Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Gastar Exploration Inc.		2 Issuer's employer identification number (EIN) 38-3531640
3 Name of contact for additional information Michael A.Gerlich	4 Telephone No. of contact 713-739-0455	5 Email address of contact mgerlich@gastar.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1331 Lamar, Suite 650		7 City, town, or post office, state, and Zip code of contact Houston, TX 77010
8 Date of action See below.	9 Classification and description Return of capital cash distribution	

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
36729P306	NA	GST.PRB	NA

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Return of capital cash distribution approved by Board of Directors based on records dates under Part II item 15.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

Declared	Ex-Date	Record	Payable	Per Share Payment
1/5/16	1/13/16	1/15/16	2/01/16	$0.22396
2/5/16	2/11/16	2/16/16	2/29/16	$0.22396
3/10/16	3/17/16	3/21/16	3/31/16	$0.22396

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Change in basis equals return of capital cash distribution.

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **IRC Section 312**

18 Can any resulting loss be recognized? ▶ **No**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **Year ended December 31, 2016**

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ /s/Michael A. Gerlich Date ▶ January 10, 2017

Print your name ▶ **Michael A. Gerlich** Title ▶ **CFO and Senior VP**

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054