

Taylor Stephen Charles  
Form 4  
January 26, 2011

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Taylor Stephen Charles

2. Issuer Name and Ticker or Trading Symbol  
NATURAL GAS SERVICES GROUP INC [NGS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
508 WEST WALL STREET, SUITE 550

3. Date of Earliest Transaction (Month/Day/Year)  
01/24/2011

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
President and CEO

(Street)  
MIDLAND, TX 79701

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code V	Amount or (D) Price		
Common Stock	01/24/2011		A	(1)	4,791 \$ 17.81	14,895	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Nonstatutory Stock Option (right to buy)	\$ 9.22					01/13/2006	08/24/2015	Common Stock	45,000
Nonstatutory Stock Option (right to buy)	\$ 14.22					11/21/2007	11/21/2016	Common Stock	15,000
Employee Stock Option (right to buy) <u>(2)</u>	\$ 20.06					01/15/2009	01/15/2018	Common Stock	40,000
Employee Stock Option (right to buy) <u>(2)</u>	\$ 17.51					09/10/2009	09/10/2018	Common Stock	25,000
Employee Stock Option (right to buy) <u>(2)</u>	\$ 9.95					01/28/2010	01/28/2019	Common Stock	30,000
Employee Stock Option (right to buy) <u>(3)</u>	\$ 7.84					03/17/2010	03/16/2019	Common Stock	23,852
Employee Stock Option (right to buy) <u>(2)</u>	\$ 19.9					01/18/2011	01/17/2020	Common Stock	30,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Taylor Stephen Charles	X		President and CEO	

508 WEST WALL STREET, SUITE 550  
MIDLAND, TX 79701

## Signatures

/s/ Stephen C.  
Taylor

01/24/2011

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).  
The acquisition of the 4,791 shares of common stock reflects an award of restricted stock on January 24, 2011, pursuant to the Company's 2009 Restricted Stock/Unit Plan. The award vests one year from the grant date subject to the participant's continued employment with the Company and subject to accelerated vesting upon the death, disability or retirement of the participant, or upon a change in control of the Company.
  - (1) Company and subject to accelerated vesting upon the death, disability or retirement of the participant, or upon a change in control of the Company.
  - (2) Granted pursuant to the Company's 1998 Stock Option Plan. The option vests and becomes exercisable in three equal annual installments beginning on the first anniversary of the grant date. Vesting accelerates under certain circumstances.
  - (3) Granted pursuant to the Company's 1998 Stock Option Plan. The option vests one year from the date of grant, although vesting accelerates if employment is terminated for any reason.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.