MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

The following MD&A contains information concerning the Company's vision, business strategies, capabilities, financial results and an overview of its outlook for the Company and the industry as at November 28, 2005. This MD&A encapsulates the Company's operating and financial results for the three-month period ended September 30, 2005 and the year-to-date results for the seven-month period then ended. The following discussion is based on the Company's financial statements, which were prepared in accordance with Canadian generally accepted accounting principles. The discussion of financial condition and results should be read in conjunction with the financial statements and notes contained in this report. Additional information is available on the Company's website [www.cen-alta.ca] and all previous public filings, including the Annual Information Form [AIF] are available on Sedar at www.sedar.com.

This discussion and analysis contains forward-looking statements that reflect management's expectations regarding the Companies future growth, operating results and market opportunities. Terms such as "anticipate", "expect", "believe" and other similar words have been used to help identify these forward looking statements. These forward-looking statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risk factors materialize, or should assumptions prove incorrect, the actual results may vary significantly from those expected.

Corporate Development

Central Alberta Well Services Corp. is headquartered in Red Deer Alberta, providing well services to oil and gas exploration and development companies operating in Western Canada. Its core business activities are focused on well servicing, utilizing service rigs and coil tubing technology.

Central Alberta Well Services Corp. ("CAWS") was incorporated on March 1, 2005 as a private company. Upon incorporation, CAWS acquired the operating assets of Cactus Coil Tubing Ltd. for cash consideration of $2.7 million.

On September 1, 2005, CAWS was amalgamated with e-Quisitions Inc. ("EQ"), a non-operating public company. The combined business continued operations as Central Alberta Well Services Corp. (the "Company"). The amalgamation was accounted for as a reverse takeover transaction as the former shareholders of CAWS controlled approximately 80% of the outstanding shares of the Company following amalgamation. The Company has elected to have a December 31 year-end and has filed the requisite regulatory documents to affect this decision.

Pursuant to the EQ acquisition, the Company issued 1 share for each 20 outstanding shares of EQ, resulting in 900,000 shares being issued for the 18.0 million common shares of EQ. The Company also issued 100,000 shares in settlement of a liability assumed on the EQ acquisition. On amalgamation, the Company issued 3,775,008 common shares on a 1 for 1 basis to the shareholders of CAWS. Following the

amalgamation, Central Alberta Well Services Corp. had 4,775,008 common shares issued and outstanding.

Operational Overview

The Company is based in Red Deer, Alberta and is engaged in providing well services to oil and gas exploration and development companies operating in the Western Canadian Sedimentary Basin.

The services being provided by Central Alberta Well Services Corp. include completions, work-overs and abandonments, well maintenance, high pressure and critical sour gas well work, re-entry preparation and re-entry drilling and coal bed methane work-overs and completions.

One of the Company's strategies is to capture profitable market share by offering a range of oilfield services, utilizing the latest available technology in well servicing equipment and by focusing unwaveringly on safety, health and employee welfare in all aspects of its operations.

The management and operational team are comprised of individuals with extensive experience in the Canadian oil and gas service industry. The management team has a proven track record in this industry segment, having previously developed a successful well servicing operation that was subsequently sold to a competitor. At the time of the divestiture, the predecessor company operated a fleet total of over 165 service rigs and was one of the largest well service operations in Western Canada. One of the Company's key strategic plans is to leverage this industry knowledge and track record to develop a modern equipment fleet and a strong customer franchise.

The Company is incorporating a fleet of coil tubing units into its operations that have a maximum depth rating of 3,500 meters and that are designed to compete for work in coal bed methane completion and work-overs. Coal bed methane is a rapidly emerging source of non-conventional gas and is expected to become an increasingly important source of new natural gas production in Western Canada. Coal bed methane development is generally more service intensive than conventional sources of natural gas. The Company's service and completion rigs cover a range of single and double mast lengths with ratings of 1,500 to 5,000 meter depth capacity.

Another critical competitive advantage will be the development of a well service equipment fleet that utilizes identical components on all units and that are sole-sourced through one equipment manufacturer. A standardized fleet will enjoy the incremental operating advantages of reduced maintenance costs, and a lower investment in parts and replacement component inventories. Inherent in this strategy are the benefits of a modern fleet with leading edge technology, in an industry characterized by an ageing equipment infrastructure. Of the 850 rigs registered with the Canadian Association of Oilwell Drilling Contractors ("CAODC"), less than 10% were built and put into service during the last 5 years. The Company's equipment has been designed to be lighter and more

mobile which should result in higher utilization through greater access to drilling and well sites when road access becomes an inhibiting factor for older and heavier equipment.

The oil and gas service industry is operating at record activity levels and is faced with increasing shortages of skilled trade people. In its early stages, the Company has been successful in recruiting experienced crews but going forward it will have to introduce innovative employee retention programs to attract and retain skilled staff. The Company also believes its fleet of new equipment with the latest safety features will help attract qualified operating teams.

Capital Structure	**For the Quarter Ended**		
	September 30, 2005	June 30, 2005	March 31, 2005 [1 month]
Total assets	20,338,246	19,785,195	4,122,583
Total debt	14,684,198	14,226,881	3,927,818
Long term debt [1]	13,595,425	13,845,574	-
Shareholders' equity	5,654,048	5,558,314	194,765
Debt to equity	2.60	2.56	20.17
Shares outstanding			
At end of period	7,235,138	3,775,008	1,275,000
Weighted average	4,553,474	3,005,775	1,275,000

[1] Debt portion of convertible debentures

During the second quarter, the Company issued 20,561 10% convertible debentures for gross proceeds of $18.5 million. These debentures are convertible into 20.6 million shares of the Company and mature in May and June 2010. In September, $648,900 of the debentures were converted at the option of the holder into 721,000 shares of the Company. Subsequent to the end of the quarter, an additional $10,991,700 of debentures was converted into 12,213,000 shares of the Company. On November 4, 2005, the Company notified remaining debenture holders of its intention to trigger the conversion of all outstanding debentures, which it anticipates will be completed during the fourth quarter.

On September 8, 2005 the Company completed a Short Form Offering, issuing 1,739,130 of its shares at $1.15 each for gross proceeds of $2.0 million, less $212,885 of commissions and other issuance costs. On September 28, 2005, the TSX Venture Exchange granting approval for the trading of the Company’s shares.

Significant Agreements

On April 1, 2005, Central Alberta Well Services Corp. signed an exclusive Master Supply Agreement with Crown Energy Technologies Inc. (“Crown”) to purchase up to 147 coil-tubing units and service rigs through to the end of 2007. Initially they were to

take delivery of 24 service rigs and 5 coil tubing units in 2005 but during November 2005 the delivery schedule was revised to 10 service rigs and 3 coil tubing units. This revision was attributed to longer than expected lead times for major components from third party manufacturers.

The president of Crown is a director of the Central Alberta Well Services and all transactions with Crown have been disclosed as related party transactions. The pricing for all products purchased under this agreement does not exceed their fair market value.

During the third quarter the Company acquired one new coil tubing unit and one new service rig from Crown. Subsequent to the end of the third quarter, three additional service rigs were delivered.

Selected Financial Information

	For the Quarter Ended		
	September 30, 2005	June 30, 2005	March 31, 2005
			[1 month]
Revenues	552,068	398,237	80,156
Net (Loss)	(1,187,566)	(938,533)	(108,431)
EPS: basic and diluted	(0.26)	(0.31)	(0.09)
Weighted average common shares	4,553,474	3,005,775	1,275,000
Total Assets	20,338,246	19,785,195	4,122,583
Long Term Debt	13,595,425	13,845,574	-
Capital Expenditures	2,780,272	6,585,654	2,359,911
Units operating at end of period	4	2	2

The quarterly results of operations have been provided for the three month periods ended June 30 and September 30, 2005 and the one month period from March 1, 2005, the date of incorporation.

Revenues reflect increasing equipment availability and seasonal weather patterns. Net losses include a number of costs related to setting up the administrative and operational infrastructures that are required to manage the Company's operations and growth on a go forward basis.

Capital expenditures include assets under construction at the end of each of the quarters presented. Assets under construction are not depreciated until they are available for use.

Third Quarter Review

(unaudited)	Three months ended September 30, 2005	Seven months ended September 30, 2005
Revenues	552,068	1,030,460
Operating costs	362,207	784,837
	65.6%	76.2%
General and administrative	665,473	1,227,518
Interest	633,612	1,052,395
Depreciation and amortization	78,342	200,240
Net (Loss)	(1,187,566)	(2,234,530)
EBITDA [1]	(475,612)	(981,895)
Capital expenditures	2,780,272	9,659,836

[1] EBITDA is calculated from the statement of loss as revenue less operating costs and general and administrative expenses and is used to assist management and investors in assessing the Company's ability to generate cash from operations. EBITDA is a non-GAAP earnings measure that does not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures provided by other companies.

The financial information provided include the accounts of the Company as at September 30, 2005 and the results of operations for the three months then ended and the seven month results from March 1, 2005, the date of incorporation. The third quarter report includes the results of operations of CAWS to September 1, 2005 and the results of Central Alberta Well Services Corp. for the one month period ended September 30, 2005.

Revenues increased by 39% from the second to the third quarters as additional well service equipment was placed into service. The seven month totals include revenues from up to three coil tubing units and a new service rig late in September. Average billing rates on service rigs tend to be higher than those charged on coil tubing units. The average rates on the coil tubing units trended higher during the third quarter.

Operating costs include fixed and variable components. Operation costs as a percentage of revenues improved during the last quarter as start-up issues were resolved and crews became fully functional on the new equipment.

General and administrative expenditures are well above the levels warranted for the amount quarterly and year to date operating activity. Wages and benefits include the additions of new employees to the management and operational teams. These positions are integral to the growth plans of the Company and salary costs are not expected to increase to the same degree as operating activities over the coming quarters. Professional fees include a considerable amount of legal and accounting costs related to the reverse take over of EQ and listing the Company’s shares on the TSX Venture Exchange. In the absence of any material transactions over next few quarters, these are considered to be

one-time expenditures and professional fees should be limited to more routine services going forward.

General and administrative	**Three months ended**	**Seven months ended**
	September 30, 2005	September 30, 2005
(unaudited)		
Wages and benefits	207,498	401,347
Stock based compensation	128,312	128,312
Office	32,624	82,028
Facility	62,932	124,553
Professional fees	165,731	357,537
Other administration	68,376	133,741
	665,473	1,227,518

Interest expense includes the accretion of the discounted value and the interest expense on the convertible debentures. All debentures are expected to be converted to equity by the end of December 2005 and as such, the associated interest expense will decrease considerably. Upon conversion the deferred finance charges will be offset to equity.

Subsequent to the end of the quarter, the Company negotiated a capital leasing arrangement, as described in the subsequent event note to the financial statements. Fourth quarter results may include interest expense on advances, if any, of this lease financing.

Capital expenditures for the quarter consisted largely of a new coil tubing unit and a new service rig. Of the year to date additions, 57% relate to assets under construction to be delivered during the fourth quarter. The balance of capital additions are for new production equipment and the set up of computers and other corporate infrastructure.

Related party transactions arose out of the Crown agreement and occurred during the course of regular business activities. Crown is a related party as it is controlled by one of the Company's directors. The prices paid for equipment received from Crown do not exceed fair market value. Transactions with Crown to the end of September totaled $9.2 million, as outlined below.

	As At September 30, 2005
Purchases of capital equipment	$ 2,460,126
Assets under construction	6,707,975
	9,168,101

Liquidity and Capital Resources

	For the Quarter Ended		
	September 30, 2005	June 30, 2005	March 31, 2005
			[1 month]
Working capital	6,745,091	8,636,777	(2,884,985)
Long Term Debt	13,595,425	13,845,574	-
Shareholders' Equity	5,654,048	5,558,314	194,765

EBITDA was negative $475,612 for the third quarter and negative $981,895 for the seven month period ended September 30, 2005. Working capital ended the quarter at $6.7 million, as a portion of the proceeds realized on the debenture financing remained on deposit and the Company received the net proceeds of $1.8 million on the short form public offering.

The Company has committed to the construction of 17 service rigs, 4 coil tubing units and related supporting production equipment through to April 30, 2006 pursuant to the Crown agreement at a forecasted construction cost of $34.5 million.

The Company also signed an expression of interest for the placement of a $5.0 million operating line of credit, which is expected to be finalized during the fourth quarter. The operating line will be secured by accounts receivable and inventory.

Management is confident that the operating line of credit and proposed capital lease facility, combined with anticipated cash flow from operations, will be sufficient to fund operational activities and capital expenditures through to December 31, 2005. Additional debt and equity financing will be required to finance the 2006 capital expenditure program. The Company's management and directors are currently investigating various equity alternatives.

Outlook

Strong commodity pricing is generating record levels of cash flow for oil and gas producers, which is expected to lead to increased levels of capital spending and strong demand for oilfield services into 2006. The ability of oilfield services companies to satisfy this increased demand will be constrained by capacity constraints on the existing equipment fleets and access to experienced manpower resources.

The Petroleum Services Association of Canada recently released its 2006 drilling activity forecast, predicting that strong commodity pricing will result in over 25,000 well completions in 2006, an increase of 6% from 2005.

While the Company's management acknowledges that commodity pricing is subject a wide range of external factors that can materially impact industry activity levels, they remain optimistic about resource industry demand for its well services over the coming

quarters. The company plans to add a large number of service rigs and coil tubing units to its fleet during 2006 and based upon its market research believes that there is sufficient incremental demand for this equipment to have it operate at average or above average industry utilization levels.

The Company plans to add a sales and marketing function to its operations late in the fourth quarter of 2005 or early in the first quarter of 2006.

Risk Management

Business risks: Activity in the oil and gas industry is subject to a range of external factors that are difficult to actively manage, including resource demand, commodity pricing and climate. The Company plans to mitigate these risks by maintaining a strong balance sheet and remaining responsive to changes in industry dynamics.

The Company has a comprehensive insurance policy to help safeguard its assets, operations and employees. This will be reviewed annually and revised as changes in circumstances warrant.

Credit risks: The Company currently transacts with a small number of oil and gas exploration companies and is exposed to the associated credit risk. Management periodically assesses the credit worthiness of these customers and monitors all outstanding balances. Management views the credit risk of its accounts receivables as normal for its industry.

Financing risk: The ability of the Company to complete its budgeted capital acquisition program and meet its payment obligations as they become due will be dependent on its ability to secure sufficient funds through additional debt and equity financing, and to generate positive cash flow from operations.

Supplier Risk: The Company has chosen to use a sole-source supplier for its well service equipment and maintenance programs. While this arrangement provides certain market advantages, it also exposes the Company to potential short-term vulnerability if the supplier experiences supply disruptions or labour issues.

Under the terms of the supply agreement, the Company retains the ability to terminate the agreement on 60 days notice and sub-contract with other equipment suppliers.

Seasonal and weather risk: Seasonal factors and unexpected weather patterns may lead to reduced oil and gas exploration activity and corresponding declines in the demand for the Company’s services during various times of the year.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are described in note 2 to the financial statements. The preparation of the financial statements require that certain estimates and judgments be made with regard to the reported amount of revenue and expenses and the carrying values of assets and liabilities. The most critical of these are described below:

Capital Assets:

Capital assets represent 57% of the total investment in operating assets. They are recorded at cost less accumulated depreciation. Depreciation is provided taking into consideration the estimated useful lives of the assets. Assets under construction are not depreciated until they are available for use.

Goodwill:

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of the amounts allocated to the identifiable assets acquired, less liabilities assumed, based on their fair values. Goodwill is not amortized and will be tested for impairment annually in the fourth quarter.

Revenue Recognition:

Revenue is recognized when services are rendered. The Company's services are generally sold based upon contracts with the customer that include fixed or determinable prices based upon daily, hourly or job rates.