FORM 51-102F3

MATERIAL CHANGE REPORT

1. Reporting Issuer:

Enterra Energy Trust ("Enterra")
26th Floor, 500 - 4th Avenue S.W.
Calgary, Alberta
T2P 2V6

2. Date of Material Change:

August 20, 2004.

3. News Release:

A news release was released through CCNMatthews on August 20, 2004.

4. Summary of Material Change:

On August 20, 2004, Enterra announced the signing of a definitive agreement (the "Arrangement Agreement") for the acquisition by a subsidiary of Enterra of all of the issued and outstanding common shares of Rocky Mountain Energy Corp. ("Rocky"). The acquisition is to be completed by way of a plan of arrangement (the "Arrangement") and is expected to close on or about September 28, 2004.

5. Full Description of Material Change:

Pursuant to the Arrangement, shareholders of Rocky will receive for each share of Rocky held, at the election of the holder, $6.10 in cash (subject to an aggregate maximum of $10 million cash), 0.35078 of a trust unit of Enterra, or 0.35078 of an exchangeable share (each of which is exchangeable for a trust unit of Enterra). The Enterra trust units and exchangeable shares have been valued at C$17.39 based on the recent 10-day weighted average trading price of Enterra trust units on Nasdaq for the period ended July 27, 2004, resulting in a value for the common shares of Rocky of C$6.10 per share. The transaction, including the assumption of Rocky debt, has been valued at approximately C$55 million. If the maximum cash is used and pro-rated among all Rocky shareholders, Rocky shareholders would receive approximately 80% consideration in Enterra trust units or exchangeable shares and 20% in cash, and Enterra would be issuing a combination of approximately 2.1 million trust units and exchangeable shares.

The number of Enterra trust units or exchangeable shares to be issued will be adjusted if the Nasdaq weighted average trading price of the Enterra trust units for the ten (10) trading days immediately preceding the closing date is different by more than 5% (or $0.87) from the C$17.39 Enterra trading price.

The board of directors of Rocky has unanimously approved the Arrangement and the entering into of the Arrangement Agreement and has unanimously agreed to recommend that Rocky shareholders vote in favour of the Arrangement. Rocky's financial advisor has advised the Rocky board of directors that the consideration to be received by the Rocky shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Rocky shareholders.

The Arrangement will require approval of 66 2/3% of the votes cast at a meeting of Rocky shareholders to be held on September 28, 2004, and will also require receipt of all regulatory approvals and approval of the Court of Queen's Bench of Alberta (the "Court"). Certain directors, officers and consultants of Rocky, holding approximately 31% of Rocky's outstanding common shares, have entered into lock-up agreements to vote their Rocky shares in favour of the Arrangement.

Pursuant to the Arrangement Agreement, Rocky has agreed not to solicit, facilitate, initiate, encourage or take any action to solicit, facilitate, initiate, entertain or encourage, any inquiry or the making of any proposal to Rocky or the Rocky shareholders from any person which constitutes, or may reasonably expect it to lead to: (a) an acquisition from Rocky or the Rocky shareholders of any securities of Rocky or its subsidiaries; (b) any acquisition of a substantial amount of assets of Rocky or its subsidiaries; (c) an amalgamation, arrangement, merger, consolidation of any of Rocky or its subsidiaries; or (d) any take-over bid, issuer bid, exchange offer, re-capitalization, liquidation, dissolution, re-organization into a royalty trust or income fund or similar transaction involving any of Rocky or its subsidiaries or any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the Arrangement or which would or could reasonably be expected to materially reduce the benefits of the Arrangement to Enterra (an "Acquisition Proposal"). Rocky has also agreed not to enter into or participate in any discussions or negotiations regarding an Acquisition Proposal or waive or enter into or participate in any discussions, negotiations or agreements to waive any rights or other benefits of Rocky or its subsidiaries in any confidential information agreement.

Notwithstanding the foregoing, the board of directors of Rocky may respond as required by law to any *bona fide* unsolicited offer or proposal in writing regarding an Acquisition Proposal from a third party (provided that prior to providing any additional information, such third party first enters into a confidentiality agreement substantially similar to the confidentiality agreement provided to Enterra and which confidentiality agreement shall not in any way restrict disclosure to Enterra by Rocky, including disclosure of prospective discussions and negotiations between Rocky and such third party) or make any disclosure to its shareholders with respect thereto, if and only to the extent that such third party has demonstrated that the funds or other consideration necessary for the Acquisition Proposal are available and the board of directors shall further conclude in good faith after receiving advice of its financial advisors that such Acquisition Proposal would, if consummated in accordance with its terms, result in a transaction financially more favourable to Rocky and its securityholders than the Arrangement.

Enterra deposited the sum of $1,000,000 (the "Deposit") with Rocky prior to entering into the Arrangement Agreement. The Deposit is non-refundable. Rocky has agreed to pay to Enterra a fee of $1,000,000 if the Arrangement is not completed under certain circumstances (the

"Termination Fee") and to re-pay $500,000 of the Deposit, in lieu of the Termination Fee, if the Arrangement is not completed in certain other circumstances.

The Arrangement Agreement may be terminated by Enterra or Rocky: (i) if the interim order in respect of the Plan of Arrangement is set aside or modified in a manner unacceptable to the Enterra and Rocky, acting reasonably; (ii) if the Arrangement is not approved by Rocky shareholders in accordance with the terms of the interim order of the Court on or before September 30, 2004; (iii) if the final order of the Court has not been granted in form and substance satisfactory to the Enterra and Rocky, acting reasonably, on or before September 30, 2004; (iv) if the Arrangement has not become effective on or before September 30, 2004; (v) if the circumstances giving rise to the payment of the Termination Fee have occurred and, in the case of Rocky's ability to terminate the Arrangement Agreement, the Termination fee has been paid by Rocky; (vi) if the Court or any other authority has issued a final order to prohibit the Arrangement; or (vii) if certain conditions to the closing of the Arrangement have not been satisfied.

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

N/A

7. Omitted Information:

N/A

8. Senior Officer knowledgeable about the Material Change and this Report:

The name and telephone number of the senior officer of Enterra Energy Corp., the administrator of Enterra, who is knowledgeable about the material change and this report is:

Luc Chartrand, President and Chief Executive Officer

Telephone: (403) 213-2502

9. Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

DATED this 27th day of August, 2004, at the City of Calgary, in the Province of Alberta.

ENTERRA ENERGY TRUST, by its administrator, ENTERRA ENERGY CORP.

Per: *(signed) Luc Chartrand*
Luc Chartrand
President and Chief Executive Officer