



Comstock Resources, Inc. Reports Third Quarter 2014 Financial and Operating Results

November 3, 2014

COMSTOCK RESOURCES, INC. REPORTS THIRD QUARTER 2014 FINANCIAL AND OPERATING RESULTS

FRISCO, TEXAS, November 3, 2014 - Comstock Resources, Inc. ("Comstock" or the "Company") (NYSE: CRK) today reported financial and operating results for the three and nine months ended September 30, 2014.

Financial Results for the Three Months and Nine Months Ended September 30, 2014

Comstock reported a net loss of \$1.9 million or 4¢ per share for the third quarter of 2014 as compared to a net loss from continuing operations of \$24.0 million or 52¢ per share for the third quarter of 2013. The third quarter 2014 results include an unrealized gain from derivative financial instruments of \$12.4 million (\$8.0 million after tax or 17¢ per share) and a charge of \$11.4 million (\$7.4 million after tax or 16¢ per share) to write off the Mach A #1H exploration well drilled in Bureson County, Texas which was lost during completion operations. Financial results for the third quarter of 2013 included an unrealized loss from derivative financial instruments of \$3.8 million (\$2.5 million after tax or 5¢ per share), an impairment of unevaluated leases of \$3.0 million (\$1.9 million after tax or 4¢ per share) and a loss of \$2.2 million (\$1.4 million after tax or 3¢ per share) from oil and gas property sales and settlements. Excluding these items from each quarter's results, the net loss for the third quarter of 2014 would have been \$2.5 million or 5¢ per share as compared to a net loss from continuing operations of \$18.2 million or 40¢ per share in the third quarter of 2013.

Comstock produced 1.1 million barrels of oil and 10 billion cubic feet of natural gas or 16 billion cubic feet of natural gas equivalent ("Bcfe") in the third quarter of 2014. Oil production in the third quarter, which averaged 12,228 barrels of oil per day, grew 78% from the 6,870 barrels per day produced in the third quarter of 2013. Natural gas production in the third quarter of 2014 declined by 29% from natural gas production of 13.6 billion cubic feet in the third quarter of 2013.

Comstock's average realized natural gas price increased 16% to \$3.85 per Mcf in the third quarter of 2014 as compared to \$3.33 per Mcf realized in the third quarter of 2013. The Company's average realized oil price, including realized hedging losses, declined by 4% to \$95.59 per barrel in the third quarter of 2014 as compared to \$99.20 per barrel in the third quarter of 2013. Oil and gas sales (including realized gains or losses from hedging) of \$144.6 million increased by 34% as compared to 2013's third quarter sales from continuing operations of \$108.0 million. Operating cash flow (before changes in working capital accounts) increased 60% to \$100.5 million for the third quarter of 2014 as compared with operating cash flow from continuing operations of \$62.9 million for the third quarter of 2013. EBITDAX, or earnings before interest, taxes, depreciation, depletion, amortization, exploration expense and other noncash expenses, increased 40% to \$114.4 million in the third quarter of 2014 from EBITDAX from continuing operations of \$81.8 million in the third quarter of 2013.

Comstock reported net income of \$1.2 million or 2¢ per diluted share for the first nine months of 2014 as compared to a net loss from continuing operations of \$70.1 million or \$1.45 per share for the first nine months of 2013. The 2014 results include an unrealized gain from derivative financial instruments of \$2.9 million (\$1.9 million after tax or 4¢ per share), the exploration charge of \$11.4 million (\$7.4 million after tax or 16¢ per share) and an impairment of oil and gas properties of \$0.3 million (\$0.2 million after tax). Financial results for the nine months ended September 30, 2013 included an unrealized loss from derivative financial instruments of \$12.0 million (\$7.8 million after tax or 16¢ per share), a gain of \$7.9 million (\$5.1 million after tax or 11¢ per share) from sales of marketable securities, impairments of oil and gas properties and unevaluated leases of \$15.6 million (\$10.1 million after tax or 22¢ per share) and a loss of \$2.1 million (\$1.4 million after tax or 3¢ per share) from oil and gas property sales and settlements. Excluding these items from each period's results, net income for the first nine months of 2014 would have been \$6.9 million or 14¢ per diluted share as compared to a net loss from continuing operations of \$55.9 million or \$1.15 per share in the first nine months of 2013.

Comstock produced 3.2 million barrels of oil and 31 billion cubic feet of natural gas or 50 Bcfe in the first nine months of 2014. Oil production in the nine months ended September 30, 2014, which averaged 11,600 barrels of oil per day, grew 96% from the 5,900 barrels per day produced in the nine months ended September 30, 2013. Natural gas production in the first nine months of 2014 declined by 29% from natural gas production of 43.4 billion cubic feet in the first nine months of 2013.

Comstock's average realized natural gas price increased 28% to \$4.34 per Mcf in the first nine months of 2014 as compared to \$3.39 per Mcf realized in the first nine months of 2013. The Company's average realized oil price, including realized hedging losses, declined by 8% to \$95.71 per barrel in the first nine months of 2014 as compared to \$104.49 per barrel in the first nine months of 2013. Oil and gas sales (including realized gains or losses from hedging) of \$436.9 million in the nine months ended September 30, 2014 increased by 38% as compared to sales from continuing operations of \$316.1 million in the nine months ended September 30, 2013. Operating cash flow (before changes in working capital accounts) increased 65% to \$305.8 million for the first nine months of 2014 as compared with operating cash flow from continuing operations of \$185.2 million for the first nine months of 2013. EBITDAX increased 45% to \$346.0 million in the first nine months of 2014 from EBITDAX from continuing operations of \$238.2 million in the first nine months of 2013.

Drilling Results

Comstock reported the results to date of its 2014 drilling program, which is exclusively focused on increasing the Company's oil production and proved oil reserves. During the first nine months of 2014, Comstock spent \$374.9 million on its development and exploration activities and \$71.1 million on

acreage and acquisition costs. Comstock drilled 64 horizontal oil wells (43.3 net) and one natural gas well (0.2 net). During 2014 Comstock has put on production 80 new oil wells (55.0 net) in its Eagleville field in South Texas and two oil wells (2.0 net) in its East Texas Eagle Ford extension in Burleson County.

Since the Company's last reported update in August, the Company has completed 23 (12.6 net) additional horizontal Eagle Ford shale wells in South Texas. These wells had an average per well initial production rate of 792 barrels of oil equivalent ("BOE") per day. Five of the wells completed in La Salle and McMullen Counties had initial production rates in excess of 1,000 BOE per day.

Comstock continues to delineate its Eagle Ford shale play in Burleson County in East Texas. Since its initial success with the Henry A #1H well, which had an initial daily production rate of 1,267 barrels of oil equivalent ("BOE"), the Company has had two completion setbacks. The casing in the Mach A #1H was damaged beyond repair during completion and Comstock had to abandon this well, resulting in a \$11.4 million charge in the third quarter. In the Flencher A #1H well, only 2,645 feet of the total 7,449 foot lateral is producing due to a casing restriction in the lateral. With the shorter lateral, this well had an initial daily production rate of 327 BOE per day. Comstock recently completed its fourth well, the Curington A #1H well, which was drilled to a total depth of 16,620 feet, with a 7,095 foot lateral. This well had an initial daily production rate of 996 BOE per day. Completion operations are underway on the Kovar A #1H, Comstock's fifth well. The sixth well, the Ozell A #1H has been drilled and is scheduled for completion in November.

The Company continues to build its acreage position in the emerging Tuscaloosa Marine shale oil play in Mississippi and Louisiana. At September 30, 2014, Comstock had 78,700 gross acres (70,800 net) and expects to grow this position to over 80,000 net acres by the end of this year. Comstock is presently drilling its first well on its Tuscaloosa Marine shale acreage in Mississippi, the CMR Foster Creek 28-40 #1H, and has drilled 4,500 feet of the planned 7,500 foot lateral.

Comstock has planned a conference call for 10:00 a.m. Central Time on November 4, 2014, to discuss the operational and financial results for the third quarter of 2014. Investors wishing to participate should visit the Company's website at www.comstockresources.com for a live web cast or dial 866-953-6859 (international dial-in use 617-399-3483) and provide access code 84458137 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 2:00 p.m. CT November 4, 2014 and will continue until 11:59 p.m. November 11, 2014. To hear the replay, call 888-286-8010 (617-801-6888 if calling from outside the US). The conference call access code is 90785764.

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.

[2014 Q3 Financial Tables](#)

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