



MAR 03 2000

Texaco Exploration and Production Inc.
Permian Business Unit

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

March 1, 2000

NM910647 - State of New Mexico Lease A-1469
S/2 NE/4 of Section 22, T16S-R36E,
Lea County, New Mexico

Chesapeake Operating, Inc.
Attn: Ms. Lynda Townsend
P. O. Box 18496
Oklahoma City, Oklahoma 73154

Gentlemen:

Reference is made to your letter, dated February 29, 2000, requesting that Texaco agree to waive its protest to Chesapeake's application to drill its Teague 1-22 well to be located 2,272' FNL and 2,125' FWL of Section 22, T16S-R36E, Lea County, New Mexico. Your well location encroaches upon the lease line of our lease in the S/2 NE/4 of Section 22.

Texaco Exploration and Production Inc. waives its protest to the location of your Teague 1-22 well, if and only if Chesapeake agrees to (a) furnish Texaco with all well information from said well, including, but not limited to, daily drilling reports, all logs, and copies of all reports to government agencies, and (b) grant Texaco a reciprocal waiver for a location in the E/2 of Section 22.

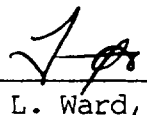

Please sign and return a copy of this letter evidencing your agreement to the foregoing. If you have any questions, please contact the undersigned at (915) 688-4488.

Very truly yours,

Mike Mullins
Landman

Agreed to this 7 day of March, 2000.

CHESAPEAKE OPERATING, INC.

By:  
Tom L. Ward, COO

Title: COO

EXHIBIT 7

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/879-9414
405/879-9535 FAX
ltownsend@chesapeake-energy.com

LAND DEPARTMENT

LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

March 8, 2000

VIA CERTIFIED MAIL

Mr. Mike Mullins
Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, TX 79702

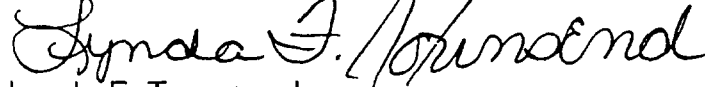
Re: Waiver Agreement
Section 22-16S-36E
Lea County, New Mexico

Dear Mr. Mullins:

Enclosed is an original executed copy of the captioned agreement. I would like to thank you for your promptness in responding to our request, and as you have requested, well information will be provided to you on Chesapeake's Teague 1-22 upon spud of the well. I will keep you informed as to intended spud date.

If you require anything further, please give me a call.

Very truly yours,



Lynda F. Townsend

MAY 05 2000



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

May 2, 2000

Ms. Lynda F. Townsend
CHESAPEAKE OPERATING, INC.
P. O. Box 18496
Oklahoma City, OK 73154

Re: Proposed Teague "22" Well No. 1
Section 22, T-16-S, R-36-E, N.M.P.M.,
Lea County, New Mexico

Dear Lynda:

Pursuant to our telephone conversation of today's date, Marathon would like to see your well drilled and would like to avoid protesting your application for an unorthodox location as set out in your notice letter dated April 7, 2000. In order to avoid a protest at the New Mexico Oil Conservation Division, Marathon would like Chesapeake Operating Inc. to agree to waive their right to protest should Marathon request a similar location exception on our lease in the E/2 of Section 22, T-16-S, R-36-E, Lea County, or lands pooled therewith.

If Chesapeake Operating Inc. is in agreement with the foregoing, please sign and return one (1) copy of this letter to the attention of the undersigned. Thank you for your consideration.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'J. F. Rusnak'.

J. F. Rusnak
Advanced Landman

AGREED TO AND ACCEPTED this 2nd day of May, 2000.

CHESAPEAKE OPERATING, INC.

A handwritten signature in dark ink, appearing to read 'J. Mark Lester'.

By: J. Mark Lester
Title: Senior Vice President-Exploration