

SCHEDULE "A"
CHESAPEAKE'S OUTLOOK AS OF May 1, 2012

Our policy is to periodically provide guidance on certain factors that affect our future financial performance. The primary changes from our February 21, 2012 Outlook are in ***italicized bold*** and reflect projected voluntary natural gas curtailments of 60-100 bcf in 2012 and includes the estimated production decreases of approximately 60 bcfe in 2012 and 90 bcfe in 2013 associated with potential Permian Basin, Mississippi Lime, VPP and other monetization transactions.

Chesapeake Energy Corporation Consolidated Projections
For Years Ending December 31, 2012 and 2013

	<u>Year Ending 12/31/12</u>	<u>Year Ending 12/31/13</u>
Estimated Production:		
Natural gas – bcf	<i>1,040 – 1,060</i>	<i>970 – 1,010</i>
Liquids – mbbbls	<i>41,000 – 43,000</i>	<i>55,000 – 59,000</i>
Natural gas equivalent – bcfe	<i>1,286 – 1,318</i>	<i>1,300 – 1,364</i>
Daily natural gas equivalent midpoint – mmcf	<i>3,555</i>	<i>3,650</i>
Year over year (YOY) estimated production increase excluding asset sales	<i>17%</i>	<i>7%</i>
YOY estimated production increase	<i>9%</i>	<i>2%</i>
NYMEX Price ^(a) (for calculation of realized hedging effects only):		
Natural gas - \$/mcf	<i>\$2.50</i>	<i>\$3.50</i>
Oil - \$/bbl	<i>\$100.73</i>	<i>\$100.00</i>
Estimated Realized Hedging Effects (based on assumed NYMEX prices above):		
Natural gas - \$/mcf	<i>\$0.35</i>	<i>\$0.02</i>
Liquids - \$/bbl	<i>(\$4.69)</i>	<i>(\$1.03)</i>
Estimated Gathering/Marketing/Transportation Differentials to NYMEX Prices:		
Natural gas - \$/mcf	<i>\$0.90 – \$1.00</i>	<i>\$0.90 – \$1.00</i>
Liquids - \$/bbl ^(b)	<i>\$30.00 – \$35.00</i>	<i>\$25.00 – \$30.00</i>
Operating Costs per Mcfe of Projected Production:		
Production expense	<i>\$0.95 – 1.05</i>	<i>\$0.95 – 1.05</i>
Production taxes (~ 5% of O&G revenues)	<i>\$0.15 – 0.20</i>	<i>\$0.25 – 0.30</i>
General and administrative ^(c)	<i>\$0.39 – 0.44</i>	<i>\$0.39 – 0.44</i>
Stock-based compensation (noncash)	<i>\$0.04 – 0.06</i>	<i>\$0.04 – 0.06</i>
DD&A of natural gas and liquids assets	<i>\$1.40 – 1.60</i>	<i>\$1.50 – 1.70</i>
Depreciation of other assets	<i>\$0.25 – 0.30</i>	<i>\$0.30 – 0.35</i>
Interest expense ^(d)	<i>\$0.05 – 0.10</i>	<i>\$0.05 – 0.10</i>
Other (\$ millions):		
Marketing, gathering and compression net margin ^(e)	<i>\$70 – 80</i>	<i>\$85 – 95</i>
Oilfield services net margin ^(e)	<i>\$200 – 250</i>	<i>\$300 – 400</i>
Other income (including certain equity investments)	<i>\$75 – 100</i>	<i>\$125 – 175</i>
Net income attributable to noncontrolling interest ^(f)	<i>(\$180) – (200)</i>	<i>(\$200) – (240)</i>
Book Tax Rate	<i>39%</i>	<i>39%</i>
Weighted average shares outstanding (in millions):		
Basic	<i>640 – 645</i>	<i>645 – 650</i>
Diluted	<i>753 – 758</i>	<i>758 – 763</i>

	<u>Year Ending 12/31/12</u>	<u>Year Ending 12/31/13</u>
	<i>(\$ millions)</i>	
Operating cash flow before changes in assets and liabilities ^{(g)(h)}	\$2,700 – 3,000	\$4,400 – 5,300
Well costs on proved properties	(\$6,500 – 7,000)	(\$5,500 – 6,000)
Well costs on unproved properties	(\$1,000)	(\$1,000)
Acquisition of unproved properties, net	(\$1,600)	(\$500)
Sale of proved and unproved properties	\$9,500 – 11,000	\$4,500 – 5,000
Subtotal of net investment in proved and unproved properties	\$400 – 1,400	(\$2,500)
Investment in oilfield services, midstream and other	(\$2,500 – 3,500)	(\$2,000 – 2,500)
Monetization of oilfield services, midstream and other assets	\$2,000 – 3,000	\$1,000 – 1,500
Subtotal of net investment in oilfield services, midstream and other	(\$500)	(\$1,000)
Interest, dividends and cash taxes	(\$1,000 – 1,250)	(\$1,000 – 1,250)
Total budgeted cash flow surplus (deficit)	<u>\$1,600 – 2,650</u>	<u>(\$100) – \$550</u>

- (a) NYMEX natural gas prices have been updated for actual contract prices through May 2012 and NYMEX oil prices have been updated for actual contract prices through March 2012.
- (b) Differentials include effects of natural gas liquids.
- (c) Excludes expenses associated with noncash stock-based compensation.
- (d) Does not include gains or losses on interest rate derivatives.
- (e) Includes revenue and operating costs and excludes depreciation and amortization of other assets.
- (f) Net income attributable to noncontrolling interests of Chesapeake Granite Wash Trust, CHK Utica Preferred Interest and Cleveland/Tonkawa Preferred Interest.
- (g) A non-GAAP financial measure. We are unable to provide a reconciliation to projected cash provided by operating activities, the most comparable GAAP measure, because of uncertainties associated with projecting future changes in assets and liabilities.
- (h) Assumes NYMEX prices on open contracts of \$2.25 to \$2.75 per mcf and \$100.00 per bbl in 2012 and \$3.00 to \$4.00 per mcf and \$100.00 per bbl in 2013.

Commodity Hedging Activities

Chesapeake enters into natural gas and oil derivative transactions in order to mitigate a portion of its exposure to adverse market changes in commodity prices. Please see the quarterly reports on Form 10-Q and annual reports on Form 10-K filed by Chesapeake with the Securities and Exchange Commission for detailed information about derivative instruments the company uses, its quarter-end natural gas and oil derivative positions and the accounting for commodity derivatives.

At May 1, 2012, the company does not have any open natural gas swaps in place. The company currently has \$13 million of net hedging losses related to closed natural gas contracts and premiums for call options for future production periods.

	Open Swaps (bcf)	Avg. NYMEX Price of Open Swaps	Forecasted Natural Gas Production (bcf)	Open Swap Positions as a % of Forecasted Natural Gas Production	Total Gains (Losses) from Closed Trades and Premiums for Call Options (\$ in millions)	Total Gains from Closed Trades and Premiums for Call Options per mcf of Forecasted Natural Gas Production
Q2 2012					\$ 195	
Q3 2012					32	
Q4 2012					15	
Q2-Q4 2012	0	\$ 0.00	779	0%	\$ 242	\$ 0.31
Total 2013	0	\$ 0.00	990	0%	\$ 20	\$ 0.02
Total 2014	0				\$ (34)	
Total 2015	0				\$ (110)	
Total 2016 – 2022	0				\$ (131)	

The company currently has the following natural gas written call options in place for 2012 through 2020:

	Call Options (bcf)	Avg. NYMEX Strike Price	Forecasted Natural Gas Production (bcf)	Call Options as a % of Forecasted Natural Gas Production
Q2 2012	13	\$ 6.54		
Q3 2012	40	6.54		
Q4 2012	41	6.54		
Q2-Q4 2012	94	\$ 6.54	779	12 %
Total 2013	415	\$ 6.44	990	42 %
Total 2014	330	\$ 6.43		
Total 2015	116	\$ 6.45		
Total 2016 – 2020	349	\$ 8.18		

The company has the following natural gas basis protection swaps in place for 2012 through 2022:

	Volume (Bcf)	Avg. NYMEX less
2012	49	\$ 0.79
2013	44	\$ 0.21
2014 - 2022	67	\$ 0.42
Totals	160	\$ 0.47

At May 1, 2012, the company has the following open crude oil swaps in place for 2012 and through 2015. In addition, the company has \$105 million of net hedging gains related to closed crude oil contracts and premiums for call options for future production periods.

	Open Swaps (mbbls)	Avg. NYMEX Price of Open Swaps	Forecasted Liquids Production (mbbls)	Open Swap Positions as a % of Forecasted Liquids Production	Total Gains (Losses) from Closed Trades and Premiums for Call Options (\$millions)	Total Gains (Losses) from Closed Trades and Premiums for Call Options per bbl of Forecasted Liquids Production
Q2 2012	7,285	\$102.58			\$ (52)	
Q3 2012	6,178	103.45			(67)	
Q4 2012	5,680	103.13			(75)	
Q2-Q4 2012(a)	19,143	\$103.02	31,666	60%	\$ (194)	\$ (6.14)
Total 2013	4,947	\$102.86	57,000	9%	\$ 24	\$ 0.41
Total 2014	902	\$ 90.72			\$ (106)	
Total 2015	500	\$ 88.75			\$ 265	
Total 2016 – 2021					\$ 116	

- (a) Certain hedging contracts include knockout swaps with provisions limiting the counterparty's exposure below prices of \$60.00 covering 550 mbbls in 2012.

The company currently has the following crude oil written call options in place for 2011 through 2017:

	Call Options (mbbls)	Avg. NYMEX Strike Price	Forecasted Liquids Production (mbbls)	Call Options as a % of Forecasted Liquids Production
Q2 2012	-	-		
Q3 2012	1,840	\$ 106.38		
Q4 2012	2,300	106.45		
Q2-Q4 2012	4,140	\$ 106.42	31,666	13%
Total 2013	24,953	\$ 96.88	57,000	44%
Total 2014	23,620	\$ 98.62		
Total 2015	27,048	\$ 100.99		
Total 2016 – 2017	24,220	\$ 100.07		

SCHEDULE "B"
CHESAPEAKE'S OUTLOOK AS OF FEBRUARY 21, 2012
(PROVIDED FOR REFERENCE ONLY)
NOW SUPERSEDED BY OUTLOOK AS OF MAY 1, 2012

Our policy is to periodically provide guidance on certain factors that affect our future financial performance. The primary changes from our November 3, 2011 Outlook are in *italicized bold* and reflect projected natural gas curtailments of approximately 130 bcf in 2012 and exclude the production effects of potential Mississippi Lime and Permian Basin transactions.

Chesapeake Energy Corporation Consolidated Projections
For Years Ending December 31, 2012 and 2013

	Year Ending 12/31/12	Year Ending 12/31/13
Estimated Production:		
Natural gas – bcf	950 – 990	1,020 – 1,060
Liquids – mbbls	53,000 – 57,000	74,000 – 78,000
Natural gas equivalent – bcfe	1,268 – 1,332	1,464 – 1,528
Daily natural gas equivalent midpoint – mmcf	3,550	4,100
Year over year (YOY) estimated production increase excluding asset sales	12%	20%
YOY estimated production increase	9%	15%
NYMEX Price ^(a) (for calculation of realized hedging effects only):		
Natural gas - \$/mcf	\$3.40	\$5.00
Oil - \$/bbl	\$100.03	\$100.00
Estimated Realized Hedging Effects (based on assumed NYMEX prices above):		
Natural gas - \$/mcf	\$0.37	\$0.02
Liquids - \$/bbl	\$(2.99)	\$(0.76)
Estimated Gathering/Marketing/Transportation Differentials to NYMEX Prices:		
Natural gas - \$/mcf	\$0.90 – \$1.00	\$0.90 – \$1.00
Liquids - \$/bbl ^(b)	\$25.00 – \$30.00	\$20.00 – \$25.00
Operating Costs per Mcfe of Projected Production:		
Production expense	\$0.90 – 1.00	\$0.90 – 1.00
Production taxes (~ 5% of O&G revenues)	\$0.20 – 0.25	\$0.30 – 0.35
General and administrative ^(c)	\$0.39 – 0.44	\$0.39 – 0.44
Stock-based compensation (noncash)	\$0.04 – 0.06	\$0.04 – 0.06
DD&A of natural gas and liquids assets	\$1.40 – 1.60	\$1.50 – 1.70
Depreciation of other assets	\$0.25 – 0.30	\$0.30 – 0.35
Interest expense ^(d)	\$0.05 – 0.10	\$0.05 – 0.10
Other (\$ millions):		
Marketing, gathering and compression net margin ^(e)	\$100 – 110	\$125 – 135
Oilfield services net margin ^(e)	\$200 – 250	\$300 – 400
Other income (including equity investments)	\$125 – 175	\$125 – 175
Net income attributable to noncontrolling interest ^(f)	(\$180) – (200)	(\$200) – (240)
Book Tax Rate	39%	39%
Weighted average shares outstanding (in millions):		
Basic	640 – 645	645 – 650
Diluted	753 – 758	758 – 763

	<u>Year Ending 12/31/12</u>	<u>Year Ending 12/31/13</u>
	(\$ millions)	
Operating cash flow before changes in assets and liabilities ^{(g)(h)}	\$4,500 – 5,200	\$7,500 – 8,500
Well costs on proved properties	(\$6,000 – 6,500)	(\$6,500 – 7,500)
Well costs on unproved properties	(\$1,000)	(\$1,000)
Acquisition of unproved properties, net	(\$1,400)	(\$1,000 – 1,250)
Sale of proved and unproved properties	<u>\$8,000 – 10,000</u>	<u>\$3,000 – 4,000</u>
Subtotal of net investment in proved and unproved properties	<u>(\$400) – 1,100</u>	<u>(\$5,500 – 5,750)</u>
Investment in oilfield services, midstream and other	(\$2,500 – 3,500)	(\$2,000 – 2,500)
Monetization of oilfield services, midstream and other assets	<u>\$2,000</u>	<u>\$1,000 – 1,500</u>
Subtotal of net investment in oilfield services, midstream and other	<u>(\$500 – 1,500)</u>	<u>(\$1,000)</u>
Interest and dividends	(\$1,000 – 1,250)	(\$1,000 – 1,250)
Total budgeted cash flow surplus (deficit)	<u><u>\$2,600 – 3,550</u></u>	<u><u>\$0 – 500</u></u>

- (a) NYMEX natural gas prices have been updated for actual contract prices through February 2012 and NYMEX oil prices have been updated for actual contract prices through January 2012.
- (b) Differentials include effects of natural gas liquids.
- (c) Excludes expenses associated with noncash stock-based compensation.
- (d) Does not include gains or losses on interest rate derivatives.
- (e) Includes revenue and operating costs and excludes depreciation and amortization of other assets.
- (f) Net income attributable to noncontrolling interests of Chesapeake Granite Wash Trust, CHK Utica Preferred Interest and potential Cleveland/Tonkawa Preferred Interest.
- (g) A non-GAAP financial measure. We are unable to provide a reconciliation to projected cash provided by operating activities, the most comparable GAAP measure, because of uncertainties associated with projecting future changes in assets and liabilities.
- (h) Assumes NYMEX prices on open contracts of \$3.00 to \$4.00 per mcf and \$100.00 per bbl in 2012 and \$4.50 to \$5.50 per mcf and \$100.00 per bbl in 2013.

Commodity Hedging Activities

Chesapeake enters into natural gas and oil derivative transactions in order to mitigate a portion of its exposure to adverse market changes in natural gas and oil prices. Please see the quarterly reports on Form 10-Q and annual reports on Form 10-K filed by Chesapeake with the Securities and Exchange Commission for detailed information about derivative instruments the company uses, its quarter-end natural gas and oil derivative positions and the accounting for commodity derivatives.

At February 21, 2012, the company does not have any open natural gas swaps in place. The company currently has \$176 million of net hedging gains related to closed natural gas contracts and premiums for call options for future production periods.

	Open Swaps (bcf)	Avg. NYMEX Price of Open Swaps	Forecasted Natural Gas Production (bcf)	Open Swap Positions as a % of Forecasted Natural Gas Production	Total Gains (Losses) from Closed Trades and Premiums for Call Options (\$ in millions)	Total Gains from Closed Trades and Premiums for Call Options per mcf of Forecasted Natural Gas Production
Q1 2012					158	
Q2 2012					195	
Q3 2012					32	
Q4 2012					15	
Total 2012	0	\$ 0.00	970	0%	\$ 400	\$ 0.41
Total 2013	0	\$ 0.00	1,040	0%	\$ 21	\$ 0.02
Total 2014	0				\$ (32)	
Total 2015	0				\$ (103)	
Total 2016 – 2022	0				\$ (110)	

The company currently has the following natural gas written call options in place for 2012 through 2020:

	Call Options (bcf)	Avg. NYMEX Strike Price	Forecasted Natural Gas Production (bcf)	Call Options as a % of Forecasted Natural Gas Production
Q1 2012	40	6.54		
Q2 2012	40	6.54		
Q3 2012	40	6.54		
Q4 2012	41	6.54		
Total 2012	161	\$ 6.54	970	17%
Total 2013	415	\$ 6.44	1,040	40%
Total 2014	330	\$ 6.43		
Total 2015	116	\$ 6.45		
Total 2016 – 2020	349	\$ 8.18		

The company has the following natural gas basis protection swaps in place for 2012 through 2022:

	Volume (Bcf)	Avg. NYMEX less
2012	51	\$ 0.78
2013	44	\$ 0.21
2014 - 2022	67	\$ 0.42
Totals	162	\$ 0.47

At February 21, 2012, the company has the following open crude oil swaps in place for 2012 and through 2015. In addition, the company has \$105 million of net hedging gains related to closed crude oil contracts and premiums for call options for future production periods.

	Open Swaps (mmbbls)	Avg. NYMEX Price of Open Swaps	Forecasted Liquids Production (mmbbls)	Open Swap Positions as a % of Forecasted Liquids Production	Total Gains (Losses) from Closed Trades and Premiums for Call Options (\$millions)	Total Gains (Losses) from Closed Trades and Premiums for Call Options per bbl of Forecasted Liquids Production
Q1 2012	5,829	101.70			(26)	
Q2 2012	6,871	102.27			(51)	
Q3 2012	5,835	103.16			(65)	
Q4 2012	5,383	102.85			(74)	
Total 2012 ^(a)	23,918	\$ 102.48	55,000	43%	\$ (216)	\$ (3.93)
Total 2013	4,024	\$ 102.59	76,000	5%	\$ 26	\$ 0.35
Total 2014	713	\$ 88.27			\$ (104)	
Total 2015	500	\$ 88.75			\$ 267	
Total 2016 – 2021					\$ 132	

- (a) Certain hedging contracts include knockout swaps with provisions limiting the counterparty's exposure below prices of \$60.00 covering 732 mmbbls in 2012.

The company currently has the following crude oil written call options in place for 2011 through 2017:

	Call Options (mmbbls)	Avg. NYMEX Strike Price	Forecasted Liquids Production (mmbbls)	Call Options as a % of Forecasted Liquids Production
Q1 2012	1,224	100.00		
Q2 2012	-	-		
Q3 2012	1,840	106.38		
Q4 2012	2,300	106.45		
Total 2012	5,364	\$ 104.95	55,000	10%
Total 2013	24,953	\$ 96.88	76,000	33%
Total 2014	23,620	\$ 98.62		
Total 2015	27,048	\$ 100.99		
Total 2016 – 2017	24,220	\$ 100.07		