Butte Energy Inc.

The "Reporting Issuer" or the "Company"

FORM 51-101F1
STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

For the Fiscal Year Ended December 31, 2011

This is the form referred to in item 1 of section 2.1 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Terms for which a meaning is given in NI 51-101 have the same meaning in this Form 51-101F1.

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PART 1 DATE OF STATEMENT

Item 1.1 Relevant Dates

1. The date of this Statement is July 25, 2012

2. The effective date of the information provided in this Statement is as of the Company's most recently completed fiscal year ended December 31, 2011.

3. The date of preparation of this Statement is July 25, 2012.

PART 6 OTHER OIL AND GAS INFORMATION

Item 6.1 Oil and Gas Properties and Wells

At the fiscal year ended December 31, 2011, all of the Company's oil and gas properties were located in central Alberta, Canada. See Item 6.2 below for a description of the material properties of the Company. As at December 31, 2011, the Company held 16,280 gross (15,960 net) acres where it has drilled 1 gross (1 net) non-producing gas well in the fiscal year ended December 31, 2009, 1 gross (1 net) non-producing gas well in the fiscal year ended December 31, 2010 and 3 gross (3 net) non-producing oil wells in the fiscal year ended December 31, 2011. The Company did not have any commercially viable reserves to report at December 31, 2011.

Item 6.2 Properties With No Attributed Reserves

The Company's working interests at December 31, 2011 in the prospect areas of its oil and gas properties are detailed in the table below including the corresponding gross and net acreage of each area, none of which is expected to expire in 2013.

Prospect Area	Operator	Current Working Interest	Gross Acres	Net Acres	Current Status or Work Commitment
Chigwell	Butte Energy	100%	600	600	The Company is committed to drill 4 wells by December 31, 2012 for total expected costs of approximately $5.35 million. At December 31, 2011 the Company was waiting on issuance of a drilling license for the first well.
Willingdon Leduc	Butte Energy	100%	10,000	10,000	Drilled the 02-26-055-15 W4M well, which is standing cased and sitting suspended as a possible disposal well awaiting further evaluation of the prospect area. There is no further drilling commitment at December 31, 2011.
Shouldice	Butte Energy	100%	2,400	2,400	Drilled 12-10-020-22 W4M well, which is standing cased and sitting suspended for further evaluation. There is no further drilling

					commitment at December 31, 2011.
Saint Albert	Butte Energy	100%	640	640	Well abandoned, no current plans or further commitment.
Kirkwall	Butte Energy	100%	2,000	2,000	Well abandoned, no current plans or further commitment.
Morinville	Butte Energy	50%	640	320	No current plans or further commitment.

Item 6.2.1 Significant Factors or Uncertainties Affecting Properties With No Attributed Reserves

Significant economic factors or significant uncertainties that affect the activities on properties with no attributed reserves include:

1. Exploration and Reserve Risk

   Exploration, appraisal and development of oil and gas reserves are speculative and involve a significant degree of risk. There can be no assurances that exploration or appraisal of the properties in which the subsidiaries hold rights will be successful.

2. Market Risk

   In the event of successful development of oil and gas reserves, the marketing of the Company's prospective production of oil and gas from such reserves shall be dependent on market fluctuations and the availability of processing and refining facilities and transportation infrastructure, including roads, pipelines and pipeline capacity at economic tariff rates which Company may have limited or no control.

Item 6.3 Forward Contracts

The Company is not a party to any active agreements relating to the transportation or marketing of oil gas. The Company entered into a transportation arrangement with respect to the St. Albert prospect, but the well was abandoned prior to December 31, 2011.

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

The Company's abandonment and reclamation costs for surface leases, wells, facilities and pipelines are related to 2 gross (2 net) wells the Company has cased and sitting suspended pending further evaluation.

The Company has internally determined, based on previous experience, that the abandonment and reclamation costs for the two wells will cost the Company, net of estimated salvage value, $100,000 or $47,000 discounted at 10 percent

Until further evaluation of the Shouldice 12-10-020-22 W4M well is completed and additional exploration is carried out on the Willingdon prospect through additional drilling, the Company is unable to determine the abandonment costs to be paid in the next three years.

Item 6.5 Tax Horizon

The Company does not expect incur any income taxes in 2012 and is unable to provide an estimate when taxes will be payable until commercially viable reserves are established.

Item 6.6 Costs Incurred

The following table sets out the capital expenditures made by to Company during the financial year ended December 31, 2011 on its properties.

	Unproven Property Acquisition Costs	Exploration Costs	Development Costs	Total
Year Ended December 31, 2009	$0.021 million	-	$0.222 million	$0.243 million
Year Ended December 31, 2010	$1.749 million	$0.99 million	$0.937 million	$2.785 million
Year Ended December 31, 2011	$0.236 million	$1.005 million	$2.844 million	$4.085 million
Total	$2.006 million	$1.004 million	$4.103 million	$7.113 million

Item 6.7 Exploration and Development Activities

At December 31, 2011, the Company had drilled 3 gross (3 net) oil wells, of which the well drilled and cased on the Willingdon property was exploratory and is sitting suspended as a potential disposal well pending further drilling to evaluate this prospect area . The other two wells were development wells drilled on the Saint Albert and the Shouldice properties. The Shouldice well sits suspended pending consideration for further testing to assess the production potential of this reservoir. The well drilled on the Saint Albert Property was abandoned.

The Company could drill as many as five development locations on it's Chigwell property on Section 35 42-26 W4 in Central Alberta targeting the Viking formation. This section sits immediately adjacent to an EOR (Enhanced Oil Recovery) scheme operated by a third party. The Company's commitment is to drill four wells by December 31, 2012, the first of which was being licensed at December 31, 2011. The agreement with the mineral owner provides for extensions to compensate for delays in regulatory process and approval..

Item 6.8 Production Estimates

The Company is unable to estimate production or future net revenue of its oil and gas activities as of the Effective Date.

Item 6.9 Production History

The Company has had no oil and gas production history as of the Effective Date.