

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>Chappelle Philip C</u>  (Last) (First) (Middle) 10215 E 98TH STREET  (Street) TULSA OK 74133  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>MATRIX SERVICE CO [ MTRX ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director 10% Owner Officer (give title below) Other (specify below) VP Risk Management
	3. Date of Earliest Transaction (Month/Day/Year) 08/29/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person  <input type="checkbox"/> Form filed by More than One Reporting Person

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock <sup>(1)</sup>	08/29/2006		M		1,600	A	\$2.125	2,400	D	
Common Stock <sup>(1)</sup>	08/29/2006		S		1,600	D	\$12.94	800	D	
Common Stock <sup>(1)</sup>	08/29/2006		M		1,600	A	\$3.025	2,400	D	
Common Stock <sup>(1)</sup>	08/29/2006		S		1,600	D	\$12.94	800	D	
Common Stock <sup>(1)</sup>	08/29/2006		M		1,600	A	\$3.7	2,400	D	
Common Stock <sup>(1)</sup>	08/29/2006		S		1,600	D	\$12.94	800	D	
Common Stock <sup>(1)</sup>	08/29/2006		M		3,200	A	\$2.4065	4,000	D	
Common Stock <sup>(1)</sup>	08/29/2006		M		500	A	\$4.6	4,500	D	

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

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Incentive Stock Option (right to buy) <sup>(1)</sup>	\$2.125	08/29/2006		M			1,600	(2)	10/18/2010	Common Stock <sup>(1)</sup>	1,600	(3)	21,300	D	
Incentive Stock Option (right to buy) <sup>(1)</sup>	\$2.4065	08/29/2006		M			3,200	(2)	07/11/2010	Common Stock <sup>(1)</sup>	3,200	(3)	18,100	D	
Incentive Stock Option (right to buy) <sup>(1)</sup>	\$3.025	08/29/2006		M			1,600	(2)	10/23/2011	Common Stock <sup>(1)</sup>	1,600	(3)	16,500	D	
Incentive Stock Option (right to buy) <sup>(1)</sup>	\$3.7	08/29/2006		M			1,600	(2)	10/22/2012	Common Stock <sup>(1)</sup>	1,600	(3)	14,900	D	
Incentive Stock Option (right to buy) <sup>(1)</sup>	\$4.6	08/29/2006		M			500	(2)	10/26/2014	Common Stock <sup>(1)</sup>	500	(3)	14,400	D	

**Explanation of Responses:**

1. Matrix Service Company Common Stock

2. The stock option becomes exercisable in five equal annual installments, commencing one year after the date of the grant.

3. Not applicable

Philip C. Chappelle

08/31/2006

\*\* Signature of Reporting Person

Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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