

## **Comstock Resources, Inc.**

### **Director and Executive Stock Ownership and Retention Requirements**

#### ***Purpose***

The purpose of these Director and Executive Stock Ownership and Retention Requirements ("Ownership Requirements") is to further Comstock's goal of increasing shareholder value and to further align the interests of directors and key executives with the interests of shareholders.

#### ***Participation***

Comstock's Ownership Requirements apply to the following persons:

- Directors;
- Chief Executive Officer ("CEO");
- Chief Operating Officer ("COO");
- Chief Financial Officer ("CFO"); and
- all Vice Presidents

#### ***Determination of Stock Ownership Requirements***

The stock ownership requirement for each person subject to the Ownership Requirements is determined on an individual basis. Compliance with these stock ownership requirements is measured by comparing the individual's annual compensation, as defined, times the stock ownership multiple, to the individual's aggregate cost basis of Comstock shares then owned. Compliance is achieved when the cost basis of shares owned exceeds the required stock ownership multiple.

Ownership requirements are established as follows:

- First, determine the Ownership Requirement by applying the following multiple to the individual's compensation, defined as either a director's cash retainer fee or an officer's base salary :
  - a. 5x for Directors not also serving in an enumerated senior management position;
  - b. 5x for the CEO and the CFO; and
  - c. 3x for the COO and all Vice Presidents.

A director's retainer includes the annual retainer fee, but will not include chairperson fees or board or committee attendance fees.

An individual's cost basis of Comstock shares shall be equal to (i) his or her actual cost, in the case of purchases in the open market, (ii) the fair market value of the shares at the date of exercise of stock options or stock appreciation rights, or (iii) the fair market value of the shares at the date of vesting of restricted shares, restricted stock units or performance units.

### ***Effective Date***

For directors and executives in office as of January 1, 2009, the effective date of these Ownership Requirements is January 1, 2009. For those individuals, the stock ownership requirement will be determined using their retainers and base salaries in effect as of that date.

For those directors and executives who join Comstock or who become an executive officer after January 1, 2009, their stock ownership requirements will be determined using their retainers or base salaries as of the date they become subject to the Ownership Requirements.

Each person's stock ownership requirement will be adjusted annually each January 1 to reflect any changes in his or her retainer or base salary.

### ***Counting Shares Owned***

Only shares of Comstock common stock that are owned in the following forms will be considered in determining whether an individual's stock ownership requirements has been met:

- Shares owned directly by the individual or his or her immediate family members residing in the same household;
- Shares held in an individual's IRA accounts;
- Shares held by an individual in Comstock's 401 (k) plan;
- Shares held in a grantor trust for the benefit of the individual or his or her immediate family members residing in the same household;
- Shares owned by a partnership, limited liability company or other entity to the extent of the individual's interest therein (or the interest therein of his or her immediate family members residing in the same household), but only if the individual has or shares power to vote or dispose of the shares.

For purposes of these Ownership Requirements, shares shall include vested share equivalents under Comstock-sponsored plans. Share equivalents shall not include any amounts attributable to outstanding unexercised stock options or unvested equity awards.

### ***Attainment Period***

In general, individuals will have a five-year period to attain their stock ownership requirements. Directors and executives subject to the Ownership Requirements as of January 1, 2009 are required to achieve their goals by January 1, 2014. If an individual's stock ownership requirement increases because of a change in position and such new position requires attainment of a new retention multiple, a five-year period to achieve the incremental requirement will begin on the effective date of the change in position.

Subsequent to achieving the initial stock ownership requirement, all directors and executives are expected to continuously maintain stock ownership at their specified levels.

### ***Stock Retention Requirements***

Subject to the further restriction below, the following restrictions will apply at any time at which the individual's stock ownership requirement has not been met, including during the 5-year period to attain compliance with the Ownership Requirements:

- a. The individual will be required to retain at least 50% of "Net Shares" received upon vesting of restricted stock, restricted stock units and performance units under Comstock's director or executive compensation plans. "Net Shares" are defined to include Comstock common shares that are owned by the individual after shares are sold, swapped or traded to pay applicable withholding taxes.
- b. Shares that are owned by an individual on the date that he or she becomes subject to the Ownership Requirements may be disposed of only for one or more of the "exclusion" purposes set forth below and only upon compliance with the procedures set forth therein.

If an individual does not meet the Ownership Requirements by the end of the specified period, the retention requirement applicable to that individual under a. above shall be increased to 100% of "Net Shares."

Once an individual achieves his or her stock ownership requirement, the retention restrictions no longer will apply unless a disposition would cause the individual's stock ownership to fall below his or her requirement. The retention requirements above shall be the sole consequence of any failure to attain or to maintain stock ownership under these Ownership Requirements.

### ***Exclusions***

During any period in which an individual's stock ownership requirement is not met, dispositions of shares will be permitted only for the following reasons:

- Estate planning;
- Gifts to charity;
- Post-secondary education funding for members of the immediate family; and
- Funding the purchase of the individual's primary residence.

To be excluded from the retention requirement for any of these purposes an individual must submit a written request for exclusion to the Corporate Secretary, detailing the reasons for the disposition, a description of the stock transaction for which the exclusion is being requested, the number of shares that will be sold, and a comparison of the individual's share ownership to the required amount before and after the disposition. The Corporate Secretary will review the request and will make the final decision. Any such exclusion permitted shall be deemed to be consistent with these Ownership Requirements and shall not be deemed a waiver.

### ***Hardship***

There may be rare instances in which compliance with the Ownership Requirements would place a severe hardship on an individual or would prevent an individual from complying with a court order, such as in the case of a divorce settlement. In these instances, the individual must submit a request in writing to the Corporate Secretary that summarizes the circumstances and describes the extent to which an exemption from the Ownership Requirements is being requested. The

Corporate Secretary will review the request with the Chief Executive Officer (or the Chairman of the Nominating/Corporate Governance Committee in the case of a request by the Chairman or Chief Executive Officer) and will make the final decision. If the request is granted in whole or in part, the Corporate Secretary will, in consultation with the individual, develop an alternative stock ownership plan that reflects both the intention of these Ownership Requirements and the individual's particular circumstances. Any such granted request and alternative stock ownership plan shall be deemed to be consistent with these Ownership Requirements and shall not be deemed a waiver.

### ***Reporting***

Upon the request of Comstock, and at least annually, individuals subject to these Ownership Requirements shall be required to provide a schedule disclosing the number and cost basis of shares owned (by category listed in Section V), and to sign an attestation as to the accuracy of such schedule.

### ***Administration***

The Ownership Requirements shall be administered and interpreted by the Corporate Secretary.

### ***Amendment***

The Board of Directors may amend these Ownership Requirements at any time and from time to time in their sole discretion.