

Gastar Exploration Inc.  
 Form 4  
 February 01, 2017

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2015  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Gerlich Michael A

(Last) (First) (Middle)  
 1331 LAMAR, SUITE 650  
 (Street)

HOUSTON, TX 77010

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 Gastar Exploration Inc. [GST]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 01/30/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Senior VP & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock                    | 01/30/2017                           |  | F                              | (A) or (D)<br>V<br>Amount<br>53,975<br>(1)                        | Price<br>\$<br>1.66   | D  | 1,134,733 (2)                     |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) |              |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date                                   | Title        |
| 2014 Performance Based Units               | \$ 0   | 01/30/2017                           |  | J                              | 17,528<br><u>(3)</u>  | <u>(4)</u>   | 01/30/2017  | Common Stock |
| 2015 Performance Based Units               | \$ 0   |                                      |  |                                |   | <u>(5)</u>   | 01/30/2018  | Common Stock |
| 2016 Performance Based Units               | \$ 0   |                                      |  |                                |   | <u>(5)</u>   | 01/30/2019  | Common Stock |
| Restricted Stock Units                     | \$ 0   | 01/30/2017                           |  | A                              | 171,310   | <u>(6)</u>   | 01/30/2020  | Common Stock |
| Performance Based Rights Units             | \$ 0   | 01/30/2017                           |  | A                              | 171,310   | <u>(7)</u>   | 01/30/2020  | Common Stock |

## Reporting Owners

| Reporting Owner Name / Address                                  | Relationships |           |                 |       |
|---|---------------|-----------|-----------------|-------|
|   | Director      | 10% Owner | Officer         | Other |
| Gerlich Michael A<br>1331 LAMAR, SUITE 650<br>HOUSTON, TX 77010 |               |           | Senior VP & CFO |       |

## Signatures

/s/ Michael A.  
Gerlich

02/01/2017

\*\*Signature of Reporting Person                      Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares forfeited to meet tax obligation of restricted share vesting.
- (2) Includes 172,592 shares acquired on various dates pursuant to previously reported restricted share grants that will vest subject to previously disclosed vesting schedules.
- (3) These PBUs vested and forfeited as a result of the 2014 PBU award settling at 0% of the target award based on Gastar's share price depreciation over the performance period.
- (4) These performance based units ("PBUs") vest ratably over a three-year performance period as previously reported.

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- (5) These PBUs vest in their entirety at the end of a three-year performance period as previously reported.

These restricted stock units were granted in place of restricted common stock. At an undetermined date in the future, these restricted stock units, at the approval of the shareholders of additional shares to the Long-Term Incentive Plan, will be converted to restricted common stock that will vest in three equal annual installments beginning on January 30, 2018.

- (7) These performance based rights units were granted in place of performance based units. At an undetermined date in the future, these performance based rights units, at the approval of the shareholders of additional shares to the Long-Term Incentive Plan, will be converted to performance based units that will vest in their entirety at the end of a three-year performance period with settlement in common stock between 0% and 200% (subject to limitations discussed below) of the target award based on Gastar's share price appreciation over a three-year performance period relative to a peer index. Share price appreciation is measured generally as the change in market value of common stock during the performance period. The performance based rights units have no voting rights. Should shareholder approval not occur, the Company will be obligated to settle the performance based rights units in cash at an amount equal to the fair value of a common share at vesting.

- (8) The number of performance based rights units reported (171,310) represents the target award for performance based units. As such, the number of shares that may be issued upon vesting ranges from 0 shares to 342,620 shares. \*\*As discussed above, at the end of the performance period, the participant may earn up to 200% of the target award, subject to a maximum award limitation of one million (1,000,000) shares that may be issued to any individual in a calendar year under the Gastar Exploration Inc. Long-Term Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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