

ARAPAHOE ENERGY CORPORATION

Suite 2703, 1100 - 8th Avenue S.W.

Calgary, Alberta

T2P 3T9

ALBERTA SECURITIES COMMISSION

4th Floor, 300 - 5th Avenue S.W.

Calgary, Alberta

T2P 3C4

Attention: Executive Director

BRITISH COLUMBIA SECURITIES COMMISSION

P.O. Box 10142 Pacific Centre

701 West Georgia Street

Vancouver, B.C.

V7Y 1L2

Attention: Statutory Filings

TSX VENTURE EXCHANGE

10th Floor, 300 - 5th Avenue S.W.

Calgary, Alberta T2P 3C4

Dear Sirs/Mesdames:

Re: Arapahoe Energy Corporation

Material Change Report - Form 51-102F3

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of Arapahoe Energy Corporation (the "Corporation"). For convenience, this letter is itemized in the same manner as Form 51-102F3 of National Instrument 51-102. Concurrent with this filing, this letter is being filed with the TSX Venture Exchange, being the only Exchange on which the Corporation's shares are currently listed.

Item 1 - Name and Address of Company

ARAPAHOE ENERGY CORPORATION

2703, 1100 - 8th Avenue S.W.

Calgary, Alberta T2P 3T9

Telephone: (403) 920-0040

Facsimile: (403) 920-0043

Item 2 - Date of Material Change

The material change occurred on September 21, 2004.

Item 3 - News Release

The news release was issued on September 21, 2004 and disseminated through CCN Matthews.

Item 4 - Summary of Material Change

The Company announces that Jay Sujir has resigned as a director of the company in favour of Ross E. Moulton, the company's Vice President, Exploration.

Item 5 - Full Description of Material Change

Arapahoe Energy Corporation announces that Jay Sujir has resigned as a director of the company in favour of Ross E. Moulton, the company's Vice President, Exploration. The appointment adds significant technical expertise to the company's board. Mr. Sujir will remain as corporate secretary of the company.

Mr. Moulton brings to the Corporation in excess of 32 years of both domestic and international oil and gas industry experience. Since May 1996, Mr. Moulton has been an independent exploration consultant to various exploration companies. From 1979 to May 1996, Mr. Moulton was employed as a senior geologist and staff geologist with Phillips Petroleum Company and affiliated companies in Jakarta, Indonesia, Oklahoma and Calgary. Mr. Moulton is a member of the Canadian Society of Petroleum Geologists, the American Association of Petroleum Geologists and the Alberta Association of Professional Engineers, Geologists and Geophysicists.

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

The name of an Executive Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

H. Barry Hemsworth
President and Chief Executive Officer
Telephone: (604) 687-4456

Item 9 - Date of Report

This report is dated this 21st day of September, 2004.