FOCUSED ON VALUE DELIVERING GROWTH

ANALYST DAY

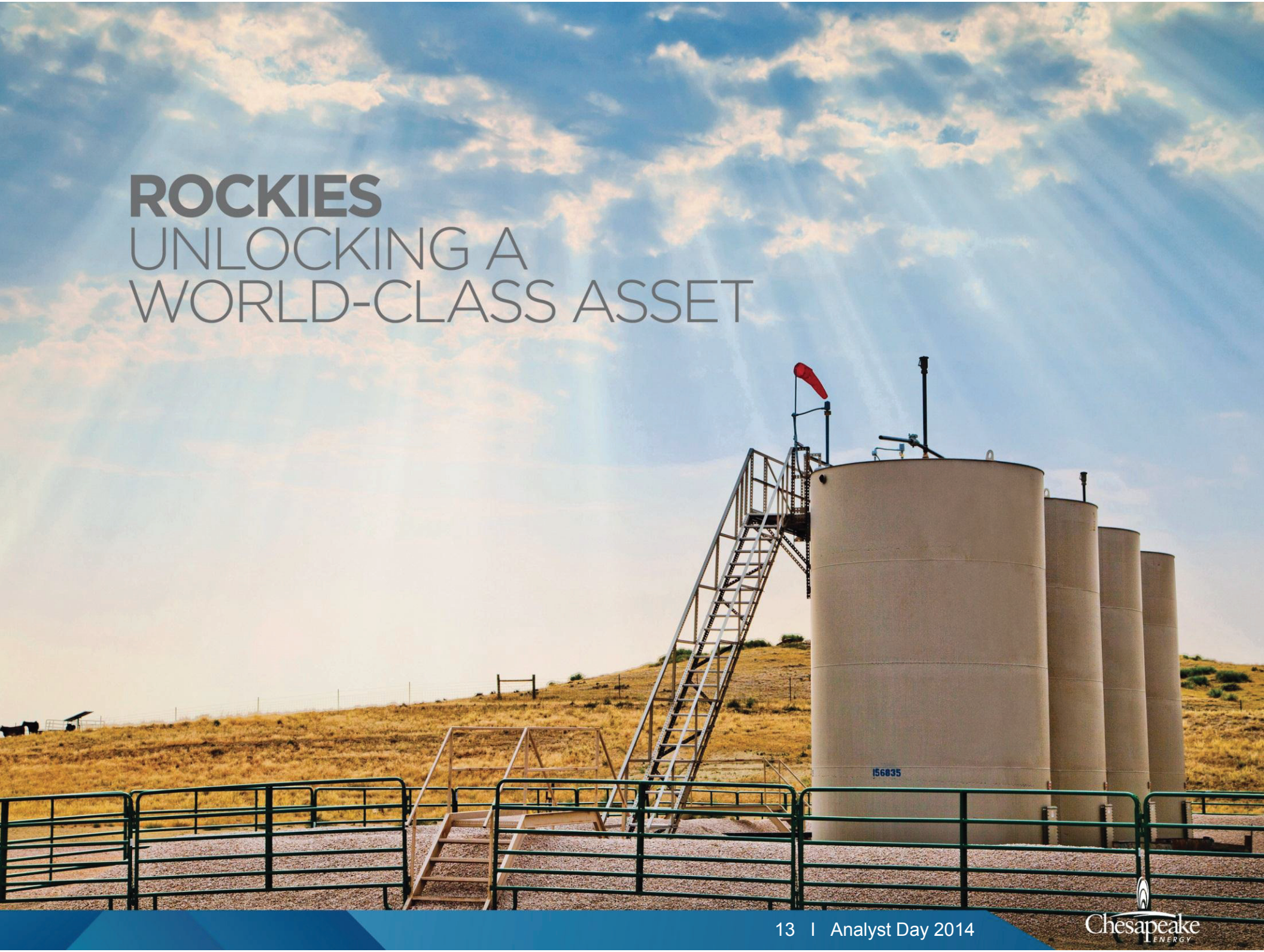
May 16, 2014 | Oklahoma City, Oklahoma

Chesapeake ENERGY

FORWARD-LOOKING STATEMENTS

- These presentations 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 those of historical fact that give our current expectations or forecasts of future events. They include production forecasts, estimates of operating costs, assumptions regarding future natural gas and liquids prices, planned drilling activity, estimated future capital expenditures, and estimates of recoverable resources, as well as projected cash flow, business strategy and other plans and objectives for future operations. Although we believe the expectations and forecasts reflected in 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 are described under “Risk Factors” in Item 1A of our 2013 annual report on Form 10-K filed with the U.S. Securities and Exchange Commission on February 27, 2014. 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; a deterioration in general economic, business or industry conditions having 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; adverse developments and losses in connection with pending or future litigation and regulatory investigations; cyber attacks adversely impacting our operations; and an interruption at our headquarters that adversely affects our business.
- 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 dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity. References to “EUR” (estimated ultimate recovery) and “resources” include estimates of quantities of natural gas, oil and NGL we believe will ultimately be produced, but that are not yet classified as “proved reserves”, as defined in SEC regulations. Further, these terms are broader descriptions of potentially recoverable volumes than SEC definitions of “probable” or “possible” reserves. Estimates of such unproved resources may change significantly as development provides additional data, and actual quantities that are ultimately recovered may differ substantially from prior estimates.
- The timing of and amount of proceeds from future asset sales, which are subject to changes in market conditions and other factors beyond our control, will affect our ability to further reduce financial leverage and complexity. There can be no assurance that the spin-off of our oilfield services business will be consummated. It is subject to satisfaction of several conditions, some of which are beyond our control, including market conditions, board approval and regulatory review and approvals, among others.
- We caution you not to place undue reliance on our forward-looking statements, which speak only as of the date of this presentation or as otherwise indicated, and we undertake no obligation to update this information, except as required by applicable law.

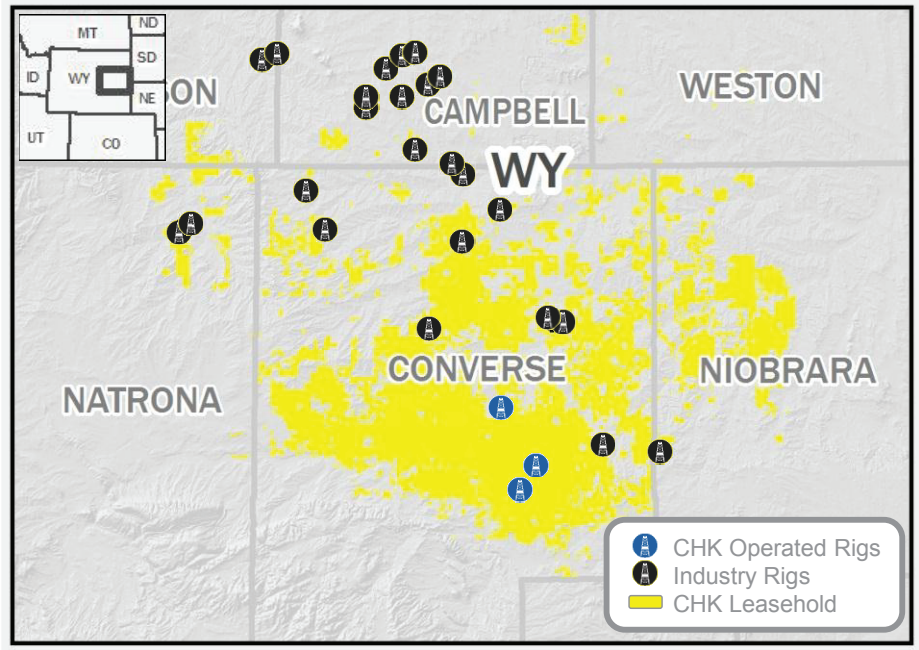
ROCKIES
UNLOCKING A WORLD-CLASS ASSET



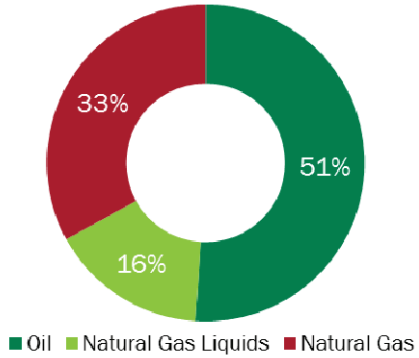
Chesapeake ENERGY

POWDER RIVER BASIN NIOBRARA ASSET OVERVIEW

- >450 mmboe of net recoverable resources
- 320,000+ net acres
  - > 38% avg. WI, 30% avg. NRI
- Net production of ~9 mboe/d[1]
- Three operated rigs in 2014
- Buckinghorse Plant (4Q'14) to add 120 mmcf/d processing capacity



Production mix[1]



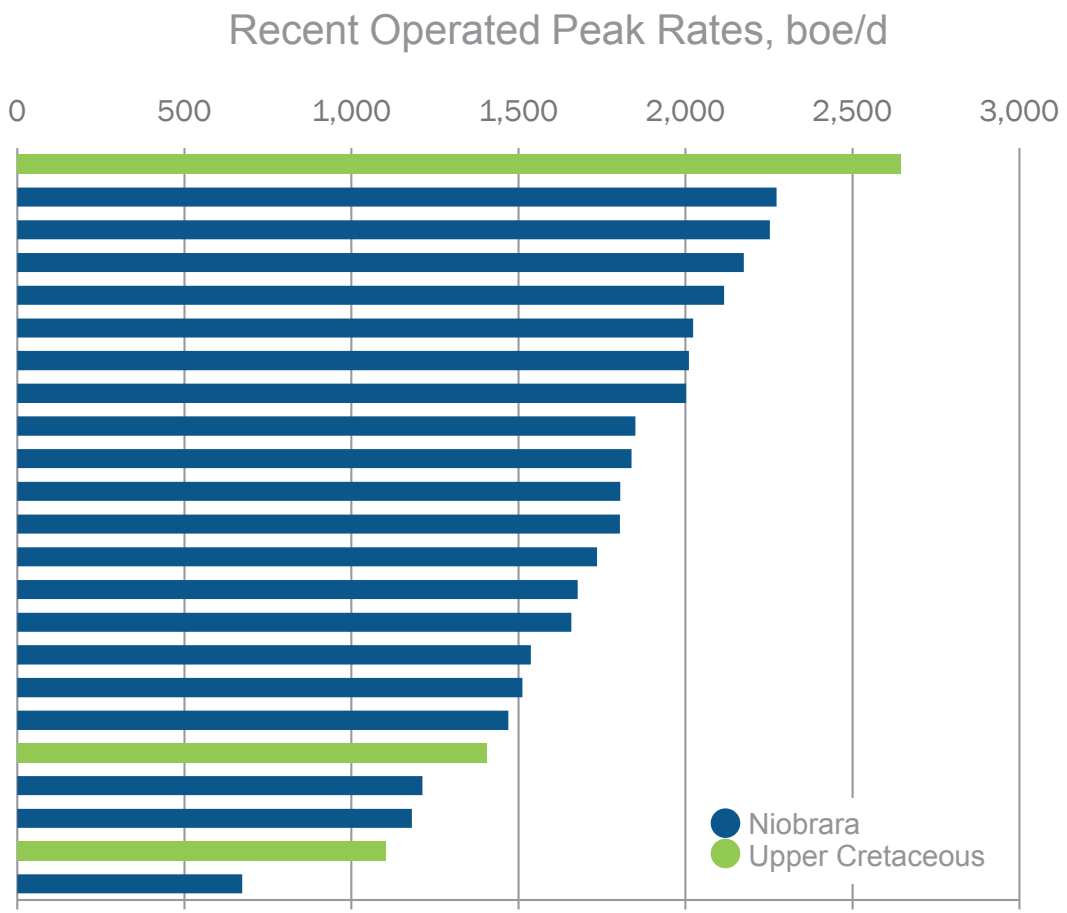
Operated locations[2]

Drilled	164
Producing	108
Inventory	54
Undrilled	1,800+

(1) 1Q'14 daily average net production
(2) Gross operated locations as of 3/31/2014; drilled locations include plugged and abandoned

Chesapeake ENERGY

POWDER RIVER BASIN RECENT RESULTS



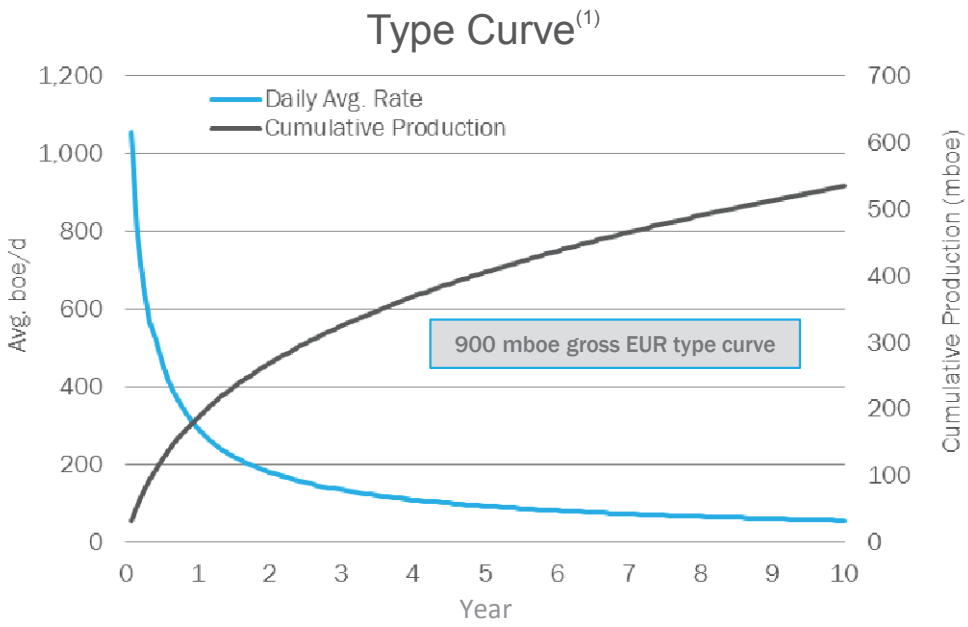
1,740 boe/d
Avg. recent Niobrara peak rate (50% oil)

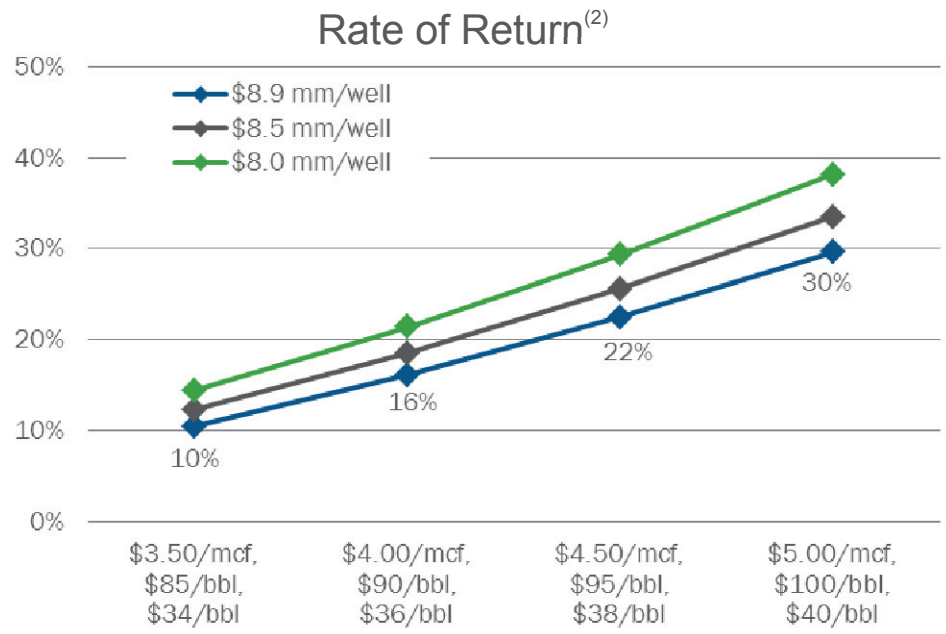
2,025 boe/d
Avg. recent Sussex peak rate (60% oil)

1,105 boe/d
Recent Parkman peak rate (85% oil)

Chesapeake ENERGY

POWDER RIVER BASIN ECONOMICS





- First month avg: 1,056 boe/d
- Finding cost: $12.79/bbl
- Well cost: $8.9 mm
- ROR of 16% at $4/$90/$36(2)

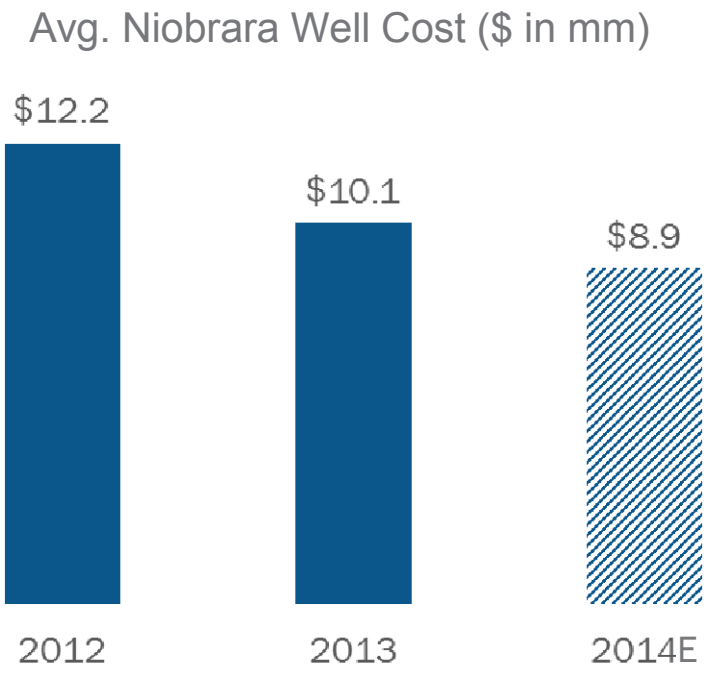
40%
2014 expected program ROR net of carry(2)

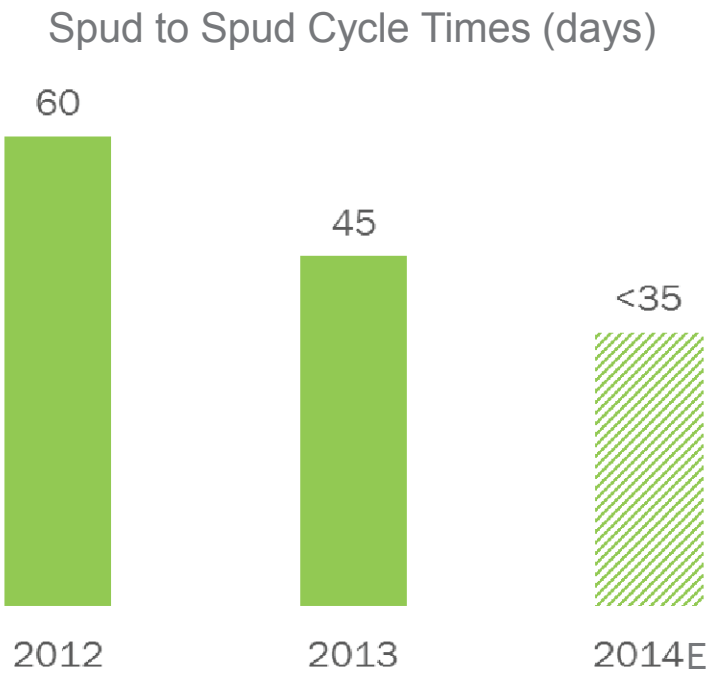
>30%
2015 Expected Program ROR(3)

(1) EUR assumes gas processing
(2) Assumes differentials to NYMEX prices of ($13.25)/bbl oil and ($2.73)/mcf natural gas for gathering/transportation costs and regional basis differentials. Also assumes 145 day avg. spud to TIL cycle time delay
(3) Increase in program ROR due to a combination of well mix, type curve and well cost
Note: type curve and rates of return represent 2014 program

Chesapeake ENERGY

POWDER RIVER BASIN CONTINUOUS IMPROVEMENT





- Focused on continuous improvement in 2014
  - > Avg. lateral length of 5,800 ft. and 17 stages
  - > Testing longer laterals
  - > Optimizing completion design

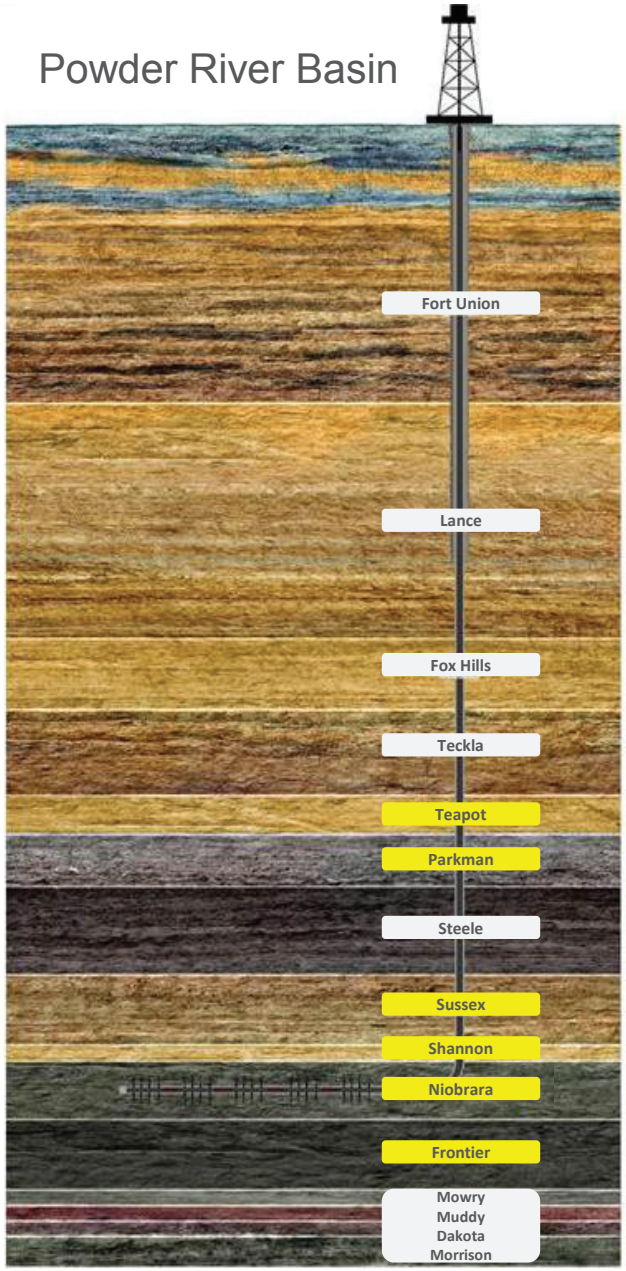
$7.6 mm
Record D&C well cost

23 days
Record spud to rig release

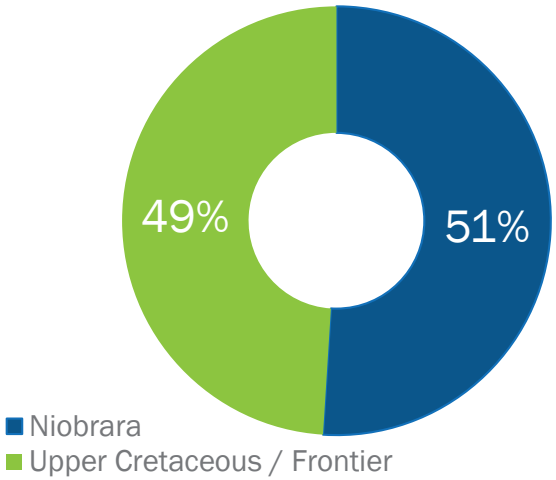
Chesapeake ENERGY

POWDER RIVER BASIN
THE PRIZE

Powder River Basin



Gross Operated
Recoverable Resources



>1.3 billion boe

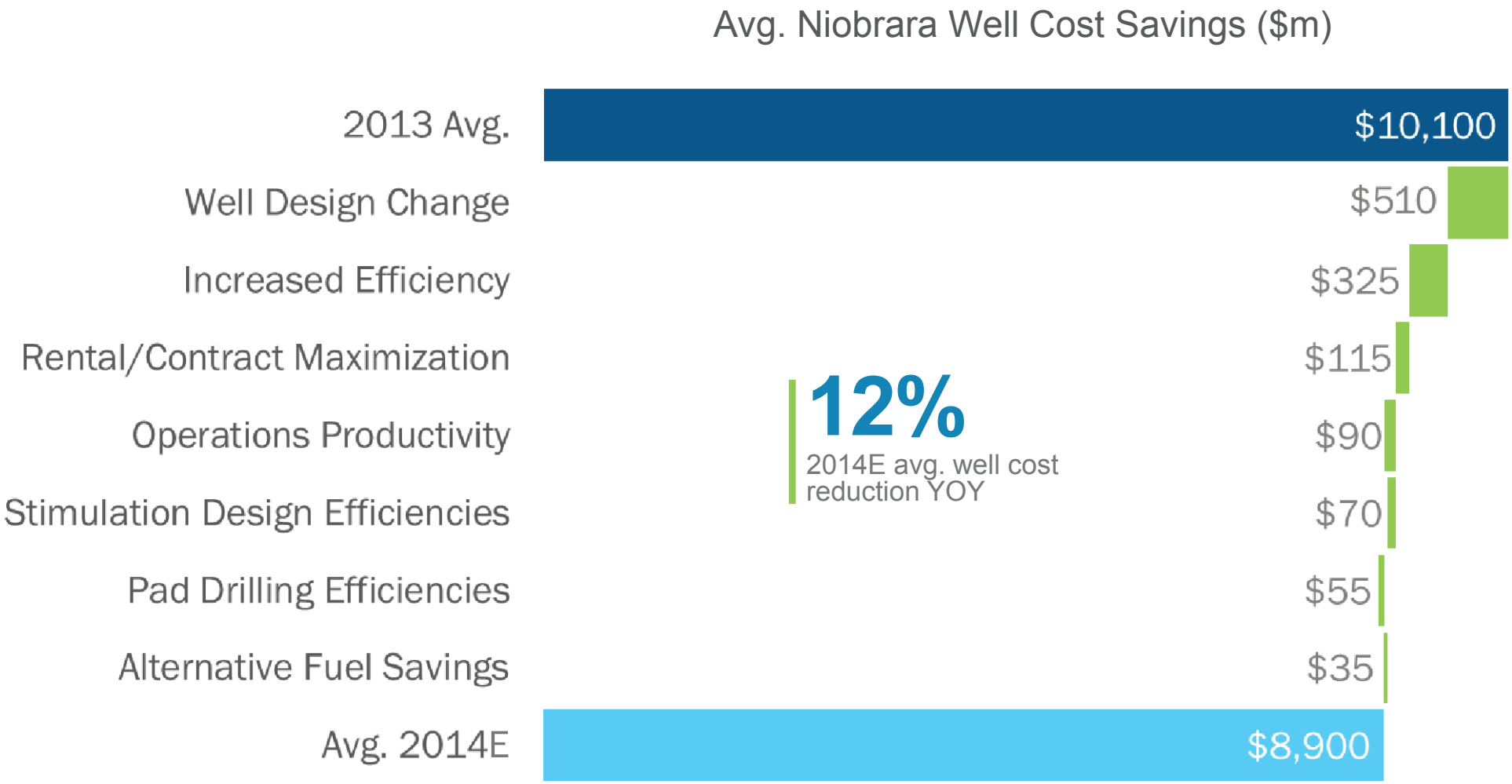
Gross recoverable resources
(12% recovery factor)

>50% oil

Significant liquids contribution leading
to higher margins and profitability

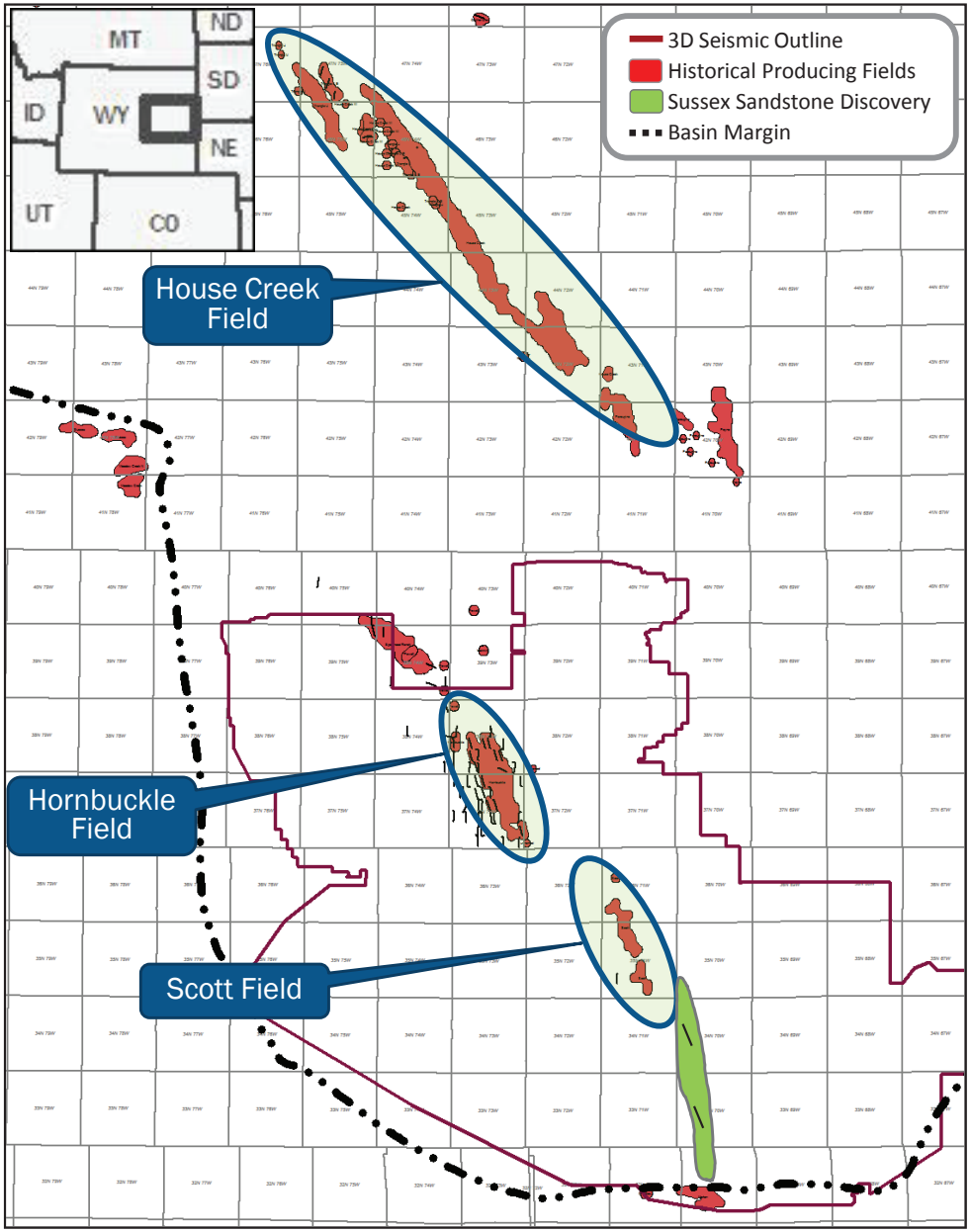
Chesapeake ENERGY

POWDER RIVER BASIN
CAPITAL COST IMPROVEMENT

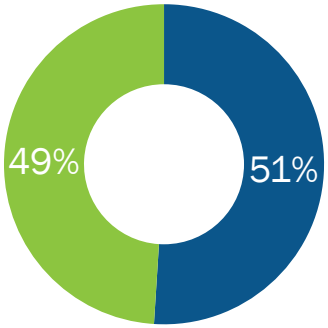


Chesapeake ENERGY

EXPLORATION GROWTH OPPORTUNITIES: SUSSEX SANDSTONE

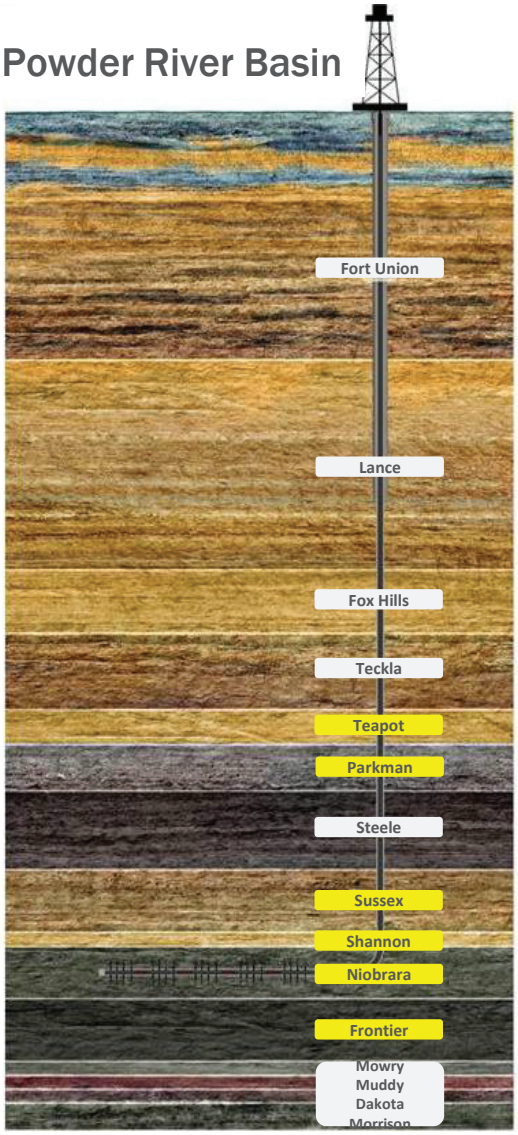


Gross Operated Recoverable Resource



Niobrara
Upper Cretaceous / Frontier

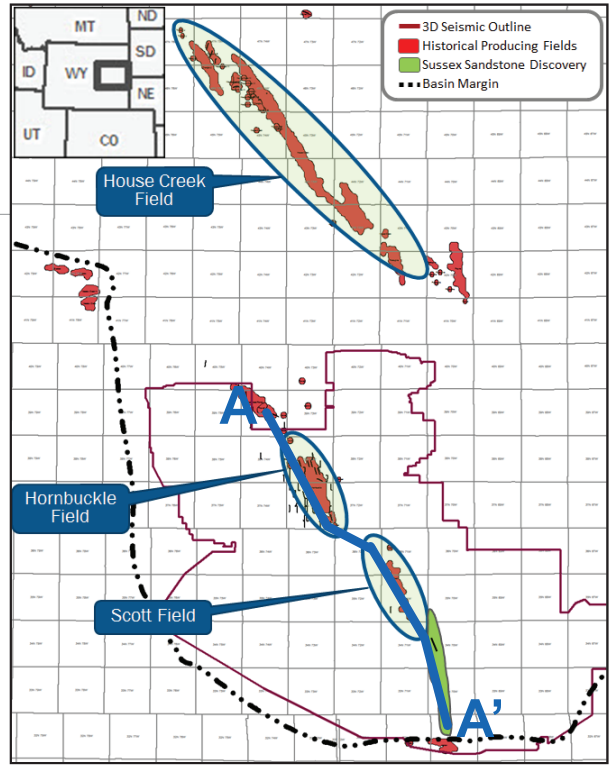
Powder River Basin

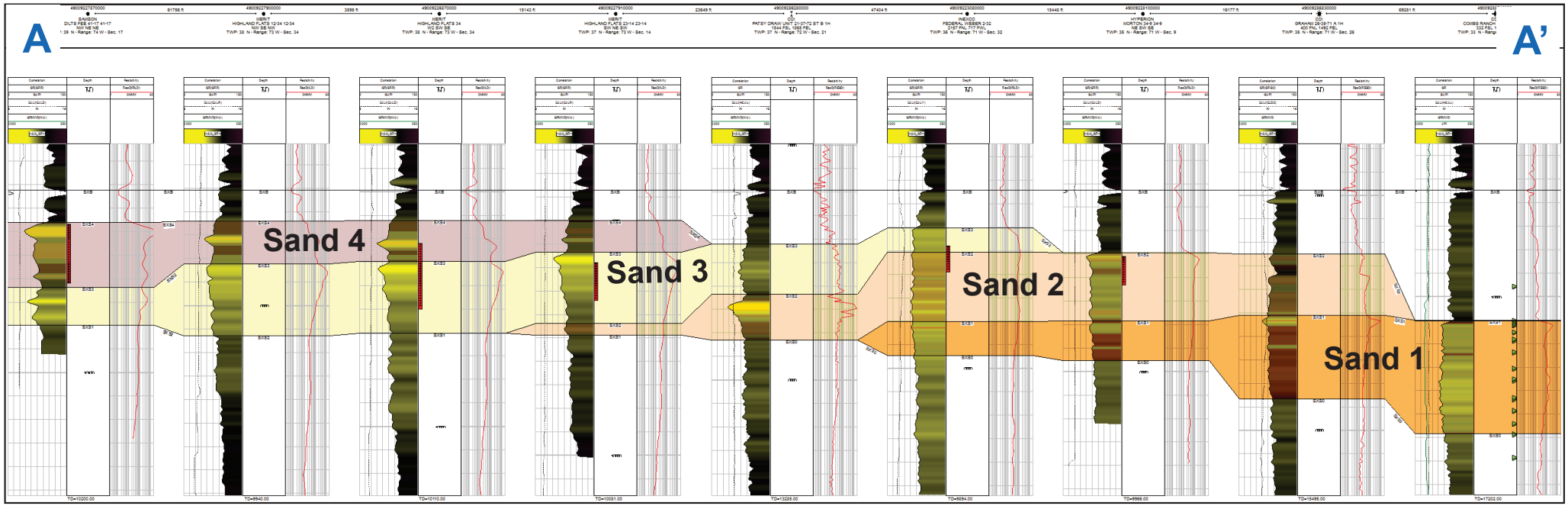


Chesapeake ENERGY

SUSSEX SANDSTONE: CROSS SECTION

- Stacked sand bodies
- Oldest sandstones deposited in SE
- Sourced by underlying over-pressured Niobrara
- Reservoir geometry identified using 3D amplitude maps and seismic inversion

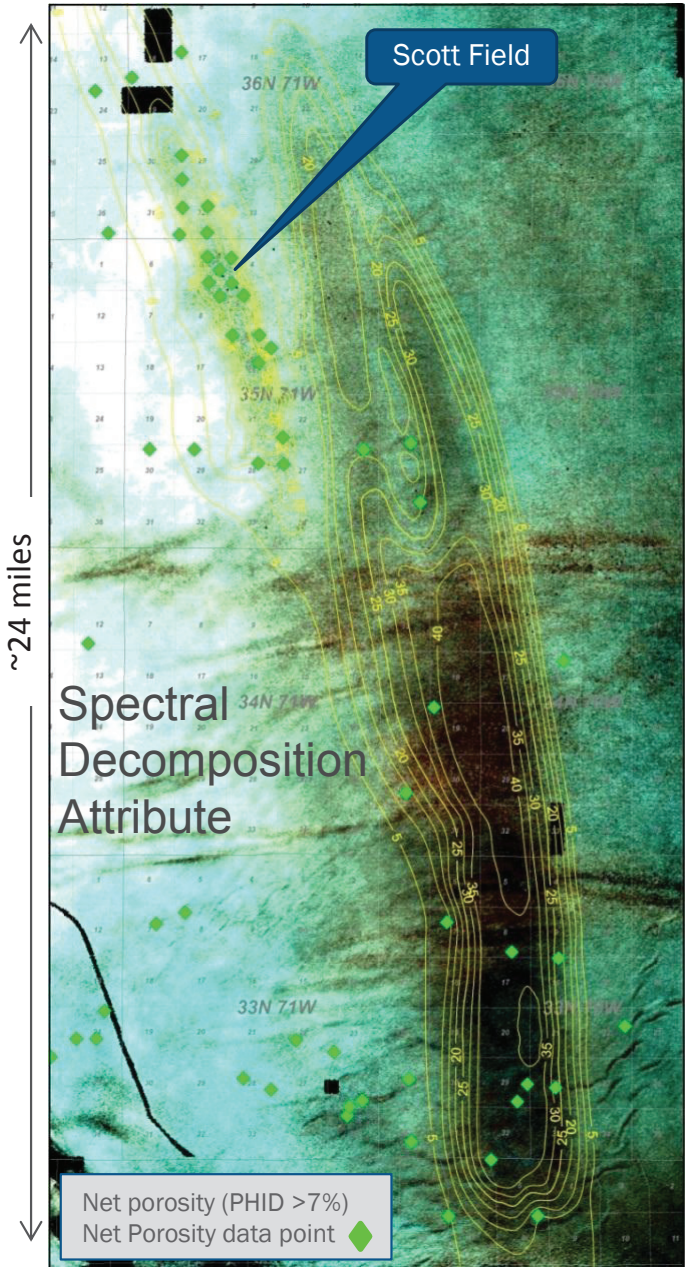




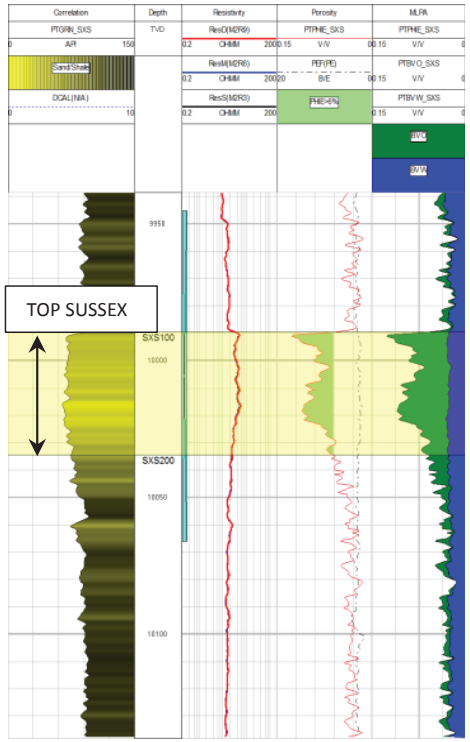
Chesapeake ENERGY

SUSSEX SANDSTONE: SEISMIC INVERSION

- Spectral Decomposition
  - > Detects porous fluid filled sands
- Shows a stronger anomaly than Scott Field
  - > Implies thicker fluid filled sand



Sussex Type Log



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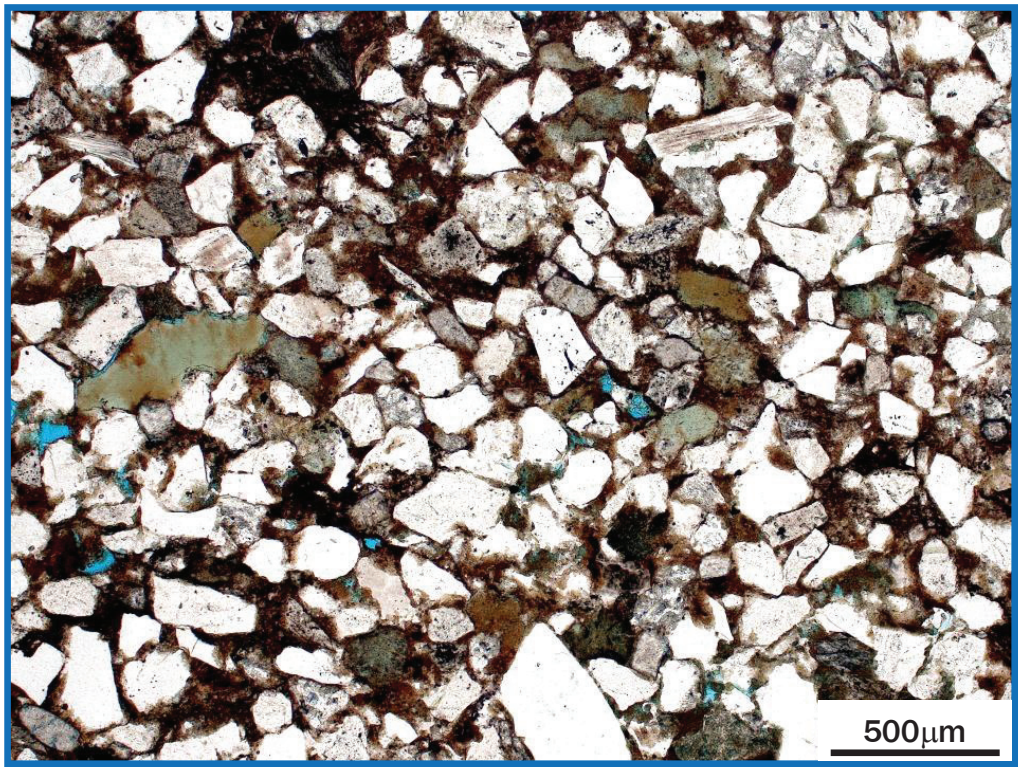
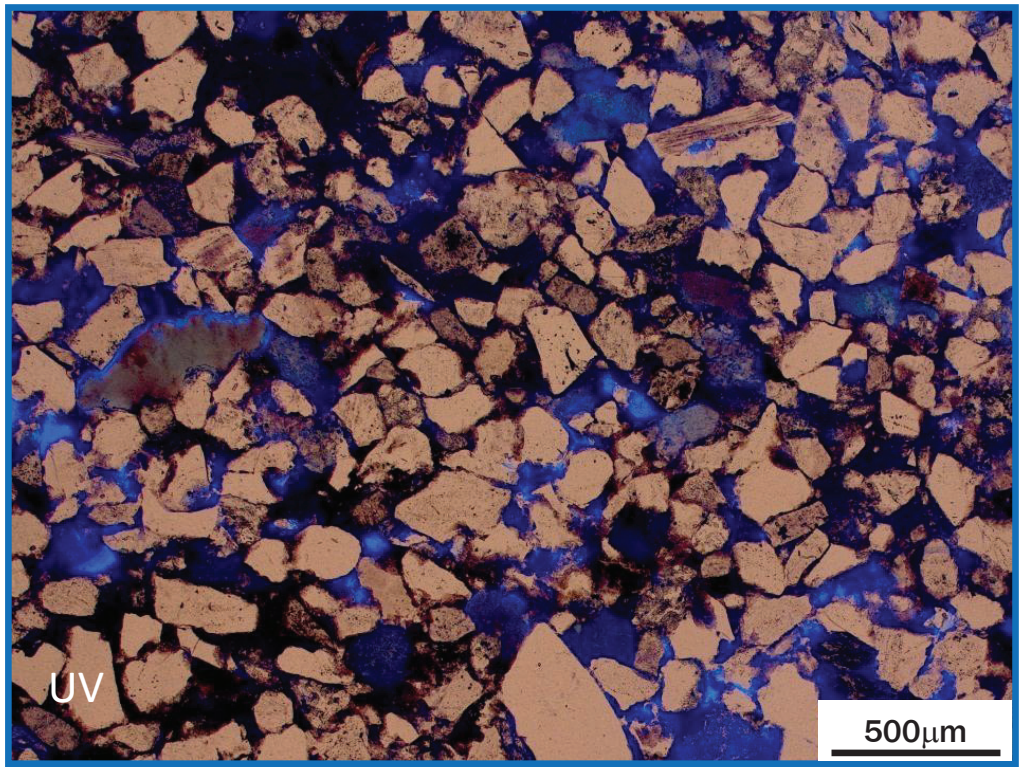
SUSSEX SANDSTONE: CORE ANALYSIS

- Reservoir quality
  - > Microporosity fluoresces under UV light
  - > Porosity – 9.5% BV





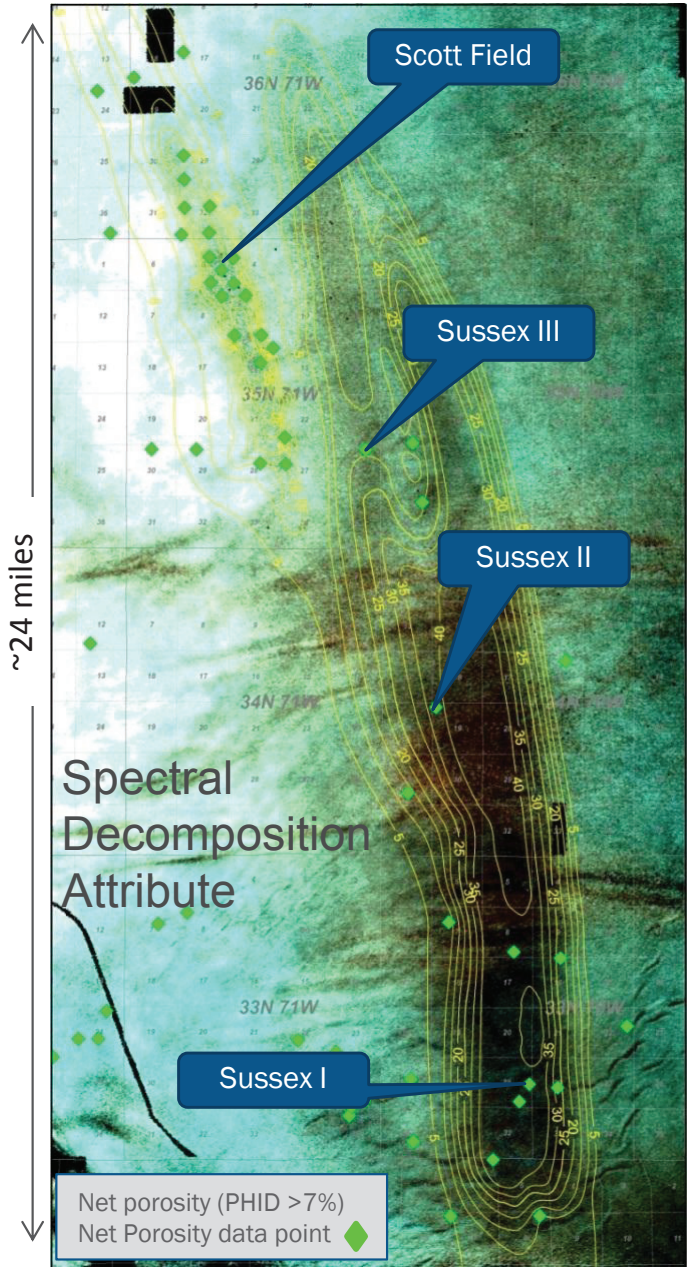
Sussex Core
50X

Chesapeake ENERGY

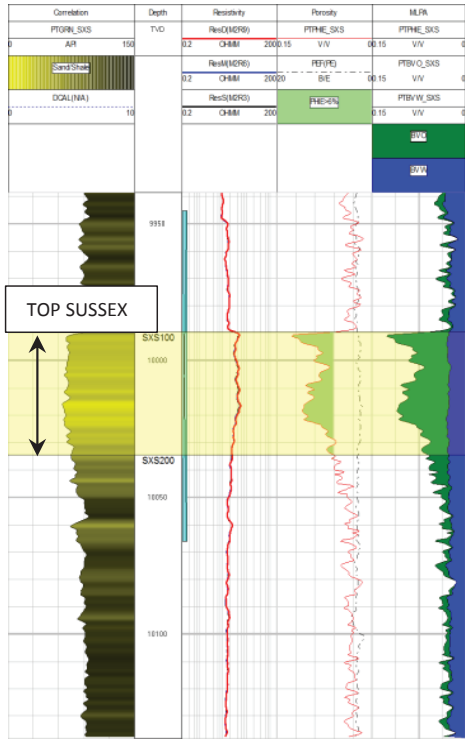
SUSSEX SANDSTONE: EXPLORATION RESULTS

Discovery and Initial Tests

- Estimated gross EURs 250 - 500 mboe/well
- Sussex I
  - > Peak rate: 2,650 boe/d
- Sussex II
  - > Peak rate: 1,405 boe/d
- Sussex III
  - > Currently drilled to total depth, expect completion in June

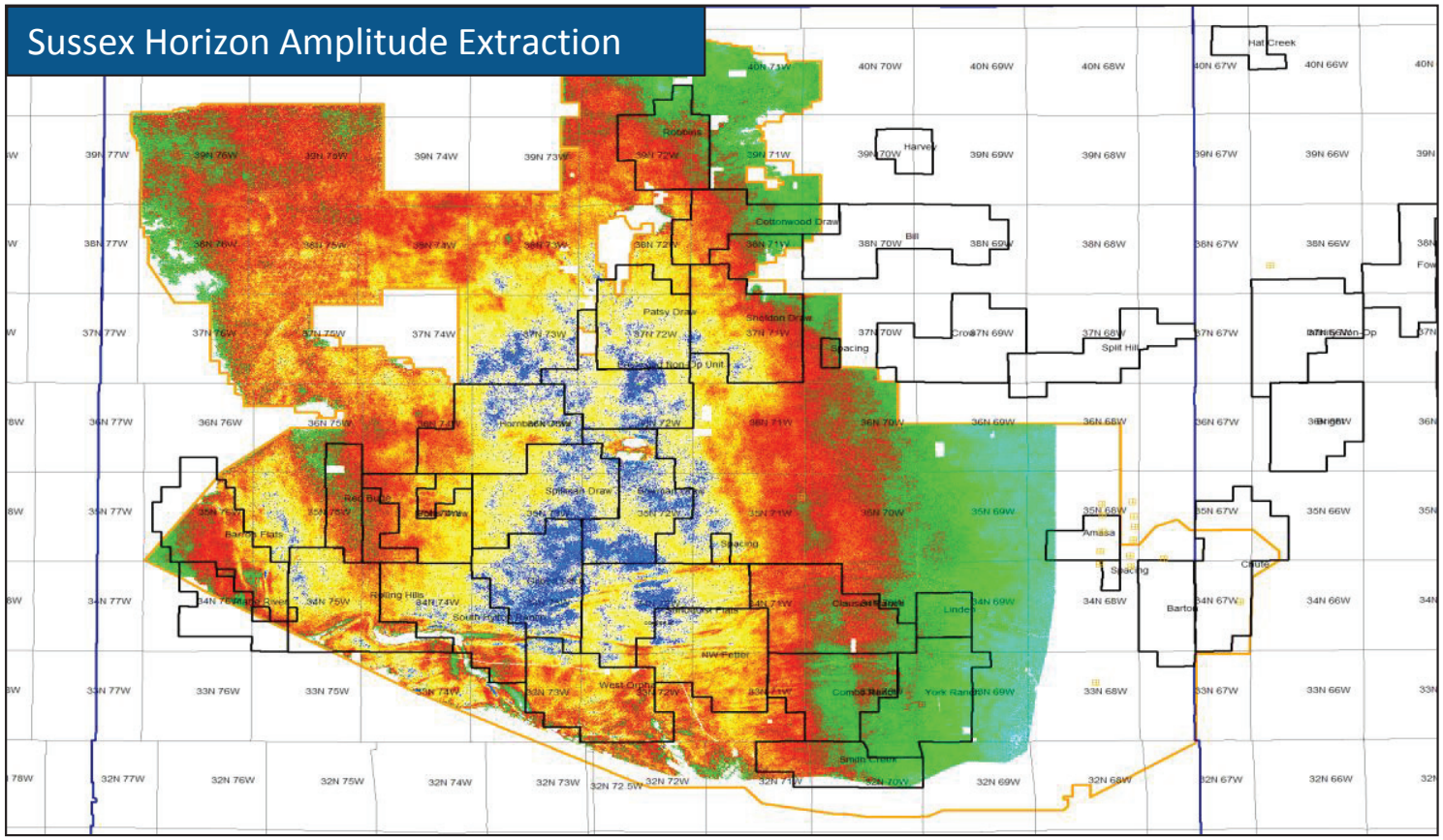


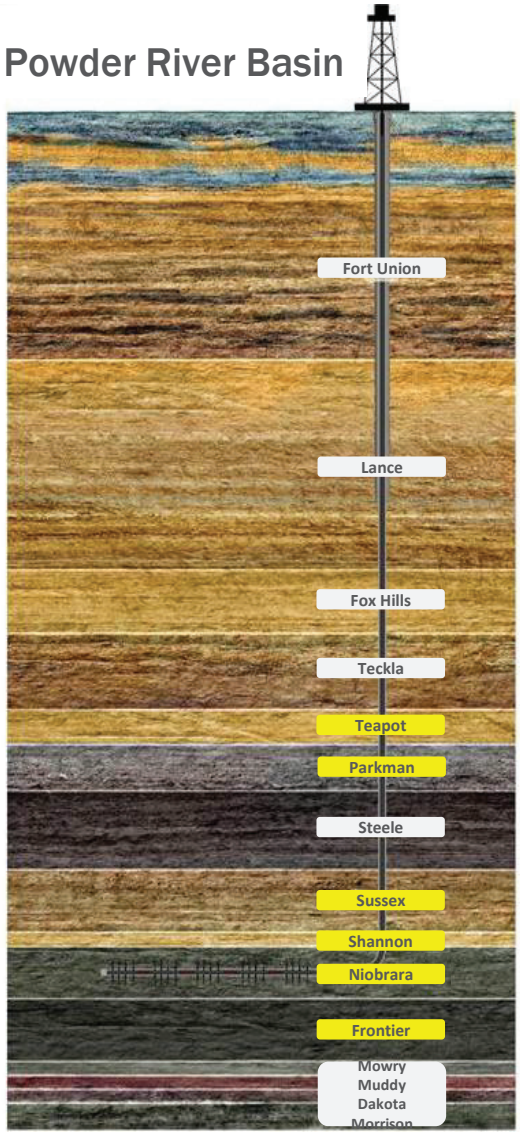
Sussex Type Log



Chesapeake ENERGY

EXPLORATION GROWTH OPPORTUNITIES: POWDER RIVER BASIN





>1.3 billion boe

Gross recoverable resource
(12% recovery factor)

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FOCUSED ON VALUE DELIVERING GROWTH

Barclays CEO Energy-Power Conference

September 3, 2014

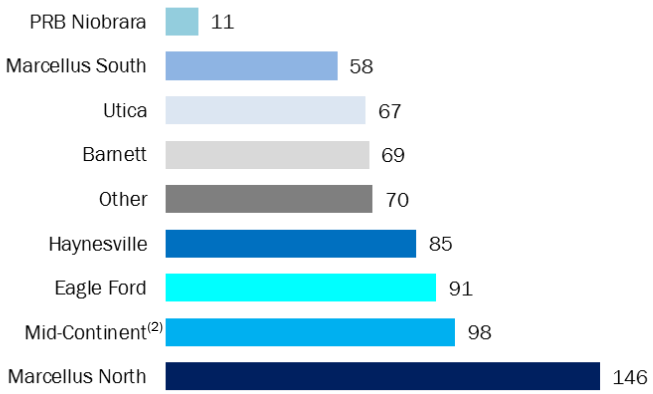
New York, NY

Chesapeake ENERGY

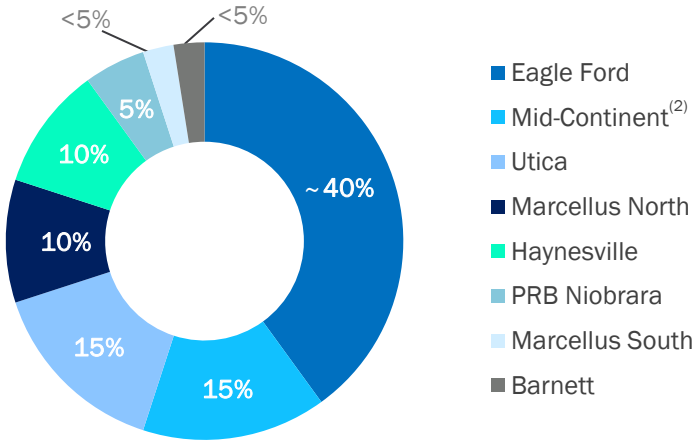
OPERATIONS UPDATE

- CHK recently increased midpoint of its expected 2014 daily production rate by 10 mboe/d
- Based on current performance and anticipated completion of infrastructure, CHK expects 2014 exit rate to exceed 730 mboe/d
- CHK plans to connect 35% more wells to sales in 2H'14 vs. 1H'14

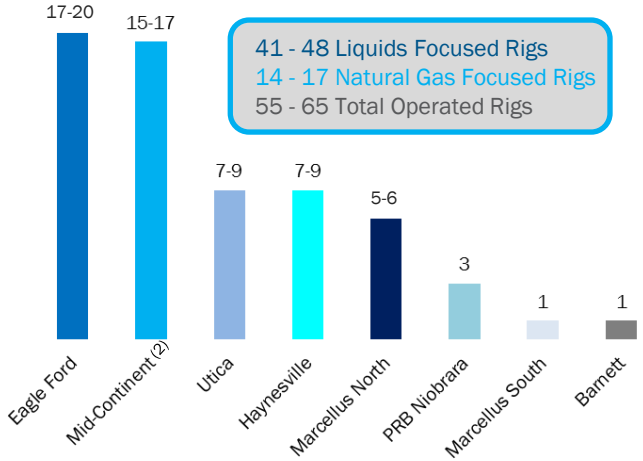
2Q'14 Daily Avg. Net Production (mboe/d)



2014E % of Total E&P Capex by Play(1)



2014E Avg. Operated Rig Count



(1) Net of Utica and PRB drilling carries; includes drilling, completion, leasehold, geological and geophysical costs and capitalized G&A; excludes capitalized interest
(2) Includes: Mississippian Lime, Cleveland, Tonkawa, Colony and Texas Panhandle Granite Washes and Other Anadarko plays

Chesapeake ENERGY

POWDER RIVER BASIN – INCREASING EXPOSURE IN A WORLD CLASS OIL PLAY

- CHK and RKI Exploration & Production, LLC (RKI) transaction closed 8/19/2014
  - > +66,000 net acres and average working interest from 38% to 79%
  - > Consolidates position in the southern area over multiple stacked pays

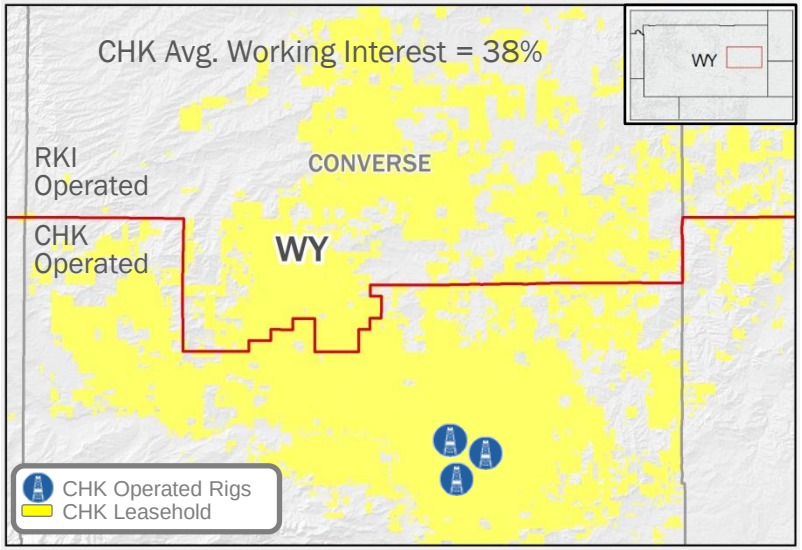
- Niobrara Formation: Oil Growth on the Way, Rates of Return Rising
  - > 2015 oil growth engine: New gas processing plant in 4Q'14 will remove constraints
  - > Rates of return >40%
  - > Shifting from wet gas/condensate drilling to fractured black oil window in 2H'14

- Upper Cretaceous Sands Starting to Deliver
  - > Three successful Sussex wells to date; targeting ROR >50%
  - > Further testing planned on Sussex, Teapot, Parkman and Shannon formations in 2H'14

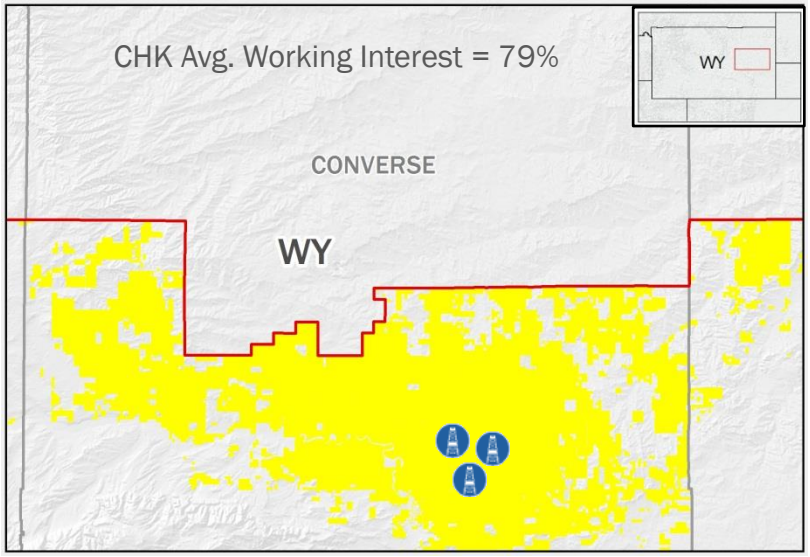
Chesapeake ENERGY

POWDER RIVER BASIN – RKI ACREAGE EXCHANGE

Pre-transaction



Post-transaction



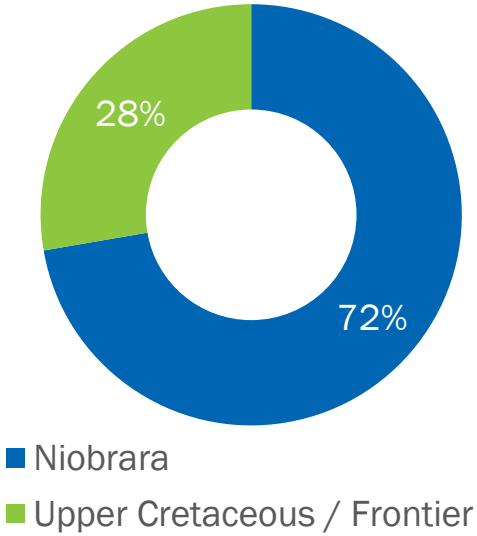
Pre-transaction		Post-transaction
322,000	Net Acres	388,000
38%	Avg. Working Interest	79%
10 mboe/d	Net Daily Production	14.5 mboe/d
2014: 3 rigs	Avg. Rig Count	2015: 7 - 9 rigs

Chesapeake ENERGY

SOUTHERN PRB RESOURCE POTENTIAL

- Gross Recoverable Resources of >2.0 bboe
  - > Niobrara
    - ~1,500 mmboe
    - 50% to 70% oil/condensate
    - Estimated 45° - 60° API gravity
  - > Upper Cretaceous[1]
    - ~325 mmboe
    - >75% oil/condensate
    - Estimated 40°- 48° API gravity
  - > Additional Potential
    - Frontier ~250 mmboe
    - Excludes Mowry shale (source rock) upside

% Recoverable Resources by Formation



(1) Upper Cretaceous Sands include Sussex, Shannon, Teapot and Parkman

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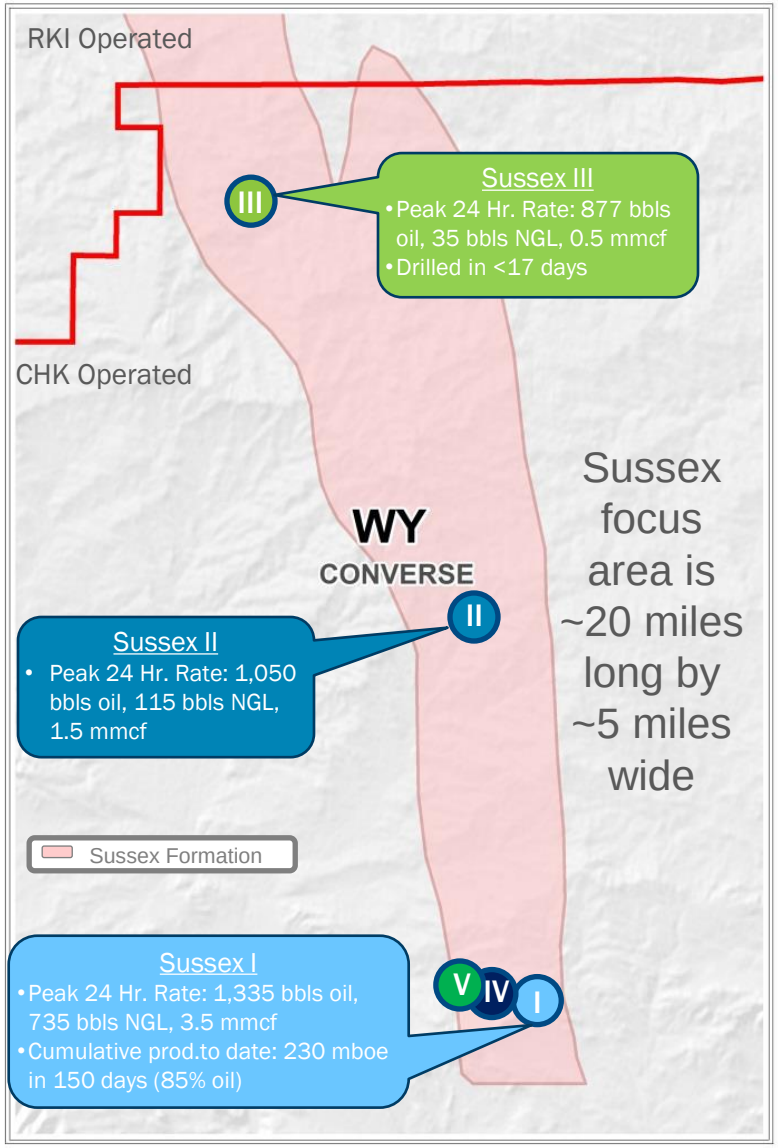
SUCCESSFUL SUSSEX DELINEATION AND ADDITIONAL UPPER CRETACEOUS TESTS



- Near-term activity
  - > 6 Sussex spuds in 2H'14
  - > 1 Parkman test 4Q'14
  - > 1 Teapot test 4Q'14
  - > 1 Shannon test 4Q'14
- Reached total depth on Sussex IV
  - > ~6,000 ft. lateral
- Currently drilling Sussex V
  - > ~9,200 ft. lateral planned

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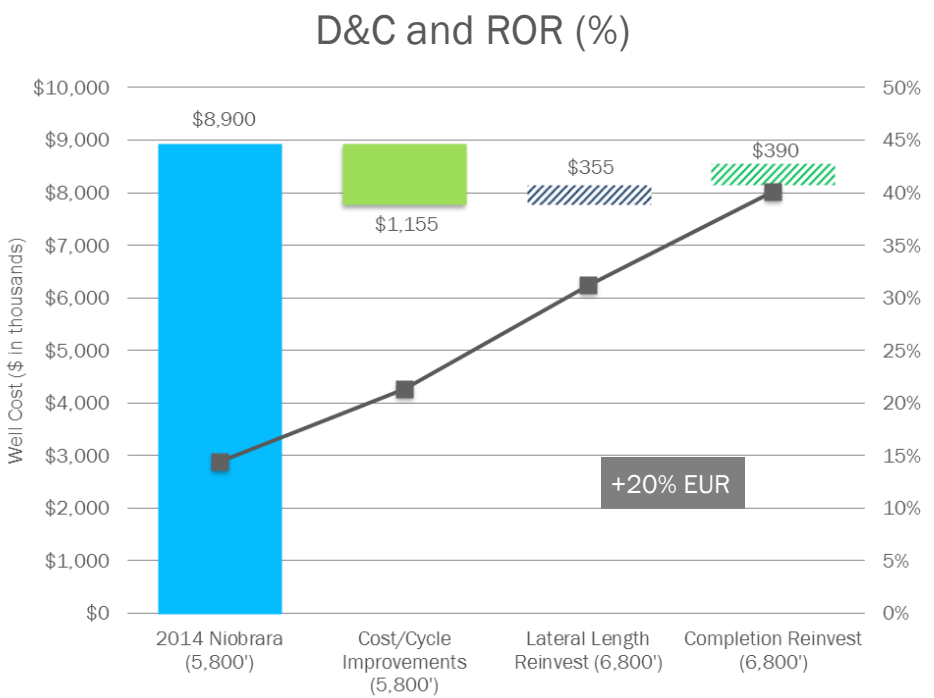
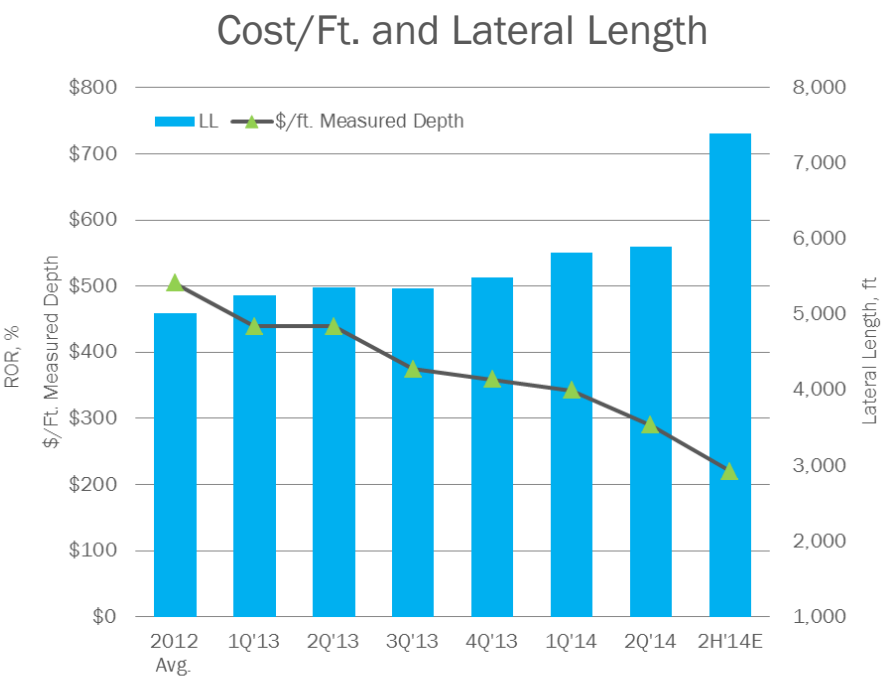
NIOBRARA – CONTINUOUSLY IMPROVING ECONOMICS





- Targeting avg. rate of return in excess of 40%
  - > Cycle times / drilling cost per ft. continue to decline
  - > Increasing lateral lengths (from 5,800 ft to 6,800 ft. on avg.)
  - > Enhanced completions through tighter cluster spacing and more proppant resulting in higher EUR/ft

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