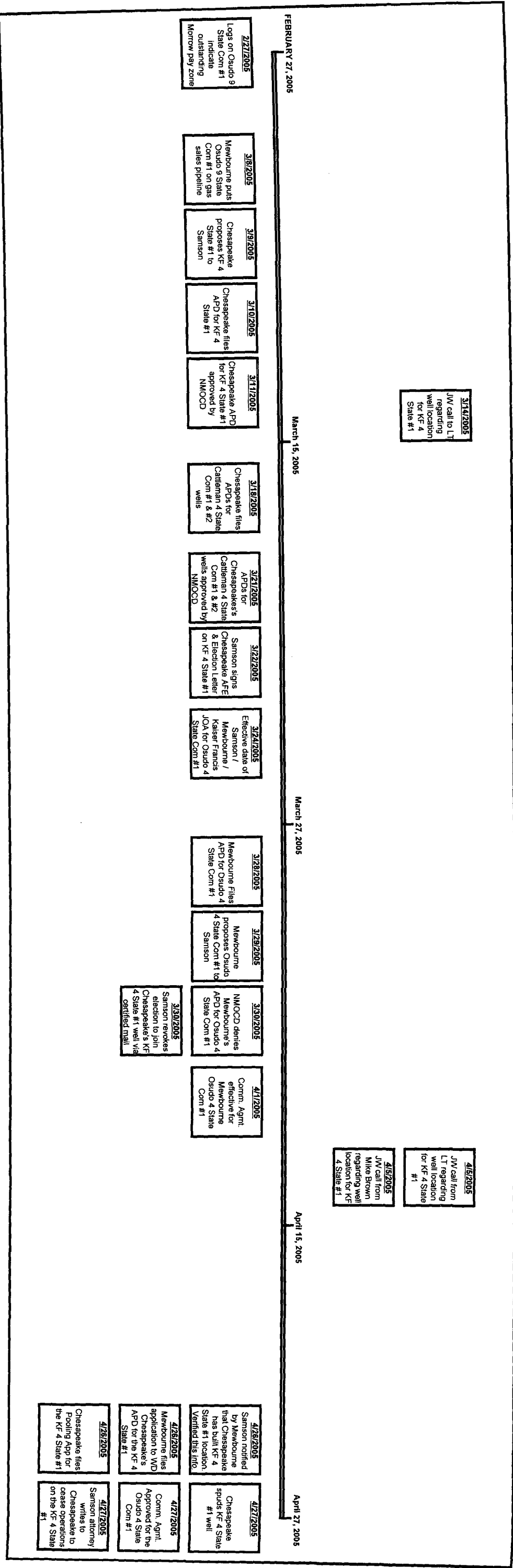


APD TIMELINE





Lynda F. Townsend, CPL/ESA
Senior Landman

March 9, 2005

VIA FACSIMILE (918) 591-1796
& EXPRESS MAIL

Ms. Mona Ables
Samson Resources Company
2 W. 2nd St.
Tulsa, OK 74103

Re: Chesapeake's Proposed KF State 4 #1
S/2 Section 4-21S-35E
Lea County, New Mexico

Dear Sir or Madam:

Chesapeake Operating, Inc., on behalf of Chesapeake Permian, LP ("Chesapeake"), hereby proposes to drill the KF State 4 #1 well to an approximate depth of 12,100', or a depth sufficient to test the Morrow Formation and all other potentially productive formations encountered in the captioned well.

Please indicate the option of Samson Resources Company's ("Samson") choice below, sign and return this letter by facsimile, if available, to our office at (405) 767-4251, followed by a hard copy in the mail. If Samson elects to participate in the proposed operation, please also execute and return the enclosed AFE along with a check in the amount of \$76,812.50 (6.250000% WI X \$1,229,000.00), which represents Samson's share of the AFE dry hole costs. Please also include a Well Requirement Sheet containing a contact name, facsimile number and e-mail address, if available, to insure receipt of well information.

As an alternative to the above, Chesapeake would be interested in purchasing Samson's interest, including any producing well bores, subject to the negotiation of a mutually agreeable price and terms. If Samson is interested in pursuing this alternative, please so indicate in the space provided below and/or contact the undersigned. We will immediately forward this information to our Acquisitions and Divestitures Department for follow up. However, please be advised that entering into negotiations to sell Samson's interest does not excuse or allow Samson to delay the required election under this well proposal.

Chesapeake Energy Corporation
6100 N. Western Ave. • Oklahoma City, OK 73118 • P.O. Box 18496 • Oklahoma City, OK 73154-0496
405.879.9414 • fax 405.767.4251 • ltownsend@cheenergy.com

Ms. Mona Ables
March 9, 2005
Page 2 of 2

Your early attention and response to this proposal will be greatly appreciated. Should you have any questions, please contact the undersigned.

Sincerely,

Chesapeake Operating, Inc.


Lynda F. Townsend

_____ Samson Resources Company hereby elects to participate in the KF State 4 #1.

_____ Samson Resources Company hereby elects not to participate in the
KF State 4 #1.

SAMSON RESOURCES COMPANY

By: _____

Name: _____

Title: _____

Date: _____

_____ Samson Resources Company is interested in selling its interest in this unit including any producing well bores. Please contact me to discuss.

CHESAPEAKE OPERATING, INC.

AUTHORIZATION FOR EXPENDITURE

Project Area: Permian New Mexico Well Name: KP Aisle 4 #1 Operator: Chesapeake Operating, Inc. AFE #: 140522 Spacing Unit: 6/2 Section 4-21S-35E			County, State: Lea, New Mexico Date: 3/7/2005 Total Depth: 12,100' Formation: Morrow Property #: 019029	
CODE	INTANGIBLE COSTS	WORK DESCRIPTION	ONLY HOLE F	PRODUCER
233400	Location:	Revised Location, PIS	\$40,000.00	\$40,000.00
233401		Demos	\$12,000.00	\$12,000.00
233402		Governmental Filings	\$2,000.00	\$2,000.00
233404		Seismic Costs	\$0.00	\$0.00
233405		Reclamation	\$5,000.00	\$5,000.00
233406		Top Drive	\$0.00	\$0.00
233408	Logging:	Pipeline Construction	\$0.00	\$0.00
233409		Fuel	\$55,000.00	\$55,000.00
233410		Drilling Contractor: 31 1/2 days @ \$12500 per day	\$387,500.00	\$113,000.00
233411		Directional Services	\$5,000.00	\$5,000.00
233413		Reg Mobilization/Demobilization	\$100,000.00	\$100,000.00
233414		Contract Labor	\$10,000.00	\$10,000.00
233415		Rigs	\$84,000.00	\$84,000.00
233416		Supplies and Utilities	\$1,000.00	\$1,000.00
233417		Cement Conductor	\$0.00	\$0.00
233418		Cement Surface Casing	\$10,000.00	\$10,000.00
233420		Cement Intermediate Casing	\$10,000.00	\$10,000.00
233424		Cement Production Casing	\$0.00	\$25,000.00
233425		Cement Drilling Liner	\$0.00	\$0.00
233426		Cement Production Liner	\$0.00	\$0.00
233427		Mud Logging	\$14,000.00	\$14,000.00
233428		Drilling Fluids, Mud, Chem.	\$75,000.00	\$102,000.00
233429		Drill Bitting Inspection	\$5,000.00	\$5,000.00
233430		Open Hole Logging	\$25,000.00	\$25,000.00
233431		Fishing	\$0.00	\$0.00
233432		Downhole Rental Equipment	\$44,000.00	\$71,000.00
233433		Completion Unit	\$0.00	\$60,000.00
233434		Cased Hole Services/Perforating	\$0.00	\$30,000.00
233435		Jacking	\$0.00	\$0.00
233436		Formation Stimulation	\$0.00	\$150,000.00
233437		Surface Equipment Rental	\$52,000.00	\$112,000.00
233438		Transportation	\$8,000.00	\$10,000.00
233439		Flowback Makeoff	\$0.00	\$0.00
233440		Blowout/Emergencies	\$0.00	\$0.00
233441		Supervision	\$11,000.00	\$12,000.00
233442		Technical Labor	\$11,000.00	\$12,000.00
233443		Direct Labor	\$13,000.00	\$14,000.00
233444		Compuferile	\$20,000.00	\$40,000.00
233445		Company Overhead	\$11,000.00	\$12,000.00
233446		Insurance	\$10,000.00	\$10,000.00
233447		Pay to Attention	\$0.00	\$0.00
233448		0% Contingency	\$0.00	\$0.00
233449		Total Intangible Costs	\$1,440,000.00	\$1,527,000.00
TOTAL	INTANGIBLES			
CODE	TANGIBLE COSTS	WORK DESCRIPTION	ONLY HOLE F	PRODUCER
230108	Tubulars:	Conductor	\$0.00	\$0.00
230109		Surface Casing: 13-3/8" 430'	\$14,000.00	\$14,000.00
230101		Intermediate Casing: 8-5/8" 5,350'	\$149,000.00	\$149,000.00
230102		Production Casing: 5-1/2" 12,100'	\$0.00	\$160,000.00
230103		Drilling Liner	\$0.00	\$0.00
230104		Production Liner	\$0.00	\$0.00
230106		Plant Equipment	\$0,000.00	\$15,000.00
230108		Tubing	\$0.00	\$54,000.00
230109	Lease Equipment:	Wellhead Equipment	\$13,000.00	\$43,000.00
230106		Downhole Equipment	\$0.00	\$18,000.00
230107		Artificial Lift Pumping Unit	\$0.00	\$0.00
230113		Production Equipment	\$0.00	\$30,000.00
230115		Compressor/Compression	\$0.00	\$0.00
230116		Pipeline Equipment	\$0.00	\$0.00
230120		Non-Controllable Equipment	\$0.00	\$0.00
230120		0% Contingency	\$0.00	\$0.00
230120		Total Tangible Costs	\$194,000.00	\$409,000.00
TOTAL	TANGIBLES			
Total Costs			\$1,634,000.00	\$1,936,000.00

Prepared by: DPT

Approved by: CWT

OPERATOR'S APPROVAL:

DATE:

OPERATOR'S APPROVAL:

DATE:

NON-OPERATOR'S APPROVAL:

DATE:

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. The Operator may contract with an affiliated entity to drill the well at prevailing rates in the area. Participant shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in amounts acceptable to the Operator by the date of spud.



37526

Centennial Tower
200 N. Loraine, Suite 1010
Midland, TX 79701
USA
432/683-7063
Fax 432/683-6847

March 30, 2005

Chesapeake Permian, L. P.
Attn. Lynda F. Townsend
P. O. Box 18496
Oklahoma City, OK 73154-0496

VIA Facsimile 405-767-4251

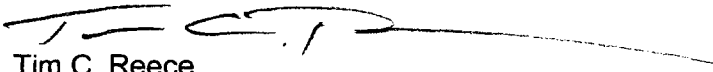
Re: Chesapeake's Proposed KF State 4 #1
S/2 Section 4-21S-35E
Lea County, New Mexico

Gentlemen:

Reference is made to Samson Resources Company's letter of March 16, 2005 in response to your letter dated March 9, 2005. Upon reviewing Samson's records we have determined that there is actually no JOA between the parties which would support an election for this well. In addition, the timeframe for the purported election has not yet expired. **Accordingly, please be advised the Samson hereby rescinds and revokes its invalid election to participate in Chesapeake's proposed KF State 4#1 well.**

If you have any questions please call me at 432-686-6312.

Sincerely,


Tim C. Reece
Senior Landman

TCR:

05-0523