

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.

BEFORE THE
OIL CONSERVATION DIVISION
Case # 13492&13493 Exhibit No. ____
Submitted By:
Chesapeake Inc.
Hearing Date: August 22, 2005

CHK 000150

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.

\\P\Permian\Operated Wells\KF State 4 #1\Certified Letters.doc\Operated Wells\KF State 4 #1_Certified Letters.doc

CHK 000151

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1625
RECIPIENT ADDRESS *919185911798
DESTINATION ID
ST. TIME 03/11 14.08
TIME USE 01'13
PAGES SENT 3
RESULT OK



Lynda F. Townsend, CPL/ESA
Senior Landman

March 9, 2005

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CHK 000152

CHESAPEAKE OPERATING, INC.

Project Area: Permian New Mexico Well Name: XP State 4 #1 Operator: Chesapeake Operating, Inc. AFE #: 140222 Spacing Unit: 8/2 Section 4-218-38E	AUTHORIZATION FOR EXPENDITURE County, State: Lea, New Mexico Date: 3/7/05 Total Depth: 12,107 Formation: Morrow Property #: 819428
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CODE	INTANGIBLE COSTS	WORK DESCRIPTION	DRY HOLE	PRODUCER
233400	Location:	Roads, Location, Pits	\$40,000.00	\$40,000.00
233401		Demogage	\$12,000.00	\$12,000.00
233402		Governmental Filings	\$2,000.00	\$2,000.00
233404		Schedule Costs	\$0.00	\$0.00
233405		Redemption	\$5,000.00	\$5,000.00
233406		Top Drive	\$0.00	\$0.00
233408		Pipeline Construction	\$0.00	\$0.00
233409	Drilling:	Fuel	\$55,000.00	\$55,000.00
233410		Drilling Contractor: 31/33 days @ \$12600 per day	\$388,000.00	\$413,000.00
233411		Directional Services	\$5,000.00	\$5,000.00
233413		Rig Mobilization/Demobilization	\$100,000.00	\$100,000.00
233414		Contract Labor	\$16,000.00	\$16,000.00
233415		Site	\$34,000.00	\$34,000.00
233416		Supplies and Utilities	\$1,000.00	\$1,000.00
233418		Cement Conductor	\$0.00	\$0.00
233417		Cement Surface Casing	\$10,000.00	\$10,000.00
233420		Cement Intermediate Casing	\$18,000.00	\$18,000.00
233424		Cement Production Casing	\$0.00	\$0.00
233425		Cement Drilling Liner	\$0.00	\$0.00
233482		Cement Production Liner	\$0.00	\$0.00
233418		Mud Logging	\$14,000.00	\$14,000.00
233418		Drilling Fluids, Mud, Chem.	\$75,000.00	\$102,000.00
233421		Drill String Inspection	\$5,000.00	\$5,000.00
233423		Open Hole Logging	\$35,000.00	\$35,000.00
233427		Fishing	\$0.00	\$0.00
233428		Downhole Rental Equipment	\$44,000.00	\$71,000.00
233430		Completion Unit	\$0.00	\$0.00
233431	Completion:	Cased Hole Services/Perforating	\$0.00	\$0.00
233433		Jacking	\$0.00	\$0.00
233434		Formation Stimulation	\$0.00	\$0.00
233437		Surface Equipment Rental	\$22,000.00	\$112,000.00
233438	General:	Transportation	\$0.00	\$0.00
233440		Flowback Hauloff	\$0.00	\$0.00
233442		Blowout/Emmergencies	\$0.00	\$0.00
233443		Supervision	\$11,000.00	\$12,000.00
233439		Technical Labor	\$11,000.00	\$12,000.00
233436		Direct Labor	\$13,000.00	\$14,000.00
233444		Contractors	\$25,000.00	\$46,000.00
233446		Company Overhead	\$18,000.00	\$19,000.00
233447		Insurance	\$18,000.00	\$19,000.00
233480		Plug to Abandon	\$0.00	\$0.00
		0% Contingency	\$0.00	\$0.00
TOTAL INTANGIBLES		Total Intangible Costs	\$1,045,000.00	\$1,027,000.00

CODE	TANGIBLE COSTS	WORK DESCRIPTION	DRY HOLE	PRODUCER
230108	Tubulars:	Conductor	\$0.00	\$0.00
230109		Surface Casing: 13-3/8" 45'	\$14,000.00	\$14,000.00
230101		Intermediate Casing: 9-5/8" 8,340'	\$149,000.00	\$149,000.00
230102		Production Casing: 6-1/2" 12,107'	\$0.00	\$160,000.00
230103		Drilling Liner	\$0.00	\$0.00
230109		Production Liner	\$0.00	\$0.00
230104		Road Equipment	\$0.00	\$0.00
230105		Tubing: 2-7/8" 12,000'	\$0.00	\$54,000.00
230106	Lease Equipment:	Wellhead Equipment	\$13,000.00	\$41,000.00
230107		Downhole Equipment	\$0.00	\$16,000.00
230111		Artificial Lift Pumping Unit	\$0.00	\$0.00
230113		Production Equipment	\$0.00	\$36,000.00
230116		Compression/Compression	\$0.00	\$0.00
230118		Pipeline Equipment	\$0.00	\$0.00
230123		Non-Contributable Equipment	\$0.00	\$0.00
		0% Contingency	\$0.00	\$0.00
TOTAL TANGIBLES		Total Tangible Costs	\$164,000.00	\$486,000.00
		Total Costs	\$1,229,000.00	\$2,012,000.00

Prepared by: DFD

Approved by: GMB

OPERATOR'S APPROVAL:

[Signature]
Operations/Geology

DATE:

OPERATOR'S APPROVAL:

[Signature]
Land/Accounting

DATE: 3/8/05

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 spend.



Lynda F. Townsend, CPL/ESA
Senior Landman

March 9, 2005

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& EXPRESS MAIL

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Samson Resources Company
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Tulsa, OK 74103

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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.

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Chesapeake Energy Corporation
6100 N. Western Ave. • Oklahoma City, OK 73118 • P.O. Box 18406 • Oklahoma City, OK 73154-0406
405.879.2414 • fax 405.767.4251 • lyndat@cheekenergy.com

PAGE 2/4 • RCVD AT 3/11/2005 2:08:59 PM (Central Standard Time) • SVR: FAXSRV/0 • DMS: 7156 • CSD: Samson • DURATION (mm:ss): 00:00:18

EXHIBIT

P8

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
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: *Marlin R. Garrett*

Name: Marlin R. Garrett

Title: Vice President

Date: 3/22/05

☐ 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 Name: Pegasus New Works
Well Name: 10 Field 4 01
Operator: Chesapeake Operating, Inc.
APC #: 148222
Spurring Unit: 50 Section 4-112-30X

County: State:
Date: 3/7/05
Total Budget: \$1,107,000
Forecast:
Property #:

COO#	NTANBLE COSTS	WORK DESCRIPTION	QTY	UNIT P	PRODUCER
22000	Location	Roads, Location, P/B	1	\$40,000.00	\$40,000.00
22001		Drillings	1	\$12,000.00	\$12,000.00
22002		Chemical/Fuel/Fertilizer	1	\$2,000.00	\$2,000.00
22003		Seismic Core	1	\$0.00	\$0.00
22004		Refracture	1	\$0.00	\$0.00
22005		Tap Drive	1	\$0.00	\$0.00
22006	Logging	Pipeline Construction	1	\$0.00	\$0.00
22007		Post	1	\$0.00	\$0.00
22008		Drilling Contractor: 3 1/2" Dia @ \$1200 per day	1	\$1200.00	\$1200.00
22009		Directional Services	1	\$0.00	\$0.00
22010		RTG Mobilization/De-mobilization	1	\$100,000.00	\$100,000.00
22011		Contract Labor	1	\$10,000.00	\$10,000.00
22012		Site	1	\$1,000.00	\$1,000.00
22013		Supply and Utilities	1	\$0.00	\$0.00
22014		Contract Contractor	1	\$10,000.00	\$10,000.00
22015		Contract Services Group	1	\$10,000.00	\$10,000.00
22016		Contract Intermediate Group	1	\$0.00	\$0.00
22017		Contract Production Group	1	\$0.00	\$0.00
22018		Contract Drilling Unit	1	\$0.00	\$0.00
22019		Contract Production Unit	1	\$0.00	\$0.00
22020		Drilling Unit	1	\$14,000.00	\$14,000.00
22021		Well Logging	1	\$10,000.00	\$10,000.00
22022		Drilling Fluids, Mud, Chem.	1	\$0.00	\$0.00
22023		Well Bore Inspection	1	\$0.00	\$0.00
22024		Open Hole Logging	1	\$0.00	\$0.00
22025		Logging	1	\$0.00	\$0.00
22026		Downhole Fluid Equipment	1	\$44,000.00	\$44,000.00
22027		Completion Unit	1	\$0.00	\$0.00
22028		Completion Services/Perforating	1	\$0.00	\$0.00
22029		Well	1	\$0.00	\$0.00
22030		Production Allocation	1	\$0.00	\$0.00
22031		Surface Equipment Rental	1	\$12,000.00	\$12,000.00
22032		Transportation	1	\$0.00	\$0.00
22033		Production Rental	1	\$0.00	\$0.00
22034		Drilling/Completion	1	\$0.00	\$0.00
22035		Supervision	1	\$11,000.00	\$11,000.00
22036		Technical Labor	1	\$11,000.00	\$11,000.00
22037		Drill Labor	1	\$12,000.00	\$12,000.00
22038		Completions	1	\$10,000.00	\$10,000.00
22039		Completion Overhead	1	\$11,000.00	\$11,000.00
22040		Insurance	1	\$10,000.00	\$10,000.00
22041		Well to Abandon	1	\$0.00	\$0.00
22042		Well Contingency	1	\$0.00	\$0.00
22043		Total Intangible Costs	1	\$1,040,000.00	\$1,040,000.00
TOTAL	NTANBLE COSTS				

COO#	TANBLE COSTS	WORK DESCRIPTION	QTY	UNIT P	PRODUCER
22000	Truck	Construction	1	\$0.00	\$0.00
22001		Surface Group	1	\$14,000.00	\$14,000.00
22002		Intermediate Group	1	\$14,000.00	\$14,000.00
22003		Production Group	1	\$0.00	\$0.00
22004		Drilling Unit	1	\$0.00	\$0.00
22005		Production Unit	1	\$0.00	\$0.00
22006		Well	1	\$0.00	\$0.00
22007		Wellhead Equipment	1	\$10,000.00	\$10,000.00
22008		Seismic Equipment	1	\$0.00	\$0.00
22009		Artificial Lift Pumping Unit	1	\$0.00	\$0.00
22010		Production Equipment	1	\$0.00	\$0.00
22011		Completions/Completion	1	\$0.00	\$0.00
22012		Production Equipment	1	\$0.00	\$0.00
22013		Well Contingency	1	\$0.00	\$0.00
22014		Total Tanble Costs	1	\$104,000.00	\$104,000.00
TOTAL	TANBLE COSTS				

Prepared by: JCT

Approved by: CJS

2,012,000

OPERATOR'S APPROVAL:

DATE:

OPERATOR'S APPROVAL:

DATE:

NON-OPERATOR'S APPROVAL:

DATE:

The costs on this APC are estimates only and may not be considered as ceilings on any specific item or the total cost of the project. In executing this APC, the participant agrees to pay its proportionate share of actual costs incurred, including legal, caution, regulatory, insurance 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 affiliate entity to drill the well or providing other services. Participant shall be covered by and held 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 sign.