

**Chesapeake Energy  
Corporation and CNOOC  
Limited Announce Closing of  
Eagle Ford Shale Project  
Cooperation Agreement**

HONG KONG, Nov 15, 2010 (BUSINESS WIRE) --

Chesapeake Energy Corporation (NYSE:CHK) and CNOOC Limited (NYSE:CEO) (SEHK:00883) today announced the closing of a project cooperation agreement whereby CNOOC International Limited, a wholly owned subsidiary of CNOOC Limited, purchased a 33.3% undivided interest in Chesapeake's 600,000 net oil and natural gas leasehold acres in the Eagle Ford Shale project in South Texas. The consideration for the transaction was \$1.08 billion in cash, plus an additional \$40 million payment adjustment at closing. In addition, CNOOC Limited has agreed to fund 75% of Chesapeake's share of drilling and completion costs up to \$1.08 billion, which Chesapeake expects to occur by year-end 2012.

Aubrey K. McClendon, Chesapeake's Chief Executive Officer, commented, "We are very pleased to have partnered with CNOOC Limited in completing our fifth industry shale development transaction. We look forward to accelerating the development of this large domestic oil and natural gas resource, resulting in a reduction of our country's oil imports over time, the creation of thousands of high-paying jobs in the U.S. and the payment of very significant local, state and federal taxes."

Fu Chengyu, Chairman of CNOOC Limited, stated, "We are delighted to close the transaction and further grow our business in line with our overseas development strategy. With our partner's expertise and experience in the shale oil and natural gas development, I believe the project will bring substantial benefits to both parties."

Chesapeake's advisor on the transaction was Jefferies & Company, Inc., and CNOOC Limited's advisor was Tudor, Pickering, Holt & Co. Securities, Inc.

*This news release contains 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 regarding expected future events. Actual results could differ materially as a result of a variety of risks and uncertainties. While forward-looking statements are based on assumptions and analyses made by us that we believe to be reasonable under the circumstances, a number of risks and uncertainties could cause our actual results and future developments to differ materially from our predictions and expectations. See "Risks Related to Our Business" in Chesapeake's Prospectus Supplement filed with the U.S. Securities and Exchange Commission (SEC) on August 10, 2010 for a discussion of risk factors that affect our business and could affect the project cooperation agreement. Further discussion of risks and uncertainties can also be found in CNOOC Limited's 2009 Annual Report on Form 20-F filed with the SEC on April 23, 2010. We caution you not to place undue reliance on our forward-looking statements, which*

speaking only as of the date of this news release, and we undertake no obligation to update this information.

**Chesapeake Energy Corporation is the second-largest producer of natural gas and the most active driller of new wells in the U.S. Headquartered in Oklahoma City, the company's operations are focused on discovering and developing unconventional natural gas and oil fields onshore in the U.S. Chesapeake owns leading positions in the Barnett, Fayetteville, Haynesville, Marcellus and Bossier natural gas shale plays and in the Granite Wash, Eagle Ford, Niobrara and various other unconventional liquids plays. The company has also vertically integrated its operations and owns substantial midstream, compression, drilling and oilfield service assets. Further information is available at [www.chk.com](http://www.chk.com).**

**CNOOC Limited is China's largest producer of offshore crude oil and natural gas and one of the largest independent oil and gas exploration and production companies in the world. Headquartered in Hong Kong, CNOOC Limited mainly engages in exploration, development, production and sales of oil and natural gas and has four major production areas in offshore China, which are Bohai Bay, Western South China Sea, Eastern South China Sea and East China Sea. In addition, it is one of the largest offshore crude oil producers in Indonesia. CNOOC Limited also has upstream assets in Nigeria, Australia and other countries. Further information is available at [www.cnooc.com.cn](http://www.cnooc.com.cn).**

SOURCE: Chesapeake Energy Corporation

Chesapeake Energy Corporation

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