause (i) of this Section 3.2 in a manner which is inconsistent with prevailing market practice and is intended to deprive or has the effect of depriving Campbell Wells of the full benefits of the adjustment to the Prevailing Rate provided for herein.

3.3 Additional Services; Disposal of Injectable Saltwater. Pursuant to this Agreement, Campbell Wells will perform standard off-loading and customary handling services associated with disposal of NOW at no additional charge. Campbell Wells will perform additional services, including, without limitation, cleaning, upon request of Disposeco at the posted rates of Campbell Wells for such services, or at such other rates as the parties may mutually agree upon. All charges for such additional services shall be in addition to and independent of the Prevailing Rate. Campbell Wells will accept injectable saltwater at the Landfarms for disposal upon request of Disposeco at the posted rates of Campbell Wells for disposal of injectable saltwater, or at such other rates as the parties may mutually agree upon. All charges for disposal of injectable saltwater shall be in addition to and independent of the Prevailing Rate.

3.4 Billing. Campbell Wells shall invoice Disposeco on a monthly basis for disposal fees, additional service fees and all other sums, including inspection fees as set forth in Section 5.4 and Section 5.7, incurred pursuant to this Agreement during the preceding calendar month. Disposeco agrees to pay such charges due and owing hereunder to Campbell Wells on or before the 30th day following the date of receipt of the invoice. In the event of a dispute as to services rendered or payment owed, Disposeco shall pay the undisputed portion of each invoice, and the parties shall resolve the dispute as provided in Section 10.2. Without limitation, amounts validly due and invoiced in accordance with this Section 3.4 and all other amounts owed from one party to the other pursuant to this Agreement, shall be payable within 30 days after invoice or notice and thereafter shall accrue interest at a rate equal to the lower of 18% per annum or the highest lawful rate, commencing with the date of receipt of the original invoice or notice.

3.5 Extraordinary Levies.

3.5.1 Taxes. Notwithstanding anything to the contrary contained herein, if during the term of this Agreement there is levied upon Campbell Wells or any of its Affiliates or upon the operations of Campbell Wells any tax, assessment or charge (other than income taxes applicable generally) by any governmental authority which tax, assessment or charge increases Campbell Wells' costs to operate the Landfarms, Campbell Wells shall notify Disposeco of the cause and the per barrel amount of the cost increase. Following the effectiveness of the tax, assessment or charge giving rise to such fee, Disposeco shall be obligated to pay such additional fee with regard to each barrel of NOW delivered to a Landfarm by or on behalf of Disposeco or any of its Affiliates, which fee shall appear on all invoices issued to Disposeco by Campbell Wells.

3.5.2 Landfarm Environmental Regulations. Notwithstanding anything to the contrary contained herein, if during the term of this Agreement there is a substantial change in regulatory requirements related to the waste disposal business having general applicability to the handling, treatment or disposal of NOW, which change increases in a material manner Campbell Wells' costs to operate the Landfarms, (i) Campbell Wells shall notify Disposeco of the cause and the per barrel amount of the cost increase, (ii) Disposeco shall use commercially reasonable efforts to increase its waste disposal prices so as to pass as much of such increased cost as is commercially possible on to its customers and (iii) Disposeco shall pay to Campbell Wells 100% of all revenues attributable to such increase in waste disposal prices up to a maximum amount equal to the per barrel cost increase multiplied by the barrels of NOW delivered to the Landfarms for disposal by or on behalf of Disposeco or any of its Affiliates after the effectiveness of such increase. If, after the application of this Section 3.5.2, the difference between the increased costs of Campbell Wells resulting from such regulatory change and the amount of the increased revenues received by Campbell Wells pursuant to clause (iii) above is large enough to have a material adverse effect on Campbell Wells, such change in regulation shall be considered a Force Majeure event.

3.5.3 Right of Inspection. In the event Campbell Wells notifies Disposeco of a cost increase pursuant to this Section 3.5, Disposeco shall have the right to conduct a reasonable review of the calculations, working papers and the books and records related to the determination of such fee increase. All costs of such review shall be borne exclusively by Disposeco.

ARTICLE IV

TERM

The term of this Agreement shall be for a period of approximately twenty-five years commencing on the Effective Date and ending on June 30, 2021, unless extended by mutual consent of the parties.

ARTICLE V

OPERATING PROCEDURES

5.1. Compliance with Operating Procedures. Disposeco and its Affiliates shall comply in all material respects with and abide by, and shall require their employees, servants, agents, representatives, contractors, subcontractors, haulers and transporters to comply in all material respects with and abide by, all applicable federal, state and local laws, ordinances, permits, regulations, directives, codes, standards and requirements relating to the subject matter of this Agreement or the performance of services hereunder, as well as all of Campbell Wells' rules, regulations, procedures and guidelines, written or oral, as the same may be reasonably adopted and modified from time to time, including, without limitation, all safety and/or security regulations, practices and procedures and all procedures reasonably adopted by Campbell Wells in compliance with its permits or utilized by Campbell Wells in the inspection, sampling and testing of material delivered to the Landfarms for disposal.

5.2 Inspection and Testing by Disposeco; Notification. Disposeco agrees that it shall inspect and test all materials accepted, acquired, taken possession of, procured, directed, controlled or otherwise received by it from third party generators or other parties for disposal (with the exception of any NOW produced by third-party generators which Disposeco or its Affiliates treat and dispose of on the site at which the NOW was generated) to the extent required by applicable federal, state and local laws, ordinances, permits, regulations, directives, codes, standards and requirements. Disposeco shall promptly notify Campbell Wells if it becomes aware of any unusual or special characteristics of any materials being delivered to the Landfarms which cause such materials to require special treatment, handling or care. Upon request by Campbell Wells, Disposeco shall provide copies of all inspection and test results relating to material to be disposed of at the Landfarms under the terms of this Agreement to Campbell Wells upon delivery.

5.3 Shipment and Delivery of NOW. Disposeco, its Affiliates and/or its contractors and subcontractors shall be responsible for proper containerization, preparation and labeling for shipment, shipment, transportation and delivery to the Landfarms and shall comply fully with all applicable federal, state and local laws, ordinances, permits, regulations, directives, codes, standards and requirements in making such delivery to the Landfarms. Sanifill, Campbell Wells and their Affiliates undertake no responsibility whatsoever for the preparation, handling or transportation of any material prior to acceptance of delivery as hereinafter provided.

5.4 Inspections.

5.4.1 Barges. Upon arrival of any barge transporting material to a Landfarm at the direction of Disposeco or any of its Affiliates, Campbell Wells shall have the right to have an independent third party inspector selected by Campbell Wells undertake an inspection of the barge transporting material to the Landfarm for the purpose of determining (a) the volume of materials delivered and (b) the condition of the barge on arrival at the Landfarm. The costs of such inspector shall be split evenly between Disposeco and Campbell Wells, and Disposeco's portion of such expense shall be included on the monthly invoices prepared by Campbell Wells in accordance with Section 3.4. Before any materials are off-loaded from the barge or any inspection or testing is undertaken by Campbell Wells, the independent inspector will provide

the authorized representatives of Disposeco and Campbell Wells with an inspector's report indicating the time and date, the barge identification number and volume of waste materials in the barge. The authorized representatives of the parties will indicate their acceptance of the inspector's report by signing the report. In the event either authorized representative disagrees with the volume determination, either authorized representative may request that an additional independent third party inspector prepare an inspector's report, the cost of which shall be borne by the party requesting the same. If the parties are unable to agree on the actual volume of waste after the preparation of the second inspector's report, the two independent inspectors shall select a third independent inspector to prepare an inspector's report, the cost of which will be borne half by Disposeco and half by Campbell Wells. The final volume determination shall be that volume agreed upon by the majority of the independent inspectors that have inspected the barge. If the barge appears to be damaged in any significant respect, the inspector shall summarize the apparent damage and take photographs as appropriate to evidence the scope of the damage. The authorized representative of Disposeco shall approve such damage summary by executing the same prior to the time any material is off-loaded from the barge. With regard to barges owned and operated by Disposeco, Campbell Wells agrees that it shall not exercise its right to implement the procedures set forth in this Section 5.4.1 unless the parties have previously had a dispute or disagreement relating to the quantity of materials delivered to a Landfarm by Disposeco or the condition of a barge owned and operated by Disposeco and such dispute or disagreement was not amicably resolved within 30 days.

5.4.2 Trucks. Upon arrival of a truck transporting material to a Landfarm on behalf of Disposeco or any of its Affiliates, Campbell Wells personnel shall undertake an inspection to determine the volume of materials delivered. Before any materials are off-loaded from the truck or any inspection or testing is undertaken by Campbell Wells, Campbell Wells shall prepare a receipt indicating the time and date and the volume of materials in the truck. The driver of the truck shall indicate his or her acceptance of the receipt by signing the receipt. In the event the driver disagrees with the volume determination, Campbell Wells shall have the option of (i) accepting the volume stated by the driver and preparing a receipt evidencing such volume to be signed by the driver or (ii) rejecting such materials in accordance with Section 5.6. Rejection of materials by Campbell Wells pursuant to this Section 5.4.2 shall not reduce the Annual Volume of NOW to be delivered by Disposeco for such Contract Year or otherwise affect Disposeco's obligation to deliver NOW in such quantities as are required under the terms of this Agreement.

5.5 Inspection and Testing of Material. After all inspections, if any, pursuant to Section 5.4 have been concluded, Campbell Wells shall conduct inspections, testing and sampling using such equipment and procedures as are required by or consistent with its permits. Campbell Wells may rely exclusively on the results of its inspection in determining whether materials delivered may be disposed at the Landfarm in accordance with its permits and this Agreement. Disposeco authorizes Campbell Wells to retain samples and all data relating thereto, including test results, for so long as required by federal, state or local law, ordinance, permit, regulation, directive, code, standard or requirement and additionally for so long as Campbell Wells in its sole discretion shall determine.

5.6 Acceptance or Rejection of Material.

5.6.1 Acceptance. Campbell Wells shall only be obligated to accept waste materials at any Landfarm which are permissible under the permit requirements of such Landfarm at the time of delivery. For a period of ten days after the date of delivery, Campbell Wells shall have the right to reject (or revoke any prior acceptance) all or any part of a shipment of material delivered by or on behalf of Disposeco to a Landfarm if (i) such material is not in accordance with the terms of this Agreement or (ii) Campbell Wells concludes that such material exceeds the parameters of the permits applicable to the Landfarm. Campbell Wells shall notify Disposeco of any rejection in writing and shall state the reason therefor. The expiration of such ten-day period without a rejection or a revocation of a prior acceptance of material shall constitute "Final Acceptance" of such material.

5.6.2 Rejected Material. Rejected material shall remain at Disposeco's risk and expense and shall not be deemed to be incorporated into the Landfarm or come under the possession, custody, control or ownership of Campbell Wells. Notwithstanding the foregoing, to the extent required by federal, state or local law, ordinance, permit, regulation, directive, code, standard or requirement, or by Campbell Wells' safety and/or security rules, practices or procedures, Campbell Wells may detain any rejected materials, including the vehicle and/or containers in which such rejected materials arrived, and shall notify regulatory or other authorities wherever necessary or appropriate to do so.

5.6.3 Removal. In the event Campbell Wells rejects all or any part of a shipment of material from Disposeco, after compliance in all material respects with all regulatory and any other requirements involving detention of such shipment, upon written request of Campbell Wells, Disposeco, unless otherwise directed by a regulatory agency or other lawful authority, shall promptly remove or cause to be removed from the Landfarm all of the rejected material at Disposeco's risk and expense in a manner consistent with all applicable federal, state and local laws, ordinances, permits, regulations, directives, codes, standards and requirements. In the event Disposeco fails to complete such removal by the fifth business day after the date of the request by Campbell Wells, Campbell Wells, unless otherwise required by law or regulation, may remove or cause to be removed from the Landfarm any and all of the rejected material, and may containerize and transport it or cause it to be containerized and transported to an authorized storage site or returned to Disposeco at its nearest location. Disposeco hereby authorizes Campbell Wells in such event to contract for such storage for Disposeco's account. For its services, Campbell Wells shall charge and Disposeco shall pay Campbell Wells' cost plus 15%. Any and all material that Campbell Wells rejects shall remain property and the responsibility of Disposeco at Disposeco's risk and expense.

5.6 Third-Party Deliveries. Campbell Wells may follow the procedures set forth in this Article V with respect to any third-party generator's vessels or vehicles containing materials that are delivered to any Landfarm at the direction of Disposeco or its Affiliates. In addition, Campbell Wells may establish and enforce other policies and procedures relating to the independent inspection of any such third-party generator's vessels or vehicles before the material contained in such vessels or vehicles shall be accepted for disposal.

ARTICLE VI

COVENANTS, REPRESENTATIONS AND WARRANTIES OF DISPOSECO

Disposeco hereby covenants, represents and warrants to Sanifill and Campbell Wells as follows:

6.1 Organization and Qualification. Disposeco (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted and is proposed to be conducted and (c) is duly qualified or licensed and in good standing to do business in each jurisdiction in which the properties owned, leased or operated by it or the nature of the business conducted or proposed to be conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed or in good standing would not have, either individually or in the aggregate, a material adverse effect on the transactions contemplated hereby.

6.2 Authorization and Validity of Agreement. Disposeco has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby. The execution, delivery and performance by Disposeco of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Disposeco. No action or approval of the equity owners of Disposeco is necessary to authorize Disposeco's execution or delivery of, or the performance of its obligations under, this Agreement. This Agreement has been duly executed and delivered by Disposeco and is a valid and binding obligation of Disposeco, enforceable in accordance with its terms.

6.3 No Conflict. The execution and delivery by Disposeco of this Agreement does not, and exercise by Disposeco of its rights hereunder and the consummation of the transactions contemplated hereby will not (a) require any consent, approval, order or authorization of or other action by any governmental entity on the part of or with respect to Disposeco; (b) require on the part of Disposeco any consent by or approval of or notice to any other Person; or (c) result in a violation of any law, rule, regulation, order, judgment or decree applicable to Disposeco, except in any case covered by (a), (b) or (c) where failure to obtain such consent or such violation would not, either individually or in the aggregate, have a material adverse effect on the transactions contemplated hereby.

6.4 Licensed Carriers. Any carrier with which Disposeco contracts to transport NOW and all of Disposeco's driver personnel shall at all times relevant to the performance of services under this Agreement remain properly licensed and otherwise fully qualified to perform the services required hereunder.

ARTICLE VII

COVENANTS, REPRESENTATIONS AND WARRANTIES OF CAMPBELL WELLS

Campbell Wells hereby covenants, represents and warrants to Disposeco as follows:

7.1 Organization and Qualification. Each of Campbell Wells and Sanifill (a) is duly organized and validly existing under the laws of the jurisdiction of its organization (and Sanifill is in good standing under such laws), (b) has all requisite power and authority to own, lease and operate its properties and to carry on its business as it is now being conducted and (c) is duly qualified or licensed and in good standing to do business in each jurisdiction in which the properties owned, leased or operated by it or the nature of the business conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed or in good standing would not have, either individually or in the aggregate, a material adverse effect on the transactions contemplated hereby.

7.2 Authorization and Validity of Agreement. Campbell Wells has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereby. The execution, delivery and performance by Campbell Wells of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Campbell Wells. No action or approval of the equity owners of Campbell Wells is necessary to authorize Campbell Wells' execution or delivery of, or the performance of its obligations under, this Agreement. This Agreement has been duly executed and delivered by Campbell Wells and is a valid and binding obligation of Campbell Wells, enforceable in accordance with its terms.

7.3 No Conflict. The execution and delivery by Campbell Wells of this Agreement does not, and exercise by Campbell Wells of its rights hereunder and the consummation of the transactions contemplated hereby will not (a) require any consent, approval, order or authorization of or other action by any governmental entity on the part of or with respect to Campbell Wells or any of its Affiliates; (b) require on the part of Campbell Wells or any of its Affiliates any consent by or approval of or notice to any other Person; or (c) result in a violation of any law, rule, regulation, order, judgment or decree applicable to Campbell Wells or any of its Affiliates, except in any case covered by (a), (b) or (c) where failure to obtain such consent or such violation would not, either individually or in the aggregate, have a material adverse effect on the transactions contemplated hereby.

7.4 Services and Equipment. Campbell Wells possesses the business, professional and technical expertise to handle, treat and dispose of NOW and possesses the equipment, plant and employee resources required to perform this Agreement. Campbell Wells shall use its commercially reasonable efforts to turn all barges delivering materials to the Landfarms in a timely manner consistent with the number of Disposeco and third-party generator barges on site at such moment and with its general practice of giving priority to third-party generators' barges. The equipment shall, at all times relevant to the performance of services hereunder, be maintained in good and safe condition and fit for use.

7.5 Licenses and Permits. As of the Effective Date, Campbell Wells shall be duly licensed, permitted and authorized pursuant to all applicable federal, state and local laws to handle, treat and dispose of NOW, and the Landfarms will have been issued all licenses, permits and authorizations required by all applicable federal, state and local laws. At any time during the term of this Agreement, upon Disposeco's reasonable request, Campbell Wells shall provide to Disposeco, at Disposeco's expense, a complete copy of the current permits applicable to the operation of the Landfarms. During the term of this Agreement, Campbell Wells shall use its best efforts to keep all such licenses, permits and authorizations in effect and shall promptly

notify Disposeco if any such license, permit or authorization is to expire and not be renewed or becomes the subject of any administrative or judicial action seeking revocation or suspension; provided, however, that in the event any Landfarm has not been issued all licenses, permits and authorizations required to dispose of NOW as of the Effective Date of this Agreement or should lose any such license, permit or authorization or for any other reason terminate operation during the term of this Agreement, Campbell Wells shall, subject to Article XI, have the option to (i) subject to Disposeco's reasonable approval, direct the disposal of NOW delivered by Disposeco to any of the other Landfarms, provided that Campbell Wells shall bear all actual additional out-of-pocket costs arising therefrom, (ii) reject NOW delivered by Disposeco in accordance with Section 5.6 without further obligation hereunder, provided that the volume of such NOW shall be deducted from the Annual Volume for the current Contract Year, or (iii) subject to Disposeco's reasonable approval, transport NOW delivered by Disposeco and dispose of it at any alternative disposal facility that is approved by Disposeco (which approval shall not be unreasonably withheld) and licensed and permitted to receive NOW, pursuant to all the same terms and provisions of this Agreement, including the payment of the Prevailing Rate established under Section 3.1.

7.6 Workers' Compensation. Campbell Wells shall comply in all material respects with all applicable workers' compensation laws during the term of this Agreement. In the event any work is performed by Campbell Wells' agent or subcontractor, Campbell Wells shall obtain certification from such agent or subcontractor that it too is in compliance in all material respects with such laws or does not fall within the scope of such laws.

ARTICLE VIII

INSURANCE

8.1 Insurance Coverage. Campbell Wells and Disposeco, at their own expense, shall procure and maintain in full force and effect during the term of this Agreement the following kinds of insurance with limits of coverage equal to or exceeding those limits specified therefor:

8.1.1 Workers' Compensation; Employer's Liability. Workers' Compensation Insurance shall be obtained in accordance with the provisions of the applicable Workers' Compensation Law or similar laws of a state having jurisdiction over any employee. Employer's Liability Insurance shall be obtained with a minimum limit of liability of $1,000,000. To the extent exposures fall, or may fall, within Federal jurisdictions, including the U.S. Longshore and Harbor Workers' Compensation Act, the Defense Bases Act and the Federal Employers Liability Act, extensions of coverage shall be obtained in accordance with the requirements of such laws. Should operations occur where maritime liability law, the Jones Act, or General Admiralty Law apply, applicable coverages shall be required at limits of not less than $1,000,000.

8.1.2 General Liability. Comprehensive or Commercial General Liability Insurance, including Products/Completed Operations and Contractual Liability, which shall cover the indemnity provisions contained in this Agreement, shall be obtained with a combined single limit of not less than $1,000,000 per occurrence for bodily injury and property damage.

8.1.3 Automobile Liability. Business or Commercial Automobile Liability Insurance covering all owned, non-owned, and hired vehicles, shall be obtained with a combined single limit of $1,000,000 per occurrence or accident.

8.1.4 Umbrella Liability. Umbrella Liability Insurance over the foregoing coverages shall be obtained as applicable at limits of $10,000,000 per occurrence.

8.2 Terms. All coverages shall be written through insurers authorized to transact business in the states of operation and reasonably satisfactory and acceptable to both parties. Each party shall be added as an additional insured, and subrogation as to the policies of the other party shall be waived as applicable. All policies will be endorsed to provide not less than 30 days written notice of cancellation, termination, non-renewal or material change in the policy. Each party will furnish the other party certificates of insurance evidencing compliance with the requires of Section 8.1.

8.3 Site Financial Assurance and Environmental Impairment Liability. To the extent available on commercially reasonable terms and subject to the other terms of this Agreement, Campbell Wells shall (i) maintain policies of environmental impairment liability insurance covering the ownership and operation of the Landfarms in substantially such amounts and on such terms as shall be in place on the Effective Date and (ii) comply with all applicable federal or state governmental financial assurance requirements imposed in connection with its operation of the Landfarms.

ARTICLE IX

INDEMNIFICATION

9.1 Indemnification by Sanifill and Campbell Wells. Sanifill and Campbell Wells shall jointly and severally defend, indemnify and hold harmless Disposeco and its Affiliates and their employees, officers, owners, directors and agents, from and against any and all liabilities, penalties, fines, forfeitures, demands, claims, causes of action, suits, judgments and costs and expenses incidental thereto, including reasonable attorneys' fees, which any or all of them may hereafter suffer, incur, be responsible for or pay out as a result of personal injuries, property damage, or contamination of or adverse effects on the environment, to the extent directly or indirectly caused by, or arising from or in connection with (i) the negligence, gross negligence or willful act or omission or willful misconduct of Sanifill or Campbell Wells or any of their employees, officers, owners, directors, agents or subcontractors in the performance of this Agreement; (ii) the violation of any environmental rule, law or regulation by Sanifill or Campbell Wells or any of their employees, officers, owners, directors, agents or subcontractors; (iii) operations of the Landfarms, including, without limitation, the receipt and disposal of waste delivered to the Landfarms by Disposeco and others; or (iv) the breach of, misrepresentation in, untruth in or inaccuracy in any representation, warranty or covenant of Sanifill or Campbell Wells set forth in this Agreement.

9.2 Indemnification by Disposeco. Disposeco shall defend, indemnify and hold harmless Sanifill and Campbell Wells and their Affiliates and their employees, officers, owners, directors, agents and subcontractors, from and against any and all liabilities, penalties, fines, forfeitures, demands, claims, causes of action, suits, judgments and costs and expenses incidental

thereto, including reasonable attorneys' fees, which any or all of them may hereafter suffer, incur, be responsible for or pay out with respect to claims by third parties for personal injuries, property damage or other loss to the extent directly or indirectly caused by, or arising from or in connection with (i) the negligence, gross negligence or willful act or omission of Disposeco, any of its employees, officers, owners, directors, agents or subcontractors or any third-party generator acting at Disposeco's direction in the performance of this Agreement, (ii) the violation of any environmental rule, law or regulation by Disposeco, any of its employees, officers, owners, directors, agents or subcontractors or any third-party generator acting at Disposeco's direction; (iii) material delivered to any of the Landfarms by Disposeco or any third-party generator acting at Disposeco's direction which is not in accordance with the terms of this Agreement or otherwise not permitted to be disposed at such Landfarm; or (iv) the breach of, misrepresentation in, untruth in or inaccuracy in any representation, warranty or covenant of Disposeco set forth in this Agreement.

9.3 Indemnification Procedures.

9.3.1 Promptly after receipt by an indemnified party under this Article IX of notice of the commencement of any action or proceeding evidenced by service of process or other legal pleading, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify in writing the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party (i) will not relieve it from any liability that it may have to any indemnified party under this Article IX unless and to the extent that the indemnifying party has been prejudiced in any material respect by such omission and (ii) will not relieve the indemnifying party from any liability that it may have to any indemnified party other than under this Article IX. If any such action or proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Article IX for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless the named parties to such action or proceeding (including any impleaded parties) shall include both an indemnifying party and an indemnified party and the indemnified party shall have been advised by counsel that there may be one or more defenses available to such indemnified party that are different from or additional to those available to the indemnifying party (in which case, if the indemnified party notifies the indemnifying party that it wishes to employ separate counsel at the expense of the indemnifying party (who shall promptly pay all such expenses as incurred), the indemnifying party shall not have the right to assume the defense of such action or proceeding on behalf of such indemnified party).

9.3.2 If an indemnifying party, within a reasonable period of time after notice by the indemnified party of the commencement of any action or proceeding with respect to which the indemnified party is to make a claim hereunder, fails to assume the defense thereof, the indemnified party shall have the right (upon further notice to the indemnifying party) to undertake the defense, compromise or settlement of such action or proceeding for the account of the indemnifying party, subject to the right of the indemnifying party to assume the defense

of such action or proceeding at any time prior to settlement, compromise or final determination thereof. The cost and expense of any such defense and any judgment in any such action or proceeding shall be borne by the indem nifying party, and, if paid by the indemnified party, shall be reimbursed by the indemnifying party within thirty days after receipt of invoice therefor.

9.3.3 Except as otherwise provided in Section 9.3.2, an indemnifying party shall not be liable for any settlement of any litigation or proceeding effected without its written consent. An indemnifying party shall not, without the indemnified party's written consent, settle or com promise any action or proceeding or consent to entry of any judgment that would impose an injunction or other equitable relief upon the indemnified party or that does not include as an unconditional term thereof the release by the claimant or the plaintiff of such indemnified party from all liability in respect of such action or proceeding.

ARTICLE X

DISPUTE RESOLUTION

10.1 Negotiation of Disputes. In the event of any dispute or disagreement arising out of or relating to the implementation and performance of this Agreement, the parties agree to attempt to resolve such dispute in good faith. Should a resolution of such dispute not be obtained within 15 days after the origination of the dispute, either party may submit the dispute to arbitration in accordance with the provisions of this Article X by written notice to the other party.

10.2 Fast-Track Arbitration for Payment Disputes. Within 60 days after the Effective Date of this Agreement, Campbell Wells and Disposeco shall select an independent third party mutually acceptable to both parties (the "Financial Arbitrator") and an alternate third party (the "Alternate") to decide disputes to be referred to the Financial Arbitrator as provided in Sections 3.2 and 3.4. The Financial Arbitrator and the Alternate shall have experience in accounting and finance and the waste disposal business. Disposeco or Campbell Wells may refer disputes arising under Sections 3.2 or 3.4 after the expiration of the negotiation period set forth in Section 10.1 by providing written notice to the Financial Arbitrator and the other party. In the event the Financial Arbitrator is unavailable to resolve the dispute within the time period stated in this Section 10.2, the dispute shall be referred to the Alternate. The Financial Arbitrator or the Alternate, as appropriate (the "Arbitrator"), shall be directed to resolve the dispute in 15 days after the referral. The parties shall cooperate in good faith in providing the Arbitrator any information reasonably needed to resolve the dispute. If the dispute relates to the accuracy of an invoice or a series of invoices or to the accuracy of any calculations made by any party, the costs and expenses of the arbitration shall be borne by the party referring the dispute to arbitration unless the Arbitrator determines that the invoiced amounts or calculations were in error by greater than 10% or $50,000, in which case the costs and expenses shall be borne by the other party. If the dispute relates to any other type of disagreement arising under Sections 3.2 and 3.4, the costs and expenses of the arbitration shall be borne by the losing party, unless the Arbitrator finds that it would be manifestly unfair to honor this provision and determines a different allocation of costs.

10.3 General Arbitration. Any claim, dispute or controversy arising out of or relating to this Agreement or the breach thereof not settled in accordance with the provisions of Sections 10.1 or 10.2 shall be submitted to binding arbitration by the American Arbitration Association

(the "AAA") for arbitration in Houston, Texas, in accordance with the Commercial Arbitration Rules of the AAA then in effect. There shall be three arbitrators, with each party selecting one. The third arbitrator shall be selected by the two party-selected arbitrators and shall be the chairperson of the panel. The party requesting arbitration shall name its arbitrator in the demand for arbitration and the other party shall name its arbitrator within 30 days after receipt of the arbitration demand. The third arbitrator shall be named within 30 days after the appointment of the second arbitrator. The AAA shall be empowered to appoint any arbitrator not named in accordance with the procedure set forth herein. The decision of the arbitrators shall be final and binding upon the parties without the right to appeal to the courts. The award rendered in arbitration shall be final and judgment thereon may be entered by any court having jurisdiction thereof. The costs and expenses of the arbitrations (including reasonable attorney's fees) will be borne by the losing party, unless the arbitrators determine that it would be manifestly unfair to honor this provision and determine a different allocation of costs.

10.4 Applicable Law and Arbitration Act. This agreement to arbitrate shall be enforceable in either federal or state court. The enforcement of this agreement to arbitrate and all procedural aspects of this agreement to arbitrate, including, without limitation, the construction and interpretation of this agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability, and the rules governing the conduct of the arbitrations, shall be governed by and construed pursuant to the United States Arbitration Act. In deciding the substance of any such claim, dispute or disagreement, the arbitrators shall apply the substantive laws of the State of Texas; provided, however, that the arbitrators shall have no authority to award punitive damages under any circumstances regardless of whether such damages may be available under Texas law, the parties hereby waiving their right, if any, to recover punitive or consequential damages in connection with any such claims, disputes or disagreements.

10.5 Continuation of Performance. In the event of a dispute arising under this Agreement, the parties shall continue performance of their respective obligations hereunder.

ARTICLE XI

FORCE MAJEURE

11.1 Suspension of Performance. If, as a result of a Force Majeure event, either Campbell Wells or Disposeco is wholly or partially unable to meet its obligations under this Agreement, the affected party shall give the other party or parties notice of such situation, describing it in reasonable detail. The obligations under this Agreement of the party giving notice, other than the payment of monies due, shall be suspended to the extent and for the duration of the Force Majeure event. The party affected by the Force Majeure event shall use good faith efforts to attempt to rectify the conditions brought about by the Force Majeure event in a commercially reasonable manner. Notwithstanding anything to the contrary expressed herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances, and, subject to Article IX, litigation, including appeals, shall be entirely within the discretion of the party involved therein, and such party may make settlement thereof at such time, and on such terms and conditions as it may deem to be advisable, and no delay in making such settlement shall deprive such party of the benefit of this provision. In the event a Force Majeure event is based on a change of law or regulations, the parties agree to negotiate in good faith to modify

or amend this Agreement, if possible, to continue the intent and purposes of the Agreement. Following the end of a Force Majeure event giving rise to a suspension by Campbell Wells pursuant to this Section 11.1, the suspension of the parties' obligation to perform shall continue for such time as is commercially reasonable to permit Disposeco to resume deliveries to the Landfarms, provided that such continuation period shall not exceed 21 days. In the event of a suspension of performance, the rights and obligations of the parties for the Contract Year or Contract Years and the Quarter or Quarters during which such suspension is in effect shall be proportionately reduced.

11.2 Termination Because of Force Majeure. If performance by one party under this Agreement is suspended as a result of any event of Force Majeure and either Disposeco or Campbell Wells determines that such suspension is likely to continue for a period of at least six consecutive months, such party may notify the other of its desire to meet to negotiate a modification or amendment to this Agreement (the "Negotiation Notice"); provided that if neither Campbell Wells nor Disposeco issues a Negotiation Notice following an event of Force Majeure, a Negotiation Notice shall be deemed to have been given on the date that performance by one party has been suspended as a result of such event of Force Majeure for a period of six consecutive months. For a period of 60 days after the date of the Negotiation Notice or, if longer, until such suspension has continued for six consecutive months (the "Negotiation Period"), the parties agree to negotiate in good faith to modify or amend this Agreement, if possible, to continue the intent and purposes of the Agreement. If no agreement is reached during the Negotiation Period, either party may terminate this Agreement on 30 days' written notice; provided that such termination shall only become effective if (i) the event of Force Majeure is continuing at the end of such 30-day period, (ii) the performance by one party under this Agreement has been suspended as a result of the event of Force Majeure for at least six consecutive months and (iii) the party electing to terminate will suffer a continuing material adverse effect as a result of such event of Force Majeure after giving pro forma effect to the final offer made by other party during the Negotiation Period (taking into account all aspects of such offer, including without limitation the ameliorative effects of such offer on the consequences of such Force Majeure event and any negative effects of such offer on the party electing to terminate). Any party with a right to terminate pursuant to this Section 11.2 must give written notice of its election to do so to the other parties within 60 days after the end of the Negotiation Period. If such a party does not elect to terminate the Agreement within such 60-day period, such party's termination right with respect to such event of Force Majeure shall expire; provided that the expiration of the former right to terminate shall not preclude or estop such party from issuing a subsequent Negotiation Notice under this Section 11.2 if the event of Force Majeure is continuing.

ARTICLE XII

MISCELLANEOUS

Status of the Parties. Each party hereto is and shall perform this Agreement as an independent contractor, and as such, shall have and maintain complete control over all of its employees, agents, and operations. Except as expressly otherwise provided in this Agreement, neither party nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other party.

12.2 No Set-Off Rights. The parties hereby agree that neither party shall have any right to set-off or apply against any sums due under this Agreement any sums due or amounts otherwise owing pursuant to any other provision of this Agreement or any other agreement or arrangement between the parties.

12.3 Subrogation; Assignment of Rights. In the event Disposeco delivers and Campbell Wells accepts a delivery of materials (the "Nonconforming Materials") containing hazardous or dangerous substances in violation of this Agreement and in violation of Disposeco's agreement with the third party generator producing such materials, Disposeco agrees that, upon the request of Campbell Wells, Campbell Wells shall become fully subrogated to the rights of Disposeco against such generator related to the Nonconforming Materials, and Disposeco shall (i) assign or take such further action as is necessary or desirable to transfer to Campbell Wells any and all rights of action of Disposeco against such generator relating to such Nonconforming Materials arising at law under Disposeco's agreement with such generator or in equity and (ii) use its good faith best efforts to assist in the prosecution of any claim brought by Campbell Wells against such third party generator relating to the Nonconforming Materials.

12.4 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Campbell Wells and Disposeco may assign their rights, obligations and duties under this Agreement with the written consent of the other parties to the Agreement, which consent shall not be unreasonably withheld; provided that the assigning party shall remain primarily liable for all obligations and duties arising hereunder.

12.5 Notices. Notices and other communications provided for herein shall be in writing and shall be deemed to have been validly given (a) 3 days after deposit in the United States mails, registered or certified mail with proper postage prepaid and return receipt requested, (b) upon transmission thereof and receipt of the appropriate confirmation if sent via telecopier or telefax, (c) the business day after the same shall have been deposited with a reputable overnight courier, shipping prepaid and (d) if delivered in person, upon delivery, in each case addressed as follows:

If to Disposeco, to:

W. Gregory Orr
President
Campbell Wells, Ltd.
2014 West Pinhook Road, Ste. 900
Lafayette, Louisiana 70508
ph: 318-266-7976
fax: 318-266-7922

with a copy to:

Louise A. Shearer
Baker & Botts. L.L.P.
One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
ph: 713-229-1286
fax: 713-229-1522

If to Campbell Wells, to:

W. Gregory Orr
President
Campbell Wells, Ltd.
2014 West Pinhook Road, Ste. 900
Lafayette, Louisiana 70508
ph: 318-266-7976
fax: 318-266-7922

with a copy to:

Louise A. Shearer
Baker & Botts. L.L.P.
One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
ph: 713-229-1286
fax: 713-229-1522

If to Sanifill, to:

H. Steven Walton
Secretary
Sanifill, Inc.
2777 Allen Parkway, Ste. 700
Houston, Texas 77019-2155
ph: 713-942-6200
fax: 713-942-6299

with a copy to:

Louise A. Shearer
Baker & Botts. L.L.P.
One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
ph: 713-229-1286
fax: 713-229-1522

or such other address as any party shall specify by written notice so given.

12.6 Non-Waiver. The failure of any party to enforce its rights under any provision of this Agreement shall not be construed to be a waiver of such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other breach.

12.7 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any and all other communications, representations, proposals, understandings or agreements, either written or oral, between the parties hereto with respect to such subject matter. This Agreement may not be modified or amended, in whole or in part, except by a writing signed by both parties hereto.

12.8 Severability. If any provision of this Agreement is declared invalid or unenforceable, then such portion shall be deemed to be severable from this Agreement and shall not affect the remainder hereof.

12.9 Headings. The Article and Section headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement.

12.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one instrument.

12.11 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

EXECUTED as of the day and year first above written.

NOW DISPOSAL OPERATING CO.

By:_____
Name:_____
Title:_____

SANIFILL, INC.

By:_____
Name:_____
Title:_____

CAMPBELL WELLS, LTD.

By:_____
Name:_____
Title:_____

SCHEDULE 1: DECREASING ACTUAL VOLUME OVER 10 YEAR PERIOD.

Contract Year	Prior Years Adjustment (= to positive Carryforward Acct. Bal.)	Annual Volume (Assumed to be 1,850/year)	Minimum Volume	Actual Volume (assumed)	Carryforward Amount (=Actual Volume - Annual Volume)	Carryforward Account - Year End Balance
1	NA	1,850	1,757.5 (=1,850-92.5)	2,000	150	150 (=0+150)
2	150	1,850	1,607.5 (=1,850-150-92.5)	2,000	150	185 (=150 + 150 subject to maximum)
3	185	1,850	1,572.5 (=1,850-185-92.5)	1,900	50	185 (=185 + 50-150* subject to maximum)
4	185	1,850	1,572.5 (=1,850-185-92.5)	1,900	50	85 (=185+50-150*)
5	100	1,850	1,657.5 (=1,850-100-92.5)	1,850	0	35 (=85+0-50)*
6	50	1,850	1,707.5 (=1,850-50-92.5)	1,850	0	0 (=35+0-35**)
7	NA	1,850	1,757.5 (=1,850-92.5)	1,800	-50	-50 (0+-50)
8	NA	1,850	1,757.5 (=1,850-92.5)	1,800	-50	-100 (-50+-50)
9	NA	1,850	1,757.5 (=1,850-92.5)	1,775	-75	-125 (=50 credit*** -50-75)
10	NA	1,850	1,757.5 (=1,850-92.5)	1,975	125	0 (-125+125)

* Pursuant to Section 2.3.3, the Positive Carryforward accruing in the Contract Year two years earlier expires.

** Under the last sentence in Section 2.3.3, the reduction in account balance resulting from the expiration of an earlier Positive Carryforward shall not cause the balance of the Carryforward Account to become negative.

** Pursuant to Section 2.3.4, Disposeco would be obligated in Contract Year 9 to pay an amount equal to 50,000 barrels multiplied by the Prevailing Rate based on the Triggering Carryforward accruing in Contract Year 7.

SCHEDULE 2: INCREASING ACTUAL VOLUME OVER 10 YEAR PERIOD.

Contract Year	Prior Years Adjustment (= to positive Carryforward Acct. Bal.)	Annual Volume (Assumed to be 1,850/year)	Minimum Volume	Actual Volume (assumed)	Carryforward Amount (=Actual Volume - Annual Volume)	Carryforward Account - Year End Balance
1	NA	1,850	1,757.5 (=1,850-92.5)	1,775	-75	-75 (=0+-75)
2	NA	1,850	1,757.5 (=1,850-92.5)	1,775	-75	-150 (=-75+-75)
3	NA	1,850	1,757.5 (=1,850-92.5)	1,800	-50	-125 (=75 credit*+ -75 + -50)
4	NA	1,850	1,757.5 (=1,850-92.5)	1,800	-50	-50 (=75 credit*+ -50 + -50)
5	NA	1,850	1,757.5 (=1,850-92.5)	1,850	0	0 (=50 credit* + 0)
6	NA	1,850	1,757.5 (=1,850-92.5)	1,850	0	0 (=0+0)
7	NA	1,850	1,757.5 (=1,850-92.5)	1,900	50	50 (0+50)
8	50	1,850	1,707.5 (=1,850-50-92.5)	1,900	50	100 (=50+50)
9	100	1,850	1,657.5 (=1,850-100-92.5)	1,950	100	150 (=100+100-50**)
10	150	1,850	1,607.5 (=1,850-150-92.5)	1,700	-150	0

* Pursuant to Section 2.3.2, Disposeco would be obligated in each of the marked Contract Years to pay an amount equal the then Prevailing Rate multiplied by the volume of the Triggering Carryforward accruing in two years earlier.

** Pursuant to Section 2.3.3, the Positive Carryforward accruing in Contract Year 7 expires.

SCHEDULE 3: VARIABLE ACTUAL VOLUME OVER 10 YEAR PERIOD.

Contract Year	Prior Years Adjustment (= to positive Carryforward Acct. Bal.)	Annual Volume (Assumed to be 1,850/year)	Minimum Volume	Actual Volume (assumed)	Carryforward Amount (=Actual Volume - Annual Volume)	Carryforward Account - Year End Balance
1	NA	1,850	1,757.5 (=1,850-92.5)	2,000	150	150 (=0+150)
2	150	1,850	1,607.5 (=1,850-150-92.5)	1,750	-100	50 (=150+-100)
3	50	1,850	1,707.5 (=1,850-50-92.5)	1,850	0	0 (=50-unused 50 from yr 1)
4	NA	1,850	1,757.5 (=1,850-92.5)	1,800	-50	-50 (=0-50)
5	NA	1,850	1,757.5 (=1,850-92.5)	2,000	150*	100 (=-50+150)
6	100	1,850	1,657.5 (=1,850-100-92.5)	1,750	-100	0 (=100+-100)
7	NA	1,850	1,757.5 (=1,850-92.5)	1,850	0	0 (=0+0)
8	NA	1,850	1,757.5 (=1,850-92.5)	1,900	50	50 (=0+50)
9	50	1,850	1,757.5 (=1,850-92.5)	1,775	-75	-25 (=50+-75)
10	NA	1,850	1,757.5 (=1,850-92.5)	1,875	25	0

* Note that Contract Year 5 above is an example of a Positive Carryforward which is partially offset prior to the Contract year in which it is accrued with the remainder being offset after the Contract Year in which it is accrued.

EXHIBIT 23.1

INDEPENDENT AUDITORS' CONSENT

We consent to the use in this Registration Statement of Newpark Resources, Inc. on Form S-3 of our report dated March 1, 1996, included in the Annual Report on Form 10-K of Newpark Resources, Inc. for the year ended December 31, 1995, and to the use of our report dated March 1, 1996, appearing in the Prospectus, which is part of this Registration Statement. We also consent to the use in this Registration Statement of our report dated June 6, 1996, related to the financial statements of the Marine NOW Service Business of Campbell Wells, Ltd., appearing in the Prospectus, which is a part of this Registration Statement, and to the reference to us under the headings "Summary Historical and Pro Forma Financial Information" and "Experts" in such Prospectus.

DELOITTE & TOUCHE llp

New Orleans, Louisiana
June 11, 1996

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