

CHESAPEAKE ENERGY CORP

Form 424B3

November 16, 2006

Filed pursuant to Rule 424 (b) (3)

Registration No. 333-132262

5,750,000 Shares

of

Chesapeake Energy Corporation

5.00% Cumulative Convertible Preferred Stock (Series 2005B)

(Liquidation Preference \$100 per share)

and

Common Stock

(Par Value \$.01 per share)

PROSPECTUS SUPPLEMENT NO. 3

DATED November 16, 2006

TO PROSPECTUS DATED March 7, 2006

The selling securityholders table on pages 43 through 45 of the prospectus is amended by this supplement no 3 to read as follows.

| NAME | Number of Shares of Preferred Stock Beneficially Owned Prior to the Offering | Number of Shares of Preferred |
|--|--|-------------------------------|
| Akanthos Arbitrage Master Fund, LP | 500,000 | 500,000 |
| Aloha Airlines Non-Pilots Pension Trust | 100 | 100 |
| Argent Classic Convertible Arbitrage Fund II, L.P. | 6,700 | 6,700 |
| Argent Classic Convertible Arbitrage Fund L.P. | 15,270 | 15,270 |
| Argent LowLev Convertible Arbitrage Fund II, LLC | 3,200 | 3,200 |
| Argent LowLev Convertible Arbitrage Fund LLC | 21,370 | 21,370 |
| Aristeia International Limited | 75,250 | 75,250 |
| Aristeia Partners LP | 12,250 | 12,250 |
| Arkansas PERS | 9,575 | 9,575 |
| AstraZeneca Holdings Pension | 1,210 | 1,210 |
| Bank of America Pension Plan | 75,000 | 75,000 |
| Boilermakers Blacksmith Pension Trust | 3,525 | 3,525 |
| BP Amoco PLC Master Trust | 24,916 | 24,916 |
| CALAMOS Market Neutral Income Fund | 29,000 | 29,000 |
| CALAMOS Investment Trust | | |
| Canyon Value Realization Fund, L.P. | 39,375 | 39,375 |
| Canyon Value Realization MAC 18, Ltd. (RMF) | 5,250 | 5,250 |
| Chrysler Corporation Master Retirement Trust | 111,400 | 111,400 |

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Chesapeake Energy Corporation

5.00% Cumulative Convertible Preferred Stock (Series 2005B)

Supplement No. 3 (165 167 834)

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| | | | | | | |
|---|---------|---------|---|-----------|-----------|-----------|
| Class C Trading Company, Ltd. | 31,553 | 31,553 | 0 | 80,760 | 80,760 | 0 |
| D.E. Shaw Valence Portfolios, L.L.C. | 155,000 | 155,000 | 0 | 396,723 | 396,723 | 0 |
| DBAG London | 131,703 | 131,703 | 0 | 589,365 | 337,094 | 252,272 |
| DeepRock & Co. | 30,000 | 30,000 | 0 | 76,785 | 76,785 | 0 |
| Delaware PERS | 5,570 | 5,570 | 0 | 14,256 | 14,256 | 0 |
| Delaware Public Employees Retirement System | 32,000 | 32,000 | 0 | 113,261 | 81,904 | 31,357 |
| Delta Air Lines Master Trust CV | 21,600 | 21,600 | 0 | 65,246 | 55,285 | 9,961 |
| Delta Airlines Master Trust | 775 | 775 | 0 | 1,984 | 1,984 | 0 |
| Delta Pilots Disability & Survivorship Trust - CV | 11,800 | 11,800 | 0 | 35,862 | 30,202 | 5,660 |
| Deutsche Bank Securities, Inc. | 242,500 | 242,500 | 0 | 3,945,875 | 620,679 | 3,325,196 |
| Equity Overlay Fund, LLC | 17,500 | 17,500 | 0 | 44,791 | 44,791 | 0 |
| F. M. Kirby Foundation, Inc. | 17,900 | 17,900 | 0 | 51,475 | 45,815 | 5,660 |
| Fidelity Financial Trust: | 149,600 | 149,600 | 0 | 1,197,932 | 382,901 | 815,031 |
| Fidelity Convertible Securities Fund | | | | | | |
| FIST Convertible Securities Fund | 170,000 | 170,000 | 0 | 435,115 | 435,115 | 0 |
| Forest Fulcrum Fund LP | 8,090 | 8,090 | 0 | 20,706 | 20,706 | 0 |
| Forest Global Convertible Fund, Ltd., Class A-5 | 10,431 | 10,431 | 0 | 26,698 | 26,698 | 0 |
| Forest Multi-Strategy Master Fund SPC, on behalf of its Multi-Strategy Segregated Portfolio | 10,682 | 10,682 | 0 | 27,341 | 27,341 | 0 |
| FPL Group Employees Pension Plan | 1,625 | 1,625 | 0 | 4,159 | 4,159 | 0 |
| Franklin Income Fund | 900,000 | 900,000 | 0 | 2,303,550 | 2,303,550 | 0 |
| FTIF Franklin Income Fund | 50,000 | 50,000 | 0 | 127,975 | 127,975 | 0 |
| FTVIP Income Securities Fund | 100,000 | 100,000 | 0 | 255,950 | 255,950 | 0 |
| GLG Market Neutral Fund | 150,000 | 150,000 | 0 | 383,925 | 383,925 | 0 |
| Goldman, Sachs & Co. | 50,175 | 50,175 | 0 | 2,139,631 | 128,423 | 2,011,209 |
| Grace Convertible Arbitrage Fund, Ltd. | 30,000 | 30,000 | 0 | 127,975 | 76,785 | 51,190 |
| Hallmark Convertible Securities Fund | 350 | 350 | 0 | 896 | 896 | 0 |
| HFR CA Global Opportunity Master Trust | 11,999 | 11,999 | 0 | 30,711 | 30,711 | 0 |
| HFR RVA Select Performance Master Trust | 3,660 | 3,660 | 0 | 9,368 | 9,368 | 0 |
| Hotel Union & Hotel Industry of Hawaii | 3,597 | 3,597 | 0 | 9,207 | 9,207 | 0 |
| Pension Plan Master Trust | | | | | | |
| ICI American Holdings Trust | 2,115 | 2,115 | 0 | 5,413 | 5,413 | 0 |
| Inflective Convertible Opportunity Fund I, LP | 21,000 | 21,000 | 0 | 53,750 | 53,750 | 0 |
| Inflective Convertible Opportunity Fund Ltd. | 65,000 | 65,000 | 0 | 166,368 | 166,368 | 0 |
| Institutional Benchmarks Master Fund Ltd. | 14,310 | 14,310 | 0 | 36,626 | 36,626 | 0 |
| Institutional Benchmarks Series - IVAN Segregated Acct | 10,000 | 10,000 | 0 | 25,595 | 25,595 | 0 |
| Institutional Benchmarks Series Limited | 1,750 | 1,750 | 0 | 11,271 | 4,479 | 6,792 |
| in Respect of Centaur Series | | | | | | |
| International Truck & Engine Corporation | 9,300 | 9,300 | 0 | 28,331 | 23,803 | 4,528 |
| Non-Contributory Retirement Plan Trust | | | | | | |
| International Truck & Engine Corporation | 5,700 | 5,700 | 0 | 16,853 | 14,589 | 2,264 |
| Retiree Health Benefit Trust | | | | | | |
| International Truck & Engine Corporation | 5,400 | 5,400 | 0 | 15,632 | 13,821 | 1,811 |
| Retirement Plan for Salaried Employees Trust | | | | | | |
| JMG Capital Partners, LP | 200,000 | 200,000 | 0 | 1,062,195 | 511,900 | 550,295 |
| John Deere Pension Trust | 27,500 | 27,500 | 0 | 70,386 | 70,386 | 0 |
| JP Morgan Securities Inc. | 1,500 | 1,500 | 0 | 3,839 | 3,839 | 0 |
| LLT Limited | 9,757 | 9,757 | 0 | 24,973 | 24,973 | 0 |
| Lyxor I Forest Fund Limited | 22,398 | 22,398 | 0 | 57,328 | 57,328 | 0 |
| Lyxor/Inflective Convertible Opportunity Fund, Ltd. | 20,000 | 20,000 | 0 | 51,190 | 51,190 | 0 |
| McMahan Securities Co., L.P. | 5,000 | 5,000 | 0 | 66,112 | 12,798 | 53,315 |
| Microsoft Capital Group, L.P. | 18,000 | 18,000 | 0 | 46,071 | 46,071 | 0 |
| Morgan Stanley Capital Services, Inc. | 60,000 | 60,000 | 0 | 5,503,041 | 153,570 | 5,349,471 |
| Morgan Stanely Convertible Securities Trust | 19,000 | 19,000 | 0 | 48,631 | 48,631 | 0 |
| MSS Convertible Arbitrage I | 1,310 | 1,310 | 0 | 4,863 | 3,353 | 1,510 |
| Nuveen Preferred & Convertible Fund JQC | 48,335 | 48,335 | 0 | 123,713 | 123,713 | 0 |
| Nuveen Preferred & Convertible Income Fund JPC | 35,460 | 35,460 | 0 | 90,760 | 90,760 | 0 |
| OCLC Online Computer Library Center | 200 | 200 | 0 | 512 | 512 | 0 |
| OCM Convertible Trust | 39,500 | 39,500 | 0 | 114,231 | 101,100 | 13,131 |
| OCM Global Convertible Securities Fund | 6,200 | 6,200 | 0 | 18,133 | 15,869 | 2,264 |

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Chesapeake Energy Corporation

5.00% Cumulative Convertible Preferred Stock (Series 2005B)

Supplement No. 3 (165 167 834)

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| | | | | | | |
|---|---------|---------|---|---------|---------|---------|
| Partner Reinsurance Company of the U.S. | 18,500 | 18,500 | 0 | 65,236 | 47,351 | 17,885 |
| Partners Group Alternative Strategies PCC LTD | 24,450 | 24,450 | 0 | 62,580 | 62,580 | 0 |
| Peoples Benefit Life Insurance Company Teamsters | 145,000 | 145,000 | 0 | 567,595 | 371,128 | 196,468 |
| Prudential Insurance Co of America | 550 | 550 | 0 | 1,408 | 1,408 | 0 |
| Qwest Occupational Health Trust | 9,600 | 9,600 | 0 | 27,514 | 24,571 | 2,943 |
| Qwest Pension Trust | 22,900 | 22,900 | 0 | 69,479 | 58,613 | 10,867 |
| RBC Capital Market | 5,000 | 5,000 | 0 | 12,798 | 12,798 | 0 |
| Retail Clerks Pension Trust #1 | 35,000 | 35,000 | 0 | 89,583 | 89,583 | 0 |
| Retail Clerks Pension Trust #2 | 17,500 | 17,500 | 0 | 44,791 | 44,791 | 0 |
| Silver Convertible Arbitrage Fund, LDC | 13,920 | 13,920 | 0 | 35,628 | 35,628 | 0 |
| Sphinx Convertible Arb Fund SPC, | 9,160 | 9,160 | 0 | 23,445 | 23,445 | 0 |
| c/o SSI Investment Mgmt. | | | | | | |
| Sphinx Convertible Arbitrage SPC | 8,673 | 8,673 | 0 | 22,199 | 22,199 | 0 |
| Sphinx Fund | 4,770 | 4,770 | 0 | 40,952 | 12,209 | 28,743 |
| State of Oregon/Equity | 27,465 | 27,465 | 0 | 70,297 | 70,297 | 0 |
| Sunrise Partners Limited Partnership | 15,000 | 15,000 | 0 | 39,393 | 38,393 | 1,000 |
| Syngenta AG | 1,025 | 1,025 | 0 | 2,623 | 2,623 | 0 |
| TCW Group, Inc. | 23,150 | 23,150 | 0 | 59,252 | 59,252 | 0 |
| The City of Southfield Fire & Police Retirement System | 888 | 888 | 0 | 2,273 | 2,273 | 0 |
| The Estate of James Campbell CH | 2,429 | 2,429 | 0 | 6,217 | 6,217 | 0 |
| The Estate of James Campbell EST2 | 13,554 | 13,554 | 0 | 34,691 | 34,691 | 0 |
| The Northwestern Mutual Life Insurance Company-Group Annuity Separate Account | 5,000 | 5,000 | 0 | 508,592 | 12,798 | 495,794 |
| The St. Paul Travelers Companies, Inc. | 33,600 | 33,600 | 0 | 102,752 | 85,999 | 16,753 |
| Commercial Lines | | | | | | |
| TQA Master Fund | 35,440 | 35,440 | 0 | 269,490 | 90,709 | 178,782 |
| TQA Master Plus Fund | 18,900 | 18,900 | 0 | 121,679 | 48,375 | 73,304 |
| UBS Securities LLC | 21,760 | 21,760 | 0 | 567,488 | 55,695 | 511,793 |
| Union Pacific Corp Master Retirement Trust | 25,000 | 25,000 | 0 | 63,988 | 63,988 | 0 |
| United Technologies Corporation Master Retirement Trust | 9,231 | 9,231 | 0 | 23,627 | 23,627 | 0 |
| UnumProvident Corporation | 12,000 | 12,000 | 0 | 36,147 | 30,714 | 5,433 |
| Van Kampen Harbor Fund | 36,000 | 36,000 | 0 | 92,142 | 92,142 | 0 |
| Vanguard Convertible Securities Fund, Inc. | 147,400 | 147,400 | 0 | 467,826 | 377,270 | 90,556 |
| Viacom Inc. Pension Plan Master Trust | 1,225 | 1,225 | 0 | 3,135 | 3,135 | 0 |
| Virginia Retirement System | 69,700 | 69,700 | 0 | 203,300 | 178,397 | 24,903 |
| Wachovia Capital Markets LLC | 200,000 | 200,000 | 0 | 511,900 | 511,900 | 0 |
| Wachovia Securities International Ltd | 160,000 | 160,000 | 0 | 409,520 | 409,520 | 0 |
| Waterstone Market Neutral MAC51, Ltd. | 20,600 | 20,600 | 0 | 93,294 | 52,726 | 40,568 |
| Waterstone Market Neutral Master Fund, Ltd. | 109,400 | 109,400 | 0 | 495,392 | 280,009 | 215,383 |
| Yield Strategies Fund I, L.P. | 60,000 | 60,000 | 0 | 153,570 | 153,570 | 0 |
| Zurich Institutional Benchmark Master Fund | 10,480 | 10,480 | 0 | 70,412 | 26,824 | 43,588 |

* Includes common stock issuable upon conversion of Chesapeake's 5.00% Cumulative Convertible Preferred Stock (Series 2005B) at a conversion rate of 2.5595 shares of common stock per share of preferred stock.

(1) The number of shares of Common Stock indicated to be beneficially owned after completion of the offering includes shares issuable within 60 days of the date hereof upon conversion of convertible securities.

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Chesapeake Energy Corporation

5.00% Cumulative Convertible Preferred Stock (Series 2005B)

