FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Western Energy Services Corp. ("Western" or the "Company")
Suite 120, 110 Quarry Park Boulevard S.E.
Calgary, AB T2C 3G3

Item 2 Date of Material Change

March 18, 2010

Item 3 News Release

Press releases were disseminated on March 18, 2010 via CNW Group.

Item 4 Summary of Material Change

Western has closed the previously announced $75 million bought deal financing. Western has also closed the previously announced acquisitions of Horizon Drilling Inc. and Cedar Creek Drilling Ltd.

Item 5 Full Description of Material Change

Bought Deal Financing

Western has closed the previously announced $75 million bought deal financing (the "Financing") with a syndicate of underwriters co-led by Cormark Securities Inc. and Raymond James Ltd. and including FirstEnergy Capital Corp., Peters & Co. Limited and Thomas Weisel Partners Canada Inc. (collectively, the "Underwriters").

Pursuant to the Financing, the Corporation issued 375 million common shares ("Western Shares") at a price of $0.20 per share for gross proceeds of $75 million. A fee of 5% of the gross proceeds of the Financing was paid to the Underwriters. The net proceeds of the Financing are being used to partially fund the acquisition of Horizon.

Horizon Acquisition

Western has closed the acquisition of Horizon Drilling Inc. ("Horizon"), a privately held company which owns and operates oil and natural gas drilling rigs, for a total purchase price of approximately $66 million, including the assumption of debt.

Western has taken up approximately 95% of Horizon's outstanding Class A shares ("Horizon Shares"), being the shares tendered to Western's offer dated March 1, 2010 to acquire all of the outstanding Horizon Shares on the basis of $1.50 for each Horizon Share (the "Horizon Offer"). Western has acquired all of the remaining Horizon Shares pursuant to the compulsory acquisition provisions of the *Business Corporations Act* (Alberta) (the "Compulsory Acquisition"). The purchase price for the Horizon Shares is being funded with the proceeds from the Financing. An aggregate of $39,367,500 was paid to Horizon shareholders for the Horizon Shares taken up pursuant to the Horizon Offer and it is anticipated a further $2,062,500 will be paid to Horizon shareholders in connection with those Horizon Shares acquired pursuant to the Compulsory Acquisition.

Cedar Creek Acquisition

Western has closed the previously announced acquisition of Cedar Creek Drilling Ltd. ("Cedar Creek"), a privately held company which owns and operates oil and natural gas drilling rigs.

Western has taken up 100% of Cedar Creek's outstanding Class A common shares ("Cedar Creek Shares"), being the shares tendered to Western's offer dated March 2, 2010 to acquire all of the outstanding Cedar Creek Shares on the basis of 2.66 Western Shares for each Cedar Creek Share (the "Cedar Creek Offer"). An aggregate of 20,517,331 Western Shares were issued to Cedar Creek shareholders pursuant to the Cedar Creek Offer.

The assets of Cedar Creek include 3 telescopic double drilling rigs with a depth rating of 3,500 metres and 750 hp drawworks. All of the Cedar Creek drilling rigs are well suited for horizontal drilling.

Pro Forma Asset Base

Pursuant to the acquisitions of Horizon and Cedar Creek, Western now has a fleet of 11 drilling rigs which are, on average, less that 4 years old, have modern designs, move and rig-up efficiently and enjoy a premium customer base. Western believes the assets will be in high demand as exploration and development of key resource plays requiring horizontal drilling continues to increase. Western also anticipates very little integration risk with Horizon and Cedar Creek as management is intimately familiar with the assets and believes operational efficiencies can be achieved with larger scale.

Western currently has approximately 527.6 million shares outstanding (578.1 million on a fully diluted basis) and approximately $5.0 million of net debt.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact:

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Chief Executive Officer
403-262-9439

Alex MacAusland
President & COO
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Jeffrey K. Bowers
VP Finance & CFO
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Item 9 Date of Report

March 29, 2010

FORWARD-LOOKING INFORMATION

This material change report contains certain statements or disclosures relating to the Company that are based on the expectations of the Company as well as assumptions made by and information currently available to the Company which may constitute forward-looking information under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as “forecast”, “future”, “may”, “will”, “expect”, “anticipate”, “believe”, “potential”, “enable”, “plan”, “continue”, “contemplate”, “pro-forma”, or other comparable terminology.

In particular, this material change report makes reference to the anticipated funds to be paid to Horizon shareholders in connection with the Compulsory Acquisition, the anticipated demand for Western’s assets and the integration risk of Horizon and Cedar Creek. As such, many factors could cause the performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.