



**COMSTOCK
RESOURCES**

NYSE:CRK



3rd Quarter 2016 Results



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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 Q3 Highlights



- **Completed successful debt exchange on September 6th**
 - *98% of bond holders participated in par for par exchange*
 - *Frees up operating cash flow to invest in successful Haynesville shale drilling program*
 - *Reduces annual cash interest burden by \$37 million and allows the Company to pay an additional \$75 million in kind.*
 - *Future conversion of second lien notes will de-lever the balance sheet*
- **Haynesville/Bossier shale program continues to deliver**
 - *All 2015 -16 wells are performing above the 14-16 Bcf type curve*
 - *Increased proppant loading in next series of wells expected to raise EURs by 20% and IRRs by 28%*
 - *Restarted drilling program on September 28th and added second operated drilling rig on November 4th*
- **Protecting liquidity and improving balance sheet**
 - *Liquidity of \$152 million*
 - *Pending asset sale will add to liquidity in 4th quarter*
 - *2017 drilling program primarily funded with operating cash flow*
 - *Building 2017 hedge position with goal of hedging 60% of 2017 natural gas production*

Senior Notes Exchange Offer



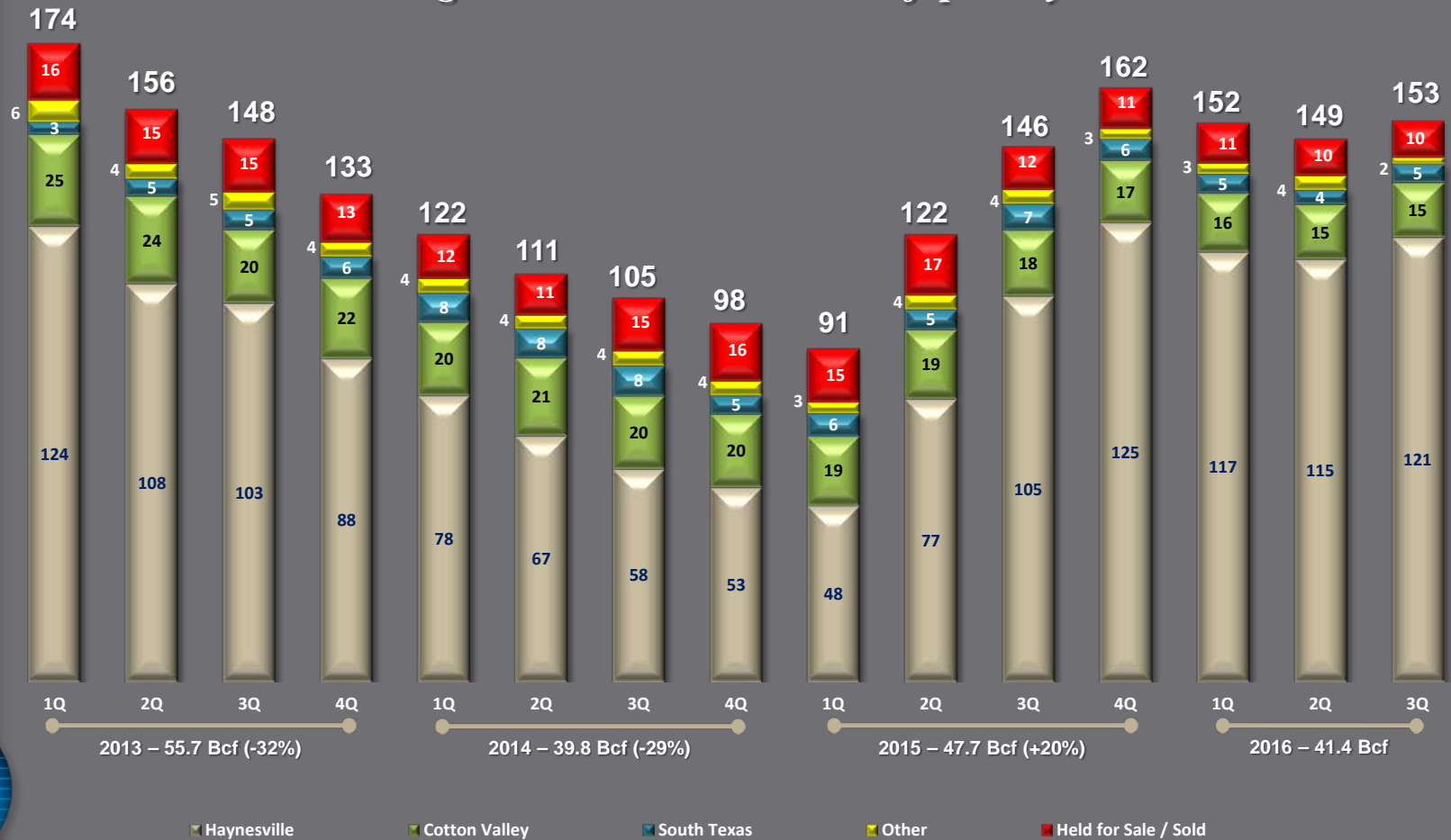
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Existing Notes:	\$700 MM 10.00% 1st Lien Senior Notes due 2020	\$289 MM 7.75% Senior Unsecured Notes due 2019	\$175 MM 9.50% Senior Unsecured Notes due 2020
New Exchange Notes:	\$697.2 MM 10.00% 1st Lien Toggle Notes due 2020	\$270.6 MM 7.75% 2nd Lien Convertible PIK Notes due 2019	\$169.7 MM 9.50% 2nd Lien Convertible PIK Notes due 2020
Maturity:	3/15/2020	4/1/2019	6/15/2020
Security:	1st Lien	2nd Lien	2nd Lien
Payment of Interest:	Payable in cash at 10%, but up to \$75MM may be paid in kind at 12.25% at CRK's option for the issuance of up to \$92MM of new notes	Payable only in kind at 7.75%	Payable only in kind at 9.50%
Equity Ownership:	Warrants to acquire 3.8% of pro forma equity	Convertible into 43.8% of pro forma equity at closing	Convertible into 27.5% of pro forma equity at closing
Optional Conversion:	Warrants exercisable at \$0.01 per share	81.2 shares per \$1,000 principal amount of notes	81.2 shares per \$1,000 principal amount of notes
Mandatory Conversion:	None	Mandatorily converted to shares having a market value of \$1,000	Mandatorily converted to shares having a market value of \$1,000
Conversion Trigger:	None	Stock price is at least \$12.32 for 15 consecutive trading days	Stock price is at least \$12.32 for 15 consecutive trading days



Natural Gas Production (MMcf / day)

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



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Natural Gas Hedges

Building natural gas hedge positions to support 2017 Haynesville drilling program

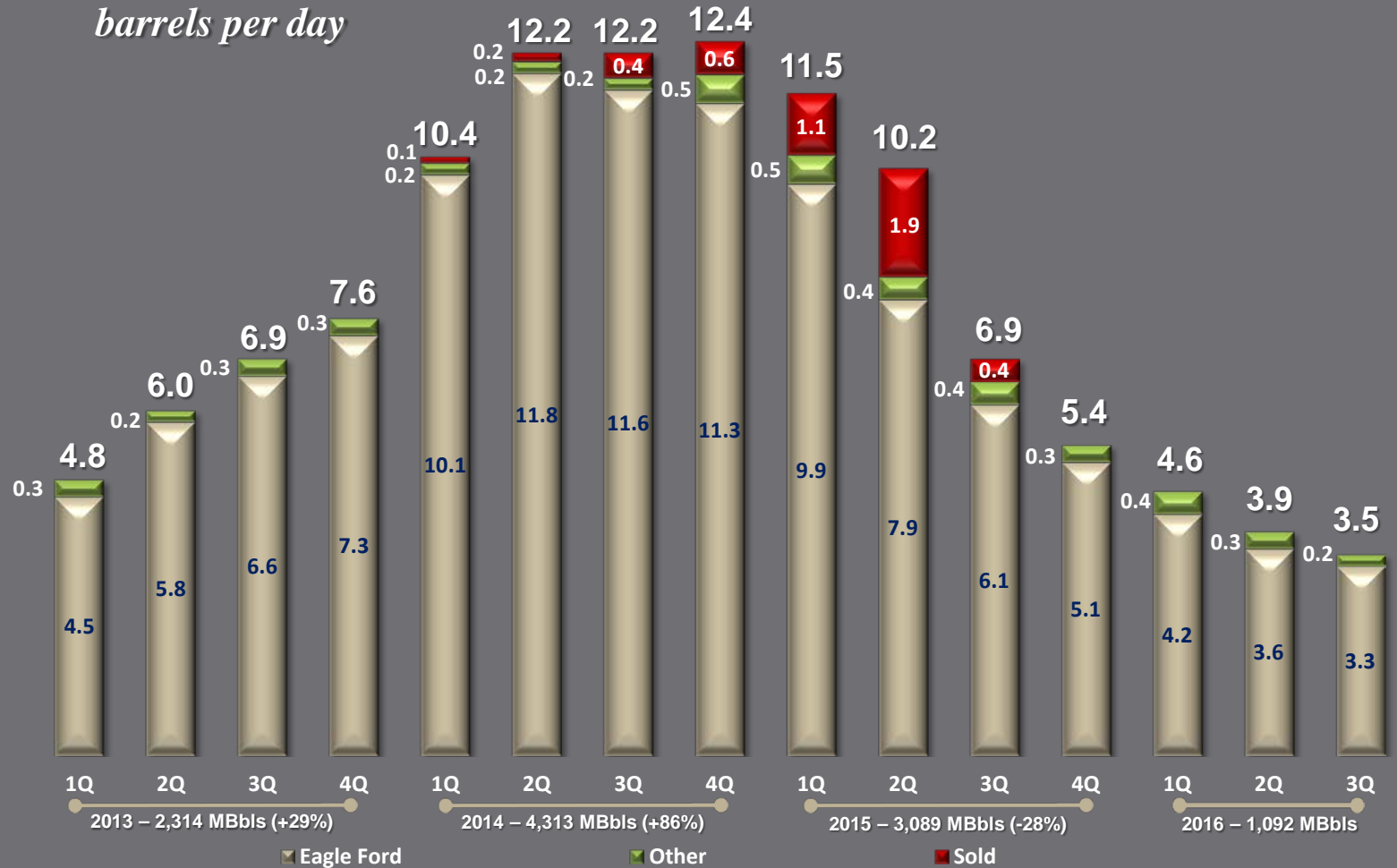
	Volume (Mmbtu / day)	NYMEX price (Per Mcf) (a)
2017 - Q1 – Q4	35,000	\$3.27

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

Oil Production

(MBbls / day)

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



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2016 Third Quarter Financial Results

\$ in millions except per unit amounts



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	2016 Third Quarter	2015 Third Quarter	% Change
<i>Oil Production (Mbbls)</i>	320	635	-50%
<i>Gas Production (MMcf)</i>	14,074	13,474	4%
<i>Production (MMcfe)</i>	15,997	17,284	-7%
<i>Oil Price (Per Barrel)</i>	\$42.07	\$43.63	-4%
<i>Gas Price (Per Mcf)</i>	\$2.62	\$2.53	4%
<i>Oil and Gas Sales ⁽¹⁾</i>	\$50.3	\$61.8	-18%
<i>Lifting Costs</i>	17.7	22.6	-22%
<i>General and Administrative</i>	4.2	5.7	-26%
<i>Depreciation, Depletion and Amort.</i>	37.5	79.4	-53%
<i>Exploration and Impairments</i>	76.5	549.8	
<i>Loss (Gain) on Sales and Exchange of Properties</i>	13.2	(0.1)	
<i>Operating Income (Loss) before Taxes ⁽¹⁾</i>	(\$98.8)	(\$595.6)	
<i>Net Income (Loss)</i>	(\$28.5)	(\$545.0)	
<i>Net Income (Loss) per Share</i>	(\$2.32)	(\$59.05)	
<i>Net Income (Loss) per Share ⁽²⁾</i>	(\$3.27)	(\$5.30)	
<i>EBITDAX</i>	\$29.7	\$36.0	-17%
<i>Cash Flow from Operations ⁽³⁾</i>	\$4.9	\$4.5	9%

⁽¹⁾ Includes Realized Hedging Gains and Losses

⁽²⁾ Excludes property impairments, unrealized gain or losses from derivatives, gain or losses on property sales, gain on retirement of debt and state income tax adjustment.

⁽³⁾ Excludes Working Capital Changes

2016 Nine Months Financial Results

\$ in millions except per unit amounts



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	First 9 Months 2016	First 9 Months 2015	% Change
<i>Oil Production (Mbbls)</i>	1,092	2,595	-58%
<i>Gas Production (MMcf)</i>	41,418	32,747	26%
<i>Production (MMcfe)</i>	47,971	48,318	-1%
<i>Oil Price (Per Barrel)</i>	\$36.15	\$48.08	-25%
<i>Gas Price (Per Mcf)</i>	\$2.17	\$2.47	-12%
<i>Oil and Gas Sales ⁽¹⁾</i>	\$129.3	\$205.6	-37%
<i>Lifting Costs</i>	54.5	68.4	-20%
<i>General and Administrative</i>	15.4	20.8	-26%
<i>Depreciation, Depletion and Amort.</i>	112.4	261.9	-57%
<i>Exploration and Impairments</i>	108.7	617.4	
<i>Loss on Sales and Exchange of Properties</i>	14.1	111.8	
<i>Operating Income (Loss) before Taxes ⁽¹⁾</i>	(\$175.8)	(\$874.7)	
<i>Net Income (Loss)</i>	(\$80.2)	(\$758.6)	
<i>Net Income (Loss) per Share</i>	(\$7.13)	(\$82.27)	
<i>Net Income (Loss) per Share ⁽²⁾</i>	(\$12.65)	(\$15.80)	
<i>EBITDAX</i>	\$63.7	\$123.5	-48%
<i>Cash Flow from Operations ⁽³⁾</i>	(\$17.4)	\$39.5	-144%

⁽¹⁾ Includes Realized Hedging Gains and Losses

⁽²⁾ Excludes property impairments, unrealized gain or losses from derivatives, gain or losses on property sales, gain on retirement of debt and state income tax adjustment.

⁽³⁾ Excludes Working Capital Changes

2016 / 2017 Drilling Program

(\$ in millions)



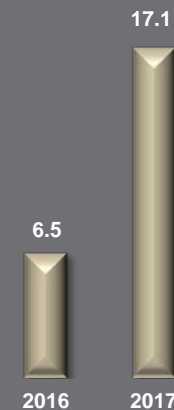
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	2016			2017		
	Budget	Gross Wells	WI Net Wells	Budget	Gross Wells	WI Net Wells
East Tex./North La.:						
Haynesville Shale	\$ 51.3	8	6.5	\$ 140.2	22	17.1
Other	1.2			2.7		
	<u>52.5</u>			<u>142.9</u>		
South Texas:						
Eagle Ford Shale	5.0			-		
Total Capital Expenditures	<u>\$ 57.5</u>			<u>\$ 142.9</u>		

Capital Expenditures



Net Wells Drilled



Balance Sheet



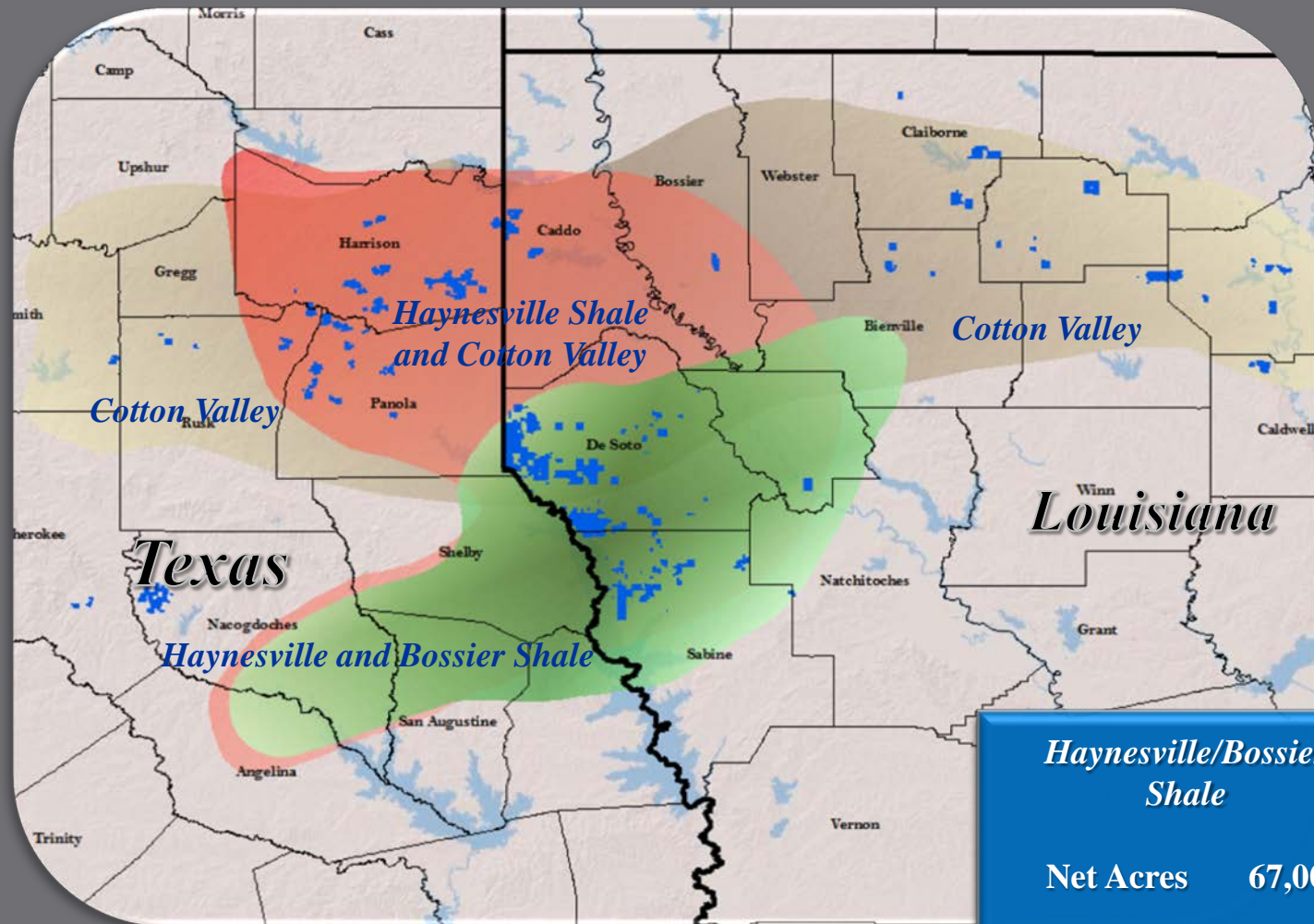
(\$ in millions)

Sept. 30, 2016 Pro Forma
Sept. 30, 2016*

Cash and cash equivalents	\$ 27	\$ 54
Revolving Credit Facility	-	-
10% Senior Secured Notes	\$ 697	\$ 697
2 nd Lien Convertible Notes (All Interest PIK)	\$ 440	\$ 440
Unsecured Senior Notes	\$ 26	\$ 26
Total Debt	\$ 1,163	\$ 1,163
Total Net Debt	\$ 1,136	\$ 1,109
Available Credit Line	\$ 50	\$ 50
Available Interest PIK	\$ 75	\$ 75
Total Liquidity	\$ 152	\$ 179

*Pro Forma for Asset Sale

Haynesville/Bossier Shale



Haynesville/Bossier Shale

Net Acres	67,000
Resource Potential	6 + Tcf

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*Drilled 10 (9.6 net) extended lateral wells in 2015
Drilling 8 (6.5 net) extended lateral wells in 2016*

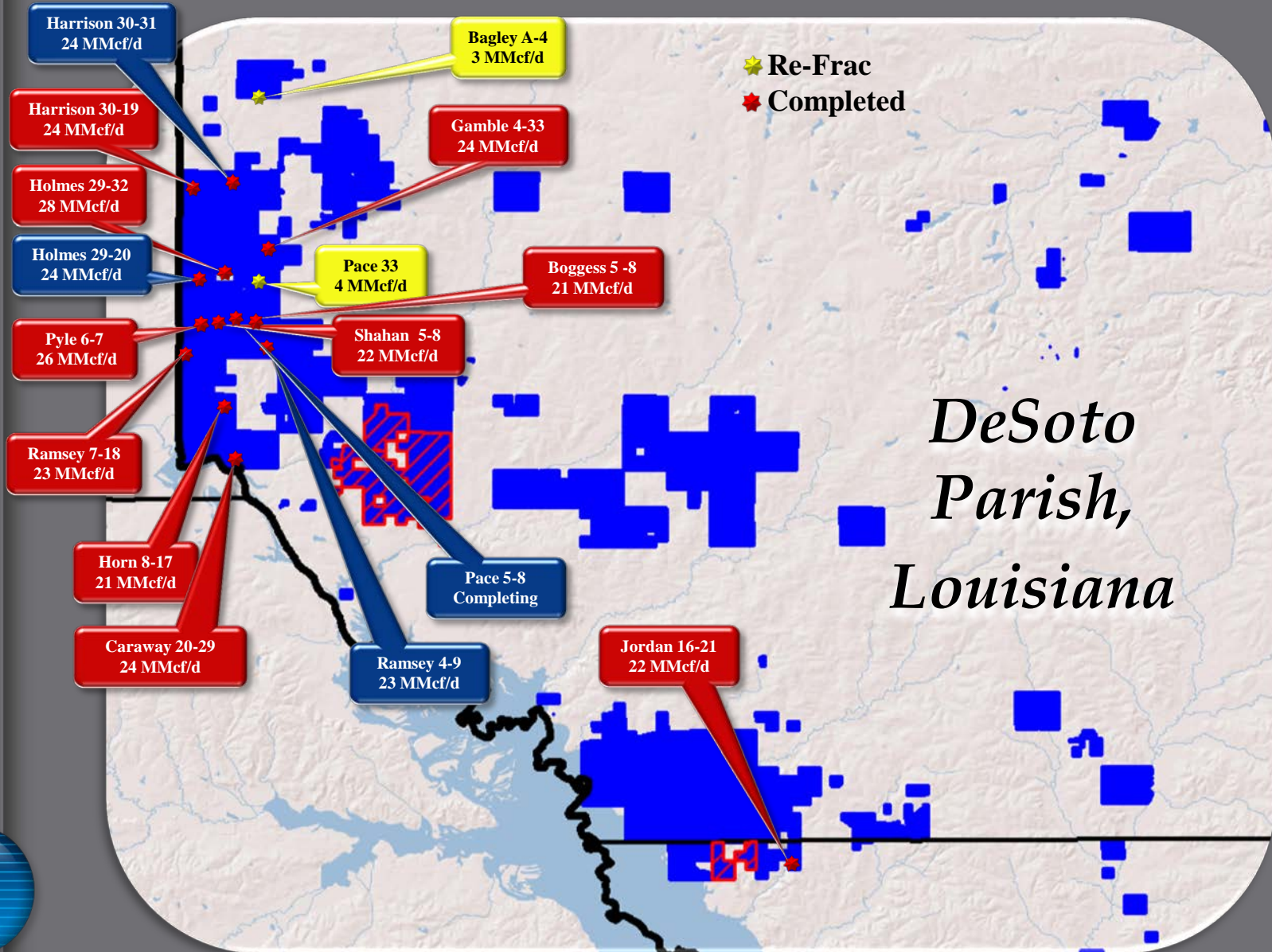
Haynesville Shale Program



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- Applying newest drilling and completion technologies to an established world class asset
 - *Extended laterals*
 - *Larger stimulation treatment*
 - *Rates of return improve as well costs decline*
 - *Extended lateral wells have 70% to 100% rates of return at natural gas prices of \$2.50 to \$3.00/Mcf at current well costs*
- Extensive inventory of drilling opportunities
(operated and mapped locations)
 - Haynesville –*
 - 4,500 ft. - 230*
 - 7,500 ft. - 83*
 - 10,000 ft. - 70*
 - Bossier –*
 - 4,500 ft. - 130*
 - 7,500 ft. - 95*
 - 10,000 ft. - 97*
- Premium gas market
 - *Comstock has competitive marketing arrangements and close proximity to Henry Hub*

Haynesville Shale Program

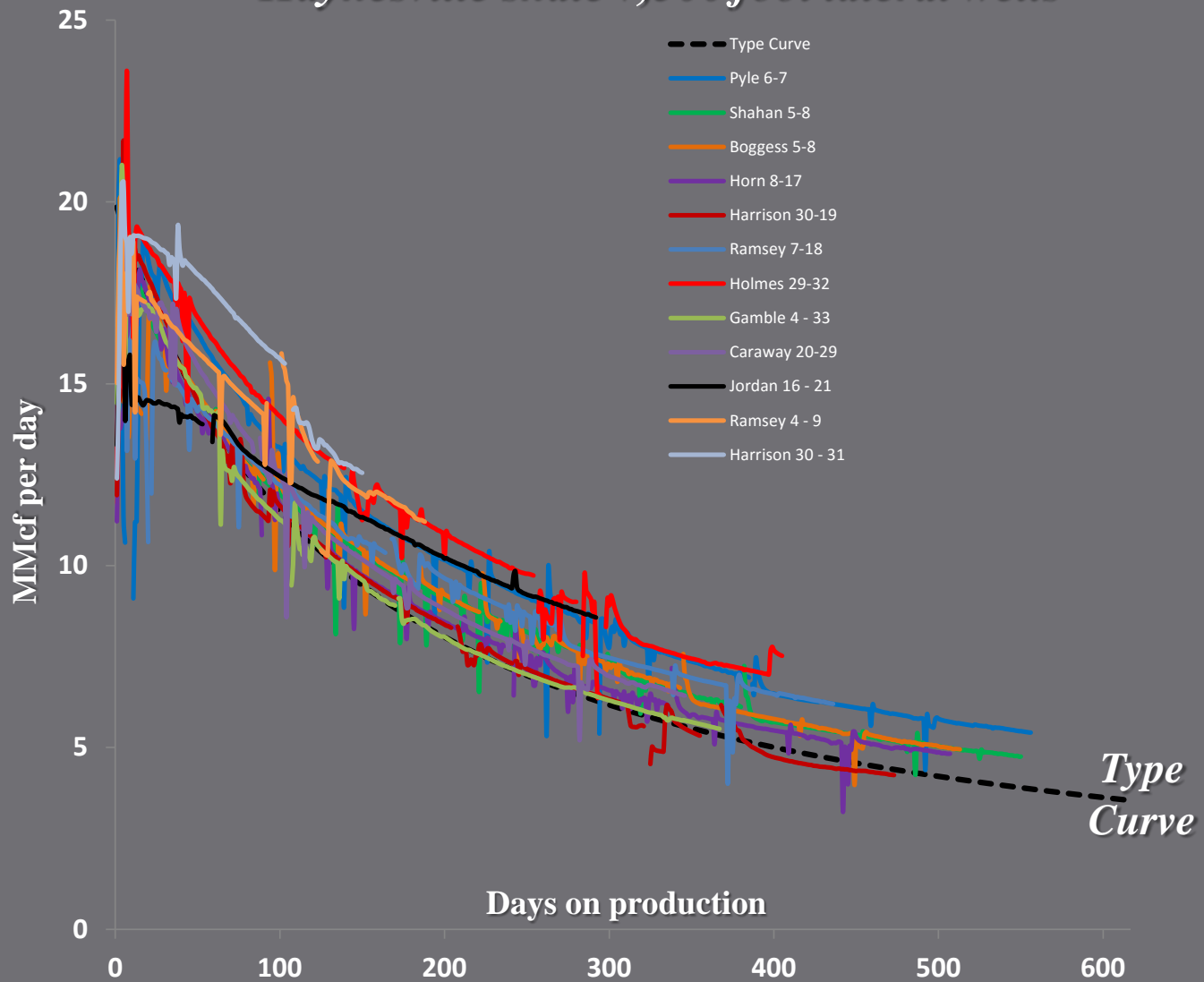


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 *Acquired in Exchange*

Haynesville Extended Lateral Wells

Haynesville shale 7,500 foot lateral wells



New wells exceeding expectations

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Haynesville Well Economics



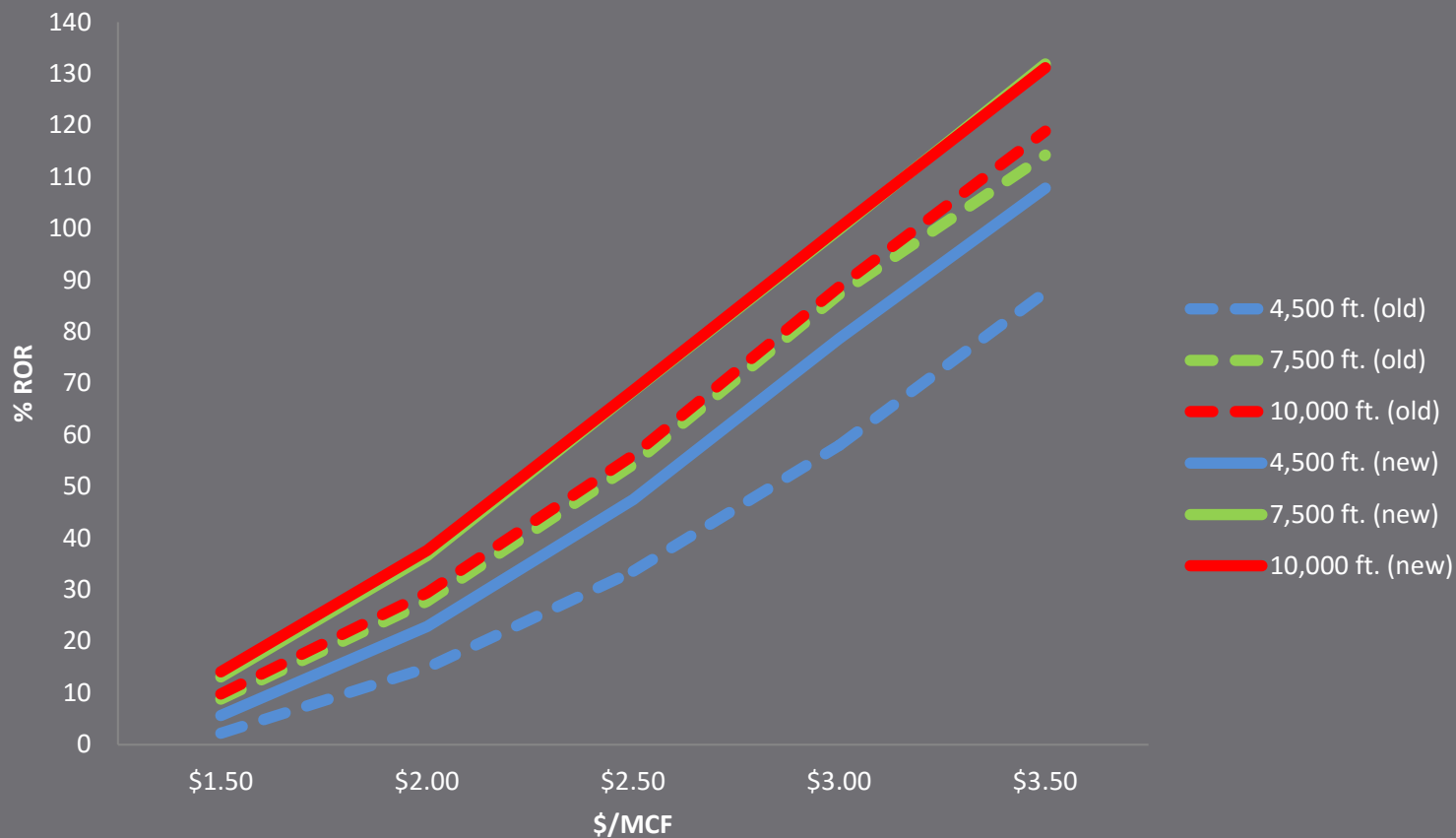
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<i>Original Completion Design -</i>	4,500' L	7,500' L	10,000' L
Estimated Well Costs (\$ millions)	\$6.3	\$8.1	\$10.3
24 Hr IP (Mmcf per day)	15	20	24
Decline B Factor	0.99	0.99	0.99
Initial Decline (%)	73	67	64
Proppant (Pounds per lateral ft.)	2,800	2,800	2,800
EUR (Bcf per lateral ft.)	2.07	2.07	2.07
EUR (Bcf)	9.0	15.5	20.7

<i>New Completion Design -</i>	4,500' L	7,500' L	10,000' L
Estimated Well Costs (\$ millions)	\$6.5	\$8.5	\$10.8
24 Hr IP (Mmcf per day)	17	22	26
Decline B Factor	0.99	0.99	0.99
Initial Decline (%)	72	65	61
Proppant (Pounds per lateral ft.)	3,800	3,800	3,800
EUR (Bcf per lateral ft.)	2.48	2.48	2.48
EUR (Bcf)	11.2	18.6	24.8

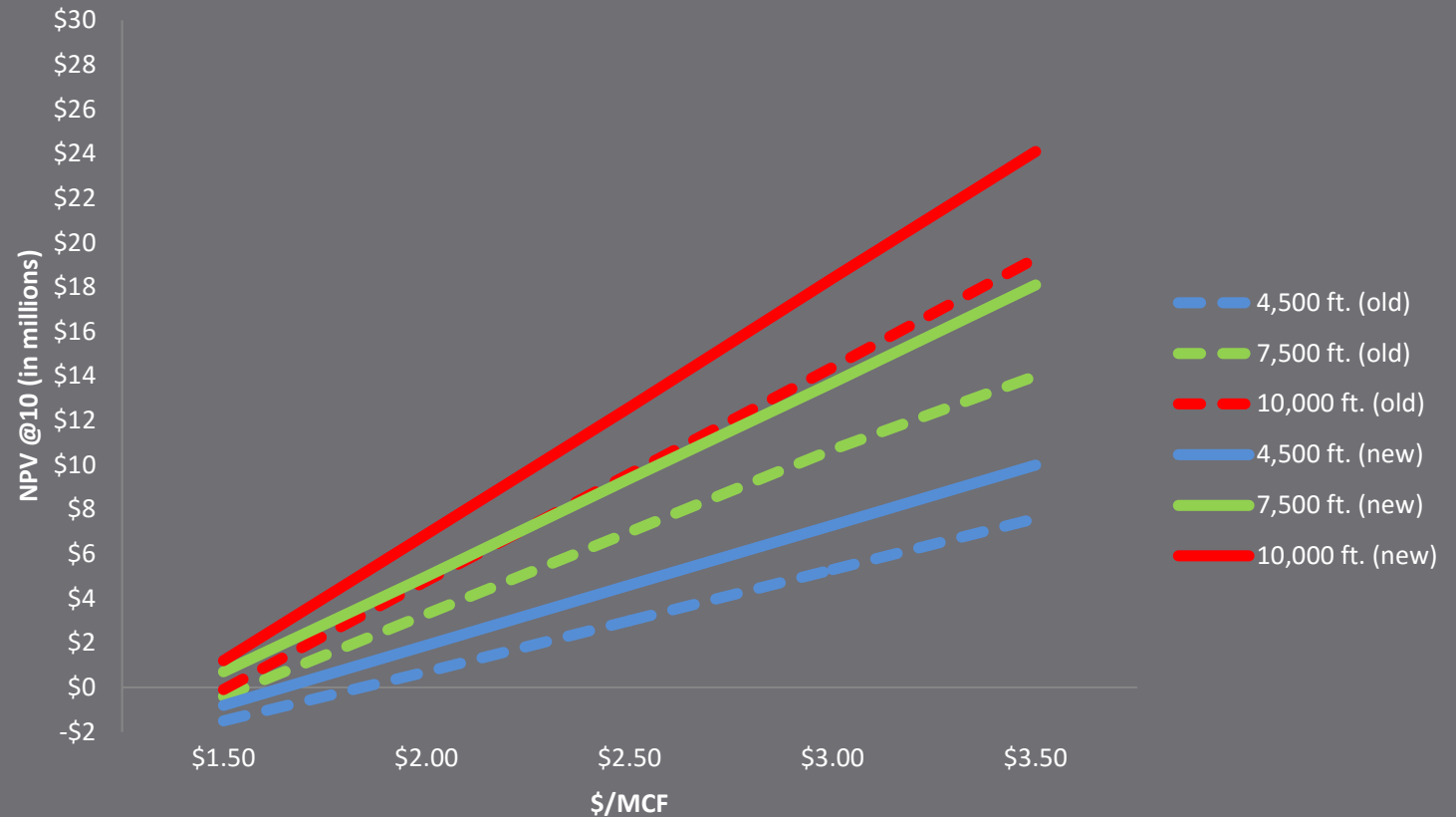
Haynesville Well Economics

Rate of Return vs. Natural Gas Prices

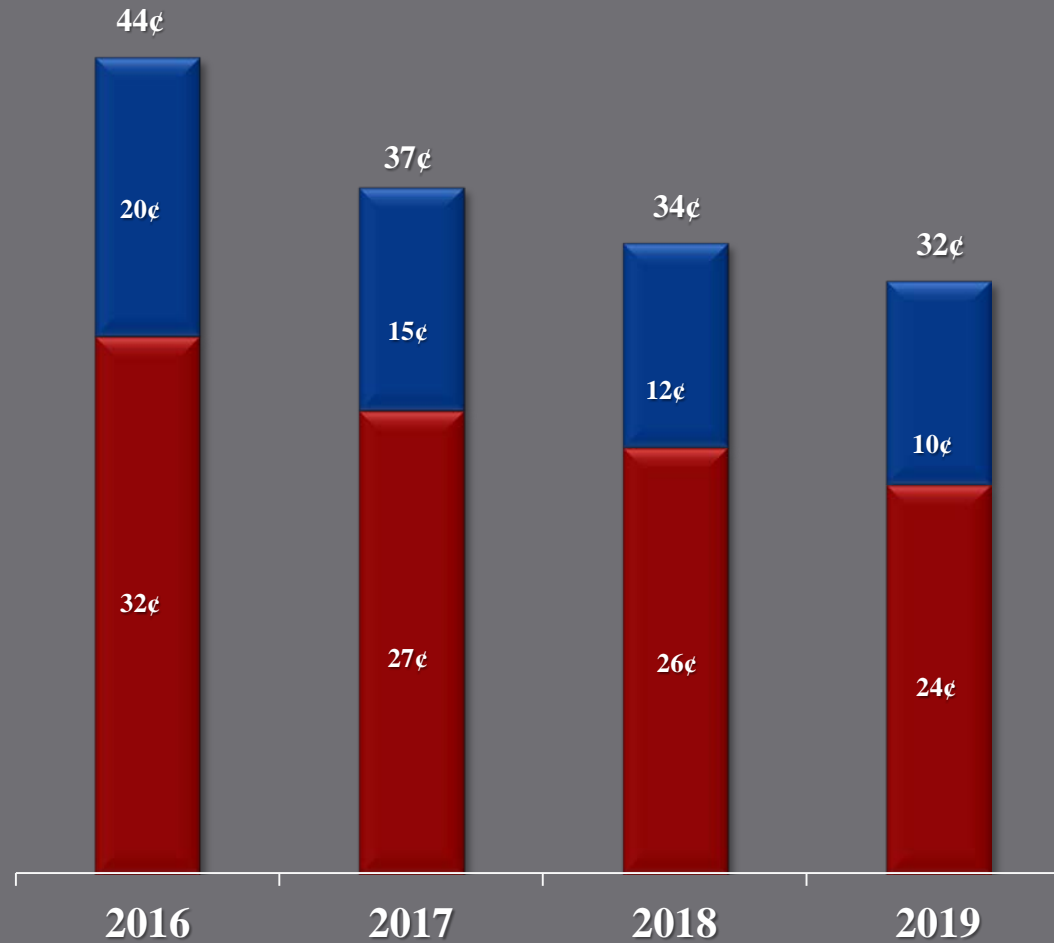


Haynesville Well Economics

NPV 10 vs. Natural Gas Prices



Competitive Haynesville Gas Differentials

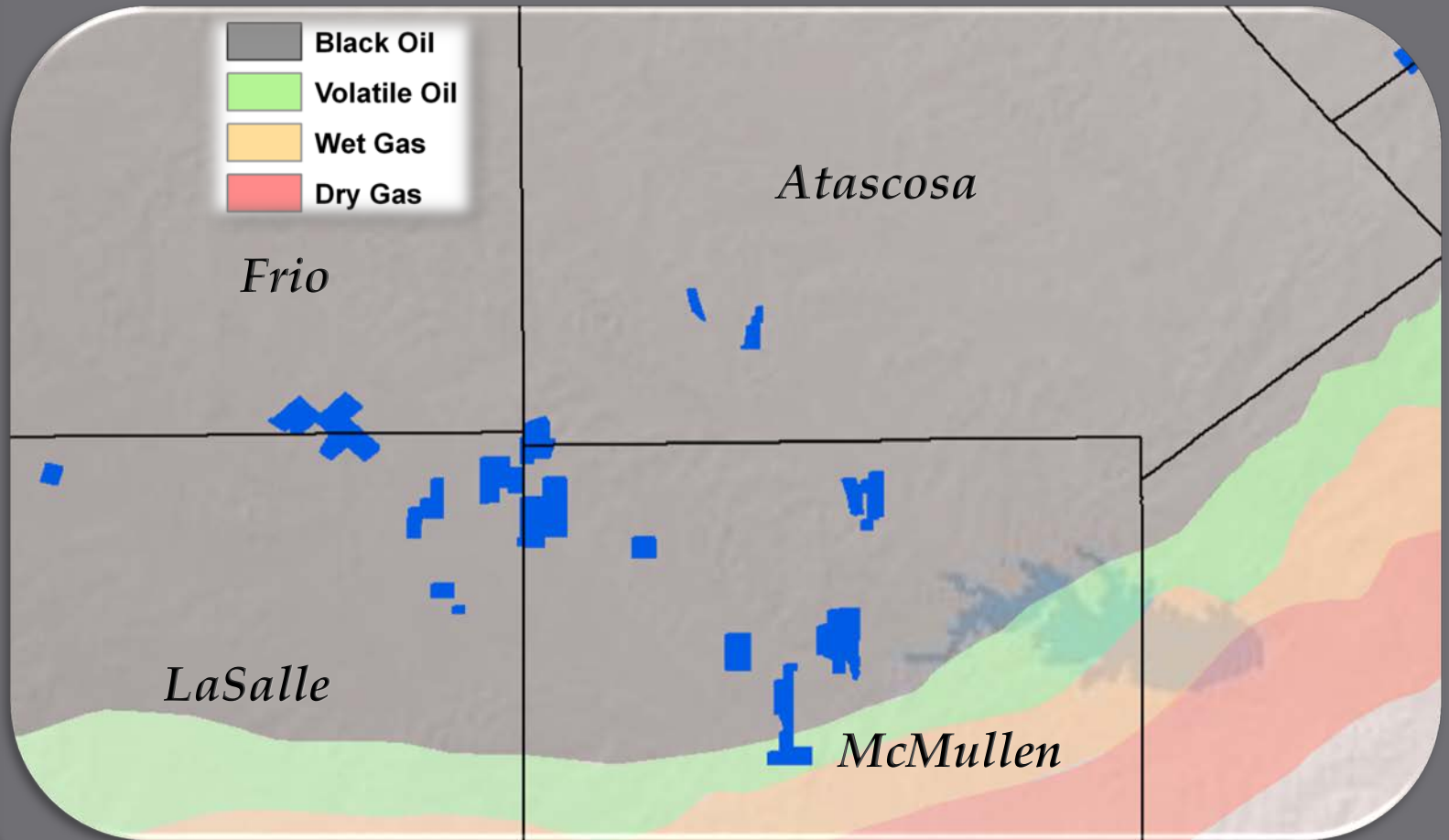
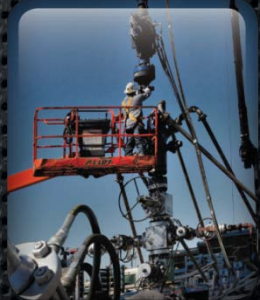


- Regional Transport & Basis vs Henry Hub
- Wellhead Gathering & Treating

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South Texas Eagle Ford Shale Program

*26,000 gross acres (19,000 net) prospective for oil
in the Eagle Ford shale
Over 300 future drilling locations*



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Outlook for 2017



- **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**
 - *Retired \$237 million of our senior notes generating annual interest savings of \$21 million with total interest savings to maturity of \$83 million*
 - *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*
 - *Future conversion of second lien notes will de-lever the balance sheet*