

**MAGNUM HUNTER RESOURCES CORPORATION
DISTRIBUTION ON 8% SERIES D CUMULATIVE PREFERRED STOCK
REPORTING REQUIRED BY SECTION 6045B**

**INTERNAL REVENUE SERVICE
FORM 8937**

INTRODUCTION

Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”), requires an issuer of a specified security to provide to the Internal Revenue Service (the “IRS”) and each holder of record of the security, or to such holder’s nominee, certain information with respect to organizational actions that affect the tax basis of such security for U.S. federal income tax purposes. To satisfy the filing requirements of Section 6045B of the Code, an issuer must complete IRS Form 8937 with respect to an organizational action and either file such form with the IRS or post such form on the issuer’s primary public web site. An issuer of a specified security is also required in connection with an organizational action to provide IRS Form 8937 to each holder of record of the security, or to each holder’s nominee. An issuer may provide the IRS Form 8937 to the holder of the security, or the holder’s nominee, by posting a completed IRS Form 8937 on the issuer’s public web site.

In 2011, Magnum Hunter Resources Corporation (“MHR”) declared and paid dividends on its 8% Series D Cumulative Preferred Stock (“Preferred Stock”). Attached is the IRS Form 8937 required in connection with the dividend distributions on the Preferred Stock.

**HOLDERS OF PREFERRED STOCK RECEIVING DIVIDEND DISTRIBUTIONS
SHOULD CONSULT THEIR OWN TAX ADVISOR**

The information set forth in this document does not constitute tax advice to any holder of Preferred Stock receiving dividend distributions in 2011, and does not take into account any holder’s specific situation. You are urged to contact your own tax advisor regarding your particular U.S. federal, state, local and foreign tax consequences of the dividend distribution. MHR also urges you to read the discussion under the heading “Material U.S. Federal Income Tax Consequences,” included in the applicable Prospectus Supplement filed by MHR with the Securities and Exchange Commission.

UNITED STATES INTERNAL REVENUE SERVICE CIRCULAR 230 DISCLOSURE:

You should be aware that:

(A) the discussion with respect to U.S. federal tax matters in these documents was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer;

(B) such discussion was written in connection with the promotion or marketing (within the meaning of IRS Circular 230) of the transactions or matters addressed by such discussion; and

(C) each taxpayer should seek advice based on its particular circumstances from an independent tax advisor.

MAGNUM HUNTER RESOURCES CORPORATION
TIN: 86-0897278
ATTACHMENTS TO FORM 8937

Form 8937 Part I, Box 8:

Dividend Payment Dates

05/02/2011
05/02/2011
05/31/2011
06/30/2011
08/01/2011
08/31/2011
09/30/2011
10/31/2011
11/30/2011
01/03/2012

Form 8937 Part I, Box 9:

Magnum Hunter Resources Corporation 8% Series D Cumulative Preferred Stock

Form 8937 Part II, Box 14:

In calendar year 2011, Magnum Hunter Resources Corporation (“MHR”) declared and paid dividend distributions on the 8% Series D Cumulative Preferred Stock (the “Preferred Stock”). As noted below, these distributions, while treated as dividends for state law purposes, were not dividends for federal income tax purposes within the meaning of Section 316 of the Code. The amount of each distribution paid in 2011 by MHR on a share of Preferred Stock and the applicable declaration, record and payment dates with respect thereto were as follows:

<u>Amount of Distribution</u>	<u>Declaration Date</u>	<u>Record Date</u>	<u>Payment Date</u>
.1222	03/16/2011	03/31/2011	05/02/2011
.3333	04/05/2011	04/14/2011	05/02/2011
.3333	05/02/2011	05/16/2011	05/31/2011
.3333	06/01/2011	06/16/2011	06/30/2011
.3333	07/01/2011	07/15/2011	08/01/2011
.3333	08/01/2011	08/15/2011	08/31/2011
.3333	09/01/2011	09/15/2011	09/30/2011
.3333	10/03/2011	10/17/2011	10/31/2011
.3333	11/01/2011	11/15/2011	11/30/2011
.3333	11/30/2011	12/15/2011	01/03/2012

Form 8937 Part II, Box 15

Under Section 301(c) of the Code, MHR's distributions declared and paid in 2011 on the Preferred Stock would be treated as dividends to a U.S. Holder (as defined below) only to the extent of MHR's earnings and profits in 2011 ("current earnings and profits") or accumulated earnings and profits, and any portion of such distributions in excess of MHR's current or accumulated earnings and profits would be applied to reduce a U.S. Holder's adjusted tax basis in such holder's Preferred Stock. Distributions in excess of MHR's current and accumulated earnings and profits and a U.S. Holder's adjusted tax basis in such holder's Preferred Stock would be treated as gain from the disposition of the Preferred Stock.

MHR did not have current or accumulated earnings and profits in 2011. For purposes of the forgoing calculations under Section 301(c) of the Code, MHR intends to report the distributions declared and paid in 2011 on the Preferred Stock as other than a dividend. Accordingly, each U.S. Holder of a share of Preferred Stock that received distributions in 2011 from MHR with respect to such share of Preferred Stock should reduce such U.S. Holder's adjusted tax basis in such share of Preferred Stock, and to the extent the distributions exceeded such holder's adjusted tax basis in such share of Preferred Stock, such U.S. Holder will recognize gain from the disposition of such share of Preferred Stock.

The term "U.S. Holder" is defined to mean a beneficial owner of MHR common stock who is, for U.S. federal income tax purposes (a) an individual who is a citizen or resident of the U.S., (2) a corporation created in, or organized under the laws of the U.S. or any state or political subdivision thereof, (3) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (4) a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (B) that otherwise elected to be treated as a U.S. person under applicable Treasury Regulations.

The information provided in this document should also apply to a Non-U.S. Holder (as hereinafter defined) that received a distribution on Preferred Stock, and have particular relevance to such Non-U.S. Holder if: (i) the distributions received were effectively connected with a trade or business of such Non-U.S. Holder in the U.S. (and, if required by an applicable income tax treaty, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the U.S.); (ii) such Non-U.S. Holder was an individual who was present in the U.S. for 183 days or more in the applicable period and certain other conditions are met; (iii) such Non-U.S. Holder owned, directly or indirectly or pursuant to attribution rules, at any time in the five-year (5) period ending on the date of the distribution (or other applicable date) more than five percent (5%) of the Preferred Stock; or (iv) such Non-U.S. Holder was a U.S. expatriate and certain other conditions are met. For purposes of this discussion, a holder is a "Non-U.S. Holder" if such holder is not a U.S. Holder.

Form 8937 Part II, Box 16

Refer to Part II, Boxes 14 and 15 above.

Form 8937 Part II, Box 19

See information provided in Part II, Box 14.