



**COMSTOCK  
RESOURCES**

*NYSE:CRK*



*4<sup>th</sup> Quarter 2016 Results*



**COMSTOCK  
RESOURCES**

*This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our current expectations or forecasts of future events. These statements include estimates of future natural gas and oil reserves, expected natural gas and oil production and future expenses, assumptions regarding future natural gas and oil prices, budgeted capital expenditures and other anticipated cash outflows, as well as statements concerning anticipated cash flow and liquidity, business strategy and other plans and objectives for future operations.*

*Our production forecasts are dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity.*

*Important factors that could cause actual results to differ materially from those in the forward-looking statements herein include the timing and extent of changes in market prices for oil and gas, operating risks, liquidity risks, including risks relating to our debt, political and regulatory developments and legislation, and other risk factors and known trends and uncertainties as described in our Annual Report on Form 10-K for fiscal year 2015 filed with the Securities and Exchange Commission. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in the forward-looking statements.*

# 2016 Highlights



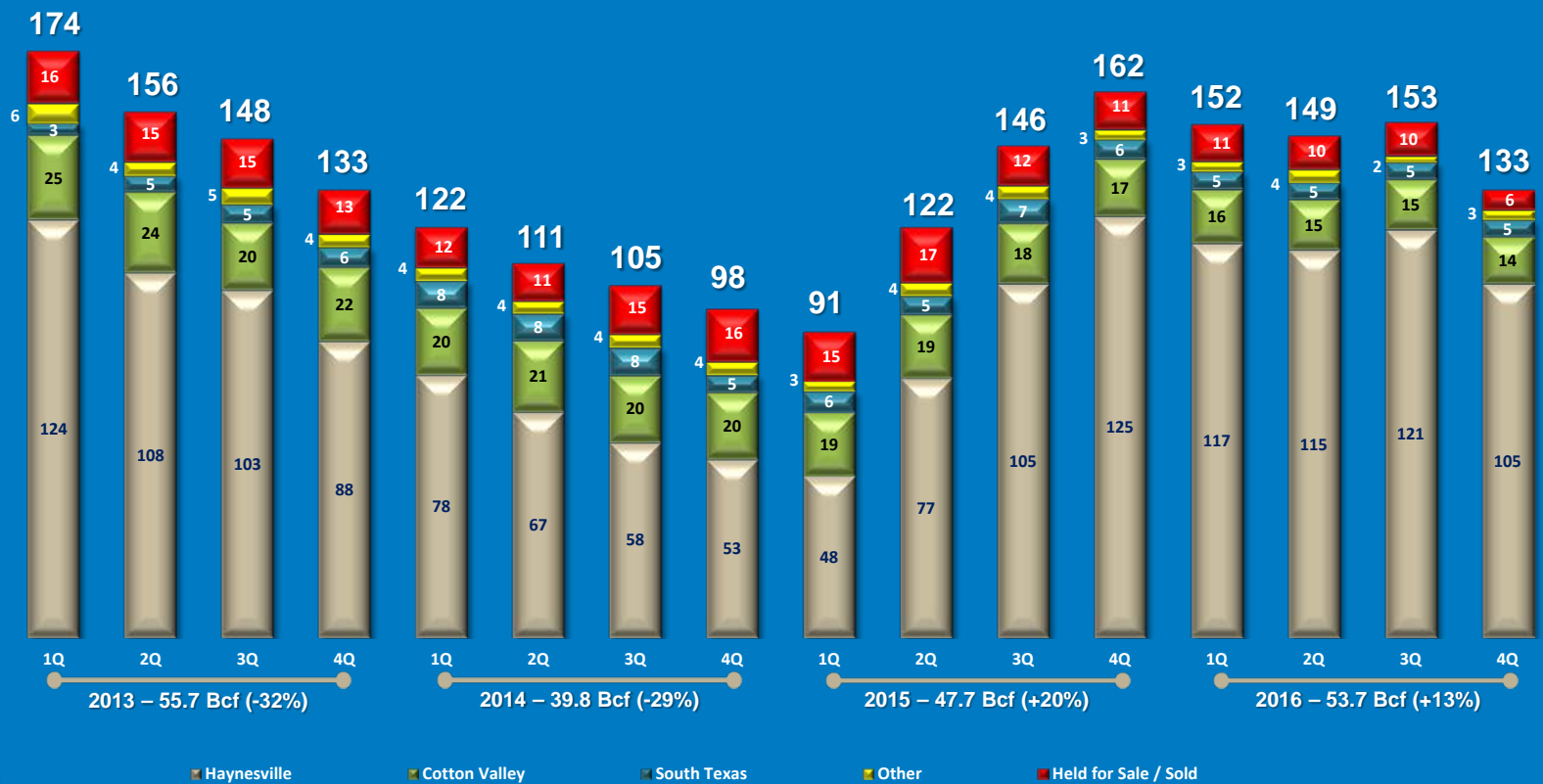
**COMSTOCK**  
RESOURCES

- **Haynesville shale drilling program continues to deliver excellent results**
  - *All 2015 -16 wells are performing above their type curves*
  - *Restarted drilling program in fourth quarter and will utilize three operated drilling rigs in 2017 to drill up to 22 Hayneville/Bossier wells*
  - *2017 drilling program will grow natural gas production by ~40%*
  - *New Haynesville drilling joint venture provides a vehicle to acquire additional acreage and to grow inventory of drilling locations*
- **Haynesville shale drilling program drove 47% growth in proved oil and natural gas reserves**
  - *Reserve additions replaced 2016 production by 667%*
  - *Achieved "all-in" finding costs of 14¢ per Mcfe for 2016*
- **Improved balance sheet and liquidity**
  - *Retired \$237 million of senior notes generating annual interest savings of \$21 million with total interest savings to maturity of \$83 million in 2015 and 2016*
  - *Completed senior notes debt exchange reduces annual cash interest burden by \$37 million and allows the Company to pay an additional \$75 million in kind*
  - *98% of bond holders participated in par for par exchange*
  - *Future conversion of second lien notes will de-lever the balance sheet*
  - *Liquidity of \$191 million adequate to support 2017 drilling program*



# Natural Gas Production (MMcf / day)

*2017 natural gas production is estimated to average between 200 to 230 MMcf per day*



**COMSTOCK  
RESOURCES**

# Natural Gas Hedges



*Natural gas hedge positions to support 2017 Haynesville drilling program*



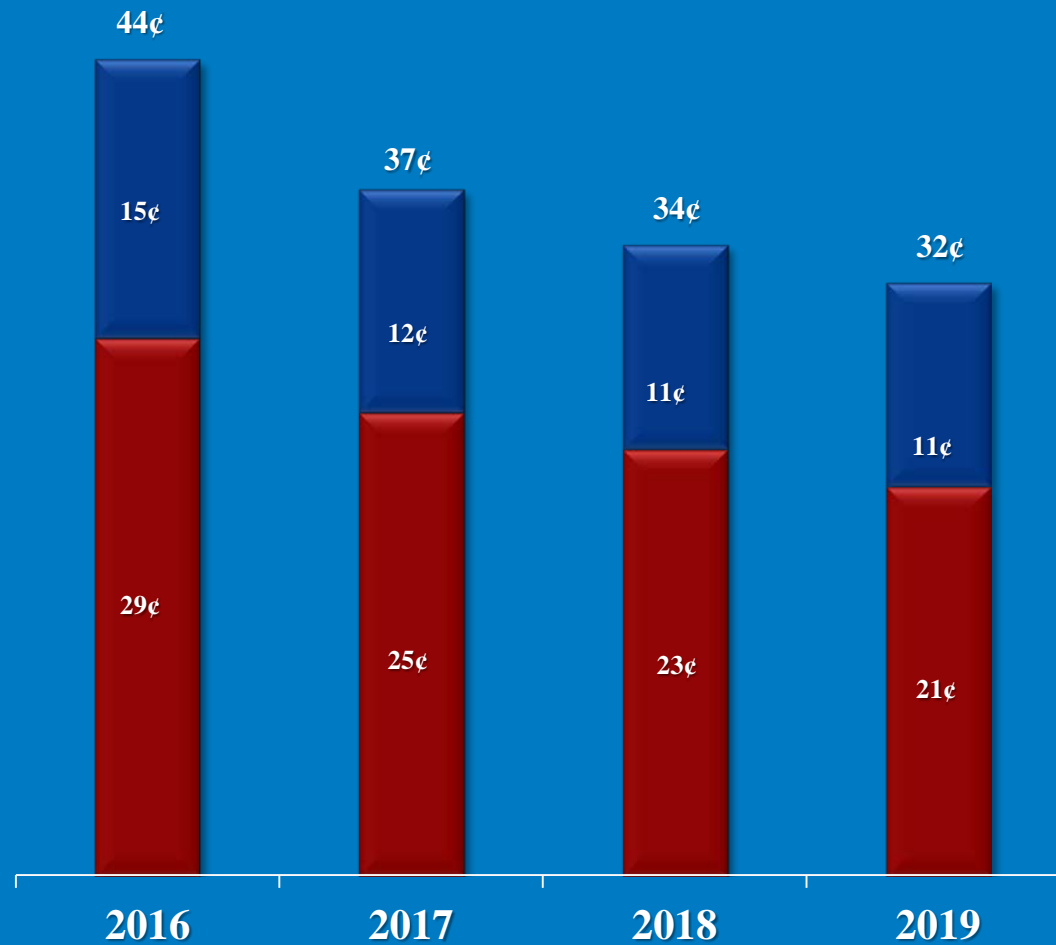
	Volume (Mmbtu / day)	NYMEX price (Per Mcf) (a)
2017 - Q1 – Q4	72,000	\$3.38



*(a) The index price for the natural gas contracts is based on the NYMEX-Henry Hub monthly future prices.*

**COMSTOCK  
RESOURCES**

# Competitive Haynesville Gas Differentials



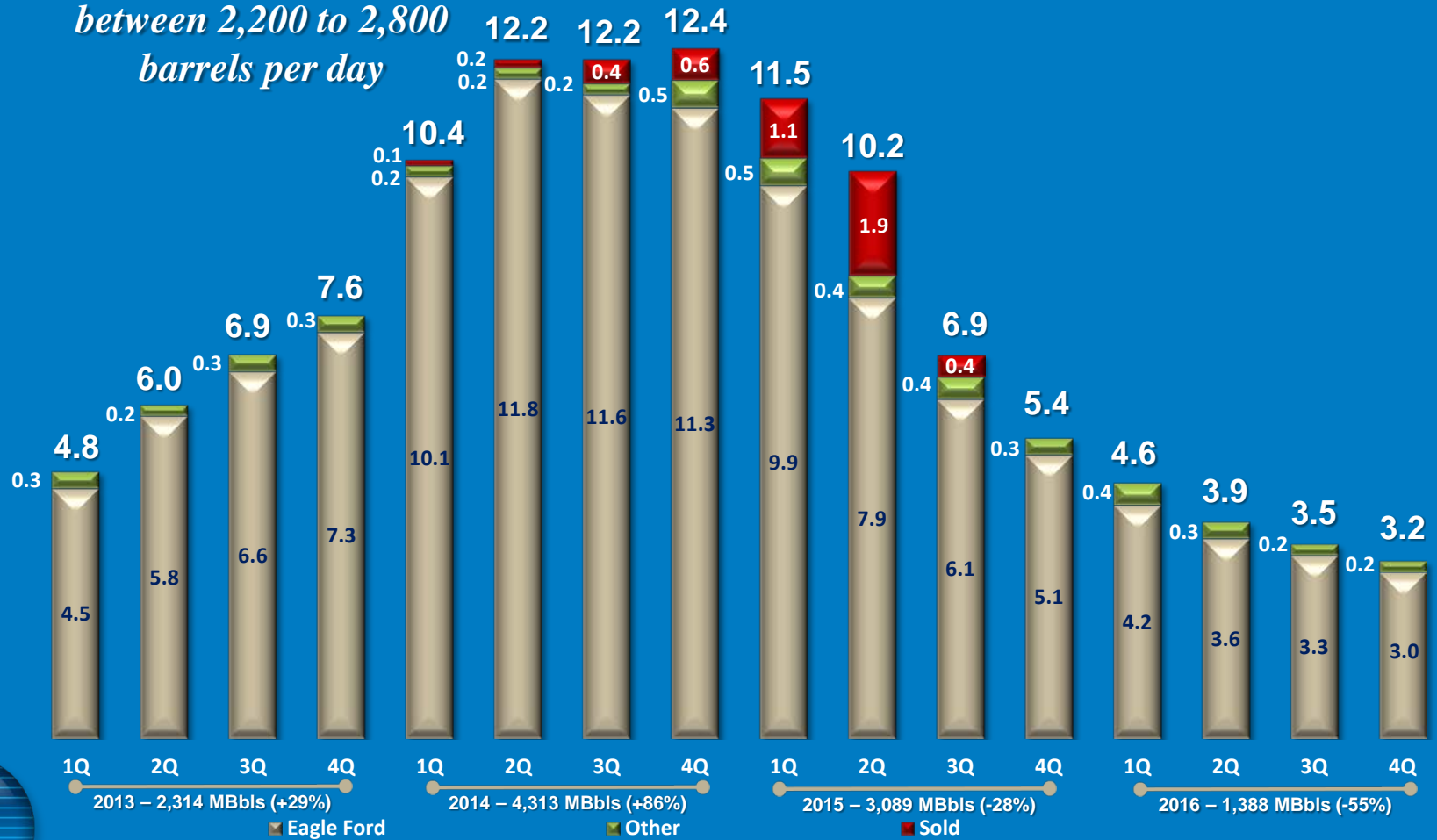
- Regional Transport & Basis vs Henry Hub
- Wellhead Gathering & Treating

**COMSTOCK**  
RESOURCES

# Oil Production

(MBbls / day)

2017 oil production is estimated to average between 2,200 to 2,800 barrels per day



**COMSTOCK**  
RESOURCES

# 2016 Fourth Quarter Financial Results

\$ in millions except per unit amounts



**COMSTOCK  
RESOURCES**

	2016 Fourth Quarter	2015 Fourth Quarter	% Change
<i>Oil Production (Mbbls)</i>	296	494	-40%
<i>Gas Production (MMcf)</i>	12,260	14,929	-18%
<i>Production (MMcfe)</i>	14,035	17,889	-22%
<i>Oil Price (Per Barrel)</i>	\$45.96	\$36.26	27%
<i>Gas Price (Per Mcf)</i>	\$2.85	\$2.02	41%
<i>Oil and Gas Sales <sup>(1)</sup></i>	\$48.5	\$48.1	1%
<i>Lifting Costs</i>	13.9	20.7	-33%
<i>General and Administrative</i>	8.5	2.7	
<i>Depreciation, Depletion and Amort.</i>	29.1	59.4	-51%
<i>Exploration and Impairments</i>	2.6	254.6	
<i>Loss (Gain) on Sales and Exchange of Properties</i>	0.2	0.3	
<i>Operating Income (Loss) before Taxes <sup>(1)</sup></i>	(\$5.8)	(\$289.6)	
<i>Net Income (Loss)</i>	(\$54.9)	(\$288.5)	
<i>Net Income (Loss) per Share</i>	(\$4.48)	(\$31.26)	
<i>Net Income (Loss) per Share <sup>(2)</sup></i>	(\$2.58)	(\$4.57)	
<i>EBITDAX</i>	\$27.2	\$27.0	1%
<i>Cash Flow from Operations <sup>(3)</sup></i>	\$9.2	(\$3.3)	

<sup>(1)</sup> Includes Realized Hedging Gains and Losses

<sup>(2)</sup> Excludes property impairments, unrealized gain or losses from derivatives, gain or losses on property sales, gain on retirement of debt (net of amort. of discount) and state income tax adjustment.

<sup>(3)</sup> Excludes Working Capital Changes



# 2016 Financial Results

*\$ in millions except per unit amounts*



**COMSTOCK  
RESOURCES**

	2016	2015	% Change
<i>Oil Production (Mbbbls)</i>	1,388	3,089	-55%
<i>Gas Production (MMcf)</i>	53,678	47,676	13%
<i>Production (MMcfe)</i>	62,006	66,207	-6%
<i>Oil Price (Per Barrel)</i>	\$38.24	\$46.19	-17%
<i>Gas Price (Per Mcf)</i>	\$2.32	\$2.33	0%
<i>Oil and Gas Sales <sup>(1)</sup></i>	\$177.8	\$253.7	-30%
<i>Lifting Costs</i>	68.5	89.2	-23%
<i>General and Administrative</i>	24.0	23.5	2%
<i>Depreciation, Depletion and Amort.</i>	141.5	321.3	-56%
<i>Exploration and Impairments</i>	111.2	872.1	
<i>Loss on Sales and Exchange of Properties</i>	14.3	112.1	
<i>Operating Income (Loss) before Taxes <sup>(1)</sup></i>	(\$181.7)	(\$1,164.5)	
<i>Net Income (Loss)</i>	(\$135.1)	(\$1,047.1)	
<i>Net Income (Loss) per Share</i>	(\$11.52)	(\$113.53)	
<i>Net Income (Loss) per Share <sup>(2)</sup></i>	(\$14.61)	(\$20.51)	
<i>EBITDAX</i>	\$90.9	\$150.4	-40%
<i>Cash Flow from Operations <sup>(3)</sup></i>	(\$8.2)	\$36.2	-123%

<sup>(1)</sup> Includes Realized Hedging Gains and Losses

<sup>(2)</sup> Excludes property impairments, unrealized gain or losses from derivatives, gain or losses on property sales, gain on retirement of debt (net of amort. of discount) and state income tax adjustment.

<sup>(3)</sup> Excludes Working Capital Changes

# Improving Cost Structure

(Per Mcfe)

## OPERATING COSTS

## DD & A



**COMSTOCK  
RESOURCES II**

# Proved Oil and Gas Reserves

*Despite a very limited drilling program, Comstock achieved an all-in finding cost of 14¢ per Mcfe in 2016 with total proved reserves additions of 429 Bcfe and capital expenditures of \$59.5 million.*



	Oil <i>MBbls</i>	Gas <i>Bcf</i>	Total <i>Bcfe</i>
Proved Reserves as of 12/31/15	9,229	569.6	625.0
Production	(1,388)	(53.7)	(62.0)
Divestitures	(222)	(58.9)	(60.3)
Price Related Revisions*	(1,540)	(6.5)	(15.7)
Additions	1,198	422.0	429.1
Proved Reserves as of 12/31/16	7,277	872.5	916.1

\*SEC Prices

YE16- \$37.62/Bbl and \$2.29/Mcf

YE15- \$46.88/Bbl and \$2.34/Mcf

**COMSTOCK**  
RESOURCES

# 2016 / 2017 Drilling Program

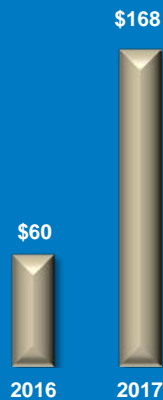
(\$ in millions)



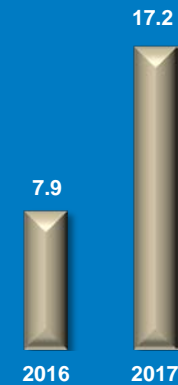
**COMSTOCK  
RESOURCES**

	2016			2017		
	Actual	Gross Wells	WI Net Wells	Budget	Gross Wells	WI Net Wells
<b>East Tex./North La.:</b>						
Haynesville Shale	\$ 50.4	11	7.8	\$ 142.9	20	15.5
Bossier Shale				17.6	2	1.7
Other	2.6			2.0		
<b>South Texas:</b>						
Eagle Ford Shale	0.3	2	0.1	0.5		
Other	6.2			4.5		
<b>Total Capital Expenditures</b>	<u>\$ 59.5</u>	<u>13</u>	<u>7.9</u>	<u>\$ 167.5</u>	<u>22</u>	<u>17.2</u>

*Capital Expenditures*



*Net Wells Drilled*



# Balance Sheet

(\$ in millions)

Dec. 31, 2016

Cash and cash equivalents	\$ 66
Revolving Credit Facility	-
10% Senior Secured Notes	\$ 697
2 <sup>nd</sup> Lien Convertible Notes (All Interest PIK)*	\$ 450
Unsecured Senior Notes	\$ 26
<b>Total Debt</b>	<b>\$ 1,173</b>
<b>Total Net Debt</b> <i>(at face amount)</i>	<b>\$ 1,105</b>
Available Credit Line	\$ 50
Available Interest PIK	\$ 75
<b>Total Liquidity</b>	<b>\$ 191</b>

\*\$9.2 million converted to equity in 2017

**COMSTOCK**  
RESOURCES

# Potential Conversion of 2<sup>nd</sup> Lien Notes

(\$ in millions)

<i>Stock Price</i>	<i>2017 EBITDAX*</i>	<i>Debt</i>	<i>Equity</i>	<i>Enterprise Value</i>	<i>EBITDAX Multiple</i>	<i>Leverage Ratio</i>
\$11.00	\$200 - \$240	\$1,173	\$161	\$1,334	6.7- 5.6	5.9 - 4.9
\$12.00	\$200 - \$240	\$1,173	\$175	\$1,348	6.7 - 5.6	5.9 - 4.9
\$12.32	\$200 - \$240	\$723	\$630	\$1,353	6.8 - 5.6	3.6 - 3.0

*1% - Increase in Enterprise Value*

*38% - Improvement to Leverage Ratio*

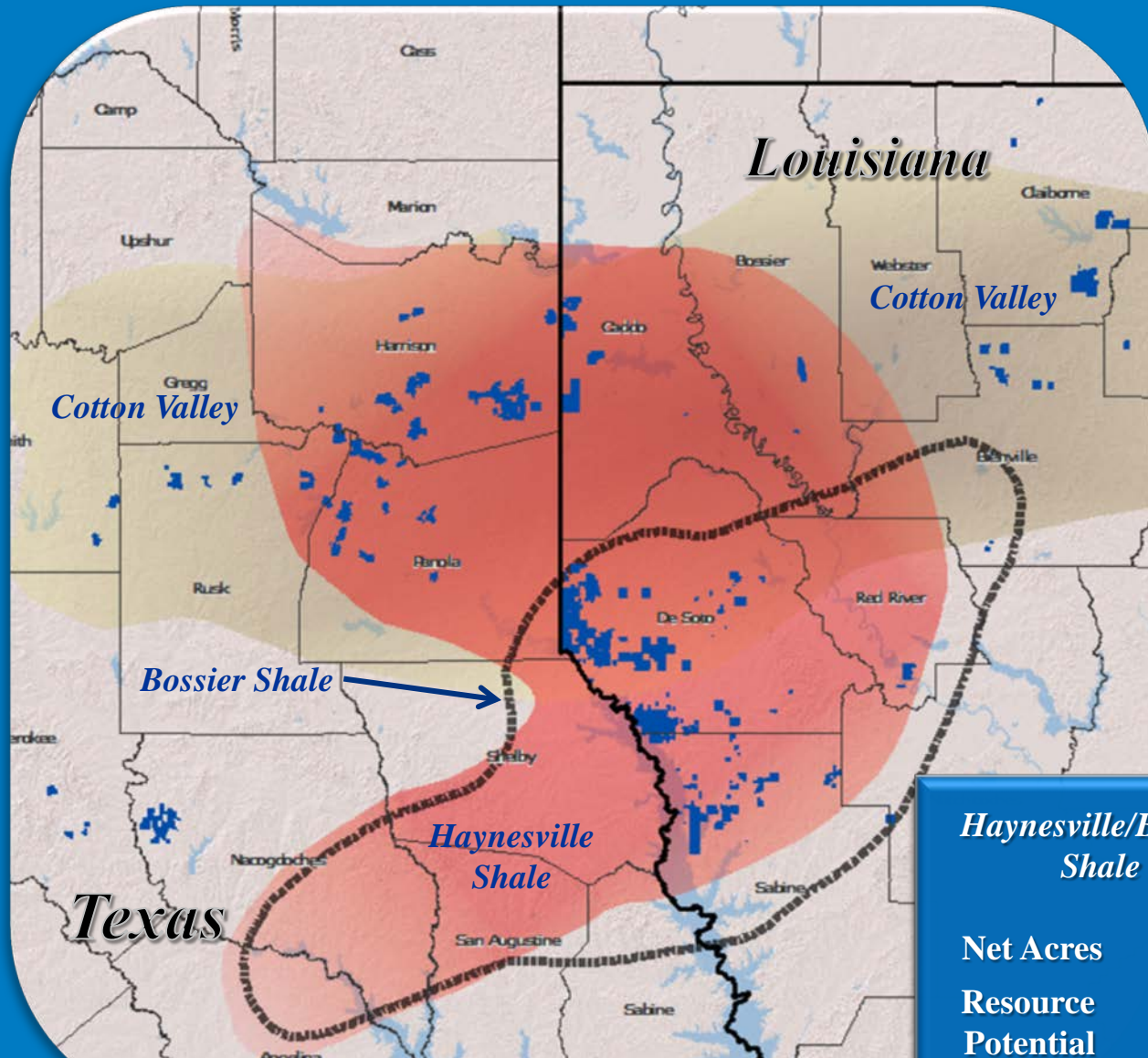
*Stock Price at a 7 Multiple - \$13 to \$19 based on 2017 EBITDAX*

*Stock Price at a 8 Multiple - \$17 to \$23 based on 2017 EBITDAX*

*\*Based on \$3.00 to \$3.75 NYMEX Natural Gas Price*

**COMSTOCK  
RESOURCES**

# Haynesville/Bossier Shale



## Haynesville/Bossier Shale

Net Acres	67,000
Resource Potential	6 + Tcf

Drilled 11 (7.8 net) wells in 2016  
 Drilling 22 (17.2 net) wells in 2017

**COMSTOCK**  
RESOURCES

# Haynesville Shale Program



**COMSTOCK  
RESOURCES**

Harrison 30-31  
24 MMcf/d

Harrison 30-19  
24 MMcf/d

Holmes 29-32  
28 MMcf/d

Holmes 29-20  
24 MMcf/d

Shahan 5-8  
22 MMcf/d

Pyle 6-7  
26 MMcf/d

Ramsey 7-18  
23 MMcf/d

Pace 5-8  
25 MMcf/d

Horn 8-17  
21 MMcf/d

Caraway 20-29  
24 MMcf/d

Gamble 4-33  
24 MMcf/d

Bogges 5 -8  
21 MMcf/d

Ramsey 4-9  
23 MMcf/d

Claybrook 15 #2  
24 MMcf/d

Halsey 14 #1  
21 MMcf/d

Furlow 25-36 #1  
Completing

Furlow 25-24 #1  
Completing

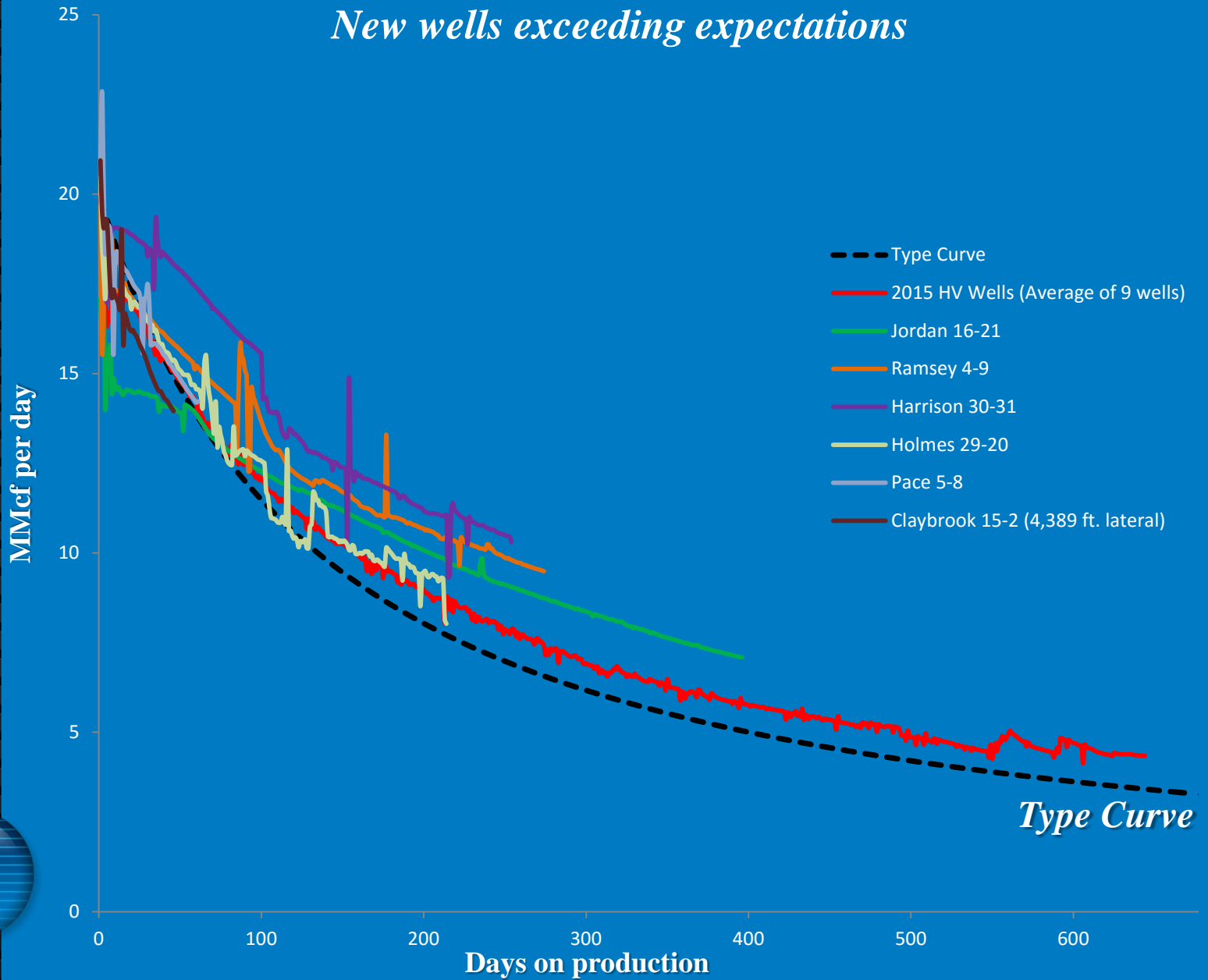
*DeSoto  
Parish,  
Louisiana*

Jordan 16-21  
22 MMcf/d



# Haynesville Extended Lateral Wells

*New wells exceeding expectations*



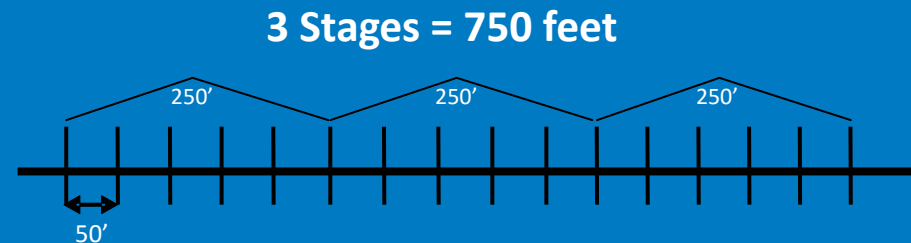
**COMSTOCK  
RESOURCES**

# Haynesville Completion – Old vs. New

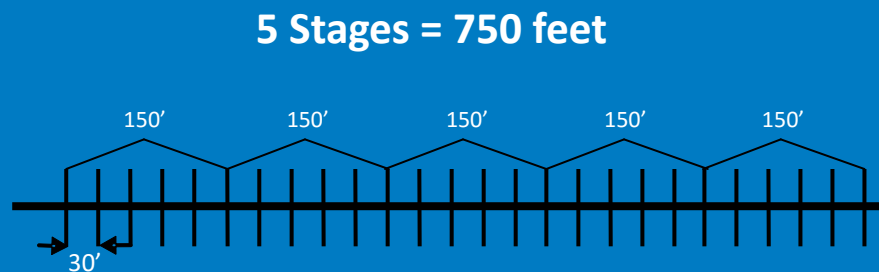
- New completion design increases the total stages for a 7,500 lateral from 30 at 250 feet apart to 50 at 150 feet apart
- Total clusters increase from 150 to 250
- Sand loading increases from 2,800 pounds per foot to 3,800 pounds per foot
- Total sand per well increases from 21 million pounds to 28.5 million pounds



Old Design



New Design



# Haynesville Drilling Time



*Drill Days*  
Spud to Rig Release

*Lateral Feet*  
Drilled per Day



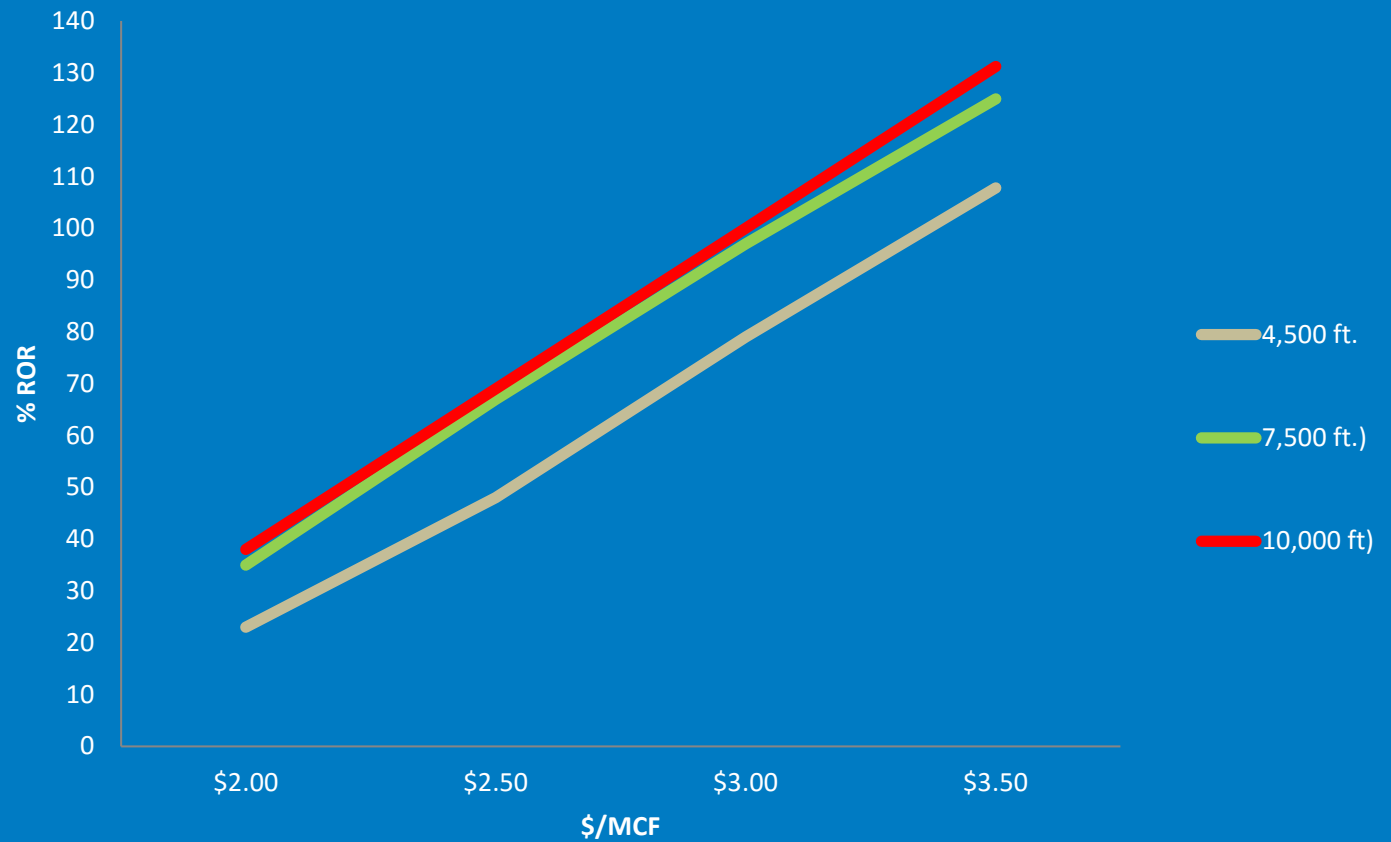
# Haynesville Well Economics for 2017 Drilling Program



<i>Current Completion Design -</i>	<b>4,500' L</b>	<b>7,500' L</b>	<b>10,000' L</b>
<b>Estimated Well Costs</b> ( <i>\$ millions</i> )	<b>\$6.5</b>	<b>\$8.5</b>	<b>\$10.8</b>
<b>24 Hr. IP</b> ( <i>Mmcf per day</i> )	<b>17</b>	<b>22</b>	<b>26</b>
<b>Decline B Factor</b>	<b>0.99</b>	<b>0.99</b>	<b>0.99</b>
<b>Initial Decline</b> (%)	<b>72</b>	<b>65</b>	<b>61</b>
<b>Proppant</b> ( <i>Pounds per lateral ft.</i> )	<b>3,800</b>	<b>3,800</b>	<b>3,800</b>
<b>EUR</b> ( <i>Bcf</i> )	<b>11.2</b>	<b>18.6</b>	<b>24.8</b>

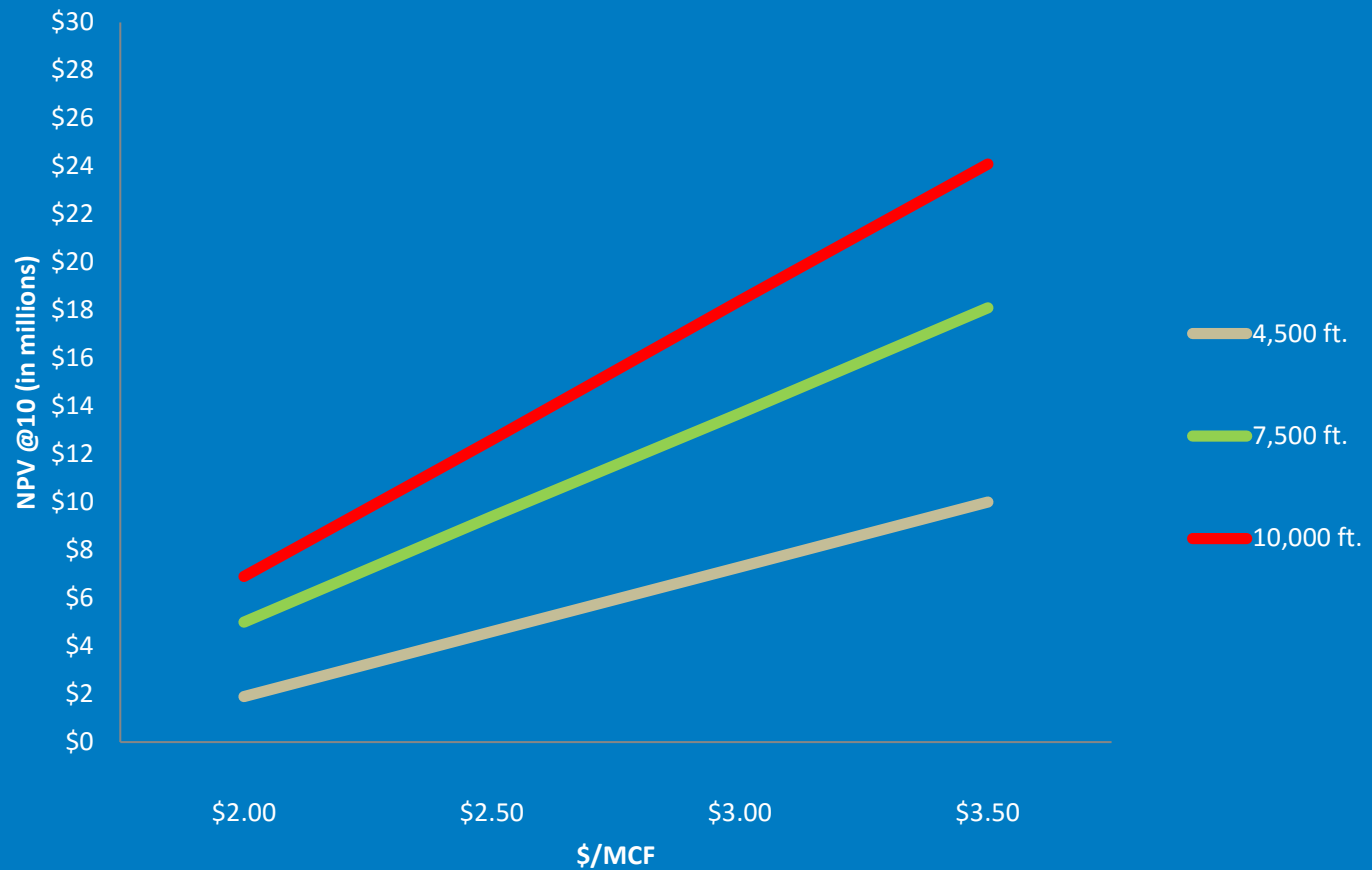
- Proposed lateral lengths for the 2017 drilling program are:
  - ~ 4,500 ft. - 7 wells
  - ~ 7,500 ft. - 9 wells
  - ~ 10,000 ft. - 6 wells

# Haynesville Well Economics



**COMSTOCK**  
RESOURCES

# Haynesville Well Economics



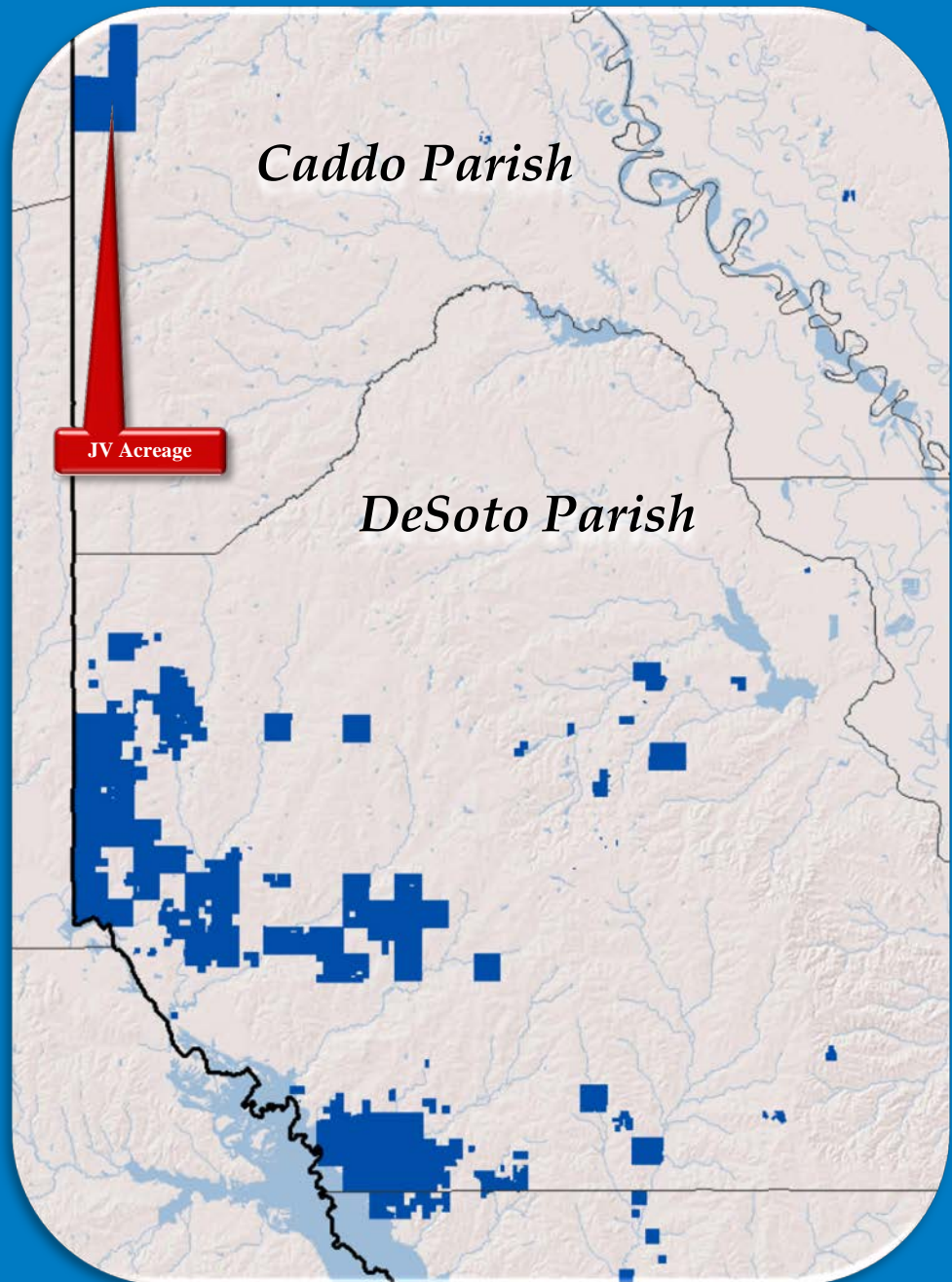
**COMSTOCK**  
RESOURCES

# Haynesville Shale JV

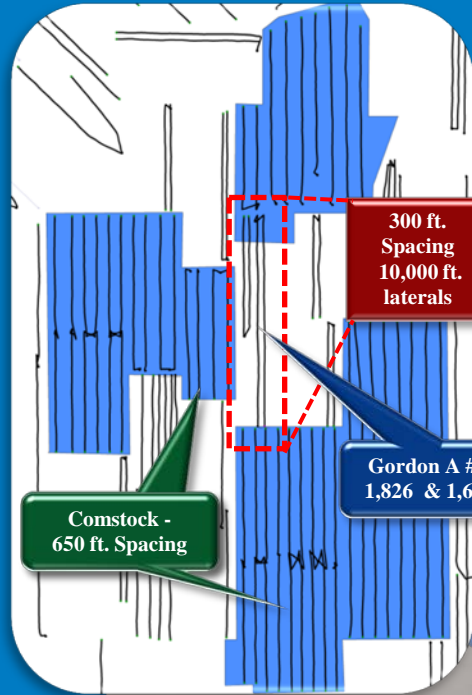


**COMSTOCK**  
RESOURCES

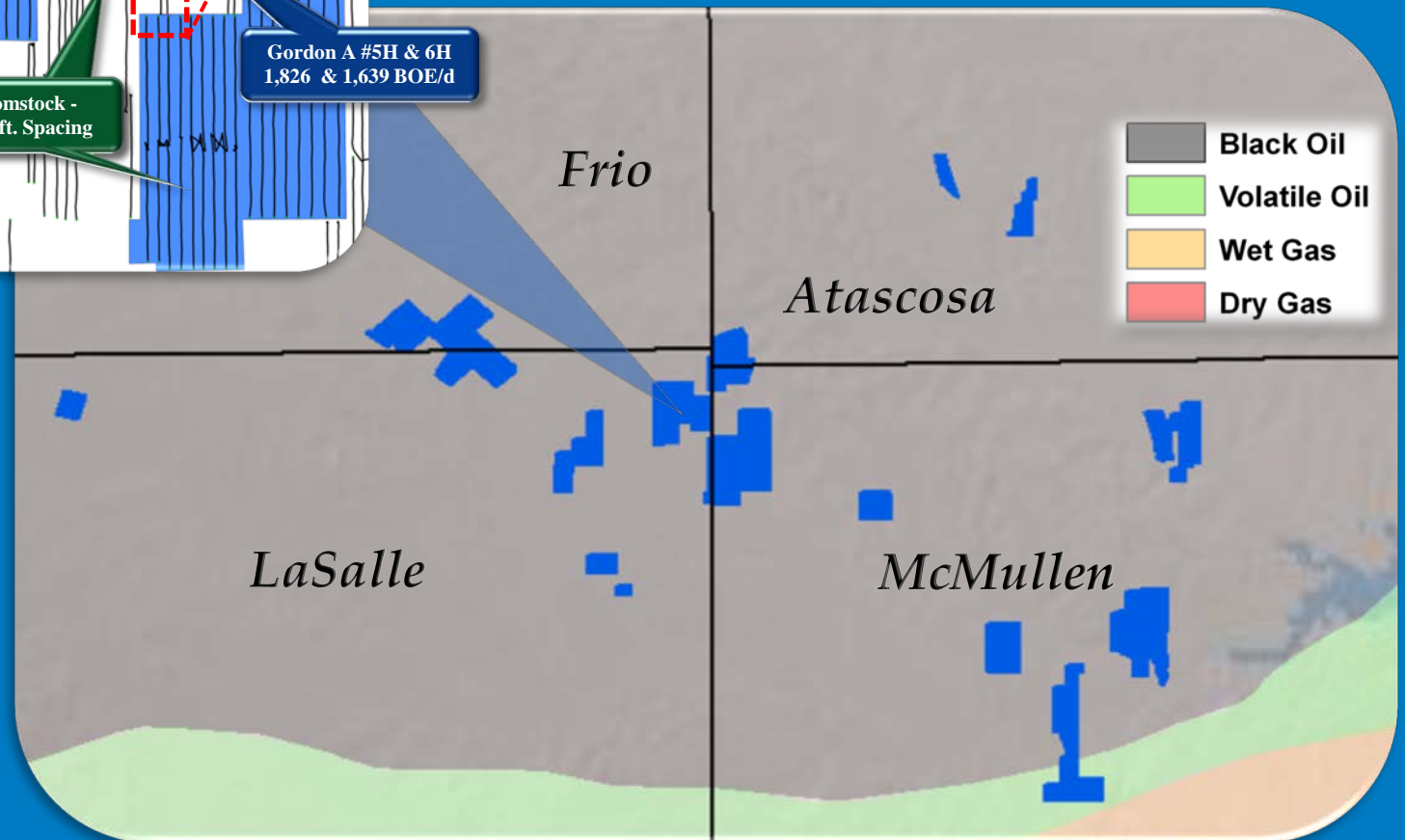
- Partnered with USG to acquire and develop Haynesville shale acreage away from Comstock's core holdings
- Acquired 3,315 net acres to date (20 potential locations)
- Expect to continue adding acreage to the program in 2017 (expect to close on an additional 2,000 net acres in first quarter)
- Comstock will operate and will have 25% in wells drilled (12.5% interest in acreage being awarded for services being provided)
- Plan to add a rig in April to start development



# South Texas Eagle Ford Shale Program



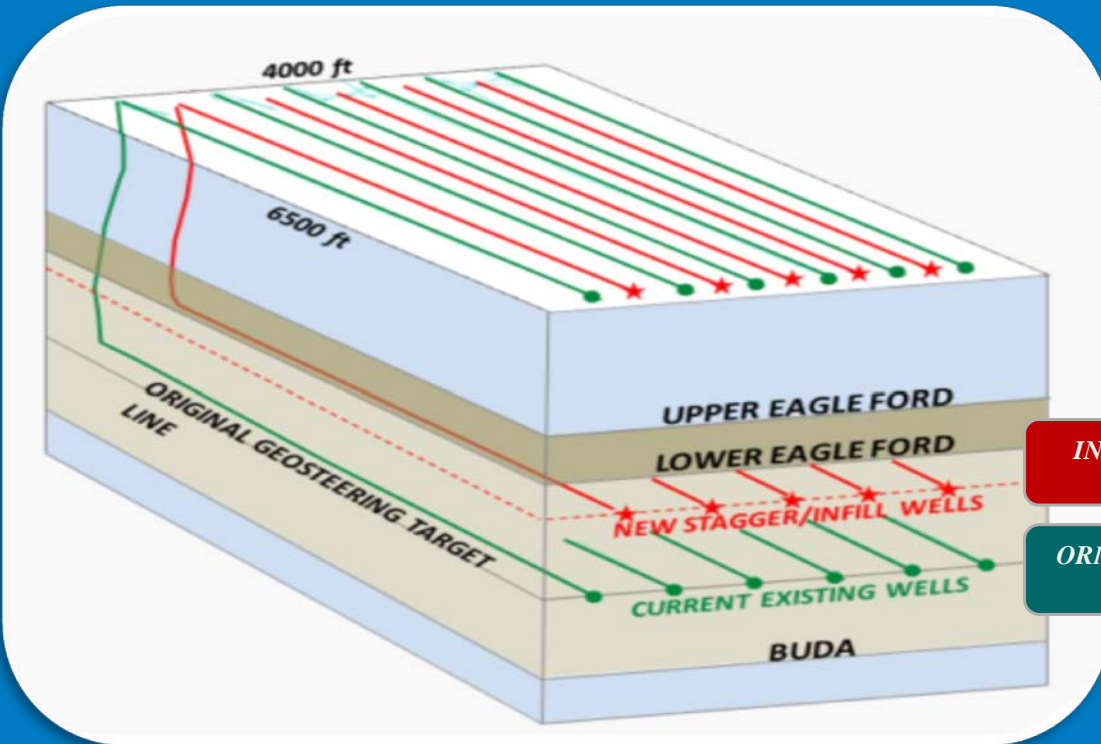
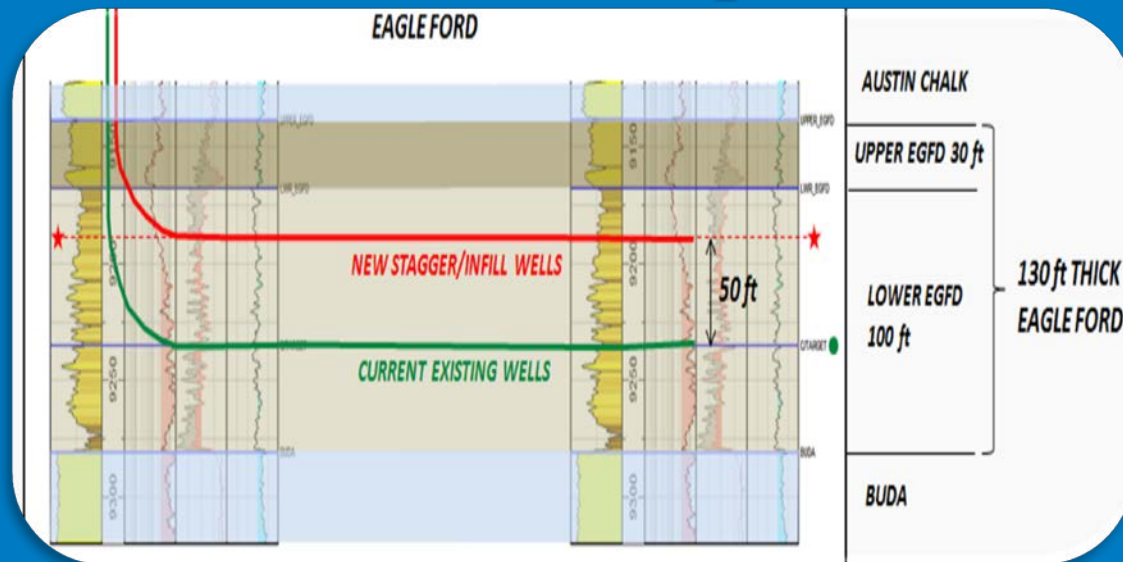
- 26,000 gross acres (19,000 net) / 189 producing wells
- 11 offset operators have tested stack/staggered well spacing of 165 to 330 feet
- 336 future drilling locations based on 300 ft. well spacing with ~ 80 million BOE potential



**COMSTOCK  
RESOURCES**



# Eagle Ford Stacked / Staggered Lateral Development



**INFILL SPACING**  
~300 feet

**ORIGINAL SPACING**  
~650 feet



# 2017 Outlook



- **Comstock's high return Haynesville Shale assets provide opportunity for strong growth in 2017**
  - *Comstock's enhanced completion design has transformed the Haynesville shale into one of North America's highest return natural gas basins*
  - *Comstock's acreage position provides a strong foundation with over 700 operated locations, underpinning the Company's future growth*
- **Strong natural gas production growth to be driven by a 22 well drilling program funded primarily with operating cash flow**
  - *Natural gas production grows ~40% in 2017 with high return Haynesville Shale projects*
  - *In combination with improving natural gas market, Comstock's EBITDAX and cash flow are expected to increase significantly*
- **Comstock's already low cost structure is expected to improve with new low cost Haynesville shale production**
  - *Producing costs per Mcfe expected to decrease by 20¢ per Mcfe (14% lower than 2016)*
- **Balance sheet and liquidity improving**
  - *Future conversion of second lien notes will de-lever the balance sheet*
  - *Liquidity of \$191 million adequate to support 2017 drilling program*

**COMSTOCK**  
RESOURCES