



Wavefront Energy and Environmental Services Inc.

<input type="checkbox"/>	First Quarter Report
<input checked="" type="checkbox"/>	For the six month
<input type="checkbox"/>	period ended
<input type="checkbox"/>	February 28, 2006

NOTICE OF AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management.

The Corporation's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.



Wavefront Energy and Environmental Services Inc.

TO THE SHAREHOLDERS:

The implementation of the Corporation's three-point strategy of licensing DeepWaveSM to industry leaders, selling and implementing the technology directly with end users, and acquiring undervalued oil fields to implement DeepWaveSM, has been gaining momentum. Each of the strategic initiatives not only supports the others but also encourages an accelerated adoption of the technology. This momentum is reflected in that over 57% of all revenue was derived from DeepWaveSM. DeepWaveSM revenue totalled \$151,367 for the second quarter. Of the DeepWaveSM revenue recognized, \$114,122 was a result of royalties and minimum royalty amounts due from our licensed agents.

Additionally, the Corporation's financial position has been greatly strengthened with the closing of a significant non-brokered private placement and the exercise of convertible securities. Our improved financial position will allow the Corporation to more aggressively pursue other oil field acquisition, joint venture and development opportunities.

The development of mineral property interests will continue to be a feature of the Company's strategy in showcasing DeepWaveSM. As we continue to aggressively develop the various oil properties and deploy DeepWaveSM, production revenues will increase while operating costs are expected to remain relatively stable. In addition, as results from DeepWaveSM projects are received, it is anticipated that DeepWaveSM licensing royalties will continue to grow.

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read "Brett C. Davidson". The signature is fluid and cursive, written over a white background.

Brett C. Davidson
President & CEO



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED FEBRUARY 28, 2006

Forward-looking Information

Statements in this Management Discussion and Analysis relating to matters that are not historical facts are forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results implied by such forward-looking statements. Such factors include fluctuations in acceptance rates of Wavefront's DeepWaveSM technology, demand for products and services, fluctuations in the market for oil and gas related products and services, the ability of Wavefront to attract and maintain key personnel, technology changes, global political and economic conditions, and other factors that are described in further detail in Wavefront's continuous disclosure filings.

Management's Responsibility

Management of the Corporation is responsible for the accuracy of the information disclosed in the Management Discussion and Analysis. The interim and annual Management Discussion and Analysis are also reviewed and approved by the Audit Committee of the Corporation's board of directors. This Management Discussion and Analysis contains information available to April 25, 2006.

Description of Business

The principal business of Wavefront Energy and Environmental Services Inc. ("Wavefront" or "the Corporation") is the development, licensing, and implementation of DeepWaveSM for improved oil recovery and enhanced groundwater remediation.

DeepWaveSM Technology

At the core of Wavefront's strategic value proposition is its patented DeepWaveSM technology. DeepWaveSM is an injection technology / methodology that dramatically improves the flow rate and distribution of liquids in the ground.

DeepWaveSM has been proven to be an effective method of achieving oil production revitalization through the following techniques:

Short-term Well Intervention Applications

- Well intervention (single wells)
- Matrix Acid – typical near wellbore cleanup
- Remedial sand control
- Acid Inhibition treatments
- Paraffin removal

Long-term Stimulation Applications

- Add-on to water injectors for improved injectivity rates, sweep efficiency, and reservoir conformance
- Add-on to water disposal wells
- Liquid CO₂ Injection
- Surfactant and Polymer floods

DeepWaveSM has been successfully applied in heavy and light oil, in gas wells, as well as in groundwater remediation. The method of implementation or system utilized depends upon among other things geology and fluid viscosity. DeepWaveSM implementation is specific to suit a given geological situation. DeepWaveSM can be modified to increase injection and production flow rates, production well efficiency, and oil recovery ratios in a wide variety of configurations.

Environmentally, groundwater contamination came to the forefront in the early 1980s. Since the physics of fluid flow is similar in shallow groundwater conditions to that of the oil industry, Wavefront has diversified its client base and utilizes a scaled-down DeepWaveSM system for groundwater remediation. DeepWaveSM has also been verified as an environmental remedial strategy by Environment and Industry Canada. The following lists some applications of DeepWaveSM in the environmental sector:

- Enhancement of “pump-and-treat” systems to extract the contaminant; a similar methodology to an oilfield waterflood.
- Improved injection of “*in situ*” remedies, such as the injection of biological, chemical or oxidant agents into the ground to neutralize the groundwater contaminant.
- Rehabilitation of water wells.

The optimization of DeepWaveSM is dependant upon, among other things, the frequency and amplitude of the fluid waveform created. Thus, part of Wavefront’s value proposition is to monitor and model, and optimize DeepWaveSM outcomes. Wavefront’s intellectual property strategy is to maintain absolute control over its DeepWaveSM modeling software known as the “DeepWaveSM Analyzer”. The software enables Wavefront to evaluate reservoir characteristics and provides key insights into the optimized waveform required for the desired outcome in any given geological setting.

Energy Sector Application of DeepWaveSM Technology

Given the Corporation’s limited resources and challenges in implementing a global technology, Wavefront entered into Technology Licensing and Collaboration Agreements with Halliburton Energy Services Inc (“Halliburton”). The License Agreement provides Halliburton non-exclusive rights in Canada and the United States to market DeepWaveSM and exclusive rights outside of Canada and the United States. In consideration of the exclusive component of the Licensing Agreement, Wavefront entered into a Collaboration Agreement, which allows both parties to jointly research, develop and manufacture DeepWaveSM systems for the improvement or enhancement of oil recovery, oil well stimulation and oilfield disposal methodologies. The Halliburton agreements will assist Wavefront in the following:

- Expedite the adoption rate of DeepWaveSM by utilizing Halliburton’s sales networks.
- Eliminate potential DeepWaveSM system manufacturing and implementation bottlenecks.
- Provide the Corporation and DeepWaveSM with greater exposure and credibility.
- Through the Collaboration Agreement, expand the markets for DeepWaveSM by having different systems that can operate in different geological environments.

Environmental Sector Application of DeepWaveSM Technology

With the negative net present value of environmental remediation projects and the long sales cycles, Wavefront, in parallel fashion, has also licensed to Environmental Resource Management (“ERM”) non-exclusive rights to market DeepWaveSM to the environmental sector. Wavefront also has one registered sales agent in the United States and one in Finland promoting the technology to the user sector. Utilization of licensing and securing outside agents has allowed Wavefront to gain market exposure for DeepWaveSM while limiting the resources required to build a revenue stream from the environmental sector.

RESULTS OF OPERATIONS

Consolidated Results – six months ended February 28, 2006

Revenues

Revenues for the six months ended February 28, 2006 were \$265,329, a decrease of \$475,952 from the revenue recognized in corresponding period of February 28, 2005 of \$741,281. The decrease in revenues is a result of the comparative recognizing the sales of two integrated monitoring products and services. During the current reporting period the Corporation has focused its resources on its DeepWaveSM. Approximately 57% revenues for the quarter were generated from activities associated with the DeepWaveSM technology, while the remainder of revenue was related to sale of integrated monitoring products and services to external customers in Alberta. Gross profit as a percentage of revenue was 46% for the quarter and is greater than that for the comparative period of last year of 36.2% due to increased DeepWaveSM related revenues that have high gross margins.

General & Administrative Expenses

The Corporation’s general and administrative expenses for the second quarter of fiscal 2006 were \$1,026,377, an increase from the \$970,501 incurred for the same period of the comparative period (the six months ending February 28, 2005).

General and administrative expenses increased by \$55,876, primarily due to increases in wages expense of \$163,094, travel and promotion expenses of \$32,245, listing and public company fees of \$17,272, and professional fees of \$11,772. Off-setting these increases were decreases in research and development expenses of \$62,444, interest expense of \$44,706 and consultant expenses of \$57,375. The aforementioned variances in expenses reflect the following:

- A reduction in the allocation of resources away from the labour intensive integrated monitoring business.
- The Corporation’s involvement in developing the Rogers County oilfield to showcase DeepWaveSM. This includes the increases in the number of staff employed and some increased wage rates resulting from operating the Rogers County oilfield.
- The inclusion of the fair value of stock option valuation as an employee wage expense approximated \$153,761 for the three months ended February 28, 2006. The increase in the fair value is a result of the Company increased liquidity, which as a result has mitigated our ability to discount the expense by 60%. The majority of the expense relates to the 725,000 incentive stock options issued on January 11, 2006.
- The extinguishment of certain debts and the write-off of professional interest charges that related to past reporting periods.



- The successful collaboration of a coiled tubing DeepWaveSM tool with Halliburton has allowed the Corporation to reduce its research and development costs. These costs however, are expected to increase as the Corporation and Halliburton endeavour to develop an additional continuous field stimulation tool for use in waterfloods, disposal wells, etc. The collaborated continuous system would be a new generation of the systems the Corporation is currently deploying or developing on its own.

Net Loss and Loss Per Share

The net loss for the six months ended February 28, 2006 was \$925,221 (\$0.03 per share), compared to \$760,281 (\$0.02 per share) in 2005. The Corporation expects financial results to improve, moving towards profitability, as DeepWaveSM licensing revenues and oil production revenues from mineral rights are expected to increase, while operating costs are expected to remain relatively stable.

Summary of Quarterly Results

	2nd Qtr 2006 Feb 28 '06		1st Qtr 2006 Nov 30 '05		4th Qtr 2005 Aug 31 '05		3rd Qtr 2005 May 31 '05	
All amounts in Canadian dollars								
Revenue	\$	169,972	\$	95,357	\$	123,387	\$	469,616
Loss from Operations	\$	553,911	\$	342,728	\$	452,468	\$	392,249
Net Loss	\$	573,273	\$	351,948	\$	447,248	\$	400,202
- Per Share - Basic and Diluted	\$	0.018	\$	0.012	\$	0.012	\$	0.016
	2nd Qtr 2005 Feb 28 '05		1st Qtr 2005 Nov 30 '04		4th Qtr 2004 Aug 31 '04		3rd Qtr 2004 May 31 '04	
Revenue	\$	419,170	\$	322,111	\$	110,143	\$	279,469
Loss from Operations	\$	317,808	\$	384,429	\$	132,115	\$	418,709
Net Loss	\$	376,067	\$	384,214	\$	235,077	\$	415,085
- Per Share - Basic and Diluted	\$	0.016	\$	0.016	\$	0.006	\$	0.021
(1) This Financial data has been prepared in accordance with Canadian GAAP								
(2) Each quarters figures are for the three month period ending on the date listed								

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

As at the end of six months ending February 28, 2006, the Corporation had working capital of \$9,412,723 (compared to working capital deficit of \$530,225 for the second quarter ended February 28, 2005). The Corporations working capital will continue to be derived from profits generated from current and future work and financing efforts.

Given the upfront costs associated with fabricating DeepWaveSM systems and integrated monitoring projects, the Corporation continued its policy of requiring customers to provide a deposit upon execution of a purchase order, allowance for expenditure or contract. This assists the Corporation in better managing its cash flow, and thus requiring less external working capital financing.



During the six months ending February 28, 2006, the Corporation concluded the following share capital transactions that increased its cash resources:

1. Effective September 1, 2005, the Corporation closed a non-brokered private placement for gross proceeds of \$450,607. In addition, the Corporation paid filing and legal fees of \$3,225, resulting in net cash proceeds of \$447,382.
2. Effective January 11, 2006, the Corporations closed a non-brokered private placement for gross proceeds of \$9,501,311. The Corporation paid a finders fee in the amount of \$450,079 to an arms length party, and filing and legal fees of \$50,750, resulting in net cash proceeds of \$9,000,482.
3. 336,866 incentive stock options were exercised at prices ranging from \$0.40 to \$0.50 resulting in gross proceeds of \$149,477. Of the incentive stock option exercises, a director of the Corporation exercised 295,200 incentive stock options.
4. 5,200,037 common share purchase warrants were exercised at prices ranging from \$0.35 to \$0.55 resulting in gross proceeds of \$2,088,853. Of the common share purchase warrants exercise, directors of the Corporation exercised 906,484 common share purchase warrants.

In addition subsequent to the six months ending February 28, 2006, 72,500 incentive stock options were exercised at prices ranging from \$0.40 to \$0.50 resulting in gross proceeds of \$31,550. Of the incentive stock option exercises, a director of the Corporation exercised 45,000 incentive stock options.

Liquidity risk associated with financial instruments, which is generally related to accounts receivable, and is believed to be very low based on the Corporation's history and the customers generally serviced.

The Corporation did not default nor was it in arrears on any lease interest or principal payments. Interest on notes payable and amount due to shareholders is due and payable on demand.

Interest expense on the notes payable for the quarter totaled \$3,803 where as the interest expense on amounts due to shareholders totalled \$1,455. The Corporation repaid to a director of the Corporation \$5,485 and \$23,641 of accrued interest on the notes payable and due to shareholder, respectively. Accrued interest payable is \$3,877 and \$24,501 on the notes payable and due to shareholder, respectively.

Capital Resources

Currently, the Corporation has no firm commitments for capital expenditures. However, in accordance with the Corporation's strategic plan, cash resources will be required for the following:

- To support the ongoing collaboration efforts with Halliburton for the development of DeepWaveSM systems. The research and development of such systems allows the Corporation (and Halliburton) to expand the types of potential applications that DeepWaveSM can be used in.
- To support the marketing efforts and to train Halliburton employees for the implementation of DeepWaveSM.
- To further develop the Roger County property in proportion to the Corporation's working interest. The Corporation is also currently evaluating the acquisition of the sixty percent (60%) working interest held by Boulder Oil LLC, a related party.



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- To acquire additional mineral rights around the Rogers County location for oil production and the installation of DeepWaveSM systems.
 - Further to the farm-in agreement ("Farm-in Agreement") with Greentree Gas and Oil Ltd. (TSX-V: GGO) ("Greentree") for the Rodney South oil field lease. Under the Farm-in Agreement with Greentree the Corporation will be required to fund the development of the South Rodney Field property for oil production and the installation of DeepWaveSM systems (see Proposed Transactions below).
 - To build an inventory of DeepWaveSM systems for deployment in Rogers County, South Rodney Field and for licensing to external oil producers for use in waterfloods or disposal wells.

There are no known trends or expected fluctuations in the Corporation's capital resources.

As of April 25, 2006, the outstanding balance on the Corporation's lines of credit was \$960 and the Corporation had \$106,440 of cash on hand plus \$8.7 million invested in Guaranteed Investment Certificates.

The Corporation declined to extend its corporate facilities lease in Edmonton; instead it elected to move to alternative facilities at rates that are expected to be similar. The new facility encompasses a one-year lease at a rate of \$7,163 per month. The Corporation will have an option on the second year at a rate of \$7,365 per month. The structure of the corporate facilities lease is to allow the Corporation flexibility to adapt to its growth rate.

The Corporation intends to buyout its capital leases and certain operating leases.

Off-Balance Sheet Arrangements

The Corporation has no off balance sheet arrangements.

CAPITAL ASSETS AND EXPENDITURES

Assets

Total assets increased by \$10,176,279 to \$11,108,846, which was principally due to an increase in cash resulting from the above noted share capital transactions. Additional increases in accounts receivable and mineral property interests relate to work associated with Rogers County in Oklahoma. Increases to intellectual property relate to the Corporations lawsuit naming Applied Seismic Research Corporation.

On the anniversary date, of February 28, 2006, of the Milam County option agreement the Corporation had let its mineral right option lapse. Milam County had no production infrastructure in place, as such the expiry of the Milam County mineral rights allowed to the Corporation to focus its resources on Rogers County, which had a level of production equipment in place. Thus, the Corporation has fully impaired the Milam County mineral rights in the amount of \$12,836.

Liabilities

Total liabilities decreased by \$796,883 to \$784,020 from the previous year-end. This was principally due to the closing of two non-brokered private placement that allowed the Corporation to eliminate the \$450,607 advances on share subscription and the reduction of bank indebtedness by \$246,380 and the reduction of accounts payable and accrued liabilities by \$98,388.



TRANSACTIONS WITH RELATED PARTIES

In connection with the reverse take-over of PE-TECH Inc., dated September 30, 2003, certain directors and shareholders of the Corporation entered into a Debt Repayment Agreement. Under the terms of the Debt Repayment Agreement, the creditors agreed to postpone their ability to demand repayment of the balance until September 30, 2004, after which principal repayment was restricted to twenty percent (20%) of consolidated cash flows from operations. As such, the entire balance has been classified as long-term debt at November 30, 2005 as the Corporation does not anticipate achieving positive cash flows from operations in fiscal 2006. In a prior period the Corporation settled \$495,515 of amounts due to shareholders in accordance with a Shares-for-Debt Settlement Agreement. As a result, the balance outstanding at November 30, 2005, was \$34,189. The balance payable at November 30, 2005 is unsecured, bears interest at 8.5% per annum and has repayment terms in accordance with the Debt Repayment Agreement noted above. Interest expense for the six months ended February 28, 2006, totalled \$1,455 while accrued interest payable at November 30, 2005 total \$24,501. The reduction in accrued interest payable from the previous reporting period is the result of repaying \$23,641 in interest that was owing to a director of the Corporation.

Notes payable represents amounts due to directors of the Corporation. The notes payable are unsecured, bear an interest rate of 14% per annum, have no fixed repayment terms and are repayable 30 days after demand. Interest expense for the six months ended February 28, 2006, totalled \$3,803. Accrued interest payable as at February 28, 2006 is \$3,877. The reduction in accrued interest payable from the previous reporting period is the result of repaying \$5,485 in interest that was owing to a director of the Corporation.

Effective September 1, 2005, the Corporation sold 1,959,160 units of the Corporation at a price of \$0.23 per unit for gross proceeds of \$450,607. The 1,959,160 units were sold by way of a non-brokered private placement. Each unit consisted of one common share and one common share purchase warrant, with each full share purchase warrant entitling the holder to acquire a common share at a price of \$0.40 for a period of 12 months ending September 1, 2006. Of the 1,959,160 units sold, a director of the Corporation subscribed for 276,767 units.

Of the 336,866 incentive stock options exercised during the six months ended February 28, 2006, 295,200 stock options were exercised by a director of the Corporation at a price ranging from \$0.44 to \$0.45. Of the 5,200,0037 common share purchase warrants that were exercised during the reporting period, 906,484 common share purchases warrants were exercised by directors of the Corporation at prices ranging from \$0.40 to \$0.55.

During the reporting period the Corporation repaid interest owing to a director of the Corporation \$5,485 and \$23,641 that related to accrued interest on amounts recorded as notes payable and due to shareholder, respectively.

In the prior year the Corporation entered into an Option Agreement (the "Option Agreement") to acquire ninety percent (90%) of the working interest in the production, equipment and mineral leases of Phoenix Oil, LLC of Claremore, Oklahoma, for total consideration of U.S. \$180,000. The leases, known as the Chelsea-Alluwe Waterflood Leases, are comprised of 780-acres and are situated in Rogers County, Oklahoma. For the Option Agreement, the Corporation paid a U.S. \$15,000 deposit that was applied to the total purchase price. A related limited liability company ("LLC") executed the Option Agreement on behalf of the Corporation by paying the remaining U.S. \$165,000 of the purchase price for a sixty percent (60%) working interest in the leases. A director and a related party to a director of the Corporation control fifty-five percent (55%) of the voting membership units of the LLC. In consideration of the U.S. \$15,000 deposit paid by the Corporation, it retained a thirty percent (30%) working interest in the leases. The LLC provides the corporate management of operations. Each working interest party is responsible for operating and field development costs in proportions relative to their working interest percentage.



Certain of the prior year amounts have been reclassified from mineral rights to capital assets to conform with the presentation adopted for the current year. In addition during the reporting period ending February 28, 2006, the LLC assigned to the Corporation as the operatorship of the Rogers County leases. The Corporation, as the operator will now be responsible for managing and paying all operating expenses associated with the Rogers County leases.

The Corporation has capitalized and included in capital assets its proportionate share of the oil well development costs of \$112,545 related to the Rogers County venture. As well, \$5,414 in expenses were incurred on these leases for the period ended February 28, 2006. Of these amounts \$41,199 in oil well development costs and \$3,030 are due to the LLC joint venture partner and are included in accounts payable and accrued liabilities. Total accrued liabilities owed to the LLC joint venture partner, as at February 28, 2006 is \$53,313.

As the operator, for the period ended February 28, 2006 the Corporation has paid \$237,820 in oil well development costs \$4,762 in expenses related to the Rogers County leases. The Corporation has reduced these oil well development costs and expenses by its working partners' relative working interest percentage. The proportionate working partners' interest share is included in accounts receivable totaling \$169,808, of which \$145,549 is owed from the LLC joint venture partner.

In addition, the Corporation has recognized production revenue of \$9,945 related to the Rogers County venture. Of the \$9,945 in production revenue, \$1,000 is due from the LLC joint venture partner and is included in accounts receivable.

PROPOSED TRANSACTIONS

With the acquired the mineral property interests in Rogers County, Oklahoma, which included production equipment and is currently producing oil, efforts have been focusing on working over all existing producing oil wells, drilling new injection and production wells while implementing and measuring waterflood results to establish a baseline before installing the Corporation's DeepWaveSM systems. With the Corporation having a 30% interest in the Rogers County oilfield, it will be responsible for 30% of the costs required to meet the previously noted objectives and the capitalization of the requisite DeepWaveSM systems. As noted previously the Corporation is assessing the merits of acquiring the 60% working interest in Rogers County held by the LLC.

Under the Farm-in Agreement with Greentree, Wavefront will provide up to \$2.25 million for initial capital expenditures and working capital requirements. Additional development costs are expected to be derived from cash from operations. Greentree will act as the Operator of the lease and will contribute the petroleum leases, existing seismic and geological data, and the use of its existing field facilities. Greentree will also provide its field maintenance staff, administrative, and office support staff. In consideration for each party's contributions, cash flow from operating activities will be allocated seventy percent (70%) and thirty percent (30%) to Wavefront and Greentree, respectively, until payout of Wavefront's initial \$2.25 million capital investment. Subsequent to payout, cash flow from operating activities will be allotted fifty percent (50%) to each of Wavefront and Greentree respectively. The Corporation and Greentree are in the final stages of developing a development plan and applying for the required permits. The Corporation will advise of the development plan, anticipated timelines and financial commitments to the project and intended DeepWaveSM applications as they are finalized.



The intent of the mineral property interests acquisition is to have permanently installed DeepWaveSM systems to showcase the Corporation's technology to its customers, licensed agents and financial markets. The acquisitions address the Corporation's three-point strategy of licensing the DeepWaveSM stimulation process to industry leaders, marketing and implementing the technology within Canada and the United States and acquire undervalued oilfields to implement the technology. Management believes that each of the strategic initiatives will support the other initiatives and accelerate overall technology adoption.

CHANGES IN ACCOUNTING POLICIES

Variable Interest Entities

The Corporation adopted Accounting Guideline AcG-15, Consolidation of Variable Interest Entities, which requires the consolidation of certain entities that are subject to control on a basis other than ownership of voting interests.

This Guideline provides guidance for determining when an enterprise includes the assets, liabilities and results from operations of a variable interest entity in its consolidated financial statements. The adaptation of this Guideline had no effect on the Corporation's consolidated interim financial statements.

FINANCIAL AND OTHER INSTRUMENTS

There are no significant changes, since the annual MD&A issued for the fourth quarter ended August 31, 2005, in financial or other instruments.

RISK FACTORS

The Corporation's business risks are the same as disclosed in its annual MD&A issued for the fourth quarter ended August 31, 2005.

OUTLOOK

Looking forward, some industry experts expect that the high price environment for crude oil and natural gas appears to be sustainable for the foreseeable future. Production efforts in not only North America, but worldwide, will drive how DeepWaveSM is commercialized and will affect the Corporation's financial performance in fiscal 2006.

For the remainder of fiscal 2006 efforts continue to focus on leveraging the Rogers County project to bring the Corporation to a positive cash flow position. The Corporation will continue to evaluate opportunities for farm-ins, joint ventures, and acquisitions of oil field leases to further demonstrate the efficacy of DeepWaveSM over a broad spectrum of reservoir conditions. It is anticipated that the Corporation will have several DeepWaveSM tools installed at Rogers County for a permanent waterflood. The successful installation of the DeepWaveSM systems in Rogers County, the Corporation anticipates increased production volumes and revenue.

Given positive results of Halliburton well intervention projects, the Corporation anticipates that Halliburton will continue to expand its offering of DeepWaveSM well intervention services to the oil and gas communities thus, increasing the Corporation's licensing revenue.