



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

RECEIVED  
APR 08 2005  
MAILROOM

April 5, 2005

Chesapeake Operating, Inc.  
Attn: Lynda F. Townsend  
P. O. Box 18496  
Oklahoma City, OK 73154-0496

Re: Operating Agreement  
Proposed KF State 4 #1  
S/2 Section 4, T-21-S, R-35-E  
Lea County, New Mexico

Gentlemen:

Samson is in receipt of the Operating Agreement for the referenced well. However, please be advised that by letter dated March 30, 2005 (copy attached) Samson rescinded its election to participate in the well and, therefore, will not be executing the Operating Agreement.

Should you have any questions regarding this matter, please contact the undersigned at (432) 686-6312.

Sincerely,

Tim Reece  
Senior Landman

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

CHK 000153



Centennial Tower  
200 N. Lorraine, 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,

A handwritten signature in black ink, appearing to read 'T. C. Reece', with a long horizontal line extending to the right.

Tim C. Reece  
Senior Landman

TCR:

05-0523

CHK 000154



Centennial Tower  
200 N. Lorraine, Suite 1010  
Midland, TX 79701  
USA

Chesapeake Operating, Inc.  
Attn: Lynda F. Townsend  
P. O. Box 18496  
Oklahoma City, OK 73154-0496

