

INVESTING IN OUR WORLD AND OUR PEOPLE »

As we explore for and produce clean, affordable, abundant, American natural gas, we provide an important solution to our nation's energy challenges and its quest for energy independence. With at least a 200-year supply of natural gas located right here in the U.S., this versatile fuel can be used to not only heat homes, create electricity and meet America's transportation needs, but also to fuel the country's future by creating jobs and stimulating local and national economies through investment and taxes.

Environmentally Friendly Operations

At Chesapeake, we realize that the way a great product is produced is as important as the product itself. For example, we have helped pioneer the use of multiwell padsites to drill up to 16 wells from a single location, greatly reducing our land and road use and overall environmental footprint. We use the latest horizontal and directional drilling technology to place wells at a safe distance from homes, schools and businesses. In addition, we build and maintain access roads and work to eliminate soil erosion near our sites, as well as restore local vegetation.

We implement advanced, modern protective measures known as Best Management Practices (BMPs) to help ensure energy development is conducted in an environmentally responsible manner. Procedures are implemented throughout our operations to protect freshwater aquifers and reduce environmental impacts. BMPs protect wildlife, air quality, water and landscapes as we work to develop vitally needed domestic energy sources.

Implemented throughout the entire life cycle of a well, BMPs can be as simple as strategically placing a berm, or land barrier, on locations to control surface water runoff. Others involve cutting-edge operational technologies such as utilizing the most advanced techniques offered in drilling fluids, well casing and cement design. Regardless of complexity, all BMPs are based on the idea that the environmental footprint of

energy development should be as small and temporary as possible. These practices are continually evolving and further improving as Chesapeake and the industry develop new innovative techniques and approaches to business.

In addition to our BMPs, Chesapeake has also initiated several innovative internal programs focused on water recycling and greener hydraulic fracturing processes.

Aqua Renew®

Created to meet the challenge of reducing our water usage, Chesapeake's Aqua Renew® program uses state-of-the-art technology to recycle produced water. Since the company's preliminary reclamation project in



Aqua Renew®
CHESAPEAKE ENERGY'S WATER RECYCLING INITIATIVE

2006, our focus on water reuse and conservation has become a company-wide endeavor, stretching from the Barnett Shale of North Texas to the Marcellus Shale of northern Pennsylvania.

The Aqua Renew program has yet to find a limit to how much recycled water could be used without compromising well production. In fact, our Marcellus Shale operations are treating and recycling virtually 100% of produced water (more than 10 million gallons per month) for reuse in our hydraulic fracturing operations. Properly conducted modern fracking is a highly engineered, controlled, sophisticated and safe procedure.

With such large volumes of recycled water, the company is seeing more than just environmental advantages. We estimate that this

Green operations — Chesapeake's Best Management Practices ensure our operations are as environmentally friendly as possible, while protecting our employees, neighbors and the areas where we operate.

