FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 118 OF THE SECURITIES ACT (ALBERTA) AND SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)

ITEM 1 - Reporting Issuer:

Prize Energy Inc. (“Prize”)
3580, 400 - 3rd Avenue S.W.
Calgary, AB T2P 4H2

ITEM 2 - Date of Material Change:

September 2, 1999

ITEM 3 - News Release:

A news release was issued in Calgary, Alberta by Canadian 88 Energy Corp. through the services of Canadian Corporate News.

ITEM 4 - Summary of Material Change:

A change of control of Prize on completion by Canadian 88 Energy Corp. (“Canadian 88”) of a distribution of the shares it owns in Prize to its shareholders as a dividend.

ITEM 5 - Full Description of Material Change:

Canadian 88 announced that it will pay a dividend to its shareholders in the form of its current shareholdings of Prize. At the time of the announcement Canadian 88 owned 20,887,800 Common Shares (45.3%) of Prize, all of which shares will be included in the dividend.

Based on the current outstanding shares of Canadian 88, one share of Prize will be distributed for each 5.1 shares held of Canadian 88.

Subject to receipt of the necessary regulatory approvals, the dividend will be distributed on October 1, 1999 to Canadian 88 shareholders of record on September 24, 1999.

Assuming completion of the distribution contemplated above and based on Canadian 88's current shareholdings, no Prize shareholder will own more than 11% of the Prize shares.

ITEM 6 - Reliance on Section 118(2) of the Securities Act (Alberta) or Section 85(1) of the Securities Act (British Columbia):

n/a.

ITEM 7 - Omitted Information:

n/a.

ITEM 8 - Senior Officers:

Robert Pilling, Secretary (403) 216-2355.

ITEM 9 - Statement of Senior Officer:

"The foregoing accurately discloses the material change referred to in this report."

Dated: September 10, 1999

PRIZE ENERGY INC.

Per: (Signed) "Robert Pilling"
Robert Pilling
Corporate Secretary