NEWS RELEASE

Chesapeake Energy Corporation Reports Financial and Operational Results for the 2013 Third Quarter

OKLAHOMA CITY--(BUSINESS WIRE)--Nov. 6, 2013-- Chesapeake Energy Corporation (NYSE:CHK) today reported financial and operational results for the 2013 third quarter. Key information related to the quarter and Chesapeake's updated Outlook is as follows:

- ***Adjusted net income per fully diluted share of $0.43, compared to $0.10 in the 2012 third quarter***
- ***Adjusted ebitda of $1.325 billion increases 29% year over year***
- ***Net daily oil production rises 23% year over year to 120,000 bbls per day***
- ***Full-year 2013 oil production outlook increases by 2 million barrels to 40 – 42 million barrels, a 28 – 34% increase year over year***
- ***Full-year 2013 drilling, completion and leasehold capital expenditure outlook decreases by $300 million to $5.700 – $6.050 billion***
- ***Conference call at 9:00 am EST today; dial-in 913-312-0713, passcode 5588965***

Chesapeake reported net income available to common stockholders of $156 million or $0.24 per fully diluted share. These results include the effects of the following after-tax items:

- noncash unrealized mark-to-market losses of $118 million from the company’s derivative instruments;
- a charge of $55 million for the impairment of certain of the company’s property and equipment and other assets;
- a net gain of $82 million on sales of certain of the company’s property and equipment, consisting primarily of midstream assets; and
- a $39 million charge for restructuring and other termination benefits.

Adjusting for these and other items not typically included in earnings estimates by securities analysts, Chesapeake reported adjusted net income available to common stockholders of $282 million, or $0.43 per fully diluted share, which compares to adjusted net income available to common stockholders of $35 million, or $0.10 per fully diluted share, in the 2012 third quarter.

The company reported adjusted ebitda of $1.325 billion, an increase of 29% year over year. Operating cash flow, which is cash flow provided by operating activities before changes in assets and liabilities, was $1.368 billion, an increase of 22% year over year. Additional definitions and reconciliations to comparable financial measures calculated in accordance with generally accepted accounting principles of adjusted net income available to common stockholders, operating cash flow, ebitda and adjusted ebitda are provided on pages 12 – 16 of this release.

Doug Lawler, Chesapeake’s Chief Executive Officer, said, "We are pleased with our operational performance during the third quarter. Our strong results compared to the

2012 third quarter were driven by a substantial increase in oil and natural gas liquids production, higher realized natural gas prices and significantly lower per-unit production, overhead and DD&A expenses. Additionally, our focus on financial discipline and operational efficiencies generated lower-than-expected capital expenditures during the 2013 third quarter, and we have reduced our full-year 2013 capital spending outlook accordingly. I am particularly impressed by the strong performance of the company while we implemented significant transformational initiatives over the past few months. We look forward to achieving further efficiency gains and improvements in returns on capital in 2014."

2013 Third Quarter Oil Production Increases 23% Year over Year to 120,000 Bbls per Day; Total Production Decreases 2% Year over Year to 4.0 Bcfe per Day, Primarily Due to Asset Sales

Chesapeake's daily production for the 2013 third quarter averaged approximately 4.0 billion cubic feet of natural gas equivalent (bcfe), a decrease of 2% from the 2012 third quarter and a nominal decrease from the 2013 second quarter. This decrease is primarily due to production losses associated with recent asset sales in the Mississippi Lime, northern Eagle Ford Shale and Haynesville Shale, as well as the sale of Permian Basin assets in September and October of 2012. Adjusted for asset sales, the company's production increased approximately 8% year over year and 5% sequentially.

The company's average daily production consisted of approximately 3.0 billion cubic feet (bcf) of natural gas and 178,500 barrels (bbls) of liquids, comprised of approximately 120,000 bbls of oil and 58,500 bbls of natural gas liquids (NGL).

During the 2013 third quarter, average daily oil production increased 23% year over year and 4% sequentially, and average daily NGL production increased 31% year over year and 12% sequentially. Natural gas production in the third quarter decreased 10% year over year and 3% sequentially. Liquids accounted for 27% of total production during the 2013 third quarter, up from 21% during the 2012 third quarter and 25% during the 2013 second quarter.

Mr. Lawler added, "Our oil assets in the Eagle Ford Shale continue to deliver strong results, prompting us to raise our full-year 2013 oil production guidance by 2 million barrels (mmbbls) to 40 – 42 mmbbls. We are also reducing the midpoint of our 2013 NGL production guidance range by 1.5 mmbbls, primarily reflecting continued high levels of ethane rejection as well as a slower production ramp in the Utica Shale, resulting from unexpected downtime at a third-party gas processing facility. "

Capital Spending and Cost Overview

During the 2013 third quarter, Chesapeake operated an average of 67 rigs and invested approximately $1.2 billion in drilling and completion activities. This represents a decrease of approximately $350 million compared to the 2013 second quarter. Chesapeake spud a total of 253 gross wells and completed 321 gross wells during the 2013 third quarter, compared to 312 gross wells spud and 410 gross wells completed during the 2013 second quarter.

Mr. Lawler noted, "Although we have reduced our drilling and completion activities in the second half of 2013 and we are planning for a lower capital expenditure budget next year, we expect to continue delivering organic production growth in 2014. We anticipate our growth will be led by an increase in oil production from the Eagle Ford Shale and an increase in natural gas and NGL production from the Utica and Marcellus shales, which will benefit from new gas processing and pipeline takeaway capacity."

During the 2013 fourth quarter, Chesapeake plans to operate an average of 59 rigs and to complete approximately 14% fewer gross wells compared to the 2013 third quarter. Based on this planned activity level, the company is reducing its 2013 full-year guidance for drilling and completion costs from a range of $5.7 – $6.0 billion to $5.5 – $5.8 billion.

Net expenditures for the acquisition of unproved properties were approximately $45 million during the 2013 third quarter. The company continues to track below its budgeted leasehold expenditures for the year and is lowering its 2013 full-year leasehold expenditure guidance from $300 – $350 million to $200 – $250 million. Other capital expenditures were approximately $170 million during the 2013 third quarter.

Average production expenses during the 2013 third quarter were $0.76 per thousand cubic feet of natural gas equivalent (mcfe), a decrease of 10% year over year. General and administrative (G&A) expenses (excluding stock-based compensation and restructuring and other termination benefits) were $0.29 per mcfe, a decrease of 12% year over year.

A complete summary of the company's guidance for 2013 is provided in the Outlook dated November 6, 2013 which is attached to this release as Schedule "A" beginning on Page 17. This updates information previously provided in the Outlook dated August 1, 2013.

Asset Sales Update

As of September 30, 2013, Chesapeake had completed asset sales of approximately $3.6 billion in 2013. During the 2013 fourth quarter, the company anticipates completing additional asset sales for net proceeds of approximately $600 million. Chesapeake continues to pursue other asset sale transactions that may close in the first half of 2014. The proceeds from such sales are anticipated to be directed toward reducing financial leverage and complexity and further enhancing liquidity.

Operational Update

The company continues to achieve strong operational results in its most active plays.

Eagle Ford Shale (South Texas): Eagle Ford Shale net production averaged approximately 95,000 barrels of oil equivalent (boe) per day (211,000 gross operated boe per day) during the 2013 third quarter. This production is net of approximately 6,300 boe per day of production associated with assets sold in the northern Eagle Ford on July 31, 2013, and represents an increase of 82% year over year and 11% sequentially. Approximately 68% of the company's Eagle Ford production consisted of oil, 12% was NGL and 20% was natural gas.

Chesapeake operated an average of 13 rigs and connected 100 gross wells to sales during the 2013 third quarter, compared to 14 average operated rigs and 140 gross wells connected to sales during the 2013 second quarter. The average peak daily production rate of the 100 wells that commenced first production during the 2013 third quarter was approximately 930 boe per day.

As of September 30, 2013, net of recent asset sales, Chesapeake had 788 producing wells and 117 wells waiting on pipeline or in various stages of completion in the Eagle Ford Shale.

Utica Shale (eastern Ohio, Pennsylvania, West Virginia): Utica Shale net production averaged approximately 164 million cubic feet of natural gas equivalent (mmcfe) per day (312 gross operated mmcfe per day) during the 2013 third quarter, an increase of 91% sequentially from the 2013 second quarter.

During the 2013 third quarter, Chesapeake operated an average of 11 rigs and connected 63 gross wells to sales, compared to 12 average operated rigs and 42 gross wells connected to sales during the 2013 second quarter. The average peak daily production rate of the 63 wells that commenced first production in the Utica during the 2013 third quarter was approximately 6.6 mmcfe per day.

As of September 30, 2013, Chesapeake had drilled a total of 377 wells in the Utica, which included 169 producing wells and 208 wells waiting on pipeline connection or in various stages of completion.

Greater Anadarko Basin (Oklahoma, Texas Panhandle, southern Kansas): Chesapeake's production in the Greater Anadarko Basin comes primarily from five plays: the Mississippi Lime, Granite Wash, Cleveland, Tonkawa and Hogshooter. Aggregate net production from these plays during the 2013 third quarter averaged 109,000 boe per day (196,000 gross operated boe per day), an increase of 12% year over year and a decrease of 14% sequentially. The sequential production decrease is primarily driven by the sale of assets in the Mississippi Lime at the end of June 2013 that produced approximately 22,200 boe per day during the 2013 second quarter. Approximately 34% of the company's Greater Anadarko Basin production during the 2013 third quarter was oil, 21% was NGL and 45% was natural gas.

During the 2013 third quarter, Chesapeake operated an average of 22 rigs and connected 89 gross wells to sales, compared to 28 operated rigs and 123 gross wells connected to sales during the 2013 second quarter. The average peak daily production rate of the 89 wells that commenced first production in the Greater Anadarko Basin during the 2013 third quarter was approximately 830 boe per day.

As of September 30, 2013, the company had 44 wells waiting on pipeline connection or in various stages of completion in the Greater Anadarko Basin.

Northern Marcellus Shale (Pennsylvania): The company's production from the northern Marcellus continued to grow during the 2013 third quarter, despite certain temporary downstream takeaway constraints. The company expects that these constraints will be significantly or completely relieved in the 2013 fourth quarter as new capacity expansion projects are placed in-service on several key pipelines. Chesapeake has contracted for approximately one-third of the estimated 1.4 bcf per day of new pipeline capacity expected to be placed on-line in the 2013 fourth quarter, which the company believes will benefit both its production volumes and gas price realizations.

Average daily net production in this play was approximately 825 mmcfe per day (1,900 gross operated mmcfe per day), an increase of 53% year over year and 6% sequentially. All of Chesapeake's production in the northern Marcellus consists of natural gas.

During the 2013 third quarter, Chesapeake operated an average of five rigs and connected 37 gross wells to sales, compared to five operated rigs and 79 gross wells connected to sales during the 2013 second quarter. The average peak daily production rate of the 37 wells that commenced first production during the 2013 third quarter was approximately 9.3 mmcfe per day.

As of September 30, 2013, Chesapeake had 128 wells waiting on pipeline connection or in various stages of completion in the northern Marcellus.

Southern Marcellus Shale (Pennsylvania, West Virginia): Chesapeake's average daily net production in the southern wet-gas portion of the Marcellus was approximately 275 mmcfe per day (470 gross operated mmcfe per day), an increase of 123% year over year and 33% sequentially. Approximately 13% of the company's southern

Marcellus production was oil, 17% was NGL and 70% was natural gas.

During the 2013 third quarter, Chesapeake operated an average of three rigs and connected 30 gross wells to sales, compared to three operated rigs and 52 gross wells connected to sales during the 2013 second quarter. The average peak daily production rate of the 30 wells that commenced first production during the 2013 third quarter was approximately 6.7 mmcfe per day.

As of September 30, 2013, Chesapeake had 62 wells waiting on pipeline connection or in various stages of completion in the southern Marcellus.

Key Financial and Operational Results

The table below summarizes Chesapeake's key financial and operational results during the 2013 third quarter and compares them to results during the 2013 second quarter and the 2012 third quarter.

2013 Third Quarter Financial and Operational Results Conference Call Information

A conference call to discuss this release has been scheduled for Wednesday, November 6, 2013, at 9:00 am EST. The telephone number to access the conference call is **913-312-0713** or toll-free **888-778-9069**. The passcode for the call is **5588965**. We encourage those who would like to participate in the call to place calls between 8:50 and 9:00 am EST. For those unable to participate in the conference call, a replay will be available for audio playback at 2:00 pm EST on Wednesday, November 6, 2013, and will run through 2:00 pm EST on Wednesday, November 20, 2013. The number to access the conference call replay is **719-457-0820** or toll-free **888-203-1112**. The passcode for the replay is **5588965**. The conference call will also be webcast live on Chesapeake's website at www.chk.com in the "Events" subsection of the "Investors" section of the company's website. The webcast of the conference will be available on the company's website for one year.

Chesapeake Energy Corporation (NYSE:CHK) is the second-largest producer of natural gas and the 11th largest producer of oil and natural gas liquids in the U.S. Headquartered in Oklahoma City, the company's operations are focused on discovering and developing its large and geographically diverse resource base of unconventional natural gas and oil assets onshore in the U.S. The company also owns substantial marketing, compression and oilfield services businesses. Further information is available at www.chk.com ***where Chesapeake routinely posts announcements, updates, events, investor information, presentations and news releases.***

This news release and the accompanying Outlook includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements other than statements of historical fact that give our current expectations or forecasts of future events. They include production forecasts, estimates of operating costs, planned development drilling, expected capital expenditures, expected efficiency gains, anticipated asset sales, projected cash flow and liquidity, business strategy and other plans and objectives for future operations. Although we believe the expectations and forecasts reflected in the forward-looking statements are reasonable, we can give no assurance they will prove to have been correct. They can be affected by inaccurate *assumptions or by known or unknown risks and uncertainties.*

Factors that could cause actual results to differ materially from expected results are described under "Risk Factors” in Item 1A of our 2012 annual report on Form 10-K filed with the U.S. Securities and Exchange Commission on March 1, 2013. These risk factors include the volatility of natural gas, oil and NGL prices; the limitations our level of indebtedness may have on our financial flexibility; declines in the prices of natural gas and oil potentially resulting in a write-down of our asset carrying values; the availability of capital on an economic basis, including through planned asset sales, to fund reserve replacement costs; our ability to replace reserves and sustain production; uncertainties inherent in estimating quantities of natural gas, oil and NGL reserves and projecting future rates of production and the amount and timing of development expenditures; our ability to generate profits or achieve targeted results in drilling and well operations; leasehold terms expiring before production can be established; hedging activities resulting in lower prices realized on natural gas, oil and NGL sales; the need to secure hedging liabilities and the inability of hedging counterparties to satisfy their obligations; drilling and operating risks, including potential environmental liabilities; legislative and regulatory changes adversely affecting our industry and our business, including initiatives related to hydraulic fracturing, air emissions and endangered species; current worldwide economic uncertainty which may have a material adverse effect on our results of operations, liquidity and financial condition; oilfield services shortages, gathering system and transportation capacity constraints and various transportation interruptions that could adversely affect our revenues and cash flow; losses possible from pending or future litigation and regulatory investigations; cyber attacks adversely impacting our operations; and the loss of key operational personnel or inability to maintain our corporate culture. In addition, disclosures concerning the estimated contribution of derivative contracts to our future results of operations are based upon market information as of a specific date. These market prices are subject to significant volatility. Our production forecasts are also dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity. Further, asset sales we are evaluating as we focus on our strategic priorities are subject to market conditions and other factors beyond our control. We caution you not to place undue reliance on our forward-looking statements, which speak only as of the date of this news release, and we undertake no obligation to update this information.

Natural Gas, Oil and NGL Hedging Activities

Chesapeake enters into natural gas, oil and NGL derivative transactions in order to mitigate a portion of its exposure to adverse changes in market prices. Please see the quarterly reports on Form 10-Q and annual reports on Form 10-K filed by Chesapeake with the SEC for detailed information about derivative instruments the company uses, its quarter-end and year-end derivative positions and accounting for natural gas, oil and NGL derivatives.

The company's natural gas hedging positions as of November 5, 2013 were as follows:

Source: Chesapeake Energy Corporation

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