

LAYNE CHRISTENSEN COMPANY
COMPENSATION COMMITTEE CHARTER
Amended and Restated
by the Board of Directors as of March 26, 2010

I. Membership

The Compensation Committee ("Committee") shall consist of three or more directors, each of whom in the judgment of the Board of Directors ("Board") shall be (i) independent as determined in accordance with Nasdaq Stock Market LLC ("Nasdaq") listing standards, (ii) a "non-employee director" under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and (iii) an "outside director" under Section 162(m) of the Internal Revenue Code, as amended.

II. Purpose

The purposes of the Committee are to discharge the Board's responsibilities with respect to (i) overseeing and advising the Board on the adoption of policies that govern the Company's compensation programs, including stock and significant corporate benefit plans; (ii) reviewing and recommending to the Board salaries and other matters relating to compensation of the Company's CEO, executive officers and directors, (iii) reviewing and discussing with the Company's management the Compensation Discussion and Analysis (CD&A) to be included in the Company's annual proxy statement and determining whether to recommend to the Board that the CD&A be included in the proxy statement, and (iv) exercising, in its discretion, the powers granted to it in the Company's Bylaws. The Committee is also responsible for providing the Compensation Committee Report for inclusion in the Company's proxy statement that complies with the rules and regulations of the Securities and Exchange Commission, Nasdaq and any other applicable rules and regulations.

III. Responsibilities

The Committee is responsible for establishing, or overseeing the administration of, annual and long-term performance goals and objectives for the Company's CEO and other executive officers and for administering the Company's annual and long-term incentive plans, as well as setting the overall compensation philosophy for the Company subject to the approval by the Board. The Committee shall, on an annual basis, evaluate and review the performance of the CEO and other executive officers in light of the previously approved performance goals and objectives and recommend to the Board (i) their base salary levels, (ii) their annual incentive opportunity levels under the Company's incentive compensation plans, (iii) the terms of any employment agreements, severance arrangements, and change-of-control agreements or provisions, and (iv) any discretionary bonuses or special or supplemental benefits.

In addition, the Committee is responsible for:

- Reviewing and recommending to the Board payments to participants under the Executive Incentive Compensation Plan;
- Reviewing periodically the Company's equity based compensation plans and recommending to the Board appropriate amendments or modifications to such plans as well as any grants of awards under such plans;
- Reviewing periodically the compensation of the Company's non-employee directors and recommending to the Board any adjustments;
- Reviewing annually the adequacy of this Charter and recommending to the Board proposed changes;

- Reviewing and making recommendations to the Board regarding the executive compensation philosophy, policies and programs that, in the Committee's judgment, support the Company's overall business strategy;
- Reviewing compensation policies and practices for all employees (including non-executive officers), evaluating whether any of those policies or procedures create risks that are reasonably likely to have a material adverse effect on the company, and considering modifications to any policies or procedures that create such risks;
- Reviewing and discussing the CD&A section of the Company's proxy statement with the executive officers and recommending to the Board that the CD&A be included in the Company's proxy statement;
- Producing an annual Compensation Committee Report for inclusion in the Company's proxy statement; and
- Performing such other functions consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems appropriate.

IV. Consultants and Advisors

The Committee shall have the sole authority to retain and terminate any compensation consultant to assist the Committee in the evaluation of CEO, executive officer or director compensation, as it deems appropriate. The Committee shall also have the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors, as it deems appropriate. The Committee shall have the sole authority to approve the fees of such consultants or advisors and such other retention terms as it deems appropriate, all at the Company's expense.

V. Committee Chair

The Committee members shall recommend, and the Board shall designate, one member of the Committee as Committee Chair. The Committee Chair or his or her designee shall preside over all meetings of the Committee and set the agenda of each meeting. Any member of the Committee may request that an item be included on the agenda.

VI. Meetings

The Committee shall meet at least once each year and at such other times as it deems necessary to fulfill its responsibilities. The Committee may meet in person or by conference telephone. A majority of the members of the Committee shall constitute a quorum. The vote of a majority of the members present at any meeting at which a quorum is present shall be the act of the Committee. The Committee shall report regularly to the Board with respect to its activities.

VII. Appointment/Removal

Members of the Committee shall be appointed by the Board at its annual meeting and shall generally serve until their successors are duly appointed and qualified. A member of the Committee shall be deemed to have resigned from the Committee at such time as such member shall have been removed from the Board pursuant to the Bylaws of the Company, or such member has resigned or otherwise been terminated as a member of the Board. A member of the Committee shall also be deemed to have resigned from the Committee at such time as a majority of the independent directors shall have determined that such member is no longer an independent director of the Board.

VIII. Subcommittees

As permitted by law or the Nasdaq listing standards, the Committee may delegate its duties and authority to a subcommittee of fully independent directors or to members of management.

IX. Reliance on Others

Unless a Committee member has knowledge that makes reliance unwarranted, that Committee member, in discharging his or her duties to the Company, may rely on information, opinions, reports, or statements, any of which may be written or oral, formal or informal, including financial statements, valuation reports, and other financial data, if prepared or presented by: (a) one or more officers or employees of the Company whom the Committee member believes in good faith to be reliable and competent in the matters presented; (b) legal counsel, independent auditors, or other persons as to matters which the Committee member believes in good faith to be within the professional or expert competence of such person; or (c) another committee of the Board of which such Committee member is not a member if the Committee member believes in good faith that such committee merits confidence.

X. Minutes; Reports to Board of Directors

The Committee shall keep minutes of its proceedings. Minutes of the meeting will be prepared by the chairperson of the Committee or other person designated to act as secretary for the meeting. Following each of its meetings, the Committee shall provide a summary to the Board of all actions taken by the Committee at the meeting.

XI. Disclosure of Charter

This Charter shall be made available on the Company's website at:

www.laynechristensen.com/investorrelations.html