

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): **April 10, 2018**

COMSTOCK RESOURCES, INC.

(Exact Name of Registrant as Specified in Charter)

STATE OF NEVADA

001-03262

94-1667468

(State or other
jurisdiction incorporation)

(Commission File Number)

(I.R.S. Employer
Identification Number)

**5300 Town and Country Boulevard
Suite 500**

Frisco, Texas 75034

(Address of principal executive offices)

(972) 668-8800

(Registrant's Telephone No.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events

On April 9, 2018, the Company's Board of Directors received a letter from Knighthed Capital Management, LLC ("Knighthed"), attached as Exhibit 99.1 to this Form 8-K, discussing matters related to the Company's Offer to Purchase and Consent Solicitation dated April 2, 2018.

On April 10, 2018 Knighthed released the contents of their April 9 letter to the public. In response to that public disclosure, the Company is filing as Exhibit 99.2 to this Form 8-K the attached letter in which the Company responded to Knighthed's letter.

The information reported in this Item 8.01, including the materials attached as Exhibits 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing under the Securities Act.

Item 9.01 Financial Statements and Exhibits

Exhibit 99.1 [Letter dated April 9, 2018 from Knighthed Capital Management, LLC to Comstock Resources, Inc.](#)

Exhibit 99.2 [Letter dated April 10, 2018 from Comstock Resources, Inc. to Knighthed Capital Management, LLC](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

COMSTOCK RESOURCES, INC.

Dated: April 10, 2018

By: /s/ ROLAND O. BURNS
Roland O. Burns
President and Chief Financial Officer



KNIGHTHEAD

CAPITAL MANAGEMENT, LLC ®

April 19, 2018

Comstock Resources, Inc. Attention:
Board of Directors Comstock Tower
5300 Town & Country Blvd.
Suite 500
Frisco, Texas 75034

Re: Offer to Purchase and Consent Solicitation dated April 2, 2018

Ladies and Gentlemen:

Knighthead Capital Management, LLC manages and/or advises certain entities ("Knighthead") that hold 7% Convertible Secured PIK Notes due 2019 (the "2019 Notes") and 9Yz% Convertible Secured PIK Notes due 2020 (the "2020 Notes," and together with the 2019 Notes, the "Convertible Notes") issued by Comstock Resources, Inc. (the "Company"). We write regarding the Company's Offer to Purchase and Consent Solicitation, dated April 2, 2018.¹

The Tender Offer is not acceptable to Knighthead, and the Proposed Amendments are impermissible and ineffective under the Indentures, as well as unlawful under the Trust Indenture Act of 1939. We strongly urge you to reconsider proceeding with the Tender Offer in its current form, which assuredly will fail either for lack of support or at the end of expensive litigation that is needlessly detrimental to Comstock and its stakeholders.

It should be obvious that under current market conditions, the \$7.50 Conversion Price and Amended Threshold Price² will not provide compensation to holders of the Convertible Notes equal to par. After the announcement of the Tender Offer, a precipitous drop occurred in the share price of the Company's common stock. At today's closing share price of \$5.11, holders of 2019 Notes stand to receive a total recovery of just \$792 per each \$1,000 of principal amount and holders of 2020 Notes stand to receive just \$761 per each \$1,000 of principal amount. Moreover, the Tender Offer and Proposed Amendments fail to provide for satisfaction of the 2.375% premium due upon optional redemption under the 2020 Notes.

Management made it clear that it structured the Tender Offer, which includes both cash and stock components, to conform to existing limits on share issuance in the Company's

¹ Capitalized terms have the meanings given to them in the Offer to Purchase and Consent Solicitation.

² In current market conditions, the prospect that the Amended Threshold Price exceeds \$7.50 is highly dubious.

organizational documents. Without increasing the cash component, however, the only way for the Tender Offer and Proposed Amendments to provide holders of Convertible Notes with compensation equal to par (plus the redemption premium owed under the 2020 Notes), as the Company is legally required to do, is for the Company to seek shareholder authorization to issue additional shares. Such authorization should be readily obtainable as the Company's shareholders must recognize that their shares will be impaired, if not eliminated, if the Tender Offer fails and the Company is forced to restructure under chapter 11 of the U.S. Bankruptcy Code instead.

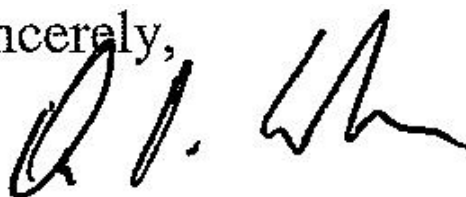
Should the Company nonetheless proceed with the Tender Offer, be advised that, even assuming that holders of a majority in principal amount of each series of the Convertible Notes accepted the offer, the Proposed Amendments would be prohibited under section 9.02 of each of the Indentures and, in any event, ineffective under section 6.08 of the Indentures, as well as section 316(b) of the Trust Indenture Act.³ Because the Proposed Amendments would deprive holders of Convertible Notes of their "right[s], which [are] **absolute and unconditional**, to receive payment" at par (plus any premium) and such rights cannot be impaired by "**any other provision** of th[e] Indenture[s]," including the majority amendment provision (section 9.02) and any provision purportedly altered by the Proposed Amendments, the Proposed Amendments are futile. Indentures § 6.08; *see also* 15 U.S.C. § 77rrr(b).

The Company may also face additional liability under federal securities laws based on, among other things, (i) the Company's assertions that the Tender Offer will provide a "par" exchange for holders of Convertible Notes, which under current market conditions, are false and misleading (especially with respect to the 2020 Notes for which no redemption premium would be paid), (ii) the Company's failure to disclose in the registration statement pursuant to which the Convertible Notes were issued (Registration No. 333-212795) its belief that it could amend the mandatory conversion provisions of the Indentures to deprive noteholders of their rights to repayment at par, or in the comparison of the Indentures' terms that noteholders would be subject to the risk that amendments adopted with majority consent could deprive noteholders of their rights to repayment at par, and (iii) inadequate disclosure in the Offer to Purchase and Consent Solicitation of the risks associated with the flawed Tender Offer and Proposed Amendments.

³ Section 316(b) of the Trust Indenture Act states that "the right of any holder of any indenture security to receive payment of the principal of ...such indenture security ... shall not be impaired or affected without the consent of such holder." 15 U.S.C. § 77ppp.

Please do not hesitate to contact me if you wish to discuss the content of this letter. Knighthead is open to engaging constructively on an alternative deleveraging transaction for the Company that would fully respect Knighthead's rights in respect of its Convertible Notes. For the avoidance of doubt, the foregoing is without prejudice to any rights and remedies of Knighthead and its members, all of which are preserved, should the Company seek to consummate the Tender Offer or any other transactions detrimental to the holders of the Convertible Notes.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. D. Cohen', written over the word 'Sincerely,'.

Ara D. Cohen
Managing Member

cc: American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, New York 11219

U.S. Securities and Exchange Commission
Division of Corporation Finance
Assistant Director Office 4
Attn: John Reynolds
100 F Street, NE Washington,
D.C. 20549



Knighthood Capital Management, LLC
Avenue of the Americas, 12th Floor
New York, NY 10036

Re: Offer to Purchase and Consent Solicitation

Gentlemen:

We are in receipt of your letter dated April 9, 2018 the (“KCM Letter” regarding Comstock Resources, Inc.’s (the “Company”) Offer to purchase and Consent Solicitation dated April 2, 2018 (the “Tender Offer”). This letter is in response to the KCM Letter.

While the KCM Letter claims the holders of the 2019 Notes and the 2020 Notes would not receive par value based on the current market price of the stock, please note that per the terms of the Tender Offer, the Tender Offer will remain open until April 27, 2018 and at this time the Company has no intention of modifying the terms of the Tender Offer.

Secondly, the Company has no intention of seeking shareholder approval for the issuance of additional shares to issue to the holders of the Notes as suggested in the KCM Letter.

Further, the claim that the Proposed Amendments are not permitted under the Indentures is wrong. The Proposed Amendments described in the Tender Offer are also permitted under the Indentures. Finally, the claim that the Company may face liability under federal securities laws are completely without merit.

The Company intends to pursue the Tender Offer in accordance with the terms described therein and will vigorously defend itself against any attempts to interfere with the completion thereof.

Sincerely,

/s/ M. Jay Allison

M. Jay Allison

Chairman of Board and Chief Executive Officer