

CHESAPEAKE ENERGY CORPORATION

Director Independence

Section 303A of the NYSE Listed Company Manual requires companies listed on the New York Stock Exchange (the “NYSE”) to have independent members on the boards of directors of such companies. Specifically, Section 303A.02(a) of the NYSE Listed Company Manual and Chesapeake’s corporate governance principles adopted by the Committee require the Nominating and Corporate Governance Committee (or the full Board of Directors, in lieu of the Committee) to make an annual affirmative determination regarding the independence of each of the Corporation’s directors.

NYSE Independence Standards

In accordance with the NYSE Director Independence Standards, a director must meet each of the following standards in order to be considered an “independent” director of Chesapeake Energy Corporation:

1. The director has no material relationship with the Company.
2. A director who is an employee, or whose immediate family member is an executive officer, of the Company will not be deemed independent until three years after the end of such employment relationship. An “immediate family member” includes a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home.
3. A director who receives, or whose immediate family member receives, more than \$120,000 per year in direct compensation from the Company, other than director and committee fees, pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service) and compensation paid to a non-executive officer employee, will not be deemed independent until three years after he or she ceases to receive more than \$120,000 per year in such compensation.
4. A director who is a partner or employee of the internal or external auditor of the Company, or whose immediate family member is a partner or an employee of such firm who personally works on the Company’s audit, will not be deemed independent. A director who previously was, or whose immediate family member was, a partner or employee of the internal or external auditor of the Company and personally worked on the Company’s audit will not be deemed independent until three years after the end of the affiliation of employment or the auditing relationship.
5. A director who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the Company’s present executive officers serve on that company’s compensation committee will not be deemed

independent until three years after the end of such service or the employment relationship.

6. A director who is an executive officer or an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues, will not be deemed independent until three years after falling below such threshold.
7. A director who serves as an executive officer of a charitable organization whose organization, within the preceding three years, received contributions from the Company that in any single fiscal year exceeded the greater of \$1 million, or 2% of such organization's consolidated gross revenues will not be deemed independent unless the Company discloses such contributions in the annual proxy statement. Charitable organizations shall not be considered "companies" for purposes of items 2 through 6 above.