

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

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name CROSSTEX ENERGY, INC.		2 Issuer's employer identification number (EIN) 52-2235832	
3 Name of contact for additional information MARY RUSSO	4 Telephone No. of contact 214-953-9584	5 Email address of contact mary.russo@enlink.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2501 CEDAR SPRINGS ROAD, SUITE 100		7 City, town, or post office, state, and Zip code of contact DALLAS, TX 75201	
8 Date of action 3/7/2014	9 Classification and description COMMON STOCK, PAR VALUE \$0.01 PER SHARE		
10 CUSIP number 22765Y104	11 Serial number(s)	12 Ticker symbol XTXI	13 Account number(s)

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 ▶ **Crosstex Energy, Inc. ("CEI") merged with a wholly owned subsidiary of Enlink Midstream, LLC. In the merger, CEI stockholders received, for each share of CEI Common Stock, one (1) Common Unit of Enlink Midstream, LLC ("Enlink Common Unit") and \$2.063 of cash (the "Cash Amount Per Share"). The merger occurred on March 7, 2014.**

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 ▶ **As a result of the organizational action (i.e. the merger), each outstanding share of CEI Common Stock was cancelled and CEI stockholders received a tax basis in each Enlink Common Unit received equal to (i) the tax basis of the shares of CEI Common surrendered in the merger, minus (ii) the Cash Amount Per Share (\$2.063 per share), plus (iii) the amount of gain recognized by the CEI stockholder in the merger. The amount of gain recognized by a CEI stockholder in the merger is equal to the lesser of (a) the Cash Amount Per Share (\$2.063 per share) or (b) the excess (if any) of (i) the sum of the Cash Amount Per Share and the value of each Enlink Common Unit received in exchange for the CEI Common Stock surrendered in the merger, over the CEI stockholder's tax basis in its shares of CEI Common Stock surrendered in the merger.**

Thus, for those CEI stockholders who recognized gain in an amount equal to the Cash Amount Per share under the rules described above, each such CEI stockholder would have a tax basis in the Enlink Common Units received in the merger equal to such CEI stockholder's tax basis in its shares of CEI Common Stock immediately prior to the merger.

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 ▶ **As a result of the organizational action (i.e., the merger) each outstanding share of CEI Common Stock was cancelled and CEI stockholders received a tax basis in each Enlink Common Unit received equal to (i) the tax basis of the shares of CEI Common Stock surrendered in the merger, minus (ii) the Cash Amount Per Share (\$2.063 per share), plus (iii) the amount of gain recognized by the CEI stockholder in the merger. The amount of gain recognized by a CEI stockholder in the merger is equal to the lesser of (a) the Cash Amount Per Share (\$2.063 per share) or (b) the excess (if any) of (i) the sum of the Cash Amount Per Share and the value of each Enlink Common Unit received in exchange for the CEI Common Stock surrendered in the merger, over (ii) the CEI stockholder's tax basis in its shares of CEI Common Stock surrendered in the merger. The Company has determined that the sum of the Cash Amount Per Share and the value of each Enlink Common Unit received in the merger was equal to \$39.40 per share of CEI Common Stock surrendered in the merger. This amount represents the Company's determination of the market value of the CEI Common Stock immediately prior to the merger and is based on the closing trading price of the CEI Common Stock on the day prior to the merger.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
The tax treatment is governed by IRC Sections 351 and 358

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ For those CEI stockholders that are calendar year taxpayers, this transaction is reportable in the tax year ending December 31, 2014.

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 ▶  Date ▶ 2/18/14

Print your name ▶ Susan McAden Title ▶ VP - CAO

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.	