

## WAVEFORM ENERGY ANNOUNCES SIGNIFICANT INITIAL PRODUCTION RATES FROM SECOND MIDALE EVAPORITE WELL AND OPERATIONS UPDATE

**CALGARY, ALBERTA**, – October 11, 2005 - WaveForm Energy Ltd. ("WaveForm" or "the Company") is pleased to announce the completion and initial results from its second Midale Evaporite well which was drilled as a dual leg horizontal well and not as a single leg horizontal, as was the discovery well. This dual leg well has higher initial production rates compared to the first single leg Midale Evaporite discovery well.

The dual leg Midale Evaporite well has been flowing and has been swabbed intermittently over the first four days of its production at rates ranging from 600 to 900 bbls/d, of 30° API oil, with little or no associated water. During the clean up and testing, this dual leg well achieved swab rates of up to 38 bbls per hour for 5 hours and subsequently flowed. The well was swabbed at 25 bbls per hour over two other ten hour periods. This dual leg well has higher production, and greater overall inflow than the first single leg discovery well drilled in August. The Company has put the well on pump and has produced the well at a controlled average rate of 375 bbls/d of clean oil, with little to no associated water. This pump rate is not the maximum rate that the well can deliver but is a controlled rate, which is consistent with management's view to produce at controlled rates to prevent formation damage. Management believes that after an initial flush production period a sustainable rate of 150 to 200 bbls/d will be achieved. WaveForm has a 65% working interest in this well.

The Midale Evaporite single leg discovery well, which had an initial 8 day production rate of 240 bbls/d, has declined to a rate of approximately 100 bbls/d of production. This 100 bbls/d rate has been consistent over the past several weeks and based on production and pressure tests, management considers this to be a more stabilized rate for the single leg horizontal well. Future wells drilled into the Midale Evaporite zone will be drilled as dual leg horizontal wells which have higher initial production rates and the expectation of higher sustained production. A gross cost per well of \$1,600,000, or 1,040,000 net to WaveForm is expected.

The Company's third Midale Evaporite well was spudded on September 21<sup>st</sup> and is expected to be drilled and completed in mid-October. This third well will be a dual leg well, and is the next step in a 30 well development program of the Midale Evaporite zone, which is part of the Ratcliffe Beds. Management is focused on development drilling within this zone over the short term to grow production and cash flow. A second drilling rig is expected to become available to WaveForm in the near future to continue this development program at a more rapid pace. Based on the success of the Midale Evaporite wells, management will make this zone our primary objective for the remainder of the year.

The Company is assessing completion techniques to be used on the third Bakken well which it drilled in September, with a joint venture partner paying 100% of the drilling and completion costs. The fluid recovered during the swabbing was 80% light oil, with 20% associated water which is consistent with the Company's expectation that the Middle Bakken Member is oil bearing. The drilling was predominantly successful, however due to mechanical problems the well was stopped before its targeted total depth of 1000 metres, and instead achieved a horizontal wellbore length of approximately 500 metres, with a portion of the horizontal wellbore being drilled out of zone. The well is awaiting completion while completion techniques are being finalized. Management has been sharing information and researching drilling and completion techniques used by operators in the United States working within close proximity to the Company's land base. Recent wells drilled in the northern part of North Dakota have had initial production rates of 250 to 350 bbls/d of light oil, as local operators in North Dakota continue to refine their drilling and completion techniques. The Company also participated in a core consortium of a well drilled in North Dakota, which showed very similar characteristics to the core analysis performed on a well drilled on our land base. WaveForm is in the process of finalizing completion techniques and the fracture stimulation program for this third Bakken well and it will be completed once the technical analysis is concluded.

The first two Bakken wells drilled have had increasing overall oil cuts, but reduced overall volume which resulted in stabilized low rates of production. Information obtained through the drilling and completion of the initial wells has enabled management to refine these techniques which will be applied to the completion of the third Bakken well. The large scale fracture stimulation used on the initial two wells drilled is believed to have opened up water from other zones. As a result the first well has been shut in, and the second well maintains a production rate of approximately 13 bbls/d. Both wells are expected to be re-drilled using the refined drilling and completion techniques.

The Company is also very pleased to announce the appointment of Benjamin Urlwin as Vice President of Exploration. Mr. Urlwin joined Waveform in January 2005, bringing with him over 10 years of geological and related experience. Mr. Urlwin has had a particular focus on the Williston Basin of southeast Saskatchewan where he has supervised over 50 deep horizontal wells, along with abundant vertical tests. His employment history includes long-term consulting positions with Berkley Petroleum and Anadarko Canada Corporation. In conjunction with his extensive Williston Basin experience, Mr. Urlwin has supervised high-profile wells throughout Western Canada, Atlantic Canada and Quebec, as well as Yemen, Brazil and Ecuador. He holds a Master of Science Degree in Geology from the University of Calgary, is a member of APEGGA (P.Geol.), the CSPG, and currently holds a position on the executive board of the CWLS as Co-Chair of Publication.

Mr. Urlwin's previous position of Senior Geologist has been filled by Ted Bowen, professional geologist. Ted has 10 years of broad experience ranging from wellsite geology, to detailed sample investigations, and has formed and run his own wellsite consulting group. Most recently Mr. Bowen has been consulting for Calgary-based oil and gas companies providing in-depth reservoir, diagenetic and structural analysis of both developed and undeveloped acreage. Mr. Bowen has been granted 70,000 stock options at an exercise price of \$3.55.

Don Rae, President of WaveForm states "the success of the Midale Evaporite zone within our land base is very promising. We have a large development play with highly economic wells to be drilled in the near future. I believe the development of the Midale Evaporite in conjunction with the exploration potential of the Bakken will provide shareholders with tremendous future value. We are also pleased to see Ted Bowen join our WaveForm team to help us implement our aggressive development plan, and to further refine our exploration techniques in the Bakken."

### **About WaveForm Energy**

WaveForm is a junior oil and gas company focused on the acquisition, exploration and development of oil and natural gas in Western Canada with a particular emphasis on exploration in the Tableland area of southeast Saskatchewan. The WaveForm joint venture currently has an undeveloped land base of approximately 41,000 gross acres which provides 100 potential drilling locations in each of the Midale Evaporite Zone in the Ratcliffe Beds, the Upper Bakken Shale, and in the Lower Bakken Shale.

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