

**CHESAPEAKE ENERGY CORPORATION
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER**

As Amended and Restated September 19, 2005

I. Purpose

The purpose of the audit committee is to assist the Board of Directors (the "Board") in overseeing (a) the integrity of the Corporation's financial statements, (b) the Corporation's compliance with legal and regulatory requirements, (c) the independent auditor's qualifications and independence, and (d) the performance of the Corporation's internal auditor and independent auditor. In so doing, it is the responsibility of the audit committee to maintain free and open communication between the directors, the independent auditor and the financial management of the Corporation. The audit committee believes its policies and procedures should remain flexible in order to react more effectively to changing conditions and to ensure that the corporate accounting and reporting practices of the Corporation are in accordance with all requirements and are of the highest quality.

Management is responsible for determining that the Corporation's financial statements are complete and accurate and prepared in accordance with generally accepted accounting principles ("GAAP"), and the independent auditor is responsible for auditing the financial statements. In discharging its responsibilities, the Committee is responsible for assisting the Board in overseeing the conduct of these activities by management and the independent auditor.

II. Organization

A. Charter

At least annually the committee will review, assess and update this charter.

B. Members and Qualifications

The audit committee will consist of three or more directors as selected by the Board, each of whom will meet the independence requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), the rules and regulations of the Securities and Exchange Commission ("SEC") and the independence requirements established by the Board. All members of the committee will have a working familiarity with basic finance and accounting practices and will be "financially literate" as such qualification is interpreted by the Board in its business judgment. At least one member of the committee must have accounting or related financial management expertise, as such qualification is interpreted by the Board in its business judgment, and may be designated by the Board as an "audit committee financial expert" as defined by the SEC. Members of the committee will not simultaneously serve on the audit committees of more than two other public companies.

The members of the audit committee will be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Audit committee members may be removed and/or replaced by the Board.

C. Meetings

The audit committee will meet as frequently as circumstances dictate. The chairman of the audit committee will be responsible for establishing the agenda for each meeting of the committee. An agenda will be sent to members of the committee prior to each meeting. Minutes for all meetings of the audit committee will be prepared and submitted for approval at a subsequent meeting of the committee. The committee may also take action by unanimous written consent. The audit committee will make regular reports to the Board and submit the minutes of all committee meetings to, or review the matters discussed at each committee meeting with, the Board.

The committee will meet at least annually with management, the head of internal audit and the independent auditor in separate executive session to discuss any matters that the committee or one of the foregoing believes should be discussed privately. The audit committee may request any officer or employee of the Corporation or the Corporation's outside counsel to attend a meeting of the committee or to meet with any members of, or consultants to, the committee. If determined by the committee to be appropriate under the circumstances then existing, the committee or the committee's designated representative may meet or talk with the Corporation's investment bankers and financial analysts who follow the Corporation.

D. Self Evaluation

The audit committee will evaluate the performance and effectiveness of the committee annually and report the results of such evaluation to the Board.

E. Authority and Resources

The audit committee will have appropriate authority and resources to discharge its responsibilities as required by applicable regulation and this Charter. The committee will have the authority to retain independent legal, accounting or other advisors, as it deems necessary. The Corporation will provide for appropriate funding, as determined by the committee, for payment of (a) ordinary administrative expenses of the committee that are necessary or appropriate in carrying out its duties, (b) compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation and (c) compensation to advisors retained by the committee.

III. Responsibilities

A. Independent Auditor

The committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. The independent auditor shall report directly to the committee. The committee's responsibilities with respect to the independent auditor include the following:

1. At least annually, obtain from the independent auditor a formal written statement delineating all relationships between the auditor, the Corporation and the management of the Corporation; review and discuss with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the independent auditor; and, if necessary, make recommendations to the Board regarding any actions to be taken to ensure the independence of the Corporation's independent auditor.
2. Obtain and review a report from the independent auditor at least annually regarding: (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, and (c) any steps taken to deal with any such issues.
3. Periodically review and evaluate the lead partner of the independent auditor team.
4. Ensure the rotation of the independent audit team as required by law and periodically consider whether a policy regarding the periodic rotation of independent audit firms is necessary.
5. Set hiring policies for employees or former employees of the independent auditor.
6. Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Corporation by the independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the committee prior to the completion of the audit. The committee may retain the independent auditor by formal engagement letters, pursuant to pre-approval policies and procedures established by the committee, or by the act of a subcommittee consisting of one or more members with delegated authority to grant pre-approvals of audit and permitted non-audit services.

B. Financial Reporting

In carrying out its responsibilities to oversee the Corporation's financial reporting, the audit committee will:

1. Meet with the independent auditor and financial management of the Corporation to review the scope, planning and staffing of each audit and review the audit procedures to be utilized.
2. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards Nos. 61 and 90 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

3. Review and discuss with management and the independent auditor (a) significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including the effects of alternative GAAP methods on the financial statements, (b) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, (c) material issues on which audit team consulted the independent auditor's national office; (d) accounting adjustments that were noted or proposed by the independent auditors but were "passed" (as immaterial or otherwise); and (d) any management or internal control letter issued, or proposed to be issued, by the independent auditor to the Corporation.
4. Obtain, review and discuss reports from the independent auditor, prior to the filing of audited financial statements with the SEC, regarding (a) all critical accounting policies and practices to be used; (b) all alternative treatments of financial information within GAAP for policies and practices related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
5. Obtain assurance from the independent auditor that, in the course of conducting the audit, no illegal acts were detected or otherwise came to the independent auditor's attention that require disclosure to the committee under Section 10A(b) of the Exchange Act.
6. Discuss with management and the independent auditor any major issues as to the adequacy of the Corporation's internal controls, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
7. Review and discuss with management, the internal auditor and the independent auditor management's annual internal control report and the independent auditor's attestation of the report prior to the filing of the Corporation's Form 10-K.
8. Review and discuss with management and the independent auditor the annual audited financial statements, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and recommend to the Board whether the audited financial statements should be included in the Corporation's Form 10-K.
9. Review with management and the independent auditor the Corporation's quarterly financial statements and a draft of its Form 10-Q prior to the filing of the Form 10-Q, including the results of the independent auditor's reviews of the quarterly financial statements.

10. Review disclosures made to the committee by the CEO and CFO during their certification process for the Form 10-K and Form 10-Q regarding any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information and any fraud involving management or other employees who have a significant role in the Corporation's internal control over financial reporting.
11. Discuss with management the Corporation's earnings press releases, including the use of pro forma information or non-GAAP financial measures, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
12. Discuss with management (a) the Corporation's major financial risk exposures and the steps management has taken to monitor and control those exposures and (b) the guidelines and policies to govern the process by which risk assessment and risk management is undertaken.
13. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives on the Corporation's financial statements.

C. Internal Audit

In overseeing the performance of the Corporation's internal audit function, the committee will:

1. Review the appointment and replacement of the senior internal auditing executive.
2. Review the significant reports to management prepared by the internal audit staff and related management responses.
3. Periodically review with management and the independent auditor the responsibilities, budget, staffing and scope of the internal audit function.

D. Legal, Regulatory and Other Compliance Matters

The committee will take the following actions in connection with its oversight of legal, regulatory and other compliance matters affecting the Corporation:

1. Obtain reports from management, internal auditing personnel and the independent auditor regarding compliance with applicable laws and regulations and with the Corporation's Code of Business Conduct and Ethics.
2. Discuss with the Corporation's general counsel any legal, compliance or regulatory issues that could have a material effect on the Corporation's financial statements or compliance policies.

3. Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
4. Investigate material matters brought to the committee's attention within the scope of its duties.
5. Review with management and the independent auditor any published reports and correspondence with regulators or governmental agencies which raise material issues regarding the Corporation's financial statements or SEC reporting.
6. Review insider or affiliated party transactions or courses of dealing and related disclosures in the Corporation's annual proxy statement (excluding transactions pursuant to plans approved by the Board).

E. Report for Proxy Statement

The committee will prepare the report required by the rules of the SEC to be included in the Corporation's annual proxy statement.