

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

Big Sky Petroleum Corp.  
Suite 410 -325 Howe Street  
Vancouver, BC V6C 1Z7

**Item 2. Date of Material Changes**

The news releases related to the material changes were dated November 28, 2012 and December 3, 2012 respectively.

**Item 3. News Releases**

News Releases dated November 28, 2012 and December 3, 2012 were disseminated via Stockwatch and Market News respectively and filed on SEDAR on November 28, 2012 and December 3, 2012 respectively.

**Item 4. Summary of Material Changes**

Big Sky Petroleum Corp. (“**Big Sky**” or the “**Company**”) announced i) the acquisition of a 90% working interest in Texas oil and gas interests; ii) the appointment of a new director; and; iii) grant of stock options.

**Item 5. Full Description of Material Changes**

**5.1 Full Description of Material Changes**

1. November 28, 2012 news release

The Company announced in its November 28, 2012 news release, among other things, that it has entered the prolific Wolfcamp/Wolfberry play currently developing in the southern Midland Basin portion of the Permian Basin located in west Texas. Big Sky has acquired 90% working interest in an initial lease block of 2,300+ net operated acres on the eastern shelf of the southern Midland Basin in West Texas. The initial vertical Wolfberry well is currently scheduled to spud early the first quarter of 2013, depending on service availability.

**The Horizontal Wolfcamp Formation**

The Wolfcamp area is a blanket formation across the Permian Basin of western Texas and acts as a source rock for much of the conventional oil production in the area. The Wolfcamp has multiple productive benches and generally varies in thickness from 800-1,200 feet, although some areas are up to 2,000 feet thick. The depth of the Wolfcamp formation is around 5,000 feet on the normally pressured southeastern side of the play. The productive limits of the play have

not yet been established, but industry insiders think the acreage prospective for the play currently covers more than 1 million acres, and this could reach 2+ million acres as more acreage is proved up. Initial Production (“IP”) rates have averaged around 580 Boepd since the inception of the play, but have shown solid increases over time as completion techniques have improved and lateral lengths have increased. IP rates to date are averaging nearly 700 Boepd with estimated ultimate recoveries (“EUR’s”) of 450,000 – 500,000 BOE.

### **The Vertical Wolfberry Formation**

The Wolfberry is named such because of the comingling of production from the Wolfcamp and Spraberry Formations. The overall Wolfberry interval, which is the principal focus of Big Sky’s vertical drilling activities, is an oil play that also includes a liquids-rich natural gas component. The gas produced by Wolfberry wells tends to be very rich, with energy content of 1,200-1,500 btu per cubic foot. Operators are experiencing IP’s from 80 to 180 Boepd and estimate EUR’s from 120,000 to 150,000 Bbls. Based on 40 acre spacing Big Sky has 57 Wolfberry drilling locations.

The upside to this Wolfberry play is that several operators are now drilling on 20 acre spacing with no reports of communication between wellbores.

### **Initial Exploration plans**

Big Sky is the operator for this new project. The wellbore design and drilling prognosis have been completed and are currently undergoing the process of permitting the initial Wolfberry well. Current plans are to spud the first well in the first quarter 2013.

#### **2. December 3, 2012 news release**

The Company announced in its December 3, 2012 news release that the Company's board of directors has appointed Dr. T. Arden McCracken to its board.

Dr. T. Arden McCracken, PhD, has an extensive 40-year career in reservoir and production engineering and engineering management. He has served as chief reservoir engineer worldwide for BP Exploration Company where he managed over 360 engineers and maintained oversight of a \$55-million annual budget. Dr. McCracken was also the chief engineer worldwide for Pennzoil Exploration and Production Company where he had complete technical review and approval of all projects worldwide. He also served as the senior engineering adviser for all international projects for PennzEnergy/Devon. Dr. McCracken has worked essentially all productive basins in the United States and Canada, and most sectors of the North Sea, Middle East, North Africa and South America. He was one of the reservoir simulation developers and analyst on some of the early Bakken wells in the Williston basin.

The Company also announced that the board has also granted 80,000 options at 12 cents expiring on Nov. 29, 2017.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

The following senior officer of the Company is knowledgeable about the material changes and this Material Change Report and may be contacted:

Sam Nastat, President, telephone: 604-687-3520.

**Item 9. Date of Report**

DATED at Vancouver, British Columbia, this 4<sup>th</sup> day of December, 2012.