



Comstock Resources, Inc. Reports First Quarter 2018 Financial and Operating Results

May 10, 2018

COMSTOCK RESOURCES, INC. REPORTS FIRST QUARTER 2018 FINANCIAL AND OPERATING RESULTS

FRISCO, TEXAS, May 10, 2018 - Comstock Resources, Inc. ("Comstock" or the "Company") (NYSE: CRK) today reported financial and operating results for the three months ended March 31, 2018.

Financial Results for the Three Months Ended March 31, 2018

Comstock produced 22 billion cubic feet of natural gas and 190,000 barrels of oil or 22.8 billion cubic feet of natural gas equivalent ("Bcfe") in the first quarter of 2018. Natural gas production averaged 241 million cubic feet ("MMcf") per day, an increase of 55% over natural gas production in the first quarter of 2017. The growth in natural gas production is attributable to the continuing successful results from Comstock's Haynesville shale drilling program. Oil production in the first quarter of 2018, which averaged 2,110 barrels of oil per day, declined by 28% from the 2,940 barrels per day produced in the first quarter of 2017. The decrease in oil production is the result of the lack of drilling in the Company's South Texas Eagle Ford shale producing properties, which previously announced sale was completed on April 27, 2018.

Comstock's average realized natural gas price, including hedging gains, decreased 5% to \$2.82 per Mcf in the first quarter of 2018 as compared to \$2.96 per Mcf realized in the first quarter of 2017. The Company's average realized oil price increased by 41% to \$68.71 per barrel in the first quarter of 2018 as compared to \$48.60 per barrel in the first quarter of 2017. The higher natural gas production and higher oil prices resulted in oil and gas sales increasing by 36% to \$74.0 million (including realized hedging gains) in the first quarter of 2018 as compared to 2017's first quarter sales of \$54.3 million. EBITDAX, or earnings before interest, taxes, depreciation, depletion, amortization, exploration expense and other noncash expenses, was \$53.7 million in the first quarter of 2018, or 57% higher than EBITDAX of \$34.2 million generated in the first quarter of 2017. Operating cash flow generated in the first quarter of 2018 increased 125% to \$35.7 million as compared to \$15.9 million in the first quarter of 2017.

Comstock reported a net loss of \$41.9 million or \$2.78 per share for the first quarter of 2018 as compared to a net loss of \$22.9 million or \$1.61 per share for the first quarter of 2017. The first quarter of 2018 results included a loss on sale of oil and gas properties of \$28.6 million, an unrealized gain from derivative financial instruments of \$1.2 million, and \$11.0 million of non-cash interest expense associated with the discounts recognized and costs incurred on the debt exchange that occurred in 2016. Financial results for the first quarter of 2017 included an unrealized gain from derivative financial instruments of \$7.4 million, and \$5.4 million of non-cash interest expense associated with the discounts recognized and costs incurred on the debt exchange that occurred in 2016. Excluding these items from each year's results, the net loss for the first quarter of 2018 would have been \$3.5 million or \$0.23 per share as compared to a net loss of \$24.9 million or \$1.75 per share in the first quarter of 2017.

2018 First Quarter Drilling Results

Comstock reported the results to date of its 2018 drilling program. During the first three months of 2018, Comstock spent \$46.5 million on its development and exploration activities and drilled seven horizontal natural gas wells (2.0 net) and had eight wells (1.6 net) drilling at March 31, 2018. Comstock also completed nine (3.5 net) operated wells that were drilled in 2017. Since the last operational update, Comstock has completed six operated Haynesville shale wells. The average initial production rate of these wells was 27 MMcf per day. The six operated wells had completed lateral lengths ranging from 8,599 feet to 9,474 feet and each well was tested at initial production rates of 27 to 28 MMcf per day. Comstock has four (1.0 net) operated Haynesville shale wells that are in the process of being completed. The Company also reported on two successful Bossier wells which were drilled in Sabine Parish, Louisiana. These wells had initial production rates of 17 and 20 MMcf per day. An additional Bossier shale well has been completed and is currently flowing to sales.

In order to protect the returns that the Haynesville shale drilling program can generate, the Company has hedged, in the aggregate, 59 MMcf per day of its natural gas production in the last nine months of 2018 at a NYMEX equivalent of \$3.00 per Mcf.

Other

Comstock has planned a conference call for 10:00 a.m. Central Time on May 10, 2018, to discuss the operational and financial results for the first quarter of 2018. Investors wishing to participate should visit the Company's website at www.comstockresources.com for a live web cast or dial 844-776-7840 (international dial-in use 661-378-9538) and provide access code 1182009 when prompted. If you are unable to participate in the original conference call, a web replay will be available approximately 24 hours following the completion of the call on Comstock's website at www.comstockresources.com. The web replay will be available for approximately one week. A replay of the conference call will be available beginning at 1:00 p.m. CT May 10, 2018 and will continue until 1:00 p.m. May 17, 2018. To hear the replay, call 855-859-2056 (404-537-3406 if calling from outside the US). The conference call access code is 1182009.

This press release may contain "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described herein. Although the Company believes the expectations in such statements to be reasonable, there can be no assurance that such expectations will prove to be correct.

Comstock Resources, Inc. is an independent energy company based in Frisco, Texas and is engaged in oil and gas acquisitions, exploration and development primarily in Texas and Louisiana. The Company's stock is traded on the New York Stock Exchange under the symbol CRK.

[CRK Q1 2018 Financial and Operating Results](#)