

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 1
TO
FORM S-4 REGISTRATION STATEMENT
ON
FORM S-8*
UNDER THE SECURITIES ACT OF 1933

CHESAPEAKE ENERGY CORPORATION
(Exact name of registrant as specified in its charter)

OKLAHOMA
(State or other jurisdiction of
incorporation or organization)

73-1395733
(I.R.S. Employer
Identification No.)

6100 NORTH WESTERN AVENUE
OKLAHOMA CITY, OKLAHOMA 73118
(405) 848-8000
(Address, including zip code and telephone number,
including area code, of registrant's Principal Executive Offices)

REPLACEMENT OPTION AGREEMENTS **
PURSUANT TO
HUGOTON ENERGY CORPORATION 1993 STOCK OPTION PLAN,
HUGOTON ENERGY CORPORATION AMENDED AND RESTATED 1993 NONEMPLOYEE
DIRECTORS' STOCK OPTION PLAN,
W. MARK WOMBLE INCENTIVE STOCK OPTION AGREEMENT,
JOHN T. MCNABB, II NONSTATUTORY STOCK OPTION AGREEMENT,
DAVID S. ELKOURI NONSTATUTORY STOCK OPTION AGREEMENT,
HUGOTON ENERGY CORPORATION AMENDED AND RESTATED 1995 STOCK OPTION PLAN
(Full title of the plans)

AUBREY K. MCCLENDON
6100 NORTH WESTERN AVENUE
OKLAHOMA CITY, OKLAHOMA 73118
(405) 848-8000
(Name, address, including zip code, and telephone
number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	PROPOSED MAXIMUM OFFERING PRICE PER SHARE	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
Common Stock, par value \$0.01 per share(2)	1,159,768	\$(2)	\$(2)	\$(2)

(1) Consisting of, on an as converted basis, 1,159,768 shares of common stock par value \$0.01 per share, of the Registrant reserved for issuance under the Replacement Option Agreements described herein under "Explanatory Notes." On March 10, 1998, all options ("Hugoton Options") issued and outstanding under the employee benefit plans of Hugoton Energy Corporation ("Hugoton"), a wholly owned subsidiary of the Registrant, listed above became immediately vested and exercisable and were assumed by the Registrant and the right to receive one share of common stock of Hugoton upon exercise of the Hugoton Options was converted into the right to receive 1.3 shares of Common Stock of the Registrant. In addition, the number of shares of Common Stock of the Registrant registered herein is subject to adjustment to prevent dilution resulting from stock splits, stock dividends, or similar transactions.

(2) All filing fees payable in connection with the issuance of these securities were previously paid in connection with the filing of the Registrant's registration statement on Form S-4 (File No. 333-46129) on February 11, 1998.

(*) Filed as a post-effective amendment on Form S-8 to such Form S-4 registration statement. See "Explanatory Notes."

(**) As further described herein under "Explanatory Notes."

EXPLANATORY NOTES

Chesapeake Energy Corporation (the "Company" or the "Registrant") hereby amends its registration statement on Form S-4 (File No. 333-46129) (the "Form S-4") by filing this Post-effective Amendment No. 1 on Form S-8 ("Post-effective Amendment No. 1") relating to up to 1,159,768 shares of common stock, par value \$.01 per share, of the Company (the "Common Stock") issuable upon exercise of the options granted pursuant to the Replacement Option Agreements. All shares of Common Stock issuable upon exercise of the options granted pursuant to the Replacement Option Agreements covered by this Post-Effective Amendment No. 1 were previously included in the Form S-4.

On March 10, 1998 (the "Effective Time"), pursuant to the Agreement and Plan of Merger, dated as of November 12, 1997, as amended by Amendment No. 1 thereto dated as of February 9, 1998 (collectively, the "Merger Agreement"), by and among the Company, Chesapeake Acquisition Corp. ("Merger Sub"), an indirect wholly owned subsidiary of the Company, and Hugoton Energy Corporation ("Hugoton"), Merger Sub merged with and into Hugoton, whereby Hugoton became an indirect wholly owned subsidiary of the Company (the "Merger"). Pursuant to the Merger Agreement, each unexpired and unexercised outstanding option (each a "Hugoton Option") to purchase one share of common stock, no par value, of Hugoton ("Hugoton Common Stock") became immediately vested and exercisable and was automatically converted into an option ("Replacement Option") to purchase 1.3 shares of Common Stock at the current exercise price per share of Hugoton Common Stock divided by 1.3. Each Replacement Option is otherwise subject to all of the other terms of the Hugoton Options to which it relates.

As of the Effective Time, the Replacement Options granted pursuant to the Replacement Option Agreements covered by this Post-effective Amendment No. 1 substitute all of the Hugoton Options granted and outstanding pursuant to the Hugoton Energy Corporation 1993 Stock Option Plan, the Hugoton Energy Corporation Amended and Restated 1993 Nonemployee Directors' Stock Option Plan, the Hugoton Energy Corporation Amended and Restated 1995 Stock Option Plan, the W. Mark Womble Incentive Stock Option Agreement, the John T. McNabb, II Nonstatutory Stock Option Agreement and the David S. Elkouri Nonstatutory Stock Option Agreement (collectively, the "Hugoton Plans").

Listed below are the former Hugoton directors and employees who were granted Replacement Options covered by this Post-Effective Amendment No. 1, the number of shares of Common Stock issuable pursuant to such Replacement Options, the respective exercise prices, and the Hugoton Plans pursuant to which such options were originally granted.

NAME	NUMBER OF SHARES OF COMMON STOCK	EXERCISE PRICE	PLAN
Floyd Wilson	81,250	\$5.26	3
	97,500	\$6.15	3
	146,250	\$7.00	3
Mark Womble	19,500	\$5.26	2
	16,250	\$5.26	6
	29,250	\$6.15	3
	19,500	\$7.00	3
	19,500	\$5.92	2
	32,500	\$6.54	2
Jimmy Gowens	32,500	\$5.26	2
	4,875	\$5.26	6
	26,975	\$0.08	2
	14,625	\$6.15	3
	32,500	\$5.92	2
	6,500	\$6.54	3

NAME	NUMBER OF SHARES OF COMMON STOCK	EXERCISE PRICE	PLAN
Earl Ringeisen	32,500	\$5.26	2
	3,250	\$5.26	6
	41,600	\$0.08	2
	9,750	\$6.15	3
	32,500	\$5.92	2
John McNabb	6,500	\$5.72	5
	65,000	\$7.69	4
	6,500	\$9.42	1
David Elkouri	6,500	\$5.72	5
	32,500	\$7.69	4
	6,500	\$9.42	1
	6,500	\$7.93	5
Alan Andreini	6,500	\$5.72	5
	13,000	\$6.83	5
	6,500	\$7.93	5
William Macaulay	6,500	\$5.72	5
	6,500	\$7.93	5
Jonathan Linker	6,500	\$5.72	5
	6,500	\$7.93	5
Dallas Dobbs	9,750	\$5.26	2
	4,875	\$5.26	6
	14,625	\$6.15	3
	9,750	\$5.92	2
Shane Bayless	3,250	\$6.15	
	9,750	\$6.54	2
Randy Click	6,500	\$5.26	2
	6,500	\$6.15	3
	6,500	\$6.35	3
	7,313	\$5.92	2
	3,250	\$7.69	2
David Drummond	65,000	\$7.79	6
Mark Grommesh	3,250	\$5.26	6
	9,750	\$6.15	3
	6,500	\$6.54	3
Ernst Morrison	2,438	\$6.15	3

NAME	NUMBER OF SHARES OF COMMON STOCK	EXERCISE PRICE	PLAN
Les Seibert	1,625	\$5.26	6
	4,875	\$6.15	3
	6,500	\$6.54	3
Kurt Schweigert	1,625	\$6.15	3
Chris Lee	813	\$6.15	3
Joe Brougher	813	\$5.26	6
	2,438	\$6.15	3
Julie Wolf	488	\$5.26	6
	1,463	\$6.15	3
Edward Oursler	488	\$5.26	6
	1,463	\$6.15	3
Dennis Frick	488	\$5.26	6
	1,463	\$6.15	3
DJ Freeman	325	\$5.26	6
	975	\$6.15	3
	1,950	\$6.54	3
Arlene Valliquette	325	\$5.26	6
	975	\$6.15	3
Jo Rhone	325	\$5.26	6
	975	\$6.15	3
Jeff Logan	32,500	\$5.26	6
	7,800	\$0.08	2
	32,500	\$5.92	2
Richard Stoneburner	6,500	\$6.54	2
TOTAL	1,159,768 =====		

1 Hugoton Energy Corporation 1993 Nonemployee Directors' Stock Option Plan
2 Hugoton Energy Corporation 1993 Stock Option Plan
3 Hugoton Energy Corporation 1995 Stock Option Plan
4 Hugoton Energy Corporation Nonstatutory Stock Option Agreement dated 11/23/93
and amended 1/12/98
5 Hugoton Energy Corporation Amended and Restated 1993 Nonemployee Directors'
Stock Option Plan
6 Hugoton Energy Corporation Amended and Restated 1995 Stock Option Plan

PART I

INFORMATION REQUIRED IN SECTION 10(A) PROSPECTUS

The document(s) containing the information specified in Part I of Form S-8 will be sent or given to former employees as specified by Rule 428(b)(1) of the Securities Act of 1933, as amended (the "Securities Act"). These documents and the documents incorporated by reference herein pursuant to Item 3 of Part II of this Registration Statement, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed with the Securities and Exchange Commission by the Company (File No. 1-13726) pursuant to the Securities Exchange Act of 1934 (the "Exchange Act") are incorporated by reference in this Registration Statement:

1. Annual Report on Form 10-K for the fiscal year ended June 30, 1997;
2. Quarterly Report on Form 10-Q for the quarter ended September 30, 1997; and
3. Current Reports on Form 8-K filed September 9, 1997, October 1, 1997, October 31, 1997, November 5, 1997, November 6, 1997, November 20, 1997, December 11, 1997, December 24, 1997, January 15, 1998, January 26, 1998, February 5, 1998, February 13, 1998, March 5, 1998 (four reports), March 20, 1998 and March 23, 1998.

All documents and reports filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Registration Statement, and prior to the filing of a post-effective amendment to this Registration Statement that indicates that all securities offered by this Registration Statement have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing of such documents or reports. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

The General Corporation Act of Oklahoma provides for indemnification of each of the Company's officers and directors against (a) expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any action, suit or proceeding brought by reason of his being or having been a director, officer, employee or agent of the Company, or of any other corporation, partnership, joint venture, trust or other enterprise at the request of the Company, other than an action by or in the right of the Company, provided that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action, he had no reasonable cause to believe that his conduct was unlawful and (b) expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of any action or suit by or in the right of the Company brought by reason of his being or having been a director, officer, employee or agent of the Company, or any other corporation, partnership, joint venture, trust or other enterprise at the request of the Company, provided that he acted in good faith and in a manner he reasonably

believed to be in or not opposed to the best interest of the Company, except that no indemnification shall be made in respect of any claim, issue or matter as to which he shall have been adjudged liable to the Company, unless and only to the extent that the court in which such action was decided has determined that the person is fairly and reasonably entitled to indemnity for such expenses which the court deems proper. Article VIII of the Company's Certificate of Incorporation provides for indemnification of the Company's director and officers. The Oklahoma General Corporation Act also permits the Company to purchase and maintain insurance on behalf of the Company's directors and officers against any liability arising out of their status as such, whether or not the Company would have the power to indemnify them against such liability. These provisions may be sufficiently broad to indemnify such persons for liabilities arising under the Securities Act of 1933 (the "Securities Act").

The Company has entered into indemnity agreements with each of its directors and executive officers. Under each indemnity agreement, the Company will pay on behalf of the indemnitee, and his executors, administrators and heirs, any amount which he is or becomes legally obligated to pay because of (i) any claim or claims from time to time threatened or made against him by any person because of any act or omission or neglect or breach of duty, including any actual or alleged error or misstatement or misleading statement, which he commits or suffers while acting in his capacity as a director and/or officer of the Company or an affiliate or (ii) being a party, or being threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was an officer, director, employee or agent of the Company or an affiliate or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The payments which the Company will be obligated to make hereunder shall include, inter alia, damages, charges, judgments, fines, penalties, settlements and costs, cost of investigation and cost of defense of legal, equitable or criminal actions, claims or proceedings and appeals therefrom, and costs of attachment, supersedeas, bail, surety or other bonds. The Company also provides liability insurance for each of its directors and executive officers.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The following exhibits are filed herewith or incorporated by reference as part of this Registration Statement:

Exhibit Number	Description of Exhibits
3.1	Certificate of Incorporation of the Company (incorporated herein by reference to Exhibit 3.1 to Company's quarterly report on Form 10-Q for the quarter ended December 31, 1996).
3.2	Amendment to Certificate of Incorporation of the Company filed December 17, 1997.*
3.3	Bylaws of the Company (incorporated herein by reference to Exhibit 3.2 to Company's Registration Statement on Form 8-B (No. 001-137260)).
4.1	Indenture dated as of March 15, 1997 among the Registrant, as issuer, Chesapeake Operating, Inc., Chesapeake Gas Development Corporation and Chesapeake Exploration Limited Partnership, as Subsidiary Guarantors, and United States Trust Company of New York, as Trustee, with respect to 7 7/8% Senior Notes due 2004. Incorporated herein by reference to Exhibit No. 4.1 to Registrant's Registration Statement on Form S-4 (No. 333-24995).
4.2	Indenture dated as of March 15, 1997 among the Registrant, as issuer, Chesapeake Operating, Inc., Chesapeake Gas Development Corporation and Chesapeake Exploration Limited Partnership, as Subsidiary Guarantors, and United States Trust Company of New York, as Trustee, with respect to 8 1/2% Senior Notes due 2012. Incorporated herein by reference to Exhibit No. 4.3 to Registrant's Registration Statement on Form S-4 (No. 333-24995).
4.3	Indenture dated as of May 15, 1995 among Chesapeake Energy Corporation, its subsidiaries signatory thereto as Subsidiary Guarantors and United States Trust Company of New York, as Trustee. Incorporated herein by reference to Exhibit No. 4.3 to Registrant's Registration Statement on Form S-4 (No. 33-93718).
4.4	Indenture dated as of April 1, 1996 among Chesapeake Energy Corporation, its subsidiaries signatory thereto as Subsidiary Guarantors and United States Trust Company of New York, as Trustee. Incorporated herein by reference to Exhibit No. 4.6 to Registrant's Registration Statement on Form S-3 (No. 333-1588).
4.5	Stock Registration Agreement dated May 21, 1992 between Chesapeake Energy Corporation and various lenders, as amended by First Amendment thereto dated May 26, 1992. Incorporated herein by reference to Exhibits 10.26.1 and 10.26.2 to Registrant's Registration Statement on Form S-1 (No. 33-55600).
5.1	Opinion of Andrews & Kurth L.L.P. regarding the legality of the securities to be registered.*

- 23.1 Consent of Andrews & Kurth L.L.P. (included in the opinion filed as Exhibit 5.1 hereto).
- 23.2 Consent of Coopers & Lybrand L.L.P.*
- 23.3 Consent of Price Waterhouse LLP.*
- 23.4 Consent of Williamson Petroleum Consultants, Inc.*
- 24.1 Power of Attorney (included in the signature pages of the Registration Statement on Form S-4).
- 99.1 Hugoton Energy Corporation 1993 Stock Option Plan.*
- 99.2 Hugoton Energy Corporation Amended and Restated 1993 Nonemployee Directors' Stock Option Plan.*
- 99.3 W. Mark Womble Incentive Stock Option Agreement.*
- 99.4 John T. McNabb, II Nonstatutory Stock Option Agreement.*
- 99.5 David S. Elkouri Nonstatutory Stock Option Agreement.*
- 99.6 Hugoton Energy Corporation Amended and Restated 1995 Stock Option Plan.*

- - - - -
* Filed herewith

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing this Post-Effective Amendment No. 1 to Form S-4 Registration Statement on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Oklahoma City, State of Oklahoma on March 24, 1998.

CHESAPEAKE ENERGY CORPORATION

By: /s/ Aubrey K. McClendon

Aubrey K. McClendon
Chairman of the Board
and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933 this Post-Effective Amendment No. 1 to Form S-4 Registration Statement on Form S-8 has been signed by the following persons in the capacities indicated on March 24, 1998.

Name	Title
/s/ Aubrey K. McClendon	Chairman of the Board of Directors, Chief Executive Officer and Director (Principal Executive Officer)
----- Aubrey K. McClendon	
* -----	President, Chief Operating Officer and Director (Principal Executive Officer)
Tom L. Ward	
/s/ Marcus C. Rowland	Senior Vice President-Finance and Chief Financial Officer (Principal Financial Officer)
----- Marcus C. Rowland	
* -----	Controller (Principal Accounting Officer)
Ronald A. Lefaive	
* -----	Director
Edgar F. Heizer, Jr.	
* -----	Director
Breene M. Kerr	
* -----	Director
Shannon T. Self	
* -----	Director
Frederick B. Whittemore	
* -----	Director
Walter C. Wilson	

*Marcus C. Rowland, by signing his name hereto, signs this document on behalf of each of the persons indicated above pursuant to the powers of attorney duly executed by such persons and set forth on the signature page of the Registration Statement filed with the Securities and Exchange Commission on February 11, 1998.

By: /s/ Marcus C. Rowland

Marcus C. Rowland, attorney-in-fact

INDEX TO EXHIBITS

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4.5	Stock Registration Agreement dated May 21, 1992 between Chesapeake Energy Corporation and various lenders, as amended by First Amendment thereto dated May 26, 1992. Incorporated herein by reference to Exhibits 10.26.1 and 10.26.2 to Registrant's Registration Statement on Form S-1 (No. 33-55600).
5.1	Opinion of Andrews & Kurth L.L.P. regarding the legality of the securities to be registered.*
23.1	Consent of Andrews & Kurth L.L.P. (included in the opinion filed as Exhibit 5.1 hereto).
23.2	Consent of Coopers & Lybrand L.L.P.*
23.3	Consent of Price Waterhouse LLP.*
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* Filed herewith

AMENDMENT TO
CERTIFICATE OF INCORPORATION
OF
CHESAPEAKE ENERGY CORPORATION

(After Receipt of Payment for Stock)

The undersigned, Aubrey K. McClendon, as Chairman of the Board and Chief Executive Officer, and Janice A. Dobbs, as Secretary of Chesapeake Energy Corporation, a corporation organized and existing under the laws of the State of Oklahoma (the "Corporation"), hereby certify as follows:

- A. The name of the Corporation is Chesapeake Energy Corporation.
- B. The name under which the Corporation was originally incorporated is Chesapeake Oklahoma Corporation. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Oklahoma on November 19, 1996, as amended by that certain Certificate of Ownership and Merger Merging Chesapeake Energy Corporation into Chesapeake Oklahoma Corporation filed with the Secretary of State of Oklahoma on December 23, 1996, effective December 31, 1996 (the "Certificate of Incorporation").
- C. This Amendment to Certificate of Incorporation was duly adopted in accordance with the provisions of Section 1077 of the General Corporation Act of Oklahoma (the "Act") at the Corporation's annual meeting by a majority of the outstanding capital stock of the Corporation entitled to vote thereon. Written notice of the Corporation's annual meeting was given to the stockholders of the Corporation in accordance with the provisions of Section 1067 of the Act.
- D. The Certificate of Incorporation is hereby amended as follows:
1. Amendment to Article IV. The first sentence of Article IV of the Certificate of Incorporation starting with the words "The total number of shares of capital stock . . ." is hereby deleted in its entirety and the following sentence is substituted therefor:

The total number of shares of capital stock which the Corporation shall have authority to issue is Two Hundred Sixty Million (260,000,000) shares, consisting of Ten Million (10,000,000) shares of Preferred Stock, par value \$0.01 per share, and Two Hundred Fifty Million (250,000,000) shares of Common Stock, par value \$0.01 per share.

IN WITNESS WHEREOF, this Amendment to Certificate of Incorporation was duly adopted by the board of directors and the stockholders of the Corporation in accordance with Section 1077 of the Act and executed this 9th day of December, 1997, by Aubrey K. McClendon, as Chairman of the Board and Chief Executive Officer, and attested by Janice A. Dobbs, as Secretary.

/s/ Aubrey K. McClendon

Aubrey K. McClendon, Chairman of the Board and
Chief Executive Officer

Attest:

/s/ Janice A. Dobbs

Janice A. Dobbs, Secretary

March 24, 1998

Board of Directors
Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Gentlemen:

We have acted as special counsel to Chesapeake Energy Corporation, an Oklahoma corporation ("Chesapeake"), in connection with the Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4 (File No. 333-46129) relating to the registration under the Securities Act of 1933, as amended, of the issuance by Chesapeake of up to 1,159,768 shares (the "Shares") of common stock, par value \$0.01 per share, of Chesapeake (the "Common Stock") pursuant to the Replacement Option Agreements (as defined below). The Shares are to be issued to former holders of Common Stock of Hugoton Energy Corporation, a Kansas corporation ("Hugoton"), in connection with the merger of Chesapeake Acquisition Corp., a Kansas corporation and an indirect wholly owned subsidiary of Chesapeake ("Merger Sub"), with and into Hugoton with Hugoton as the surviving corporation (the "Merger"). Pursuant to the Merger, all options ("Hugoton Options") issued and outstanding under the employee benefit plans of Hugoton, which became a wholly owned subsidiary of the Registrant, became immediately vested and exercisable and were assumed by Chesapeake pursuant to the replacement options agreements (the "Replacement Option Agreements") and the right to receive one share of common stock of Hugoton upon exercise of the Hugoton Options was converted into the right to receive 1.3 shares of Common Stock of Chesapeake.

As the basis for the opinion hereinafter expressed, we have examined such statutes, regulations, corporate records and documents, certificates of corporate and public officials and other instruments as we have deemed necessary or advisable for the purposes of this opinion. In such examination, we have assumed the authenticity of all documents submitted to us as originals and the conformity with the original documents of all documents submitted to us as copies.

Based on the foregoing and on such legal considerations as we deem relevant, we are of the opinion that the Shares have been validly authorized, and that such Shares will, when issued and delivered in accordance with the terms of the Replacement Option Agreements, will be validly issued, fully paid and non-assessable.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ ANDREWS & KURTH L.L.P.

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this post-effective amendment No. 1 on Form S-8 to the registration statement on Form S-4 (File No. 333-46129) of our report dated September 30, 1997, on our audits of the consolidated financial statements of Chesapeake Energy Corporation as of June 30, 1997 and 1996 and for the years then ended. We also consent to the references to our firm under the caption "Experts".

COOPERS & LYBRAND L.L.P.

Oklahoma City, Oklahoma
March 24, 1998

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in this post-effective amendment No. 1 on Form S-8 to the registration statement on Form S-4 of our report dated September 20, 1995, except for the third paragraph of Note 9 which is as of October 9, 1997, appearing on Page 26 of Chesapeake Energy Corporation's Annual Report on Form 10-K/A for the year ended June 30, 1997, on our audit of the consolidated financial statements of Chesapeake Energy Corporation for the year ended June 30, 1995.

/s/ PRICE WATERHOUSE LLP

PRICE WATERHOUSE LLP

Houston, Texas
March 24, 1998

[WILLIAMSON PETROLEUM CONSULTANTS, INC. LETTERHEAD]

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS

As independent petroleum engineers, Williamson Petroleum Consultants, Inc. hereby consents to the incorporation by reference in this Post-Effective Amendment No. 1 on Form S-8 to the registration statement on Form S-4 of Chesapeake Energy Corporation (the Company) of our report entitled "Evaluation of Oil and Gas Reserves to the Interests of Chesapeake Energy Corporation in Certain Properties in Louisiana and Texas, Effective December 31, 1997, for Disclosure to the Securities and Exchange Commission, Williamson Project 7.8569" dated March 12, 1998 and to all references to our firm included in or made a part of the Company Prospectus dated February 17, 1998 relating to its common stock, which Prospectus was filed pursuant to Rule 424(b) under the Securities Act of 1933, as amended, and formed a part of the Company registration statement on Form S-4 (No. 333-46129) under the Act. This registration statement on Form S-8 is to be filed with the Securities and Exchange Commission on or about March 24, 1998.

/s/ WILLIAMSON PETROLEUM CONSULTANTS, INC.

WILLIAMSON PETROLEUM CONSULTANTS, INC.

Houston, Texas
March 24, 1998

HUGOTON ENERGY CORPORATION

1993 STOCK OPTION PLAN

I. PURPOSE OF PLAN

The HUGOTON ENERGY CORPORATION 1993 STOCK OPTION PLAN (the "Plan") intended to provide a means whereby certain employees of HUGOTON ENERGY CORPORATION, a Kansas corporation (the "Company"), and its subsidiary may develop a sense of proprietorship and personal involvement in the development and financial success of the Company, and to encourage them to remain with and devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its stockholders. Accordingly, the Company may grant to certain employees ("OPTIONEES") the option ("OPTION") to purchase shares of the common stock of the Company ("STOCK"), as hereinafter set forth. Options granted under the Plan may be either incentive stock options, within the meaning of section 422(b) of the Internal Revenue Code, as amended (the "CODE"), ("INCENTIVE STOCK OPTIONS") or options which do not constitute Incentive Stock Options.

II. ADMINISTRATION

The Plan shall be administered by the Compensation Committee (the "COMMITTEE") of the Board of Directors of the Company (the "BOARD"), and the Committee shall, be (a) comprised solely of two or more outside directors (within the meaning of section 162(m) of the Code and applicable interpretive authority thereunder), and (b) constituted so as to permit the Plan to comply with Rule 16b-3, as currently in effect or as hereinafter modified or amended ("RULE 16B-3"), promulgated under the Securities Exchange Act of 1934, as amended (the "1934 ACT"). The Committee shall have sole authority to select the Optionees from among those individuals eligible hereunder and to establish the number of shares which may be issued under each Option. In making such determination, the Committee may take into account the nature of the services rendered by such individuals, their present and potential contributions to the Company's success and such other factors as the Committee in its discretion shall deem relevant. The Committee is authorized to interpret the Plan and may from time to time adopt such rules and regulations, consistent with the provisions of the Plan, as it may deem advisable to carry out the Plan. All decisions made by the Committee in selecting the Optionees, in establishing the number of shares which may be issued under each Option and in construing the provisions of the Plan shall be final.

II. OPTION AGREEMENTS

(a) Each Option shall be evidenced by a written agreement between the Company and

the Optionee ("OPTION AGREEMENT") which shall contain such terms and conditions as may be approved by the Committee. The terms and conditions of the respective Option Agreements need not be identical. Specifically, an Option Agreement may provide for the surrender of the right to purchase shares under the Option in return for a payment in cash or shares of Stock or a combination of cash and shares of Stock equal in value to the excess of the fair market value of the shares with respect to which the right to purchase is surrendered over the option price therefor ("STOCK APPRECIATION RIGHTS"), on such terms and conditions as the Committee in its sole discretion may prescribe; provided, that with respect to Stock Appreciation Rights granted to employees who are subject to Section 16 of the 1934 Act, except as provided in Subparagraph VII(c) hereof, the Committee shall retain final authority (i) to determine whether an Optionee shall be permitted, or (ii) to approve an election by an Optionee, to receive cash in full or partial settlement of Stock Appreciation Rights. Moreover, an Option Agreement may provide for the payment of the option price, in whole or in part, by the delivery of a number of shares of Stock (plus cash if necessary) having a fair market value equal to such option price.

(b) For all purposes under the Plan, the fair market value of a share of Stock on a particular date shall be equal to the mean of the reported high and low sales price of the Stock (i) reported by the National Market System or NASDAQ on that date or (ii) if the Stock is listed on a national stock exchange, reported on the stock exchange composite tape on that date; or, in either case, if no prices are reported on that date, on the last preceding date on which such prices of the Stock are so reported. If the Stock is traded over the counter at the time a determination of its fair market value is required to be made hereunder, its fair market value shall be deemed to be equal to the average between the reported high and low or closing bid and asked prices of Stock on the most recent date on which Stock was publicly traded. Notwithstanding the foregoing, the fair market value of the Stock for Options granted effective as of the date of the Company's initial public sale of shares of Stock shall be the initial offering price under the Company's registration statement relating to such initial public sale. In the event Stock is not publicly traded at the time a determination of its value is required to be made hereunder, the determination of its fair market value shall be made by the Committee in such manner as it deems appropriate.

(c) Each Option and all rights granted thereunder shall not be transferable other than by will or the laws of descent and distribution, and shall be exercisable during the Optionee's lifetime only by the Optionee or the Optionee's guardian or legal representative.

IV. ELIGIBILITY OF OPTIONEE

Options may be granted only to individuals who are employees (including officers and directors who are also employees) of the Company or any parent subsidiary corporation (as defined in section 424 of the Code) of the Company at the time the Option is granted; provided, however, that members of the Committee shall not be eligible to be granted Options. Options may be granted to the same individual on more than one occasion. No Incentive Stock Option shall be granted to an individual if, at the time the Option is granted, such individual owns stock

possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary corporation, within the meaning of section 422(b) of the Code, unless (i) at the time such Option is granted the option price is 110% of the fair market value of the Stock subject to the Option and (ii) such Option by its terms is not exercisable after the expiration of five years from the date of grant. To the extent that the aggregate fair market value (determined at the time the respective Incentive Stock Option is granted) of stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year under all incentive stock option plans of the Company and its parent and subsidiary corporations exceeds \$100,000, such excess Incentive Stock Options shall be treated as Options which do not constitute Incentive Stock Options. The Committee shall determine, in accordance with applicable provisions of the Code, Treasury Regulations and other administrative pronouncements, which of an Optionee's Incentive Stock Options will not constitute Incentive Stock Options because of such limitation and shall notify the Optionee of such determination as soon as practicable after such determination.

V. SHARES SUBJECT TO PLAN

The aggregate number of shares which may be issued under Options granted under the Plan shall not exceed 600,000 shares of Stock. Such shares may consist of authorized but unissued shares of Stock or previously issued shares of Stock reacquired by the Company. Any of such shares which remain unissued and which are not subject to outstanding Options at the termination of the Plan shall cease to be subject to the Plan, but, until termination of the Plan, the Company shall at all times make available a sufficient number of shares to meet the requirements of the Plan. Should any Option hereunder expire or terminate prior to its exercise in full, the shares theretofore subject to such Option may again be subject to an Option granted under the Plan to the extent permitted under Rule 16b-3. The aggregate number of shares which may be issued under the Plan shall be subject to adjustment in the same manner as provided in Paragraph VIII hereof with respect to shares of Stock subject to Options then outstanding. Exercise of an Option in any manner, including an exercise involving a Stock Appreciation Right, shall result in a decrease in the number of shares of Stock which may thereafter be available, both for purposes of the Plan and for sale to any one individual, by the number of shares as to which the Option is exercised. Separate stock certificates shall be issued by the Company for those shares acquired pursuant to the exercise of any Option which does not constitute an Incentive Stock Option.

IV. OPTION PRICE

The purchase price of Stock issued under each Option shall be equal to the fair market value of Stock subject to the Option on the date the Option is granted; provided, however, that this limitation shall not apply to (a) Incentive Stock Options for which a greater purchase price is required pursuant to Paragraph IV hereof, and (b) the Options granted under the Plan that are described in that certain Agreement Regarding Options dated _____, 1993 by and

between the Company and Floyd C. Wilson (which Options shall have the purchase price therein provided).

VII. TERM OF PLAN

The Plan shall be effective upon the date of its adoption by the Board, provided the Plan is approved by the stockholders of the Company within twelve months thereafter. Notwithstanding any provision in this Plan or in any Option Agreement, no Option shall be exercisable prior to such stockholder approval. Except with respect to Options then outstanding if not sooner terminated under the provisions of Paragraph IX, the Plan shall terminate upon and no further Options shall be granted after the expiration of ten years from the date of its adoption by the Board.

VIII. RECAPITALIZATION OR REORGANIZATION

(a) The existence of the Plan and the Options granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(b) The shares with respect to which Options may be granted are shares of Stock as presently constituted, but if, and whenever, prior to the expiration of an Option theretofore granted, the Company shall effect a subdivision or consolidation of shares of Stock or the payment of a stock dividend on Stock without receipt of consideration by the Company, the number of shares of Stock with respect to which such Option may thereafter be exercised (i) in the event of an increase in the number of outstanding shares shall be proportionately increased, and the purchase price per share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares shall be proportionately reduced, and the purchase price per share shall be proportionately increased.

(c) If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise of an Option theretofore granted the Optionee shall be entitled to purchase under such Option, in lieu of the number and class of shares of Stock then covered by such Option, the number and class of shares of stock and securities to which the Optionee would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, the Optionee had been the holder of record of the number of shares of Stock then covered by the such Option. If (i) the Company shall not be the surviving entity in any merger, consolidation or other reorganization (or survives only as a subsidiary of an entity other than a

previously wholly-owned subsidiary of the Company), (ii) the Company sells, leases or exchanges substantially all of its assets to any other person or entity (other than a wholly-owned subsidiary of the Company), (iii) the Company is to be dissolved and liquidated, (iv) any person or entity, including a "group" as contemplated by Section 13(d)(3) of the 1934 Act acquires or gains ownership or control (including, without limitation, power to vote) of more than 50% of the outstanding shares of the Company's voting stock (based upon voting power), or (v) as a result of or in connection with a contested election of directors, the persons who were directors of the Company before such election shall cease to constitute a majority of the Board (each such event is referred to herein as a "Corporate Change"), no later than (a) ten days after the approval by the stockholders of the Company of such merger, consolidation, reorganization, sale, lease or exchange of assets or dissolution or such election of directors or (b) thirty days after a change of control of the type described in Clause (iv), the Committee, acting in its sole discretion without the consent or approval of any Optionee, shall act to effect one or more of the following alternatives, which may vary among individual Optionees and which may vary among Options held by any individual Optionee: (1) accelerate the time at which Options then outstanding may be exercised so that such Options may be exercised in full for a limited period of time on or before a specified date (before or after such Corporate Change) fixed by the Committee, after which specified date all unexercised Options and all rights of Optionees thereunder shall terminate, (2) require that mandatory surrender to the Company by selected Optionees of some or all of the outstanding Options held by such Optionees (irrespective of whether such Options are then exercisable under the provisions of the Plan) as of a date, before or after such Corporate Change, specified by the Committee, in which event the Committee shall thereupon cancel such Options and the Company shall pay to each Optionee an amount of cash per share equal to the excess, if any, of the amount calculated in Subparagraph (d) below (the "Change of Control Value") of the shares subject to such Option over the exercise price(s) under such Options for such shares, (3) make such adjustments to Options then outstanding as the Committee deems appropriate to reflect such Corporate Change (provided, however, that the Committee may determine in its sole discretion that no adjustment is necessary to Options then outstanding) or (4) provide that thereafter upon any exercise of an Option theretofore granted the Optionee shall be entitled to purchase under such Option, in lieu of the number of shares of Stock then covered by such Option the number and class of shares of stock or other securities or property (including, without limitation, cash) to which the Optionee would have been entitled pursuant to the terms of the agreement of merger, consolidation or sale of assets and dissolution if, immediately prior to such merger, consolidation or sale of assets and dissolution the Optionee had been the holder of record of the number of shares of Stock then covered by such Option.

(d) For the purposes of clause (2) in Subparagraph (c) above, the "Change of Control Value" shall equal the amount determined in clause (i), (ii) or (iii), whichever is applicable, as follows: (i) the per share price offered to stockholders of the Company in any such merger, consolidation, reorganization, sale of assets or dissolution transaction, (ii) the price per share offered to stockholders of the Company in any tender offer or exchange offer whereby a Corporate Change takes place, or (iii) if such Corporate Change occurs other than pursuant to a tender or exchange offer, the fair market value per share of the shares into which such Options

being surrendered are exercisable, as determined by the Committee as of the date determined by the Committee to be the date of cancellation and surrender of such Options. In the event that the consideration offered to stockholders of the Company in any transaction described in this Subparagraph (d) or Subparagraph (c) above consists of anything other than cash, the Committee shall determine the fair cash equivalent of the portion of the consideration offered which is other than cash.

(e) Any adjustment provided for in Subparagraph (b) or (c) above shall be subject to any required stockholder action.

(f) Except as hereinbefore expressly provided, the issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason therefor shall be made with respect to, the number of shares of Stock subject to Options theretofore granted or the purchase price per share.

IX. AMENDMENT OR TERMINATION OF THE PLAN

The Board in its discretion may terminate the Plan at any time with respect to any shares for which Options have not theretofore been granted. The Board shall have the right to alter or amend the Plan or any part thereof from time to time; provided, that no change in any Option theretofore granted may be made which would impair the rights of the Optionee without the consent of such Optionee (unless such change is required in order to cause the benefits under the Plan to qualify as performance-based compensation within the meaning of section 162(m) of the Code and applicable interpretive authority thereunder), and provided, further, that (i) the Board may not make any alteration or amendment which would decrease any authority granted to the Committee hereunder in contravention of Rule 16b-3) and (ii) the Board may not make any alteration or amendment which would materially increase the benefits accruing to participants under the Plan, increase the aggregate number of shares which may be issued pursuant to the provisions of the Plan, change the class of individuals eligible to receive Options under the Plan or extend the term of the Plan, without the approval of the stockholders of the Company.

X. SECURITIES LAWS

(a) The Company shall not be obligated to issue any Stock pursuant to any Option granted under the Plan at any time when the offering of the shares covered by such Option have not been registered under the Securities Act of 1933 and such other state and federal laws, rules or regulations as the Company or the Committee deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration requirements of such laws,

rules or regulations available for the offering and sale of such shares.

(b) It is intended that the Plan and any grant of an Option may make to a person subject to Section 16 of the 1934 Act meet all of the requirements of Rule 16b-3. If any provision of the Plan or any such Option would disqualify the Plan or such Option under, or would otherwise not comply with, Rule 16b-3, such provision or Option shall be construed or deemed amended to conform to Rule 16b-3.

HUGOTON ENERGY CORPORATION

AMENDED AND RESTATED 1993 NONEMPLOYEE
DIRECTORS' STOCK OPTION PLAN

On November 23, 1993, the HUGOTON ENERGY CORPORATION 1993 NONEMPLOYEE DIRECTORS' STOCK OPTION PLAN (the "ORIGINAL PLAN") was adopted. The Original Plan is hereby amended and restated in its entirety.

I. PURPOSE OF THE PLAN

The HUGOTON ENERGY CORPORATION AMENDED AND RESTATED 1993 NONEMPLOYEE DIRECTORS' STOCK OPTION PLAN (the "PLAN") is intended to promote the interests of HUGOTON ENERGY CORPORATION, a Kansas corporation (the "COMPANY"), and its stockholders by helping to award and retain highly-qualified independent directors, and allowing them to develop a sense of proprietorship and personal involvement in the development and financial success of the Company. Accordingly, the Company shall grant to directors of the Company who are not employees or officers of the Company or any of its subsidiaries ("NONEMPLOYEE DIRECTORS") the option ("OPTION") to purchase shares of the common stock of the Company ("STOCK"), as hereinafter set forth. Options granted under the Plan shall be options which do not constitute incentive stock options, within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended.

II. OPTION AGREEMENTS

Each Option shall be evidenced by a written agreement in the form attached to the Plan.

III. ELIGIBILITY OF OPTIONEE

Options may be granted only to individuals who are Nonemployee Directors of the Company. Each Nonemployee Director as of January 1, 1996, shall receive, as of such date and without the exercise of the discretion of any person or persons, an Option exercisable for 10,000 shares of Stock. An Option for 5,000 shares of Stock (subject to adjustment in the same manner as provided in Paragraph VII hereof with respect to shares of Stock subject to Options then outstanding) will automatically be granted on each successive January 1 to each Nonemployee Director who serves in such capacity or is elected to the Board of Directors on the applicable date of grant. If, as of any date that the Plan is in effect, there are not sufficient shares of Stock available under the Plan to allow for the grant to each Nonemployee Director of an Option for the number of shares provided herein, each Nonemployee Director shall receive an Option for his or her pro rata share of the total number of shares of Stock then available under the Plan. All Options granted under the Plan shall be at the Option price set forth in Paragraph V hereof and shall be subject to adjustment as provided in Paragraph VII hereof.

IV. SHARES SUBJECT TO PLAN

The aggregate number of shares which may be issued under Options granted under the Plan shall not exceed 150,000 shares of Stock. Such shares may consist of authorized but unissued shares of Stock or previously issued shares of Stock reacquired by the Company. Any of such shares which remain unissued and which are not subject to outstanding Options at the termination of the Plan shall cease to be subject to the Plan, but, until termination of the Plan, the Company shall at all times make available a sufficient number of shares to meet the requirements of the Plan. Should any Option hereunder expire or terminate prior to its exercise in full, the shares theretofore subject to such Option may again be subject to an Option granted under the Plan. The aggregate number of shares which may be issued under the Plan shall be subject to adjustment in the same manner as provided in Paragraph VII hereof with respect to shares of Stock subject to Options then outstanding. Exercise of an Option shall result in a decrease in the number of shares of Stock which may thereafter be available, both for purposes of the Plan and for sale to any one individual, by the number of shares as to which the Option is exercised.

V. OPTION PRICE

The purchase price of Stock issued under each Option shall be the fair market value of Stock subject to the Option as of the date the Option is granted. For a purposes under the Plan, the fair market value of a share of Stock on a particular date shall be equal to the mean of the reported high and low sales prices of the Stock (i) reported by the National Market System of NASDAQ on that date or (ii) if the Stock is listed on a national stock exchange, reported on the stock exchange composite tape on that date; or, in either case, if no prices are reported on that date, on the last preceding date on which such prices of the Stock are so reported. If the Stock is traded over the counter at the time a determination of its fair market value is required to be made hereunder, its fair market value shall be deemed to be equal to the average between the reported high and low or closing bid and asked prices of Stock on the most recent date on which stock was publicly traded. In the event Stock is not publicly traded at the time a determination of its value is required to be made hereunder, the determination of its fair market value shall be made by the Board in such manner as it deems appropriate.

VI. TERM OF PLAN

The Original Plan became effective on November 23, 1993. This restatement shall be effective on the date the Plan is approved by the stockholders of the Company. Notwithstanding any provision in this Plan or in any Option Agreement, no Option granted after January 1, 1996 shall be exercisable prior to such stockholder approval. If not sooner terminated under the provisions of Paragraph VIII, the Plan shall be terminate upon and no further Options shall be granted after the expiration of ten years from the adoption by the stockholders of this Amended and Restated Plan.

VII. RECAPITALIZATION OR REORGANIZATION

(a) The existence of the Plan and the Options granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(b) The shares with respect to which Options may be granted are shares of Stock as presently constituted, but if, and whenever, prior to the expiration of an Option theretofore granted, the Company shall effect a subdivision or consolidation of shares of Stock or the payment of a stock dividend on Stock without receipt of consideration by the Company, the number of shares of Stock with respect to which such Option may thereafter be exercised (i) in the event of an increase in the number of outstanding shares shall be proportionately increased, and the purchase price per share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares shall be proportionately reduced, and the purchase price per share shall be proportionately increased.

(c) If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise of an Option theretofore granted the optionee shall be entitled to purchase under such Option, in lieu of the number and class of shares of Stock then covered by such Option, the number and class of shares of stock and securities to which the optionee would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, the optionee had been the holder of record of the number of shares of Stock then covered by such Option.

(d) Any adjustment provided for in Subparagraphs (b) or (c) above shall be subject to any required stockholder action.

(e) Except as hereinbefore expressly provided, the issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock subject to Options theretofore granted or the purchase price per share.

VIII. AMENDMENT OR TERMINATION OF THE PLAN

The Board in its discretion may terminate the Plan at any time with respect to any shares for which Options have not theretofore been granted. The Board shall have the right to alter or amend the Plan or any part thereof from time to time; provided, that no change in any Option theretofore

granted may be made which would impair the rights of the optionee without the consent of such optionee; and provided, further, that the Board may not make any alteration or amendment which would materially increase the benefits accruing to participants under the Plan, increase the aggregate number of shares which may be issued pursuant to the provisions of the Plan, change the class of individuals eligible to receive Options under the Plan or extend the term of the Plan, without the approval of the stockholders of the Company.

IX. SECURITIES LAWS

(a) The Company shall not be obligated to issue any Stock pursuant to any Option granted under the Plan at any time when the offering of the shares covered by such Option have not been registered under the Securities Act of 1933, as amended, and such other state and federal laws, rules or regulations as the Company deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration requirements of such laws, rules or regulations available for the offering and sale of such shares.

(b) It is intended that the Plan and any grant of an Option made to a person subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "1934 Act"), meet all of the requirements of Rule 16b-3, as currently in effect or as hereinafter modified or amended ("Rule 16b-3"), promulgated under the 1934 Act. If any provision of the Plan or any such Option would disqualify the Plan or such option under, or would otherwise not comply with, Rule 16b-3, such provision or Option shall be construed or deemed amended to conform to Rule 16b-3.

INCENTIVE STOCK OPTION AGREEMENT

AGREEMENT made this 23rd day of November, 1993, between HUGOTON ENERGY CORPORATION, a Kansas corporation (the "Company"), and W. MARK WOMBLE ("Employee").

To carry out the purposes of the HUGOTON ENERGY CORPORATION 1993 STOCK OPTION PLAN (the "Plan"), by affording Employee the opportunity to purchase shares of the common stock of the Company ("Stock"), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. Grant or Option. The Company hereby irrevocably grants to Employee the right and option ("Option") to purchase all or any part of an aggregate of 30,000 shares of Stock, on the terms and conditions set forth herein and in the Plan, which Plan is incorporated herein by reference as a part of this Agreement. Exercise of this Option is subject to, and contingent upon, approval of the Plan by the stockholders of the Company on or before 12 months after the date the Plan was adopted by the Board of Directors of the Company. This Option is intended to constitute an incentive stock option, within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended (the "Code").

2. Purchase Price. The purchase price of Stock purchased pursuant to the exercise of this Option shall be \$10.00 per share, which has been determined to be the fair market value of the Stock at the date of grant of this Option. For all purposes of this Agreement, fair market value of Stock shall be determined in accordance with the provisions of the Plan.

3. Vesting and Exercise of Option. The Option granted hereunder shall vest as follows:

- (a) the option to purchase 25% of the shares covered herein shall vest six (6) months after the initial public offering of the Stock of the Company (the "IPO");
- (b) the option to purchase 25% of the shares covered herein shall vest twelve (12) months after the IPO;
- (c) the option to purchase 25% of the shares covered herein shall vest twenty-four (24) months after the IPO; and
- (d) the option to purchase 25% of the shares covered herein shall vest thirty-six (36) months after the IPO.

Subject to the earlier expiration of this Option as herein provided, this Option may be exercised by written notice to the Company at its principal executive office addressed to the attention of its Chief Executive Officer. The options granted hereunder must be exercised within eighteen (18) months after the date they become vested or they will expire worthless, i.e. options relating to the twenty-five percent (25%) of the shares that become vested six (6) months after the IPO must be exercised within twenty-four (24) months after the IPO.

This Option is not transferable by Employee otherwise than by will or the laws of descent and distribution. and may be exercised only by Employee during Employee's lifetime. This option may be exercised only while Employee remains an employee of the Company and will terminate and cease to be exercisable upon Employee's termination of employment with the Company, except that:

(a) If Employee's employment with the Company terminates by reason of disability (within the meaning of section 22(c)(3) of the Code), this Option may be exercised in full (whether or not the option is fully vested) by Employee (or Employee's estate or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) at any time during the period of one year following such termination.

(b) If Employee dies while in the employ of the Company, Employee's estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee, may exercise this Option in full (whether or not the option is fully vested) at any time during the period of one year following the date of Employee's death.

(c) If Employee's employment with the Company terminates for any reason other than as described in (a) or (b) above, unless Employee voluntarily terminates without the written consent of the Company or is terminated for cause, this Option may be exercised by Employee at any time during the period of three months following such termination, or by Employee's estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) during a period of one year following Employee's death if Employee dies during such three-month period, but in each case only to the extent the Option was vested and only as to the number of shares Employee was entitled to purchase hereunder as of the date Employee's employment so terminates. For purposes of this Agreement, "CAUSE" shall mean Employee's gross negligence or willful misconduct in performance of the duties of his employment, or Employee's final conviction of a felony or of a misdemeanor involving moral turpitude.

The purchase price of shares as to which this Option is exercised shall be paid in full at the time of exercise (a) in cash (including check, bank draft or money order payable to the order of the Company), or (b) by delivering to the Company shares of Stock having a fair market value equal to the purchase price, or (c) a combination of cash and Stock. No fraction of a share of Stock shall be issued by the Company upon exercise of an Option or accepted by the Company in payment of the exercise price thereof, rather, Employee shall provide a cash payment for such amount as is necessary to effect the issuance and acceptance of only whole shares of Stock. Unless and until a certificate or certificates representing such shares shall have been issued by the Company to Employee, Employee (or the person permitted to exercise this Option in the event of Employee's death) shall not be or have any of the rights or privileges of a stockholder of the Company with respect to shares acquirable upon an exercise of this Option.

4. Withholding of Tax. To the extent that the exercise of this Option or the disposition of shares of Stock acquired by exercise of this Option results in compensation income to Employee

for federal or state income tax purposes, Employee shall deliver to the Company at the time of such exercise or disposition such amount of money or shares of Stock as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from any cash or Stock remuneration then or thereafter payable to Employee any tax required to be withheld by reason of such resulting compensation income. Upon an exercise of this Option, the Company is further authorized in its discretion to satisfy any such withholding requirement out of any cash or shares of Stock distributable to Employee upon such exercise.

5. Status of Stock. The Company intends to register for issuance under the Securities Act of 1933, as amended (the "Act") the shares of Stock acquirable upon exercise of this Option, and to keep such registration effective throughout the period this Option is exercisable. In the absence of such effective registration or an available exemption from registration under the Act, issuance of shares of Stock acquirable upon exercise of this Option will be delayed until registration of such shares is effective or an exemption from registration under the Act is available. The Company intends to use its best efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon an exercise of this Option, Employee (or the person permitted to exercise this Option in the event of Employee's death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Employee agrees that the shares of Stock which Employee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state. Employee also agrees (i) that the certificates representing the shares of Stock purchased under this Option may bear such legend or legends as the Committee deems appropriate in order to assure compliance with applicable securities laws, and (ii) that the Company may refuse to register the transfer of the shares of Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities laws and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Stock purchased under this Option.

6. Employment Relationship. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of either the Company, a parent or subsidiary corporation (as defined in section 424 of the Code) of the Company, or a corporation or a parent or subsidiary of such corporation assuming or substituting a new option for this Option. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee and its determination shall be final.

7. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Kansas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed, by its officer thereunto duly authorized, and Employee has executed this Agreement, all as of the day and year first above written.

HUGOTON ENERGY CORPORATION

By: /s/ FLOYD C. WILSON

Floyd C. Wilson

/s/ W. MARK WOMBLE

W. Mark Womble

NONSTATUTORY STOCK OPTION AGREEMENT

AGREEMENT made as of the 23rd day of November, 1993, between HUGOTON ENERGY CORPORATION, a Kansas corporation (the "Company") and JOHN T. MCNABB, II ("Optionee")

In consideration of the services rendered by Optionee to the Company and the mutual agreements and other matters set forth herein, the Company and Optionee hereby agree as follows:

1. GRANT OF OPTION. The Company hereby irrevocably grants to Optionee the right and option ("Option") to purchase all or any part of an aggregate of 50,000 shares of common stock of the Company ("Stock"), on the terms and conditions set forth herein. This Option shall not be treated as an incentive stock option within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended.

2. PURCHASE PRICE. The purchase price of Stock purchased pursuant to the exercise of this Option shall be \$10.00 per share.

3. VESTING AND EXERCISE OF OPTION. This Option shall vest immediately, upon the date of this Agreement. The Option may be exercised, by written notice to the Company at its principal executive office addressed to the attention of its Chief Executive Officer, as follows:

Optionee may exercise his option with regard to ten percent (10%) of the shares subject to this Option nine (9) months after the initial public offering of the Stock of the Company (the "IPO"); and thereafter the Optionee may exercise ten percent (10%) per quarter beginning twelve months after the IPO.

The options granted hereunder must be exercised within thirty-six (36) months after they become exercisable, or they will expire worthless, i.e. options relating to the ten percent (10%) of the shares that become exercisable two (2) years after the IPO must be exercised within five (5) years from the date of the IPO.

This Option is not transferable by Optionee otherwise than by will or the laws of descent and distribution, and may be exercised only by Optionee during Optionee's lifetime. This Option may be exercised whether or not Optionee remains a member of the Board of Directors of the Company. If Optionee dies while a member of the Board, Optionee's estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Optionee, may exercise this Option at any time during the period of one (1) year following the date of Optionee's death.

The purchase price of shares as to which this Option is exercised shall be paid in full at the time of exercise in cash (including check, bank draft or money order payable to the order of the Company). No fraction of a share of Stock shall be issued by the Company upon exercise of an

Option; rather, Optionee shall provide a cash payment for such amount as is necessary to effect the issuance of only whole shares of Stock. Unless and until a certificate or certificates representing such shares shall have been issued by the Company to Optionee, Optionee (or the person permitted to exercise this Option in the event of Optionee's death) shall not be or have any of the rights or privileges of a stockholder of the Company with respect to shares acquirable upon an exercise of this Option.

4. RECAPITALIZATION. If, and whenever, prior to the expiration of this Option, the Company shall effect a subdivision or consolidation of shares of Stock or the payment of a stock dividend on Stock without receipt of consideration by the Company, the number of shares of Stock with respect to which this Option may thereafter be exercised (a) in the event of an increase in the number of outstanding shares shall be proportionately increased, and the purchase price per share shall be proportionately reduced and (b) in the event of a reduction in the number of outstanding shares shall be proportionately reduce and the purchase price per share shall be proportionately increased. If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise hereunder, Optionee shall be entitled to purchase, in lieu of the number of shares of Stock as to which this Option shall then be exercisable, the number and class of shares of stock and securities to which he would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, he had been the holder of record of the number of shares of Stock as to which this Option is then exercisable.

5. WITHHOLDING OF TAX. To the extent that the exercise of this Option or the disposition of shares of Stock acquired by exercise of this Option results in compensation income to Optionee for federal or state income tax purposes, Optionee shall deliver to the Company at the time of such exercise or disposition such amount of money or shares of Stock as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Optionee fails to do so, the Company is authorized to withhold from any cash or Stock remuneration then or thereafter payable to Optionee any tax required to be withheld by reason of such resulting compensation income. Upon an exercise of this Option, the Company is further authorized in its discretion to satisfy any such withholding requirement out of any cash or shares of Stock distributable to Optionee upon such exercise.

6. STATUS OF STOCK. The Company intends to register for issuance under the Securities Act of 1933, as amended (the "Act") the shares of Stock acquirable upon exercise of this Option, and to keep such registration effective throughout the period this Option is exercisable. In the absence of such effective registration or an available exemption from registration under the Act issuance of shares of Stock acquirable upon exercise of this Option will be delayed until registration of such shares is effective or an exemption from registration under the Act is available. The Company intends to use its best efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon an exercise of this Option, Optionee (or the person permitted to exercise this Option in the event of Optionee's death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Optionee agrees that the shares of Stock which Optionee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state. Optionee also agrees (i) that the certificates representing the shares of Stock purchased under this Option may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the shares of Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Stock purchased under this Option.

7. WAIVER AND RELEASE. In consideration of the Company's grant to Optionee of an option to purchase Stock as set forth in this Agreement Optionee hereby waives and releases all rights, claims, charges, demands and causes of action against (a) the Company, its subsidiaries and affiliates, and their respective officers, directors, employees and agents, and (b) Floyd C. Wilson ("Wilson") and his affiliates, successors and assigns, which relate to any prior agreement, representation or commitment by any of the foregoing entities or individuals to grant Optionee an option to purchase Stock.

8. AGREEMENT REGARDING OPTIONS. The parties agree that the Company's obligation to transfer the shares subject to this Option Agreement is solely dependent and contingent upon Wilson fulfilling his obligations under a certain Agreement Regarding Options of even date herewith by and between the Company and Floyd C. Wilson.

9. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Optionee.

10. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Kansas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Optionee has executed this Agreement all as of the day and year first above written.

HUGOTON ENERGY CORPORATION

By: /s/ FLOYD C. WILSON

Floyd C. Wilson

/s/ JOHN T. McNABB, II

John T. McNabb, II

NONSTATUTORY STOCK OPTION AGREEMENT

AGREEMENT made as of the 23rd day of November, 1993, between HUGOTON ENERGY CORPORATION, a Kansas corporation (the "Company") and DAVID S. ELKOURI ("Optionee")

In consideration of the services rendered by Optionee to the Company and the mutual agreements and other matters set forth herein, the Company and Optionee hereby agree as follows:

1. GRANT OF OPTION. The Company hereby irrevocably grants to Optionee the right and option ("Option") to purchase all or any part of an aggregate of 25,000 shares of common stock of the Company ("Stock"), on the terms and conditions set forth herein. This Option shall not be treated as an incentive stock option within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended.

2. PURCHASE PRICE. The purchase price of Stock purchased pursuant to the exercise of this Option shall be \$10.00 per share.

3. VESTING AND EXERCISE OF OPTION. This Option shall vest immediately upon the date of this Agreement. The Option may be exercised, by written notice to the Company at its principal executive office addressed to the attention of its Chief Executive Officer, as follows:

Optionee may exercise his option with regard to ten percent (10%) of the shares subject to this Option nine (9) months after the initial public offering of the Stock of the Company (the "IPO"); and thereafter the Optionee may exercise ten percent (10%) per quarter beginning twelve months after the IPO.

The options granted hereunder must be exercised within thirty-six (36) months after they become exercisable, or they will expire worthless, i.e. options relating to the ten percent (10%) of the shares that become exercisable two (2) years after the IPO must be exercised within five (5) years from the date of the IPO.

This Option is not transferable by Optionee otherwise than by will or the laws of descent and distribution, and may be exercised only by Optionee during Optionee's lifetime. This Option may be exercised whether or not Optionee remains a member of the Board of Directors of the Company. If Optionee dies while a member of the Board, Optionee's estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Optionee, may exercise this Option at any time during the period of one (1) year following the date of Optionee's death.

The purchase price of shares as to which this Option is exercised shall be paid in full at the time of exercise in cash (including check, bank draft or money order payable to the order of the Company). No fraction of a share of Stock shall be issued by the Company upon exercise of an

Option; rather, Optionee shall provide a cash payment for such amount as is necessary to effect the issuance of only whole shares of Stock. Unless and until a certificate or certificates representing such shares shall have been issued by the Company to Optionee, Optionee (or the person permitted to exercise this Option in the event of Optionee's death) shall not be or have any of the rights or privileges of a stockholder of the Company with respect to shares acquirable upon an exercise of this Option.

4. RECAPITALIZATION. If, and whenever, prior to the expiration of this Option, the Company shall effect a subdivision or consolidation of shares of Stock or the payment of a stock dividend on Stock without receipt of consideration by the Company, the number of shares of Stock with respect to which this Option may thereafter be exercised (a) in the event of an increase in the number of outstanding shares shall be proportionately increased, and the purchase price per share shall be proportionately reduced and (b) in the event of a reduction in the number of outstanding shares shall be proportionately reduce and the purchase price per share shall be proportionately increased. If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise hereunder, Optionee shall be entitled to purchase, in lieu of the number of shares of Stock as to which this Option shall then be exercisable, the number and class of shares of stock and securities to which he would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, he had been the holder of record of the number of shares of Stock, as to which this Option is then exercisable.

5. WITHHOLDING OF TAX. To the extent that the exercise of this Option or the disposition of shares of Stock acquired by exercise of this Option results in compensation income to Optionee for federal or state income tax purposes, Optionee shall deliver to the Company at the time of such exercise or disposition such amount of money or shares of Stock as the Company may require to meet its obligation under applicable tax laws or regulations, and, if Optionee fails to do so, the Company is authorized to withhold from any cash or Stock remuneration then or thereafter payable to Optionee any tax required to be withheld by reason of such resulting compensation income. Upon an exercise of this Option, the Company is further authorized in its discretion to satisfy any such withholding requirement out of any cash or shares of Stock distributable to Optionee upon such exercise.

6. STATUS OF STOCK. The Company intends to register for issuance under the Securities Act of 1933, as amended (the "Act") the shares of Stock acquirable upon exercise of this Option, and to keep such registration effective throughout the period this Option is exercisable. In the absence of such effective registration or an available exemption from registration under the Act issuance of shares of Stock acquirable upon exercise of this Option will be delayed until registration of such shares is effective or an exemption from registration under the Act is available. The Company intends to use its best efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon an exercise of this Option, Optionee (or the person permitted to exercise this Option in the event of Optionee's death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Optionee agrees that the shares of Stock which Optionee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state. Optionee also agrees (i) that the certificates representing the shares of Stock purchased under this Option may bear such legend or legends as the Company deems appropriate in order to assure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the shares of Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Stock purchased under this Option.

7. WAIVER AND RELEASE. In consideration of the Company's grant to Optionee of an option to purchase Stock as set forth in this Agreement Optionee hereby waives and releases all rights, claims, charges, demands and causes of action against (a) the Company, its subsidiaries and affiliates, and their respective officers, directors, employees and agents, and (b) Floyd C. Wilson ("Wilson") and his affiliates, successors and assigns, which relate to any prior agreement, representation or commitment by any of the foregoing entities or individuals to grant Optionee an option to purchase Stock.

8. AGREEMENT REGARDING OPTIONS. The parties agree that the Company's obligation to transfer the shares subject to this Option Agreement is solely dependent and contingent upon Wilson fulfilling his obligations under a certain Agreement Regarding Options of even date herewith by and between the Company and Floyd C. Wilson.

9. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Optionee.

10. GOVERNING LAW. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Kansas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Optionee has executed this Agreement all as of the day and year first above written.

HUGOTON ENERGY CORPORATION

By: /s/ FLOYD C. WILSON

Floyd C. Wilson

/s/ DAVID S. ELKOURI

David S. Elkouri

HUGOTON ENERGY CORPORATION

AMENDED AND RESTATED 1995 STOCK OPTION PLAN

On January 31, 1995, the HUGOTON ENERGY CORPORATION 1995 STOCK OPTION PLAN (the "ORIGINAL PLAN") was adopted. Effective March 1997, the Original Plan is amended and restated in its entirety.

I. PURPOSE OF PLAN

The HUGOTON ENERGY CORPORATION 1995 STOCK OPTION PLAN (the "PLAN") is intended to provide a means whereby certain employees of HUGOTON ENERGY CORPORATION, a Kansas corporation (the "COMPANY"), and its subsidiaries may develop a sense of proprietorship and personal involvement in the development and financial success of the Company, and to encourage them to remain with and devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its stockholders. Accordingly, the Company may grant to certain employees ("OPTIONEES") the option ("OPTION") to purchase shares of the common stock of the Company ("STOCK"), as hereinafter set forth. Options granted under the Plan may be either incentive stock options, within the meaning of section 422(b) of the Internal Revenue Code, as amended (the "CODE"), ("INCENTIVE STOCK OPTIONS") or options which do not constitute Incentive Stock Options.

II. ADMINISTRATION

The Plan shall be administered by the Compensation Committee (the "COMMITTEE") of the Board of Directors of the Company (the "BOARD"), and the Committee shall be (a) comprised solely of two or more outside directors (within the meaning of section 162(m) of the Code and applicable interpretive authority thereunder), and (b) constituted so as to permit the Plan to comply with Rule 16b-3, as currently in effect or as hereinafter modified or amended ("Rule 16b-3"), promulgated under the Securities Exchange Act of 1934, as amended (the "1934 ACT"). The Committee shall have sole authority to select the Optionees from among those individuals eligible hereunder and to establish the number of shares which may be issued under each Option; provided, however, that, notwithstanding any provision in the Plan to the contrary, the maximum number of shares that may be subject to Options granted under the Plan to an individual Optionee during any calendar year may not exceed 250,000 (subject to adjustment in the same manner as provided in Paragraph VIII hereof with respect to shares of Stock subject to Options then outstanding). The limitation set forth in the preceding sentence shall be applied in a manner which will permit compensation generated under the Plan to constitute "performance-based" compensation for purposes of section 162(m) of the Code, including, without limitation, counting against such maximum number of shares, to the extent required under section 162(m) of the Code and applicable interpretive authority thereunder, any shares subject to Options that are canceled or repriced. In selecting the Optionees from among individuals eligible hereunder and in establishing the number of shares that may be issued under each Option, the Committee may take into account the nature of the services rendered by such individuals, their present and potential contributions to the Company's success and such other factors as the

Committee in its discretion shall deem relevant. The Committee is authorized to interpret the Plan and may from time to time adopt such rules and regulations, consistent with the provisions of the Plan, as it may deem advisable to carry out the Plan. All decisions made by the Committee in selecting the Optionees, in establishing the number of shares which may be issued under each Option and in construing the provisions of the Plan shall be final.

III. OPTION AGREEMENTS

(a) Each Option shall be evidenced by a written agreement between the Company and the Optionee ("OPTION AGREEMENT") which shall contain such terms and conditions as may be approved by the Committee. The terms and conditions of the respective Option Agreements need not be identical. Specifically, an Option Agreement may provide for the surrender of the right to purchase shares under the Option in return for a payment in cash or shares of Stock or a combination of cash and shares of Stock equal in value to the excess of the fair market value of the shares with respect to which the right to purchase is surrendered over the option price therefor ("STOCK APPRECIATION RIGHTS"), on such terms and conditions as the Committee in its sole discretion may prescribe; provided, that with respect to Stock Appreciation Rights granted to employees who are subject to Section 16 of the 1934 Act, except as provided in Subparagraph VII(c) hereof, the Committee shall retain final authority (i) to determine whether an Optionee shall be permitted, or (ii) to approve an election by an Optionee, to receive cash in full or partial settlement of Stock Appreciation Rights. Moreover, an Option Agreement may provide for the payment of the option price, in whole or in part, by the delivery of a number of shares of Stock (plus cash if necessary) having a fair market value equal to such option price.

(b) For all purposes under the Plan, the fair market value of a share of Stock on a particular date shall be equal to the mean of the reported high and low sales price of the Stock (i) reported by the National Market System or NASDAQ on that date or (ii) if the Stock is listed on a national stock exchange, reported on the stock exchange composite tape on that date; or, in either case, if no prices are reported on that date, on the last preceding date on which such prices of the Stock are so reported. If the Stock is traded over the counter at the time a determination of its fair market value is required to be made hereunder, its fair market value shall be deemed to be equal to the average between the reported high and low or closing bid and asked prices of Stock on the most recent date on which Stock was publicly traded. In the event Stock is not publicly traded at the time a determination of its value is required to be made hereunder, the determination of its fair market value shall be made by the Committee in such manner as it deems appropriate.

(c) Each Option and all rights granted thereunder shall not be transferable other than by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder, and shall be exercisable during the Optionee's lifetime only by the Optionee or the Optionee's guardian or legal representative.

IV. ELIGIBILITY OF OPTIONEE

Options may be granted only to individuals who are employees (including officers and directors who are also employees) of the Company or any parent or subsidiary corporation (as defined in section 424 of the Code) of the Company at the time the Option is granted; provided, however, that members of the Committee shall not be eligible to be granted Options. Options may be granted to the same individual on more than one occasion. No Incentive Stock Option shall be granted to an individual if, at the time the Option is granted, such individual owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary corporation, within the meaning of section 422(b) of the Code, unless (i) at the time such Option is granted the option price is 110% of the fair market value of the Stock subject to the Option and (ii) such Option by its terms is not exercisable after the expiration of five years from the date of grant. To the extent that the aggregate fair market value (determined at the time the respective Incentive Stock Option is granted) of stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year under all incentive stock option plans of the Company and its parent and subsidiary corporations exceeds \$100,000, such excess Incentive Stock Options shall be treated as Options which do not constitute Incentive Stock Options. The Committee shall determine, in accordance with applicable provisions of the Code, Treasury Regulations and other administrative pronouncements, which of an Optionee's Incentive Stock Options will not constitute Incentive Stock Options because of such limitation and shall notify the Optionee of such determination as soon as practicable after such determination.

V. SHARES SUBJECT TO PLAN

The aggregate number of shares which may be issued under Options granted under the Plan shall not exceed 1,000,000 shares of Stock. Such shares may consist of authorized but unissued shares of Stock or previously issued shares of Stock reacquired by the Company. Any of such shares which remain unissued and which are not subject to outstanding Options at the termination of the Plan shall cease to be subject to the Plan, but, until termination of the Plan, the Company shall at all times make available a sufficient number of shares to meet the requirements of the Plan. Should any Option hereunder expire or terminate prior to its exercise in full, the shares theretofore subject to such Option may again be subject to an Option granted under the Plan to the extent permitted under Rule 16b-3. The aggregate number of shares which may be issued under the Plan shall be subject to adjustment in the same manner as provided in Paragraph VIII hereof with respect to shares of Stock subject to Options then outstanding. Exercise of an Option in any manner, including an exercise involving a Stock Appreciation Right, shall result in a decrease in the number of shares of Stock which may thereafter be available, both for purposes of the Plan and for sale to any one individual, by the number of shares as to which the Option is exercised. Separate stock certificates shall be issued by the Company for those shares acquired pursuant to the exercise of any Option which does not constitute an Incentive Stock Option.

VI. OPTION PRICE

The purchase price of Stock issued under each Option shall be equal to the fair market value of Stock subject to the Option on the date the Option is granted; provided, however, that this limitation shall not apply to Incentive Stock Options for which a greater purchase price is required pursuant to Paragraph IV hereof.

VII. TERM OF PLAN

The Plan shall be effective upon the date of its adoption by the Board, provided the Plan is approved by the stockholders of the Company within twelve months thereafter. Notwithstanding any provision in this Plan or in any Option Agreement, no Option shall be exercisable prior to such stockholder approval. Except with respect to Options then outstanding, if not sooner terminated under the provisions of Paragraph IX, the Plan shall terminate upon and no further Options shall be granted after March 31, 2007.

VIII. RECAPITALIZATION OR REORGANIZATION

(a) The existence of the Plan and the Options granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(b) The shares with respect to which Options may be granted are shares of Stock as presently constituted, but if, and whenever, prior to the expiration of an Option theretofore granted, the Company shall effect a subdivision or consolidation of shares of Stock or the payment of a stock dividend on Stock without receipt of consideration by the Company, the number of shares of Stock with respect to which such Option may thereafter be exercised (i) in the event of an increase in the number of outstanding shares shall be proportionately increased, and the purchase price per share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares shall be proportionately reduced, and the purchase price per share shall be proportionately increased.

(c) If the Company recapitalizes, reclassifies its capital stock, or otherwise changes its capital structure (a "recapitalization"), the number and class of shares of Stock covered by an Option theretofore granted shall be adjusted so that such Option shall thereafter cover the number and class of shares of stock and securities to which the Optionee would have been entitled pursuant to the terms of the recapitalization if, immediately prior to the recapitalization, the Optionee had been the holder of record of the number of shares of Stock then covered by such Option. If (i) the Company shall not be the surviving entity in any merger, consolidation or other reorganization (or survives only as a subsidiary of an entity other a previously wholly-owned subsidiary of the Company), (ii)

the Company sells, leases or exchanges substantially all of its assets to any other person or entity (other than a wholly-owned subsidiary of the Company), (iii) the Company is to be dissolved and liquidated, (iv) any person or entity, including a "group" as contemplated by Section 13(d)(3) of the 1934 Act acquires or gains ownership or control (including, without limitation, power to vote) of more than 50% of the outstanding shares of the Company's voting stock (based upon voting power), or (v) as a result of or in connection with a contested election of directors, the persons who were directors of the Company before such election shall cease to constitute a majority of the Board (each such event is referred to herein as a "Corporate Change"), no later than (a) ten days after the approval by the stockholders of the Company of such merger, consolidation, reorganization, sale, lease or exchange of assets or dissolution or such election of directors or (b) thirty days after a change of control of the type described in Clause (iv), the Committee, acting in its sole discretion without the consent or approval of any Optionee, shall act to effect one or more of the following alternatives, which may vary among individual Optionees and which may vary among Options held by any individual Optionee: (1) accelerate the time at which Options then outstanding may be exercised so that such Options may be exercised in full for a limited period of time on or before a specified date (before or after such Corporate Change) fixed by the Committee, after which specified date all unexercised Options and all rights of Optionees thereunder shall terminate, (2) require that mandatory surrender to the Company by selected Optionees of some or all of the outstanding Options held by such Optionees (irrespective of whether such Options are then exercisable under the provisions of the Plan) as of a date, before or after such Corporate Change, specified by the Committee, in which event the Committee shall thereupon cancel such Options and the Company shall pay to each Optionee an amount of cash per share equal to the excess, if any, of the amount calculated in Subparagraph (d) below (the "Change of Control Value") of the shares subject to such Option over the exercise price(s) under such Options for such shares, (3) make such adjustments to Options then outstanding as the Committee deems appropriate to reflect such Corporate Change (provided, however, that the Committee may determine in its sole discretion that no adjustment is necessary to Options then outstanding) or (4) provide that the number and class of shares of Stock covered by an Option theretofore granted shall be adjusted so that such Option shall thereafter cover the number and class of shares of stock or other securities or property (including, without limitation, cash) to which the Optionee would have been entitled pursuant to the terms of the agreement of merger, consolidation or sale of assets and dissolution if, immediately prior to such merger, consolidation or sale of assets and dissolution the Optionee had been the holder of record of the number of shares of Stock then covered by such Option.

(d) For the purposes of clause (2) in Subparagraph (c) above, the "CHANGE OF CONTROL VALUE" shall equal the amount determined in clause (i), (ii) or (iii), whichever is applicable, as follows: (i) the per share price offered to stockholders of the Company in any such merger, consolidation, reorganization, sale of assets or dissolution transaction, (ii) the price per share offered to stockholders of the Company in any tender offer or exchange offer whereby a Corporate Change takes place, or (iii) if such Corporate Change occurs other than pursuant to a tender or exchange offer, the fair market value per share of the shares into which such Options being surrendered are exercisable, as determined by the Committee as of the date determined by the Committee to be the date of cancellation and surrender of such Options. In the event that the consideration offered to

stockholders of the Company in any transaction described in this Subparagraph (d) or Subparagraph (c) above consists of anything other than cash, the Committee shall determine the fair cash equivalent of the portion of the consideration offered which is other than cash.

(e) Any adjustment provided for in Subparagraph (b) or (c) above shall be subject to any required stockholder action.

(f) Except as hereinbefore expressly provided, the issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason therefor shall be made with respect to, the number of shares of Stock subject to Options theretofore granted or the purchase price per share.

IX. AMENDMENT OR TERMINATION OF THE PLAN

The Board in its discretion may terminate the Plan at any time with respect to any shares for which Options have not theretofore been granted. The Board shall have the right to alter or amend the Plan or any part thereof from time to time; provided, that no change in any Option theretofore granted may be made which would impair the rights of the Optionee without the consent of such Optionee (unless such change is required in order to cause the benefits under the Plan to qualify as performance-based compensation within the meaning of section 162(m) of the Code and applicable interpretive authority thereunder); and provided, further, that (i) the Board may not make any alteration or amendment which would decrease any authority granted to the Committee hereunder in contravention of Rule 16b-3 and (ii) the Board may not make any alteration or amendment which would materially increase the benefits accruing to participants under the Plan, increase the aggregate number of shares which may be issued pursuant to the provisions of the Plan, change the class of individuals eligible to receive Options under the Plan or extend the term of the Plan, without the approval of the stockholders of the Company.

X. SECURITIES LAWS

(a) The Company shall not be obligated to issue any Stock pursuant to any Option granted under the Plan at any time when the offering of the shares covered by such Option have not been registered under the Securities Act of 1933 and such other state and federal laws, rules or regulations as the Company or the Committee deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration requirements of such laws, rules or regulations available for the offering and sale of such shares.

(b) It is intended that the Plan and any grant of an Option made to a person subject to Section 16 of the 1934 Act meet all of the requirements of Rule 16b-3. If any provision of the Plan or any such Option would disqualify the Plan or such Option under, or would otherwise not comply with, Rule 16b-3, such provision or Option shall be construed or deemed amended to conform to Rule 16b-3.