

Our employees, officers and directors build on a strong foundation of trust, respect, integrity and ethics, which is the reason for the on-going success of Chaparral Energy, Inc. At Chaparral, we believe these characteristics should be demonstrated in everything we do. We are committed to maintaining the highest standards of business ethics and personal integrity.

This Code of Business Conduct and Ethics is designed to clarify what we stand for as a company and the rules by which we live. We entrust all employees, officers and members of our board of directors in upholding Chaparral's commitment to ethical business practices. This means conducting business in accordance with the spirit and the letter of applicable laws and regulations, and in accordance with ethical business practices, all while upholding our values. Dedication to these principles provides the foundation necessary to maintain Chaparral's positive reputation and continued success in our community.

The code defines what is expected from all employees, officers and directors and provides guidance in making the right decision when faced with an ethical issue. While it cannot address all ethical situations, it does provide the principles which guide our business activities and examples of how those principles apply. It is also the responsibility of each employee, officer and director to apply common sense in making business decisions where there is no stated guideline in the code. Along with applying the code and good judgment, we have also identified resources available to assist in making the right decisions.

Each of us, regardless of job position or geographic location, is responsible for implementing the code and for seeking help from others when necessary to make wise, well-informed and ethical business decisions. You should acquaint yourself with this code and keep it handy for future reference.

Chaparral is counting on you to help maintain a reputation as an organization which operates ethically and with the highest level of integrity. We seek to be good corporate citizens in the communities in which we operate. We strive to protect the environment, prevent waste of natural resources and maintain the highest ethical standards in all of our business relationships. Please take these responsibilities seriously. Chaparral's reputation stands on the foundation forged by the actions and decisions each of us makes every single day.

TABLE OF CONTENTS

CHAPARRAL ENERGY, INC. CODE OF BUSINESS CONDUCT AND ETHICS	3
INTRODUCTION	3
WAIVERS	4
CONFLICTS OF INTEREST	4
RECOGNIZE CONFLICTS OF INTEREST	4
DISCLOSE CONFLICTS OF INTEREST	4
RESOLVE CONFLICTS OF INTEREST	5
A. TAKING CORPORATE OPPORTUNITIES FOR PERSONAL BENEFIT	5
B. COMPETITION AND OWNERSHIP INTERESTS	5
C. TRANSACTIONS WITH VENDORS	6
D. GIFTS FROM VENDORS	7
E. OUTSIDE ACTIVITIES/EMPLOYMENT	7
F. LOANS AND GUARANTEES	8
USE AND PROTECTION OF COMPANY ASSETS.....	8
A. PROTECTING COMPANY ASSETS	8
B. COMPANY FUNDS AND ASSETS	8
FAIR DEALING.....	8
RECORD RETENTION	9
A. COMPANY RECORDS AND RECORDS MANAGEMENT	9
B. CONFIDENTIAL INFORMATION	9
C. USE OF CONFIDENTIAL INFORMATION/INSIDER TRADING	10
D. OUTSIDE COMMUNICATIONS.....	10
GOVERNMENTAL AFFAIRS AND COMMUNICATIONS	11
A. REGULATORY AGENCIES	11
B. DOCUMENTS FILED WITH THE SEC AND OTHER REGULATORS	11
C. CIVIC AND POLITICAL ACTIVITIES	11
FINANCIAL REPORTING.....	11
A. FINANCIAL MATTERS AND EXTERNAL REPORTING	12
B. ETHICAL CONDUCT OF ACCOUNTING AND FINANCIAL EMPLOYEES	12
C. REPORTING SUSPECTED VIOLATIONS.....	13
WHISTLEBLOWER PROTECTION.....	13
A. RETALIATION IS PROHIBITED	13
B. INVESTIGATING MISCONDUCT	13
SOURCES OF HELP	14
CONCLUSION	14
EXPLANATORY NOTE	15

CHAPARRAL ENERGY, INC. CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

Chaparral Energy, Inc. and its subsidiaries (collectively “Chaparral” or the “Company”) are committed to high standards of ethical conduct. Our success is fueled by and built on a set of core values, including promoting integrity, driving results, building relationships, and employing technical excellence (the “Values”). Directors, officers and employees of Chaparral are expected to live our Values, which requires us not only to comply with applicable laws and regulations, but in all ways to act with honesty and integrity when conducting Chaparral's business. The purpose of this Code of Business Conduct and Ethics (the "Code") is be a guide for applying legal and ethical practices to our everyday work, and to explain the types of behavior which will help our Company meet its commitment to our Values and highest standards of ethical conduct.

What the Code is.

The Code is more than a set of guidelines for how we should behave. It is a description of who we want to be. Together with our Values, policies, and best business practices, the Code will empower each of us to avoid conflicts of interest, protect corporate assets including confidential information, accurately meet reporting requirements, and promote a culture of compliance with the Code and the Values. Because Chaparral’s reputation, and that of its directors, officers and employees, requires integrity and honest business conduct, in many instances this Code goes beyond the requirements of the law.

What the Code is not.

The Code is not all encompassing. It cannot cover every applicable law or provide answers to all questions which might arise in the performance of your duties. We must rely on your judgment and good sense of what is right, including recognizing when it is appropriate to seek guidance from others as to the proper conduct for a given situation. The Code is not intended to and does not in any way constitute an employment contract or assurance of continued employment, and does not create any rights for any director, officer, employee, consultant, vendor, business partner, shareholder or any other person or entity.

Your Responsibility.

You have a duty to comply with the law, to observe the Values, and to follow the Code. To do so, you must have a working knowledge of the laws and ethical standards which apply to your position. In addition, every supervisor and manager is responsible for helping employees understand and comply with this Code. If you have any questions about this Code or about what is required of you, you should consult with Chaparral’s General Counsel or the Human Resources Department. Every year you will be asked to acknowledge that you have received the Code, read it, and agree to abide by it.

Those who violate the Code or the spirit of these guidelines may be subject to disciplinary action, including termination, and, if applicable, referral to the authorities for prosecution.

Waivers

Any waiver from this Code for Chaparral's directors or executive officers (including the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Controller or persons performing similar functions) may only be authorized by the Board of Directors and then only to the extent permitted by the rules of the Securities and Exchange Commission. These waivers will be publicly disclosed as required by applicable law. Waivers of the Code for all other employees must be approved by the Chief Executive Officer and will be reported to the Board of Directors.

Conflicts of Interest

A conflict of interest exists when your personal interests are either in conflict with Chaparral's interests or interfere with your ability to perform your duties at the Company. While employed by Chaparral, you have a duty to recognize situations that create a conflict of interest, including any situation that creates the appearance or potential for a conflict of interest, whether you are at work or not. This also includes the duty to disclose such conflicts, and to resolve them.

Recognize Conflicts of Interest.

Chaparral expects each employee, officer and director to avoid circumstances that could discredit the Company, unduly cause unfavorable criticism, or impair public confidence in Chaparral's integrity. Any associations, interests and business relationships you have which might impact your judgment, cause you to act in ways which are not in the Company's best interests, or might appear to cause such divided loyalties, should be avoided.

You are expected to recognize situations where a conflict of interest has occurred, or might occur, and take the necessary actions to eliminate or mitigate such conflict. If you believe a conflict of interest has occurred or cannot be avoided, you are required to disclose such conflict in writing to the General Counsel or the Human Resources Department. The Code discusses the following potential conflicts of interest, but this list is meant to serve as an example and is not exhaustive:

- Taking Corporate Opportunities for Personal Benefit
- Holding a financial interest in a vendor or Competitor;
- Conducting transactions with a vendor for your own interests
- Accepting valuable gifts and services from vendors;
- Holding other employment;
- Serving as an officer or director of any outside "for profit" business;

Disclose Conflicts of Interest.

You must promptly report in writing to the General Counsel or the Human Resources Department the existence of any outside association, interest, relationship, or activity, as it arises, that may involve a conflict of interest or the appearance of a conflict of interest, especially those instances discussed herein. In addition, employees are required to complete a *Conflict of*

Interest Disclosure Form (attached) annually to identify and acknowledge relationships or ownership interests that may constitute a conflict of interest. Failure to fully and truthfully answer all questions on the *Conflict of Interest Disclosure Form* can result in disciplinary action, up to and including termination. Any changes to the disclosed relationships or ownership interests must be promptly reported to and approved by Chaparral.

Resolve Conflicts of Interest.

In all cases, conflicts of interest must be handled in an ethical manner: they must be fully disclosed and considered prior to being resolved. The Chief Executive Officer or the Board of Directors, as applicable, will handle all questions of conflicts of interest. The Chief Executive Officer or, as applicable, the Board of Directors, may determine, upon review of all relevant facts, that the conduct does not amount to a conflict of interest or may provide guidance to avoid a conflict from developing. Chaparral may approve in writing certain relationships or ownership interests, and the terms thereof, which might otherwise represent or appear to represent a conflict of interest. When appropriately approved in writing, such relationships or ownership interests will not be prohibited by this Code.

For Employees, the General Counsel will review your disclosures of any conflict of interest and determine with senior management the appropriate course of action with regard to resolving the conflict of interest. You must cooperate fully in the review process by providing all information that is requested. The Company will take the spirit of this Code into account with respect to resolving the conflict of interest.

In the case of outside activities by directors and officers, the Board of Directors will review and consider, among other things, competition issues to determine whether other responsibilities and roles of a director or officer do or could impair such person's ability to act in the Company's best interests. The Board of Directors may suggest that a director refrain from participation on a matter or group of matters where there is a potential for an actual or potential conflict of interest. All associations, interests, relationships, or activities disclosed by any employee, officer or director in accordance with this policy shall be held in confidence unless the best interests of Chaparral dictate otherwise, or as otherwise required by law.

A. Taking Corporate Opportunities for Personal Benefit

You have a duty to Chaparral to advance its legitimate interests when the opportunity arises. You may not take opportunities for yourself personally that are developed through the use of Company resources or information. You may not use Company property or information, or use your position with the Company, for personal gain or to compete with Chaparral.

B. Competition and Ownership Interests

You should not, directly or indirectly, individually or on behalf of another person or entity, participate in, work for, consult with, render services for, or take an interest in (as an owner, stockholder, partner or lender) any Competitor in an area of Competing Business. For purposes of this Code, "**Competitor**" means any business, company or individual, which is in, or is

actively seeking to be in, a Competing Business. “**Competing Business**” means the acquisition, exploration, exploitation, development, production and/or operation of oil and gas properties.

The following will not be considered a Conflict of Interest under the Code:

- A) Direct or indirect ownership of publicly traded securities of Competitor, unless you own more than 5% of the outstanding equity or voting securities of such Competitor;
- B) Direct or indirect ownership of royalty interests where you own the surface of the land covered by the royalty interest and the ownership of the royalty interest is incidental to the ownership of the surface, unless the surface estate adjoins any property interest held directly or indirectly by Chaparral;
- C) Direct or indirect ownership of royalty or overriding royalty interests owned prior to employment and disclosed to Chaparral in writing; or
- D) Direct or indirect ownership of working interests or other interests in oil and gas owned prior to employment and disclosed to Chaparral in writing.

Even though these ownership interests are not considered Conflicts of Interest under the Code, they must still be disclosed on the Disclosure Form. The Code prohibits acquisition of additional oil and gas interests, directly or indirectly, during your employment.

C. Transactions with Vendors

Strong relationships with our vendors are a key to the success of our business operations. We expect you to conduct business with vendors in a respectful, fair and honest manner. However, you may have a conflict of interest if you or a member of your family own a direct or indirect interest in an entity with which the Company has (or is likely to have) a business relationship, or with which Chaparral competes (or is likely to compete). You are prohibited from engaging in activities with vendors that promote your personal interests ahead of the interests of Chaparral or otherwise create a conflict of interest, including but not limited to:

- Receiving payments, bribes, kickbacks or loans from a vendor;
- Soliciting personal gifts or cash;
- Holding or acquiring an undisclosed and unapproved financial interest in a vendor (other than a financial interest of less than 5% in a publicly traded corporation whose securities are quoted and traded in the public securities market);
- Entering into a business transaction with a vendor, other than of a non-company business related nature on terms available to the general public or all Company employees;
- Divulging confidential or proprietary information that is not integral to the product or services provided by the vendor;
- Accepting discounts on personal purchases from a vendor (other than those available to the general public or all Company employees);
- Any activity that takes unfair advantage of a vendor through concealment, abuse of privileged or confidential information, misrepresentation or fraudulent behavior;
- Cooperation with a vendor to take unfair advantage of another party.

D. Gifts from Vendors

From time to time vendors provide gifts beyond the goods and services Chaparral purchases from the vendor. To avoid creating a conflict of interest or the appearance of impropriety, all gifts are subject to the following limitations and disclosure requirements.

You may not ever accept a gift or service that obligates you or the Company (or appears to obligate you or the Company) to a vendor, or that appears to be an attempt to influence Company decisions. An employee may accept gifts, gift cards or gift certificates, which are construed to be personal in nature and non-influencing on company decisions, subject to the following:

- A) More than \$250. You must disclose gift cards, gift certificates or other gifts with a fair market value of more than \$250 to the General Counsel or Human Resources Department, and such gifts must be approved by senior management, before you can accept the gift. This applies to sporting events, trips and other entertainment, but not to meals shared with the vendor. The gift should be disclosed on the *Gift Form* (attached).
- B) More than \$50. You must disclose gift cards, gift certificates or other gifts with a fair market value of more than \$50 to your supervisor within five (5) business days of receipt. Prior approval is not required. This applies to sporting events, trips and other entertainment, but not to meals shared with the vendor. The gift should be disclosed on the *Gift Form* (attached).
- C) Less than \$50. You are not required to disclose gifts cards, gift certificates or other gifts with a fair market value below \$50.00, but acceptance must be in accordance with the Code and the Values.
- D) No one employee may accept gifts, gift cards and/or gift certificates in excess of a combined \$500 from all sources in any single calendar year.
- E) An employee is **never** permitted to accept cash in any amount.

An employee violating the gift provisions of the Code could be subject to discipline up to and including termination. Violations of this policy could subject the vendor to removal from our approved vendor list. If you have any questions about your dealings with vendors, you should consult with the General Counsel or the Human Resources Department.

E. Outside Activities/Employment

As an employee of Chaparral, you have committed your working time and talents to the Company. Outside activities should not take the time and attention you are expected to devote to your duties and responsibilities to Chaparral, or adversely affect the quality or quantity of your work product, involve your use of any Company assets, including its real and personal property, or create the appearance of Chaparral's involvement, endorsement, sponsorship, or support (unless senior management approves in advance).

You may hold outside jobs as long as you meet the performance standards of your job, and your outside employment does not create a Conflict of Interest (as defined in this Code) with your employment at Chaparral. However, you may not hold outside employment with a Competitor (as defined in this Code), and you may not serve as an officer or director of any outside "for profit" business, whether a Competitor nor not.

F. Loans and Guarantees

Chaparral does not extend loans to, or guarantee the personal obligations of, directors, officers or employees.

Use and Protection of Company Assets

A. Protecting Company Assets

You are responsible for safeguarding against theft, loss and misuse of Company property. Company property includes:

- Physical assets such as our buildings, vehicles, field equipment, tubular inventory, office equipment, telephones, computers, mobile devices, staplers and similar assets;
- Intangible assets such as computer programs and data, including proprietary information such as log data, seismic data, and leasehold information, and intellectual property, such as patents, copyrights and trademarks; and
- The property of others for which Chaparral is responsible, such as equipment, proprietary information and reports, or computer programs that are leased or loaned to the Company.

While Company property is to be used for business purposes only, senior management can authorize occasional personal use. The use of Company property for personal gain is strictly prohibited.

B. Company Funds and Assets

Employees, officers and directors are responsible for protecting Company property and ensuring that Company funds and assets are used for legitimate business purposes. Any expenditure of Chaparral's funds must be in accordance with Company policies and procedures, Values, and applicable law. Company property should only be used for the benefit of Chaparral in the conduct of its business. Employees, officers and directors are prohibited from using Company funds, property or information for personal gain.

Fair Dealing

You should endeavor to deal fairly and in good faith with Chaparral, its lessors, working interest owners, royalty owners, shareholders, vendors, suppliers, regulators, business partners, Competitors and others. You must not take unfair advantage of any of them through manipulation, concealment, abuse of privileged or confidential information, misrepresentation, fraudulent behavior or any other unfair dealing practice. Fraudulent behavior includes, but is not limited to:

- Dishonest conduct;
- Forgery or alteration of instruments or Company documents;
- Misappropriation of any property belonging to the Company or its officers, directors, employees, customers, partners or suppliers;
- Personal use of cash, securities, supplies or any other Company assets;

- Falsification of expense reimbursement or time & expense reports;
- Unauthorized handling or reporting of Company transactions; and
- Falsification of Company records or financial statements.

If you suspect that any fraudulent activity may have occurred, you should report your concern to the General Counsel, Human Resources Department, or report through the Ethics Hotline (as described below). Those engaging in fraudulent behavior will be subject to disciplinary action, up to and including termination and further legal action.

Record Retention

A. Company Records and Records Management

In the course of your job duties, you will record or report important Company information, including but not limited to reports to regulatory agencies, drilling reports, accounting reports, and so forth. **In accordance with Chaparral's internal control procedures, you are required to properly document and report all business and financial transactions honestly, completely and accurately.** Under no circumstances should you create false or misleading records or documents, nor should you alter or untimely destroy any business documents or records of transactions, whether held in physical or electronic form.

Company records or documents should only be destroyed in accordance with Chaparral's Records Retention Policy. If you are unsure of the retention period for a particular document, contact your supervisor or the General Counsel. You should immediately cease the destruction of documents if you learn of a subpoena or pending, imminent or contemplated litigation or governmental investigation. You must not destroy any information (or order another person to destroy information) that is known to be the subject of or related to an investigation or litigation. Criminal and/or civil penalties may apply to individuals that destroy information that is the subject of an investigation or litigation. If anyone instructs you to destroy or shred documents outside Chaparral's established records retention policies, you must immediately report the request to the General Counsel.

No employee, officer or director has any expectation of privacy in any message, document or data that is created with, stored on, or transmitted by a Company owned device or system. All records created or stored on Company equipment or company property are considered Company documents, and are subject to review by the Company at any time. This includes all e-mail, text messages, electronic documents, and paper files. If a document or data can be found on a Company-owned system or device, it is a Chaparral record and is not your "personal" record.

B. Confidential Information

Protecting Chaparral's Confidential Information is vital to success and growth in our competitive industry. Our investors, partners and vendors also entrust our Company with important information relating to their businesses. The nature of this relationship requires us to maintain confidentiality. Any violation of confidentiality seriously injures our reputation and effectiveness and could subject Chaparral to liability.

“Confidential Information” is any non-public information held by Chaparral. It may include, but is not limited to, trade secrets, proprietary information, leases, maps, geophysical data, business plans, marketing plans, compensation and benefit information, cost and pricing information, information technology, customer contacts and information provided to the Company by a third party under restrictions against disclosure. **Financial information should under all circumstances be considered Confidential Information.** If you have a question about whether something should be considered confidential, you should assume that it is confidential until you have resolved the question with your direct manager.

You are responsible for ensuring that Confidential Information is only made available to authorized person, which may not include all of your co-workers. You should discuss Confidential Information only with those persons you know are authorized to receive it, and have a need to know the information. Only discuss specific business transactions with those who have direct involvement with the transaction. Even casual remarks can be misinterpreted and repeated.

Your duty to protect Confidential Information extends past your relationship with Chaparral. Upon termination, you must return all originals and copies of documents or materials containing Confidential Information. You are not permitted to remove or keep copies of any Company records, reports or documents without prior management approval. Confidential Information which could be of value to someone outside of the Company should be destroyed as permitted by our document retention policy. If you are questioned by someone outside Chaparral or your department and you are concerned about the appropriateness of giving them certain documents or information, please immediately refer the request to your supervisor or the General Counsel.

C. Use of Confidential Information/Insider Trading

Trading in stocks, bonds or any security instrument based on material nonpublic information, or providing material nonpublic information to others so they may trade, is illegal and may result in criminal prosecution. It is also a violation of Chaparral’s Values and of the Code, and may result in discipline including termination. This applies to Chaparral’s nonpublic information, and information you may be exposed to through contact with vendors, business partners, or others.

D. Outside Communications

You are expected to conduct both your business and personal activities in a manner that does not compromise the protection of Confidential Information. You are prohibited from participating or expressing an opinion as a representative of Chaparral in any public forum unless you have been expressly appointed by senior management to do so. Press releases, publications, speeches, interviews, participation in Internet chat rooms or any public communication which might be considered as representing Chaparral's position must be approved in advance by senior management. If you are contacted by a member of the media in connection with the Company’s business, that individual should be referred to senior management, Corporate Communications Department, or the General Counsel. More information regarding outside communications is available in the Media Relations Policy and the Social Media Policy. If you release Confidential Information or communicate publicly on behalf of Chaparral without proper authorization, you will be subject to disciplinary action, up to and including termination.

Governmental Affairs and Communications

A. Regulatory Agencies

The Company is subject to the requirements, restrictions and compliance standards of many different regulatory agencies pertaining to securities, environmental protection, fair business practices, equal employment opportunities, just to name a few. Chaparral expects you to familiarize yourself and comply with all regulations that apply to your duties. Further, you are prohibited from discussing Company matters with regulatory agencies unless you are expressly authorized to do so. For more information on the regulatory requirements affecting our business and the way we perform our jobs, please contact your supervisor.

B. Documents Filed with the SEC and Other Regulators

The Company will apply standards of full, fair, accurate, timely and understandable disclosure in reports and documents that are filed with or submitted to the SEC and other government agencies or that are otherwise distributed externally by Chaparral. External statements to the general public should also be clear and consistent to ensure that the general public is accurately informed. Therefore, all statements to the general public, including statements primarily regarding financial matters, should be coordinated and approved by the Corporate Communications Department or other designated Company spokesperson. Similarly, all communications with investors or financial analysts should be coordinated through the Chief Executive Officer, Chief Financial Officer or other designated Company spokesperson.

C. Civic and Political Activities

Chaparral is an active participant in the processes of our government at the national, state and local levels, within the parameters of the law. The Company also encourages you to participate in our political system by voting, speaking out on public issues and becoming active in civic, charitable and political activities, so long as such participation does not encroach on the time and attention that you are expected to devote to your duties and responsibilities.

It is important, however, that you clearly distinguish your personal views and actions from those of Chaparral. You are to conduct such activities in a manner that does not involve the Company or its assets. Do not create an appearance of Company involvement, endorsement, sponsorship, or support (unless senior management provides advance written approval).

Financial Reporting

The integrity of Chaparral's financial records and reports is essential. Shareholders, potential investors, regulatory agencies, lending institutions and others depend on the accuracy of such information. It is Chaparral's policy to fully, accurately, timely and fairly report all financial transactions in our accounting records and published financial reports. Further, the financial statements must fairly present the financial position and results of operations, in all material respects, in accordance with Generally Accepted Accounting Principles (GAAP). The Company prohibits you from engaging in any actions, omissions or practices, whether intentional or reckless, that would result in rendering Chaparral's financial statements materially inaccurate or misleading. The Company further prohibits you from engaging in any actions, omissions or

practices, whether intentional or reckless, that circumvent Chaparral's established internal and/or disclosure controls.

Every individual involved in creating, transmitting or entering information into Chaparral's financial and operational records is responsible for doing so fully, accurately, and with appropriate supporting documentation. You may not make any entry that intentionally hides or disguises the true nature of any transaction. For example, you may not understate or overstate known liabilities and assets, defer or accelerate the proper period for recording items that should be expensed or recorded, or falsify quality or safety results. Knowingly entering inaccurate or fraudulent information or failing to enter material information into Chaparral's accounting system is unacceptable, may be illegal, and will not be tolerated.

If you know, or even suspect, an entry or process is false, you are required to inform your supervisor or, if necessary, the Chief Executive Officer, President, or Chief Financial Officer. In the alternative, you may report to the Chaparral Ethics Hotline (844-278-0422) or a member of the Ethics Committee. It is also your responsibility to fully cooperate with Chaparral's authorized auditors and appointed investigators.

A. Financial Matters and External Reporting

The Company demonstrates its commitment to high quality financial reporting by establishing and maintaining internal controls and procedures to ensure the integrity of its financial reporting and legal compliance. Additionally, Chaparral has adopted appropriate accounting policies and devoted adequate resources to ensure that those policies are applied properly and consistently in order to present our results in a manner that is accurate, complete and clear. In conjunction with these objectives, the Company has established policies relating to its financial matters. Any employee who fails to follow accounting and financial reporting policies and guidelines will be subject to disciplinary action, up to and including termination.

B. Ethical Conduct of Accounting and Financial Employees

The Company's accounting and financial employees and officers must conduct themselves in accordance with all applicable ethical mandates and guidelines governing their profession. Additionally, accounting and financial employees and officers shall observe strict ethics and conflict of interest guidelines with respect to Chaparral's relationships with outside auditors including, but not limited to:

- Employees, officers and directors shall not manipulate, pressure, or coerce an auditor or in any way attempt to mislead the audit;
- Employees, officers and directors shall not hire individuals who have performed audit services for Chaparral within the time frames specified as being inappropriately close to the time of hiring under applicable securities regulations; and
- Employees, officers and directors will not engage auditors to provide non-audit services that are prohibited by law.

Any employee who in good faith suspects wrongdoing with respect to ethical conduct in Chaparral's accounting and financial practice should report the matter in accordance with these guidelines. The Company has established a toll-free "Ethics Hotline" number, 844-278-0422,

through which reports can be made anonymously to the Ethics Committee. Employees may also submit reports through Chaparral's Intranet and/or Internet site, and may remain anonymous if the employee does not want to disclose his/her identity.

C. Reporting Suspected Violations

Employees, officers or directors who learn of or suspect a violation of this Code or other misconduct by an employee, officer, director and/or business partner, are ***required*** to report the suspected violation to one or more of the resources listed in the "Sources of Help" section below. Failing to report a violation is itself considered a violation of the Code and could result in disciplinary action, up to and including termination.

All reports in which a senior officer or director is suspected of misconduct or any violation of the Code must be reported to the Chief Executive Officer or Chaparral's Audit Committee, which will direct an appropriate investigation. Any report of a violation of Chaparral's accounting or financial practices must be reported to the Chief Executive Officer or Chaparral's Audit Committee, which will direct an appropriate investigation. A report of the investigation will be provided to the Board of Directors and action will be taken as appropriate.

Whistleblower Protection

The Company is committed to establishing and maintaining an effective process through which officers, directors, employees and interested third parties can report misconduct or violations of the Code, and for Chaparral to respond to and investigate the reports. Employees, officers and directors have a continuing responsibility to enhance Chaparral's Values and enforce its policies and standards of ethical conduct.

A. Retaliation is Prohibited

Any officer, director, employee or vendor making a good faith report of an actual or suspected violation of the Code, or participating in an investigation of a reported violation, will not be subject to retaliation of any kind. Retaliation might include any kind of adverse employment action, including termination, demotion, suspension, loss of benefits, decline in job responsibilities or workplace conditions, threats, intimidation, harassment or discrimination. Retaliation against an individual for reporting a violation or for participating in an investigation is a serious violation of the Code and Chaparral's Values. Any employee who engages in any form of retaliation will be subject to disciplinary action up to and including termination of employment and if applicable, referral to the authorities for prosecution.

B. Investigating Misconduct

The Company respects the privacy of each employee, officer, and director but reserves the right to investigate behavior that could reasonably be considered harmful to the Company's reputation, compromises the safety of its employees, customers or assets, or is a violation of the Code. You are required to fully cooperate with investigations of suspected violations as needed.

The following conduct is strictly prohibited:

- Interfering with or obstructing an investigation;
- Refusing to provide requested information;
- Misrepresenting the facts, or failing to disclose facts, during an investigation;
- Destroying, disposing, manipulating or falsifying information related to an investigation;
- Attempting to discover the identity of any person cooperating in an investigation; or
- Any form of retaliation against any person cooperating in an investigation.

Chaparral will take prompt and appropriate disciplinary action when allegations of wrongdoing are substantiated. Not all forms of disciplinary action will be publicly apparent, but Chaparral will communicate to the person reporting the wrongdoing that action has been taken.

Sources of Help

Chaparral provides resources to help you resolve ethical questions or concerns. There is absolutely no reason for anyone to make a decision of which they are not confident when it comes to ethics or integrity. If you have any questions, you should contact:

- Your supervisor; or
- The Human Resources Department; or
- The General Counsel; or
- The Ethics Committee; or
- The Chief Financial Officer; or
- The Chief Executive Officer
- The Company's Intranet site reporting page; or
- The Company's Ethics Hotline at 844-278-0422.

Conclusion

This Code is only a beginning. It is not possible to describe all potential unethical or illegal business practices. In addition to compliance with Company policies, applicable legal and contractual obligations, we must rely on individual conscience and common sense. If you are unsure how to respond to a particular situation, please seek guidance.

If you encounter a situation of an actual or suspected violation of the Code, you have a responsibility to report it. You are expected to promptly contact one of the many resources made available to you as listed in the "Sources of Help" section above. Whatever source you choose to contact, you can do so without fear of retaliation.

The Company is counting on you to help it maintain a reputation as an organization that operates ethically and with the highest level of integrity. Please take this responsibility seriously.

Explanatory Note

This Code constitutes Chaparral’s “Code of Ethics” as applicable to its principal executive officer, principal financial officer and principal accounting officer as required by Item 406 of Regulation S-K and is also applicable to all directors, officers and employees as is required by New York Stock Exchange Rule 303A.10. Although all employees must adhere to the standards contained in this Code, this Code does not constitute an employment contract and does not impart any rights on employees. The Company may change this Code at any time. This Code does not address every expectation or condition regarding proper and ethical business conduct. This Code is not a substitute for Chaparral’s other policies and procedures.