

**Policy Adopted by the Board of Directors  
Relating to Insider Trading in Company Securities  
and Confidentiality of Information**

TO: All Personnel

FROM: Board of Directors

The Board of Directors has adopted the following Policy which applies to all personnel at every level of Gasco Energy, Inc. (the “Company”) arising from our legal and ethical responsibilities as a public company.

1. *Prohibition Against Trading on Undisclosed Material Information.* If you are aware of material information relating to the Company which has not yet been available to the public for at least two full days (often called “inside information”), you are prohibited from trading in our stock, directly or indirectly, and from disclosing such information to any other persons who may trade in our stock. Any information, positive or negative, is “material” if it might be of significance to an investor in determining whether to purchase, sell or hold our stock. Information may be significant for this purpose even if it would not alone determine the investor’s decision. Examples include pending financings, a potential business or property acquisition, internal information about revenues, earnings or other aspects of financial performance which departs in any way from what the market would expect based upon prior disclosures, important business developments, material litigation or any other material transaction. We emphasize that this list is merely illustrative. Please consult with the Company’s CFO if you have any question as to whether any specific information should be deemed “material.”

Once material information is publicly announced, trading can occur after a lapse of two full trading days. Therefore, if an announcement is made before the commencement of trading on a Monday, an employee may trade in the Company’s stock starting on the Wednesday of that week, because two full trading days would have elapsed by then (all of Monday and Tuesday). If the announcement is made on Monday after trading begins, employees may not trade in the Company’s stock until Thursday. Please consult with the CFO if you are uncertain when trading may commence following an announcement.

The above prohibition against trading on insider information generally reflects the requirements of law as well as the Company’s Policy. As more fully discussed below, a breach of this Policy probably will constitute a serious legal violation as well.

2. *Restricted Periods.* In addition to the other restrictions set forth in this memorandum, there will be four quarterly “blackout” periods each year during which no director, officer or employee of the Company may buy or sell our stock. Each of these periods begins on the first day of the fiscal quarter (i.e. January 1, April 1, July 1 and October 1) and ends two full trading days following the announcement of the Company’s earnings for the immediately preceding fiscal quarter. For example, if we announce our first quarter earnings at

the opening of business on Tuesday, April 29, the blackout period would extend from April 1 through April 30.

3. *Confidentiality Generally.* Serious problems could be caused for the Company by unauthorized disclosure of internal information about the Company (or confidential information about our customers or vendors), whether or not for the purpose of facilitating improper trading in our stock. Company personnel should not discuss internal Company matters or developments with anyone outside of the Company, except as required in the performance of regular corporate duties.

This prohibition applies specifically (but not exclusively) to inquiries about the Company which may be made by the stockholders, financial press, investments analysts or others in the financial community. It is important that all such communications on behalf of the Company be made only through an appropriately designated officer under carefully controlled circumstances. Unless you are expressly authorized to the contrary, if you receive any inquiries of this nature, you should decline comment and refer the inquiry to King Grant.

4. *Information About Other Companies.* In the course of your employment, you may become aware of material non-public information about other public companies—for example, other companies with which our Company has business dealings. You are prohibited from trading in the securities of any other public company at a time when you are in possession of material non-public information about such company.

5. *Tippling.* Improper disclosure of non-public information to another person who trades in the stock (so-called “tipping”) is also a serious legal offense by the tipper and a violation of the terms of this Policy. If you disclose information about our Company, or information about any other public company which you acquire in connection with your employment with our Company, you may be fully responsible legally for the trading of the person receiving the information from you (your “tippee”) and even persons who receive the information directly or indirectly from your tippee. In addition, you should not give hints or make statements like, “Now is a good time to buy,” since the consequences are the same as disclosing specific information to the tippee. Accordingly, in addition to your general obligations to maintain confidentiality of information obtained through your employment and to refrain from trading while in possession of such information, you must take utmost care not to discuss confidential or non-public information with family members, friends or others who might abuse the information by trading in securities.

6. *Limitation on Certain Trading Activities.* We encourage interested employees to own our stock as a long-term investment at levels consistent with their individual financial circumstances and risk bearing abilities (since ownership of any security entails risk). However, Company personnel may not trade in puts, calls or similar options on our stock or sell our stock “short.” (You may, of course, exercise any vested stock options granted to you by the Company.)

7. *Consequence of Violation.* The Company considers strict compliance with this Policy to be a matter of utmost importance. We would consider any violation of this Policy by an employee as a threat to our reputation. Violation of this Policy could cause extreme embarrassment and possible legal liability to you and the Company. Knowing or willful violations of the letter or spirit of this Policy will be grounds for immediate dismissal from the

Company. Violation of the Policy might expose the violator to severe criminal penalties as well as civil liability to any person injured by the violation. The monetary damages flowing from a violation could be three times the profit realized by the violator, as well as the attorney's fees of the persons injured.

8. *Resolving Doubts.* If you have any doubt as to your responsibilities under this Policy, seek clarification and guidance before you act from King Grant. Do not try to resolve uncertainties on your own.

9. *A Caution About Possible Inability to Sell.* Although the Company encourages employees to own our stock as a long-term investment, all personnel must recognize that trading in our stock may be prohibited at a particular time because of the existence of material non-public information. Anyone purchasing our stock must consider the inherent risk that a sale of the stock could be prohibited at a time he or she might desire to sell it. The next opportunity to sell might not occur until after an extended period, during which the market price of the stock might decline.