



## Comstock Resources, Inc. Reports First Quarter 2017 Financial and Operating Results

May 8, 2017

### COMSTOCK RESOURCES, INC. REPORTS FIRST QUARTER 2017 FINANCIAL AND OPERATING RESULTS

FRISCO, TEXAS, May 8, 2017 - Comstock Resources, Inc. ("Comstock" or the "Company") (NYSE: CRK) today reported financial and operating results for the three months ended March 31, 2017.

#### *Financial Results for the Three Months Ended March 31, 2017*

Comstock produced 14 billion cubic feet of natural gas and 265,000 barrels of oil or 15.6 billion cubic feet of natural gas equivalent ("Bcfe") in the first quarter of 2017. Natural gas production averaged 156 million cubic feet ("MMcf") per day, an increase of 11% over pro forma natural gas production, excluding divestitures completed in 2016, in the first quarter of 2016 and 23% over pro forma fourth quarter 2016. The growth in natural gas production is attributable to the Company's successful Haynesville shale drilling program. Oil production in the first quarter of 2017, which averaged 2,940 barrels of oil per day, declined by 36% from the 4,600 barrels per day produced in the first quarter of 2016. The decrease in oil production is the result of the lack of drilling in the Company's South Texas Eagle Ford shale properties.

Oil and natural gas prices improved in the first quarter of 2017. Comstock's average realized natural gas price, including hedging gains, increased 57% to \$2.96 per Mcf in the first quarter of 2017 as compared to \$1.89 per Mcf realized in the first quarter of 2016. The Company's average realized oil price increased by 84% to \$48.60 per barrel in the first quarter of 2017 as compared to \$26.44 per barrel in the first quarter of 2016. The higher realized prices and the higher natural gas production resulted in oil and gas sales increasing by 46% to \$54.3 million (including realized hedging gains) as compared to 2016's first quarter sales of \$37.2 million. EBITDAX, or earnings before interest, taxes, depreciation, depletion, amortization, exploration expense and other noncash expenses, was \$34.2 million in the first quarter of 2017, more than double the EBITDAX of \$14.7 million generated in the first quarter of 2016. Operating cash flow generated in the first quarter of 2017 was \$15.9 million as compared to an operating cash flow deficit of \$14.0 million in the first quarter of 2016.

Comstock reported a net loss of \$22.9 million or \$1.61 per share for the first quarter of 2017 as compared to a net loss of \$56.6 million or \$5.71 per share for the first quarter of 2016. The first quarter of 2017 results include 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. Financial results for the first quarter of 2016 included impairments on unevaluated acreage and oil and gas properties of \$30.5 million, a net gain on extinguishment of debt of \$33.4 million, a charge of \$4.5 million to reflect a change in state tax law, and \$0.4 million of other nonrecurring items. Excluding these items from each year's results, the net loss for the first quarter of 2017 would have been \$24.9 million or \$1.75 per share as compared to a net loss of \$55.4 million or \$5.60 per share in the first quarter of 2016.

#### *2017 First Quarter Drilling Results*

Comstock reported the results to date of its 2017 drilling program. During the first three months of 2017, Comstock spent \$38.3 million on its development and exploration activities and drilled three horizontal natural gas wells (2.5 net) and had two wells (2.0 net) drilling at March 31, 2017. Since the last operational update, Comstock has completed four operated Haynesville shale wells. The average initial production rate of these wells was 30 MMcf per day. Two of the wells set new Company records for initial production rates. The Furlow 25-24 H #1 well in Desoto Parish, Louisiana was drilled to a total vertical depth of 11,134 feet with a 5,396 foot lateral. This well was tested with an initial production rate of 25 MMcf per day. The Furlow 25-36 H #1, was drilled from the same pad as the Furlow 25-36 H #1 to a total vertical depth of 11,070 feet with a 6,355 foot lateral, and was tested with an initial production rate of 32 MMcf per day. The Headrick 14-23 H #1 was drilled in Desoto Parish, Louisiana to a total vertical depth of 11,637 feet with a 7,514 foot lateral. This well was tested with an initial production rate of 26 MMcf per day. The Billingsley 25-24 H #1 well in Desoto Parish, Louisiana was drilled to a total vertical depth of 11,280 feet with a 8,521 foot lateral. This well was tested with an initial production rate of 36 MMcf per day. Comstock is currently completing the Headrick 14-11 H #2 and the N.T. Powell 28 H #2 wells.

The three (0.4 net) non-operated Haynesville shale wells that the Company participated in which were drilled in 2016 and completed in 2017 achieved an average initial production rate of 18 MMcf per day per well. The wells were all located in Desoto Parish, Louisiana and had approximately 7,500 foot laterals.

In order to protect the returns that the Haynesville shale drilling program can generate, the Company has hedged, in the aggregate, 81 MMcf per day of its 2017 second quarter natural gas production at a NYMEX equivalent of \$3.38 per Mcf and has hedged approximately 100 MMcf per day of natural gas production in the second half of 2017 at \$3.38 per Mcf.

Comstock's Haynesville shale joint venture with USG Properties Haynesville, LLC has increased its acreage position to approximately 6,100 net acres and is continuing to pursue additional leasehold acquisitions. The first joint well is expected to commence drilling later this month.

#### *Other*

Comstock has planned a conference call for 10:00 a.m. Central Time on May 8, 2017, to discuss the operational and financial results for the first quarter of 2017. Investors wishing to participate should visit the Company's website at [www.comstockresources.com](http://www.comstockresources.com) for a live web cast or dial

844-776-7840 (international dial-in use 661-378-9538) and provide access code 95462030 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](http://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 May 8, 2017 and will continue until 2:00 p.m. May 15, 2017. To hear the replay, call 855-859-2056 (404-537-3406 if calling from outside the US). The conference call access code is 95462030.

***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 1Q2017 Results](#)