

FORM 51-102F3

Material Change Report

ITEM 1. NAME AND ADDRESS OF COMPANY

Energulf Resources Inc. (the "Company")
200 – 675 West Hastings Street, Vancouver, British Columbia V6B 1N2

ITEM 2. DATE OF MATERIAL CHANGE

July 22, 2004

ITEM 3. NEWS RELEASE

Issued July 22, 2004 and distributed through the facilities of Canada Stockwatch, Market News and the TSX Venture Exchange.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company has commenced to plug and temporarily abandon the Longria #1 well in Webb County, Texas.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

See attached news release.

ITEM 6. RELIANCE ON SUBSECTION 7.1(3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

No information has been omitted on the basis that it is confidential information.

ITEM 8. EXECUTIVE OFFICER

Contact: James Askew, President
Telephone: 1 888 822 8441

ITEM 9. DATE OF REPORT

DATED at Vancouver, B. C., this 22nd day of July, 2004.

ENERGULF RESOURCES, INC.

200 - 675 West Hastings Street, Vancouver, British Columbia V6B 1N2

Telephone: (604) 408-1990

Fax: (604) 801-5499

NEWS RELEASE

LONGORIA #1 WELL UPDATE

July 22, 2004

(HOUSTON) Energulf Resources Inc. (TSXV: ENG) has been notified by Killam Oil Company that the Longoria #1 in Webb County, Texas has reached total depth and electric logs have been run by Halliburton. Log interpretation indicates that there is not a sufficient presence of hydrocarbons at this location and operations have commenced to plug and temporarily abandon the well.

Further evaluation will be conducted to determine the feasibility of drilling an offset well to test the up dip potential of possible reservoir quality sands seen in the well at the deeper objectives. Directional drilling from the Longoria #1 has been determined to not be feasible at this time due to mechanical risks.

Commenting on the results, Jeff Greenblum, Chairman of the Board of EnerGulf stated, "While we are disappointed that the Longoria #1 will not be completed and that directional drilling is currently not considered an option for this well, we have seen reason to be encouraged for the project and look forward to consulting with Killam to determine the next course of action."

The Longoria #1 was drilled to test a 3D confirmed high-side fault closure with multi-zone targets in the Wilcox formation. The Longoria Prospect is located in a very prospective area of South Texas with highly prolific analogous production nearby. Nearby analogous gas fields for the targeted formations report reserves of 24-800 BCFG.

On Behalf of the Board of Directors

"James Askew"

James Askew, President

Contact information: James Askew, President
Tel: (888) 822-8441 Fax: (604) 801-5499
website: www.energulf.com
email: info@energulf.com

Certain disclosure in this release, including management's assessment of Energulf's plans and projects, constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Energulf's operations as an oil and gas exploration company that may cause future results to differ materially from those expressed or implied by those forward-looking statements and readers are cautioned not to place undue reliance on these statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy of this news release.

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