



Comstock Resources, Inc. Reports First Quarter 2016 Financial and Operating Results

May 4, 2016

COMSTOCK RESOURCES, INC. REPORTS FIRST QUARTER 2016 FINANCIAL AND OPERATING RESULTS

FRISCO, TEXAS, May 4, 2016 - Comstock Resources, Inc. ("Comstock" or the "Company") (NYSE: CRK) today reported financial and operating results for the three months ended March 31, 2016.

Financial Results for the Three Months Ended March 31, 2016

Comstock produced 13.8 billion cubic feet of natural gas and 416,700 barrels of oil or 16.3 billion cubic feet of natural gas equivalent ("Bcfe") in the first quarter of 2016. Natural gas production averaged 152 MMcf per day, an increase of 67% over natural gas production in the first quarter of 2015. The increase is attributable to the Company's successful Haynesville shale drilling program that commenced in 2015. Oil production in the first quarter of 2016, which averaged 4,600 barrels of oil per day, declined by 60% from the 11,500 barrels per day produced in the first quarter of 2015. The decrease in oil production is the result of the sale of the Company's Burleson County, Texas properties in 2015 and the lack of drilling in the South Texas Eagle Ford shale properties in 2015 and 2016.

Oil and natural gas prices declined further in the first quarter of 2016. Comstock's average realized natural gas price, including hedging gains, decreased 25% to \$1.89 per Mcf in the first quarter of 2016 as compared to \$2.51 per Mcf realized in the first quarter of 2015. The Company's average realized oil price declined by 40% to \$26.44 per barrel in the first quarter of 2016 as compared to \$44.34 per barrel in the first quarter of 2015.

The lower realized prices resulted in oil and gas sales declining by 44% to \$37.2 million (including realized hedging gains) as compared to 2015's first quarter sales of \$66.5 million. EBITDAX, or earnings before interest, taxes, depreciation, depletion, amortization, exploration expense and other noncash expenses, was \$14.7 million in the first quarter of 2016 as compared to EBITDAX of \$39.8 million in the first quarter of 2015.

Low oil and natural gas prices continued to adversely impact the Company's financial results for the first quarter of 2016. Comstock reported a net loss of \$56.6 million or \$1.14 per share for the first quarter of 2016 as compared to a net loss of \$78.5 million or \$1.71 per share for the first quarter of 2015. The first quarter of 2016 results include impairments on unevaluated acreage and oil and gas properties of \$30.5 million, an unrealized loss from derivative financial instruments of \$0.3 million, a gain on exchange of oil and gas properties of \$0.7 million, an income tax charge to reflect a change in state law of \$4.5 million and a gain on extinguishment of debt of \$33.4 million. Financial results for the first quarter of 2015 included impairments on unevaluated acreage and oil and gas properties of \$40.8 million, drilling rig termination fees of \$1.8 million and a net loss on extinguishment of debt of \$2.7 million. Excluding these items from each year's results, the net loss for the first quarter of 2016 would have been \$51.0 million or \$1.03 per share as compared to net loss of \$49.0 million or \$1.06 per share in the first quarter of 2015.

2016 First Quarter Drilling Results

Comstock reported the results to date of its 2016 drilling program. During the first three months of 2016, Comstock spent \$8.9 million on its development and exploration activities after commencing drilling in March 2016. Comstock drilled one horizontal gas well (0.9 net) and had one well (0.9 net) drilling at March 31, 2016. The Ramsey 4-9 #1 well in DeSoto Parish, Louisiana, was drilled to a total vertical depth of 11,425 feet with a 7,367 foot lateral. This well was completed using the Company's enhanced completion design, and was tested with an initial production rate of 23 million cubic feet ("MMcf") per day. The well was connected to sales at a total cost of \$8.2 million, reflecting a 23% reduction in the 2015 per well completed costs of \$10.6 million. Wells offset to the Ramsey 49 #1 experienced a 5 MMcf per day increase in production as a result of the fracture stimulation to the new well.

Other

The Company continues to take steps to improve its balance sheet. To date in 2016, the Company has retired \$104.3 million in principal of its long-term debt, comprised of \$87.6 million of its 7.75% Senior Notes due in 2019 and \$16.7 million of its 9.5% Senior Notes due in 2020. The senior notes were acquired in several transactions in exchange for 12.2 million shares of the Company's stock and \$3.5 million in cash for total consideration of \$15.8 million, plus accrued interest. The retirement of the senior notes will save the Company annual interests payments of \$8.4 million and \$27.2 million of total interest to maturity.

In combination with repurchases made in 2015, the Company has retired one third of its senior unsecured notes which had a total principal amount of \$233.9 million resulting in annual interest savings of \$20.3 million and \$81.9 million of total interest to maturity.

Comstock has planned a conference call for 10:00 a.m. Central Time on May 4, 2016, to discuss the operational and financial results for the first quarter of 2016. Investors wishing to participate should visit the Company's website at www.comstockresources.com for a live web cast or dial 866-300-8761 (international dial-in use 412-455-6227) and provide access code 89500785 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 4, 2016 and will continue until 10:59 p.m. May 11, 2016. To hear the replay, call 855-859-2056 (404-537-3406 if calling

from outside the US). The conference call access code is 89500785.

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 1Q 2016 Financial and Operating Results](#)

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