

DAWSON GEOPHYSICAL CO

Form S-4/A

September 20, 2011

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**As filed with the Securities and Exchange Commission on September 20, 2011.**

**Registration No. 333-174843**

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

**AMENDMENT NO. 4  
TO  
Form S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

**Dawson Geophysical Company**  
*(Exact name of registrant as specified in its charter)*

**Texas**  
*(State or other jurisdiction of  
incorporation or organization)*

**1382**  
*(Primary Standard Industrial  
Classification Code Number)*

**75-0970548**  
*(I.R.S. Employer  
Identification Number)*

**508 West Wall, Suite 800  
Midland, Texas 79701  
(432) 684-3000**  
*(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)*

**Stephen C. Jumper  
President and Chief Executive Officer  
Dawson Geophysical Company  
508 West Wall, Suite 800  
Midland, Texas 79701  
(432) 684-3000**  
*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

*Copies to:*

**Neel Lemon  
Sarah Rechter  
Baker Botts L.L.P.  
2001 Ross Avenue  
Dallas, Texas 75201  
(214) 953-6500**

**Wayne A. Whitener  
President and Chief Executive  
Officer  
TGC Industries, Inc.  
101 E. Park Blvd., Suite 955  
Plano, Texas 75074  
(972) 881-1099**

**Rice M. Tilley, Jr.  
Bruce Newsome  
Haynes and Boone, LLP  
2323 Victory Avenue, Suite 700  
Dallas, Texas 75219  
(214) 651-5000**

**Approximate date of commencement of the proposed sale of the securities to the public:** As soon as practicable after this registration statement becomes effective and upon completion of the merger described in the enclosed document.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, 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, 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(d) 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.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**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, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.**

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The information in this joint proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary joint proxy statement/prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**SUBJECT TO COMPLETION, DATED SEPTEMBER 20, 2011**

**PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT**

To the shareholders of Dawson Geophysical Company and TGC Industries, Inc.:

On March 21, 2011, Dawson Geophysical Company, or Dawson, and TGC Industries, Inc., or TGC, announced our proposed merger. The boards of directors of Dawson and TGC have each approved an agreement and plan of merger, as amended, or the merger agreement, pursuant to which 6446 Acquisition Corp., or Merger Sub, a newly formed wholly owned subsidiary of Dawson, will be merged with and into TGC, with TGC surviving the merger as a direct wholly owned subsidiary of Dawson.

This joint proxy statement/prospectus describes the terms of the merger agreement and the merger, including the reasons the merger was proposed, the negotiation process that led to entry into the merger agreement, and other background information. We are sending you this joint proxy statement/prospectus and related materials in connection with the solicitation of proxies by the boards of directors of Dawson and TGC for use at their special meetings of shareholders, both to be held on October [ ], 2011. At the special meetings, among other items, the shareholders of Dawson and TGC will be asked to approve proposals relating to the merger. These proposals are discussed in greater detail in the remainder of this joint proxy statement/prospectus. We urge you to read carefully this joint proxy statement/prospectus and the documents incorporated by reference into it.

If the proposed merger is completed, then pursuant to the merger agreement, each holder of shares of TGC common stock will be entitled to receive 0.188 shares of Dawson common stock for each share of TGC common stock owned, as well as cash payable in lieu of fractional shares pursuant to the terms of the merger agreement.

We anticipate that, immediately following completion of the merger, current Dawson shareholders will own approximately 68% of the outstanding shares of Dawson common stock and TGC shareholders will own approximately 32% of the outstanding shares of Dawson common stock.

Dawson shareholders will continue to own their existing shares of Dawson common stock. Dawson's common stock is listed on NASDAQ under the symbol DWSN. TGC's common stock is listed on NASDAQ under the symbol TGE.

Dawson is holding a special meeting of its shareholders to approve the issuance of shares of Dawson common stock in connection with the proposed merger. Certain executive officers and directors of Dawson who own, in the aggregate, approximately 3.5% of the currently outstanding shares of Dawson common stock have entered into a voting agreement with TGC. Pursuant to and subject to the terms of the voting agreement, those directors and executive officers have agreed, among other things, to vote their shares of Dawson common stock in favor of the issuance of shares of Dawson common stock in connection with the proposed merger at the Dawson special meeting.

TGC is holding a special meeting of its shareholders to approve the merger agreement. Certain executive officers and directors of TGC and their affiliates who own, in the aggregate, approximately 28.7% of the currently outstanding shares of TGC common stock have entered into voting agreements with Dawson. Pursuant to and subject to the terms of those voting agreements, those directors and executive officers and their affiliates have agreed, among other things, to vote their shares of TGC common stock in favor of approval of the merger agreement at the TGC special meeting.

The obligations of Dawson and TGC to complete the merger are subject to the satisfaction or waiver of several conditions. We cannot complete the merger unless, among other things:

the holders of at least a majority of the outstanding shares of Dawson common stock present in person or represented by proxy and entitled to vote at the Dawson special meeting, assuming a quorum is present, approve the issuance of shares of Dawson common stock in connection with the proposed merger; and

the merger agreement is approved by the holders of at least 80% of the outstanding shares of TGC common stock.

All Dawson and TGC shareholders are invited to attend their company's special meeting in person. **Your vote is very important, regardless of the number of shares you own.** Whether or not you expect to attend either special meeting in person, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Dawson or TGC special meeting, as applicable, by signing, dating and returning the enclosed proxy card, by calling the toll-free telephone number, or by using the Internet as described in the instructions included with your proxy card.

This document is a prospectus relating to the shares of Dawson common stock to be issued pursuant to the merger and a proxy statement for each of Dawson and TGC to solicit proxies for their respective special meetings of shareholders. This document contains answers to frequently asked questions and a summary of the important terms of the merger, the merger agreement and related matters, followed by a more detailed discussion.

**For a discussion of certain significant matters that you should consider before voting, see Risk Factors beginning on page 27.**

We look forward to the successful completion of the merger.

Sincerely,  
Stephen C. Jumper  
*President and Chief Executive Officer*  
Dawson Geophysical Company

Sincerely,  
Wayne A. Whitener  
*President and Chief Executive Officer*  
TGC Industries, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Dawson common stock to be issued pursuant to the merger or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated September [ ], 2011 and is first being mailed to shareholders on or about September [ ], 2011.

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**ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about Dawson and TGC from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can review documents incorporated by reference in this joint proxy statement/prospectus free of charge through the Securities and Exchange Commission, or the SEC, website (<http://www.sec.gov>). You can also obtain the documents incorporated by reference into this document by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

**Dawson Geophysical Company**

508 West Wall, Suite 800  
Midland, Texas 79701  
Telephone: (432) 684-3000

or

**Morrow & Co., LLC**

470 West Avenue, 3rd Floor  
Stamford, CT 06902

Banks and brokers call collect: (203) 658-9400

Shareholders Please Call Toll Free: (800) 607-0088

**TGC Industries, Inc.**

101 East Park Blvd., Suite 955  
Plano, Texas 75074

Telephone: (972) 881-1099

or

**D.F. King & Co., Inc.**

48 Wall Street, 22nd Floor  
New York, New York 10005

Banks and brokers call collect: (212) 269-5550

Others call toll-free: (800) 967-4617

*You will not be charged for any of the documents that you request. Shareholders requesting documents should do so by October [ ], 2011, in order to receive them before the applicable special meeting.*

For more information, see **Where You Can Find More Information** beginning on page 153.

**This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this document regarding Dawson has been provided by Dawson and information contained in this document regarding TGC has been provided by TGC.**

**VOTING BY TELEPHONE, INTERNET OR MAIL**

**Shareholders of record of either Dawson or TGC may submit their proxies by:**

*Telephone.* You can vote by telephone by calling the toll-free number (800) 690-6903 in the United States, Canada or Puerto Rico on a touch-tone telephone. You will then be prompted to enter the control number printed on either Dawson's or TGC's proxy card, as applicable, and to follow the subsequent instructions. Telephone voting is available 24 hours a day until 11:59 p.m. New York City time on October [ ], 2011. If you vote by telephone, you do not need to return your proxy card or voting instruction card.

*Internet.* You can vote over the Internet by accessing the website at <http://www.proxyvote.com> and following the instructions on the secure website. Internet voting is available 24 hours a day until 11:59 p.m. New York City time on October [ ], 2011. If you vote over the Internet, you do not need to return your proxy card or voting instruction card.

*Mail.* You can vote by mail by completing, signing, dating and mailing your proxy card or voting instruction card in the postage-paid envelope included with this joint proxy statement/prospectus.

**If you hold your shares through a bank, broker, custodian or other record holder:**

Please refer to your company's proxy card or voting instruction form or the information forwarded by your bank, broker, custodian or other record holder to see which voting methods are available to you.

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**DAWSON GEOPHYSICAL COMPANY**  
**508 West Wall, Suite 800**  
**Midland, TX 79701**  
**432-684-3000**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON OCTOBER [ ], 2011**

To the Shareholders of Dawson Geophysical Company:

We will hold a special meeting of the shareholders of Dawson Geophysical Company, or Dawson, at the offices of Baker Botts L.L.P. at 2001 Ross Avenue, Suite 1100, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011 for the following purposes:

to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the terms of the Agreement and Plan of Merger, dated March 20, 2011, by and among Dawson, TGC Industries, Inc., or TGC, and 6446 Acquisition Corp., a wholly owned subsidiary of Dawson, as amended; and

to approve adjournments of the special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are not sufficient votes at the time of the special meeting to adopt the foregoing proposal.

Only holders of record of Dawson common stock at the close of business on August 29, 2011, the record date for the special meeting, are entitled to receive this notice and to vote their shares at the special meeting or at any adjournment or postponement of the special meeting.

We cannot complete the merger unless holders of a majority of all outstanding shares of Dawson common stock present in person or represented by proxy and entitled to vote at the special meeting, assuming a quorum is present, vote to approve the issuance of shares of Dawson common stock in connection with the proposed merger.

For more information about the merger and the other transactions contemplated by the merger agreement, please review the accompanying joint proxy statement/prospectus and the merger agreement attached to it as Annex A-1 and the amendment to the merger agreement attached as Annex A-2.

**Dawson's board of directors recommends that Dawson shareholders vote FOR approval of the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement and FOR any adjournment of the Dawson special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

By Order of the Board of Directors,

Christina W. Hagan  
*Secretary*

DATED this [ ] day of September, 2011

**IMPORTANT**



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Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy and return it promptly in the enclosed postage-paid envelope. You may also cast your vote by telephone or over the Internet by following the instructions on your proxy card. If you vote by telephone or over the Internet, you do not need to submit your proxy card. **Remember, your vote is important, so please act today!**

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**TGC INDUSTRIES, INC.  
101 E. Park Blvd., Suite 955  
Plano, Texas 75074  
(972) 881-1099**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON OCTOBER [ ], 2011**

To the Shareholders of TGC Industries, Inc.:

We will hold a special meeting of the shareholders of TGC Industries, Inc., or TGC, at the offices of Haynes and Boone LLP at 2323 Victory Avenue, Suite 700, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011 for the following purposes:

to approve the Agreement and Plan of Merger, dated March 20, 2011, by and among TGC, Dawson Geophysical Company, or Dawson, and 6446 Acquisition Corp., a wholly owned subsidiary of Dawson, as amended;

to approve a non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger; and

to approve adjournments of the special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

Only holders of record of TGC common stock at the close of business on August 29, 2011, the record date for the special meeting, are entitled to receive this notice and to vote their shares at the special meeting or at any adjournment or postponement of the special meeting.

We cannot complete the merger unless holders of at least 80% of all outstanding shares of TGC common stock vote to approve the merger agreement. However, approval by TGC shareholders of certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger is not a condition to the merger. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

For more information about the merger and the other transactions contemplated by the merger agreement, including the payment of certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger, please review the accompanying joint proxy statement/prospectus and the merger agreement attached to it as Annex A-1 and the amendment to the merger agreement attached as Annex A-2.

**TGC's board of directors recommends that TGC shareholders vote FOR approval of the merger agreement, FOR approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and FOR adjournments of the TGC special meeting, if necessary or appropriate, to permit further solicitation of proxies. In considering the recommendations of the TGC board of directors, TGC shareholders should be aware that members of TGC's board of directors and its executive officers have agreements and arrangements that provide them with interests in the merger that are different from, or in addition to, those of TGC shareholders. See The Merger**

**Conflicts of Interests beginning on page 92.**

By Order of the Board of Directors,

James K. Brata  
*Secretary*

DATED this [ ] day of September, 2011

**IMPORTANT**

Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy and return it promptly in the enclosed postage-paid envelope. You may also cast your vote by telephone or over the Internet by following the instructions on your proxy card. If you vote by telephone or over the Internet, you do not need to submit your proxy card. Please do not send any stock certificates at this time. **Remember, your vote is important, so please act today!**

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

*The following are brief answers to common questions that you may have regarding the proposals being considered at the special meeting of Dawson shareholders, which we refer to as the Dawson special meeting, and the special meeting of TGC shareholders, which we refer to as the TGC special meeting. Dawson and TGC urge you to read carefully this entire joint proxy statement/prospectus because the information in this section may not provide all the information that might be important to you in determining how to vote. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 153.*

In this joint proxy statement/prospectus, unless the context otherwise requires, Dawson refers to Dawson Geophysical Company, a Texas corporation, Merger Sub refers to 6446 Acquisition Corp., a Texas corporation and wholly owned subsidiary of Dawson, TGC refers to TGC Industries, Inc., a Texas corporation, and its consolidated subsidiaries, the merger agreement refers to the Agreement and Plan of Merger, dated March 20, 2011, by and among Dawson, Merger Sub and TGC, as amended by Amendment to Agreement and Plan of Merger, dated August 23, 2011, and as it may be further amended from time to time, and the merger refers to the merger of Merger Sub with and into TGC, as contemplated by the merger agreement. A copy of the original merger agreement is attached as Annex A-1 to this joint proxy statement/prospectus and a copy of Amendment to Agreement and Plan of Merger is attached as Annex A-2 to this joint proxy statement/prospectus.

**Q: Why am I receiving this document?**

A: You are receiving this joint proxy statement/prospectus because you are a shareholder of record of either Dawson or TGC as of August 29, 2011, the record date for the special meetings.

Dawson has agreed to acquire TGC by means of a merger of Merger Sub with and into TGC, with TGC surviving the merger as a wholly owned subsidiary of Dawson.

In order to complete the merger, among other conditions, Dawson shareholders must vote to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement. In addition, TGC shareholders must vote to approve the merger agreement. Dawson and TGC will hold separate special meetings to obtain these approvals.

At the TGC special meeting, TGC shareholders will also be voting on a non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. However, approval by TGC shareholders of such compensation is not a condition to the merger. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC's named executive officers will be paid such compensation.

This joint proxy statement/prospectus, which you should read carefully, contains important information about the merger, the merger agreement and the special meetings of Dawson and TGC shareholders. Dawson and TGC are each delivering this document to their shareholders because it is a proxy statement being used by the board of directors of both Dawson and TGC to solicit proxies of shareholders in connection with their respective special meetings. In addition, this document is a prospectus being delivered to TGC shareholders because Dawson is offering shares of its common stock to TGC shareholders in exchange for their shares of TGC common stock in connection with the proposed merger.

**Q: What will happen in the merger?**

A: In the merger, Merger Sub will be merged with and into TGC, with TGC surviving as a direct wholly owned subsidiary of Dawson. After the merger, the current shareholders of Dawson and the current shareholders of TGC will be the shareholders of Dawson.

**Q: What are holders of Dawson common stock being asked to vote on?**

A: Holders of Dawson common stock are being asked to:

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approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the terms of the merger agreement; and

approve adjournments of the Dawson special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are insufficient votes at the time of the Dawson special meeting to adopt the foregoing proposal.

**Q: What are holders of TGC common stock being asked to vote on?**

A: Holders of TGC common stock are being asked to:

approve the merger agreement;

approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger; and

approve adjournments of the TGC special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are insufficient votes at the time of the TGC special meeting to approve the merger agreement.

**Q: Why have Dawson and TGC decided to merge?**

A: Dawson and TGC believe that the merger will provide strategic and financial benefits to their shareholders, clients and employees, including:

increased data acquisition crew capacity, with a combined crew count of 21 crews, as currently configured, in the continental United States and six in Canada, as well as combined channel counts in excess of 210,000 and more than 200 vibrator energy source units;

a more diversified client mix, including increased geographical diversity and access to the Canadian market;

expanded service offerings, including those leveraging TGC's dynamite source and shot-hole drilling capabilities;

strong prospects for an expanded client base and product offering to allow for new business relationships not available to either company on a stand-alone basis;

greater crew efficiencies gained through the ability to reconfigure crews, leverage and share equipment and personnel resources, including by leveraging Canadian resources during summer thaw periods;

a continued balance of oil and natural gas projects and assignments, particularly in oil and liquid-rich basins;

expanded support functions, including permit, survey, maintenance repair facilities and in-house trucking capabilities;

better market position to meet client needs with an increased ability to service seismic projects in a timely manner and to provide higher resolution images with expanded channel counts, particularly with respect to unconventional reservoirs;

increased opportunities to scale and align crew size with project size;

the shareholders of Dawson and TGC will have the opportunity to participate in the equity value of the combined companies and have the benefit of the increased public market liquidity resulting from the combined companies larger public float and market cap; and

opportunities for cost savings and revenue generation through enhanced operational logistics.

**Q: Why am I being asked to cast a non-binding vote to approve certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger?**

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A: New SEC rules resulting from The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which we refer to as the Dodd-Frank Act, require TGC to seek a non-binding vote from its shareholders with respect to certain compensation that will be paid to TGC's named executive officers by TGC upon consummation of the merger. Accordingly, in compliance with the Dodd-Frank Act, we are asking TGC shareholders to approve such compensation. However, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC's named executive officers will be paid such compensation.

**Q: Why is my vote important?**

A: Completion of the merger requires the approval of the shareholders of Dawson and TGC at their respective special meetings. If you do not return your proxy card by mail or submit your proxy by telephone or over the Internet or vote in person at the special meetings, it may be difficult for Dawson and TGC to obtain the necessary quorum to hold their special meetings.

In addition, since approval of the merger agreement by the shareholders of TGC requires the affirmative vote of at least 80% of the outstanding shares of TGC common stock, if you are a TGC shareholder and you fail to vote, that will have the same effect as a vote **AGAINST** approval of the merger agreement.

Whether you are a Dawson or TGC shareholder, if you abstain from voting, that will have the same effect as a vote **AGAINST** each of the matters proposed at the applicable special meeting.

**Dawson's board of directors recommends that Dawson shareholders vote FOR approval of the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement and FOR approval of any adjournment of the Dawson special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

**TGC's board of directors recommends that TGC shareholders vote FOR approval of the merger agreement, FOR approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and FOR approval of any adjournment of the TGC special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

**As described under the headings TGC Proposal 2 Non-Binding, Advisory Vote on Approval of Certain Compensation to be Paid by TGC to TGC's Named Executive Officers and The Merger Conflicts of Interests beginning on pages 49 and 92, respectively, of this joint proxy statement/prospectus, TGC's directors and executive officers will receive financial benefits that are different from, or in addition to, those of TGC's shareholders.**

**No matter how many shares you own of either Dawson or TGC common stock, your vote is important and you are encouraged to vote.**

**Q: What will I receive in the merger in exchange for my shares of TGC common stock?**

A: Under the merger agreement, TGC shareholders will receive 0.188 shares of Dawson common stock for every one share of TGC common stock they own, provided that the average of the volume weighted average price of Dawson common stock on NASDAQ during the 10 consecutive trading days ending on October [ ], 2011 (which is the date that is two business days prior to the date of the special meetings) is equal to or greater than \$32.54 but

less than or equal to \$52.54. We refer to the number of shares of Dawson common stock that TGC shareholders will receive for each share of TGC common stock they hold as the exchange ratio. In addition, we refer to the 10 consecutive trading day average of the volume weighted average price of Dawson common stock calculated as described above as the 10-day average VWAP of Dawson common stock.

In the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually

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acceptable exchange ratio. See The Merger Agreement Merger Consideration Determination of the Exchange Ratio on page 99.

If the exchange ratio is modified, Dawson and TGC will each disclose the adjustment on a current report on Form 8-K and in a press release and will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

The 10-day average VWAP of Dawson common stock as of March 18, 2011, the last full trading day prior to announcement of the transaction, was \$44.16. The 10-day average VWAP of Dawson common stock as of September [ ], 2011, the last full practicable trading day prior to the date of this joint proxy statement/prospectus, was \$[ ]. Only the 10-day average VWAP of Dawson common stock as of October [ ], 2011 will be used to determine whether the 10-day average VWAP is within the trading range designated in the merger agreement.

Dawson will not issue any fractional shares of its common stock in connection with the proposed merger. For each fractional share that would otherwise be issued, Dawson will pay cash (without interest) in an amount equal to the product of the fractional share and the closing price for shares of Dawson common stock on NASDAQ on the business day immediately prior to the closing date of the merger. See The Merger Agreement Merger Consideration Fractional Shares on page 100.

We anticipate that upon completion of the transaction, Dawson will have approximately 11.7 million shares of common stock outstanding, with current Dawson shareholders owning approximately 68% of the combined company and current TGC shareholders owning approximately 32%.

For additional information regarding what TGC shareholders will be entitled to receive pursuant to the merger, see The Merger Merger Consideration on page 89.

**Q: What is the value of the merger consideration that TGC shareholders are to receive?**

A: The number of shares of Dawson common stock to be issued in the merger for each share of TGC common stock is fixed (except in the event of any stock split, reverse stock split, stock dividend, combination, reclassification, recapitalization or other similar transaction or event with respect to Dawson common stock or TGC common stock) and will not be adjusted for changes in the market price of either Dawson common stock or TGC common stock unless the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54. Accordingly, any change in the price of Dawson common stock prior to the merger will affect the market value of the merger consideration that TGC shareholders will receive as a result of the merger. For additional information regarding the value of the merger consideration, see The Merger The Merger Consideration The Number of Shares of Dawson Common Stock to be Issued in the Merger for Each Share of TGC Common Stock is Fixed on page 90.

The 10-day average VWAP of Dawson common stock as of March 18, 2011, the last full trading day prior to announcement of the transaction, was \$44.16. The 10-day average VWAP of Dawson common stock as of September [ ], 2011, the last practicable full trading day prior to the date of this joint proxy statement/prospectus, was \$[ ]. Only the 10-day average VWAP of Dawson common stock as of October [ ], 2011 will be used to determine whether the 10-day average VWAP is within the trading range designated in the merger agreement. You should obtain current stock price quotations for Dawson common stock and TGC common stock before voting. Dawson common stock and TGC common stock are listed on NASDAQ under the symbols DWSN and TGE, respectively.



In the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually acceptable exchange ratio.

If the exchange ratio is modified, Dawson and TGC will each disclose the adjustment on a current report on Form 8-K and in a press release and will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

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**Q: How likely is it that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 will not be in the designated range, thereby meaning that the exchange ratio will need to be renegotiated or the merger agreement will be terminated?**

A: We cannot predict what the trading price of Dawson common stock will be at the effective time of the merger or what the 10-day average VWAP of Dawson common stock will be as of October [ ], 2011. The 10-day average VWAP of Dawson common stock as of March 18, 2011, the last full trading day prior to announcement of the transaction, was \$44.16. The 10-day average VWAP of Dawson common stock as of September [ ], 2011, the last practicable full trading day prior to the date of this joint proxy statement/prospectus, was \$[ ].

For additional information regarding how the 10-day average VWAP of Dawson common stock will be calculated, see *The Merger* *The Merger Consideration* *The Number of Shares of Dawson Common Stock to be Issued in the Merger for Each Share of TGC Common Stock is Fixed* on page 90.

**Q: Will Dawson shareholders receive any additional shares as a result of the merger?**

A: No. Dawson shareholders will not receive any additional shares of Dawson common stock as a result of the merger.

**Q: What will happen to shares of Dawson common stock in the merger?**

A: Holders of shares of Dawson common stock will continue to own their existing shares, which will not be converted or canceled in the merger. In the merger, each outstanding share of TGC common share will be converted into the right to receive 0.188 shares of Dawson common stock provided that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is equal to or greater than \$32.54 but less than or equal to \$52.54. As of September 7, 2011, there were 7,910,885 shares of Dawson common stock, 19,258,159 shares of TGC common stock and outstanding stock options to acquire up to 687,248 shares of TGC common stock outstanding. Based on such number of shares and options outstanding, there would be an aggregate of approximately 11,660,622 shares of Dawson common stock outstanding after completion of the merger, of which approximately 68% of those outstanding shares would be held by current Dawson shareholders and the remaining approximate 32% would be held by current TGC shareholders.

**Q: Will the merger affect the board of directors or officers of Dawson after the merger?**

A: Yes. Under the merger agreement, Dawson has agreed to take all necessary actions to cause, as of the effective time of the merger, the Dawson board of directors to include as Dawson directors Wayne A. Whitener and Allen T. McInnes, each of whom is currently a director of TGC. We expect that the current directors of Dawson will continue to serve as directors of Dawson after the merger. Accordingly, in order to accommodate the two additional directors, at the effective time of the merger, the Dawson board of directors will increase in size to 10 directors. See *The Merger Agreement* *Governance Matters* on page 99.

The current officers of Dawson will continue to serve as the officers of Dawson after the merger is complete.

**Q: Who is entitled to vote at the Dawson special meeting and the TGC special meeting?**

A: *Dawson shareholders*: The record date for the Dawson special meeting is August 29, 2011. Only holders of record of shares of Dawson common stock outstanding and entitled to vote as of the close of business on the record date are entitled to notice of, and to vote at, the Dawson special meeting or any adjournment or

postponement of the Dawson special meeting.

*TGC shareholders:* The record date for the TGC special meeting is August 29, 2011. Only holders of record of shares of TGC common stock outstanding and entitled to vote as of the close of business on the record date are entitled to notice of, and to vote at, the TGC special meeting or any adjournment or postponement of the TGC special meeting.

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**Q: What vote of Dawson shareholders is required to approve the transaction with TGC?**

A: The affirmative vote of a majority of shares of Dawson common stock present in person or represented by proxy and entitled to vote at the Dawson special meeting, in which a quorum is present, is required to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement.

Any adjournment of the Dawson special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of the holders of Dawson common stock representing a majority of the votes present in person or represented by proxy and entitled to vote at the Dawson special meeting, whether or not a quorum exists.

At the close of business on August 29, 2011, the record date for the Dawson special meeting, directors and executive officers of Dawson had the right to vote 3.8% of the outstanding shares of Dawson common stock. Certain of those executive officers and directors, who collectively owned approximately 3.5% of the shares of Dawson common stock outstanding on such date, have entered into a voting agreement with TGC, which we refer to as the Dawson shareholder voting agreement. Pursuant to and subject to the terms of the Dawson shareholder voting agreement, those directors and executive officers have agreed, among other things, to vote their shares of Dawson common stock in favor of approval of the issuance of shares of Dawson common stock in connection with the proposed merger at the Dawson special meeting. For additional information on the Dawson shareholder voting agreement, see *The Dawson Shareholder Voting Agreement* beginning on page 121.

For additional information on the vote required to approve the issuance of shares of Dawson common stock in connection with the proposed merger, see *The Dawson Special Meeting* beginning on page 36.

**Q: How does the Dawson board of directors recommend that Dawson shareholders vote with respect to the proposed merger?**

A: Dawson's board of directors recommends that Dawson shareholders vote **FOR** approval of the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement. For additional information on the recommendation of Dawson's board of directors, see *The Merger Dawson's Reasons for the Merger and Recommendation of Dawson's Board of Directors* beginning on page 63.

**Q: What vote of TGC shareholders is required to approve the transaction with Dawson and to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger?**

A: The affirmative vote of at least 80% of the outstanding shares of TGC common stock is required to approve the merger agreement.

The affirmative vote of a majority of shares of TGC common stock present in person or represented by proxy and entitled to vote at the TGC special meeting, in which a quorum is present, is required to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. However, approval by TGC shareholders of such compensation is not a condition to the merger. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

Any adjournment of the TGC special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of the holders of TGC common stock representing a majority of the votes present in person or represented by proxy and entitled to vote at the TGC special meeting, whether or not a quorum exists.

At the close of business on August 29, 2011, the record date for the TGC special meeting, directors and executive officers of TGC and their respective affiliates had the right to vote 28.7% of the outstanding shares of TGC common stock. Those executive officers and directors and their affiliates have entered into voting agreements with Dawson, which we refer to as the TGC shareholder voting agreements. Pursuant to

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and subject to the terms of the TGC shareholder voting agreements, those directors and executive officers and their respective affiliates have agreed, among other things, to vote their shares of TGC common stock in favor of approval of the merger agreement at the TGC special meeting. For additional information on the TGC shareholder voting agreements, see *The TGC Shareholder Voting Agreements* beginning on page 119.

For additional information on the vote required to approve the merger agreement, see *The TGC Special Meeting* beginning on page 43.

**Q: How does the TGC board of directors recommend that TGC shareholders vote with respect to the proposed merger and the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger?**

A: TGC's board of directors recommends that TGC shareholders vote **FOR** approval of the merger agreement. For additional information on the recommendation of TGC's board of directors, see *The Merger TGC's Reasons for the Merger and Recommendation of TGC's Board of Directors* beginning on page 68.

In addition, TGC's board of directors recommends that TGC shareholders vote **FOR** approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger.

You should note that TGC's directors and executive officers have interests in the merger as directors or officers that are different from, or in addition to, the interests of other TGC shareholders. For information relating to the interests of TGC's directors and executive officers in the merger, see *The Merger Conflicts of Interests* beginning on page 92.

**Q: What constitutes a quorum for the special meetings?**

A: With respect to each special meeting, a majority of the outstanding shares of common stock entitled to vote at the close of business on the record date being present in person or represented by proxy constitutes a quorum for the special meeting. While abstentions will be counted for purposes of determining whether a quorum is present, broker non-votes (which are described below) will not.

**Q: When and where are the special meetings?**

A: The Dawson special meeting will take place at the offices of Baker Botts L.L.P. at 2001 Ross Avenue, Suite 1100, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011. For additional information relating to the Dawson special meeting, see *The Dawson Special Meeting* beginning on page 36.

The TGC special meeting will take place at the offices of Haynes and Boone LLP at 2323 Victory Avenue, Suite 700, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011. For additional information relating to the TGC special meeting, see *The TGC Special Meeting* beginning on page 43.

**Q: Is the consummation of the merger subject to any conditions other than the approval of Dawson and TGC shareholders?**

A: Yes. In addition to Dawson and TGC shareholder approval, the consummation of the merger is contingent upon the satisfaction or, to the extent permitted by law, waiver of the following conditions:

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clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or HSR Act (which has been obtained);

the absence of any judgment, injunction, order or decree in effect, or any law, statute, rule or regulation enacted, that prohibits the consummation of the merger;

the effectiveness of a registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and the authorization of the listing of the shares of Dawson common stock to be issued in the merger on NASDAQ;

receipt by each party of an opinion from its counsel, in a form and substance reasonably satisfactory to that party, dated as of the closing date of the merger, to the effect that (1) the merger will be treated as a

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tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code, or the Code, and (2) no gain or loss will be recognized for United States federal income tax purposes by the shareholders of TGC upon the exchange of shares of TGC common stock for shares of Dawson common stock pursuant to the proposed merger;

certain officers of TGC having entered into employment agreements with TGC, as the surviving entity of the merger, as of the effective time of the merger;

receipt by TGC of certain third party consents;

receipt by TGC, as of the closing date, of a reconfirmation from its financial advisor that the exchange ratio is fair, from a financial point of view, to TGC shareholders, which opinion is referred to as the reconfirmation opinion; and

other customary conditions, including the absence of a material adverse effect with respect to either TGC's or Dawson's respective businesses.

If any of the conditions set forth above fail to occur and such conditions are not waived, the merger will not be consummated and the merger agreement will terminate. Either party may waive any of their respective conditions if the law allows such party to do so, and this could include a waiver by TGC of its condition that it shall have received, as of the closing date, a reconfirmation from its financial advisor that the exchange ratio is fair, from a financial point of view, to TGC shareholders. Accordingly, even if TGC's financial advisor failed to provide the reconfirmation opinion, or determined that the exchange ratio was no longer fair, from a financial point of view, to TGC shareholders, TGC could nonetheless waive the condition and the consummation of the merger would occur with no consequences to the condition having not been satisfied. However, TGC does not anticipate waiving the condition relating to the reconfirmation opinion. If either party were to waive a condition, the consummation of the merger would occur without the condition having been met. Neither Dawson nor TGC can give any assurance regarding when or if all of the conditions to the merger will be either satisfied or waived or that the merger will occur as intended.

The proposal relating to the approval of certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger is a non-binding advisory resolution and is not a condition to the merger. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

For additional information on the conditions to the consummation of the merger, see The Merger Agreement Conditions to Completion of the Merger beginning on page 112.

**Q: What do I need to do now?**

A: After reading and considering carefully the information contained in this joint proxy statement/prospectus, please vote promptly by calling the toll-free number listed on your proxy card, accessing the Internet website listed on your proxy card or completing, signing, dating and returning your proxy card in the enclosed postage-paid envelope. If you hold your stock in street name through a bank, broker or other nominee, you must direct your bank, broker or other nominee to vote in accordance with the instructions you have received from your bank, broker or other nominee. Submitting your proxy by telephone, Internet or mail or directing your bank, broker or other nominee to vote your shares will ensure that your shares are represented and voted at the special meeting.



For additional information on voting procedures, see The Dawson Special Meeting beginning on page 36 or The TGC Special Meeting beginning on page 43, as applicable.

**Q: How will my proxy be voted?**

A: If you vote by telephone, over the Internet or by completing, signing, dating and returning your signed proxy card, your proxy will be voted in accordance with your instructions. The proxy confers discretionary authority to the named proxies. If you are a Dawson shareholder and you complete, sign, date and return your proxy card and do not indicate how you want to vote, your shares will be voted **FOR** approval of

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the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement and **FOR** the adjournment of the Dawson special meeting, if necessary or appropriate, to permit further solicitation of proxies. If you are a TGC shareholder and you complete, sign, date and return your proxy card and do not indicate how you want to vote, your shares will be voted **FOR** approval of the merger agreement, **FOR** approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and **FOR** the adjournment of the TGC special meeting, if necessary or appropriate, to permit further solicitation of proxies.

For additional information on voting procedures, see "The Dawson Special Meeting" beginning on page 36 or "The TGC Special Meeting" beginning on page 43, as applicable.

**Q: What if my bank, broker or other nominee holds my shares in street name ?**

A: If a bank, broker or other nominee holds your shares for your benefit but not in your own name, your shares are in street name. In that case, your bank, broker or other nominee will send you a voting instruction form to use in voting your shares. The availability of telephone and Internet voting depends on the voting procedures of your bank, broker or other nominee. Please follow the instructions on the voting instruction form they send you. If your shares are held in the name of your bank, broker or other nominee and you wish to vote in person at your special meeting, you must contact your bank, broker or other nominee and request a document called a legal proxy. You must bring this legal proxy to your respective special meeting in order to vote in person.

**Q: What if I don't provide my bank, broker or other nominee with instructions on how to vote?**

A: Generally, a bank, broker or other nominee may vote the shares that it holds for you only in accordance with your instructions. However, if your bank, broker or other nominee has not received your instructions, your bank, broker or other nominee has the discretion to vote on certain matters that are considered routine. A broker non-vote occurs if your bank, broker or other nominee cannot vote on a particular matter because your bank, broker or other nominee has not received instructions from you and because the proposal is not routine. **None of the matters being presented to shareholders for a vote at the special meetings of Dawson and TGC is considered a routine matter. Therefore, your bank, broker or other nominee will not be permitted to vote at the special meeting without instruction from you as the beneficial owner of the shares of Dawson or TGC common stock.**

If you do not instruct your bank, broker or other nominee on how you want your shares of Dawson common stock or TGC common stock, as applicable, to be voted, it may be difficult for Dawson and TGC to obtain the necessary quorum to hold their special meetings because broker non-votes will not be counted for purposes of determining whether a quorum is present at either special meeting.

In addition, even if there is a quorum present at the TGC special meeting, a broker non-vote will have the same effect as a vote **AGAINST** approval of the merger agreement. Assuming a quorum is present at the TGC special meeting, a broker non-vote will have no effect on the proposal to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. Whether or not a quorum is present at the TGC special meeting, a broker non-vote will have no effect on the adjournment proposal.

In the case of Dawson shareholders, assuming a quorum is present at the Dawson special meeting, a broker non-vote will have no effect on the proposal to issue shares of Dawson common stock pursuant to the merger agreement. Whether or not a quorum is present at the Dawson special meeting, a broker non-vote will have no effect on the adjournment proposal.

For additional information on voting procedures, see The Dawson Special Meeting beginning on page 36 or The TGC Special Meeting beginning on page 43, as applicable.

**Q: What if I mark abstain when voting?**

A: If you mark abstain when voting, your abstention will still be counted in determining whether a quorum is present at the applicable special meeting. However, abstentions will have the same effect as a vote

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**AGAINST** all the matters being considered at the applicable special meeting. Accordingly, if you are a Dawson shareholder, your abstention will have the same effect as a vote **AGAINST** approval of the issuance of shares of Dawson common stock pursuant to the merger agreement and **AGAINST** adjournment of the Dawson special meeting, and if you are a TGC shareholder, your abstention will have the same effect as a vote **AGAINST** approval of the merger agreement, **AGAINST** approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger, and **AGAINST** adjournment of the TGC special meeting.

**Q: What should I do if I receive more than one set of voting materials for the Dawson special meeting or the TGC special meeting?**

A: You may receive more than one set of voting materials for the Dawson special meeting or the TGC special meeting, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares of Dawson common stock or TGC common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares of Dawson common stock or TGC common stock are registered in more than one name, you will receive more than one proxy card. Please submit each separate proxy or voting instruction card that you receive by following the instructions set forth in each separate proxy or voting instruction card.

**Q: What can I do if I want to change or revoke my vote?**

A: Regardless of the method you used to cast your vote, if you are a holder of record, you may change your vote:

by completing, signing, dating and returning a new proxy card with a later date so that it is received prior to the applicable special meeting;

by calling the toll-free number listed on the proxy card or by accessing the Internet website listed on the proxy card by 11:59 p.m. New York City time on October [ ], 2011; or

by attending the Dawson special meeting or TGC special meeting, as applicable, and voting by ballot in person at the special meeting.

You may also revoke your proxy card by sending a notice of revocation, which must be received prior to the applicable special meeting, to the designated representative of Dawson or TGC, as applicable, at the address provided under **Where You Can Find More Information** beginning on page 153. Your attendance at the Dawson or TGC special meeting, as applicable, will not, by itself, revoke any proxy that you have previously submitted unless you also vote by ballot in person at the applicable special meeting.

If you hold your shares in **street name** and wish to change or revoke your vote, please refer to the information on the voting instruction form included with these materials and forwarded to you by your bank, broker, custodian or other record holder to see your voting options.

For additional information on voting procedures, see **The Dawson Special Meeting** beginning on page 36 or **The TGC Special Meeting** beginning on page 43, as applicable.

**Q: Is the merger expected to be taxable to TGC shareholders?**

A:

The merger is intended to qualify as a tax-free reorganization under Section 368(a) of the Code. It is a condition to closing of the merger that counsel for Dawson and TGC deliver opinions to the effect that the merger will qualify as such a reorganization. While the condition is waivable, neither Dawson nor TGC intends to waive this closing condition. If either party were to waive the condition, and the resulting change in tax consequences to TGC shareholders would be material, Dawson and TGC will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

Assuming that the merger qualifies as a tax-free reorganization and that you are a U.S. person, then you generally will not recognize any gain or loss, except with respect to cash you receive in lieu of fractional shares of Dawson common stock.

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You should read **Material U.S. Federal Income Tax Consequences of the Merger** beginning on page 127 for a description of the material U.S. federal income tax consequences of the merger. Tax matters can be complicated, and the tax consequences of the merger to you will depend on your particular situation. **You are urged to consult your tax advisor to determine the tax consequences of the merger to you.**

**Q: What will happen to TGC's stock options and restricted stock in the merger?**

A: As a result of the merger, each outstanding stock option for TGC common stock granted by TGC pursuant to a benefit plan will become fully vested prior to the effective time of the merger. Stock options for TGC common stock will, if not exercised prior to the effective time of the merger, be converted into stock options for Dawson common stock on terms substantially identical to those in effect immediately prior to the effective time of the merger, with the number of shares of Dawson common stock issuable and the exercise price being adjusted by the exchange ratio.

Immediately prior to the effective time of the merger, each outstanding award of restricted stock granted by TGC pursuant to an employee benefit plan will become fully vested and each holder of such formerly restricted shares will have the right to participate in the merger as a holder of TGC common stock.

For more information, see **The Merger Agreement - Effect of the Merger on TGC's Equity Awards** beginning on page 100.

**Q: What will happen if TGC shareholders do not approve the compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger, but all closing conditions to the merger are satisfied?**

A: The proposal relating to the approval of certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger is a non-binding advisory resolution and is not a condition to the merger. Even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

For more information, see **TGC Proposal 2 - Non-Binding, Advisory Vote on Approval of Certain Compensation to be paid by TGC to TGC's Named Executive Officers** and **The Merger - Conflicts of Interests** beginning on pages 49 and 92, respectively.

**Q: If I am a holder of TGC common stock with shares represented by stock certificates, should I send in my TGC stock certificates now?**

A: **NO, TGC SHAREHOLDERS SHOULD NOT SEND STOCK CERTIFICATE(S) WITH THE PROXY CARD(S).** If the merger is completed, Dawson will send TGC shareholders written instructions for sending in their stock certificates or, in the case of book-entry shares, for surrendering their book-entry shares. See **The TGC Special Meeting - Solicitation of Proxies** beginning on page 46, and **The Merger Agreement - Payment of Merger Consideration - Exchange Procedures** beginning on page 101.

**Q: Are Dawson and TGC shareholders entitled to exercise dissenters' or appraisal rights?**

A: No. Neither Dawson nor TGC shareholders are entitled to any appraisal or dissenters' rights.

**Q: Are there any risks in the merger that I should consider?**

A: Yes. There are risks associated with all business combinations, including the proposed merger. We have described certain of these risks and other risks in more detail under [Risk Factors](#) beginning on page 27.

**Q: When do you expect to complete the merger?**

A: Dawson and TGC anticipate the closing of the merger to be completed by October 31, 2011, subject to the required shareholder approvals and satisfaction or waiver of the other closing conditions to the transaction, including regulatory clearance. For additional information on the conditions to the consummation of the merger, see [The Merger Agreement](#) [Conditions to Completion of the Merger](#) beginning on page 112.

**Q: Where can I find more information about the companies?**

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A: Both Dawson and TGC file periodic reports and other information with the SEC. You may read and copy this information at the SEC's public reference facility. Please call the SEC at 1-800-SEC-0330 for information about this facility. This information is also available through the SEC's website at <http://www.sec.gov>. Both companies also maintain websites. You can obtain Dawson's SEC filings at <http://www.dawson3d.com> and you can obtain TGC's SEC filings at <http://www.tgcseismic.com>. Neither Dawson nor TGC intends for information contained on or accessible through their respective websites to be part of this joint proxy statement/prospectus, other than the documents that they file with the SEC that are incorporated by reference into this joint proxy statement/prospectus.

In addition, you may obtain some of this information directly from the companies. For a more detailed description of the information available, see "Where You Can Find More Information" beginning on page 153.

**Q: Whom should I call if I have questions about the special meeting or the merger?**

A: Dawson shareholders should call Morrow & Co., LLC, Dawson's proxy solicitor, at (800) 607-0088.

TGC shareholders should call D.F. King & Co., Inc., TGC's proxy solicitor, at (800) 967-4617.

If you have more questions about the merger, please call the corporate secretary of Dawson at (432) 684-3000 or the corporate secretary of TGC at (972) 881-1099.



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**SUMMARY**

*This summary highlights selected information from this document and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the terms of the merger, you should read carefully this entire document, including the annexes to this document, and the other available information referred to under "Where You Can Find More Information" beginning on page 153. We encourage you to read the merger agreement, the legal document governing the merger, which is attached as Annex A-1, and the amendment to the merger agreement, which is attached as Annex A-2 to, and incorporated by reference into, this joint proxy statement/prospectus. We have included page references in the discussion below to direct you to more complete descriptions of the topics presented in this summary.*

**The Parties to the Merger Agreement (Page 52)**

**Dawson Geophysical Company**  
**508 West Wall, Suite 800**  
**Midland, Texas 79701**  
**(432) 684-3000**

Dawson Geophysical Company, a Texas corporation, is the leading provider of U.S. onshore seismic data acquisition services as measured by the number of active data acquisition crews. Founded in 1952, Dawson acquires and processes 2-D, 3-D and multi-component seismic data solely for its clients, ranging from major oil and gas companies to independent oil and gas operators as well as providers of multi-client data libraries.

Dawson's common stock is listed on NASDAQ under the symbol DWSN.

**TGC Industries, Inc.**  
**101 East Park Blvd., Suite 955**  
**Plano, Texas 75074**  
**(972) 881-1099**

TGC Industries, Inc., a Texas corporation, and its wholly owned subsidiary, Eagle Canada, Inc., a Delaware corporation, are primarily engaged in the geophysical service business of conducting 3-D surveys for clients in the oil and gas business.

TGC's common stock is listed on NASDAQ under the symbol TGE.

**6446 Acquisition Corp.**  
**508 West Wall, Suite 800**  
**Midland, Texas 79701**  
**(432) 684-3000**

6446 Acquisition Corp., a Texas corporation and direct, wholly owned subsidiary of Dawson, was formed solely for the purpose of consummating the merger. Merger Sub has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement.

**The Merger (Page 54)**

Subject to the terms and conditions of the merger agreement and in accordance with Texas law, Merger Sub will be merged with and into TGC, with TGC surviving as a direct, wholly owned subsidiary of Dawson. Upon completion of the merger, TGC's common stock will no longer be publicly traded.

A copy of the merger agreement is attached as Annex A-1 and the amendment to the merger agreement attached as Annex A-2 to, and incorporated by reference into, this joint proxy statement/prospectus. You should read the merger agreement carefully because it is the legal document that governs the merger.

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***Merger Consideration (Page 89)***

Under the merger agreement, TGC shareholders will receive 0.188 shares of Dawson common stock for every one share of TGC common stock they own, provided that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 (which is the date that is two business days prior to the date of the special meetings) is equal to or greater than \$32.54 but less than or equal to \$52.54.

In the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is outside of that range, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually acceptable exchange ratio.

If the exchange ratio is modified, Dawson and TGC will each disclose the adjustment on a current report on Form 8-K and in a press release and will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

Dawson will not issue any fractional shares of its common stock in connection with the proposed merger. For each fractional share that would otherwise be issued, Dawson will pay cash (without interest) in an amount equal to the product of the fractional share and the closing price for shares of Dawson common stock on NASDAQ on the business day immediately prior to the closing date of the merger.

***The Number of Shares of Dawson Common Stock to Be Issued in the Merger Is Fixed, and Therefore the Value of the Merger Consideration Will Fluctuate with the Market Price of Dawson Common Stock (Page 90)***

The number of shares of Dawson common stock to be issued in the merger for each share of TGC common stock is fixed (except in the event of any stock split, reverse stock split, stock dividend, combination, reclassification, recapitalization or other similar transaction or event with respect to Dawson common stock or TGC common stock) and will not be adjusted for changes in the market price of either Dawson common stock or TGC common stock unless the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54. Accordingly, any change in the price of Dawson common stock prior to the merger will affect the market value of the merger consideration that TGC shareholders will receive as a result of the merger. Any fluctuation in the price of TGC common stock will have no effect on the exchange ratio or the value of the merger consideration.

The 10-day average VWAP of Dawson common stock as of March 18, 2011, the last full trading day prior to announcement of the transaction, was \$44.16. The 10-day average VWAP of Dawson common stock as of September [ ], 2011, the last practicable full trading day prior to the date of this joint proxy statement/prospectus, was \$[ ]. Only the 10-day average VWAP of Dawson common stock as of October [ ], 2011 will be used to determine whether the 10-day average VWAP is within the trading range designated in the merger agreement. You should obtain current stock price quotations for Dawson common stock and TGC common stock before voting. Dawson common stock and TGC common stock are listed on NASDAQ under the symbols DWSN and TGE, respectively.

In the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually acceptable exchange ratio.

If the exchange ratio is modified, Dawson and TGC will each disclose the adjustment on a current report on Form 8-K and in a press release and will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

***Treatment of TGC Stock Options and Restricted Stock (Page 100)***

As a result of the merger, each outstanding stock option for TGC common stock granted by TGC pursuant to a benefit plan will become fully vested prior to the effective time of the merger. Stock options for TGC common stock will, if not exercised prior to the effective time of the merger, be converted into stock

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options for Dawson common stock on terms substantially identical to those in effect immediately prior to the effective time of the merger, with the number of shares of Dawson common stock issuable and the exercise price being adjusted by the exchange ratio.

Immediately prior to the effective time of the merger, each outstanding award of restricted stock granted by TGC pursuant to an employee benefit plan will become fully vested and each holder of such formerly restricted shares will have the right to participate in the merger as a holder of TGC common stock.

### *Dawson's Reasons for the Merger (Page 63)*

In evaluating the merger, the Dawson board of directors consulted with Dawson's management, as well as Dawson's legal and financial advisors and, in reaching its decision to approve the merger agreement and the transactions contemplated thereby and to recommend that Dawson shareholders approve the issuance of shares of Dawson common stock pursuant to the merger agreement, reviewed a significant amount of information and considered a number of factors, including those listed in *The Merger - Dawson's Reasons for the Merger and Recommendation of Dawson's Board of Directors* beginning on page 63.

### *TGC's Reasons for the Merger (Page 68)*

In the course of reaching its decision to approve the merger agreement and related transactions and to recommend that TGC shareholders approve the merger agreement, the TGC board of directors consulted with members of TGC's management and TGC's legal and financial advisors, reviewed a significant amount of information and considered a number of factors, including those listed in *The Merger - TGC's Reasons for the Merger and Recommendation of TGC's Board of Directors* beginning on page 68.

### **Recommendations of the Dawson Board of Directors (Page 63)**

Dawson's board of directors has adopted a resolution approving the merger agreement and has determined that the merger agreement is advisable and in the best interests of Dawson and its shareholders and **recommends that Dawson shareholders vote FOR approval of the issuance of Dawson common stock to TGC shareholders pursuant to the merger agreement and FOR approval of any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies.** See *The Merger - Background of the Merger* beginning on page 54.

### **Recommendations of the TGC Board of Directors (Page 68)**

TGC's board of directors has adopted a resolution approving the merger agreement and has determined that the merger agreement is advisable and in the best interests of TGC and its shareholders and **recommends that TGC shareholders vote FOR approval of the merger agreement, FOR approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and FOR approval of any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies.** See *The Merger - Background of the Merger* beginning on page 54.

As described under the headings *TGC Proposal 2 - Non-Binding, Advisory Vote on Approval of Certain Compensation to be Paid by TGC to TGC's Named Executive Officers* and *The Merger - Conflicts of Interests* beginning on pages 49 and page 92, of this joint proxy statement/prospectus, TGC's directors and executive officers will receive financial benefits that are different from, or in addition to, those of TGC's shareholders.

### **Opinion of Raymond James & Associates, Inc., Financial Advisor to Dawson (Page 75)**

In deciding to approve the merger agreement and recommend the issuance of shares of Dawson common stock pursuant to the merger agreement, Dawson considered an opinion from its financial advisor, Raymond James & Associates, Inc., or Raymond James. Raymond James rendered its opinion to Dawson's board of directors that, as of March 20, 2011, based upon and subject to the qualifications, limitations and assumptions

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stated in its opinion, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to Dawson.

The full text of the written opinion of Raymond James, dated March 20, 2011, is attached as Annex B to this joint proxy statement/prospectus. Raymond James provided its opinion for the information and assistance of Dawson's board of directors in connection with its consideration of the merger. The Raymond James opinion is not a recommendation as to how any holder of Dawson common stock should vote with respect to the approval of the issuance of shares of Dawson common stock pursuant to the merger agreement or any other matter.

Pursuant to a letter agreement dated February 15, 2011, Dawson engaged Raymond James to render an opinion to the Dawson board of directors as to the fairness, from a financial point of view, of the consideration to be paid by Dawson in connection with the proposed merger. As compensation for its services in connection with the proposed merger, Dawson paid Raymond James \$350,000 upon the delivery of Raymond James's fairness opinion and will pay Raymond James an additional \$900,000 if the merger is consummated. In addition, Dawson has agreed to reimburse Raymond James for up to \$50,000 of its reasonable out-of-pocket expenses, including attorneys' fees and disbursements, and to indemnify Raymond James and related persons against various liabilities.

### **Opinion of Southwest Securities, Inc., Financial Advisor to TGC (Page 81)**

In deciding to recommend approval of the merger agreement, TGC considered an opinion from its financial advisor, Southwest Securities, Inc., or Southwest Securities. Southwest Securities rendered its opinion to TGC's board of directors that, as of March 20, 2011, based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the exchange ratio to be received by TGC shareholders was fair, from a financial point of view, to such shareholders.

The full text of the written opinion of Southwest Securities, dated March 20, 2011, is attached as Annex C to this joint proxy statement/prospectus. Southwest Securities provided its opinion for the information and assistance of TGC's board of directors in connection with its consideration of the merger. The Southwest Securities opinion is not a recommendation as to how any holder of TGC common stock should vote with respect to the approval of the merger agreement or any other matter.

Pursuant to a letter agreement dated February 17, 2011, TGC engaged Southwest Securities to render an opinion to the TGC board of directors as to the fairness, from a financial point of view, of the consideration to be received by the TGC common shareholders in connection with the proposed merger. As compensation for its services in connection with the proposed merger, TGC paid Southwest Securities \$100,000 upon execution of the letter agreement and an additional \$225,000 upon the delivery of Southwest Securities' fairness opinion. If the merger is completed, TGC has agreed to pay Southwest Securities an additional \$25,000. Under certain circumstances associated with the transaction, TGC has agreed to pay Southwest Securities additional fees for financial advisory services. In addition, TGC has agreed to reimburse Southwest Securities for its reasonable out-of-pocket expenses, including attorneys' fees and disbursements, and to indemnify Southwest Securities and related persons against various liabilities.

### **Ownership of Dawson Following the Merger (Page 91)**

We anticipate that upon completion of the merger, Dawson will have approximately 11.7 million shares of common stock outstanding, with current Dawson shareholders owning approximately 68% of the combined company and current TGC shareholders owning approximately 32%.

### **Board of Directors and Management of Dawson Following the Merger (Page 91)**

Under the merger agreement, Dawson has agreed to take all necessary actions to cause, as of the effective time of the merger, the Dawson board of directors to include as Dawson directors Wayne A. Whitener and Allen T. McInnes, each of whom is currently a director of TGC. We expect that the current directors of Dawson will continue to serve as directors of Dawson after the merger. Accordingly, in order to accommodate



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the two additional directors, at the effective time of the merger, the Dawson board of directors will increase in size to 10 directors.

The current officers of Dawson will continue to serve as the officers of Dawson after the merger is complete. In addition, Mr. Whitener, TGC's current President and Chief Executive Officer, will continue to serve as President of TGC, which after the transaction will be a wholly owned subsidiary of Dawson.

### **The Dawson Special Meeting (Page 36)**

Dawson will hold its special meeting of shareholders at the offices of Baker Botts L.L.P. at 2001 Ross Avenue, Suite 1100, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011 for the following purposes:

to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement; and

to approve any adjournments of the special meeting, if necessary or appropriate to solicit additional proxies in favor of the foregoing proposal.

### **The TGC Special Meeting (Page 43)**

TGC will hold its special meeting of shareholders at the offices of Haynes and Boone at 2323 Victory Avenue, Suite 700, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011 for the following purposes:

to approve the merger agreement;

to approve a non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger; and

to approve any adjournments of the special meeting, if necessary or appropriate to solicit additional proxies in favor of approval of the merger agreement.

### **Record Date (Page 36 for Dawson and page 43 for TGC)**

You may vote at the special meeting of Dawson shareholders if you owned shares of Dawson common stock at the close of business on August 29, 2011, the record date for the Dawson special meeting.

You may vote at the special meeting of TGC shareholders if you owned shares of TGC common stock at the close of business on August 29, 2011, the record date for the TGC special meeting.

### **Votes Required to Approve the Proposals (Page 37 for Dawson and page 44 for TGC)**

*Dawson.* Approval by Dawson shareholders of either the issuance of shares of Dawson common stock pursuant to the merger agreement, for which a quorum is required, or any adjournment of the Dawson special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of a majority of the shares of Dawson common stock present in person or represented by proxy and entitled to vote at the Dawson special meeting. Each share of Dawson common stock outstanding as of the record date is entitled to one vote at the Dawson special meeting.

If a Dawson shareholder abstains when voting, that action will be the equivalent of a vote **AGAINST** all of the matters to be voted upon at the Dawson special meeting. Assuming a quorum is present at the Dawson special

meeting, a broker non-vote will have no effect on the proposal to issue shares of Dawson common stock pursuant to the merger agreement. Whether or not a quorum is present at the Dawson special meeting, a broker non-vote will have no effect on the adjournment proposal.

An abstention occurs when a shareholder votes to abstain on one or more of the proposals and returns a proxy card or is present in person at the special meeting. Broker non-votes occur when a bank, broker or other nominee returns a proxy but does not have authority to vote on a particular proposal in its discretion and the beneficial owner of the shares has not provided voting instructions.

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*TGC.* Approval by TGC shareholders of the merger agreement requires the affirmative vote of at least 80% of the outstanding shares of TGC common stock. Approval by TGC shareholders of (1) the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and (2) any adjournment of the TGC special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of a majority of shares of TGC common stock present in person or represented by proxy and entitled to vote at the TGC special meeting. Each share of TGC common stock outstanding as of the record date is entitled to one vote at the TGC special meeting.

If a TGC shareholder abstains when voting, that action will be the equivalent of a vote **AGAINST** all of the matters to be voted upon at the TGC special meeting. Assuming a quorum is present at the TGC special meeting, a broker non-vote will be the equivalent of a vote **AGAINST** approval of the merger agreement, but will have no effect on the proposal to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. Whether or not a quorum is present at the TGC special meeting, a broker non-vote will have no effect on the adjournment proposal.

An abstention occurs when a shareholder votes to abstain on one or more of the proposals and returns a proxy card or is present in person at the special meeting. Broker non-votes occur when a bank, broker or other nominee returns a proxy but does not have authority to vote on a particular proposal in its discretion and the beneficial owner of the shares has not provided voting instructions.

### **Outstanding Shares and Share Ownership of Management (Page 37 for Dawson and page 44 for TGC)**

*Dawson:* As of August 29, 2011, the record date for the Dawson special meeting, there were 7,910,885 shares of Dawson common stock outstanding.

At the close of business on the record date for the Dawson special meeting, directors and executive officers of Dawson beneficially owned and were entitled to vote 303,301 shares of Dawson common stock, collectively representing approximately 3.8% of the shares of Dawson common stock outstanding on that date. Pursuant to and subject to the terms of the Dawson shareholder voting agreement, certain of those executive officers and directors, who collectively owned approximately 3.5% of the shares of Dawson common stock outstanding on the record date of the Dawson special meeting, have agreed, among other things, to vote their shares of Dawson common stock in favor of approval of the issuance of shares of Dawson common stock in connection with the proposed merger at the Dawson special meeting. For additional information on the Dawson shareholder voting agreement, see *The Dawson Shareholder Voting Agreement* beginning on page 121.

*TGC:* As of August 29, 2011, the record date for the TGC special meeting, there were 19,250,882 shares of TGC common stock outstanding.

At the close of business on the record date for the TGC special meeting, directors and executive officers of TGC beneficially owned and were entitled to vote 5,519,641 shares of TGC common stock, collectively representing approximately 28.7% of the shares of TGC common stock outstanding on that date. Pursuant to and subject to the terms of the TGC shareholder voting agreements, those executive officers and directors and their affiliates have agreed, among other things, to vote their shares of TGC common stock in favor of approval of the merger agreement at the TGC special meeting. For additional information on the TGC shareholder voting agreements, see *The TGC Shareholder Voting Agreement* beginning on page 119.

### **Conditions to Completion of the Merger (Page 112)**

The merger will be completed only if the conditions to the merger are satisfied or waived (if legally permissible), including the following:

the approval of the issuance of shares of Dawson common stock pursuant to the merger agreement by Dawson shareholders;

the approval of the merger agreement by TGC shareholders;

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clearance under the HSR Act (which has been obtained);

the absence of any judgment, injunction, order or decree in effect, or any law, statute, rule or regulation enacted, that prohibits the consummation of the merger;

the effectiveness of a registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and the authorization of the listing of the shares of Dawson common stock to be issued in the merger on NASDAQ;

receipt by each party of an opinion from its counsel, in a form and substance reasonably satisfactory to that party, dated as of the closing date of the merger, to the effect that (1) the merger will be treated as a tax-free reorganization within the meaning of Section 368(a) of the Code and (2) no gain or loss will be recognized for United States federal income tax purposes by the shareholders of TGC upon the exchange of shares of TGC common stock for shares of Dawson common stock pursuant to the proposed merger;

certain officers of TGC having entered into employment agreements with TGC, as the surviving entity of the merger, as of the effective time of the merger;

receipt by TGC of certain third party consents;

receipt by TGC of the reconfirmation opinion, which is a reconfirmation from TGC's financial advisor, as of the closing date, that the exchange ratio is fair, from a financial point of view, to TGC shareholders which will involve an updated review and analysis of the items set forth in the bullet points listed on page 81 under "THE MERGER - Opinion of TGC's Financial Advisor" as and to the extent TGC's financial advisor deems appropriate; and

other customary conditions, including the absence of a material adverse effect with respect to either TGC's or Dawson's respective businesses.

If any of the conditions set forth above fail to occur and such conditions are not waived, the merger will not be consummated and the merger agreement will terminate. Either party may waive any of their respective conditions if the law allows such party to do so, and this could include a waiver by TGC of its condition that it shall have received, as of the closing date, a reconfirmation from its financial advisor that the exchange ratio is fair, from a financial point of view, to TGC shareholders. Accordingly, even if TGC's financial advisor failed to provide the reconfirmation opinion, or determined that the exchange ratio was no longer fair, from a financial point of view, to TGC shareholders, TGC could nonetheless waive the condition and the consummation of the merger would occur with no consequences to the condition having not been satisfied. However, TGC does not anticipate waiving the condition relating to the reconfirmation opinion. If either party were to waive a condition, the consummation of the merger would occur without the condition having been met. Neither Dawson nor TGC can give any assurance regarding when or if all of the conditions to the merger will be either satisfied or waived or that the merger will occur as intended.

The proposal relating to the approval of certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger is a non-binding advisory resolution and is not a condition to the merger. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

**Regulatory Requirements (Page 97)**

The merger is subject to compliance with the HSR Act. On March 23, 2011, Dawson and TGC made their respective filings under the HSR Act with the Antitrust Division of the United States Department of Justice, which is referred to as the Antitrust Division in this joint proxy statement/prospectus, and the United States Federal Trade Commission, which is referred to as the FTC in this joint proxy statement/prospectus. On September 2, 2011, the Antitrust Division informed Dawson that it has closed its investigation without taking any action. On the same date, early termination of the waiting period under the HSR Act was granted in connection with the proposed merger.

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**Termination of the Merger Agreement (Page 114)**

Dawson and TGC can mutually agree to terminate the merger agreement at any time. Either Dawson or TGC can unilaterally terminate the merger agreement in various circumstances, including the following:

the merger has not occurred on or before the business day immediately following the later of the date of the Dawson and TGC special meetings (or October 31, 2011 if all conditions, other than the absence of any judgment, injunction, order or decree in effect, or any law, statute, rule or regulation enacted, that prohibits the consummation of the merger, have been or are capable of being fulfilled);

TGC shareholders have failed to approve the merger agreement at the TGC special meeting;

Dawson shareholders have failed to approve the issuance of Dawson common stock pursuant to the merger agreement at the Dawson special meeting;

a governmental authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the merger and that order, decree, ruling or other action shall have become final and nonappealable;

the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54 and the parties have failed, after two business days of good faith negotiation, to agree on a new exchange ratio;

the other party has breached or failed to perform any of its representations and warranties, covenants or agreements in the merger agreement such that the conditions to the closing of the merger agreement would fail and that breach or failure is incapable of being cured prior to the termination date or is not cured within 30 days after notice of the breach or failure to perform;

either party's board of directors changes, or fails to reaffirm when requested by the other party, its recommendation that shareholders approve the matters relating to the proposed merger;

prior to obtaining the required approval of its shareholders, the terminating party enters into a binding definitive agreement providing for a superior proposal (as defined in The Merger Agreement Covenants and Agreements No Solicitation ), as long as the terminating party has complied in all respects with the non-solicitation provisions of the merger agreement and the terminating party pays the other party a termination fee of \$2.35 million and reimburses the other party for up to \$1.5 million of its out-of-pocket expenses; or

TGC shall have not received the reconfirmation opinion and all other mutual conditions to the closing of the merger have been satisfied.

**Termination Fee and Expense Reimbursement (Page 115)**

TGC is required to pay Dawson a termination fee of \$2.35 million in the event the merger agreement is terminated if:

an acquisition proposal relating to at least 50% of TGC's common stock or assets is made public and subsequent to such public announcement,

the merger agreement is terminated due to (1) the merger not closing on or before the business day immediately following the later of the date of the Dawson and TGC special meetings (or, in certain circumstances, October 31, 2011), (2) TGC shareholders not approving the merger agreement or (3) TGC breaching or failing to perform any of its representations and warranties, covenants or agreements in the merger agreement, and

TGC enters into a definitive agreement relating to an acquisition proposal within one year after termination of the merger agreement;

TGC's board of directors changes, or fails to reaffirm when requested by Dawson, its recommendation that TGC shareholders approve the merger agreement; or



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TGC enters into a superior proposal.

TGC is also required to pay Dawson a termination fee of \$3.125 million in the event the merger agreement is terminated because TGC does not receive the reconfirmation opinion and all other mutual conditions to closing have been satisfied, including the required approval of TGC's shareholders.

Except as described above, TGC is not required to pay Dawson a termination fee in the event TGC shareholders do not approve the merger agreement.

Dawson is required to pay TGC a termination fee of \$2.35 million in the event the merger agreement is terminated if:

an acquisition proposal relating to at least 50% of Dawson's common stock or assets is made public and subsequent to such public announcement,

the merger agreement is terminated due to (1) the merger not closing on or before the business day immediately following the later of the date of the Dawson and TGC special meetings (or, in certain circumstances, October 31, 2011), (2) Dawson shareholders not approving the issuance of shares of Dawson common stock pursuant to the merger agreement or (3) Dawson breaching or failing to perform any of its representations and warranties, covenants or agreements in the merger agreement, and

Dawson enters into a definitive agreement relating to an acquisition proposal within one year after termination of the merger agreement;

Dawson's board of directors changes, or fails to reaffirm when requested by TGC, its recommendation that Dawson shareholders approve the issuance of shares of Dawson common stock in connection with the proposed merger; or

Dawson enters into a superior proposal.

Except as described above, Dawson is not required to pay TGC a termination fee in the event Dawson shareholders do not approve the issuance of shares of Dawson common stock pursuant to the merger agreement.

Furthermore, either Dawson or TGC will have to pay to the other party out-of-pocket expenses, including all fees and expenses payable to all legal, accounting, financial, public relations and other professional advisors arising out of, in connection with, or related to the merger, up to a maximum of \$1.5 million in the aggregate, if the merger agreement is terminated under certain circumstances.

**Conflicts of Interests (Page 92)**

TGC's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of holders of TGC common stock. These interests include certain TGC directors and executive officers being entitled to receive certain benefits in connection with the proposed merger. Some of these benefits include the following:

the accelerated vesting of TGC's options to purchase shares of TGC common stock held by TGC's directors and executive officers beginning 30 days prior to the effective time of the merger and the right to receive the merger consideration in respect of any such options that are exercised prior to the effective time of the merger;

the extension of the 90-day exercise period beginning at the closing of the merger for stock options with an exercise price greater than the value of the underlying option on March 20, 2011 that are held by TGC directors who will no longer be directors of TGC or Dawson after the effective time, until September 19, 2012, the date on which the options would have expired had there been no merger;

certain bonuses to be paid to TGC's named executive officers upon completion of the merger;

shares of Dawson restricted stock to be granted to TGC's named executive officers upon completion of the merger; and

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employment agreements between TGC's named executive officers and TGC, as the surviving entity of the merger.

Dawson's board of directors was aware of these interests and considered them, among other matters, in making its recommendation that Dawson shareholders vote in favor of approval of the issuance of shares of Dawson common stock pursuant to the merger agreement. See *The Merger Dawson's Reasons for the Merger and Recommendation of Dawson's Board of Directors* beginning on page 63.

TGC's board of directors was aware of these interests and considered them, among other matters, in making its recommendation that TGC shareholders vote in favor of approval of the merger agreement. See *The Merger TGC's Reasons for the Merger and Recommendation of TGC's Board of Directors* beginning on page 68.

**Acquisition Proposals (Page 106)**

Dawson and TGC have agreed not to, and to cause their respective subsidiaries, directors, officers, employees or agents or any investment banker, financial advisor, attorney, accountant or other advisor or representative not to, solicit, initiate, approve, endorse, recommend, or encourage, or take any other action designed to, or which would reasonably be expected to, facilitate, any inquiry or the making or announcement of any proposal or offer that constitutes, or that would reasonably be expected to lead to, an acquisition proposal (as defined in *The Merger Agreement Covenants and Agreements No Solicitation*).

Prior to obtaining the required approval from their respective shareholders, Dawson and TGC are permitted to: (1) furnish information and access in response to a written request for information or access to any person making an acquisition proposal which was not solicited, initiated, knowingly encouraged, or knowingly facilitated by Dawson or TGC, as applicable, and (2) participate in discussions and negotiate with such person concerning any such unsolicited acquisition proposal if the following conditions are met:

Dawson or TGC, as applicable, has not breached its non-solicitation covenant contained in the merger agreement in any material respect;

the board of directors of Dawson or TGC, as applicable, determines in good faith, after receipt of advice from outside counsel and its financial advisor, that such acquisition proposal constitutes or is reasonably likely to lead to a superior proposal; and

Dawson or TGC, as applicable, enters into a customary confidentiality agreement with the person making such acquisition proposal, and all such information provided to such person has previously been provided to or is provided to the other party concurrently with its provision to such person.

Also, Dawson's and TGC's respective boards of directors may not change, or fail to reaffirm when requested by the other party, their recommendation to shareholders or terminate the merger agreement and enter into an agreement in respect of another acquisition proposal unless (1) such change in or failure to reaffirm its recommendation is made prior to obtaining the required approval from their respective shareholders and (2) the following conditions are met: (A) an acquisition proposal has been made and not withdrawn, (B) Dawson's or TGC's board of directors, as the case may be, determines in good faith, after receipt of advice from outside counsel and a financial advisor of nationally recognized reputation, that such acquisition proposal constitutes a superior proposal, (C) Dawson's or TGC's board of directors, as the case may be, determines in good faith, after receipt of advice from outside counsel, that the failure to take such action would be reasonably likely to result in a breach of fiduciary duties to the shareholders of Dawson or TGC, as applicable, and (D) in the case of terminating the merger agreement to enter into an acquisition proposal,

Dawson or TGC, as applicable, has paid the other party a termination fee equal to \$2.35 million and up to \$1.5 million of the other party's out-of-pocket expenses. In addition, no party's board of directors may change,

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or fail to reaffirm, its recommendation or terminate the merger agreement and enter into an agreement in respect of another acquisition proposal:

until after the third business day following the delivery of notice of intent to change its recommendation or terminate the merger agreement and enter into an agreement providing for a superior proposal by the party taking such action, which we refer to as the no-shop party;

unless during such three business day period, the no-shop party shall, and shall cause its financial and legal advisors to, upon the other party's request, discuss with the other party in good faith any adjustments to the terms and conditions of the merger agreement that the other party may propose in response to the superior proposal; and

if, prior to the expiration of such three business day period, the other party makes a proposal to adjust the terms and conditions of merger agreement that the no-shop party's board of directors determines in good faith, after receipt of advice from outside legal counsel and a financial advisor of nationally recognized reputation, to be at least as favorable as the superior proposal.

However, the other party will not have an exclusive right to match any superior proposal if the no-shop party's board of directors determines in good faith, after receipt of advice from a financial advisor of nationally recognized reputation, that a superior proposal, if consummated, would result in such no-shop party's shareholders receiving consideration valued at 115% or more of the consideration to be received by such no-shop party's shareholders pursuant to the transactions contemplated by the merger agreement, as such consideration may have then been modified by the other party in response to such acquisition proposal.

## **Risk Factors (Page 27)**

In deciding how to vote your Dawson or TGC shares, you should read carefully this entire joint proxy statement/prospectus, including the documents incorporated by reference herein and the Annexes hereto, and especially consider the factors discussed in the section titled "Risk Factors." These risks include possible difficulties in Dawson's ability to integrate effectively the businesses of Dawson and TGC, two companies that have previously operated independently.

## **Material U.S. Federal Income Tax Consequences of the Merger (Page 127)**

Dawson and TGC each expect the merger to be a tax-free reorganization pursuant to Section 368(a) of the Code to the extent TGC shareholders receive Dawson common stock pursuant to the merger.

It is a condition to the closing of the merger that counsel for Dawson and TGC deliver opinions to the effect that the merger will qualify as such a reorganization. While the condition is waivable, neither Dawson nor TGC intends to waive this closing condition. If either party were to waive the condition, and the resulting change in tax consequences to TGC shareholders would be material, Dawson and TGC have undertaken to recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

Please review carefully the information under the caption "Material U.S. Federal Income Tax Consequences of the Merger" for a description of the material U.S. federal income tax consequences of the merger. The tax consequences to you will depend on your own situation. **You are urged to consult your tax advisor for a full understanding of the tax consequences of the merger to you.**

## **Accounting Treatment (Page 90)**

The merger will be accounted for as an acquisition of TGC by Dawson using the acquisition method of accounting.

**Listing of Dawson Common Stock and Delisting and Deregistration of TGC Common Stock (Page 91)**

It is a condition to the merger that the shares of common stock to be issued by Dawson pursuant to the merger agreement be authorized for listing on NASDAQ subject to official notice of issuance. The shares of common stock to be issued by Dawson pursuant to the merger agreement will trade under the symbol

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DWSN and will be fully interchangeable with the Dawson common stock currently trading under that symbol.

Shares of TGC common stock are currently traded on NASDAQ under the symbol TGE. If the merger is completed, TGC common stock will no longer be listed on NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and TGC will no longer file periodic reports with the SEC.

**Appraisal Rights (Page 97)**

Neither Dawson nor TGC shareholders are entitled to any appraisal or dissenters' rights in connection with the proposed merger.

**Comparison of Shareholder Rights (Page 130)**

Dawson and TGC are both Texas corporations. Upon completion of the merger, the holders of TGC common stock will become holders of Dawson common stock and their rights will continue to be governed by the Texas Business Organizations Code, but will also be governed by Dawson's second restated articles of incorporation and second amended and restated bylaws, as amended. TGC shareholders should consider that Dawson's second restated articles of incorporation and second amended and restated bylaws, as amended, differ in some material respects from TGC's restated articles of incorporation and amended and restated bylaws.

**Table of Contents****FINANCIAL SUMMARY****Selected Historical Financial Data of Dawson**

The following tables set forth Dawson's selected historical financial information that has been derived from Dawson's audited financial statements as of September 30, 2010, 2009, 2008, 2007 and 2006 and for the years then ended and from the unaudited financial statements as of June 30, 2011 and 2010 and for the nine months then ended. This disclosure does not include the effects of the merger. You should read this financial information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and notes thereto in Dawson's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and in Dawson's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, incorporated by reference in this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 153.

The results of operations for the historical periods included in the following table are not necessarily indicative of the results to be expected for future periods.

**Statement of Operations Data**

	<b>Nine Months Ended</b>		<b>Year Ended September 30,</b>				
	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Operating revenue	\$ 249,023,000	\$ 146,093,000	\$ 205,272,000	\$ 243,995,000	\$ 324,926,000	\$ 257,763,000	\$ 168,550,000
Operating costs							
Operating expenses	225,324,000	133,245,000	185,588,000	192,839,000	237,484,000	190,117,000	125,840,000
Depreciation and amortization	9,396,000	5,281,000	7,131,000	7,856,000	6,762,000	6,195,000	4,800,000
Goodwill impairment	22,767,000	20,188,000	27,126,000	26,160,000	24,253,000	18,103,000	13,330,000
Operating income	257,487,000	158,714,000	219,845,000	226,855,000	268,499,000	214,415,000	143,990,000
Income from operations	(8,464,000)	(12,621,000)	(14,573,000)	17,140,000	56,427,000	43,348,000	24,550,000
Income from other operations	636,000	301,000	583,000	575,000	(20,000)	1,110,000	650,000
Income before income tax	(7,828,000)	(12,320,000)	(13,990,000)	17,715,000	56,407,000	44,458,000	25,200,000
Income tax benefit	1,638,000	4,379,000	4,638,000	(7,493,000)	(21,400,000)	(17,300,000)	(9,350,000)
Income (loss) before income tax	(6,190,000)	(7,941,000)	(9,352,000)	10,222,000	35,007,000	27,158,000	15,850,000
Income (loss) per common share	(0.79)	(1.02)	(1.20)	1.31	4.57	3.57	
Income (loss) per common share	(0.79)	(1.02)	(1.20)	1.30	4.53	3.54	





**Table of Contents****Balance Sheet Data (at period end)**

	<b>June 30,</b>		<b>September 30,</b>				
	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Assets:</b>							
Cash							
Accounts receivable	\$ 12,004,000	\$ 27,207,000	\$ 29,675,000	\$ 36,792,000	\$ 8,311,000	\$ 14,875,000	\$ 8,000,000
Investments		20,056,000	20,012,000	25,267,000			6,400,000
Accounts payable	84,451,000	52,877,000	57,726,000	40,106,000	76,221,000	56,707,000	46,000,000
Prepaid expenses and other assets	11,936,000	8,183,000	7,856,000	7,819,000	877,000	815,000	600,000
Deferred tax	1,545,000	1,062,000	1,764,000	1,694,000	873,000	693,000	1,000,000
Current assets	109,936,000	109,385,000	117,033,000	111,678,000	86,282,000	73,090,000	62,800,000
Plant and equipment, net	151,375,000	121,771,000	118,043,000	125,479,000	147,339,000	122,772,000	86,500,000
Intangible assets	261,311,000	231,156,000	235,076,000	237,157,000	233,621,000	195,862,000	149,400,000
<b>Liabilities:</b>							
Accounts payable	23,078,000	12,958,000	14,274,000	6,966,000	15,308,000	12,816,000	16,200,000
Banking line of credit						5,000,000	
Accrued costs and other	2,940,000	1,951,000	3,625,000	2,720,000	3,363,000	2,325,000	1,900,000
Deferred revenue	8,400,000	8,993,000	7,963,000	10,600,000	14,869,000	14,263,000	4,100,000
Contract maturities of	5,031,000		204,000	2,230,000	993,000	2,922,000	800,000
Current liabilities	44,713,000	23,902,000	26,066,000	22,516,000	34,533,000	37,326,000	23,200,000
Contract maturities less	11,163,000						
Tax liability	20,444,000	16,006,000	18,785,000	16,262,000	13,128,000	9,381,000	6,900,000
Warrant holders equity	184,991,000	191,248,000	190,225,000	198,379,000	185,960,000	149,155,000	119,200,000
Warrant holders equity	261,311,000	231,156,000	235,076,000	237,157,000	233,621,000	195,862,000	149,400,000

**Statement of Cash Flows Data**

	<b>Nine Months Ended</b>		<b>Year Ended September 30,</b>				
	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Cash flows (used) provided by operating	\$ (469,000)	\$ 1,472,000	\$ 6,244,000	\$ 54,598,000	\$ 50,930,000	\$ 51,427,000	\$ 25,743,000

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ivities	(33,926,000)	(11,057,000)	(13,365,000)	(26,538,000)	(53,240,000)	(51,664,000)	(21,031,000)
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ivities	16,724,000		4,000	421,000	(4,254,000)	7,048,000	549,000
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penditures	(55,307,000)	(16,585,000)	(18,835,000)	(4,192,000)	(53,269,000)	(58,701,000)	(35,477,000)

**Dawson Developments for Quarter Ended June 30, 2011**

On August 9, 2011, Dawson filed with the SEC its Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. The following is a summary of Dawson's unaudited results for the quarter and the nine months ended June 30, 2011 and 2010. This summary is not intended to be a comprehensive statement of Dawson's unaudited financial results for these periods. Full financial results are included in Dawson's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.

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	<b>Three Months Ended June 30,</b>		<b>Nine Months Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Operating revenues	\$ 98,033,000	\$ 61,178,000	\$ 249,023,000	\$ 146,093,000
Income (loss) from operations	898,000	(1,571,000)	(8,464,000)	(12,621,000)
Net income (loss)	\$ 334,000	\$ (1,019,000)	\$ (6,190,000)	\$ (7,941,000)
Basic income (loss) per common share	\$ 0.04	\$ (0.13)	\$ (0.79)	\$ (1.02)
Diluted income (loss) per common share	\$ 0.04	\$ (0.13)	\$ (0.79)	\$ (1.02)
Weighted average equivalent common shares outstanding-assuming dilution	7,925,181	7,779,256	7,801,396	7,776,740

Dawson's operating revenues for the first nine months of fiscal 2011 increased 70% to \$249,023,000 from \$146,093,000 for the first nine months of fiscal 2010. For the three months ended June 30, 2011, operating revenues totaled \$98,033,000 as compared to \$61,178,000 for the same period of fiscal 2010, a 60% increase. The revenue increase for the fiscal 2011 periods is primarily the result of increasing the active crew count to fourteen working crews, including the two formerly provisional crews added during the second fiscal quarter, increasing channel count per crew and significantly higher third-party charges, which constituted one-half of the growth in revenues during these periods. The third-party charges are related to the use of helicopter support services, specialized survey technologies and dynamite energy sources. The increased level of the third-party charges is driven by Dawson's continued operations in areas with limited access such as the Appalachian Basin, Oklahoma, East Texas and Arkansas. Dawson is reimbursed for these charges by its clients.

Dawson's operating expenses for the nine months ended June 30, 2011 totaled \$225,324,000 as compared to \$133,245,000 for the same period of fiscal 2010, an increase of 69%. Operating expenses for the three months ended June 30, 2011 increased 58% to \$85,431,000 as compared to \$54,098,000 for the same period of fiscal 2010. The increase for the nine months ended June 30, 2011 compared to the nine months ended June 30, 2010 was primarily due to the addition of field personnel and other expenses associated with operating fourteen data acquisition crews during fiscal 2011, significantly higher third-party expenses, along with an overall increase in operating activity during the period. As discussed above, reimbursed expenses have a similar impact on operating costs.

Earnings per share for the third quarter of fiscal 2011 were \$0.04 compared to a loss per share of \$0.13 for the third quarter of fiscal 2010. EBITDA for the third quarter of fiscal 2011 was \$8,821,000 compared to \$5,591,000 in the same quarter of fiscal 2010, an increase of 58 percent. Net loss for the period decreased to \$6,190,000 in 2011 from \$7,941,000 in 2010. Loss per share for the first nine months of fiscal 2011 was \$0.79 compared to a loss per share of \$1.02 for the first nine months of fiscal 2010. EBITDA for the fiscal 2011 nine month period increased to \$14,939,000 compared to \$7,868,000 in the same period of fiscal 2010, an increase of 90 percent.

Dawson's fiscal third quarter and nine month results also included approximately \$1,465,000 and \$2,421,000, or \$0.19 per share and \$0.31 per share, respectively, of expenses related to the merger, and \$884,000 and \$2,579,000, respectively, of depreciation charges related to Dawson's continued investment in new recording equipment and energy source units.

During the third fiscal quarter, Dawson purchased the 14,850 single-channel OYO GSR units it had initially leased in its second fiscal quarter by exercising the purchase option under the lease agreement. The conversion of the equipment lease to a purchase resulted in an increase of approximately \$0.02 per share per month of depreciation charges and a decrease of approximately \$0.06 per share per month of lease expense for each month of the quarter (as compared to March 2011, the month in which the equipment was initially

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leased). The purchase of the equipment was financed through a new term loan facility in the amount of \$16,427,000. Dawson still retains its \$20,000,000 revolving facility, and at the date of this joint proxy statement/prospectus, no amounts were drawn under the revolving facility.

Dawson's order book has grown to its highest level since late fiscal 2008 with added projects in the Eagle Ford, Bakken, Niobrara and Avalon liquids and oil-rich shales. Drilling activity remains relatively high in the Marcellus, Barnett and Haynesville natural gas shales while demand is increasing in many conventional oil basins. Pricing and contract terms are showing continued improvements as activity levels in the lower 48 states continue to increase. Dawson continues to operate on several projects contracted in early 2010 with less favorable contract terms, and believes it will complete work on these projects during calendar 2011. Demand for Dawson's services remains strong. Although Dawson's clients may cancel their service contracts on short notice, Dawson's order book currently reflects commitments sufficient to maintain full operation of fourteen crews through the end of calendar 2011.

During the third fiscal quarter, Dawson's Board of Directors approved a \$5,000,000 increase to its capital budget and approved the purchase of the previously leased OYO GSR equipment, bringing the total amount of Dawson's fiscal 2011 capital budget to \$61,918,000. As of the date of this joint proxy statement/prospectus, Dawson has spent \$56,264,000 of the capital budget primarily to purchase 2,000-station OYO GSR four-channel recording system along with three-component geophones, 24,850 single-channel OYO GSR recording boxes, additional conventional geophones, cables for existing systems, vehicles to improve our fleet and ten INOVA vibrator energy source units. Dawson will use the remaining balance of its fiscal 2011 capital budget for maintenance capital purposes.

The financial information set forth in this Dawson Recent Developments section regarding EBITDA (defined as earnings before interest, income taxes, depreciation and amortization expense) may be considered a non-GAAP financial measure. Dawson provided this information because Dawson believes it could be useful in evaluating Dawson's operating performance. EBITDA should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and EBITDA as used by Dawson may not be comparable to similarly titled amounts used by other companies. The below table reconciles Dawson's EBITDA for the three- and nine-months ended June 30, 2011 and 2010 to Dawson's net income (loss) during the same period.

**Reconciliation of EBITDA to Net Income (Loss)**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>(In thousands)</b>		<b>(In thousands)</b>	
Net income (loss)	\$ 334	\$ (1,019)	\$ (6,190)	\$ (7,941)
Depreciation	7,900	7,016	22,767	20,188
Income tax expense (benefit)	587	(406)	(1,638)	(4,379)
EBITDA	\$ 8,821	\$ 5,591	\$ 14,939	\$ 7,868

**Table of Contents****Selected Historical Consolidated Financial Data of TGC**

The following tables set forth TGC's selected historical consolidated financial information that has been derived from TGC's audited consolidated financial statements as of December 31, 2010, 2009, 2008, 2007 and 2006 and for the years then ended and from the unaudited consolidated financial statements as of June 30, 2011 and 2010 and for the six months then ended. This disclosure does not include the effects of the merger. You should read this financial information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated and condensed consolidated financial statements and notes thereto in TGC's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in TGC's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011, incorporated by reference in this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 153.

The results of operations for the historical periods included in the following table are not necessarily indicative of the results to be expected for future periods.

**Statement of Operations Data**

	<b>Six Months Ended</b>		<b>Year Ended December 31,</b>				
	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Operating revenue	\$ 30,215,516	\$ 22,480,784	\$ 108,318,801	\$ 90,431,899	\$ 86,769,742	\$ 90,395,872	\$ 67,760,300
Operating costs							
Depreciation and amortization							
Selling, general and administrative							
Depreciation and amortization							
Total operating costs	29,001,672	23,869,149	108,171,166	85,523,788	74,315,075	77,053,658	53,360,710
Income (loss) from operations	1,213,844	(1,388,365)	147,635	4,908,111	12,454,667	13,342,214	14,399,590
Interest expense	191,856	214,202	790,417	1,020,681	929,656	604,616	780,780
Income (loss) before income tax	1,021,988	(1,602,567)	(642,782)	3,887,430	11,525,011	12,737,598	13,618,810
Income tax expense (benefit)	435,213	(391,961)	579,900	2,007,811	4,626,569	5,130,165	5,507,380
Net income (loss)	586,775	(1,210,606)	(1,222,682)	1,879,619	6,898,442	7,607,433	8,111,430
Basic income (loss) per common share(1)	0.03	(0.06)	(0.06)	0.10	0.36	0.40	0.40
Diluted income (loss) per common share(1)	0.03	(0.06)	(0.06)	0.10	0.36	0.40	0.40

- (1) All per share amounts for the periods presented above have been adjusted to reflect stock dividends paid to TGC shareholders of record during the applicable periods.



**Table of Contents****Balance Sheet Data (at period end)**

	<b>June 30,</b>				<b>December 31,</b>		
	<b>2011</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Current assets:							
Cash and cash equivalents	\$ 21,929,881	\$ 21,733,209	\$ 13,072,503	\$ 25,504,149	\$ 24,114,351	\$ 4,503,826	\$ 9,388,760
Trade accounts receivable, net of allowance for doubtful accounts	12,685,452	10,680,928	17,166,709	9,455,224	5,853,908	12,153,498	7,448,600
Cost and estimated earnings in excess of billings on completed contracts	2,091,496	1,824,010	4,578,580	474,059	2,300,985	535,143	989,450
Prepaid expenses and other assets	2,410,028	2,383,901	1,600,450	648,872	718,301	712,614	508,920
Prepaid federal and state income tax		121,162	1,219,165	943,600	1,220,154	100,418	192,780
Total current assets	39,116,857	36,743,210	37,637,407	37,025,904	34,207,699	18,005,499	18,528,520
Property, plant and equipment, net	50,042,291	45,368,405	49,715,626	47,583,333	50,632,563	42,930,385	37,648,640
Goodwill and other intangible assets	265,092	1,443,338	262,364	1,440,488	250,659	226,172	222,340
Total assets	89,424,240	83,554,953	87,615,397	86,049,725	85,090,921	61,162,056	56,399,520
Current liabilities:							
Trade accounts payable	2,763,767	6,110,218	9,261,238	4,126,474	4,569,911	2,931,264	4,951,980
Accrued liabilities	2,564,116	1,230,915	1,808,149	1,337,437	863,756	1,724,078	1,111,020
Billings in excess of costs and estimated earnings on completed contracts	5,892,432	5,929,448	5,486,017	7,077,941	5,776,444	3,340,220	6,159,510
Federal and state income taxes payable	1,252,757						415,500
Current maturities of notes payable	6,143,315	7,205,679	6,316,852	6,407,892	5,171,872	3,301,903	3,629,390
Current maturities of capital lease obligations	1,216,533	872,839	1,071,263	780,526	856,673	1,218,737	1,082,720
Total current liabilities	19,832,920	21,349,099	23,943,519	19,730,270	17,238,656	12,516,202	17,350,140
	2,940,461	3,374,660	4,718,492	5,875,390	10,851,621	3,090,191	2,046,900

Notes payable, less current maturities							
Capital lease obligations, less current maturities	1,567,919	934,898	1,302,963	631,757	600,214	679,074	1,017,150
Long-term deferred liability	4,908,469	5,769,420	4,787,623	7,117,030	5,973,000	1,955,047	942,150
Shareholders equity	60,174,471	52,126,876	52,862,800	52,695,278	50,427,430	42,921,542	35,043,150
Total liabilities and shareholders equity	89,424,240	83,554,953	87,615,397	86,049,725	85,090,921	61,162,056	56,399,520

### Statement of Cash Flows Data

	Six Months Ended June 30,		Year Ended December 31,				
	2011	2010	2010	2009	2008	2007	2006
Cash flows provided by operating activities	\$24,373,937	\$1,799,951	\$5,160,283	\$20,698,122	\$33,860,082	\$14,839,414	\$28,684,807
Cash flows used in investing activities	(10,899,117)	(1,140,204)	(8,055,970)	(10,942,164)	(6,078,536)	(12,661,703)	(22,889,549)
Cash flows used in financing activities	(4,629,309)	(4,342,126)	(9,549,811)	(8,367,479)	(8,171,021)	(7,062,654)	(5,905,898)
Capital expenditures, paid in cash	(11,067,278)	(1,185,821)	(8,220,293)	(1,349,972)	(6,322,048)	(13,008,088)	(21,219,238)

### TGC Developments for Quarter Ended June 30, 2011

On August 9, 2011, TGC filed with the SEC its Quarterly Report on Form 10-Q for the quarter ended June 30, 2011. The following is a summary of TGC's unaudited results for the quarter and the six months ended June 30, 2011 and 2010. This summary is not intended to be a comprehensive statement of TGC's unaudited financial results for these periods. Full financial results are included in TGC's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.

TGC's revenues were \$30.2 million for the quarter ended June 30, 2011, compared to \$22.5 million for the quarter ended June 30, 2010. In response to growing customer demand, TGC added an eighth seismic crew in the U.S. during the second quarter of 2011, compared to operating six seismic crews in the U.S. during the second quarter of 2010. In Canada, as a result of the spring thaw, the number of working crews wound down

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to zero during the quarter ended June 30, 2011. However, as a result of new business awarded in Canada, two crews were returned to operation towards the end of the quarter.

Cost of services as a percentage of revenues declined to 72.6% for the quarter ended June 30, 2011 as compared to 81.6% in the quarter ended June 30, 2010. Selling, general and administrative expenses were \$2.3 million for the quarter ended June 30, 2011 compared to \$1.7 million in the quarter ended June 30, 2010. As a percentage of revenues, selling, general and administrative expenses for the quarter ended June 30, 2011 fell to 7.5% from 7.8% in the quarter ended June 30, 2010. The \$2.3 million of selling, general and administrative expenses for the quarter ended June 30, 2011 included merger related costs of approximately \$528,000, or \$0.03 per share.

Net income in the quarter ended June 30, 2011, which includes transaction related costs related to the merger of \$528,000, grew to \$0.6 million, or \$0.03 per diluted share, from a net loss of \$1.2 million, or (\$0.06) per share, in the quarter ended June 30, 2010. In the quarter ended June 30, 2011, TGC recorded income tax expense of \$0.4 million, an effective tax rate of 42.6%, compared to an income tax benefit of \$0.4 million in the quarter ended June 30, 2010, an effective tax benefit rate of 24.5%. EBITDA (a non-GAAP number) increased 150% to \$6.0 million for the quarter ended June 30, 2011 compared to \$2.4 million in the quarter ended June 30, 2010. EBITDA margin in the quarter ended June 30, 2011 increased by 915 basis points to 19.8% from 10.7% in the same period of 2010.

TGC's revenues for the six months ended June 30, 2011 grew 52% to \$80.5 million from \$52.8 million for the six months ended June 30, 2010. Cost of services as a percentage of revenues decreased to 69.9% in the six months ended June 30, 2011 from 79.4% in the six months ended June 30, 2010. Selling, general and administrative expenses were \$4.8 million, or 5.9% of revenues, in the six months ended June 30, 2011 compared to \$3.4 million, or 6.5% of revenues, in the six months ended June 30, 2010. The \$4.8 million of selling, general and administrative expenses for the six months ended June 30, 2011 included merger related costs of approximately \$1,112,000, or \$0.06 per share.

Net income for the six months ended June 30, 2011 was \$6.4 million, or \$0.33 per diluted share, compared to net loss of \$0.7 million, or (\$0.03) per share, for the six months ended June 30, 2010. Results for the six months ended June 30, 2011 include \$1.1 million of transaction costs related to the merger. EBITDA for the six months ended June 30, 2011 increased 162% to \$19.5 million, or 24.2% of revenues, compared to \$7.4 million, or 14.1% of revenues, in same period of 2010.

TGC's backlog was \$56 million at June 30, 2011. In July 2011, TGC purchased another 5,000 channel geospace seismic recorder wireless recording program. At June 30, 2011, TGC has approximately \$22 million in cash.

The financial information set forth in this TGC Recent Developments section regarding EBITDA (defined as earnings before interest, income taxes, depreciation and amortization expense) is a non-GAAP financial measure. TGC believes that an understanding of TGC's performance is enhanced by disclosing EBITDA as a reasonable basis for comparison of TGC's on going results of operations. EBITDA should not be considered a substitute for GAAP-basis measures and results. TGC's calculation of EBITDA may not be comparable to EBITDA for other companies. The table below reconciles TGC's EBITDA for the three and six months ended June 30, 2011 and 2010 to TGC's net income (loss) during the same periods.

**TGC Industries, Inc.**  
**Reconciliation of EBITDA to Net Income**

Three Months Ended		Six Months Ended	
June 30,		June 30,	
2011	2010	2011	2010

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Net income (loss)	\$ 586,775	\$ (1,210,606)	\$ 6,350,509	\$ (660,099)
Depreciation	4,778,547	3,789,217	9,241,426	7,656,931
Interest expense	191,856	214,202	382,696	429,814
Income tax expense (benefit)	435,213	(391,961)	3,494,821	(3,021)
EBITDA	\$ 5,992,391	\$ 2,400,852	\$ 19,469,452	\$ 7,423,625

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**Selected Unaudited Pro Forma Condensed Combined Consolidated Financial and Other Information**

The following selected unaudited pro forma combined financial and other information is based on the historical financial and other information of Dawson and the historical consolidated financial and other information of TGC incorporated by reference into this joint proxy statement/prospectus and has been prepared to reflect the proposed merger of Merger Sub with and into TGC. The data in the selected unaudited pro forma condensed combined consolidated balance sheet as of June 30, 2011 assumes the proposed merger of Merger Sub with and into TGC was completed on that date. The data in the selected unaudited pro forma condensed combined consolidated statement of operations for the year ended September 30, 2010 and for the nine months ended June 30, 2011 assumes the proposed merger was completed on October 1, 2009, the first day of Dawson's 2010 fiscal year.

The selected unaudited pro forma condensed combined consolidated financial and other information should be read in conjunction with the unaudited pro forma condensed combined consolidated financial information, including the notes thereto, beginning on page 136, the historical financial statements and related notes thereto of Dawson and TGC, which are incorporated by reference from their respective Annual Reports on Form 10-K for the fiscal years ended September 30, 2010 and December 31, 2010, respectively, as well as Dawson's and TGC's respective Quarterly Reports on Form 10-Q for the period ended June 30, 2011, and other information included in or incorporated by reference into this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 153.

The selected unaudited pro forma condensed combined consolidated financial and other information has been prepared for illustrative purposes only and is not necessarily indicative of the financial position or results of operations of Dawson had (1) the proposed merger of Merger Sub with and into TGC occurred on June 30, 2011 and/or (2) the proposed merger of Merger Sub with and into TGC occurred on October 1, 2009.

The historical financial information has been adjusted in the selected unaudited pro forma condensed combined consolidated financial information to give effect to pro forma events that are (1) directly attributable to the merger, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results. All pro forma financial information uses Dawson's period-end dates and no adjustments were made to TGC's information for its different period-end dates.

The pro forma adjustments reflecting the completion of the proposed merger of Merger Sub with and into TGC have been, and the proposed merger will be, accounted for under the acquisition method of accounting under U.S. Generally Accepted Accounting Principles, or GAAP, whereby the total purchase price is allocated to the assets acquired and liabilities assumed based on their respective fair values determined on the acquisition date. The purchase price will be determined on the basis of the fair value of common shares of Dawson on the date the transaction is consummated plus the fair value of any other consideration transferred. The estimated purchase price for this selected unaudited pro forma condensed combined consolidated financial information was based on the exchange ratio of 0.188 and the number of TGC shares outstanding and the closing price of Dawson common stock as of September 7, 2011. The estimated purchase price does not include an estimate of cash payable in lieu of fractional shares which is required pursuant to the terms of the merger agreement, as information is not readily available to estimate such amount. Dawson anticipates that the amount of any such cash payment will be immaterial. At this time, Dawson has not performed detailed valuation analyses to determine the fair values of TGC's assets and liabilities, and accordingly, the selected unaudited pro forma condensed combined consolidated financial information includes a preliminary allocation of the purchase price based on assumptions and estimates which, while considered reasonable under the circumstances, are subject to changes and such changes may be material. Additionally, Dawson has not yet performed the necessary analysis to identify all of the adjustments that may be required to conform TGC's accounting policies to

Dawson is or to identify other items that could significantly impact the purchase price allocation or the assumptions and adjustments made in preparation of this selected unaudited pro forma condensed combined consolidated financial information. Upon completion of detailed valuation analyses, there may be additional increases or decreases to the recorded book values of TGC's assets and liabilities, including, but not limited to, property, plant and equipment and intangible assets that will give rise to future amounts of depreciation and amortization expenses or credits that are not reflected in the information contained in this

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selected unaudited pro forma condensed combined consolidated financial information. In addition, the estimated purchase price itself is preliminary and will be adjusted based upon the price per share of Dawson common stock on the date the merger is completed, the number of shares of TGC common stock outstanding on the same date, and, should the 10-day average VWAP of Dawson common stock be less than \$32.54 or greater than \$52.54, any adjustment to the exchange ratio that may be negotiated as provided in the merger agreement. Accordingly, once the necessary procedures have been performed, the final purchase price has been determined and the purchase price allocation has been completed, actual results may differ materially from the information presented in this selected unaudited pro forma condensed combined consolidated financial information.

Additionally, Dawson expects to incur costs associated with integrating the operations of Dawson and TGC. The selected unaudited pro forma condensed combined consolidated financial and other information does not reflect the cost of any integration activities or benefits from the merger that may be derived from any integration activities, both of which may have a material effect on the results of operations in periods following the completion of the merger. In addition, the selected unaudited pro forma condensed combined consolidated financial and other information does not include one-time costs directly attributable to the transaction, employee retention costs or professional fees incurred by Dawson or TGC pursuant to provisions contained in the merger agreement, as those costs are not considered part of the purchase price.

	<b>Nine Months Ended June 30, 2011</b>	<b>Year Ended September 30, 2010</b>
<b>Pro Forma Income Statement Data:</b>		
Operating revenue	\$ 370,605,000	\$ 323,875,000
Income (loss) from operations	7,860,000	(17,266,000)
Income (loss) before income tax	8,343,000	(16,879,000)
Net income (loss)	4,629,000	(11,995,000)
Basic income (loss) per common share	0.41	(1.05)
Diluted income (loss) per common share	0.40	(1.05)
		<b>As of June 30, 2011</b>
<b>Pro Forma Balance Sheet Data:</b>		
Total current assets		\$ 149,725,000
Net property, plant and equipment		229,682,000
Intangibles		22,850,000
Goodwill		28,627,000
Total assets		431,245,000
Total current liabilities		65,139,000
Total shareholders' equity		307,250,000
Total liabilities and shareholders' equity		431,245,000

**Other Information**

Dawson	TGC	Pro Forma Combined
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Crew counts(1)	14	10	24
Total channels(1)	161,000	77,000	248,000

(1) As of June 30, 2011.



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Dawson's common stock is listed on NASDAQ under the symbol DWSN. The following table sets forth the high and low trading prices per share of Dawson common stock on NASDAQ for the periods shown. You are urged to obtain current market quotations before making any decision with respect to the merger.

<b>Fiscal Year Ended</b>	<b>Dawson Common Stock</b>	
	<b>High</b>	<b>Low</b>
<b>September 30, 2009:</b>		
First Quarter	\$ 46.15	\$ 14.31
Second Quarter	22.23	9.96
Third Quarter	31.42	13.13
Fourth Quarter	35.98	23.60
<b>September 30, 2010:</b>		
First Quarter	29.61	21.00
Second Quarter	32.00	21.68
Third Quarter	31.22	20.58
Fourth Quarter	26.91	20.05
<b>September 30, 2011:</b>		
First Quarter	31.90	24.16
Second Quarter	50.81	30.50
Third Quarter	47.02	29.53
Fourth Quarter (through September 19, 2011)	42.23	28.82

The closing price of Dawson common stock on NASDAQ on March 18, 2011, the last full trading day prior to the public announcement of the merger, was \$42.54. The closing price of Dawson common stock on NASDAQ on September [ ], 2011, the last practicable full trading day prior to the mailing of this joint proxy statement/prospectus, was \$[ ].

Dawson has paid neither cash nor stock dividends on its common stock since becoming a public company and has no plans to do so in the foreseeable future. Payment of any dividends in the future, however, is in the discretion of Dawson's board of directors and will depend on Dawson's financial condition, results of operations, capital and legal requirements, and other factors deemed relevant by Dawson's board of directors. Earnings, if any, are expected to be retained to fund Dawson's future operations.

**Table of Contents****TGC Historical Market Price Data and Dividends**

TGC's common stock is listed on NASDAQ under the symbol TGE. The following table sets forth the high and low trading prices per share of TGC common stock on NASDAQ for the periods shown. You are urged to obtain current market quotations before making any decision with respect to the merger.

<b>Fiscal Year Ended</b>	<b>TGC Common Stock</b>	
	<b>High</b>	<b>Low</b>
<b>December 31, 2009:</b>		
First Quarter	\$ 2.93	\$ 1.69
Second Quarter	5.75	2.13
Third Quarter	5.17	3.30
Fourth Quarter	5.03	3.61
<b>December 31, 2010:</b>		
First Quarter	4.64	3.52
Second Quarter	4.40	2.82
Third Quarter	4.00	2.82
Fourth Quarter	3.87	3.07
<b>December 31, 2011:</b>		
First Quarter	7.97	3.59
Second Quarter	8.74	5.46
Third Quarter (through September 19, 2011)	7.84	5.38

The closing price of TGC common stock on NASDAQ on March 18, 2011, the last full trading day prior to the public announcement of the merger, was \$6.83. The closing price of TGC common stock on NASDAQ on September [ ], 2011, the last practicable full trading day prior to the mailing of this joint proxy statement/prospectus, was \$[ ].

TGC has not paid cash dividends on its common stock in the past, and TGC does not anticipate paying any cash dividends in the foreseeable future. In the event the merger is not consummated, payment of any cash dividends in the future, however, will be in the discretion of TGC's board of directors and will depend on TGC's financial condition, results of operations, capital and legal requirements, and other factors deemed relevant by TGC's board of directors. Earnings, if any, are expected to be retained to fund TGC's future operations.

TGC has paid 5% stock dividends to its shareholders in recent years.

**Value of Merger Consideration**

The following table presents the implied value of one share of TGC common stock, the aggregate number of shares of Dawson common stock to be issued to TGC shareholders in connection with the merger and the approximate percentage ownership of the combined entity that would be held by current TGC shareholders upon completion of the merger, in each case, reflecting the fluctuating value of Dawson common stock that TGC shareholders would receive for each share of TGC common stock if the merger is completed (1) on March 18, 2011, the last full trading day before the public announcement of the proposed merger, (2) on September [ ], 2011, the last practicable full trading day prior to the mailing of this joint proxy statement based on the 10-day average VWAP of Dawson common stock

on September [ ], 2011 (3) at a 10-day average VWAP of Dawson common stock of \$52.54 (which is the maximum 10-day average VWAP in the pricing range) and (4) at a 10-day average VWAP of Dawson common stock of \$32.54 (which is the minimum 10-day average VWAP in the pricing range).

As reflected in the table below, while the value of Dawson common stock that TGC shareholders would receive for each share of TGC common stock fluctuates based on the 10-day average VWAP of Dawson common stock at each measurement date, the number of shares to be issued to TGC shareholders, and the

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percentage ownership that TGC shareholders will have in the combined entity after completion of the merger, is fixed.

	<b>Dawson Common Stock Price</b>	<b>Merger Exchange Ratio</b>	<b>Implied Value of One Share of TGC Common Stock</b>	<b>Aggregate Number of Shares of Dawson Common Stock to be Issued to TGC Shareholders</b>	<b>Approximate Percentage Ownership of TGC Shareholders in the Combined Entity</b>
Price of Dawson common stock on March 18, 2011	\$ 42.54	0.188x	\$ 8.00	3,753,685	32%
10-day average VWAP of Dawson common stock on September [ ], 2011	[ ]	0.188x	[ ]	3,753,685	32%
Maximum 10-day average VWAP of Dawson common stock	52.54	0.188x	9.88	3,753,685	32%
Minimum 10-day average VWAP of Dawson common stock	32.54	0.188x	6.12	3,753,685	32%

**Comparative Per Share Information**

The following table presents:

the closing prices per share and aggregate market value of Dawson common stock and TGC common stock, in each case based on the last reported sales prices as reported by NASDAQ, on (1) March 18, 2011, the last full trading day before the public announcement of the proposed merger, and (2) September [ ], 2011, the last practicable full trading day prior to the mailing of this joint proxy statement/prospectus; and

the equivalent price per share and equivalent market value of shares of TGC common stock, reflecting the fluctuating value of Dawson common stock that TGC shareholders would receive for each share of TGC common stock if the merger were completed on either March 18, 2011 or September [ ], 2011. The equivalent price per share of TGC common stock is calculated assuming that the 10-day average VWAP of Dawson common stock as of March 18, 2011 or September [ ], 2011, as applicable, is equal to or greater than \$32.54 but less than or equal to \$52.54, and is equal to the closing price of a share of Dawson common stock on the applicable date multiplied by 0.188.

<b>Dawson Historical</b>	<b>TGC Historical</b>	<b>TGC Equivalent</b>
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**March 18, 2011**

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Closing price per common share	\$ 42.54	\$ 6.83	\$ 8.00
Market value of common stock (in millions)(1)	336.9	131.2	153.7
<b>September [ ], 2011</b>			
Closing price per common share	[ ]	[ ]	[ ]
Market value of common stock (in millions)(2)	[ ]	[ ]	[ ]

(1) Based on the number of shares of Dawson common stock and TGC common stock outstanding as of March 18, 2011 (excluding outstanding shares held in treasury).

(2) Based on the number of shares of Dawson common stock and TGC common stock outstanding as of September [ ], 2011 (excluding outstanding shares held in treasury).

**Number of Record and Beneficial Owners**

As of August 29, 2011, there were approximately 149 record holders of Dawson common stock and approximately 145 record holders of TGC common stock. Both companies believe there are a number of additional beneficial holders of their respective shares.

**Table of Contents****UNAUDITED COMPARATIVE PER SHARE DATA**

The following tables set forth for the periods presented certain per share data separately for Dawson and TGC on a historical basis, on an unaudited pro forma combined basis per share of Dawson common stock and on an unaudited pro forma combined basis per equivalent share of TGC common stock. The following unaudited pro forma combined per share information should be read in conjunction with the unaudited pro forma condensed combined consolidated financial information, including the notes thereto, beginning on page 136, the historical financial statements and related notes thereto of Dawson and TGC, which are incorporated by reference from their respective Annual Reports on Form 10-K for the fiscal years ended September 30, 2010 and December 31, 2010, respectively, as well as their respective Quarterly Reports on Form 10-Q for the quarterly period ended June 30, 2011, and other information included in or incorporated by reference into this joint proxy statement/prospectus. See **Where You Can Find More Information** beginning on page 153.

The unaudited pro forma combined data per equivalent share of TGC common stock has been calculated on the basis of the unaudited pro forma combined per share Dawson common stock amounts, multiplied by the exchange ratio of 0.188. The exchange ratio represents the number of shares of Dawson common stock that each TGC shareholder would receive upon completion of the merger, provided the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is equal to or greater than \$32.54 but less than or equal to \$52.54. The unaudited pro forma combined data per equivalent share of TGC common stock data shows how each share of TGC common stock would have participated in the income from continuing operations and book value of Dawson if the companies had been consolidated for accounting and financial reporting purposes as of October 1, 2009 for the year ended September 30, 2010 and the nine months ended June 30, 2011 in the case of per share net income data, and as of June 30, 2011 in the case of per share book value data. These amounts, however, are not intended to reflect future per share levels of income from continuing operations and book value of Dawson following consummation of the merger.

The unaudited pro forma combined per share information is based on the historical financial statements of Dawson and TGC and on publicly available information and certain assumptions and adjustments as discussed in **Unaudited Pro Forma Condensed Combined Consolidated Financial Information** beginning on page 136, including assumptions relating to the allocation of the consideration paid for the assets and liabilities of TGC based on preliminary estimates of their fair value. This unaudited pro forma combined per share information is provided for illustrative purposes only and is not necessarily indicative of what the operating results or financial position of Dawson or TGC would have been had the merger and related transactions been completed at the beginning of the periods or on the dates indicated, nor is it necessarily indicative of any future operating results or financial position. Dawson and TGC may have performed differently had they been combined during the periods presented.

<b>Dawson</b>	<b>TGC</b>	<b>Dawson Pro Forma</b>	<b>TGC Pro Forma</b>
<b>Historical per Share Data</b>	<b>Historical per Share Data</b>	<b>Combined per Share Data</b>	<b>Combined per Share Data</b>

**As of or for the Year Ended****September 30, 2010:**

Income from continuing operations per common share:

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Basic (1)	\$ (1.20)	\$ (0.06)	\$ (1.05)	\$ (0.20)
Diluted (1)	(1.20)	(0.06)	(1.05)	(0.20)
Total tangible book value per common share	29.75	4.56	N/A	N/A
Book value of shareholders' equity per common share (2)	24.07	2.67	N/A	N/A

(1) The pro forma combined consolidated statement of income for the year ended September 30, 2010 was prepared by combining Dawson's historical statement of income for the year ended September 30, 2010

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and TGC's historical consolidated statement of income for the year ended December 31, 2010, adjusted to give effect to pro forma events that are (a) directly attributable to the merger, (b) factually supportable and (c) expected to have a continuing impact on combined results.

- (2) Historical book value per share is computed by dividing shareholders' equity by the number of shares of Dawson or TGC common stock outstanding, as applicable.

	<b>Dawson</b>		<b>Dawson Pro Forma</b>	<b>TGC Pro Forma</b>
	<b>Historical per</b>	<b>TGC</b>	<b>Combined per</b>	<b>Combined</b>
	<b>Share Data</b>	<b>Historical per Share Data</b>	<b>Share Data</b>	<b>per Share Data</b>
<b>As of or for the Nine Months Ended June 30, 2011:</b>				
Income from continuing operations per common share:				
Basic (1)	\$ (0.79)	\$ 0.37	\$ 0.41	\$ 0.08
Diluted (1)	(0.79)	0.36	0.40	0.08
Total tangible book value per common share	33.03	4.65	37.40	7.03
Book value of shareholders' equity per common share (2)	23.38	3.12	26.65	5.01

- (1) The pro forma combined consolidated statement of income for the nine months ended June 30, 2011 was prepared by combining Dawson's historical statement of income for the nine months ended June 30, 2011 and TGC's historical consolidated statement of income for the fourth quarter ended December 31, 2010 and the year-to-date period ended June 30, 2011, adjusted to give effect to pro forma events that are (a) directly attributable to the merger, (b) factually supportable and (c) expected to have a continuing impact on combined results.
- (2) Historical book value per share is computed by dividing shareholders' equity by the number of shares of Dawson or TGC common stock outstanding, as applicable. Pro forma book value per share is computed by dividing pro forma total equity by the pro forma number of shares of Dawson common stock that would have been outstanding as of June 30, 2011.



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**RISK FACTORS**

*In addition to the other information contained or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in **Cautionary Statements Concerning Forward-Looking Statements** on page 34 of this joint proxy statement/prospectus, you should carefully consider the following risk factors in determining whether to vote for approval of the merger agreement. You should also read and consider the risk factors associated with each of the businesses of Dawson and TGC because these risk factors may affect the operations and financial results of Dawson after the merger. Those risk factors may be found in Dawson's Annual Report on Form 10-K for the year ended September 30, 2010, and in TGC's Annual Report on Form 10-K for the year ended December 31, 2010, each of which is on file with the SEC and is incorporated by reference into this joint proxy statement/prospectus.*

***The merger is subject to certain closing conditions which may not be satisfied, and as a result, the merger may not be completed.***

The closing of the merger is subject to certain customary closing conditions, including, among other things:

the approval of the issuance of shares of Dawson common stock pursuant to the merger agreement by Dawson shareholders;

the approval of the merger agreement by TGC shareholders;

the absence of any judgment, injunction, order or decree in effect, or any law, statute, rule or regulation enacted, that prohibits the consummation of the merger;

the effectiveness of a registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and the authorization of the listing of the shares of Dawson common stock to be issued in the merger on NASDAQ;

receipt by each party of an opinion from its counsel, in a form and substance reasonably satisfactory to that party, dated as of the closing date of the merger, to the effect that (1) the merger will be treated as a tax-free reorganization within the meaning of Section 368(a) of the Code and (2) no gain or loss will be recognized for United States federal income tax purposes by the shareholders of TGC upon the exchange of shares of TGC common stock for shares of Dawson common stock pursuant to the proposed merger;

certain officers of TGC having entered into employment agreements with TGC, as the surviving entity of the merger, as of the effective time of the merger;

receipt by TGC of certain third party consents;

receipt by TGC of the reconfirmation opinion, which is a reconfirmation from TGC's financial advisor, as of the closing date, that the exchange ratio is fair, from a financial point of view, to TGC shareholders; and

other customary conditions, including the absence of a material adverse effect with respect to either TGC's or Dawson's respective businesses.

There can be no assurance that all these closing conditions will be met, and if they are not all met (or waived to the extent they can be waived by the applicable party), the merger will not be completed.

***The date that TGC shareholders will receive the merger consideration is uncertain.***

The date that TGC shareholders will receive the merger consideration depends on the completion date of the merger, which is uncertain. In no event will the merger be completed later than October 31, 2011 unless Dawson and TGC otherwise agree.

***Because the market price of Dawson common stock will fluctuate, TGC shareholders cannot be sure of the aggregate value of the merger consideration they will receive.***

The number of shares of Dawson common stock to be issued in the merger for each share of TGC common stock is fixed (except in the event of any stock split, reverse stock split, stock dividend, combination,

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reclassification, recapitalization or other similar transaction or event with respect to Dawson common stock or TGC common stock) and will not be adjusted for changes in the market price of either Dawson common stock or TGC common stock unless the 10-day average VWAP of Dawson common stock as of October [ ], 2011 (which is the date that is two business days prior to the date of the special meetings) is less than \$32.54 or greater than \$52.54, in which case the parties may negotiate a new exchange ratio or other agreement with respect to the consideration to be provided in the merger or may, pursuant and subject to the terms of the merger agreement, terminate the transaction. Accordingly, any change in the price of Dawson common stock prior to the merger will affect the market value of the merger consideration that TGC shareholders will receive as a result of the merger.

The dollar value of the consideration received by TGC shareholders receiving consideration of Dawson common stock will depend upon the market value of Dawson common stock at the effective time of the merger, and such dollar value may be different from, and lower than, the dollar value of the merger consideration today. Moreover, the 10-day average VWAP of Dawson common stock as of October [ ], 2011 will likely vary from the market price of Dawson common stock on the date the merger agreement was announced, on the date that this joint proxy statement/prospectus is mailed to TGC shareholders, on the date of the special meetings and after the closing of the merger.

***Because the date that the merger becomes effective may be later than the date of the special meetings, at the time of the TGC special meeting, TGC shareholders will not know the exact market value of the Dawson common stock that they will receive upon completion of the merger.***

In the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 is less than \$32.54 or greater than \$52.54, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually acceptable exchange ratio. See The Merger Agreement Merger Consideration Determination of the Exchange Ratio on page 99.

***Whether or not the merger is completed, the announcement and pendency of the merger could cause disruptions in the businesses of Dawson and TGC, which could have an adverse effect on each of their respective businesses, financial results and stock prices.***

Whether or not the merger is completed, the announcement and pendency of the merger could cause disruptions in the businesses of Dawson and TGC. Dawson and TGC have each diverted significant management resources in an effort to complete the merger and are each subject to restrictions contained in the merger agreement on the conduct of each of their respective businesses, all of which could result in an adverse effect on each of Dawson's and TGC's respective businesses, financial results and stock prices.

***TGC may have difficulty attracting, motivating and retaining employees in light of the merger, and the anticipated benefits of the merger could be reduced.***

Uncertainty about the effect of the merger on TGC's employees may have an adverse effect on TGC and the anticipated benefits of the merger. While it is a condition to the merger that certain officers of TGC enter into employment agreements with TGC, as the surviving entity of the merger, the uncertainty involving the merger may impair TGC's ability to attract, retain and motivate other key personnel until the merger is completed. Employee retention may be particularly challenging during the pendency of the merger, as employees may experience uncertainty about their future roles with Dawson or TGC, as the surviving entity of the merger.

The success of the merger will depend in part on the retention of personnel necessary to the business and operations of TGC. If TGC and Dawson are unable to retain key personnel, Dawson could face disruptions in its operations, loss of existing clients and loss of expertise or know-how.

***The merger agreement restricts Dawson's and TGC's ability to pursue alternatives to the merger and requires Dawson and TGC to pay a termination fee to the other party of \$2.35 million if it does.***

The merger agreement contains non-solicitation provisions that, subject to limited fiduciary exceptions, restrict Dawson's and TGC's ability to initiate, solicit or encourage or take any action to facilitate, discuss, negotiate or accept a competing third party proposal to acquire 20% or more of Dawson's or TGC's, as

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applicable, assets, revenues, net income or equity securities. Although the board of directors of each of Dawson and TGC is permitted to change its recommendation that shareholders approve the matters relating to the proposed merger if it determines in good faith that these actions are reasonably likely to be required to comply with its fiduciary duties and certain other conditions, doing so in specified situations would require such party to pay the other party a termination fee of \$2.35 million.

Additionally, these non-solicitation provisions could discourage a potential acquirer that might have an interest in acquiring all or a significant part of Dawson or TGC from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the consideration contemplated by the merger agreement or might result in a potential competing acquirer proposing to pay a lower per share price to acquire Dawson or TGC than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable in certain circumstances.

***TGC's directors and executive officers have interests in the merger that are different from, and in addition to, the interests of other TGC shareholders.***

When considering the recommendation of TGC's board of directors that TGC shareholders vote in favor of approval of the merger agreement, TGC shareholders should be aware that directors and executive officers of TGC have interests in the merger that are different from, or in addition to, the interests of a shareholder of TGC. In particular, directors and executive officers of TGC have rights to acceleration of stock options and other benefits triggered prior to or upon completion of the merger and have rights to continued indemnification and insurance coverage after the completion of the merger. In addition, certain executive officers of TGC will enter into employment arrangements with TGC, as the surviving entity of the merger, effective as of the closing of the merger, and will receive bonuses from TGC upon the closing of the merger. TGC's board of directors was aware of these interests and considered them, among other things, in evaluating and negotiating the merger agreement and the merger and in making its recommendation that TGC shareholders vote in favor of the adoption of the merger agreement. See *The Merger Conflicts of Interests* beginning on page 92.

***Failure to complete the merger could negatively impact the stock price and the future business and financial results of Dawson, TGC or both.***

If the merger is not completed, Dawson and TGC will have incurred significant costs, including the diversion of management resources, for which they will have received little or no benefit and would have exposed themselves to a number of risks, including the following:

each of Dawson and TGC may experience negative reactions from its clients and employees;

the current market price of each of Dawson's and TGC's common stock may reflect a market assumption that the merger will occur and a failure to complete the merger could result in a negative perception by the stock market and a resulting decline in the market price of Dawson's common stock or TGC's common stock;

certain costs relating to the merger, including certain investment banking, financing, legal and accounting fees and expenses, must be paid even if the merger is not completed; and

there may be substantial disruption to each company's business and distraction of each company's management and employees from day-to-day operations because matters related to the merger (including integration planning) may require substantial commitments of time and resources, which could otherwise have been devoted to other opportunities that could have been beneficial to the companies.

In addition, TGC may be required to pay Dawson a termination fee of \$2.35 million or \$3.125 million and reimburse Dawson's expenses up to \$1.5 million and Dawson may be required to pay TGC a termination fee of \$2.35 million and reimburse TGC's expenses up to \$1.5 million if the merger agreement is terminated, depending on the specific circumstances of the termination. For a detailed description of the circumstances in which such termination fees will be paid, see *The Merger Agreement - Termination Fee and Expense Reimbursement* beginning on page 115.

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***The market for Dawson common stock may be adversely affected by the issuance of shares pursuant to the proposals before Dawson shareholders.***

If the merger is consummated, Dawson will issue an estimated 3.75 million shares of Dawson common stock to TGC shareholders, based on the number of shares of TGC common stock and options to acquire TGC common stock outstanding on September 7, 2011. The increase in the number of outstanding shares of Dawson common stock may lead to sales of such stock or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Dawson common stock.

***The issuance of shares of Dawson common stock to TGC shareholders in the merger will substantially reduce the percentage ownership interest of current Dawson shareholders; additionally, TGC shareholders, who will own approximately 32% of Dawson common stock immediately after the merger, will exercise significantly less influence over management after the merger.***

If the merger is consummated, Dawson will issue an estimated 3.75 million shares of Dawson common stock to TGC shareholders, based on the number of shares of TGC common stock and options to acquire TGC common stock outstanding on September 7, 2011. Based on the number of shares of Dawson and TGC common stock outstanding on September 7, 2011, legacy Dawson shareholders will own, in the aggregate, approximately 68% of the shares of Dawson common stock outstanding immediately after the merger, and former TGC shareholders, who collectively own 100% of TGC common stock, will own, in the aggregate, approximately 32% of shares of Dawson common stock outstanding immediately after the merger.

The issuance of shares of Dawson common stock to TGC shareholders in the merger will cause a significant reduction in the relative percentage interest of current Dawson shareholders in earnings, voting, liquidation value and book and market value of Dawson. Additionally, immediately after the completion of the merger, TGC shareholders will have significantly less influence over the management and policies of Dawson than they currently have over the management and policies of TGC.

As a result of these reduced ownership percentages, both Dawson and TGC shareholders will have less influence on the management and policies of Dawson following the merger than they now have with respect to their respective companies. If Dawson and TGC are unable to realize the benefits currently anticipated from the merger, Dawson and TGC shareholders will experience dilution of their ownership interest without receiving any commensurate benefit.

***Dawson's actual financial position and results of operations may differ materially from the unaudited pro forma financial data included herein.***

The unaudited pro forma financial data included herein are presented for illustrative purposes only and are not necessarily indicative of what Dawson's actual financial position or results of operations would have been had the merger been completed on the dates indicated. These data reflect adjustments, which are based upon preliminary estimates, to allocate the purchase price to TGC's net assets. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of TGC as of the date of the completion of the merger. In addition, subsequent to the closing date of the merger, there may be further refinements of the purchase price allocation as additional information becomes available.

Accordingly, the final purchase accounting adjustments might differ materially from the pro forma adjustments reflected herein. See Selected Unaudited Pro Forma Condensed Combined Consolidated Financial Information, beginning on page 20, and Unaudited Comparative Per Share Data, beginning on page 22, for more information.

***The market price of Dawson common stock after the merger might be affected by factors different from, or in addition to, those currently affecting the respective market prices of Dawson and TGC common stock.***

The businesses of Dawson and TGC differ and, accordingly, the results of operations of Dawson and the market price of Dawson common stock after the merger may be affected by factors different from, or in addition to, those currently affecting the independent results of operations of each of Dawson and TGC. For a discussion of the businesses of Dawson and TGC and of factors to consider in connection with those



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businesses, see the documents incorporated by reference into this document and referred to under **Where You Can Find More Information** beginning on page 153.

***Dawson may not pay dividends in the foreseeable future, and current TGC shareholders may have to rely on increases in the trading price of Dawson common stock for returns on their investment following the merger.***

TGC shareholders have historically received a 5% stock dividend from TGC. Dawson shareholders have never received a cash or stock dividend since Dawson became a publicly traded company and Dawson does not anticipate paying any dividends in the foreseeable future. Accordingly, former TGC shareholders who become shareholders of Dawson may not receive cash or stock dividends, and they (and other Dawson shareholders) may have to rely on increases in the trading price of Dawson common stock for any returns on their investment.

***After completion of the merger, Dawson may fail to realize the anticipated benefits of the merger, which could adversely affect the value of Dawson's common stock.***

The success of the merger will depend, in part, on Dawson's ability to manage effectively the businesses of Dawson and TGC and realize the anticipated benefits from the acquisition of TGC. As of the date of this joint proxy statement/prospectus, Dawson believes that these benefits, which include the expansion of Dawson's geographic diversity, an increase in Dawson's utilization rates due to an expanded order book and the ability to enhance efficiencies because of logistical improvements, are achievable. However, it is possible that Dawson will not be able to achieve these benefits fully, or at all, or will not be able to achieve them within the anticipated timeframe. Dawson and TGC have operated and, until the completion of the merger, will continue to operate, independently, and there can be no assurance that their businesses can be integrated successfully. If Dawson's expectations as to the benefits of the merger turn out to be incorrect, or Dawson is not able to successfully integrate the businesses of Dawson and TGC for any other reason, the financial and operating results and the value of Dawson's common stock (including the stock issued as a portion of the merger consideration) may be adversely affected.

While it is a condition to the merger that certain key employees of TGC enter into employment agreements with TGC, as the surviving entity of the merger, it is possible that the integration process could result in the loss of other key TGC employees, as well as the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies. Specific issues that must be addressed upon completion of the merger in order to realize the anticipated benefits of the merger include, among other things:

integrating the companies' strategies, cultures and operations;

retaining existing TGC and Dawson clients and suppliers;

adopting best practices across the combined entity and harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;

integrating the companies' corporate, administrative and information technology infrastructure; and

managing any tax costs or inefficiencies associated with integration.

In addition, at times, the attention of certain members of Dawson's management and TGC's management, and the resources of the two companies, may be focused on business aspects related to the merger and the integration of the businesses of the two companies and diverted from day-to-day business operations.

***Our results of operations could be materially adversely affected if we were required to recognize asset impairments of intangibles or goodwill associated with the merger.***

If the merger is consummated, we expect that the intangibles and goodwill associated with the acquisition of TGC will be significant assets on our consolidated balance sheet. We currently anticipate our intangibles and goodwill associated with such acquisition to be \$51,477,000. See Unaudited Pro Forma Condensed Combined Consolidated Financial Information Unaudited Pro Forma Condensed Combined Balance Sheet as of June 30, 2011 on page 138. However, future events, including our financial performance, market valuation

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of us or comparable companies, loss of a significant client's business, failure to realize the benefits of the merger, or strategic decisions, could cause us to conclude that impairment indicators exist and that the asset values associated with long-lived assets, including intangibles and goodwill, may need to be impaired. If we are forced to impair intangibles, goodwill or any other long-lived asset, these noncash asset impairments could negatively affect in a material manner our results of operations in the period in which they are recorded, and the larger the amount of any impairment that may be taken, the greater the impact such impairment would have on our results of operations, with the maximum current impairment being \$51,477,000. See discussion of Impairment of Long-Lived Assets included in Critical Accounting Policies of our Annual Report on Form 10-K for the year ended September 30, 2010.

***The unaudited prospective financial information of each of Dawson and TGC included in this joint proxy statement/prospectus involves risks, uncertainties and assumptions, many of which are beyond the control of Dawson and TGC, respectively. As a result, such information may not prove to be accurate and is not necessarily indicative of current values or future performance.***

The unaudited prospective financial information of each of Dawson and TGC contained in The Merger Certain Information Provided by the Parties Dawson Unaudited Prospective Financial Information and The Merger Certain Information Provided by the Parties TGC Unaudited Prospective Financial Information, and referred to in The Merger Opinion of Dawson's Financial Advisor and The Merger Opinion of TGC's Financial Advisor, involves uncertainties and assumptions and is not a guarantee of future performance. The future financial results of Dawson and TGC and, if the merger is completed, the combined company, may materially differ from those expressed in the unaudited prospective financial information due to factors that are beyond Dawson's and TGC's ability to control or predict. Neither Dawson nor TGC can provide any assurance that Dawson's or TGC's unaudited prospective financial information will be realized or that Dawson's or TGC's future financial results will not materially vary from the applicable unaudited prospective financial information. The unaudited prospective financial information covers multiple years, and the information by its nature becomes subject to greater uncertainty with each successive year. The unaudited prospective financial information does not reflect Dawson's or TGC's current estimates and does not take into account any circumstances or events occurring after the date it was prepared.

More specifically, the unaudited prospective financial information:

necessarily makes numerous assumptions, many of which are beyond the control of Dawson or TGC and may not prove to be accurate;

does not necessarily reflect revised prospects for Dawson's or TGC's respective businesses, changes in general business or economic conditions, or any other transaction or event that has occurred or that may occur and that was not anticipated at the time the unaudited prospective financial information was prepared;

is not necessarily indicative of future performance, which may be significantly more favorable or less favorable than is reflected in the unaudited prospective financial information; and

should not be regarded as a representation that the unaudited prospective financial information will be achieved.

The unaudited prospective financial information was not prepared with a view toward public disclosure or compliance with published guidelines of the SEC or the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information or GAAP and does not reflect the effect of any proposed or other changes in GAAP that may be made in the future.

***The rights of TGC shareholders will be governed by Dawson's Second Restated Articles of Incorporation and Second Amended and Restated Bylaws.***

Both Dawson and TGC are Texas corporations and are therefore governed by Texas law. However, if the merger is consummated, all TGC shareholders will become Dawson shareholders and their rights as shareholders will be governed by Dawson's second restated articles of incorporation and second amended and restated bylaws, as amended. There are material differences between the current rights of TGC shareholders,

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which are governed by TGC's restated articles of incorporation and amended and restated bylaws, and the rights of holders of Dawson common stock. See "Comparison of Shareholder Rights" beginning on page 130.

***If the merger does not qualify as a reorganization under Section 368(a) of the Code, TGC shareholders may be required to pay substantial U.S. federal income taxes.***

As a condition to the completion of the merger, each of Baker Botts L.L.P., tax counsel to Dawson, and Haynes and Boone, LLP, tax counsel to TGC, will have delivered an opinion, dated as of the closing date of the merger, that the merger will be treated for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Code. These opinions will be based on certain assumptions and representations as to factual matters from Dawson, Merger Sub and TGC, as well as certain covenants and undertakings by Dawson, Merger Sub and TGC. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated in any material respect, the validity of the conclusions reached by counsel in their opinions would be jeopardized. Additionally, an opinion of counsel represents counsel's best legal judgment but is not binding on the United States Internal Revenue Service, or IRS, or any court, so there can be no certainty that the IRS will not challenge the conclusions reflected in the opinions or that a court will not sustain such a challenge. If the IRS or a court determines that the merger should not be treated as a reorganization, a holder of TGC common stock would recognize taxable gain or loss upon the exchange of TGC common stock for Dawson common stock pursuant to the merger. See "Material United States Federal Income Tax Consequences" beginning on page 127.

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**CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS**

The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. Forward-looking information is based on projections and estimates, not historical information. Some statements in this joint proxy statement/prospectus and the documents incorporated by reference in this joint proxy statement/prospectus are forward-looking and use words like may, may not, believes, do not believe, expects, expect, anticipates, do not anticipate, and other similar expressions. In particular, the forward-looking statements contained in this joint proxy statement/prospectus include but are not limited to statements regarding:

the expected closing date of the merger;

the anticipated benefits of the merger; and

the expected tax treatment of the merger for U.S. federal income tax purposes.

Dawson and TGC may also provide oral or written forward-looking information in other materials they release to the public. Forward-looking information involves risk and uncertainties and reflects Dawson's and TGC's, as applicable, best judgment based on current information. The results of operations and business strategies of Dawson and TGC, and the plans and objectives for the future operation of Dawson following the merger and the integration of the businesses of Dawson and TGC, can be affected by inaccurate assumptions that are made or by known or unknown risks and uncertainties. In addition, other factors may affect the accuracy of forward-looking information. As a result, no forward-looking information can be guaranteed. Actual events and the results of operations may vary materially.

Neither Dawson nor TGC assumes any responsibility to publicly update any forward-looking statements regardless of whether factors change as a result of new information, future events, or for any other reason. You should review any additional disclosures Dawson and TGC make in their press releases and Forms 10-K, 10-Q, and 8-K filed with or furnished to the SEC. We also suggest that you listen to Dawson's and TGC's earnings release conference calls with financial analysts.

The following important factors, in addition to those discussed under Risk Factors and elsewhere in this joint proxy statement/prospectus and the documents incorporated by reference in this joint proxy statement/prospectus, could cause actual results to differ materially from those expressed in or implied by forward-looking statements:

*Factors relating to the merger:*

whether the merger will be consummated;

the failure to receive the required shareholder and regulatory approvals for the merger or to satisfy all of the closing conditions to the merger;

the timing of the completion of the merger;

the value of the merger consideration and the likelihood that the exchange ratio will not need to be renegotiated;

changes in economic, business, competitive and/or regulatory factors;

changes in both companies' businesses during the period between now and the completion of the merger might have adverse impacts on Dawson following the merger;

attrition in key clients, partners, personnel and other relationships relating to the merger;

the expenses of the merger being greater than anticipated, including as a result of unexpected factors or events;

the exposure to litigation, including the possibility that litigation relating to the merger could delay or impede the completion of the merger;

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the integration of TGC's business and operations with those of Dawson taking longer than anticipated, being costlier than anticipated and having unanticipated adverse results relating to Dawson's or TGC's existing businesses; and

uncertainty of the expected financial performance of Dawson following completion of the proposed transaction, which may differ significantly from the pro forma financial data contained in this joint proxy statement/prospectus;

*Factors relating to Dawson's and TGC's respective businesses:*

the potential for fluctuations in oil and natural gas prices;

the dependence upon energy industry spending for seismic data acquisition services;

the potential for data acquisition contract delays, reductions or cancellation;

high fixed costs of operations;

external factors affecting either company's crews, such as weather interruptions and inability to obtain land access rights of way;

whether Dawson or TGC enter into turnkey or dayrate contracts;

crew productivity;

the limited number of clients;

the credit risk related to clients; and

the availability of capital resources.

See [Where You Can Find More Information](#) beginning on page 153.



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**THE DAWSON SPECIAL MEETING**

Dawson's board of directors is using this document to solicit proxies from Dawson shareholders for use at the Dawson special meeting. In addition, this document constitutes a prospectus covering the issuance of Dawson common stock pursuant to the merger agreement.

**Date, Time and Place**

The special meeting of Dawson's shareholders will be held at the offices of Baker Botts L.L.P. at 2001 Ross Avenue, Suite 1100, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011.

**Purpose**

The purpose of the Dawson special meeting is as follows:

1. to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement; and
2. to approve adjournments of the special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are not sufficient votes at the time of the special meeting to adopt the foregoing proposal.

**Board Recommendations**

Dawson's board of directors has adopted a resolution approving the merger agreement and has determined that the merger agreement is advisable and in the best interests of Dawson and its shareholders and **recommends that Dawson shareholders vote FOR approval of the issuance of Dawson common stock to TGC shareholders pursuant to the merger agreement and FOR approval of any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies.** See The Merger Background of the Merger and The Merger Dawson's Reasons for the Merger and Recommendation of Dawson's Board of Directors beginning on pages 54 and 63, respectively.

**Record Date; Outstanding Shares; Shares Entitled to Vote**

The record date for the Dawson special meeting is August 29, 2011. Only holders of record of Dawson common stock at the close of business on the record date are entitled to notice of, and to vote at, the Dawson special meeting. At the close of business on the record date, there were 7,910,885 shares of Dawson common stock issued and outstanding held by approximately 149 holders of record. Dawson believes there are a number of additional beneficial holders of its shares. Each share of Dawson common stock entitles the holder of that share to one vote on each matter submitted for shareholder approval.

**Quorum**

A quorum of shareholders is required for Dawson shareholders to take action on the proposal to approve the issuance of Dawson common stock to TGC shareholders pursuant to the merger agreement at the Dawson special meeting, but not to approve any adjournment of the meeting. The presence at the special meeting, in person or represented by proxy, of the holders of a majority of the outstanding shares of Dawson common stock entitled to vote at the close of business on the record date will constitute a quorum. Proxies received but marked as abstentions, if any, will be

included in the calculation of the number of shares considered to be present at the meeting for quorum purposes. With respect to broker non-votes, the issuance of shares of Dawson common stock pursuant to the merger agreement as well as the adjournment of the special meeting are not considered routine matters. Therefore, your bank, broker or other nominee will not be permitted to vote on such proposals without instruction from you as the beneficial owner of the shares of Dawson common stock. Further, in the event there are any broker non-votes, such votes will not count for purposes of determining whether a quorum is present at the special meeting.

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### **Required Vote**

The affirmative vote of a majority of shares of Dawson common stock present in person or represented by proxy and entitled to vote at the Dawson special meeting, in which a quorum is present, is required to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement. Abstentions will have the same effect as a vote **AGAINST** approval of the issuance of shares of Dawson common stock pursuant to the merger agreement. Assuming a quorum is present at the Dawson special meeting, broker non-votes and shares not in attendance at the Dawson special meeting will have no effect on the outcome of any vote to approve the issuance of shares of Dawson common stock.

Any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of the holders of Dawson common stock representing a majority of the votes present in person or represented by proxy at the special meeting and entitled to vote, whether or not a quorum exists, without further notice other than by announcement made at the special meeting, so long as no new record date is set. Abstentions will have the same effect as a vote **AGAINST** the proposal to adjourn the Dawson special meeting, while broker non-votes and shares not in attendance at the special meeting will have no effect on the outcome of any vote to adjourn the Dawson special meeting.

### **Tabulation of the Votes**

Dawson has appointed Broadridge Financial Solutions, Inc. to serve as the Inspector of Election for the Dawson special meeting. Broadridge will independently tabulate affirmative and negative votes and abstentions.

### **Stock Ownership of and Voting by Dawson's Directors and Executive Officers**

At the close of business on August 29, 2011, the record date for the Dawson special meeting, directors and executive officers of Dawson beneficially owned and were entitled to vote 303,301 shares of Dawson common stock, collectively representing approximately 3.8% of the shares of Dawson common stock outstanding on that date. Pursuant to and subject to the terms of the Dawson shareholder voting agreement, certain of those executive officers and directors, who collectively owned approximately 3.5% of the shares of Dawson common stock outstanding on the record date of the Dawson special meeting, have agreed, among other things, to vote their shares of Dawson common stock in favor of approval of the issuance of shares of Dawson common stock in connection with the proposed merger at the Dawson special meeting. For additional information on the Dawson shareholder voting agreement, see *The Dawson Shareholder Voting Agreement* beginning on page 121.

### **Voting of Shares by Holders of Record**

If you are entitled to vote at the Dawson special meeting and hold your shares in your own name, you can submit a proxy or vote in person by completing a ballot at the Dawson special meeting. However, Dawson encourages you to submit a proxy before the Dawson special meeting even if you plan to attend the Dawson special meeting in order to ensure that your shares are voted. A proxy is a legal designation of another person to vote your shares of Dawson common stock on your behalf. If you hold shares in your own name, you may submit a proxy for your shares by:

*Telephone.* You can vote by telephone by calling the toll-free number (800) 690-6903 in the United States, Canada or Puerto Rico on a touch-tone telephone. You will then be prompted to enter the control number printed on Dawson's proxy card, as applicable, and to follow the subsequent instructions. Telephone voting is available 24 hours a day until 11:59 p.m. New York City time on October [ ], 2011. If you vote by telephone,

you do not need to return your proxy card or voting instruction card.

*Internet.* You can vote over the Internet by accessing the website at <http://www.proxyvote.com> and following the instructions on the secure website. Internet voting is available 24 hours a day until

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11:59 p.m. New York City time on October [ ], 2011. If you vote over the Internet, you do not need to return your proxy card or voting instruction card.

*Mail.* You can vote by mail by completing, signing, dating and mailing your proxy card or voting instruction card in the postage-paid envelope included with this joint proxy statement/prospectus.

When a shareholder submits a proxy by telephone or through the Internet, his or her proxy is recorded immediately. Dawson encourages its shareholders to submit their proxies using these methods whenever possible. If you submit a proxy by telephone or the Internet website, please do not return your proxy card by mail.

All shares represented by each properly executed and valid proxy received before the Dawson special meeting will be voted in accordance with the instructions given on the proxy. If a Dawson shareholder executes a proxy card without giving instructions, the shares of Dawson common stock represented by that proxy card will be voted **FOR** approval of the issuance of shares of Dawson common stock pursuant to the merger agreement and **FOR** the proposal to approve any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies in favor of the foregoing proposal.

Your vote is important. Accordingly, please submit your proxy by telephone, through the Internet or by mail, whether or not you plan to attend the meeting in person. Proxies must be received by 11:59 p.m. New York City time on October [ ], 2011.

## **Voting of Shares Held in Street Name**

Dawson shareholders who hold shares of Dawson common stock in a stock brokerage account or through a bank, broker or other nominee ( street name shareholders) who wish to vote at the Dawson special meeting should be provided a voting instruction card by the institution that holds their shares. If this has not occurred, contact the institution that holds your shares. A number of banks and brokerage firms participate in a program that also permits shareholders whose shares are held in street name to direct their vote by telephone or over the Internet. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. The Internet and telephone proxy procedures are designed to authenticate shareholders identities, to allow shareholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by telephone or over the Internet through such a program must be received by 11:59 p.m. New York City time on October [ ], 2011. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the Dawson special meeting; however, you must first obtain a signed and properly executed legal proxy from your bank, broker or other nominee to vote your shares held in street name at the Dawson special meeting. Requesting a legal proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by telephone or over the Internet with respect to your shares.

If you do not instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee will not be authorized to vote. If there is a quorum present at the Dawson special meeting, a broker non-vote will have no effect on the proposal to issue shares of Dawson common stock pursuant to the merger agreement. Whether or not there is a quorum present at the Dawson special meeting, a broker non-vote will have no effect on the proposal to adjourn the Dawson special meeting.

If you mark abstain when voting with respect to the proposal to issue shares of Dawson common stock pursuant to the merger agreement or the proposal to adjourn the Dawson special meeting, if necessary or appropriate, to solicit further proxies in connection with the proposal described above, your abstention will have the same effect as a vote

**AGAINST** such proposal.



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### **Revocability of Proxies; Changing Your Vote**

Regardless of the method you used to cast your vote, if you are a holder of record, you may change your vote:

by completing, signing, dating and returning a new proxy card with a later date so that it is received prior to the Dawson special meeting;

by calling the toll-free number listed on the proxy card or by accessing the Internet website listed on the proxy card by 11:59 p.m. New York City time on October [ ], 2011; or

by attending the Dawson special meeting and voting by ballot in person at the Dawson special meeting.

You may also revoke your proxy card by sending a notice of revocation, which must be received prior to the Dawson special meeting, to the designated representative of Dawson at the address provided under **Where You Can Find More Information** beginning on page 153. Your attendance at the Dawson special meeting will not, by itself, revoke any proxy that you have previously submitted.

If you hold your shares in **street name** and wish to change or revoke your vote, please refer to the information on the voting instruction form included with these materials and forwarded to you by your bank, broker, custodian or other record holder to see your voting options.

### **Solicitation of Proxies**

Dawson is soliciting proxies for the Dawson special meeting from Dawson shareholders. Dawson and TGC are sharing equally in the costs of printing and mailing this joint proxy statement/prospectus. However, Dawson will bear all other costs relating to soliciting proxies from Dawson shareholders. In addition to this mailing, Dawson's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, and by telephone, facsimile, courier service, mail, email, Internet, press release or advertisement (including on television, radio, newspapers or other publications of general distribution). Morrow & Co., LLC, which we refer to as Morrow, has been engaged to aid in the distribution and solicitation of proxies. Dawson will pay Morrow a fee of \$12,500, along with a \$5.00 per holder fee for each call made to such holder, and reimburse its out-of-pocket expenses for such items as mailing, copying, faxes and other related matters and will indemnify Morrow against any losses arising out of Morrow's proxy soliciting services on behalf of Dawson. Dawson and its proxy solicitor will also request that banks, brokerage houses and other custodians, nominees and fiduciaries send proxy materials to the beneficial owners of Dawson common stock and will, if requested, reimburse them for their reasonable out-of-pocket expenses in doing so.

*Dawson shareholders should not submit any stock certificates with their proxy cards.* Dawson shareholders will not need to send in their stock certificates or surrender their book-entry shares.

### **No Other Business**

Under Dawson's second restated articles of incorporation and second amended and restated bylaws, as amended, the business to be conducted at the Dawson special meeting will be limited to the purposes stated in the notice to Dawson shareholders provided with this joint proxy statement/prospectus.

### **Adjournments and Postponements**

Adjournments or postponements may be made for the purpose of, among other things, soliciting additional proxies. Any adjournment may be made from time to time with the approval of a majority of the votes present in person or represented by proxy at the time of the vote, whether or not a quorum exists. Dawson is not required to notify shareholders of any adjournment if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless after the adjournment a new record date is fixed for the adjourned meeting.



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In addition, at any time prior to convening the Dawson special meeting, the Dawson special meeting may be postponed without the approval of Dawson shareholders. If postponed, Dawson will publicly announce the new meeting date.

At any adjourned or postponed meeting, Dawson may transact any business that it might have transacted at the original meeting, provided that a quorum is present at such adjourned or postponed meeting. Proxies submitted by Dawson shareholders for use at the Dawson special meeting will be used at any adjournment or postponement of the meeting. References to the Dawson special meeting in this joint proxy statement/prospectus are to such special meeting as adjourned or postponed.

**Assistance**

If you need assistance in completing your proxy card or have questions regarding the special meeting, please contact Morrow toll-free at (800) 607-0088 (banks and brokers call (800) 654-2468).

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**DAWSON PROPOSAL 1 APPROVAL OF THE ISSUANCE OF SHARES OF DAWSON COMMON STOCK TO TGC SHAREHOLDERS PURSUANT TO THE MERGER AGREEMENT**

As discussed in this joint proxy statement/prospectus, Dawson is asking its shareholders to approve the issuance of shares of Dawson common stock to TGC shareholders pursuant to the merger agreement. Dawson shareholders should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the merger agreement, which is attached as Annex A-1 and the amendment to the merger agreement attached as Annex A-2 to this joint proxy statement/prospectus. Please see the section entitled "The Merger Agreement" beginning on page 98 for additional information and a summary of certain terms of the merger agreement. You are urged to read carefully the entire merger agreement included as Annex A before voting on this proposal.

Approval of this proposal is a condition to the completion of the merger. If the proposal is not approved, the merger will not occur.

**The Dawson board of directors recommends that Dawson shareholders vote FOR approval of the issuance of shares of Dawson common stock pursuant to the merger agreement.**

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**DAWSON PROPOSAL 2 ADJOURNMENT OF THE DAWSON SPECIAL MEETING**

If there are insufficient votes at the time of the Dawson special meeting to approve the foregoing proposal, Dawson may propose to adjourn the Dawson special meeting for the purpose of soliciting additional proxies in favor of the foregoing proposal. Dawson does not intend to propose adjournment at the Dawson special meeting if there are sufficient votes to approve the foregoing proposal.

**The Dawson board of directors recommends that Dawson shareholders vote FOR any adjournment of the Dawson special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

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**THE TGC SPECIAL MEETING**

TGC's board of directors is using this document to solicit proxies from TGC shareholders for use at the TGC special meeting. In addition, this document constitutes a prospectus covering the issuance of Dawson common stock pursuant to the merger agreement.

**Date, Time and Place**

The special meeting of TGC's shareholders will be held at the offices of Haynes and Boone LLP at 2323 Victory Avenue, Suite 700, Dallas, Texas at 8:00 a.m., central time, on October [ ], 2011.

**Purpose**

The purpose of the TGC special meeting is as follows:

1. to approve the merger agreement;
2. to approve a non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger; and
3. to approve adjournments of the special meeting, if necessary or appropriate, to permit the solicitation of additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement.

**Board Recommendations**

TGC's board of directors has adopted a resolution approving the merger agreement and has determined that the merger agreement is advisable and in the best interests of TGC and its shareholders and **recommends that TGC shareholders vote FOR approval of the merger agreement, FOR approval of the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and FOR approval of any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies.** See The Merger Background of the Merger and The Merger TGC's Reasons for the Merger and Recommendation of TGC's Board of Directors beginning on page 54 and 68, respectively.

As described under The Merger Conflicts of Interests beginning on page 92, TGC directors and executive officers have agreements and arrangements that provide them with interests in the merger that are different from, or are in addition to, those of TGC shareholders.

**Record Date; Outstanding Shares; Shares Entitled to Vote**

The record date for the TGC special meeting is August 29, 2011. Only holders of record of TGC common stock at the close of business on the record date are entitled to notice of, and to vote at, the TGC special meeting. At the close of business on the record date, there were 19,250,882 shares of TGC common stock issued and outstanding held by approximately 145 holders of record. TGC believes there are a number of additional beneficial holders of its shares. Each share of TGC common stock entitles the holder of that share to one vote on each matter submitted for shareholder approval.

**Quorum**

A quorum of shareholders is required for TGC shareholders to take action at the TGC special meeting on the proposal to approve the merger agreement and the proposal to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger, but not to approve any adjournment of the meeting. The presence at the special meeting, in person or represented by proxy, of the holders of a majority of the outstanding shares of TGC common stock entitled to vote at the close of business on the record date will constitute a quorum. Proxies received but marked as abstentions, if any, will be included in the calculation of the number of shares considered to be present at the meeting for quorum purposes. With respect to broker non-votes, none of the matters to be considered at the

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TGC special meeting are considered routine matters. Therefore, your bank, broker or other nominee will not be permitted to vote on such proposals without instruction from you as the beneficial owner of the shares of TGC common stock. Further, in the event there are any broker non-votes, such votes will not count for purposes of determining whether a quorum is present at the special meeting.

### **Required Vote**

The affirmative vote of at least 80% of the outstanding shares of TGC common stock is required to approve the merger agreement. Abstentions, broker non-votes and shares not in attendance at the TGC special meeting will have the same effect as a vote **AGAINST** approval of the merger agreement.

The affirmative vote of a majority of the shares of TGC common stock present in person or represented by proxy and entitled to vote at the TGC special meeting, in which a quorum is present, is required to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger at the TGC special meeting. Abstentions will have the same effect as a vote **AGAINST** the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. Assuming a quorum is present at the TGC special meeting, broker non-votes and shares not in attendance at the TGC special meeting will have no effect on the outcome of any vote on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger.

Any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies, requires the affirmative vote of the holders of TGC common stock representing a majority of the votes present in person or represented by proxy at the special meeting and entitled to vote, whether or not a quorum exists, without further notice other than by announcement made at the special meeting, so long as no new record date is set. Abstentions will have the same effect as a vote **AGAINST** the proposal to adjourn the TGC special meeting, while broker non-votes and shares not in attendance at the special meeting will have no effect on the outcome of any vote to adjourn the TGC special meeting.

### **Tabulation of the Votes**

TGC has appointed Broadridge Financial Solutions, Inc. to serve as the Inspector of Election for the TGC special meeting. Broadridge Financial Solutions, Inc. will independently tabulate affirmative and negative votes and abstentions.

### **Stock Ownership of and Voting by TGC's Directors and Executive Officers**

At the close of business on August 29, 2011, the record date for the TGC special meeting, directors and executive officers of TGC beneficially owned and were entitled to vote 5,519,641 shares of TGC common stock, collectively representing approximately 28.7% of the shares of TGC common stock outstanding on that date. Pursuant to and subject to the terms of the TGC shareholder voting agreements, those executive officers and directors and their affiliates have agreed, among other things, to vote their shares of TGC common stock in favor of approval of the merger agreement at the TGC special meeting. For additional information on the TGC shareholder voting agreement, see "The TGC Shareholder Voting Agreement" beginning on page 119.

### **Voting of Shares by Holders of Record**

If you are entitled to vote at the TGC special meeting and hold your shares in your own name, you can submit a proxy or vote in person by completing a ballot at the TGC special meeting. However, TGC encourages you to submit a proxy before the TGC special meeting even if you plan to attend the TGC special meeting in order to ensure that your

shares are voted. A proxy is a legal designation of another person to vote your shares of TGC common stock on your behalf. If you hold shares in your own name, you may submit a proxy for your shares by:

*Telephone.* You can vote by telephone by calling the toll-free number (800) 690-6903 in the United States, Canada or Puerto Rico on a touch-tone telephone. You will then be prompted to enter

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the control number printed on TGC's proxy card, as applicable, and to follow the subsequent instructions. Telephone voting is available 24 hours a day until 11:59 p.m. New York City time on October [ ], 2011. If you vote by telephone, you do not need to return your proxy card or voting instruction card.

*Internet.* You can vote over the Internet by accessing the website at <http://www.proxyvote.com> and following the instructions on the secure website. Internet voting is available 24 hours a day until 11:59 p.m. New York City time on October [ ], 2011. If you vote over the Internet, you do not need to return your proxy card or voting instruction card.

*Mail.* You can vote by mail by completing, signing, dating and mailing your proxy card or voting instruction card in the postage-paid envelope included with this joint proxy statement/prospectus.

When a shareholder submits a proxy by telephone or through the Internet, his or her proxy is recorded immediately. TGC encourages its shareholders to submit their proxies using these methods whenever possible. If you submit a proxy by telephone or the Internet website, please do not return your proxy card by mail.

All shares represented by each properly executed and valid proxy received before the TGC special meeting will be voted in accordance with the instructions given on the proxy. If a TGC shareholder executes a proxy card without giving instructions, the shares of TGC common stock represented by that proxy card will be voted **FOR** approval of the merger agreement, **FOR** approval of non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger and **FOR** the proposal to approve any adjournment of the special meeting, if necessary or appropriate to solicit additional proxies in favor of approval of the merger agreement.

Your vote is important. Accordingly, please submit your proxy by telephone, through the Internet or by mail, whether or not you plan to attend the meeting in person. Proxies must be received by 11:59 p.m. New York City time on October [ ], 2011.

## **Voting of Shares Held in Street Name**

TGC shareholders who hold shares of TGC common stock in a stock brokerage account or through a bank, broker or other nominee (street name shareholders) who wish to vote at the TGC special meeting should be provided a voting instruction card by the institution that holds their shares. If this has not occurred, contact the institution that holds your shares. A number of banks and brokerage firms participate in a program that also permits shareholders whose shares are held in street name to direct their vote by telephone or over the Internet. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. The Internet and telephone proxy procedures are designed to authenticate shareholders' identities, to allow shareholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by telephone or over the Internet through such a program must be received by 11:59 p.m. New York City time on October [ ], 2011. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the TGC special meeting; however, you must first obtain a signed and properly executed legal proxy from your bank, broker or other nominee to vote your shares held in street name at the TGC special meeting. Requesting a legal proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by telephone or over the Internet with respect to your shares.

If you do not instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee will not be authorized to vote. Assuming a quorum is present at the TGC special meeting, a broker non-vote will have the same effect as a vote **AGAINST** the proposal to approve the merger agreement, but will have no effect on the



proposal to approve the non-binding advisory resolution on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger. Whether or not a quorum is present at the TGC special meeting, a broker non-vote will have no effect on the adjournment proposal.

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If you mark abstain when voting with respect to the proposal to approve the merger agreement, the proposal to approve the non-binding advisory resolution concerning certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger or the proposal to adjourn the TGC special meeting, if necessary or appropriate, to solicit further proxies in connection with the proposal to approve the merger agreement, your abstention will have the same effect as a vote **AGAINST** such proposal.

## **Revocability of Proxies; Changing Your Vote**

Regardless of the method you used to cast your vote, if you are a holder of record, you may change your vote:

by completing, signing, dating and returning a new proxy card with a later date so that it is received prior to the TGC special meeting;

by calling the toll-free number listed on the proxy card or by accessing the Internet website listed on the proxy card by 11:59 p.m. New York City time on October [ ], 2011; or

by attending the TGC special meeting and voting by ballot in person at the TGC special meeting.

You may also revoke your proxy card by sending a notice of revocation, which must be received prior to the TGC special meeting, to the designated representative of TGC at the address provided under **Where You Can Find More Information** beginning on page 153. Your attendance at the TGC special meeting will not, by itself, revoke any proxy that you have previously submitted.

If you hold your shares in street name and wish to change or revoke your vote, please refer to the information on the voting instruction form included with these materials and forwarded to you by your bank, broker, custodian or other record holder to see your voting options.

## **Solicitation of Proxies**

TGC is soliciting proxies for the TGC special meeting from TGC shareholders. Dawson and TGC are sharing equally in the costs of printing and mailing this joint proxy statement/prospectus. However, TGC will bear all other costs relating to soliciting proxies from TGC shareholders. In addition to this mailing, TGC's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, and by telephone, facsimile, courier service, mail, email, Internet, press release or advertisement (including on television, radio, newspapers or other publications of general distribution). D.F. King & Co., Inc., which we refer to as D.F. King, has been engaged to aid in the distribution and solicitation of proxies. TGC will pay D.F. King an upfront fee of \$10,000, a \$5.00 per incoming and outgoing call fee and an additional \$10,000 fee on the date of the special meeting, and reimburse its out-of-pocket expenses for such items as mailing, copying, faxes and other related matters and will indemnify D.F. King against any losses arising out of D.F. King's proxy soliciting services on behalf of TGC. TGC and its proxy solicitor will also request that banks, brokerage houses and other custodians, nominees and fiduciaries send proxy materials to the beneficial owners of TGC common stock and will, if requested, reimburse them for their reasonable out-of-pocket expenses in doing so.

*TGC shareholders should not submit any stock certificates with their proxy cards.* TGC shareholders will not need to send in their stock certificates or surrender their book-entry shares. A transmittal form with instructions for the surrender of certificates representing shares of common stock or book-entry shares of common stock, as applicable, will be mailed to TGC shareholders assuming the merger is completed.

## **No Other Business**

Under TGC's amended and restated bylaws, the business to be conducted at the TGC special meeting will be limited to the purposes stated in the notice to TGC shareholders provided with this joint proxy statement/prospectus.

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**Adjournments and Postponements**

Adjournments or postponements may be made for the purpose of, among other things, soliciting additional proxies. Any adjournment may be made from time to time with the approval of a majority of the votes present in person or represented by proxy at the time of the vote, whether or not a quorum exists. TGC is not required to notify shareholders of any adjournment if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless after the adjournment a new record date is fixed for the adjourned meeting.

In addition, at any time prior to convening the TGC special meeting, the TGC special meeting may be postponed without the approval of TGC shareholders. If postponed, TGC will publicly announce the new meeting date.

At any adjourned or postponed meeting, TGC may transact any business that it might have transacted at the original meeting, provided that a quorum is present at such adjourned or postponed meeting. Proxies submitted by TGC shareholders for use at the TGC special meeting will be used at any adjournment or postponement of the meeting. References to the TGC special meeting in this joint proxy statement/prospectus are to such special meeting as adjourned or postponed.

**Assistance**

If you need assistance in completing your proxy card or have questions regarding the special meeting, please contact D.F. King toll-free at (800) 967-4617 (banks and brokers call collect at (212) 269-5550).

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**TGC PROPOSAL 1 APPROVAL OF THE MERGER AGREEMENT**

As discussed in this joint proxy statement/prospectus, TGC is asking its shareholders to approve the merger agreement. TGC shareholders should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the merger agreement, which is attached as Annex A-1 and the amendment to the merger agreement attached as Annex A-2 to this joint proxy statement/prospectus. Please see the section entitled "The Merger Agreement" beginning on page 98 for additional information and a summary of certain terms of the merger agreement. You are urged to read carefully the entire merger agreement included as Annex A before voting on this proposal.

Approval of this proposal is a condition to the completion of the merger. If the proposal is not approved, the merger will not occur.

As described under the headings "TGC Proposal 2 Non-Binding, Advisory Vote on Approval of Certain Compensation to be Paid by TGC to TGC's Named Executive Officers" and "The Merger Conflicts of Interests" beginning on pages 49 and 92, respectively, of this joint proxy statement/prospectus, TGC's directors and executive officers will receive financial benefits that are different from, or in addition to, those of TGC's shareholders.

**The TGC board of directors recommends that TGC shareholders vote FOR approval of the merger agreement.**

**Table of Contents****TGC PROPOSAL 2 NON-BINDING, ADVISORY VOTE ON APPROVAL OF CERTAIN COMPENSATION TO BE PAID BY TGC TO TGC S NAMED EXECUTIVE OFFICERS**

The SEC rules resulting from the Dodd-Frank Act require TGC shareholders to vote to approve, on an advisory (non-binding) basis, payments to be made to TGC s named executive officers by TGC as a result of the merger. This compensation consists of the following:

the accelerated vesting of TGC s options to purchase shares of TGC common stock held by TGC s named executive officers beginning 30 days prior to the effective time of the merger and the right to receive the merger consideration in respect of any such options that are exercised prior to the effective time of the merger; and

a cash bonus payment to be made to TGC s named executive officers upon the closing of the merger.

The following table presents the compensation to be paid by TGC to TGC s named executive officers upon consummation of the merger that is the subject of the non-binding advisory resolution that TGC shareholders are being asked to approve.

<b>Name</b>	<b>Cash</b> <b>(\$)</b>	<b>Equity</b> <b>(\$)</b>	<b>Pension/Perquisites/ NQDC</b> <b>(\$)</b>	<b>Benefits</b> <b>(\$)</b>	<b>Reimbursemen</b> <b>(\$)</b>	<b>Tax</b> <b>(\$)</b>	<b>Other</b> <b>(\$)</b>	<b>Total</b> <b>(\$)</b>
Wayne A. Whitener	100,000(1)	89,025(4)						189,025
Daniel G. Winn	10,000(2)	53,414(5)						63,414
James K. Brata	8,000(3)	53,414(6)						61,414

**Footnotes:**

- (1) Based on cash bonus payments due from TGC upon closing of the merger of \$100,000.
- (2) Based on cash bonus payments due from TGC upon closing of the merger of \$10,000.
- (3) Based on cash bonus payments due from TGC upon closing of the merger of \$8,000.
- (4) Based on the accelerated vesting of stock options exercisable into 18,742 shares of common stock with an exercise price of \$3.06 and using the assumed stock price of \$7.81 based on the average of the closing price for the first five trading days after the announcement of the merger agreement as required pursuant to Item 402 of Regulation S-K.
- (5) Based on the accelerated vesting of stock options exercisable into 11,245 shares of common stock with an exercise price of \$3.06 and using the assumed stock price of \$7.81 based on the average of the closing price for the first five trading days after the announcement of the merger agreement as required pursuant to Item 402 of Regulation S-K.
- (6)

Based on the accelerated vesting of stock options exercisable into 11,245 shares of common stock with an exercise price of \$3.06 and using the assumed stock price of \$7.81 based on the average of the closing price for the first five trading days after the announcement of the merger agreement as required pursuant to Item 402 of Regulation S-K.

**TGC's board of directors recommends its shareholders vote FOR the following resolution at the TGC special meeting:**

**RESOLVED, that TGC's shareholders approve, on an advisory basis, the compensation that may be received by the TGC Industries, Inc.'s named executive officers from TGC Industries, Inc. in connection with the merger as disclosed in the Proxy Statement of TGC Industries, Inc. concerning the merger under the heading**

**Proposal 2 Non-Binding, Advisory Vote on Approval of Certain Compensation to be Paid by TGC to TGC's Named Executive Officers.**

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The vote on certain compensation to be paid by TGC to TGC's named executive officers upon consummation of the merger is advisory, and therefore not binding on TGC, Dawson, or either of their boards of directors. Further, approval of such compensation is not a condition to the merger and therefore the parties are obligated to complete the merger if the closing conditions set forth in the merger agreement are satisfied. Accordingly, even if TGC shareholders do not approve such compensation, if all closing conditions to the merger are satisfied, Dawson and TGC will be obligated to close the merger, and TGC named executive officers will be paid such compensation.

In addition to the compensation described above, TGC's named executive officers will also receive additional compensation in connection with the merger. See "The Merger," "Conflicts of Interests," "Golden Parachute Compensation" beginning on page 94.



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**TGC PROPOSAL 3 ADJOURNMENT OF THE TGC SPECIAL MEETING**

If there are insufficient votes at the time of the TGC special meeting to approve the merger agreement, TGC may propose to adjourn the TGC special meeting for the purpose of soliciting additional proxies in favor of the foregoing proposal. TGC does not intend to propose adjournment at the TGC special meeting if there are sufficient votes to approve the merger agreement.

**The TGC board of directors recommends that TGC shareholders vote FOR any adjournment of the TGC special meeting, if necessary or appropriate, to permit further solicitation of proxies.**

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**THE PARTIES TO THE MERGER**

**Dawson Geophysical Company**  
**508 West Wall, Suite 800**  
**Midland, Texas 79701**  
**(432) 684-3000**

Dawson Geophysical Company, a Texas corporation, is the leading provider of U.S. onshore seismic data acquisition services as measured by the number of active data acquisition crews. Founded in 1952, Dawson acquires and processes 2-D, 3-D and multi-component seismic data solely for its clients, ranging from major oil and gas companies to independent oil and gas operators as well as providers of multi-client data libraries.

Dawson's clients rely on seismic data to identify areas where subsurface conditions are favorable for the accumulation of hydrocarbons and to optimize development and production of hydrocarbon reservoirs. As of March 31, 2011, Dawson operated twelve 3-D seismic data acquisition crews in the lower 48 states of the United States and a seismic data processing center. The results of a seismic survey conducted for a client belong to that client. Dawson does not acquire seismic data for its own account nor does it participate in oil and gas ventures.

Dawson's business consists of the acquisition and processing of seismic data using either 2-D or 3-D methods to produce an image of the earth's subsurface. The seismic method involves the recording of reflected acoustic or sonic waves from below the ground. In its operations, Dawson introduces acoustic energy into the ground by using an acoustic energy source, usually large vibrating machines or through the detonation of dynamite. Dawson then records the subsequent reflected energy, or echoes, with recording devices placed along the earth's surface. These recording devices, or geophones, are placed on the ground individually or in groups connected together as a single recording channel. Dawson generally uses thousands of recording channels in its seismic surveys. Additional recording channels enhance the resolution of the seismic survey through increased imaging analysis and provide improved operational efficiencies for Dawson's clients.

Dawson's common stock is listed on NASDAQ under the symbol DWSN.

Additional information about Dawson is included in documents incorporated by reference in this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 153.

**TGC Industries, Inc.**  
**101 East Park Blvd., Suite 955**  
**Plano, Texas 75074**  
**(972) 881-1099**

TGC Industries, Inc., a Texas corporation, and its wholly owned subsidiary, Eagle Canada, Inc., a Delaware corporation, are primarily engaged in the geophysical service business of conducting 3-D surveys for clients in the oil and gas business.

TGC is a leading provider of seismic data acquisition services throughout the continental United States and Canada. As of December 31, 2010, TGC operated eleven seismic crews, seven in the U.S. and four in Canada. These seismic crews supply seismic data primarily to companies engaged in the exploration and development of oil and natural gas on land and in land-to-water transition areas. Eagle Canada's seismic acquisition services are also used by the potash mining industry in Canada, and Eagle Canada has particular expertise through its heliportable capabilities. TGC's

clients rely on seismic data to identify areas where subsurface conditions are favorable for the accumulation of existing hydrocarbons, to optimize the development and production of hydrocarbon reservoirs, to better delineate existing oil and natural gas fields, and to augment reservoir management techniques.

TGC acquires geophysical data using the latest in 3-D survey techniques. TGC introduces acoustic energy into the ground by using vibration equipment or dynamite detonation, depending on the surface terrain and subsurface requirements. The reflected energy, or echoes, is received through geophones, converted into a digital signal at a multi-channel recording unit, and then transmitted to a central recording vehicle. Subsurface

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requirements dictate the number of channels necessary to perform TGC's services. With its state-of-the-art seismic equipment, including computer technology and multiple channels, TGC acquires, on a cost effective basis, immense volumes of seismic data that, when processed and interpreted, produce more precise images of the earth's subsurface. TGC's clients then use its seismic data to generate 3-D geologic models that help reduce finding costs and improve recovery rates from existing wells.

TGC's common stock is listed on NASDAQ under the symbol TGE.

Additional information about TGC is included in documents incorporated by reference in this joint proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 153.

**6446 Acquisition Corp.**  
**508 West Wall, Suite 800**  
**Midland, Texas 79701**  
**(432) 684-3000**

6446 Acquisition Corp., a Texas corporation and direct, wholly owned subsidiary of Dawson, was formed solely for the purpose of consummating the merger. Merger Sub has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement.

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**THE MERGER**

**Overview**

The Dawson board of directors and the TGC board of directors have each approved the merger agreement. Pursuant to the merger agreement, Merger Sub, a wholly owned subsidiary of Dawson, will merge with and into TGC, with TGC continuing as the surviving corporation and a wholly owned subsidiary of Dawson.

Upon the consummation of the merger, each share of TGC common stock issued and outstanding before the merger, other than any shares owned by Dawson, TGC or any of their respective subsidiaries, will be converted into the right to receive 0.188 shares of Dawson common stock, which is the exchange ratio. No fractional shares will be issued, and in lieu of any such fractional shares cash will be paid instead. The number of shares of Dawson common stock to be issued in the merger for each TGC common share is fixed (except in the event of any stock dividend, subdivision, recapitalization, split, reverse split, combination or exchange of shares or similar event with respect to Dawson common stock or TGC common stock) and will not be adjusted for changes in the market price of either Dawson common stock or TGC common stock. However, in the event that the 10-day average VWAP of Dawson common stock as of October [ ], 2011 (which is the date that is two business days prior to the date of the special meetings) is less than \$32.54 or greater than \$52.54, the parties, at their respective option, will be entitled to terminate the transaction following two business days of good faith negotiations to determine a modified, mutually acceptable exchange ratio.

If the exchange ratio is modified, Dawson and TGC will each disclose the adjustment on a current report on Form 8-K and in a press release and will recirculate this joint proxy statement/prospectus or a supplement thereto and resolicit proxies.

Shares of TGC common stock issued and outstanding before the merger will be cancelled upon completion of the merger.

**Background of the Merger**

Dawson's senior management regularly evaluates and periodically reviews with Dawson's board of directors, or the Dawson board, strategies to enhance shareholder value, including opportunities to enhance the services it provides to its clients and its overall position in the seismic industry. One of the areas for potential growth that Dawson has considered from time to time is the acquisition of, or a joint venture with, another seismic company. However, prior to entering into discussions with TGC, Dawson had not identified a potential candidate that presented an attractive acquisition target or combination partner.

Similarly, as part of the continuous evaluation of its business, TGC's board of directors, or the TGC board, and management regularly evaluate TGC's business strategy and prospects for growth and consider opportunities to create value for its shareholders.

On May 27, 2010, Stephen C. Jumper, Dawson's President and Chief Executive Officer, and Mr. Whitener, TGC's President and Chief Executive Officer, spoke on the telephone to discuss common equipment issues the companies faced as users of the same seismic field equipment. On the call, Mr. Jumper noted that the two executives faced similar operational issues and asked Mr. Whitener if he would consider a combination of their two businesses. Mr. Whitener agreed to discuss with the TGC board Dawson's interest in a potential combination of the two companies. Later on May 27, 2010, Mr. Whitener described to certain of the TGC directors Dawson's interest and

received authorization to enter into a confidentiality agreement on behalf of TGC with Dawson. At the same time, Mr. Jumper contacted Baker Botts L.L.P, or Baker Botts, Dawson's outside counsel, about the legal aspects of a possible transaction with TGC.

Subsequently, the parties executed a confidentiality agreement. Under the terms of the confidentiality agreement, each party agreed to treat confidentially certain proprietary information shared by the other party to enable them to analyze a possible combination of Dawson and TGC. In addition, the confidentiality agreement contained, among other things, standstill restrictions that, in accordance with and subject to the terms of the confidentiality agreement, prohibited either party from making an unsolicited offer to acquire the

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securities of the other party for a period of one year. The confidentiality agreement was amended on June 2, 2010 to prohibit the parties from soliciting any of the other party's employees involved or participating in the negotiation process (pursuant to a May 27, 2011 amendment to the confidentiality agreement, the term of the confidentiality agreement was extended to one year after termination of the merger agreement).

On June 3, 2010, Mr. Jumper, via email communication, alerted the Dawson board of his discussion with Mr. Whitener and the possibility of a transaction. On June 7, 2010, the Dawson board held a telephonic meeting at which Mr. Jumper discussed the potential transaction with the Dawson board and possible valuations of TGC. During the meeting, the Dawson board expressed the view that, given the weak state of the seismic industry, general market weakness and TGC's market position, Dawson would be interested in a potential combination, but would be reluctant to pay a significant premium to TGC shareholders. At the end of the meeting, the board of directors authorized Mr. Jumper to continue discussions with TGC on the basis of a stock-for-stock transaction.

On June 8, 2010, at Mr. Whitener's invitation, Dawson sent a letter to TGC indicating that Dawson would be interested in a transaction with TGC on a straight stock-for-stock basis. The letter did not propose any exchange ratio. The next day, Mr. Whitener and Mr. Jumper talked by telephone regarding a potential valuation of TGC and a proposed exchange ratio. Mr. Jumper told Mr. Whitener that a combination was possible, but only at an exchange ratio that was based on the current trading prices of each company's common stock (that is, without a premium to TGC shareholders), which would have translated into an exchange ratio of approximately six TGC shares of common stock to each single share of Dawson common stock or 0.167 shares of Dawson stock for each TGC share of common stock based on the then current market prices of the respective stocks.

Mr. Whitener spoke with certain members of the TGC board about the exchange ratio proposed by Mr. Jumper. Those directors did not believe that the exchange ratio was fair to TGC shareholders. The TGC directors also expressed their belief that there would need to be an implied value of approximately \$6.00 per share of TGC common stock for any potential business combination with Dawson to be attractive to TGC's shareholders, especially its larger shareholders. Accordingly, TGC responded by letter to Dawson on June 15, 2010, rejecting Dawson's proposal and proposing instead a hybrid transaction in which a convertible preferred security would be issued to TGC's shareholders in lieu of Dawson common stock. As proposed by TGC, the convertible preferred stock would have a stated value of \$5.50 per share, pay a 6% dividend, be convertible at anytime into 0.225 shares of Dawson common stock and be callable after three years at a price of \$6.00 per share. The conversion price would have represented a premium of approximately 35.0% based on the average of the closing prices of TGC's common stock from January 1, 2010 through June 14, 2010. Upon receipt of the letter, Mr. Jumper again communicated to Mr. Whitener that Dawson would be interested only in a common stock transaction with little or no premium paid.

Mr. Jumper and Mr. Whitener continued to talk by telephone regarding a possible combination from time to time until the end of June 2010. However, there was no agreement regarding either the form of any consideration that would be paid to TGC shareholders or an appropriate ratio. These discussions terminated in late June 2010.

Messrs. Whitener and Jumper continued to see each other at various industry conferences as well as socially during the remainder of 2010 and into January 2011. At one industry conference in September 2010, Mr. Whitener made a preliminary inquiry as to whether there was any interest in re-commencing discussions regarding a possible transaction. Mr. Jumper told Mr. Whitener that Dawson had no interest at such time.

Between July 2010 and January 26, 2011, the market price of Dawson common stock increased, trading up from a closing price of \$20.77 on July 1, 2010 to a closing price of \$32.70 on January 26, 2011, an increase of approximately 57.4%. Over the same period, the market price of TGC common stock also rose, rising from a closing price of \$3.10 on July 1, 2010 to \$4.76 on January 26, 2011, an increase of approximately 53.5%. This rise in the Dawson market price made a potential business combination with Dawson potentially more attractive to TGC since at such a market

price, the exchange ratio previously proposed by Dawson in June 2010 would provide an implied value for the shares of TGC common stock of nearly \$6.00 per share, which was the implied value that the TGC board believed at the time was necessary



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for any business combination with Dawson to be attractive to TGC's shareholders as a whole, and its larger shareholders in particular. In addition, the TGC board believed that the recent unrest in the Middle East, which was causing an increase in interest in domestic oil and natural gas exploration, would also result in an increase in seismic demand generally, including an increase in demand for services provided by Dawson, a leader in the domestic seismic industry.

As a result of the favorable dynamics resulting from the increase in the stock price of Dawson's common stock from July 2010 through January 2011, the unrest in the Middle East and the potential positive impact of such unrest on the domestic seismic industry, and based on discussions with one of the members of the TGC board, Mr. Whitener telephoned Mr. Jumper to suggest that they should resume discussions regarding a transaction in which Dawson combined with TGC. Mr. Whitener suggested that the basis of the discussions would be a stock-for-stock transaction at a ratio of six TGC shares for each single share of Dawson stock or 0.167 shares of Dawson common stock for each share of TGC common stock (the same ratio that Dawson had proposed in June 2010), but with a warrant to purchase additional shares of Dawson stock. As he had in their previous discussions, Mr. Jumper indicated that Dawson would only be interested in a transaction that was a straight stock-for-stock deal without any warrant or other convertible or other equity security component.

On January 29, 2011, Mr. Jumper, via email communication, notified the Dawson board of his call with Mr. Whitener and the possibility of resuming discussions with TGC and informally solicited the views of the board of directors regarding the transaction. In considering restarting discussions with TGC, Dawson took into account the increase in stock price described above as well as the altered market conditions of January 2011 as compared to the earlier period. During mid-2010 seismic market conditions, including demand for seismic services, were still relatively weak as they had been since the onset of the financial crisis and economic downturn in late 2008. By early 2011, however, Dawson believed that market conditions in the seismic industry had improved both for Dawson and for the industry generally. As a result of these improving market conditions from mid-2010 to early 2011, Dawson was able to increase its number of operating data acquisition crews (from 9 at the beginning of 2010 to 12 at the end of 2010), and also saw its order book strengthen. The improvement in demand for seismic services also led to improved crew utilization as well as an increase in the number of actively deployed recording channels. These improved market conditions made a possible transaction with TGC more attractive as Dawson considered that a combined company might more effectively deploy a larger number of crews and recording channels in the field.

Between January 26, 2011 and February 4, 2011, Messrs. Whitener and Jumper talked by telephone several times to discuss further Dawson's interest in combining with TGC. During those discussions, Mr. Jumper indicated that, because of the rise in Dawson's trading price, improving seismic market conditions and an increased ability to deploy additional channels in the field, Dawson would be willing (unlike in June 2010) to consider a transaction at a reasonable premium to the current trading price of TGC common stock. After further telephone discussions, on February 4, 2011, Messrs. Jumper and Whitener agreed to move forward with a discussion of a potential combination on the basis of a stock-for-stock deal at an exchange ratio of 5.75 shares of TGC common stock for each single share of Dawson common stock or 0.174 shares of Dawson common stock for each share of TGC common stock, which exchange ratio would represent an approximate 30.0% premium over the market price of TGC common stock on February 4, 2011.

Also between January 26, 2011 and February 4, 2011, one of TGC's directors discussed with Mr. Whitener the TGC board's view that since the proposed combination with Dawson would be structured as a stock-for-stock transaction and therefore TGC shareholders would remain invested in a seismic company that, post-transaction, would be reliant, in part, on TGC management continuing to perform at its high level, there should be a continuity of management and the TGC management team should remain for some period post-transaction with the surviving entity. As a result of these discussions, Mr. Whitener subsequently informed Dawson that as a condition to any potential combination with Dawson, Mr. Whitener and three other key TGC employees would need to enter into employment agreements that

would be effective as of the closing of the combination.

At a telephonic meeting of the TGC board on February 5, 2011, Mr. Whitener described his discussions with Mr. Jumper regarding a possible combination of the two companies and the proposed exchange ratio. The

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TGC board authorized Mr. Whitener to continue discussions with Dawson. On February 5, 2011, Mr. Whitener approached TGC's outside counsel, Haynes and Boone, LLP, or Haynes and Boone, regarding the possible transaction. On February 6, 2011, Mr. Whitener and another member of the TGC board spoke with Haynes and Boone about the combination including such items as whether or not to enter into a letter of intent and the possibility of obtaining a go-shop provision in order to determine if there were other potential suitors for TGC.

On February 7, 2011, there was a telephonic meeting of the TGC board at which representatives of Haynes and Boone also participated. Mr. Whitener described the continued discussions with Mr. Jumper and C. Ray Tobias, Executive Vice President and Chief Operating Officer of Dawson, that morning. The TGC board discussed the employment agreements to be entered into by Mr. Whitener and three other key employees, the possibility of obtaining a collar (that is, a range of market prices for Dawson common stock beyond which the agreed-upon exchange rate would need to be renegotiated by the parties) in order to protect against a substantial fall in Dawson's stock price, the need to obtain a fairness opinion from an investment bank and the possibility of the investment bank assisting with a go-shop process and the importance of obtaining a favorable reaction to any proposed combination since approval of the merger by TGC would require approval by holders of 80% of TGC common stock. In order to encourage certain of its executives to continue to focus on their day-to-day management responsibilities, as well as to encourage those executives' continued employment with TGC throughout the negotiation of, and for some period of time after completion of, any change in control transaction, the TGC board awarded each of Messrs. Whitener, Winn and Brata bonuses contingent on completion of a change in control transaction. Specifically, the TGC board agreed that if the Dawson combination or another similar transaction was consummated, Mr. Whitener would be paid \$100,000, Mr. Winn would be paid \$10,000 and Mr. Brata would be paid \$8,000. Also during the meeting, the TGC board interviewed an investment banking firm regarding the possibility of that firm providing a fairness opinion and managing a go-shop process. The TGC board agreed to interview additional investment banks also.

On February 9, 2011, a telephonic meeting of the Dawson board was held to discuss the proposed transaction. On the call, Mr. Jumper informed the Dawson board of TGC's renewed interest. A representative of Baker Botts, who Mr. Jumper had previously approached to assist in the legal aspects of any transaction, was also present at the meeting to review for the Dawson board its fiduciary obligations under Texas law and to answer questions regarding the legal aspects of any potential transaction. In addition, a representative of EnerCom, Inc., Dawson's investor relations consultant, was also present to discuss the possible reaction of the investment community to the potential transaction. The Dawson board discussed, among other things, the trading price of TGC common stock, the fact that TGC and Dawson were comparable companies with similar business models, TGC's general business prospects and the seismic industry's business prospects, the need to engage a financial advisor and to seek a fairness opinion, and TGC's request that two of TGC's current directors join the Dawson board at the closing of any potential transaction. After a discussion of these issues, the Dawson board authorized Dawson management to continue discussions with TGC on the basis of a stock-for-stock deal at a 5.75 to 1 (or 0.174) exchange ratio.

Following the Dawson board's authorization, Dawson considered the engagement of an investment banking firm to provide the Dawson board with an independent analysis of the consideration to be paid by Dawson in the proposed transaction and its fairness to Dawson. After considering other potential candidates, management formally contacted Raymond James on February 10, 2011 regarding a potential engagement. Although Raymond James was not then engaged as Dawson's regular investment banker, Raymond James had from time to time previously provided investment advice to Dawson, including underwriting Dawson's last stock offering in 2005. Further, Dawson recognized that Raymond James was known to be familiar with the oilfield services industry. On February 15, 2011, Dawson entered into an engagement letter with Raymond James pursuant to which Raymond James would prepare a financial analysis of the proposed transaction with a view towards advising the Dawson board as to its opinion of the fairness of the merger consideration, from a financial point of view, to Dawson.



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At a telephonic meeting of the TGC board on February 10, 2011, the TGC board interviewed a second investment banking firm regarding the possibility of that firm rendering a fairness opinion and managing a go-shop process.

On February 11, 2011, at a telephonic meeting of the TGC board, the TGC board interviewed Southwest Securities regarding the possibility of Southwest Securities rendering a fairness opinion and managing a go-shop process. After the presentation by Southwest Securities, the TGC board determined to engage Southwest Securities. On February 17, 2011, TGC and Southwest Securities entered into an engagement letter relating to the rendering by Southwest Securities of a fairness opinion regarding the fairness of the financial terms of the combination to TGC shareholders solely from a financial point of view and managing a go-shop process.

On February 15, 2011, representatives of Baker Botts and Haynes and Boone held a telephone call to discuss various preliminary matters related to the potential transaction, including the due diligence process, which the parties agreed, in light of the stock-for-stock transaction, would need to be mutual. On February 18, 2011, Dawson sent an initial request for certain due diligence documents and materials relating to TGC. Also on February 18, 2011, Dawson discussed with KPMG LLP, or KPMG, the possibility of KPMG conducting financial accounting due diligence for Dawson, including a review of TGC's audit workpapers, accounting policies and quality of earnings. Representatives of Dawson, Baker Botts and KPMG conducted legal, business and financial due diligence with respect to TGC during the remainder of February and into March.

On February 21, 2011, Baker Botts presented a preliminary key issues list to Haynes and Boone. On February 22, 2011, Mr. Whitener, another member of the TGC board and representatives of Haynes and Boone and Southwest Securities discussed the preliminary key issues list and potential responses to these issues. On February 23, 2011, TGC sent an initial request for certain due diligence documents and materials relating to Dawson. Representatives of TGC, Haynes and Boone and Lane Gorman Trubitt, P.L.L.C., or Lane Gorman, TGC's independent public accountants, conducted legal, business and financial due diligence with respect to Dawson during the remainder of February and into March 2011.

On February 25, 2011, legal and financial advisors of TGC and Dawson met at Haynes and Boone's offices in Dallas to discuss certain key issues regarding the deal, a number of which had been suggested in the preliminary issues list dated February 21, 2011. The key issues discussed included the proposed exchange ratio, whether there would be a collar, the size of the termination fee payable if the merger agreement were to be terminated and whether there would be a go-shop period in which TGC could solicit other acquisition offers for a defined period of time after the signing of a merger agreement with Dawson. At the meeting, TGC's representatives indicated that TGC would require a go-shop provision, while Dawson's representatives indicated that Dawson did not wish to enter into a merger agreement with a go-shop provision. The parties also discussed the need to ensure continuity of both Dawson and TGC management. Specifically, the parties discussed the possibility of TGC, as the surviving entity, entering into employment agreements with four of TGC's key employees that would be effective as of the closing and Dawson entering into an employment agreement with Mr. Jumper that would be effective as of the closing.

On February 26, 2011, a telephonic meeting of the TGC board was held to discuss the key issues from the February 25, 2011 meeting of the legal and financial advisors of TGC and Dawson. Representatives of Haynes and Boone and Southwest Securities participated in the meeting. The TGC board discussed the differing views of TGC and Dawson regarding the go-shop provision and the different types of collars that could be used to protect the value to be received by TGC's shareholders. Southwest Securities described the two types of predominate collars used in mergers such as this merger: floating exchange ratio (fixed value) and fixed exchange ratio (floating value). Southwest Securities recommended that TGC consider a floating exchange ratio. The TGC board instructed TGC's management and legal and financial advisors to pursue a collar with a floating exchange ratio within a range of a 15% increase or decrease in Dawson stock and a fixed exchange ratio outer band of an additional 10% increase or decrease in the market price of Dawson common stock. Outside of such 10% outer range, TGC and Dawson would have the right to

try to renegotiate the exchange ratio and ultimately terminate the transaction if a new exchange ratio could not be agreed upon. The TGC board also instructed TGC's management and legal and financial advisors to pursue a low termination fee of 1.5% of the equity value of TGC and a go-shop provision; however, the TGC board

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agreed that TGC's management and legal and financial advisors could relinquish the go-shop provision request if they were able to obtain the collar described above and the low termination fee.

On February 28, 2011, the parties once again met at the offices of Haynes and Boone, this time with senior members of Dawson and TGC management also present. At the meeting, Messrs. Jumper and Whitener each gave a management presentation to the representatives of the other party and their respective legal and financial advisors. The presentation focused on, among other things, each company's financial results, equipment, prospects and operations, as well as each chief executive's assessment of why the combination transaction made sense at the current time.

After the management presentations, the parties resumed discussions regarding the exchange ratio, go-shop, collar and termination fee. TGC's legal representatives indicated that, given Dawson's strong aversion to a go-shop provision, TGC would be willing to consider a deal without a go-shop provision but only in return for the setting of a low termination fee of 1.5%, an appropriately limited fiduciary out in any merger agreement and a collar. The parties did not come to agreement on these matters during the meeting, and each took the other's views under advisement for further consideration.

On March 1, 2011, Southwest Securities provided the TGC board with information comparing the fixed exchange ratio and the floating exchange ratio. With regard to the fixed exchange ratio, Southwest Securities provided the different implied values of TGC's common stock based on an increase or decrease in Dawson's stock price after the exchange ratio is finalized. With regard to the floating exchange ratio, Southwest Securities provided the different resulting exchange ratios based on an increase or decrease in Dawson's stock price.

On March 2, 2011, the Dawson board held a telephonic meeting, with the participation of representatives of Baker Botts and Raymond James, at which Mr. Jumper reported on the status of the proposed transaction. Mr. Jumper outlined the status of due diligence, the principal negotiating issues, including the exchange ratio, collar, termination fee and go-shop proposals. Mr. Jumper also discussed TGC's requests that four key TGC employees receive employment agreements that would be effective as of the closing of the transaction, that two current TGC board members, Dr. McInnes and Mr. Whitener, join the Dawson board at closing and that Mr. Jumper enter into an employment agreement with Dawson. At the meeting, Mr. Jumper also confirmed to the Dawson board that Raymond James had been engaged to advise Dawson and prepare a fairness opinion. After considerable discussion, the Dawson board directed Mr. Jumper to continue negotiations with TGC.

After the Dawson board meeting, Mr. Jumper called Mr. Whitener and indicated that the 5.75 to 1 or 0.174 exchange ratio and the form of collar previously discussed were generally acceptable to Dawson, depending on the course of future market prices for both companies' common stock, and that the 1.5% termination fee without a go-shop provision would also be acceptable for the first 30 days after the signing of the merger, after which the termination fee would increase to 3.5%, a percentage Dawson viewed as more customary for transactions of the type contemplated. At the same time, the legal and financial advisors of TGC and Dawson also discussed the Dawson proposal.

On March 3, 2011, Mr. Whitener, another member of the TGC board and representatives of Haynes and Boone and Southwest Securities discussed the proposed terms of the collar. Based on such discussions, it was determined that TGC would propose to Dawson a fixed exchange ratio collar, with either party having the right to terminate the merger agreement if Dawson's stock price increased or decreased by more than \$10 near the closing date as compared to a date to be specified prior to signing the merger agreement.

On March 3, 2011, Baker Botts delivered an initial draft of a merger agreement to Haynes and Boone, and the next day Baker Botts delivered a draft voting agreement requiring each TGC director and executive officer to vote in favor of the proposed merger, subject to certain conditions.

On March 8 and 9, 2011, Baker Botts and Haynes and Boone discussed by telephone the terms of the draft merger agreement circulated by Baker Botts on March 3, 2011. Among other things, the attorneys discussed Dawson's and TGC's respective positions regarding various provisions of the draft merger agreement and key open items, including:

provisions relating to TGC's ability to provide information, have discussions or enter into an agreement with a third party that has made or makes a proposal to acquire TGC;



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provisions requiring TGC to hold a shareholder vote even if the TGC board of directors changes its recommendation regarding the merger (a "force the vote" provision);

provisions of the voting agreement requiring TGC's directors and officers to vote in favor of the merger even if the TGC board changes its recommendation regarding the merger;

whether the fairness opinion would be reaffirmed at closing as a condition to closing; and

the circumstances under which a termination fee would be payable and the size of the fee.

After the call, Haynes and Boone delivered a revised draft of the merger agreement reflecting these and other TGC comments to Baker Botts.

TGC provided Dawson with certain projected financial information of TGC on March 8, 2011, and Dawson provided TGC with certain projected financial information of Dawson on March 10, 2011.

On March 9, 2011, the Dawson board held a telephonic call with the participation of representatives of Raymond James and Baker Botts. Mr. Jumper gave the Dawson board a brief update on the status of the potential transaction, including the fact that the exchange ratio would now be based on a "fixed exchange" ratio (rather than fixed price ratio) which would fix TGC shareholders' ownership level in the combined entity. In addition, Mr. Jumper indicated that Dawson had provisionally agreed to reduce the termination fee to 1.5% (based upon the equity value of TGC) and to fix the percentage rather than having it rise after a set period, and to make less restrictive the "deal protection" provisions in the merger agreement (such as the "force the vote" requirement and the impediments on TGC's ability to respond to unsolicited proposals) in exchange for TGC agreeing to drop their insistence on a "go-shop" provision. The Dawson board once again gave Mr. Jumper direction to proceed with negotiations.

On March 11, 2011, Baker Botts delivered a revised draft of the merger agreement reflecting Dawson's comments thereon to Haynes and Boone.

On March 13, 2011, there was a telephonic meeting of the TGC board, with representatives of Haynes and Boone and Southwest Securities also participating. The TGC board discussed several items relating to the negotiations, including (1) Dawson's view that TGC should not be permitted to avoid closing the merger even if Southwest Securities is not able to deliver a reconfirmation of its fairness opinion at closing, (2) the terms of the "no-shop" provision, (3) the desire for Baker Botts to provide a tax opinion regarding the tax-free nature of the transaction and (4) the exchange ratio. The TGC board directed TGC's management and legal and financial advisors to continue to negotiate on (1) giving TGC the right to terminate the merger agreement if Southwest Securities could not deliver the reconfirmation opinion, (2) obtaining some less restrictive provisions regarding the "no-shop" provision and (3) obtaining a tax opinion from Baker Botts. The TGC board also expressed concern regarding the proposed exchange ratio of 5.75 shares of TGC common stock to be exchanged for one share of Dawson common stock (or 0.174 shares of Dawson common stock being issued for each TGC share of common stock) given that during March 2011, TGC's stock price had increased while Dawson's stock price had decreased and given TGC's view, based on financial projections provided by Dawson, of the near-term outlook for the stock price of Dawson's common stock. Based on this concern, the TGC board directed management and representatives of Southwest Securities to express to Dawson TGC's reservations as to the exchange ratio.

From March 14, 2011 through March 20, 2011 Dawson's and TGC's respective management and legal advisors continued to exchange drafts of a merger agreement and to engage in negotiations regarding the terms of the proposed merger, including the issues noted above.

On March 15, 2011, there was a telephonic meeting of the TGC board with representatives of Haynes and Boone and Southwest Securities also participating. Mr. Whitener described discussions that he had with Mr. Barrett and Dr. McInnes regarding setting a new exchange ratio to be determined by dividing \$8.00 (which would be an implied value of TGC's common stock) by the closing price of Dawson's common stock on March 18, 2011 (or such other trading day that would be the last full trading day prior to execution of a merger agreement). The TGC board directed TGC's management and legal and financial advisors to (1) seek agreement with Dawson as to such an exchange ratio, along with agreement as to a fixed exchange ratio

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collar using an increase or decrease of \$10.00 from the closing price of Dawson's common stock on March 18, 2011, with the collar to be measured near the closing date, (2) continue to negotiate for the right for TGC to be able to terminate the merger agreement if Southwest Securities fails to deliver the reconfirmation opinion and (3) continue to negotiate for Baker Botts to deliver a tax opinion regarding the tax-free nature of the transaction.

On March 16, 2011, TGC and its representatives contacted Dawson and its representatives to discuss a new pricing proposal. TGC proposed that each share of TGC common stock be valued at \$8.00, and that an exchange ratio be set by dividing \$8.00 by the closing price of Dawson's common stock on the last full trading day prior to execution of a merger agreement.

During this period, members of the compensation committee of the Dawson board considered whether Mr. Jumper, as well as Dawson's chief financial officer and chief operating officer, would receive employment agreements upon the closing of the transaction. While TGC had negotiated a covenant in the draft merger agreement that required only Mr. Jumper to enter into an employment agreement with Dawson, the compensation committee believed that the other Dawson senior executives should, as a matter of parity and good governance, also receive employment agreements upon the closing of the merger. The members of the compensation committee also reviewed the draft form of employment agreement prepared by Baker Botts which would be used as the basis for the employment agreements to be entered into by the four TGC key employees and by the selected Dawson executives.

From March 17 through March 19, 2011, TGC's management and legal counsel, on the one hand, and Dawson management and legal counsel, on the other hand, discussed the provisions of employment and other agreements to be entered into by the key employees of TGC. During this time, Dawson's and TGC's respective management and legal advisors also negotiated the terms of the severance arrangements relating to the key employees of TGC which were included in the employment agreements. See "Conflicts of Interests" beginning on page 92.

On March 17, 2011, the Dawson board held a telephonic meeting to discuss the status of the transaction. Mr. Jumper updated the Dawson board as to the status of the negotiations, including TGC's new proposal with respect to the exchange ratio. In consultation with Raymond James and Dawson management, the Dawson board agreed to continue negotiations with TGC on the exchange ratio proposed by TGC so long as on the date the exchange ratio would be agreed upon, the closing price of Dawson's common stock was at least \$40.00 and the closing price of TGC's common stock was at least \$6.15.

After the closing of the financial markets on Friday, March 18, 2011, TGC and Dawson agreed that each share of TGC common stock would be valued at \$8.00, representing a 17.1% premium over the \$6.83 closing market price of TGC common stock on March 18, 2011, the last trading day before the signing. The parties also agreed on an exchange ratio of 0.188 which was determined by dividing the TGC valuation of \$8.00 by the closing price of Dawson common stock of \$42.54 on March 18, 2011, the last trading day before execution of the merger agreement.

On the morning of Sunday, March 20, 2011, the Dawson board convened a meeting at the Dallas office of Baker Botts to review and consider the proposed merger agreement. Present at the meeting were members of Dawson's senior management, representatives of KPMG, Baker Botts and Raymond James and all of the members of the Dawson board, except L. Decker Dawson who remained in Midland for personal reasons (although he had previously expressed to Mr. Jumper his support for the transaction). At the meeting, the representatives of KPMG outlined to the Dawson board their due diligence findings regarding TGC. Mr. Jumper also outlined for the Dawson board key terms of the proposed merger, including the exchange ratio and collar, described to the Dawson board the negotiations that had occurred since their last update, reviewed the strategic rationale for the transaction, including the operational advantages that would result from a combined organization, reviewed recent financial results of TGC, and recommended that the Dawson board approve the merger on the terms presented. Representatives of Baker Botts discussed with the Dawson board their fiduciary duties under Texas law as well as certain material terms of the

merger agreement and other documents related to the merger agreement, including the draft employment agreements, and certain legal matters relating to the Dawson board's consideration of the proposed merger. During the course of the discussion, the representatives

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of Baker Botts responded to various questions regarding the merger agreement and the transaction. At the meeting, the representatives of Baker Botts also presented and discussed draft resolutions of the Dawson board with respect to the proposed transaction.

Also at the meeting, representatives of Raymond James reviewed with the Dawson board their financial analysis of the proposed transaction, including their analysis of the exchange ratio. Raymond James also rendered its oral opinion, which was confirmed in writing later in the day, that, based upon its analysis, the consideration to be paid by Dawson in the proposed merger was fair, from a financial point of view, to Dawson.

Following consideration of the terms of the proposed merger and discussion among the directors, senior management, and representatives of Baker Botts and Raymond James, the directors determined that the merger agreement and the transactions contemplated therein were advisable and in the best interests of Dawson and its shareholders, approved the merger agreement and the transactions contemplated therein and resolved (subject to the exceptions contained in the merger agreement) to recommend the approval of the issuance of merger consideration by the shareholders of Dawson, and authorized management to enter into the merger agreement.

In the afternoon of the same day, a meeting of the TGC board was held, with all members of the TGC board present in person or by telephone other than Herbert M. Gardner who was unavailable for personal reasons (although he had previously expressed to the TGC board his support for the transaction), to review and consider the proposed merger agreement and related transactions. Present at the meeting were members of TGC's senior management and representatives of Haynes and Boone and Southwest Securities.

Representatives of Haynes and Boone reiterated to the TGC board its fiduciary duties. The TGC board then discussed both the benefits and the considerations regarding the proposed merger. Representatives of Southwest Securities provided input on certain financial benefits and considerations, and Mr. Whitener provided his input regarding operations issues and his knowledge about Dawson. The TGC board also discussed the treatment of the stock options for directors that would not be continuing as Dawson directors and were able to negotiate with Dawson that any such stock options that were not in-the-money as of the date of execution of the merger agreement would be extended for the remainder of their term rather than just terminating 90 days after the merger if not exercised within such time period. The TGC board also discussed the terms of the employment agreements to be entered into by the four key employees and the indemnification agreements to be entered into by Dr. McInnes and Mr. Whitener upon becoming directors of Dawson.

Representatives of Southwest Securities then made their presentation and discussed in detail the process that Southwest Securities undertook to determine that the exchange ratio of 0.188 shares of Dawson common stock for each share of TGC common stock was fair from a financial point of view to TGC shareholders. Representatives of Southwest Securities provided a draft of the fairness opinion and provided a signed copy later on March 20, 2011.

Representatives of Haynes and Boone described the draft resolutions that had been presented to the TGC board. The TGC board approved the draft resolutions with certain changes to be made to the resolutions based on the TGC board meeting. As part of this approval, the TGC board approved the merger agreement and the related transactions, authorized management to execute the merger agreement and all related documents, including, subject to the specific exceptions permitting the TGC board to change their recommendation set forth in the merger agreement, recommending to TGC shareholders that they approve the merger agreement.

As described under the headings "TGC Proposal 2 - Non-Binding, Advisory Vote on Approval of Certain Compensation to be Paid by TGC to TGC's Named Executive Officers" and "The Merger - Conflicts of Interests" beginning on pages 49 and 92, respectively, of this joint proxy statement/prospectus, TGC's directors and executive officers will receive financial benefits that will be different from, or in addition to, those of TGC's shareholders.

In the evening of March 20, 2011, the merger agreement was executed by Dawson, Merger Sub and TGC. Before the open of the financial markets on the following day, March 21, 2011, Dawson and TGC issued a joint press release announcing the signing of the merger agreement.

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On July 19, 2011, the senior management and most of the members of the board of directors of each of Dawson and TGC met at the Dallas office of Haynes and Boone to discuss upcoming financial results of the companies for the quarter ended June 30, 2011 as well as other matters related to the progress of the merger. Representatives of the legal and financial advisors of Dawson and TGC also participated in the meeting.

During the week of August 8, 2011, representatives of Baker Botts and Haynes and Boone discussed the status of the transaction and the likely timing of when the registration statement of which this joint proxy statement/prospectus forms a part would be declared effective by the Securities and Exchange Commission and mailed to Dawson and TGC shareholders. Representatives of Baker Botts and Haynes and Boone also discussed the possibility of amending the merger agreement to extend the current merger agreement termination date of August 31, 2011.

During the week of August 15, 2011, Messrs. Jumper and Whitener also discussed the possibility of amending the merger agreement to extend the current merger agreement termination date of August 31, 2011. As a result of such conversations, and based on certain mutual agreements contained in the amendment, Dawson and TGC management, as well as representatives of Baker Botts and Haynes and Boone, negotiated an amendment to the merger agreement pursuant to which the termination date of the merger agreement would be extended from August 31, 2011 to the business day immediately following the later of the date of (1) Dawson's special meeting of shareholders and (2) TGC's special meeting of shareholders, so long as the meeting date is not after October 28, 2011. Under the terms of the amendment, if the meeting date would be after October 28, 2011, the merger agreement could be terminated by either Dawson or TGC without a shareholder vote occurring.

On August 19, 2011, the boards of directors of each of Dawson and TGC, meeting separately, reviewed and approved the terms of the proposed amendment and authorized their respective management to execute the amendment. On August 23, 2011, the amendment to the merger agreement was executed by Dawson, Merger Sub and TGC and Dawson and TGC issued a joint press release announcing the signing of the amendment to the merger agreement.

## **Dawson's Reasons for the Merger and Recommendation of Dawson's Board of Directors**

At the meeting of the Dawson board of directors on March 20, 2011, after careful consideration, including detailed discussions with Dawson's management and its legal and financial advisors, the Dawson board of directors determined that the merger agreement was advisable and in the best interests of Dawson and its shareholders, approved the merger agreement in all respects and recommended that Dawson shareholders vote **FOR** approval of the issuance of shares of Dawson common stock pursuant to the merger agreement.

In evaluating the merger, the Dawson board of directors consulted with Dawson's management, as well as Dawson's legal and financial advisors and, in reaching a conclusion to approve the merger and related transactions and to recommend that Dawson shareholders approve the issuance of shares of Dawson common stock pursuant to the merger agreement, the Dawson board of directors reviewed a significant amount of information and considered a number of factors including:

- its knowledge of Dawson's business, operations, financial condition, earnings and prospects and of TGC's business, operations, financial condition, earnings and prospects, taking into account the results of Dawson's due diligence of TGC;

- its knowledge of the current environment in the seismic and energy industries, including the potential for continued consolidation or new entrants into the seismic market, current market and economic conditions and the likely effects of these factors on Dawson's and TGC's potential growth, development, productivity and strategic options;

the fact that TGC has a demonstrated track record of growth and strong management and, following the merger, will continue to be operated as a separate, though wholly owned, operating entity that is managed by the same management team;



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the fact that Eagle Canada, Inc., TGC's Canadian operating subsidiary, has a demonstrated track record of growth and strong management and, following the merger, will continue to be managed by the same management team;

the strategic nature of the acquisition, which would create a company which will have:

increased data acquisition crew capacity, with a combined crew count of 21 crews, as currently configured, in the continental United States and six in Canada, as well as combined channel counts in excess of 210,000 and more than 200 vibrator energy source units;

a more diversified client mix, including increased geographical diversity and access to the Canadian market;

expanded service offerings, including those leveraging TGC's dynamite source and shot-hole drilling capabilities;

strong prospects for an expanded client base and product offering to allow for new business relationships not available to either company on a stand-alone basis;

greater crew efficiencies gained through the ability to reconfigure crews, leverage and share equipment and personnel resources, including by leveraging Canadian resources during summer thaw periods;

a continued balance of oil and natural gas projects and assignments, particularly in oil and liquid-rich basins;

expanded support functions, including permit, survey, maintenance repair facilities and in-house trucking capabilities;

better market position to meet client needs with an increased ability to service seismic projects in a timely manner and to provide higher resolution images with expanded channel counts, particularly with respect to unconventional reservoirs;

increased opportunities to scale and align crew size with project size; and

opportunities for cost savings and revenue generation through enhanced operational logistics;