

**Chesapeake Energy
Corporation Announces
Agreement To Sell Second
Haynesville Shale Acreage
Position For \$465 Million**

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OKLAHOMA CITY, Dec. 20, 2016 /PRNewswire/ -- Chesapeake Energy Corporation (NYSE:CHK) today announced that it has signed an agreement to sell a portion of the company's acreage and producing properties in its Haynesville Shale operating area in northern Louisiana for approximately \$465 million to an affiliate of Covey Park Energy LLC. The sale includes approximately 41,500 net acres and 326 operated and non-operated wells currently producing approximately 50 million cubic feet (mmcf) of gas per day, net to Chesapeake. The company expects this transaction to close in the 2017 first quarter.

Doug Lawler, Chesapeake's Chief Executive Officer, commented, "We are pleased with the results of our non-core Haynesville sales packages, totaling projected gross proceeds of \$915 million, while divesting of only approximately 80 mmcf of daily gas production and approximately \$50 million of estimated 2017 operating income. Upon closing, this strong bid for our second Haynesville package, along with our recent new issue and tender, will position Chesapeake with significant liquidity as we begin a new year.

"Chesapeake delivered on its strategy and achieved our stated financial and operational objectives in 2016. We exceeded our 2016 asset sales goal by approximately \$500 million, bringing total gross proceeds from divestitures either signed or closed in the year to approximately \$2.5 billion, excluding certain volumetric production payment repurchase transactions. We will continue to pursue opportunities to strengthen our balance sheet in 2017."

Headquartered in Oklahoma City, Chesapeake Energy Corporation's (NYSE: CHK) operations are focused on discovering and developing its large and geographically diverse resource base of unconventional oil and natural gas assets onshore in the United States. The company also owns oil and natural gas marketing and natural gas gathering and compression businesses.

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This news release and the accompanying Outlook include "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. They include statements, but are not limited to, the anticipated timing and proceeds from asset sales, if any, as well as the effect of such asset sales on our ability to optimize our asset base, further reduce outstanding debt and grow production in 2017. 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 or changed assumptions or by known or unknown risks and uncertainties.

Factors that could cause actual results to differ materially from expected results include those described under "Risk Factors" in Item 1A of our annual report on Form 10-K and any updates to those factors set forth in Chesapeake's subsequent quarterly reports on Form 10-Q or current reports on Form 8-K (available at <http://www.chk.com/investors/sec-filings>). These risk factors include the volatility of oil, natural gas and NGL prices; the limitations our level of indebtedness may have on our financial flexibility; our inability to access the capital markets on favorable terms or at all; the availability of cash flows from operations and other funds to finance reserve replacement costs or satisfy our debt obligations; a further downgrade in our credit rating requiring us to post more collateral under certain commercial arrangements; write-downs of our oil and natural gas asset carrying values due to low commodity prices; our ability to replace reserves and sustain production; uncertainties inherent in estimating quantities of oil, natural gas 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; commodity derivative activities resulting in lower prices realized on oil, natural gas and NGL sales; the need to secure derivative liabilities and the inability of counterparties to satisfy their obligations; adverse developments or losses from pending or future litigation and regulatory proceedings, including royalty claims; charges incurred in response to market conditions and in connection with our ongoing actions to reduce financial leverage and complexity; drilling and operating risks and resulting liabilities; effects of environmental protection laws and regulation on our business; legislative and regulatory initiatives further regulating hydraulic fracturing; our need to secure adequate supplies of water for our drilling operations and to dispose of or recycle the water used; impacts of potential legislative and regulatory actions addressing climate change; federal and state tax proposals affecting our industry; potential OTC derivatives regulation limiting our ability to hedge against commodity price fluctuations; competition in the oil and gas exploration and production industry; a deterioration in general economic, business or industry conditions; negative public perceptions of our industry; limited control over properties we do not operate; pipeline and gathering system capacity constraints and transportation interruptions; terrorist activities and cyber-attacks adversely impacting our operations; potential challenges of our spin-off of Seventy Seven Energy Inc. (SSE) in the event of a bankruptcy of SSE; an interruption in operations at our headquarters due to a catastrophic event; the continuation of suspended dividend payments on our common stock and preferred stock; certain anti-takeover provisions that affect shareholder rights; and our inability to increase or maintain our liquidity through debt repurchases, capital exchanges, asset sales, joint ventures, farmouts or other means.

Expected asset sales may not be completed in the time frame anticipated or at all. 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 any of the information provided in this release or the accompanying Outlook, except as required by applicable law.

SOURCE Chesapeake Energy Corporation

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