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 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 FEBRUARY 14, 2014	9 Classification and description COMMON STOCK, $.15 PER SHARE DISTRIBUTION	

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
22765Y104		XTXI	

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 ▶ ON FEBRUARY 14, 2014 EACH HOLDER OF RECORD OF CROSSTEX ENERGY, INC'S ("CEI's") COMMON STOCK AS OF THE CLOSE OF BUSINESS ON JANUARY 30, 2014 RECEIVED CASH DISTRIBUTIONS, PER SHARE, IN THE AMOUNT OF $.15 (THE "DISTRIBUTIONS"). UNDER APPLICABLE TAX LAW, A PORTION OF THESE DISTRIBUTIONS WILL NOT BE TREATED AS A TAXABLE DIVIDEND DISTRIBUTION BUT, INSTEAD, WILL BE TREATED AS A REDUCTION NI THE SHAREHOLDER'S TAX BASIS IN ITS SHARES OF CEI COMMON STOCK. BASED ON AVAILABLE INFORMATION AND UNDER THE RULES OF THE UNITED STATES INTERNAL REVENUE CODE, CEI EXPECTS TAHT THE FORM 1099s IT PROVIDES TO SHAREHOLDERS WILL CHARACTERIZE A PORTION OF THE DISTRIBUTIONS AS NONDIVIDEND DISTRIBUTIONS IN TAXABLE YEAR 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 ▶ FOR UNITED STATES FEDERAL INCOME TAX PURPOSES, CEI EXPECTS THAT THE FORM 1099s IT PROVIDES TO SHAREHOLDERS WILL CHARACTERIZE A PORTION OF THESE DISTRIBUTIONS AS NONDIVDIEND DISTRIBUTIONS UNDER SECTION 301(c) OF THE CODE IN TAXABLE YEAR 2014 IN AN AMOUNT OF $.0525 PER SHARE. THIS AMOUNT WILL BE TREATED AS A REDUCTION IN The SHAREHOLDER'S TAX BASIS IN ITS SHARES OF CEI COMMON STOCK.

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 ▶

BASED ON AVAILABLE INFORATION, IT IS ESTIMATED THAT 35% OF THE DISTRIBUTION WILL BE CHARACTERIZED AS A NONDIVIDEND DISTRIBUTION ON THE FORM 1099 CEI PROVIDES TO ITS SHAREHOLDERS. THE $.0525 PER SHARE CALCULATION IS AS FOLLOWS:

DISTRIBUTION PER SHARE:	$.15
35% NONDIVIDEND DISTRIBUTION	x .35
	$ .0525 PER SHARE BASIS ADJUSTMENT

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 SECTION 301(c)

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 ENDED DECEMBER 31, 2014.

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 ▶ Susan McAden Date ▶ March 20, 2014

Print your name ▶ Susan McAden Title ▶ Chief Accounting Officer

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