

TETRA TECHNOLOGIES, INC.  
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**TETRA**

TETRA TECHNOLOGIES, INC.  
2014 Annual Report

# TETRA TECHNOLOGIES, INC.

2004 ANNUAL REPORT

TETRA TECHNOLOGIES, INC. is a geographically diversified oil and gas services company providing niche products and services at targeted points spanning the well life. In addition, it is the world's largest, vertically integrated producer, marketer, and distributor of calcium chloride, which it supplies as feedstocks—along with its brominated products—for its completion fluids business as well as for applications in a variety of other markets. TETRA holds premier market positions in several niche oil and gas service market categories, including: completion services, well abandonment and decommissioning, production testing, and compression based production enhancement. Headquartered in The Woodlands, Texas, TETRA is a global company with employees and operations on five continents.



## ABOUT THE COVER

**FLUIDS: LAKE CHARLES CALCIUM CHLORIDE PLANT**  
 This calcium chloride production facility, located in Lake Charles, Louisiana, is TETRA's largest U.S. production facility. This is an ISO 9001:2001 registered, environmentally friendly facility that utilizes co-product acid from area petrochemical plants to produce industrial, technical, and food grade liquid and dry calcium chloride for a multitude of end uses. From Lake Charles, calcium chloride is distributed by truck, railcar, and barge throughout North America.

**PRODUCTION ENHANCEMENT: PRODUCTION TESTING OPERATION**  
 In this photo, TETRA production testing separation equipment is deployed on location during pipeline cleanup operations at an east Texas refinery. The project involved working in a hydrogen sulfide (H<sub>2</sub>S) environment with our H<sub>2</sub>S certified equipment.

**WA&D: TETRA ARAPAHO**  
 This aerial photo shows the TETRA Arapaho derrick barge removing the West Delta 32C platform—its first decommissioning assignment under TETRA ownership.

**WA&D: MARITECH WEST DELTA 32C PLATFORM**  
 The background photo shows a silhouette of the West Delta 32C platform, as it was being decommissioned for our Maritech Resources, Inc. subsidiary in October of 2004. The TETRA Arapaho derrick barge was used in this decommissioning project—its first project with TETRA as the vessel owner.

The West Delta 32 field was acquired by Maritech in September of 2001. The field included 56 wells, most of which were inactive, and 15 structures, consisting of 5 platforms and 10 well protectors. Since acquiring the property, Maritech has substantially reduced the existing liability by plugging all but 18 wells and removing 8 aging well protectors, along with the platform seen in this photo. As operator of this field, Maritech is currently producing approximately 600 barrels of oil per day.

## FINANCIAL HIGHLIGHTS

(in thousands, except per share amounts)

	YEAR ENDED DECEMBER 31,				
	2004	2003	2002	2001	2000
<b>INCOME STATEMENT DATA <sup>(1)</sup></b>					
Revenues <sup>(2)</sup>	\$ 353,186	\$ 318,669	\$ 238,418	\$ 302,374	\$ 224,179
Gross profit	81,369	73,796	54,003	80,953	49,890
Operating income	27,570	29,078	17,091	40,194	17,248
Interest expense, net	1,676	312	2,644	2,107	3,760
Income before discontinued operations and cumulative effect of accounting change	18,056	19,400	9,415	23,573	8,426
Income per diluted share, before discontinued operations and cumulative effect of accounting change <sup>(3)</sup>	\$ 0.76	\$ 0.84	\$ 0.42	\$ 1.06 <sup>(4)</sup>	\$ 0.41 <sup>(4)</sup>
Average diluted shares <sup>(5)</sup>	23,733	23,005	22,343	22,256	20,424 <sup>(5)</sup>
<b>BALANCE SHEET DATA <sup>(1)</sup></b>					
Working capital	\$ 97,052	\$ 92,112	\$ 83,163	\$ 83,262	\$ 83,540
Total assets	508,988	309,599	308,817	310,642	280,998
Long-term liabilities	211,963	54,141	83,742	75,780	81,249
Stockholders' equity	236,181	210,769	184,152	167,650	143,754
<b>COMMON STOCK PRICE <sup>(3)</sup></b>					
	2004		2003		
	High	Low	High	Low	
First Quarter	\$ 28.11	\$ 23.06	\$ 15.85	\$ 11.89	
Second Quarter	27.45	20.75	20.73	14.90	
Third Quarter	31.50	23.71	24.25	19.07	
Fourth Quarter	32.57	27.33	25.87	20.15	

(1) The above financial highlights retroactively reflect the operations of Damp Rid, Inc., the Company's Norwegian process services business, and TETRA Micronutrients, Inc. as discontinued operations. During 2004, the Company completed the acquisitions of Compressco, Inc., the Kemira calcium chloride assets, and an 800-ton heavy lift barge. These acquisitions significantly impact the comparison of the Company's financial statements for 2004 to earlier years.

(2) Revenues for each of the periods presented retroactively reflect the reclassification of certain product shipping and handling costs as costs of goods sold.

(3) Income per share, common stock price, and average share outstanding information reflects the retroactive impact of a 3-for-2 stock split, which was effected in the form of a stock dividend to holders of record as of August 15, 2003.

(4) Excluding goodwill amortization, income per diluted share, before discontinued operations and cumulative effect of accounting change, was \$1.08 for 2001 and \$0.43 for 2000.

(5) For the year ended December 31, 2000, the calculation of average diluted shares outstanding excludes 519,000 shares from stock options, the inclusion of which would have had an antidilutive effect.

# LETTER TO SHAREHOLDERS

**2004 WAS AN EVENTFUL YEAR IN TERMS OF GROWTH** for TETRA. During the year, we completed the three largest acquisitions in our corporate history and closed on two financings that materially enhanced our financial flexibility. Entering the year with an unleveraged balance sheet, a strong cash position, and access to low cost capital positioned us to act decisively to make acquisitions that fit our strategic growth profile.

**WE PLAN TO CONTINUE TO IMPLEMENT** this strategy for controlled growth to make TETRA more efficient and better able to absorb the operating and reporting costs facing a publicly traded energy services company today. Looking forward, we believe that TETRA can be both efficiently run and highly profitable as a niche oil and gas services company that is geographically diversified, provides services at targeted points spanning the well life, is increasingly natural gas oriented, and generates revenues of \$750 million to \$1,250 million.

**THERE ARE A NUMBER OF REASONS WHY** the roughly one billion dollar revenue size is a good target for TETRA. First, it creates a large enough base over which to efficiently spread the growing infrastructure costs required for a publicly traded energy services

company. It also creates a uniquely sized company for investment purposes in the energy services segment — not small cap and not large cap. Finally, at this size, TETRA will be able to finance a number of acquisitions of \$50 to \$100 million — acquisitions large enough to have a meaningful effect on the consolidated entity.

We believe that many acquisition opportunities of this size may become available as smaller, private companies looking for investor liquidity find that the costs of going public (particularly costs related to Sarbanes-Oxley compliance) are prohibitive.

**THAT'S A LOOK AT THE FUTURE;** now let's see how our major 2004 acquisitions fit our strategic growth profile and advanced our long term goals. The

Compressco acquisition was, by far, the largest investment ever made by TETRA. The strategic rationale for the Compressco purchase included:

- Providing geographic diversification into the midcontinent, Rockies and Canada,
- Being a niche service provider,
- Offering a production oriented service (mid- to late well life) that complements TETRA's primary services, which are predominantly early and late well life offerings,

**"Our primary objective for 2005 is to begin to optimize the profits from all of our businesses, including those acquired in 2004."**

- Servicing the natural gas segment,
- Increasing TETRA's size,
- Generating much of its revenues from leasing, which complements TETRA's event driven revenue stream,
- Being synergistic with some of our other businesses, and
- Having the ability to "feed off" TETRA's balance sheet for growth.

**THE PURCHASE OF KEMIRA'S CALCIUM CHLORIDE** business (renamed and abbreviated TCE) was TETRA's second largest expenditure in 2004. The strategic rationale for this purchase included:

- Enhancing an existing niche market business,
- Geographically diversifying TETRA's product offerings,
- Increasing TETRA's size,
- Allowing TETRA to replicate the vertical integration we have achieved in our U.S. fluids operations,
- Providing distribution and logistical economies in North American, European, and Middle Eastern markets, and
- Solidifying our industry leading position in one of our primary markets.

**THE TETRA ARAPAHO DERRICK BARGE PURCHASE** was also an important acquisition in 2004. The strategic rationale for this purchase included:

- Enhancing an existing niche market business,
- Solidifying our industry leading position in one of our primary markets,
- Internalizing a major cost, and
- Guaranteeing the availability of a critical asset.

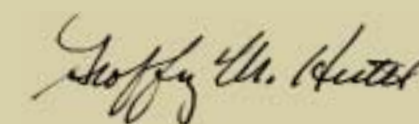
Additionally, because we had used the Arapaho under contract on many projects, we knew it to be ideal for our decommissioning needs.

**OUR ACTIONS IN 2004** certainly advanced our vision of controlled growth for TETRA. While our existing businesses have significant growth potential (possibly expanding current businesses to \$650 million in revenues), we plan to make synergistic acquisitions in the next few years to expand our product and service offerings, strengthen our competitive advantages, and introduce us to new niche markets. In the meantime, our primary objective for 2005 is to begin to optimize the profits from all of our businesses, including those acquired in 2004.

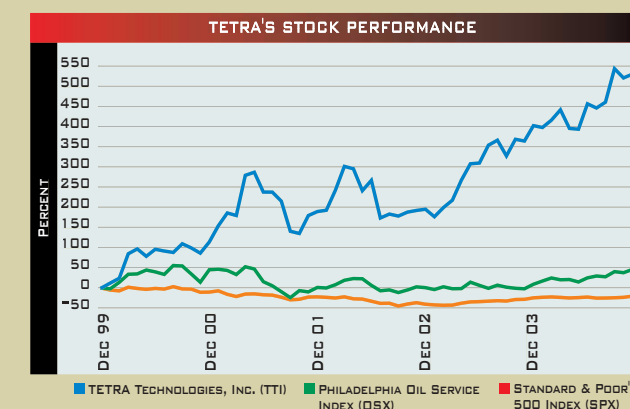
**OUR 2005 BUDGET INCORPORATES** estimates of the highest revenues, profits, and earnings per share ever realized in our history. If we reach

these goals, we believe we can continue to generate long term stock appreciation for our shareholders. The accompanying graph illustrates TETRA's stock performance over the last five calendar years. In that time, our stock has appreciated 486% versus 44% for our peer group (the Philadelphia Oil Service Index) and — 17.5% for the Standard & Poor's 500 Index. Not only has our five year aggregate performance been much better than that of our peer group and the S&P 500, but our stock has appreciated in each of the last five years. This is quite an achievement, especially in a cyclical industry.

**WE AT TETRA ARE PROUD OF OUR PAST** and excited about our future. We hope that you, our stockholders, share this enthusiasm. On behalf of TETRA and our dedicated employees, I thank you for your continuing support.



**GEOFFREY M. HERTEL**  
President & Chief Executive Officer







*TETRA was founded in 1981 to supply clear brine fluids (CBFs) to the oil and gas industry. Since that time, we have continually moved forward to better position our fluids business to serve a wider market—adding CBF service centers in key domestic and international oil and gas markets, constructing and improving production facilities, expanding our distribution network, and developing and nurturing strategic supply relationships.*

## FLUIDS

DURING 2004, NUMEROUS IMPROVEMENTS were made in our oil and gas completion services group. With the aim of making our location in Fourchon, Louisiana the premier deepwater CBF service facility on the Gulf Coast, we spent over \$3 million making improvements necessary to meet the higher volume demands of our deepwater customers. We increased efficiency and safety at the facility by expanding our storage and mixing capacities and improving the materials handling equipment used when readying fluids and filtration products for transport to offshore drilling and production operations. Additionally, we opened new onshore service centers in Carthage, Texas and Shreveport, Louisiana to serve a growing onshore customer base, along with an international service center in Abidjan, Ivory Coast to serve the West African market.

A DESIGN INNOVATION that has been well received by our offshore filtration customers is our new diatomaceous earth (DE) automated delivery system, which offers enormous safety and environmental advantages. During CBF filtration operations, DE material is used to improve filter efficiency. Previously, rig personnel had to systematically cut and load 50-pound bags of this fine particulate. The new delivery system pairs two large preloaded 1000-pound containers with an automated dispensing mechanism and control panel, virtually eliminating waste and dust, removing the need for rig personnel to lift and handle the bulky packages, and ensuring the accurate and controlled dispensing of filter media.

FOR A NUMBER OF YEARS, TETRA HAS BEEN DEVELOPING SOLUTIONS to address corrosion issues, especially those encountered in today's deeper, more complex wells, where high pressures and high temperatures are more prevalent. In an effort to understand more about this problem, TETRA and JFE Steel Corporation joined forces in a unique technical research alliance. The ChemiMetallurgy™ alliance was formed in early 2003 to conduct extensive research into stress

corrosion cracking. Using an independent research laboratory and a proprietary test regimen, the alliance has conducted over 3,000 tests studying combinations of JFE tubulars and TETRA CBFs under actual downhole conditions. The findings can be used to make knowledgeable product recommendations.

A GREATER FOCUS WAS DIRECTED TOWARD our onshore completion services operations in 2004. We took a close look at the activities and needs of our customers in these markets — which differ materially from those of our offshore customers — and made an effort to expand our services in unique ways. Using our enclosed 500-barrel mixing tanks, we began offering onsite fluid blending, reducing site traffic and transportation costs for our customers. We are in the process of introducing a new solids handling system designed to screen out solids during coiled tubing operations. Additionally, we have introduced two services designed to supply the large quantities and high volumes of water necessary during frac operations. Through this greater focus and our expanded services, we significantly increased our onshore customer base and revenues during 2004.

DURING 2004, OUR PRODUCTION GROUP INITIATED improvements at the Lee and Amboy, California facilities to increase product quality. We undertook efforts to increase energy efficiency at our Lake Charles, Louisiana facility which resulted in a 19% improvement in fuel consumption in the production of granular calcium chloride. Our West Memphis, Arkansas facility, where we produce calcium bromide and zinc bromide, achieved ISO certification in October of 2004. Additionally, we added five terminal locations to expand our North American distribution network. At TCE, we spent the latter part of 2004 working on integration and marketing efforts and filling key positions. With TCE as the foundation, we plan to replicate the successful vertical integration efforts we have achieved with our U.S. fluids operations.



# FPO

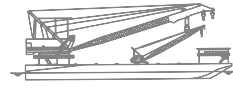


**TCE** On September 30, 2004, TETRA acquired the European calcium chloride business of Kemira Oyj ("Kemira") of Helsinki, Finland, Europe's largest calcium chloride producer. The acquisition — of what we are calling TETRA Chemicals Europe, or TCE — makes us the largest producer and marketer of calcium chloride in the world and solidifies our position in an important niche market.

As we enter 2005, TETRA is uniquely positioned to serve the growing demand for calcium chloride in energy related markets and industrial markets worldwide. Adding a European production component to our fluids business was a logical step for TETRA. With our substantial U.S. production, new European production, and exclusive supply relationships in place with other producers in key foreign locations, we now supply calcium chloride from three continents through a network of over 25 terminal locations spanning the globe.

In addition to strengthening our market position, TCE brings a wealth of other advantages. This expansion allows us to maximize our assets, capitalize on efficiencies, and control costs in our production facilities, distribution centers, and logistics network. Our experienced team of professionals is now able to share technical, application, and production knowledge and better serve the needs of our growing calcium chloride market.





*The acquisition of the TETRA Arapaho, geographic expansion efforts, and field acquisitions by Maritech reflect our confidence in the long term growth of the well abandonment and decommissioning market as well as our commitment to offering our customers the most economical and comprehensive package of services.*

## WELL ABANDONMENT & DECOMMISSIONING

WE CONTINUE TO EXPAND ALL FACETS of our offshore WA&D operations. Over time, we have added significant engineering and project management expertise to complement our skilled field operations personnel. We now have specialists in heavy lift; dive management; and platform, pipeline, and well abandonment. The addition of the TETRA Arapaho has added to our in-house heavy lift capacity and has positioned us to offer our customers additional heavy lift services. These activities strengthen our ability to use internal resources and assets on a growing number of projects.

IN THE SUMMER OF 2004, our offshore WA&D team completed an offshore platform removal that represented the heaviest structure removal and most complex engineering effort we have undertaken to date. The South Pass 78A platform was a massive structure in the mudslide area of the Gulf of Mexico, where the Mississippi River meets the gulf. This project involved a number of unique challenges related to the size and construction of the platform and the harsh underwater environment caused by the shifting floor conditions common in the mudslide area. Due to the creativity and expertise of our engineering team and decommissioning specialists, this project was completed on time and on budget. The platform jacket was ultimately reefed and now provides acres of habitat for marine life.



AS A MEANS OF BUILDING A BACKLOG OF WA&D WORK and to providing TETRA customers with complete turnkey abandonment solutions and alternatives for managing marginal oil and gas properties, we formed Maritech Resources, Inc. Since its inception, we have expanded Maritech by attracting talented employees, adding customers, acquiring and exploiting sunset properties, and — once production has ceased or the properties are no longer economical to produce — turning them over to our WA&D team to manage the necessary abandonment and decommissioning activities.

WHEN MARITECH ACQUIRES SUNSET PROPERTIES, one goal is to extend the economic life of any remaining reserves and maximize their value by making operating improvements and reducing lease operating expenses. When we extend the life of these assets, it benefits our

customers by allowing them to defer payment for the related WA&D services until they are performed. At the same time, we work to eliminate any immediate safety and environmental hazards by plugging wells and removing structures that no longer have utility.

THE FUTURE ABANDONMENT WORK driven by Maritech property acquisitions is an integral component of our WA&D strategy. Acquisitions undertaken by our Maritech subsidiary create a baseload of current and future WA&D work for TETRA — work on which we manage the timetable. On these properties, we have the flexibility to schedule WA&D operations during slow periods or when equipment and personnel are already mobilized. We completed three 2004 property acquisitions that added to our production capacity and to our backlog of future WA&D work. By the end of 2004, we were the operator of 28 fields, we owned working interests in 15 additional fields, and our daily average production was higher than ever before.

IN LATE 2004, we also participated in four low risk developmental drilling opportunities on existing Maritech fields. All four wells were successful. Developing new production is another way that we can extend the economic life of sunset properties, and, as promising opportunities are identified, we will continue to participate in similar drilling projects.

IN OUR ONSHORE WELL ABANDONMENT GROUP, we continue to expand geographically. In 2004, we began serving the Permian Basin region, which encompasses northwest Texas and southeast New Mexico. We also completed a number of projects in Alabama and Mississippi, well outside our traditional area of operation. The mobility of our onshore rigs allows us to undertake large multi-well projects in distant locations for customers who appreciate our size, methodology, and proven project management approach.

GOING FORWARD, WE WILL CONTINUE TO STRENGTHEN our equipment fleet and our technical and engineering capabilities. As we enter 2005, we are in control of a baseload of WA&D work, and we are currently evaluating additional properties for potential field acquisitions. These efforts will continue as opportunities arise throughout the year.

# FPO



**ARAPAHO** On September 29, 2004, TETRA purchased an 800-ton heavy lift derrick barge, expanding our heavy lift capacity to support decommissioning projects in the Gulf of Mexico. Owning the vessel strengthens our market position. It also insulates us from volatile pricing for heavy lift services and anticipated capacity shortages.

We have the benefit of having utilized the Arapaho on a significant number of projects, so we are very familiar with its functionality. The Arapaho's expansive deck space and efficient configuration make it an ideal vessel for offshore decommissioning projects, including platform and pipeline removal. Moreover, the Arapaho has a dedicated and experienced crew with an excellent history of operating efficiently and safely in the Gulf of Mexico.

The heavy lift vessel cost is the most expensive single component in a typical offshore WA&D project. By owning the Arapaho, we control this cost, ensure its availability for our projects, and gain greater scheduling flexibility for our decommissioning operations.





*In July of 2004, our Testing & Services Division businesses were combined with the newly acquired Compressco, Inc., and the whole was renamed the Production Enhancement Division. Over time, we plan to build on this base and expand our production enhancement offerings.*

## PRODUCTION ENHANCEMENT

ACTIVITIES AIMED AT EXPANDING CAPABILITIES and making inroads into new markets were initiated and completed by our production testing group in 2004. Early in the year, we completed a joint venture agreement with a Saudi Arabian firm to facilitate entry into that production testing market. Ahmad Albinali & TETRA Arabia Co. Ltd. was formed with headquarters in Dammam, Saudi Arabia.

IN THE SECOND QUARTER, WE STRENGTHENED our production testing presence in South America by acquiring Anaco, Venezuela based Pema Oil Servicios. Founded in 1999, Pema has strong management, well trained employees, and state-of-the-art equipment. More importantly, the company has a well established customer base and existing contracts with some of Venezuela's largest operating companies.

THROUGHOUT THE YEAR, WE CONTINUED to upgrade our equipment fleet, adding a new level of specialty equipment that allows us to pursue larger strategic international markets. Characteristic of our continued focus on safety and process improvement, we implemented a color coding system whereby our flowlines now vary in color to denote connection type. Additionally, bands of color — on flowlines and certain key equipment — allow our employees to visually determine pressure rating information and whether equipment is certified for use in hydrogen sulfide service applications. This system adds to productivity by ensuring correct equipment deployment for production testing engagements and enhances safety by promoting an easy visual equipment check to minimize risk during setup and operations.

OUR NEW COMPRESSCO SUBSIDIARY IS A LEADING PROVIDER of low pressure wellhead compressors designed to enhance natural gas and oil production. Through Compressco, we design, fabricate, lease, and sell our proprietary GasJack® compressor units, which increase daily production and proven reserves by reducing bottomhole pressures, removing wellbore liquids, and overcoming high delivery pressures, primarily in mature producing fields. Currently, our primary markets for these services are onshore natural gas wells in the U.S. and Canada, but we are expanding into other markets.

FOR COMPRESSCO, the latter half of 2004 was a combination of transitioning into TETRA and continuing to grow. We added

operational districts and additional sales and support staff to better serve our growing customer base, which stretches from Mexico to the Yukon Territory. Moreover, having lifted Compressco's previous capital constraints, we were able to step up production of new GasJack compressor units.

SOON AFTER THE ACQUISITION WAS FINALIZED, WE BEGAN EXPANDING our Oklahoma City location, which houses Compressco's headquarters and primary manufacturing facilities. When complete, the 50% increase in space will primarily be used for increased manufacturing activities. Our innovative manufacturing group has a history of continuous product development. They continued this trend in 2004, implementing a number of changes designed to improve GasJack units by enhancing safety, simplifying operation, reducing maintenance demands, and improving harsh weather functionality.



A VALUE ADDED ENGINEERING SERVICE that Compressco began offering in late 2003 and which gained momentum throughout 2004 involves providing customers with reservoir engineering data illustrating potential economic returns achievable through the use of a GasJack unit. Our experienced petroleum engineers identify candidate wells that have high probabilities of increased production rates. Utilizing detailed engineering software, they develop comprehensive well evaluation proposals to present to the customer's production engineers. This approach has proven successful and has generated impressive incremental business.

IN PROCESS SERVICES, WE RENEWED CONTRACTS with many of our current clients in 2004. Our cooperative processing model—initiated in 2002—has proven very successful, and we expanded our customer base throughout the year. With this approach, we serve small and medium sized independent refineries (where low volumes keep it from being economical to use an onsite service provider) by processing their secondary materials at host refineries where we currently operate. With this service model, we improve our utilization rates and work for refineries that might not otherwise be interested in our services. Moreover, in an effort to expand our process service offerings, we are exploring new technologies aimed at augmenting our existing services.

# FPO



**COMPRESSCO** On July 15, 2004, TETRA completed the acquisition of Compressco, Inc. With total consideration of approximately \$109 million, this acquisition is by far the largest in the Company's history.

*We are extremely excited about the addition of Compressco's wellhead compression services, which fill a strategic gap in our targeted well life products and services. We see production enhancement as a growth business and feel that we have a good foundation upon which to build.*

*Together, we are stronger than the sum of our parts. Combined with TETRA, Compressco gains a higher profile with certain customers and the added advantage of accelerated expansion with TETRA's well developed infrastructure, wide geographic coverage, and strong balance sheet.*

TETRA provides niche oil and gas products and services to meet customer needs that span the well life—from initial drilling operations to final abandonment activities. In an effort to serve our customers across this wide range of needs, we will continue to look for opportunities to expand our product and service offerings.

Open the fold to learn more about our targeted oil and gas services. 

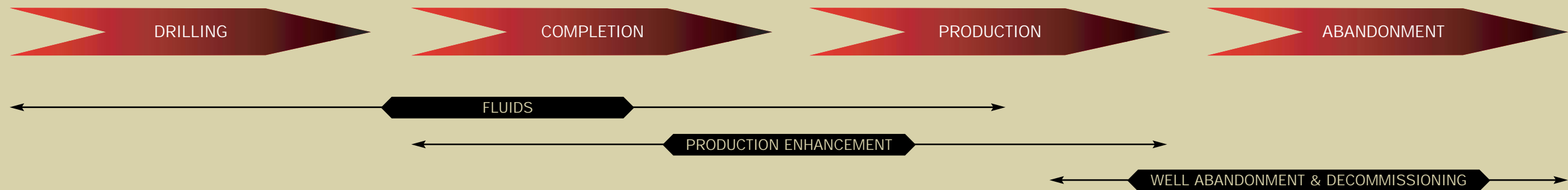
# TETRA S OIL AND GAS SERVICES

NICHE PRODUCTS AND SERVICES OFFERED AT TARGETED POINTS THAT SPAN THE WELL LIFE

OUR PRODUCTS AND SERVICES ARE OFFERED *at targeted points spanning the well life*. This diversity gives us more balanced operational performance than many oilfield service companies. Through our fluids and well testing businesses, we capitalize on cyclical upturns in the oil and gas drilling cycle. The production enhancement services

we offer through Compressco are oriented toward the less cyclical mid- to late-life production stage, and the related equipment leasing component produces a steady revenue stream, independent of drilling activity. During cyclical downturns, increased activity in our Well Abandonment & Decommissioning Division balances the negative

effects of declines in drilling activity felt in fluids and well testing. As marginal oil and gas wells become less profitable through commodity price reductions or depletion, an increasing number of wells are scheduled for abandonment and decommissioning. Our diverse mix of products and services offered across the well life is illustrated below.



## FLUIDS

*Vertically integrated worldwide leader*

The majority of clear brine fluids (CBFs) and completion services offered through our Fluids Division are geared toward the completion phase of the well life. Our CBFs and additives, fluid planning and engineering services, filtration equipment and expertise, and wellbore cleanup solutions represent an impressive collection of products and services.

In addition to those used to facilitate ideal well completions, many of our Fluids Division products and services are used earlier in the well life during the drilling phase or later in the well life during workover operations to protect the formation and facilitate the use of downhole tools. Our expertise in protecting the productive pay zone of a well is one of the main reasons customers select TETRA as their fluids partner.

## PRODUCTION ENHANCEMENT

*Uniquely focused on optimizing production*

The majority of services offered in the Production Enhancement Division span the completion and production phases of the well life. Production testing services are most often scheduled during well completion and cleanup activities, although they are periodically performed on producing wells. Critical production tests and effluent analysis techniques provide valuable reservoir data, enabling customers to optimize production and minimize reservoir damage.

The production enhancement services and GasJack® compressor systems provided through our Compressco subsidiary offer our customers an efficient and cost effective way to enhance production, increase profitability, and extend the economic life and recoverable reserves on their production properties, especially in mature producing fields.

## WELL ABANDONMENT & DECOMMISSIONING

*Offering a comprehensive service approach*

The majority of services offered through the Well Abandonment & Decommissioning (WA&D) Division take place during the abandonment phase of the well life. The Company offers a complete package of WA&D services and will handle every aspect of these comprehensive projects, including the necessary planning, engineering, project management, and regulatory compliance.

Because they are designed to address issues related to sunset production properties, the flexible acquisition strategies available through Maritech are offered during the latter part of the production phase. On these properties, Maritech assumes ownership with the goals of:

- Extending production and economic life, while deferring customer payment for WA&D services, and
- Baselading business for our WA&D services from a controllable base of owned oil and gas properties.



**HOYT AMMIDON JR. (1\*, 2)**

Director of Balchem Corporation. Advisory Director of Berkshire Capital Corporation. Director of TETRA Technologies, Inc. since 1998.

**PAUL D. COOMBS**

Executive Vice President and Chief Operating Officer of TETRA Technologies, Inc. Director of TETRA Technologies, Inc. since 1994.

**RALPH S. CUNNINGHAM (1, 3\*)**

Director of Agrium Incorporated, Enterprise Products GP, LLC, and EnCana Corporation. Director of TETRA Technologies, Inc. since 1999.

**TOM H. DELIMITROS (2\*, 3)**

President of AMT Capital Ltd. and Director of Plains Exploration & Production Company, Inc. Director of TETRA Technologies, Inc. since 1994.

**GEOFFREY M. HERTEL**

President and Chief Executive Officer of TETRA Technologies, Inc. Director of TETRA Technologies, Inc. since 1984.

**ALLEN T. McJINNES (1, 3)**

Dean of the Rawls College of Business, Texas Tech University. Presiding Director of TGC Industries, Inc. Director of Chase Packaging Corporation. Director of Alamosa Holdings, Inc. Director of TETRA Technologies, Inc. since 1993.

**KENNETH P. MITCHELL (2, 3)**

Director of Balchem Corporation and Retired President and Chief Executive Officer of Oakite Products, Inc. Director of TETRA Technologies, Inc. since 1997.

**J. TAFT SYMONDS**

Chairman of TETRA Technologies, Inc.  
Chairman of Symonds Trust Co., Ltd.  
Director of Plains All American Pipeline, L.P.  
Director of TETRA Technologies, Inc. since 1981.

**K. E. WHITE, JR. (1, 2)**

Retired President and Chief Operating Officer of Torch Energy Advisors. Director of TETRA Technologies, Inc. since 2002.

**CORPORATE OFFICERS****GEOFFREY M. HERTEL**

President and Chief Executive Officer

**PAUL D. COOMBS**

Executive Vice President and Chief Operating Officer

**JOSEPH M. ABELL III**

Senior Vice President and Chief Financial Officer

**GARY C. HANNA**

Senior Vice President

**DENNIS R. MATHEWS**

Senior Vice President

**RAYMOND D. SYMENS**

Senior Vice President

**G. MATT McCARROLL**

President – Maritech Resources, Inc.

**BROOKS MIMS TALTON, III**

President – Compressco, Inc.

**BASS C. WALLACE, JR.**

General Counsel and Secretary

**BEN C. CHAMBERS**

Vice President – Accounting and Controller

**BRUCE A. COBB**

Vice President – Finance and Treasurer

**LINDEN H. PRICE**

Vice President – Administration

**CORPORATE HEADQUARTERS**

TETRA Technologies, Inc.  
25025 Interstate 45 North, Suite 600  
The Woodlands, TX 77380  
281.367.1983  
www.tetratec.com

**SHAREHOLDER RELATIONS**

TETRA Technologies, Inc.  
25025 Interstate 45 North, Suite 600  
The Woodlands, TX 77380

**TRANSFER AGENT AND REGISTRAR**

Computershare Trust Company, Inc.  
350 Indiana Street, Suite 800  
Golden, CO 80401  
303.262.0600

**STOCK LISTING**

Shares of common stock of TETRA Technologies, Inc. trade on the New York Stock Exchange under the ticker symbol: TTI.

**INDEPENDENT AUDITORS**

Ernst & Young LLP  
5 Houston Center  
1401 McKinney Street, Suite 1200  
Houston, TX 77010

**FORM 10-K**

The Company's Form 10-K for the year ended December 31, 2004 is included in this annual report. Additional copies may be obtained free of charge by visiting the Company's website (www.tetratec.com) or by writing to:

Shareholder Relations  
TETRA Technologies, Inc.  
25025 Interstate 45 North, Suite 600  
The Woodlands, TX 77380

**ANNUAL MEETING**

The annual meeting of stockholders will be held at 11:00 a.m. local time on Tuesday, May 10, 2005, at the Marriott Woodlands Waterway Hotel in The Woodlands, Texas.

**DISCLOSURE CERTIFICATION**

As required by the NYSE listing standards, Geoffrey M. Hertel, our Chief Executive Officer, certified on June 9, 2004 that he was not aware of any violation by the Company of NYSE corporate governance listing standards. The certification required by Section 302 of the Sarbanes-Oxley Act was filed with the SEC on March 16, 2005 as an exhibit to our annual report on Form 10-K.

(1) Member, Audit Committee

(2) Member, Management and Compensation Committee

(3) Member, Nominating and Corporate Governance Committee

(\* Indicates Committee Chairmanship)

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