

Chesapeake Energy Corporation Announces Cash Tender Offers for up to \$1.0 Billion of Senior Notes

OKLAHOMA CITY, Apr 04, 2011 (BUSINESS WIRE) --

Chesapeake Energy Corporation (NYSE:CHK) today announced that it has commenced tender offers to acquire a portion of the outstanding principal amount of each series of its senior notes listed in the table below (collectively, the "Notes").

Notes	CUSIP Number/ISIN Number/ Common Code	Principal Amount Outstanding	Series Maximum	Purchase Price ⁽¹⁾	Early Tender Premium ⁽²⁾	Total Consideration ⁽¹⁾
7.625% Senior Notes due 2013	165167BY2	\$500,000,000	\$100,000,000	\$1,082.50	\$20	\$1,102.50
9.500% Senior Notes due 2015	165167CD7	\$1,425,000,000	\$100,000,000	\$1,190.00	\$20	\$1,210.00
6.250% Euro- denominated Senior Notes due 2017	027393390 (ISIN: XS0273933902)	EUR 600,000,000	EUR 150,000,000	EUR 1,042.50	EUR 20	EUR 1,062.50
6.500% Senior Notes due 2017	165167BS5	\$1,100,000,000	\$150,000,000	\$1,090.00	\$20	\$1,110.00
6.875% Senior Notes due 2018	165167CE5	\$600,000,000	\$150,000,000	\$1,090.00	\$20	\$1,110.00
7.250% Senior Notes due 2018	165167CC9	\$800,000,000	\$200,000,000	\$1,120.00	\$20	\$1,140.00
6.625% Senior Notes due 2020	165167CF2	\$1,400,000,000	\$100,000,000	\$1,070.00	\$20	\$1,090.00

(1) Per \$1,000 or EUR 1,000 in principal amount, as applicable, of Notes validly tendered (and not validly withdrawn) and accepted for purchase in the tender offers, and excluding accrued and unpaid interest from the last interest payment date, which will be paid in addition to the Total Consideration or Purchase Price, as applicable, to, but not including, the applicable settlement date of the tender offers.

(2) Per \$1,000 or EUR 1,000 in principal amount, as applicable, of Notes validly tendered (and not validly withdrawn) and accepted for purchase in the tender offers prior to the early tender deadline; included in Total Consideration.

Holders whose Notes are validly tendered (and not validly withdrawn) and accepted for purchase by Chesapeake by the early tender deadline for the tender offers, which is 5:00 p.m., New York City time, on April 15, 2011, will receive in cash, for each \$1,000 or EUR 1,000 in principal amount, as applicable, of Notes tendered, the applicable Total Consideration set forth in the table above, which includes the applicable Early Tender Premium. Holders whose Notes are validly tendered (and not validly withdrawn) and accepted for purchase by Chesapeake after the early tender deadline but before the expiration date of the tender offers, which is 11:59

p.m., New York City time, on April 29, 2011 (unless extended or earlier terminated), will receive in cash, for each \$1,000 or EUR 1,000 in principal amount, as applicable, of Notes tendered, the applicable Purchase Price, which is equal to the applicable Total Consideration less the applicable Early Tender Premium. In addition, holders will receive, in respect of their Notes that are accepted for purchase, accrued and unpaid interest on the principal amount of the accepted Notes to, but not including, the applicable settlement date of the tender offers.

Tenders of Notes may not be withdrawn after 5:00 p.m., New York City time, on April 15, 2011, except under limited circumstances.

Chesapeake also announced today that it has commenced separate tender offers to acquire up to \$1.0 billion of its 2.75% Contingent Convertible Senior Notes due 2035, 2.50% Contingent Convertible Senior Notes due 2037 and 2.25% Contingent Convertible Senior Notes due 2038 (collectively, the "Convertible Notes"). Chesapeake currently anticipates retiring approximately \$2.0 billion in aggregate principal amount of the Notes and the Convertible Notes in the tender offers for the Notes and such concurrent tender offers. None of the tender offers for the Notes are conditioned on the results of the separate concurrent tender offers for the Convertible Notes.

The principal amount of each series of Notes that Chesapeake is offering to purchase in the tender offers is set forth in the table above in the column entitled "Series Maximum." Chesapeake may increase the principal amount of Notes of any series that it is seeking to purchase. If the aggregate principal amount of Notes of any series validly tendered (and not validly withdrawn) and accepted for purchase by Chesapeake exceeds the Series Maximum for such series of Notes, Chesapeake will accept tendered Notes of such series on a pro rata basis, as more fully set forth in the Offer to Purchase. This announcement is not an offer to purchase or a solicitation of an offer to sell the Notes, the Convertible Notes or any other securities. The tender offers are only being made pursuant to the terms of the Offer to Purchase and the related Letter of Transmittal.

The complete terms and conditions of the tender offers are set forth in an Offer to Purchase and the related Letter of Transmittal dated today, which are being sent to holders of the Notes. Holders are urged to read the tender offer documents carefully before making any decision with respect to the tender offers. Holders must make their own decisions as to whether to participate in the tender offers and if they decide to do so, the principal amount of the Notes to tender.

Chesapeake has retained Global Bondholder Services Corporation as the Depositary and Information Agent for the tender offers for the dollar-denominated Notes and has retained Lucid Issuer Services Limited as Tender Agent and Information Agent for the tender offer for the euro-denominated Notes. Requests for documents may be directed to the applicable Information Agent at the addresses and telephone numbers set forth below:

The Depositary and Information Agent for the tender offers for the dollar-denominated Notes is:

Global Bondholder Services Corporation
65 Broadway - Suite 404
New York, New York 10006
Attention: Corporate Actions

Banks and Brokers call: 212-430-3774
(collect)
All others call toll free: (866) 470-4200

The Tender Agent and Information Agent for the tender offer for the euro-denominated Notes is:

Lucid Issuer Services Limited
436 Essex Road
London N1 3QP
Attention: Lee Pellicci / David Shilson

By telephone: +44 (0) 20 7704 0880
By email: chesapeake@lucid-is.com

Chesapeake has retained Deutsche Bank Securities Inc., Citigroup Global Markets Inc. and RBS Securities Inc. as the Dealer Managers for the tender offers. Questions regarding the tender offers may be directed to the Dealer Managers at the addresses and telephone numbers set forth below:

Deutsche Bank Securities Inc.	Citigroup Global Markets Inc.	RBS Securities Inc.
60 Wall Street New York, NY 10005 Attn: Liability Management Group	390 Greenwich St., 1 st Floor New York, NY 10013 Attn: Liability Management Group	600 Washington Blvd. Stamford, CT 06901 Attn: Liability Management Group
<i>By Telephone:</i> 855-287-1922 (toll free) (212) 250-7527 (collect) + 44 (0) 20 7545 8011 (London)	<i>By Telephone:</i> 800-558-3745 (toll free) (212) 723-6106 (collect) +44 (0) 20 7986 8969 (London)	<i>By Telephone:</i> 877-297-9832 (toll free) 203-897-6145 (collect) +44 (0) 20 7085 4634 (London)

None of Chesapeake, the Dealer Managers, the Depositary, Tender Agents, the Information Agent or any other person makes any recommendation as to whether holders of the Notes or the Convertible Notes should participate in the tender offers, and no one has been authorized to make such a recommendation.

This news release contains forward-looking statements, including the expected consummation of the tender offers and the anticipated principal amounts of notes to be retired. Forward-looking statements give our current expectations or forecasts of future events. Although we believe our forward-looking statements are reasonable, they can be affected by inaccurate assumptions or by known or unknown risks and uncertainties, and actual results may differ from the expectations expressed. See the "Risk Factors" discussion in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 filed with the U.S. Securities and Exchange Commission on March 1, 2011 for a discussion of risk factors that affect our business. 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.

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, Haynesville, Marcellus and Bossier natural gas shale plays and in the Eagle Ford, Granite Wash, Tonkawa, Cleveland, Mississippian, Wolfcamp, Bone Spring, Avalon and Niobrara 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 where Chesapeake routinely posts announcements, updates, events, investor information and presentations and all recent press releases.

SOURCE: Chesapeake Energy Corporation

Chesapeake Energy Corporation

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