

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

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 distribution | | |
| 10 CUSIP number 36729P306 | 11 Serial number(s) NA | 12 Ticker symbol GST.PRB | 13 Account number(s) 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 record 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 Amount |
|----------|---------|---------|---------|------------------|
| 4/9/18 | 4/18/18 | 4/20/18 | 4/30/18 | \$2.01563 |
| 5/10/18 | 5/19/18 | 5/21/18 | 5/31/18 | \$0.22396 |
| 6/11/18 | 6/20/18 | 6/22/18 | 7/2/18 | \$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

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ No

Blank lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Year ended December 31, 2018

Blank lines for providing other necessary information for the adjustment.

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.

Sign Here

Signature ▶ *Michael A. Gerlich*

Date ▶ 1/17/19

Print your name ▶ Michael A. Gerlich

Title ▶ Senior VP and CFO

Paid Preparer Use Only

| | | | | |
|----------------------------|----------------------|------|---|------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶ | | | Firm's EIN ▶ | |
| Firm's address ▶ | | | Phone no. | |