SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

PIONEER DRILLING COMPANY

(Name of Issuer)

Common Stock, par value $.10

(Title of Class of Securities)

723655106
(CUSIP Number)

Shannon Self, Esquire
Commercial Law Group, P.C.
2725 Oklahoma Tower
210 Park Avenue
Oklahoma City, Oklahoma 73102
(405) 232-3001

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 31, 2003

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box. [ ]

Note: Six (6) copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP NO. 723655106

(1)	Name of Reporting Person	Chesapeake Energy Corporation
	I.R.S. Identification No. of Above Person	73-1395733
(2)	Check the Appropriate Box if a Member of a Group (See Instructions)	(a) [ ] (b) [x]
(3)	SEC Use Only	
(4)	Source of Funds (See Instructions)	WC
(5)	Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)	[ ]
(6)	Citizenship or Place of Organization	Oklahoma

Number of Shares	(7)	Sole Voting Power	5,333,333
Beneficially Owned	(8)	Shared Voting Power	-

By Each Reporting	(9)	Sole Dispositive Power	5,333,333
Person With:	(10)	Shared Dispositive Power	-

(11)	Aggregate Amount Beneficially Owned by Each Reporting Person	5,333,333
(12)	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	[ ]
(13)	Percent of Class Represented by Amount in Row (11)	24.58%
(14)	Type of Reporting Person (See Instructions)	CO

Item 1. Security and Issuer.

The common stock, par value $.10 (the "Common Stock"), of Pioneer Drilling Company, a Texas corporation ("Pioneer"). Pioneer's principal executive offices are located at 9310 Broadway, Building 1, San Antonio, Texas 78217.

Item 2. Identity and Background.

Chesapeake Energy Corporation, an Oklahoma corporation ("Chesapeake Energy"), is located at 6100 North Western Avenue, Oklahoma City, Oklahoma 73118, and is primarily engaged in the ownership, development and operation of oil and gas assets in the United States. The executive officers and directors of Chesapeake Energy are set forth below.

Aubrey K. McClendon
Chairman of the Board and Chief Executive Officer
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Tom L. Ward
Director, Chief Operating Officer and President
6200 North Western Avenue
Oklahoma City, Oklahoma 73118

Marcus C. Rowland
Chief Financial Officer and Executive Vice President
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Martha A. Burger
Treasurer and Senior Vice President
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Michael A. Johnson
Senior Vice President
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Edgar F. Heizer, Jr.
Director
c/o Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Breene M. Kerr
Director
c/o Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Shannon Self
Director
c/o Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Frederick B. Whittemore
Director
c/o Chesapeake Energy Corporation
6100 North Western
Oklahoma City, Oklahoma 73118

Charles T. Maxwell
Director
c/o Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118

Chesapeake Energy and each of the listed individuals have not, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and have not been or become subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. Each individual is a United States citizen.

Item 3. Source and Amount of Funds or Other Consideration.

On March 31, 2003, Chesapeake Energy acquired 5,333,333 shares (the "Acquired Shares") of Common Stock at a cost of $20 million pursuant to the Common Stock Purchase Agreement dated March 31, 2003, between Chesapeake Energy and Pioneer which is filed herewith as Exhibit 99.1 (the "Stock Purchase Agreement"). The purchase price for the Acquired Shares was funded by Chesapeake Energy from working capital and general corporate funds, one of the sources of which is the revolving bank facility maintained by Chesapeake Energy and its subsidiary entities in the ordinary course of business.

Item 4. Purpose of Transaction.

The Acquired Shares were acquired by Chesapeake Energy as an investment. Chesapeake Energy may in the future: (1) purchase additional Common Stock, debt securities or other equity securities of Pioneer; (2) sell all or part of the Acquired Shares; (3) communicate with the management, the directors or shareholders of Pioneer regarding Pioneer's business plans and operations; or (4) enter into additional transactions in connection with Pioneer or Pioneer's assets.

In connection with the Stock Purchase Agreement, Chesapeake Energy was granted the preemptive right to acquire equity securities to be issued by Pioneer in the future and the right to require the registration of the Acquired Shares under the Securities Act of 1933. Except as set forth above, Chesapeake Energy has no present plans or intentions relating to the transactions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) Chesapeake Energy acquired 5,333,333 shares of Common Stock on March 31, 2003. Based on the 16,367,459 shares of Common Stock reflected as issued and outstanding in Pioneer's Form 10Q filed on February 10, 2003, the Acquired Shares represent 24.58% of the outstanding Common Stock after giving effect to the acquisition made pursuant to the Stock Purchase Agreement.

(b) Chesapeake Energy has the sole power to vote or dispose of the Acquired Shares.

(c) Chesapeake Energy acquired the Acquired Shares from Pioneer on March 31, 2003, in accordance with the terms of the Stock Purchase Agreement.

(d) Inapplicable

(e) Inapplicable

Item 6. Contracts, Agreements, Underwritings or Relationships With Respect to Securities of the Issuer.

Under the Stock Purchase Agreement, Chesapeake Energy has the preemptive right to participate in future equity issuances by Pioneer and has the right to attend and observe all board meetings and board committee meetings of Pioneer and Pioneer's subsidiaries. Under the Stock Purchase Agreement Chesapeake Energy agreed to offer to Pioneer under a right of first refusal any Acquired Shares to be sold other than into the public trading market. Under a registration rights agreement (the "Registration Rights Agreement") among Pioneer, WEDGE Energy Services, L.L.C., a Delaware limited liability company ("WEDGE"), William H. White, an individual affiliated with WEDGE, and Chesapeake Energy dated March 31, 2003, Chesapeake Energy can request the registration of the Acquired Stock under certain circumstances.

Item 7. Materials to be filed as Exhibits.

1. Common Stock Purchase Agreement dated March 31, 2003, between Pioneer Drilling Company and Chesapeake Energy Corporation is filed herewith as Exhibit 99.1.

2. Registration Rights Agreement dated March 31, 2003, among Pioneer Drilling Company, WEDGE Energy Services, L.L.C., William H. White, an individual, and Chesapeake Energy Corporation is filed herewith as Exhibit 99.2.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

DATED: March 31, 2003

Chesapeake Energy Corporation
an Oklahoma corporation

By /s/ Aubrey K. McClendon

Aubrey K. McClendon
Chairman of the Board and
Chief Executive Officer

COMMON STOCK PURCHASE AGREEMENT

between

PIONEER DRILLING COMPANY,

as Seller

and

CHESAPEAKE ENERGY CORPORATION

as Purchaser

dated as of

March 31, 2003

Exhibit 99.1

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SCHEDULES

Exhibit 99.1

COMMON STOCK PURCHASE AGREEMENT

THIS COMMON STOCK PURCHASE AGREEMENT, dated effective as of March 31, 2003 ("Agreement", between Chesapeake Energy Corporation, an Oklahoma corporation (the "Purchaser"), and Pioneer Drilling Company, a Texas corporation (the "Company").

W I T N E S S E T H:

WHEREAS, subject to the terms and conditions of this Agreement, the Company desires to obtain additional equity funding, and the Purchaser desires to make an investment in the Company;

NOW, THEREFORE, in consideration of the premises and of the representations, warranties and covenants herein contained, the parties hereby agree as follows:

1. PURCHASE AND SALE.

1.1 CONSIDERATION. The Company hereby agrees to issue and sell to the Purchaser 5,333,333 shares of the common stock (the "Shares"), par value $0.10 per share, of the Company ("Common Stock"), and the Purchaser hereby agrees to purchase the Shares for an aggregate purchase price of $20,000,000 in cash (the "Purchase Price"), payable by wire transfer of immediately available funds at the closing hereunder being effected concurrently with the execution and delivery of this Agreement by the parties hereto (the "Closing").

1.2 AUTHORIZATION. The Company agrees that the Shares to be issued and sold to the Purchaser shall be duly authorized and issued, and shall be fully paid, nonassessable and shall not be subject to any fees, encumbrances, pledges or "adverse claims" (as Section 8.102(a)(1) of the Uniform Commercial Code of the State of Texas defines that term), and upon delivery to the Purchaser will vest full, valid and legal title to the Shares in the Purchaser.

1.3 PREEMPTIVE RIGHTS. The Company hereby grants to the Purchaser the preemptive right to acquire a percentage of any additional capital stock of any class or series, or debt convertible into capital stock (collectively, "Preemptive Right Securities"), the Company may issue equal to the percentage of the outstanding Common Stock held by the Purchaser immediately preceding any such issuance (assuming the conversion of all outstanding convertible preferred stock or debt) (the "Purchaser' Pro Rata Amount"). This preemptive right shall terminate in the event the Purchaser holds less than 10% of the outstanding Common Stock of the Company. This preemptive right shall also terminate on the fourth anniversary of the approval for listing of the Common Stock on the American Stock Exchange (the "AMEX"); provided, however, in the event the Common Stock at any time hereafter shall not be listed on the AMEX or on another nationally recognized securities exchange or, in lieu thereof, included in the Nasdaq Stock Market, the preemptive rights shall be reinstated, subject to any other independent basis for termination (including as provided in the immediately preceding sentence). This preemptive right shall not apply to the issuance of capital stock issued pursuant to warrants, options or other rights to acquire capital stock currently outstanding or that may hereafter be granted by the Company to any employee, consultant or director under any existing or future option plan or other incentive plan of the Company or under any option, warrant or other rights to acquire capital stock that is or has been approved by the shareholders of the Company.

(a) ISSUANCES FOR CASH. Subject to the other provisions of this Section 1.3, upon the issuance by the Company of Preemptive Right Securities in exchange for cash, the Purchaser shall have the right to purchase the Purchaser's Pro Rata Amount of the Preemptive Right Securities for the same cash purchase price and on the same terms as the other purchasers of such Preemptive Right Securities, except in the case of an underwritten public offering of securities registered under the Securities Act of 1933, as amended (the "Securities Act"), in which case the Purchaser's purchase price shall be the cash purchase price at which the Preemptive Right Securities are offered to the public. Upon receipt of written notice from the Company of the Company' intent to issue Preemptive Right Securities for cash, the Purchaser shall provide written notice to the Company of its intent to exercise or not to exercise its preemptive rights within 10 days of the Purchaser' receipt of such notice from the Company. Failure of the Purchaser to provide notice within such 10 days shall be deemed to be a waiver of such preemptive rights. Any issuance of Preemptive Right Securities for cash not completed within 60 days of the date

notice is provided by the Company to the Purchaser as provided in the preceding sentence hereof shall be deemed to be a new issuance of Preemptive Right Securities to which this subparagraph applies.

(b) ISSUANCES FOR OTHER THAN CASH. Subject to the other provisions of this Section 1.3, upon the issuance by the Company of Preemptive Right Securities in exchange for any consideration other than cash, the Purchaser shall have the right to purchase the Purchaser' Pro Rata Amount of the Preemptive Right Securities at a cash price per share equal to the value per share received by the Company as consideration for the issuance of the Preemptive Right Securities as determined by the Board of Directors of the Company in good faith; provided, however, that, if such Preemptive Right Securities are regularly traded, then the purchase price per share shall be no less than the average of the average daily trading price of actual trades of such Preemptive Right Securities for the 30 trading days preceding the date on which written notice of the Company's intent to issue Preemptive Right Securities is delivered to the Purchaser in accordance with the following sentence. Upon receipt of written notice from the Company of the Company's intent to issue Preemptive Right Securities for any consideration other than cash, the Purchaser shall provide written notice to the Company of its intent to exercise or not to exercise its preemptive rights within 10 days of the Purchaser's receipt of such notice from the Company. Failure of the Purchaser to provide notice within such 10 days shall be deemed to be a waiver of such preemptive rights. Any issuance of Preemptive Right Securities for any consideration other than cash not completed within 120 days of the date notice is provided by the Company to the Purchaser as provided in the preceding sentence hereof shall be deemed to be a new issuance of Preemptive Right Securities to which this subparagraph applies. Notwithstanding anything to the contrary contained in this Agreement, the Purchaser shall have no preemptive rights with respect to a merger, plan of exchange or other combination involving the Company that requires the approval of the shareholders of the Company and with respect to which such approval is obtained.

1.4 REGISTRATION RIGHTS AGREEMENT. Simultaneous with the execution of this Agreement, the Company and the Purchaser are entering into a Registration Rights Agreement in form and substance of Exhibit A attached hereto (the "Registration Rights Agreement").

1.5 OBSERVATION AND INFORMATION RIGHTS. So long as the Purchaser owns at least five percent (5%) of the capital stock of the Company and no Purchaser representative is serving as a member of the Company's board of directors, the Purchaser will have the right to designate one representative of the Purchaser to attend and observe all meetings of the board of directors of the Company, all meetings of committees of such board and all meetings of the board of directors of each of the subsidiaries of the Company. Subject to the confidentiality provisions and other restrictions set forth below, the Company will provide such designated observer with all notices, materials and information provided to any of the members of the boards of directors or committees at the same time as such notices, materials and information are provided to the directors including, without implied limitation, any written consent by the directors and any notices, material or information regarding such written consent. The Company will promptly pay or reimburse each such designated observer for all reasonable out-of-pocket expenses incurred in connection with attending board or committee meetings of the Company or any subsidiary. The parties agree that the designated observer will leave for that portion of any meeting where outside legal counsel is discussing any legal matter with the board of directors in a situation where the presence of the observer is, in the reasonable opinion of such counsel, potentially able to impair the successful assertion of the attorney client privilege with respect to the matter being so discussed. The Purchaser will, and will cause its designated observer to, (i) maintain the confidentiality of all material nonpublic information disclosed to either of them pursuant to the foregoing provisions and (ii) refrain from trading in shares of Common Stock or any other securities of the Company while in possession of any such material nonpublic information. The Company's obligations pursuant to this Section 1.5 shall be subject to the Company's receipt of a written acknowledgement of the Purchaser's designated observer which acknowledges his obligation as provided in the immediately preceding sentence.

1.6 COMPANY RIGHT OF FIRST OFFER. The Purchaser agrees that it will not sell, transfer or otherwise dispose of any Common Stock other than into the public trading market under Rule 144 or incident to any registration right granted by the Company to the Purchaser without first offering the stock the Purchaser desires to transfer (the "Disposition Stock") to the Company in writing (the "Disposition Notice") at the price and on the terms (the "Disposition Terms") under which the Purchaser desires to transfer the Disposition Stock. Upon receipt of any Disposition Notice, the Company shall have the assignable right to acquire the Disposition Stock from the Purchaser upon the Disposition Terms at any time within 45 days following the Company's receipt of the Disposition Notice (the "Company Disposition Period"), so long as the Company shall provide the Purchaser with an affirmative written acknowledgment of its intent to acquire the Disposition Stock within 10 days after the Company's receipt of the Disposition Notice. If the Company or its assignee does not take all action necessary to purchase the Disposition Stock upon the Disposition Terms within the Company Disposition Period, the Purchaser may complete a disposition of the Disposition Stock to any third party strictly upon the Disposition Terms and in a manner conforming to applicable securities laws during the 45 day period following the end of the Company Disposition Period, but not thereafter, unless the Purchaser submits a further Disposition Notice pursuant to the terms of this paragraph. The requirements of this paragraph shall not apply to the pledge or gift of Common Stock by the Purchaser or a disposition to an affiliate of the Purchaser or to a disposition approved by the Board of Directors of the Company; provided, however, that any affiliate transferee or donee of Common Stock shall first be required to agree in writing to be bound by the terms of this Section 1.6. The Purchaser agrees that certificates representing Common Stock subject to this Section 1.6 may be legended in order to provide notice of the Company's right of first refusal set forth in this Section 1.6 to third parties.

2. THE CLOSING.

2.1 CLOSING DATE. The Closing shall take place at the offices of the Company, 9310 Broadway, Building I, San Antonio, Texas, on March 31, 2003 (the "Closing Date"), concurrently with the execution and delivery of this Agreement.

2.2 PAYMENT AND DELIVERY. At the Closing, the Purchaser shall pay the Purchase Price by transferring immediately available funds by wire transfer to the Company. At the Closing, the Company will deliver to the Purchaser certificates representing the Shares. The certificates for Shares shall be subject to a legend restricting transfer under the Securities Act, and referring to restrictions on transfer herein, such legend to be substantially as follows:

> THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AS TO THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION THAT SUCH REGISTRATION IS NOT REQUIRED AND THAT ANY PROSPECTUS DELIVERY REQUIREMENTS ARE NOT APPLICABLE. THE SHARES WERE PURCHASED UNDER AN AGREEMENT THAT INCLUDES ADDITIONAL RESTRICTIONS ON THEIR TRANSFER AND COPIES OF SUCH AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.

The Shares may also include any legend required under the laws of any state or other jurisdiction.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company represents and warrants to the Purchaser that, as of the date of this Agreement:

3.1 ORGANIZATION AND EXISTENCE. The Company is a corporation duly incorporated and validly existing and in good standing under the laws of the State of Texas and has all requisite corporate power to carry on its business as now conducted and is qualified to do business in those jurisdictions where its lease of property or the conduct of its business requires such qualification, except where the failure to do so would not have a Material Adverse Effect (as defined below). The Company has delivered to the Purchaser complete and correct copies of the Articles of Incorporation and Bylaws of the Company as in effect on the date hereof. As used in this Agreement, the term "Material Adverse Effect shall mean an event, circumstance, loss, development or effect that would result in a material adverse effect on the business, operations, assets, condition (financial or other) or results of operations of

the Company.

3.2 CAPITALIZATION: Ownership of Stock: Authorization. The Company has 100,000,000 authorized shares of Common Stock and 10,000,000 authorized shares of its preferred stock, issuable in series (the "Preferred Stock"). As of December 31, 2002, the Company had (a) 16,167,459 issued and outstanding shares of Common Stock; (b) no shares of Preferred Stock outstanding; (c) no treasury shares; and (d) convertible secured debentures outstanding that may be converted into 6,500,000 underlying shares of Common Stock. As of December 31, 2002, the Company had granted or was authorized to grant stock options that may be exercised for up to 3,000,000 underlying shares of Common Stock pursuant to existing stock option plans approved by the Company's shareholders. Other than the registration rights granted to the Purchaser in accordance with the transactions contemplated hereby, the Company has granted registration rights that are currently in effect only to (a) WEDGE Energy Services, L.L.C. ("Wedge"), in the form of demand and piggy-back registration rights, and (b) two of its officers and directors, Wm. Stacy Locke and Michael E. Little, in the form of piggy-back registration rights, and no other individual or entity currently has any registration rights of any kind or nature (other than rights under Form S-8), including demand or piggy-back registration rights. The Company has granted Wedge preemptive rights, as set forth in that certain Common Stock Purchase Agreement by and between the Company and Wedge dated as of May 18, 2001, a copy of which has been made available to the Purchaser. Wedge has executed an instrument waiving its preemptive rights with respect to the issuance of the Shares being effected hereby. Except as set forth in this Section 3.2, there are no other options, warrants, rights, conversion rights, phantom rights, preemptive rights or any other rights of any party to receive equity of the Company. Upon issuance of the Shares to the Purchaser, the Purchaser will be the record and beneficial owner of the Shares and the Shares will be duly authorized, validly issued and outstanding, fully paid and nonassessable. As a result of the issuance of the Shares, the Company is not, nor will it become, obligated to issue any additional shares of capital stock (preferred or common) to any officer, director, shareholder or other party.

3.3 NO CONFLICTS. The execution and delivery of this Agreement and the Registration Rights Agreement by the Company, and performance by the Company hereunder and thereunder, will not result in a violation or breach of any term or provision of or constitute a default or accelerate the performance required under the Articles of Incorporation or Bylaws of the Company or any material indenture, mortgage, deed of trust or other contract or agreement to which the Company is a party or by which its assets are bound, or violate any order, writ, injunction or decree of any court, administrative agency or governmental body.

3.4 AUTHORITY; ENFORCEABILITY. The Company has full right, power and authority to execute and deliver this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Registration Rights Agreement and the consummation of the transactions contemplated hereby to be performed by the Company have been duly and validly authorized by all necessary corporate action on the part of the Company, and no other corporate proceedings are necessary to authorize the execution and delivery of this Agreement and the Registration Rights Agreement by the Company or to consummate the transactions contemplated hereby to be performed by the Company. This Agreement and the Registration Rights Agreement constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms, except as that enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights, by the availability of injunctive relief or specific performance and by general principles of equity and, in the case of the Registration Rights Agreement, any rights to indemnity or contribution thereunder may be limited by federal and state securities laws and public policy considerations.

3.5 LITIGATION; CONTINGENCIES. Except as described in the Reports (as defined in Section 3.10), there is no action, suit or proceeding pending or, to the knowledge of the Company, threatened against the Company or any of its subsidiaries before any court, agency or arbitrator that would result in any Material Adverse Effect or that questions the validity of any action taken or to be taken pursuant to on in connection with this Agreement or the Registration Rights Agreement.

3.6 SUBSIDIARIES. Other than subsidiaries that have no assets, liabilities or operations, the Company has no subsidiaries or any material equity interests in any other corporation, partnership or joint venture except as follows: The Company owns 100% of PDC Investment Corp., a Delaware corporation. PDC Investment Corp. is the sole limited partner with a 99% partnership interest in Pioneer Drilling Services, Ltd., a Texas limited partnership. The Company owns 100% of PDC MGMT. Co., a Texas corporation. PDC MGMT. Co. is the sole general partner of Pioneer Drilling Services, Ltd. and holds a 1% partnership interest in such limited partnership. Pioneer Drilling Services, Ltd., holds substantially all of the operating assets of the consolidated group consisting of the Company, PDC Investment Corp., Pioneer Drilling Services, Ltd., and PDC MGMT. Co.

3.7 TITLE TO ASSETS (PERSONAL PROPERTY).

(a) Except as set forth on Schedule 3.7(a) and except for those assets leased under leases identified on Schedule 3.7(a), the Company or one of its subsidiaries is the owner of, and has marketable title to, free and clear of all Liens (as defined below), except Permitted Lines (as defined below), the personal property shown or reflected on the December 31, 2002 balance sheet of the Company included in the Reports, except for (i) cash expended, and (ii) inventories and other assets used or sold and receivables collected in the ordinary course of business since December 31, 2002. The Company and its subsidiaries have maintained all their tangible personal properties material to the business of the Company and its subsidiaries, taken as a whole, in good repair, working order and operating condition, subject to ordinary wear and tear, and all such assets are suitable for the purposes for which they are presently being used. As used in this Agreement, the term "Lien" means, with respect to any property or other asset of any person (in each case whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise), any mortgage, lien, security interest, pledge, attachment, levy or other charge or encumbrance of any kind thereupon or in respect thereof or any "adverse claims" (as Section 8.102(a)(i) of the Uniform Commercial Code of the State of Texas defines that term). As used in this Agreement, the term "Permitted Liens" means, with respect to the property or other assets of the Company: (i) Liens for taxes if the same are not at the time due and delinquent or are being contested; (ii) Liens of mechanics, laborers, landlords, operators and materialmen and similar Liens, arising in the ordinary course of business; (iii) Liens incurred in the ordinary course of business in connection with worker's compensation, unemployment insurance and other social security legislation; (iv) Liens incurred in the ordinary course of business in connection with deposit accounts or to secure the performance of trade contracts, statutory obligations, surety and appeal bonds, performance and return-of-money bonds and other obligations of like nature; and (v) Liens securing purchase money indebtedness as set forth on Schedule 3.7)(a), so long as those Liens do not attach to any property or other assets other than the properties or other assets purchased with the proceeds of that indebtedness.

(b) (i) All leases to which the Company or any subsidiary is a party are valid and binding on the Company or such subsidiary, as the case may be, and ,to the knowledge of the Company, the other party or parties thereto, and in full force and effect, (ii) the Company or one of its subsidiaries is in peaceful possession of the real property or personal property that is subject thereto, (iii) neither the Company nor any of its subsidiaries is in default of any material provision of any such lease, except for any such default as would not result in a Material Adverse Effect, and (iv) to the knowledge of the Company, no event has occurred that with the giving of notice, the passage of time or both, would become a default under any such lease, except for any such default as would not result in a Material Adverse Effect.

(c) Except as set forth on Schedule 3.7(c), the Company and its subsidiaries have all easements, rights-of-way and similar authorizations required for the use of the real property leased by the Company and its subsidiaries and used in the conduct of the business as heretofore conducted, excluding any easements, rights-of-way and similar authorizations the absence of which do not materially impair the use of such real property (the "Easements"). To the knowledge of the Company, no party to any Easement is in default of any provision of any easement or any covenant, restriction or other agreement encumbering any of the real property, except for any such default as would not result in a Material Adverse Effect, and, to the knowledge of the Company, no event that with the giving of notice, the passage of time or both would become a default has occurred under any Easement or any covenant, restriction or other agreement encumbering any of the real property, except for any such default as would not result in a Material Adverse Effect. No real property, or any portion thereof, occupied by the Company or any of its subsidiaries has been condemned or otherwise taken by any public authority, and neither the Company nor any of

its subsidiaries has received written notice that any such condemnation or taking is threatened or contemplated.

(d) (i) Neither the properties owned or occupied by the Company or any of its subsidiaries nor the occupancy or operation thereof is in violation of any law or any building, zoning or other ordinance, code or regulation, except for any such violation as would not result in a Material Adverse Effect; (ii) no notice from any governmental body has been served upon the Company or any of its subsidiaries or upon any property owned or occupied by the Company or any of its subsidiaries claiming any material violation of any such law, ordinance, code or regulation or requiring, or calling to the attention of the Company the need for, any work, repair, construction, alteration or installation on or in connection with any such properties that has not been complied with; and (iii) there is no encroachment of the improvements located on the real property owned or occupied by the Company or any of its subsidiaries upon any adjoining property, or of improvements located on any adjoining property upon any property owned or occupied by the Company or any of its subsidiaries, except for any such encroachment as would not result in a Material Adverse Effect.

3.8 CONSENTS. The Company is not required to obtain any consent from or approval of any court, governmental entity or any other person in connection with the execution, delivery or performance by it of this Agreement or the Registration Rights Agreement and the transactions contemplated hereby, except such filings as may be required to be made with the Securities and Exchange Commission and the American Stock Exchange and with any state or foreign "blue sky" or securities regulatory authority. The consummation of the transactions contemplated by this Agreement will not require the approval of any entity or person in order to prevent the termination of any material right, privilege, license or agreement of the Company.

3.9 PROPRIETARY RIGHTS. Except as set forth on Schedule 3.9, the Company and its subsidiaries own or possess adequate licenses or other valid rights to use all patents, patent rights, trademarks, trademark rights and proprietary information used or held for use in connection with their respective businesses as currently being conducted, except where the failure to own or possess such licenses and other rights would not have a Material Adverse Effect, and there are no assertions or claims challenging the validity of any of the foregoing that would have a Material Adverse Effect. The conduct of the Company' and its subsidiaries' respective businesses as currently conducted does not conflict with any patents, patent rights, licenses, trademarks, trademark rights, trade names, trade name rights or copyrights of others in any way that would have a Material Adverse Effect. There is no infringement of any proprietary right owned by or licensed by or to the Company or any of its subsidiaries that would have a Material Adverse Effect.

3.10 FINANCIAL STATEMENTS. The Company has made available to the Purchaser its Annual Report on Form 10-K for the fiscal year ended March 31, 2002, the definitive Proxy Statement dated July 10, 2002 for the Annual Meeting of Shareholders to be held on August 16, 2002, its Quarterly Reports on Form 10-Q for the quarterly periods ended June 30, 2002, September 30, 2002 and December 31, 2002, a report of Form 8-K dated July 3, 2002 and filed July 18, 2002, a report on Form 8-K dated August 8, 2002 and filed August 9, 2002, and a report on Form 8-K dated December 23, 2002 and filed January 3, 2003 (collectively, the "Reports"). As used in this Agreement, the term "Financial Statements" means the unaudited balance sheet and statements of operations and cash flows for the Company as of and for the fiscal quarter ended December 31, 2002 and included in its Report on Form 10-Q for the quarter ended December 31, 2002. The Financial Statements have been prepared in conformity with generally accepted accounting principles, consistently applied, except as otherwise stated therein and except for the absence of footnote disclosures and normal year-end adjustments. Except as set forth on Schedule 3.10, all of the Financial Statements present fairly in all material respects the financial position and the results of operations of the Company and its subsidiaries as of the dates and for the periods shown therein, and to the knowledge of the Company, there has been no Material Adverse Effect on the financial condition of the Company since December 31, 2002.

Except as disclosed in the Reports, the Financial Statements or as set forth on Schedule 3.10, to the knowledge of the Company, neither the Company nor any of its subsidiaries has any debt, liability or obligation, contingent or otherwise, that would have a Material Adverse Effect.

3.11 COMPLIANCE WITH LAWS; OSHA. To the knowledge of the Company, the Company and its subsidiaries are in compliance with all applicable laws, ordinances, statutes, rules, regulations and orders promulgated by any court or federal, state or local governmental body or agency relating to its assets and business, except for such violations or failures to comply that would not result in a Material Adverse Effect. Except as set forth on Schedule 3.11, since January 1, 2000, neither the Company nor any of its subsidiaries has received any notice, citation, claim, assessment or proposed assessment alleging any violation of any federal, state or local safety and health laws, except for any such violations as would not result in a Material Adverse Effect.

3.12 LABOR MATTERS. There is no labor strike or labor disturbance pending or, to the knowledge of the Company, threatened against the Company or any of its subsidiaries. Neither the Company nor any of its subsidiaries has experienced any work stoppage or other material labor disturbance within the past three years. Neither the Company nor any of its subsidiaries is a party to any collective bargaining agreement with respect to its employees and, to the knowledge of the Company, there are no current attempts to organize its employees.

3.13 ERISA. Except as set forth in any of the Reports or on Schedule 3.13, neither the Company nor any of its subsidiaries maintains or sponsors any pension, retirement, savings, deferred compensation or profit-sharing plan or any stock option, stock appreciation, stock purchase, performance share, bonus or other incentive plan, severance plan, health, group insurance or other welfare plan, or other similar plan or any "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), under which the Company has any current or future obligation or liability or under which any employee or former employee (or beneficiary of any employee or former employee) of the Company has or may have any current or future right to benefits on account of employment with the Company (the term "plan" shall include any contract, agreement, policy or understanding, each such plan being hereinafter referred to individually as a "Plan"). Each Plan intended to be qualified under Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), is, and has been determined by the Internal Revenue Service to be, qualified under Sections 401(a) and 501(a) of the Code and, since such determination, no amendments to or failure to amend any such Plan or any other circumstances adversely affects its tax qualified status. There has been no prohibited transaction within the meaning of Section 4975 of the Code and Section 406 of Title I of ERISA with respect to any Plan that is subject to the prohibited transaction requirements of the Code or ERISA.

3.14 ENVIRONMENTAL MATTERS. Except as set forth on Schedule 3.14 (a) the Company and each of its subsidiaries have obtained all Environmental Permits (as defined below) that are required with respect to their respective businesses, operations and properties, either owned or leased, except where the failure to have obtained any such Environmental Permit would not have a Material Adverse Effect, and (b) the Company, each of it subsidiaries, and their respective properties are in compliance with all terms and conditions of all applicable Requirements of Environmental Law and Environmental Permits, in each case except as would not have a Material Adverse Effect. Except as would not have a Material Adverse Effect or as set forth in any of the Reports or on Schedule 3.14, there are no Environmental Claims pending or, to the knowledge of the Company, threatened against the Company or any of its subsidiaries. Neither the Company nor any of its subsidiaries has received any notice from any governmental authority of any unresolved violation or liability arising under any Requirements of Environmental Law or Environmental Permit in connection with its assets, businesses or operations, except for any such violation or liability as would not have a Material Adverse Effect.

"Environmental Claim" means any third party (including governmental agencies and employees) action, lawsuit, claim or proceeding (including claims or proceedings under the Occupational Safety and Health Act or similar laws relating to safety of employees) that seeks to impose liability for (a) pollution or contamination of the ambient air, surface water, ground water or land; (b) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (c) exposure to hazardous or toxic substances; (d) the safety or health of employees; or (e) the transportation, processing, distribution in commerce, use or storage of hydrocarbons or chemical substances. An Environmental Claim includes, but is not limited to, a common law action, as well as a proceeding to issue, modify or terminate an Environmental Permit. "Environmental Permit" means any permit, license, approval or other authorization under any applicable law, regulation and other requirement of the United States or any foreign country or of any state, municipality or other subdivision thereof relating to pollution or protection of health or the environment, including laws, regulations or other requirements relating to emissions, discharges, releases or threatened releases of pollutants, contaminants or hazardous substances or toxic materials or wastes into ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of hydrocarbons or chemical substances, pollutants, contaminants or hazardous or toxic materials or wastes.

"Requirements of Environmental Law" means all requirements in effect on the Closing Date imposed by any applicable law, rule, regulation or order of any federal, foreign, state or local executive, legislative, judicial, regulatory or administrative agency, board or authority with jurisdiction over the Company or any of its subsidiaries or any of their respective properties or assets that relate to (a) pollution or protection of the ambient air, surface water, ground water or land; (b) solid, gaseous or liquid waste generation, treatment, storage, disposal or transportation; (c) exposure to hazardous or toxic substances; (d) the safety or health of employees; or (e) regulation of the manufacture, processing, distribution in commerce, use or storage of hydrocarbons or chemical substances.

3.15 PERMITS AND LICENSES. The Company and its subsidiaries have all licenses, permits and other authorizations necessary for the conduct of their respective businesses as they are currently being conducted, except where the failure to hold any such licenses, permits or authorizations would not have a Material Adverse Effect.

3.16 INSURANCE. The Company and its subsidiaries maintain insurance policies (together with all riders and amendments) relating to the assets or the businesses of the Company and its subsidiaries with coverage limits in amounts that the Company believes are sufficient to protect against any material claim for casualty or property damage. Such insurance policies are in full force and effect and all premiums due thereon have been paid or accrued on the books of the Company.

3.17 TAXES. The Company and its subsidiaries have filed all material tax returns and reports required by law to be filed, or filed extensions for any period in which a tax return was due, and, as of December 31, 2002, have paid or accrued on the Financial Statements all taxes, assessments and other governmental charges that are due and payable, except for any such items as are being contested in good faith as set forth on Schedule 3.17. The charges, accruals and reserves on the books of the Company in respect of taxes for all prior fiscal periods are considered adequate by the Company, and the Company knows of no assessment for additional taxes for any of such fiscal years or any basis therefor, except for any such assessment as would not have a Material Adverse Effect. All tax returns and reports that have been filed by the Company and its subsidiaries are complete in all material respects. To the knowledge of the Company, no claim has been made that the Company or any of its subsidiaries is subject to a tax in any jurisdiction in which the Company or any of its subsidiaries has not filed a return and that remains unpaid as of the Closing Date. The Company and its subsidiaries have withheld and paid all material amounts of taxes required to have been withheld and paid in connection with amounts previously paid to any employee, independent contractor, creditor, stockholder or other third party. Since January 1, 2000, (i) neither the Company nor any of its subsidiaries has been the subject of an audit and (ii) neither the Company not any of its subsidiaries has waived any statute of limitations or agreed to an extension of time with respect to a tax assessment or deficiency.

3.18 ABSENCE OF CERTAIN DEVELOPMENTS. Since December 31, 2002, there has been no change in the business or operations of the Company or any of its subsidiaries that would have a Material Adverse Effect, except changes in the ordinary course of business. Except as set forth on Schedule 3.18, the Company has not, since the date of the Financial Statements, directly or indirectly, declared or paid any dividend or ordered or made any other distribution on account of any shares of any class of the capital stock of the Company. The Company has not, since such date, directly or indirectly redeemed, purchased or otherwise acquired any such shares or agreed to do so or set aside any sum or property for any such purpose.

4. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER. The Purchaser represents and warrants to the Company that, as of the date of this Agreement:

4.1 NO CONFLICT. The execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser, and performance by the Purchaser hereunder and thereunder will not result in a violation or breach of any term or provision of or constitute a default or accelerate the performance required under the Articles of Incorporation or Bylaws of the Purchaser or any material indenture, mortgage, deed of trust or other contract or agreement to which the Purchaser is a party or by which its assets are bound, or violate any order, writ, injunction or decree of any court, administrative agency or governmental body.

4.2 AUTHORITY; ENFORCEABILITY. The Purchaser has full right, power and authority to execute and deliver this Agreement and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Registration Rights Agreement and the consummation of the transactions contemplated hereby to be performed by the Purchaser have been duly and validly authorized by all necessary corporate action on the part of the Purchaser, and no other corporate proceedings are necessary to authorize the execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser or to consummate the transactions contemplated hereby to be performed by the Purchaser. This Agreement and the Registration Rights Agreement will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their respective terms, except as that enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights, by the availability of injunctive relief or specific performance and by general principles of equity.

4.3 CONSENTS. The Purchaser is not required to obtain any consent from or approval of any court, governmental entity or any other person in connection with the execution, delivery or performance by it of this Agreement or the Registration Rights Agreement and the transactions contemplated hereby. The consummation of the transactions contemplated by this Agreement will not require the approval of any entity or person in order to prevent the termination of any material right, privilege, license or agreement of the Purchaser.

4.4 INVESTMENTS REPRESENTATIVES. The Purchaser is an "credited investor" within the meaning of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act, and (by virtue of its experience in evaluating and investing in private placement transactions of securities in companies similar to the Company) it is capable of evaluating the merits and risks of its investment in the Company. The Purchaser acknowledges that it has had the opportunity to ask questions of the officers of the Company. In reaching the conclusion that it desires to acquire the Shares, the Purchaser has evaluated its financial resources and investment position and the risks associated with this investment and acknowledges that it is able to bear the economic risks of this investment. As of the date hereof, the Purchaser represents, warrants and agrees that it is acquiring the Shares solely for its own account, for investment, and not with a view to the distribution or resale thereof. The Purchaser further represents that its present financial condition is such that it is not under any present necessity or constraint to dispose of such Shares to satisfy any existing or contemplated debt or undertaking and that the investment is suitable for the Purchaser upon the basis of the Purchaser's other security holdings, financial situation and needs. The Purchaser acknowledges and understands that it must bear the economic risk of this investment for an indefinite period of time because the offering of the Shares has not been registered under the Securities Act and, accordingly, the Shares must be held indefinitely unless subsequently registered under the Securities Act and applicable state and other securities laws or unless an exemption from such registration is available. The Purchaser agrees that any certificates evidencing the Shares must bear a legend restricting the transfer thereof as set forth in Section 2.2 and that a notice may be made in the records of the Company

or to its transfer agent restricting the transfer of the Shares in a manner consistent with the foregoing.

5. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNITY.

5.1 SURVIVAL OF REPRESENTATIONS AND WARRANTIES. All covenants, agreements, representations and warranties made hereunder or pursuant hereto or in connection with the transactions contemplated hereby shall survive the Closing; provided, however, that for purposes of the indemnification provided for in this Article 5, (a) the representations and warranties set forth in Article 3 and 4 (other than Sections 3.2, 3.5, 3.13, 3.14 and 3.16) shall survive until the second anniversary of the Closing Date, (b) the representations and warranties of the Company set forth in Sections 3.5, 3.13 and 3.14 shall survive until the fourth anniversary of the Closing Date, and (c) the representations and warranties of the Company set forth in Sections 3.2 and 3.16 shall survive for the applicable limitations period established by law (the "Surviving Representations and Warranties"), whereupon they will terminate and expire. After a Surviving Representation and Warranty has terminated and expired, no indemnification will or may be sought under this Article 5 by any person who would have been entitled under this Article 5 to indemnification on the basis of that Surviving Representation and Warranty prior to such termination and expiration; provided, however, that no claim for indemnification hereunder based on a Surviving Representation and Warranty, written notice of which is presented to the indemnifying party prior to the termination and expiration of such Surviving Representation and Warranty, will be affected in any way by that termination and expiration.

5.2 INDEMNITY BY THE COMPANY. The Company shall indemnify and hold harmless the Purchaser and the officers, directors, managers, agents, affiliates and representatives of the Purchaser (the "Purchaser Indemnitees") from and against, and shall reimburse the Purchaser Indemnitees for, any loss, liability, damage or expense, including reasonable attorneys' fees and costs of investigation incurred as a result thereof, that the Purchaser shall incur or suffer (collectively, the "Purchaser Recoverable Losses"), arising out of or resulting from (a) any misrepresentation or breach of any representation or warranty contained in Article 3 hereof on the part of the Company, or (b) any nonfulfillment or breach of any agreement or covenant under or pursuant to this Agreement or the Registration Rights Agreement on the part of the Company.

5.3 INDEMNITY BY THE PURCHASER. The Purchaser shall indemnify and hold harmless the Company and the officers, directors, managers, agents, affiliates and representatives of the Purchaser (the "Company Indemnitees") from and against, and shall reimburse the Company Indemnitees for, any loss, liability, damage or expense, including reasonable attorneys' fees and cost of investigation incurred as a result thereof, that the Company shall incur or suffer (collectively, the "Company Recoverable Losses") arising out of or resulting from (a) any misrepresentation or breach of any representation or warranty contained in Article 4 hereof on the part of the Purchaser, or (b) any nonfulfillment or breach of any agreement or covenant under or pursuant to this Agreement or the Registration Rights Agreement on the part of the Purchaser.

5.4 LIMITATION OF LIABILITY.

(a) Notwithstanding any liability that the Company or the Purchaser may incur in Sections 5.2 and 5.3, respectively, above, the Company shall not be obligated for a Purchaser Recoverable Loss, and the Purchaser shall not be obligated for a Company Recoverable Loss, unless and until such loss, individually, or in the aggregate, shall exceed $250,000, in which case the Company or the Purchaser, as the case may be, shall be obligated for all amounts in excess thereof. In no event will the liability of the Company under this Article 5 with respect to Purchaser Recoverable Losses or the Purchaser under this Article 5 with respect to Company Recoverable Losses exceed an amount equal to the Purchase Price.

(b) Notwithstanding any provision in any other Section of this Agreement to the contrary, no Purchaser Recoverable Loss or Company Recoverable Loss will include any indirect, consequential, exemplary, punitive or treble damage (collectively, the "Excluded Damages") suffered by the Purchaser Indemnitees or the Company Indemnitees. The Purchaser hereby releases the Company, to the fullest extent applicable law permits, from liability for all Excluded Damages, and the Company hereby releases the Purchaser, to the fullest extent applicable law permits, from liability for all Excluded Damages.

5.5 EXCLUSIVE REMEDY. The rights to indemnification set forth in this Article 5 shall be the sole and exclusive remedy of the Purchaser Indemnitees against the Company and the Company Indemnitees against the Purchaser, respectively, in connection with the Surviving Representations and Warranties (except to the extent that the Purchaser Indemnitees or the Company Indemnitees may have any claim against the other party arising out of or based

on fraud).

6. MISCELLANEOUS.

6.1 FINANCIAL STATEMENTS AND OTHER INFORMATION. Upon the written request of the Purchaser, the Company will provide to the Purchaser copies of all financial statements and other information provided to Wedge pursuant to Section 3.01 of that certain Debenture Agreement dated July 3, 2002 between the Company and Wedge.

6.2 EXPENSES. Each of the parties will pay their respective costs and expenses (including legal fees) in connection with this Agreement as a result of the transactions contemplated hereby.

6.3 NOTICES. All notices and other communications provided for or permitted hereunder must be in writing and will be deemed delivered and received (i) if personally delivered or if delivered by facsimile or courier service, when actually received by the party to whom the notice or communication is sent, or (ii) if deposited with the United States postal service (whether actually received or not), at the close of business on the third San Antonio, Texas business day next following the day when placed in the mail, postage prepaid, certified or registered with return receipt requested, addressed to the appropriate party or parties at the address of that party set forth or referred to below (or at such other address as that party may designate by written notice to each other party in accordance herewith):

(a) if to the Company, to:

Pioneer Drilling Company
9310 Broadway, Building I
San Antonio, Texas 78217
Attention: President
Fax No.: (210) 828-8228

with a copy (which will not constitute notice for purposes of this Agreement) to:

Baker Botts L.L.P.
One Shell Plaza
910 Louisiana
Suite 3000
Houston, Texas 77002-4995
Attention: Ted W. Paris
Fax No.: (713) 220-7738

(b) if to the Purchaser, to:

Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118
Attention: Chief Financial Officer
Fax No.: (405) 879-9580

with a copy (which will not constitute notice for purposes of this Agreement) to:

Commercial Law Group, P.C.
2725 Oklahoma Tower
210 Park Avenue
Oklahoma City, Oklahoma 73102-5643
Attention: Ray Lees
Fax No.: (405) 232-5553

6.4 ENTIRE AGREEMENT; AMENDMENTS. This Agreement, the schedules hereto and the documents specifically referred to herein or executed contemporaneously herewith constitute the entire agreement, understanding, representations and warranties of the parties hereto related to the subject matter hereof and supercede all prior agreements of the parties related to the subject matter hereof. This Agreement may be amended only by an instrument in writing executed by both of the parties hereto. The Company will not amend or modify the Common Stock Purchase Agreement by and between the Company and Wedge dated as of May 18, 2001 or Wedge's rights under the Registration Rights Agreement without the prior written consent of the Purchaser.

6.5 ASSIGNMENT. This Agreement may be assigned at any time by the Purchaser to an Affiliate (as defined in the Registration Rights Agreement) without the prior consent of the Company so long as the party to whom this Agreement is assigned agrees in writing to be bound by all terms and conditions contained herein. No other assignment may be made by the Purchaser without the Company's prior written consent. Subject to the provisions of this Section 6.5, this Agreement will inure to the benefit of and be binding on the successors and assigns of each of the parties hereto.

6.6 BROKERS.

(a) The Purchaser represents and warrants that it has not engaged, consented to or authorized any broker, finder or intermediary to act on its behalf, directly or indirectly, as a broker, finder or intermediary in connection with the transactions contemplated by this Agreement. The Purchaser hereby agrees to indemnify and hold harmless the Company from and against all fees, commissions or other payments owing to any such person or firm acting on behalf of the Purchaser hereunder.

(b) The Company has engaged, consented to and authorized Jefferies & Co, Inc. in connection with the transactions contemplated by this Agreement. The Company agreed to pay Jefferies & Company, Inc. ("Jefferies") a commission and to reimburse expenses in accordance with that certain Letter Agreement dated March 19, 2003 between the Company and Jefferies (which the Company will pay in accordance with the terms of that agreement), and the Company agrees to indemnify and hold harmless the Purchaser from and against all fees, commissions or other payments owing by the Company to any other person or firm acting on behalf of the Company hereunder.

6.7 NO THIRD PARTY RIGHTS. Except as expressly contemplated hereby, nothing in this Agreement shall create or be deemed to create any rights in any person or entity not a party to this Agreement.

6.8 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one and the same agreement.

6.9 HEADINGS: INTERPRETATION. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not limit or affect the meaning or interpretation of this Agreement. Whenever the context requires, references in this Agreement to the singular number shall include the plural and vice versa, and words denoting gender shall include the masculine, feminine and neuter. This Agreement uses the words "herein," "hereof," "hereto" and "hereunder" and words of similar import to refer to this Agreement as a whole and not to any particular provision of this Agreement. As used in this Agreement, the word "including" (and, with correlative meaning, the word "include") means including without limiting the generality of any description preceding that word, and the verbs "shall" and "will" are used interchangeably and have the same meaning.

6.10 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any principles of conflicts of law thereof that would result in the application of the laws of any other jurisdiction.

6.11 ARBITRATION.

(a) The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. Any party may give the other party written notice of any dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit to the other party a written response. The notice and response shall include (a) a statement of that party' position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within 30 days after delivery of the initial notice, the executives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other will be honored.

All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.

(b) If the dispute has not been resolved by negotiation as provided herein within 45 days after delivery of the initial notice of negotiation, the parties shall endeavor to settle the dispute by mediation under the CPR Mediation Procedure in effect on the date of this Agreement, provided, however, that if one party fails to participate in the negotiation as provided herein, the other party can initiate mediation prior to the expiration of the 45 days. Unless otherwise agreed, the parties will select a mediator from the CPR Panels of Distinguished Neutrals.

(c) Any dispute arising out of or relating to this Agreement, including the breach, termination or validity thereof, that has not been resolved by mediation as provided herein within 45 days after initiation of the mediation procedure, shall be finally resolved by arbitration in accordance with the CPR Rules for Non-Administered Arbitration in effect on the date of this Agreement, by three independent and impartial arbitrators, of whom each party shall designate one; provided, however, that if one party fails to participate in either the negotiation or mediation as agreed herein, the other party can commence arbitration prior to the expiration of the time periods set forth above. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. Section 1-16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration shall be Houston, Texas.

Each party is required to continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement, unless to do so would be impossible or impractical.

The arbitrators are not empowered to award damages in excess of compensatory damages and each party expressly waives and foregoes any right to punitive, exemplary or similar damages unless a statute requires that compensatory damages be increased in a specified manner.

6.12 SEVERABILITY. In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and other applications thereof shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, this Agreement has been duly executed by the Company and by the Purchaser by their respective officers duly authorized effective as of the date first above written.

THE COMPANY:

PIONEER DRILLING COMPANY

By: /s/ Wm. Stacy Locke

Wm. Stacy Locke
President and CFO

THE PURCHASER:

CHESAPEAKE ENERGY CORPORATION

By: /s/ Martha A. Burger

Martha A. Burger
Senior Vice President

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into effective as of the 31st day of March, 2003, by and among Pioneer Drilling Company, a Texas corporation (the "Company"), and WEDGE Energy Services, L.L.C., a Delaware limited liability company ("Wedge"), William H. White ("White"), and Chesapeake Energy Corporation ("Chesapeake" and, together with Wedge and White, the "Investors").

W I T N E S S E T H:

WHEREAS, Wedge has previously acquired from the Company an aggregate of 7,232,007 shares of the common stock, par value $0.10 per share, of the Company ("Common Stock");

WHEREAS, Wedge and White have previously acquired from the Company $28,000,000 in aggregate principal amount of 6.75% convertible subordinated debentures of the Company (the "6.75% Debentures"), which are currently convertible into shares of Common Stock at a conversion rate of $4.31 per share;

WHEREAS, in connection with prior transactions between the Company and Wedge, the Company and Wedge have entered into a Registration Rights Agreement dated as of May 16, 2001 (the "Existing RRA");

WHEREAS, the Company and Wedge desire that this Agreement shall supercede the Existing RRA; and

WHEREAS, concurrently with the execution and delivery of this Agreement, the Company is issuing to Chesapeake 5,333,333 shares of Common Stock pursuant to a Common Stock Purchase Agreement of even date herewith, and, in connection with that issuance, the Company has agreed to provide Chesapeake with registration rights as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the parties hereto hereby agree as follows:

Section 1. CERTAIN DEFINITIONS. As used in this Agreement, the following definitions shall apply:

"AFFILIATE" means, as to any specified Person, any other Person that, directly or indirectly through one or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified Person. This definition uses "control" to mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"AGREEMENT" means this Agreement, as the same may be amended, modified or supplemented from time to time pursuant to the provisions hereof.

"CHESAPEAKE" has the meaning the preamble hereto specifies.

"COMMISSION" means the Securities and Exchange Commission and any successor thereto as the federal agency administering the Securities Act.

"COMMON STOCK" has the meaning the recitals hereto specify.

"COMPANY" has the meaning the preamble hereto specifies.

"DEMANDING HOLDER" means, in connection with any Demand Registration, any Holder who has (acting alone or together with any other Holders) duly made the request for such Demand Registration in accordance with the provisions of Section 2(a).

"DEMAND REGISTRATION" has the meaning Section 2(a) specifies.

"EXCHANGE ACT" means, at any time, the Securities Exchange Act of 1934, as amended, and any successor federal statute, and the rules and regulations of the Commission thereunder, as in effect at that time.

"EXEMPT OFFERING" means any offering by the Company of shares of Common Stock (i) in connection with or pursuant to any benefit, compensation, incentive or savings plan or program in which any of the officers, directors, employees or independent contractors of the Company or any of its subsidiaries participate, (ii) as consideration in any business combination or other acquisition transaction, (iii) as the securities into or for which other equity or debt securities are convertible or exchangeable, or as the securities that

may be acquired by the exercise of options, warrants or other rights, in each case at a conversion, exchange or exercise price representing a premium over the trading price of the Common Stock at the time of the offering, (iv) made under Regulation S under the Securities Act (or any similar provision then in force) or (v) made only to existing holders of securities issued by the Company.

"EXISTING RRA" has the meaning the recitals hereto specify.

"HOLDER" means at any time any Person then owning Registrable Securities and having the rights and obligations of a Holder hereunder and which (i) is an Investor or (ii) has been assigned those rights and obligations under Section 10.

"INDEMNIFIED PARTY" has the meaning Section 7(c) specifies.

"INDEMNIFYING PARTY" has the meaning Section 7(c) specifies.

"INVESTORS" has the meaning the preamble hereto specifies.

"LOCKUP PERIOD" has the meaning Section 4 specifies.

"PERSON" means any natural Person, any unincorporated organization or association, and any partnership, limited liability company, corporation, estate, trust, nominee, custodian or other individual or entity.

"PIGGYBACK REGISTRATION" has the meaning Section 3(a) specifies.

The terms "REGISTER," "REGISTERED" and "REGISTRATION" refer to a registration effected by preparing and filing a registration statement with the Commission in compliance with the Securities Act.

"REGISTRABLE SECURITIES" means: (i) any shares of Common Stock held by Wedge or Chesapeake as of the date hereof; and (ii) any shares of Common Stock hereafter acquired by any of the Investors directly from the Company (whether in exchange for or on conversion of 6.75% Debentures or other securities of the Company or otherwise); PROVIDED, HOWEVER, that Registrable Securities shall not include any share of Common Stock if (A) a registration statement covering that share has been filed and becomes effective under the Securities Act and its Holder distributes it by means of that effective registration statement, (B) its Holder distributes it to the public under Rule 144 or (C) at any time after the date hereof its Holder is neither an "affiliate" (as that term is defined in Rule 144) of the Company nor a holder of more than 5% of the total number of shares of Common Stock then outstanding and such Holder may distribute such share to the public in the United States without its being registered for resale under the Securities Act and without being subject to the volume limitations of Rule 144.

"REGISTRATION EXPENSES" means all expenses incurred by the Company in complying with registration obligations hereunder, including, without limitation, all registration, qualification and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company and the reasonable fees and disbursements of not more than one counsel chosen by the Holders who are the holders of a majority of Registrable Securities being registered, blue sky fees and expenses, and the expense of any special audits incident to or required by any such registration. Registration Expenses shall not include fees of counsel for the Holders other than of one counsel as set forth above or Selling Expenses as defined below.

"6.75 DEBENTURES" has the meaning the recitals hereto specify.

"REQUEST NOTICE" has the meaning Section 3(a) specifies.

"REQUESTING HOLDER" means, in connection with any Piggyback Registration, any Holder who has duly delivered a Request Notice with respect to that Piggyback Registration in accordance with the provisions of Section 3(a).

"REQUISITE WEDGE HOLDERS" means, as of any time of determination, any combination of Holders who hold not less than 50% of the Registrable Securities originally issued to Wedge who are also holders of not less than 2% of the total number of shares of Common Stock then outstanding.

"REQUISITE SECURITIES" means, as of any time of determination hereunder, (i) Registrable Securities having an aggregate value of at least $10,000,000, in the event a Demand Registration would require the Company to

file a registration statement on Form S-1 or its substantial equivalent with the Commission under the Securities Act, or (ii) Registrable Securities having an aggregate value of at least $7,500,000, in the event a Demand Registration would require the Company to file a registration statement on Form S-3 or its substantial equivalent with the Commission under the Securities Act. For purposes of this definition, the aggregate value of Registrable Securities shall be determined by using the average closing price (the last reported sales price for a share of Common Stock, as reported on the consolidated transaction reporting system for the principal national securities exchange on which shares of Common Stock are listed (or, if shares of Common Stock are not so listed but are quoted on the Nasdaq Stock Market, as reported by the Nasdaq Stock Market)) of Common Stock for the 30 trading days next preceding the date on which "Requisite Securities" is determined.

"RULE 144" means, at any time, Rule 144 promulgated under the Securities Act, or any similar successor rule thereto, as the same shall be in effect at that time.

"RULE 145" means, at any time, Rule 145 promulgated under the Securities Act, or any similar successor rule thereto, as the same shall be in effect at that time.

"SECURITIES ACT" means, at any time, the Securities Act of 1933, as amended, and any successor federal statute, and the rules and regulations of the Commission thereunder, as in effect at that time.

"SELLING EXPENSES" shall mean all underwriting discounts, selling commissions and stock transfer taxes arising from or relating to the sale of Registrable Securities.

"UNDERWRITERS' MAXIMUM NUMBER" has the meaning Section 2(b) specifies.

"WEDGE" has the meaning the preamble hereto specifies.

"WHITE" has the meaning the preamble hereto specifies.

Section 2. DEMAND REGISTRATIONS.

(a) REQUEST FOR REGISTRATION. Subject to the provisions of Sections 2(b) through (f) and Sections 5, 6, 7 and 8, if, at any time after the date hereof, the Company shall receive from either (i) the Requisite Wedge Holders or (ii) Chesapeake a written request that the Company effect the registration under the Securities Act of the resale of Registrable Securities held by such Requisite Wedge Holders or Chesapeake, as the case may be (a "Demand Registration"), then the Company shall:

(i) promptly give written notice of the proposed registration to all other Holders; and

(ii) use its best efforts to effect, as soon as practicable and in accordance with the provisions of Section 6, the registration under the Securities Act of the Registrable Securities that the Company has been so requested to register, together with all or such portion of the Registrable Securities of any other Holders who request to participate in such Demand Registration as are specified in a written request received by the Company within 20 days after the Company mails the written notice referred to in clause (i) of this Section 2(a); PROVIDED, HOWEVER, that the Company shall not be obligated to take any action to effect any such registration under the Securities Act: (A) after the Company has effected four such registrations initiated by the Requisite Wedge Holders pursuant to this Section 2(a) which have become effective; or (B) if less than the Requisite Securities are requested to be included in the registration; PROVIDED, FURTHER, that Chesapeake shall only be entitled to initiate one Demand Registration (unless, following Chesapeake's initiation of a Demand Registration, the total amount of Registrable Securities actually offered and sold pursuant to such Demand Registration is reduced to less than 75% of the amount of Registrable Securities sought to be included by Chesapeake in such Demand Registration (as specified in the written request delivered by Chesapeake pursuant to the foregoing provisions of this Section 2(a)) as a result of a reduction in the total amount of Registrable Securities included in such Demand Registration pursuant to the provisions of Section 2(b), in which case Chesapeake shall be entitled to initiate a second Demand Registration in accordance with this Section 2(a)).

Notwithstanding the foregoing provisions of this Section 2(a): (A) the Company will be entitled to defer the initial filing of the registration statement relating to any Demand Registration for a period of up to 90 days after it receives the demand therefor pursuant to the foregoing provisions if it furnishes to the Demanding Holders a certificate signed by the President of the Company stating that, in the good faith judgment of the board of directors of the Company, it would be detrimental to the Company or its shareholders for such registration statement to be filed, and it is therefore beneficial to defer the filing of such registration statement; and (B) if, at the time of any request for a Demand Registration from the Demanding Holders pursuant to the foregoing provisions, the Company has fixed plans to file within 90 days after that demand a registration statement for the public offering and sale of any of its securities in a public offering under the Securities Act (other than an Exempt Offering of the type specified in clause (i), (ii), (iv) or (v) of the definition of Exempt Offering), the Company will be entitled to defer the initial filing of that Demand Registration until 60 days after the effective date of that registration statement if, after it receives that request for a Demand Registration from the Demanding Holders, it (i) furnishes to the Demanding Holders a written notice of that intent, (ii) files that registration statement within that 90-day period and (iii) affords the Holders the right to participate in that public offering pursuant to, and subject to, the provisions of Section 3.

(b) UNDERWRITTEN DEMAND REGISTRATIONS. The offering of the Registrable Securities pursuant to any Demand Registration shall be in the form of an underwritten offering. In the event the managing underwriter or underwriters with respect to a Demand Registration advise the Company and the Demanding Holders in writing that the total amount of Registrable Securities requested to be included in such offering, together with any other shares of Common Stock that the Company intends to have included in such offering, would exceed the maximum amount of securities which can be marketed at a price reasonably related to the current fair market value of such securities without adversely affecting such offering (the "Underwriters' Maximum Number"), the initial filing of the registration statement for such Demand Registration will be prepared on the basis that the offering will include, up to the Underwriters' Maximum Number: first, all of the Registrable Securities requested to be included in such registration by the Holders thereof, allocated pro rata among such Holders on the basis of the number of Registrable Securities requested to be included therein by each such Holder; and second, any shares of Common Stock to be included in such registration by the Company or any other holders of shares of Common Stock, allocated as determined by the Company, subject to any applicable agreements between the Company and any such holders

(c) SELECTION OF UNDERWRITERS. The managing underwriter or underwriters to be used in connection with such registration shall be selected by the Holders holding a majority of the Registrable Securities being registered, subject to the approval by the Company, which approval shall not be unreasonably withheld.

(d) UNDERWRITING AGREEMENTS. The Company shall (together with all Holders offering Registrable Securities pursuant to a Demand Registration) enter into an underwriting agreement in customary form with the underwriters selected for such Demand Registration pursuant to the provisions of Section 2(c), and each such Holder shall complete and execute all questionnaires, powers of attorney, indemnities and other documents, and obtain such spousal or other consents, as are reasonably required under the terms of those arrangements and this Agreement.

(e) WITHDRAWAL FROM UNDERWRITING. If any Holder disapproves of the proposed terms of the underwriting arrangements relating to an underwritten offering pursuant to a Demand Registration, such Holder may elect to withdraw therefrom by written notice to the Company and the lead managing underwriter for that offering delivered not less than 10 days before the registration statement relating to that Demand Registration becomes effective under the Securities Act. Any Registrable Securities so withdrawn shall also be withdrawn from registration, and such Registrable Securities (together with any other Registrable Securities held by such Holder) shall be subject to the restrictions set forth in Section 4 until the expiration of the Lockup Period relating to the offering being made pursuant to such registration. If by the withdrawal of such Registrable Securities a greater number of Registrable Securities held by other Holders may be included in such registration (up to the maximum of any limitation imposed by the underwriters), then the Company shall offer to all Holders who have included Registrable Securities in the registration the right to include any additional Registrable Securities they own in the same proportion and manner used in determining the number of shares originally included pursuant to Section 2(b).

(f) INCLUSION AS A DEMAND REGISTRATION. For purposes of this Section 2, a registration will not count as a Demand Registration until it has become effective; PROVIDED, HOWEVER, if the Demanding Holders withdraw all their Registrable Securities (whether before or after the effectiveness of such registration) and not as a result of any wrongdoing by the Company, or if as a result of any action by the managing underwriters or underwriters, such demand will count as a Demand Registration for purposes of this Section 2 unless the Demanding Holders reimburse the Company, promptly upon request, for all of the Registration Expenses related to the attempted registration.

Section 3. PIGGYBACK REGISTRATION.

(a) RIGHT TO INCLUDE REGISTRABLE SECURITIES. Whenever the Company proposes to register the public offering and sale of any shares of Common Stock for its own account under the Securities Act, other than an Exempt Offering, the Company shall give written notice thereof to each Holder as soon as practicable (but in any event at least 15 days prior to its initial filing with the Commission of the registration statement for that offering), offering such Holder the opportunity to register on such registration statement such number of Registrable Securities as such Holder may request in writing (a "Request Notice"), subject to the provisions of Section 3(b), not later than 10 days after the date of the giving of such notice (any such registration being a "Piggyback Registration"). Upon receipt by the Company of any such request, the Company shall use reasonable efforts to include such Registrable Securities in such registration statement and to cause such registration statement to become effective with respect to such Registrable Securities in accordance with the registration procedures set forth in Section 6. If the Company's registration is to be effected pursuant to an underwritten offering, Registrable Securities registered pursuant to this Section 3 shall be distributed in accordance with such offering; PROVIDED, HOWEVER, that: (i) the Company may reserve to itself the right to be the exclusive grantor of any underwriter's overallotment option; and (ii) the shares of Registrable Securities any Requesting Holder will be entitled to offer and sell will be subject to reduction as Section 3(b) provides. In connection with each Piggyback Registration, the Company, in its sole discretion, will determine whether to proceed with or terminate the offering and to select any underwriter or underwriters to administer the offering. Each Holder requesting inclusion in a registration pursuant to this Section 3 may, at any time before the effective date of the registration statement relating to such registration, revoke such request by delivering written notice of such revocation to the Company (which notice shall be effective only upon receipt by the Company); PROVIDED, HOWEVER, that if the Company, in consultation with its financial and legal advisors, determines that such revocation would materially delay the registration or require a recirculation of the prospectus subject to completion contained in the registration statement, then such Holder shall have no right to so revoke its request.

(b) PRIORITY IN PIGGYBACK REGISTRATION. The Company will have the right to determine the aggregate size of each offering pursuant to a Piggyback Registration and to limit the number of Registrable Securities to be included in that offering without reducing the number of shares of Common Stock to be offered by the Company in that offering, as follows: (i) if the lead managing underwriter selected by the Company for that offering (or, if that offering will not be underwritten, a financial advisor to the Company) determines that marketing factors render necessary or advisable a limitation on the number of Registrable Securities to be included in that offering, the Company will be required to include in that offering only such number of Registrable Securities, if any, as that lead managing underwriter (or financial advisor, as the case may be) believes (as evidenced by its written advice to the Company) will not jeopardize the success of the primary offering by the Company; and (ii) if the Company limits the number of Registrable Securities that Requesting Holders may have included in any offering pursuant to clause (i), but does not exclude all Registrable Securities from that offering, the maximum number of Registrable Securities to be included in that offering on behalf of each of those Requesting Holders will be the product of (A) the number of Registrable Securities that Requesting Holder has specified in its Request Notice relating to that offering multiplied by (B) the fraction the numerator of which is the number of Registrable Securities that the Company has determined (in accordance with the foregoing provisions of this Section 3(b)) may be included in that offering and the denominator of which is the aggregate number of Registrable Securities all those Requesting Holders have specified in their Request Notices relating to that offering.

(c) UNDERWRITING AGREEMENTS. All Holders proposing to distribute their securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the

underwriters selected for such underwriting by the Company, and each such Holder shall complete and execute all questionnaires, powers of attorney, indemnities and other documents, and obtain such spousal or other consents, as are reasonably required under the terms of those arrangements and this Agreement.

(d) WITHDRAWAL FROM UNDERWRITING. If any Holder disapproves of the proposed terms of the underwriting arrangements relating to the offering being effected pursuant to a Piggyback Registration, such Holder may elect to withdraw therefrom by written notice to the Company and the lead managing underwriter for that offering delivered not less than 10 days before the registration statement relating to that Piggyback Registration becomes effective under the Securities Act. Any Registrable Securities so withdrawn shall also be withdrawn from such registration, and such Registrable Securities (together with any other Registrable Securities held by such Holder) shall be subject to the restrictions set forth in Section 4 until the expiration of the Lockup Period relating to the offering being made pursuant to such registration.

Section 4. MARKET STANDOFF. If the Company at any time shall effect the registration of an underwritten public offering of any shares of Common Stock under the Securities Act (including any registration pursuant to Section 2 or 3), the Holders shall not sell, transfer, make any short sale of, grant any option for the purchase of, or otherwise dispose of, any Registrable Securities (other than those shares of Common Stock included in such registration pursuant to Section 2 or 3) without the prior written consent of the Company for a period designated by the Company in writing to the Holders (each such period being a "Lockup Period"), which period shall begin not more than 10 days prior to the effectiveness of the registration statement pursuant to which such public offering shall be made and shall extend until the last to occur of (i) the 60th day after the effective date of such registration statement and (ii) the earlier of (A) the 120th day after the commencement of the lockup period, if any, established pursuant to the underwriting arrangements entered into by the Company (and the Holders, if any, offering Registrable Securities in that offering) in connection with that offering and (B) the expiration of the lockup period described in the immediately preceding clause (A). The Company shall obtain the agreement of any person permitted to sell shares of stock in a registration to be bound by and to comply with this Section 4 as if such person was a Holder hereunder. Whenever the provisions of this Section 4 become applicable, the Company will seek to obtain the agreement of its officers and directors to be bound by the transfer restrictions set forth in this Section 4 for the duration of the applicable Lockup Period.

Section 5. EXPENSES OF REGISTRATION. All Registration Expenses incurred in connection with (i) one Demand Registration initiated by the Requisite Wedge Holders, (ii) one Demand Registration initiated by Chesapeake and (iii) all Piggyback Registrations shall be borne by the Company. All Selling Expenses relating to Registrable Securities so registered, as well as all Registration Expenses relating to Demand Registrations and Piggyback Registrations not required to be borne by the Company, shall be borne by the Holders pro rata on the basis of the number of Registrable Securities so registered on their behalf.

Section 6. REGISTRATION PROCEDURES. If and whenever the Company is required by the provisions of Section 2 or 3 to effect the registration of Registrable Securities, the Company shall:

(a) prepare and file with the Commission a registration statement with respect to the offering of these Registrable Securities and use its best efforts to cause such registration statement to become and remain effective as provided herein;

(b prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective and current and to comply with the provisions of the Securities Act with respect to the sale of or other disposition of all Registrable Securities covered by such registration statement, including such amendments and supplements as may be necessary to reflect the plan of distribution for such Registrable Securities, but for no longer than 120 days subsequent to the effective date of such registration statement; PROVIDED, HOWEVER, such period shall be extended for the period of time equal to the period, if any, that a Holder refrains from selling any Registrable Securities covered by such offering at the request of the lead managing underwriter for such offering;

(c) furnish to each prospective seller of Registrable Securities pursuant to such registration such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents, as such seller may reasonably request in order to facilitate the sale or other disposition of the Registrable Securities of such seller;

(d) notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing, and, at the request of any such Holder, prepare and furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing;

(e) cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange or approved for quotation on any inter-dealer quotation system on which the Common Stock is then listed or quoted;

(f) use its best efforts to register or qualify the Registrable Securities covered by such registration under such other securities or "blue sky" laws of such jurisdictions as any Holder may reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable any Holder to consummate the disposition in such jurisdictions of the Registrable Securities owned by such Holder; PROVIDED, HOWEVER, that the Company will not be required to qualify generally to do business, subject itself to general taxation or consent to general service of process in any jurisdiction where it would not otherwise be required to do so but for this paragraph (f);

(g) subject to the execution of confidentiality agreements in form and substance satisfactory to the Company, make available upon reasonable notice and during normal business hours, for inspection by each Holder holding such Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any Holder or underwriter (collectively, the "Inspectors"), all pertinent financial and other records, pertinent corporate documents and properties of the Company as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such registration statement;

(h) use its best efforts to obtain from its independent public accountants "comfort" letters in customary form and at customary times and covering matters of the type customarily covered by comfort letters;

(i) use its best efforts to obtain from its counsel an opinion or opinions in customary form; (j) otherwise use its best efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least 12 months, but not more than 18 months, beginning with the first month after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act; and

(k) use its best efforts to take all other steps necessary to effect the registration of the offering and sale of the Registrable Securities contemplated hereby.

Section 7. INDEMNIFICATION. If any of the Registrable Securities are included in a registration statement under this Agreement, the following provisions shall apply.

(a) The Company will, to the extent applicable law permits, indemnify each Holder, each of such Holder's officers and directors and partners (and each partner's officers, directors and partners) and such Holder's separate legal counsel and independent accountants, and each person controlling such Holder within the meaning of Section 15 of the Securities Act, and each underwriter, if any, and each person who controls any underwriter within the meaning of Section 15 of the Securities Act, against all expenses, claims, losses, damages or liabilities (or actions in respect thereof), including any of the foregoing incurred in settlement of any litigation, commenced or threatened, arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained, on the effective date thereof, in any registration statement, any prospectus contained therein, or any amendment or supplement thereto, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in the light of the circumstances under which they were made) not misleading, or any violation by the Company of any rule or regulation promulgated under the Securities Act applicable to the Company in connection with any such registration, qualification or compliance, and the Company will reimburse each such Holder, each of its officers, directors and partners (and each partner's officers, directors and partners) and such Holders' separate legal counsel and independent accountants and each person controlling such Holder, each such underwriter and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating, preparing or defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by an instrument duly executed by such Holder or underwriter specifically for use therein.

(b) Each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration, qualification or compliance is being effected and to the extent applicable law permits, indemnify the Company, each of its directors and officers and its legal counsel and independent accountants, each underwriter, if any, of the Company's securities covered by such a registration statement, each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, and each other such Holder, each of its officers and directors and each person controlling such Holder within the meaning of Section 15 of the Securities Act, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained, on the effective date thereof, in any such registration statement, any prospectus contained therein, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in the light of the circumstances under which they were made) not misleading, and will reimburse the Company, such Holders, such directors, officers, persons, underwriters or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement or prospectus in reliance upon and in conformity with written information furnished to the Company by an instrument duly executed by such Holder specifically for use therein; PROVIDED, HOWEVER, that the obligations of any such Holder hereunder shall be limited to an amount equal to the proceeds to each such Holder of Registrable Securities sold as contemplated herein.

(c) Each party entitled to indemnification under this Section 7 (each, an "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, PROVIDED that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld or delayed), and the Indemnified Party may participate in such defense at such party's expense, and PROVIDED, FURTHER, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 7 to the extent such failure is not prejudicial. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such

claim or litigation.

(d) If the indemnification provided for in this Section 7 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying the Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party with respect to such loss, liability, claim, damage or expense in the proportion that is appropriate to reflect the relative fault of the Indemnifying Party and the Indemnified Party in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of material fact or the omission (or alleged omission) to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party, and the parties, relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

Section 8. INFORMATION BY HOLDER. The Holder or Holders of Registrable Securities included in any registration shall furnish to the Company such information regarding such Holder or Holders and the distribution proposed by such Holder or Holders as the Company may request in writing and as shall be required in connection with any registration, qualification or compliance referred to herein.

Section 9. RULE 144 REPORTING. The Company will: (i) use commercially reasonable efforts to file with the Commission in a timely manner all reports and other documents Section 13 or 15(d) of the Exchange Act, as applicable, requires it to file with the Commission; and (ii) so long as a Holder owns Registrable Securities, deliver to the Holder, on the Holder's request, a written statement as to whether the Company is in compliance with the requirements referred to in clause (i) of this sentence (if it is then subject to those requirements).

Section 10. ASSIGNMENT OF REGISTRATION RIGHTS. A Holder may not transfer the registration rights this Agreement affords the Holder to any other Person (other than (i) an Affiliate of that Holder or (ii) a member of the "immediate family" (as that term is used in Item 404 of Regulation S-K promulgated by the Commission, as in effect on the date hereof) of (A) that Holder or (B) any Affiliate of that Holder) without the prior written consent of the Company (which consent will not be unreasonably withheld), and in that case only if the transferee executes an addendum to this Agreement in which that transferee agrees to comply with and otherwise be bound by all the terms and conditions hereof.

Section 11. SUBSEQUENT GRANTS OF REGISTRATION RIGHTS.

(a) Without the affirmative vote of the Holders of at least 66?% of the Registrable Securities, the Company shall not grant to any purchaser of the Company's securities any demand registration rights or piggyback registration rights that, with respect to underwriters cutbacks, would be inconsistent or in conflict with the provisions hereof.

(b) For as long as any Holder is entitled to exercise any registration rights described herein in respect of any Registrable Securities held by that Holder, such Holder shall be entitled to receive the benefit of any and all registration rights hereafter granted by the Company to any other Person which are more favorable than the registration rights provided to such Holder pursuant to this Agreement.

Section 12. TERM. This Agreement and all rights granted to the Investors hereunder shall expire on the eighth anniversary of the date hereof.
Section 13. MISCELLANEOUS.

(a) NOTICES. All notices and other communications provided for or permitted hereunder must be in writing and will be deemed delivered and received (i) if personally delivered or if delivered by facsimile or courier service, when actually received by the party to whom the notice or communication is sent, or (ii) if deposited with the United States postal service (whether actually received or not), at the close of business on the third San Antonio, Texas business day next following the day when placed in the mail, postage prepaid, certified or registered with return receipt requested, addressed to the appropriate party or parties at the address of that party set forth or referred to below (or at such other address as that party may designate by written notice to each other party in accordance herewith):

(i) If to the Company: Pioneer Drilling Company
9310 Broadway, Bldg. 1
San Antonio, Texas 78217
Attn: President
Facsimile: (210) 828-8228

with a copy (which shall not constitute notice for purposes of this Agreement) to:

Baker Botts L.L.P.
3000 One Shell Plaza
910 Louisiana
Houston, Texas 77002-4995
Attn: Ted W. Paris
Facsimile: (713) 229-7738

(ii) If to Wedge: WEDGE Energy Services, L.L.C.
1415 Louisiana Street, Suite 3000
Houston, Texas 77002
Attn: President
Facsimile: (713) 524-3586

with a copy (which shall not constitute notice for purposes of this Agreement) to:

WEDGE Energy Services, L.L.C.
1415 Louisiana Street, Suite 3000
Houston, Texas 77002
Attn: General Counsel
Facsimile: (713) 524-3586

(iii) If to Chesapeake: Chesapeake Energy Corporation
6100 North Western Avenue
Oklahoma City, Oklahoma 73118
Attn: Chief Financial Officer
Facsimile: 405) 879-9580

with a copy (which shall not constitute notice for purposes of this Agreement) to:

Commercial Law Group
2725 Oklahoma Tower
210 Park Avenue
Oklahoma City, Oklahoma 73102-5643
Attn: Ray Lees
Facsimile: (405) 232-5553

(iv) If to any other Holder, at the most current address of that Holder as reflected in the books and records of the Company.

(b) ENTIRE AGREEMENT; AMENDMENTS. This Agreement represents the entire agreement of the parties hereto, and supersedes any other agreements among the parties with respect to the subject matter hereof. Without limiting the generality of the foregoing, the Existing RRA is hereby canceled in its entirety and rendered a nullity by agreement of the Company and Wedge. The terms and provisions of this Agreement may not be modified or amended, or any of the provisions hereof waived, except pursuant to the written consent of the Company and holders of a majority of the Registrable Securities then outstanding.

(c) ASSIGNMENT. Subject to the provisions of Section 10, this Agreement will inure to the benefit of and be binding on the heirs, executors, administrators, successors and assigns of each of the parties hereto.

(d) COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original instrument, but all of which taken together shall constitute one and the same agreement.

(e) HEADINGS; INTERPRETATION. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not limit or affect the meaning or interpretation of this Agreement. Whenever the context requires, references in this Agreement to the singular number shall include the plural and vice versa, and words denoting gender shall include the masculine, feminine and neuter. This Agreement uses the words "herein," "hereof," "hereto" and "hereunder" and words of similar import to refer to this Agreement as a whole and not to any particular provision of this Agreement, and the word "Section" is used to refer to Sections of this Agreement, unless otherwise specified. As used in this Agreement, the word "including" (and, with correlative meaning, the word "include") means including without limiting the generality of any description preceding that word, and the verbs "shall" and "will" are used interchangeably and have the same meaning.

(f) GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any principles of conflicts of law thereof that would result in the application of the laws of any other jurisdiction.

(g) SEVERABILITY. In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and other applications thereof shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

PIONEER DRILLING COMPANY

By: /S/ Wm.Stacy Locke

Name: Wm.Stacy Locke

Title: President and CFO

WEDGE ENERGY SERVICES, L.L.C.

By: /S/Richard E. Blohm, Jr.

Name: Richard E. Blohm, Jr.

Title: Vice President

CHESAPEAKE ENERGY CORPORATION

By: /S/ Martha A. Burger

Martha A. Burger, Senior Vice President

WILLIAM H. WHITE

/S/ BILL WHITE
