

**Chesapeake Energy
Corporation Announces
Pricing of a Private Offering of
6.00% Cumulative Convertible
Preferred Stock**

PRNewswire-FirstCall
OKLAHOMA CITY

Chesapeake Energy Corporation today announced that it has priced a private offering of 4.0 million shares of cumulative convertible preferred stock at its liquidation preference of \$50 per share.

Chesapeake expects the issuance and delivery of the shares to occur on March 5, 2003. Chesapeake also has granted the initial purchasers a 30-day option to purchase up to 600,000 additional shares of preferred stock.

Each share of preferred stock will be subject to an annual cumulative cash dividend of \$3.00 payable quarterly when, as and if declared by the company, on the fifteenth day of each March, June, September, and December to holders of record as of the first day of the payment month, commencing on June 15, 2003. The preferred stock will not be redeemable.

Each preferred share will be convertible at any time at the option of the holder into 4.8605 shares of Chesapeake common stock, which is based on an initial conversion price of \$10.29 per common share. The conversion price is subject to customary adjustments in certain circumstances. The preferred shares will be subject to mandatory conversion after March 20, 2006 into Chesapeake common stock, at the option of the Company, if the closing price of Chesapeake's common stock exceeds 130% of the conversion price for 20 trading days during any consecutive 30 trading day period.

The preferred stock being sold by Chesapeake and the underlying common stock issuable on its conversion will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The preferred stock will be eligible for trading under Rule 144A. Purchasers of the preferred stock are being granted rights to register resales of the preferred stock and underlying common stock under the Securities Act. The net proceeds from this offering will be used to finance, in part, the pending acquisitions of Mid-Continent natural gas properties from the El Paso Corporation and Vintage Petroleum, Inc., which are scheduled to close in March 2003, and to repay amounts outstanding under our revolving bank credit facility. In the event the El Paso and Vintage acquisitions are not consummated, proceeds will be used for general corporate purposes, including other possible future acquisitions.

Chesapeake Energy Corporation is one of the ten largest independent natural gas producers in the U.S. Headquartered in Oklahoma City, the company's operations are

focused on exploratory and developmental drilling and producing property acquisitions in the Mid-Continent region of the United States. The company's Internet address is www.chkenergy.com.

SOURCE: Chesapeake Energy Corporation

CONTACT: Marc Rowland, Executive Vice President and Chief Financial Officer, +1-405-879-9232, or Tom Price, Jr., Senior Vice President, Corporate Development, +1-405-879-9257 both of Chesapeake Energy Corporation

Web site: <http://www.chkenergy.com/>

Company News On-Call: <http://www.prnewswire.com/comp/138877.html>

<https://investors.chk.com/2003-02-28-Chesapeake-Energy-Corporation-Announces-Pricing-of-a-Private-Offering-of-6-00-Cumulative-Convertible-Preferred-Stock>