

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For The Quarter Ended June 30, 1999

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

Commission File No. 0-16741

COMSTOCK RESOURCES, INC.
(Exact name of registrant as specified in its charter)

NEVADA
(State or other jurisdiction of
incorporation or organization)

94-1667468
(I.R.S. Employer
Identification Number)

5300 Town and Country Blvd., Suite 500, Frisco, Texas 75034
(Address of principal executive offices)

Telephone No.: (972) 668-8800

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days.

Yes X No
----- ----

The number of shares outstanding of the registrant's common stock, par value \$.50, as of August 13, 1999 was 24,800,061.

COMSTOCK RESOURCES, INC.

QUARTERLY REPORT

FOR THE QUARTER ENDED JUNE 30, 1999

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PART I - FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 1999	December 31, 1998
	-----	-----
	(Unaudited)	
	(In thousands)	
Cash and Cash Equivalents.....	\$ 4,104	\$ 5,176
Accounts Receivable:		
Oil and gas sales	14,720	13,355
Joint interest operations	1,109	4,506
Other Current Assets	2,905	1,457
	-----	-----
Total current assets	22,838	24,494
Property and Equipment:		
Unevaluated oil and gas properties	1,903	436
Oil and gas properties, successful efforts method	555,521	547,372
Other	1,753	1,648
Accumulated depreciation, depletion and amortization	(169,932)	(145,439)
	-----	-----
Net property and equipment	389,245	404,017
Other Assets	7,214	1,161
	-----	-----
	\$ 419,297	\$ 429,672
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Portion of Long-term Debt	\$ 310	\$ 38,104
Accounts Payable and Accrued Expenses	18,510	34,652
	-----	-----
Total current liabilities	18,820	72,756
Long-term Debt, less Current Portion	260,000	240,000
Deferred Taxes Payable	--	1,778
Reserve for Future Abandonment Costs	5,884	5,475
Stockholders' Equity:		
Preferred stock--\$10.00 par, 5,000,000 shares authorized, 3,000,000 shares outstanding at June 30, 1999	30,000	--
Common stock--\$0.50 par, 50,000,000 shares authorized, 24,785,061 and 24,350,452 shares outstanding at June 30, 1999 and December 31, 1998, respectively	12,393	12,175
Additional paid-in capital	113,516	112,432
Retained deficit	(20,437)	(14,934)
Less: Deferred compensation-restricted stock grants	(879)	(10)
	-----	-----
Total stockholders' equity	134,593	109,663
	-----	-----
	\$ 419,297	\$ 429,672
	=====	=====

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1999	1998	1999	1998
	-----	-----	-----	-----
	(In thousands, except per share amounts)			
Revenues:				
Oil and gas sales	\$ 20,783	\$ 24,822	\$ 40,387	\$ 50,264
Other income	1,763	72	1,793	188
Gain on sale of properties	130	--	130	--
	-----	-----	-----	-----
Total revenues	22,676	24,894	42,310	50,452
	-----	-----	-----	-----
Expenses:				
Oil and gas operating	5,907	6,124	11,801	12,445
Exploration	--	2,818	664	3,877
Depreciation, depletion and amortization	11,322	13,176	24,763	25,798
General and administrative, net	476	594	910	1,016
Interest	5,882	4,189	10,980	8,446
	-----	-----	-----	-----
Total expenses	23,587	26,901	49,118	51,582
	-----	-----	-----	-----
Income (loss) before income taxes	(911)	(2,007)	(6,808)	(1,130)
Provision for income taxes	--	703	1,778	396
	-----	-----	-----	-----
Net income (loss)	(911)	(1,304)	(5,030)	(734)
Preferred stock dividends	(473)	--	(473)	--
	-----	-----	-----	-----
Net income (loss) attributable to common stock	\$ (1,384)	\$ (1,304)	\$ (5,503)	\$ (734)
	=====	=====	=====	=====
Net income (loss) per share	\$ (0.06)	\$ (0.05)	\$ (0.23)	\$ (0.03)
	=====	=====	=====	=====
Weighted average number of common and common stock equivalent shares outstanding	24,391	24,228	24,371	24,224
	=====	=====	=====	=====

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
 For the Six Months Ended June 30, 1999
 (Unaudited)

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings (Deficit)	Deferred Compensation- Restricted Stock Grants	Total
	-----	-----	-----	-----	-----	-----
	(In thousands)					
Balance at December 31, 1998	\$ --	\$ 12,175	\$ 112,432	\$ (14,934)	\$ (10)	\$ 109,663
Issuance of preferred stock	30,000	--	--	--	--	30,000
Issuance of common stock	--	105	518	--	--	623
Stock issuance costs	--	--	(691)	--	--	(691)
Value of stock options issued for exploration prospect	--	--	498	--	--	498
Restricted stock grants	--	113	759	--	(869)	3
Net loss attributable to common stock	--	--	--	(5,503)	--	(5,503)
Balance at June 30, 1999	<u>\$ 30,000</u>	<u>\$ 12,393</u>	<u>\$ 113,516</u>	<u>\$ (20,437)</u>	<u>\$ (879)</u>	<u>\$ 134,593</u>

The accompanying notes are an integral part of this statement.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	1999	1998
	-----	-----
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (5,030)	\$ (735)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Compensation paid in common stock	3	131
Exploration	664	3,877
Depreciation, depletion and amortization	24,763	25,798
Deferred income taxes	(1,778)	(395)
Gain on sale of properties	(130)	--
	-----	-----
Working capital provided by operations	18,492	28,676
Decrease in accounts receivable	2,032	13,639
Increase in other current assets	(1,448)	(2,298)
Decrease in accounts payable and accrued expenses	(16,142)	(35,372)
	-----	-----
Net cash provided by operating activities	2,934	4,645
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of properties	768	7
Capital expenditures	(10,212)	(22,342)
	-----	-----
Net cash used for investing activities	(9,444)	(22,335)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings	10,361	10,238
Proceeds from senior notes issuance	149,221	--
Debt issuance costs	(5,448)	--
Principal payments on debt	(178,155)	(5,000)
Proceeds from preferred stock issuance	30,000	--
Proceeds from common stock issuance	150	86
Stock issuance costs	(691)	--
	-----	-----
Net cash provided by financing activities	5,438	5,324
	-----	-----
Net decrease in cash and cash equivalents	(1,072)	(12,366)
Cash and cash equivalents, beginning of period	5,176	14,504
	-----	-----
Cash and cash equivalents, end of period	\$ 4,104	\$ 2,138
	=====	=====

The accompanying notes are an integral part of these statements.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 1999
(Unaudited)

(1) SIGNIFICANT ACCOUNTING POLICIES -

Basis of Presentation -

In management's opinion, the accompanying consolidated financial statements contain all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position of Comstock Resources, Inc. and subsidiaries (the "Company") as of June 30, 1999 and the related results of operations for the three months and six months ended June 30, 1999 and 1998 and cash flows for the six months ended June 30, 1999 and 1998.

The accompanying unaudited financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to those rules and regulations, although the Company believes that the disclosures made are adequate to make the information presented not misleading. These financial statements should be read in conjunction with the Company's financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

The results of operations for the six months ended June 30, 1999 are not necessarily an indication of the results expected for the full year.

Supplementary Information with Respect to the Statements of Cash Flows -

	For the Six Months	
	Ended June 30,	1998
	1999	1998
	-----	-----
	(In thousands)	
Cash Payments -		
Interest	\$8,465	\$8,446
Income taxes	--	276
Noncash Investing and Financing Activities -		
Common stock issued for preferred stock dividends	\$ 473	\$ --
Common stock issued for director compensation	--	128
Value of vested stock options under exploration joint venture	498	498

Income Taxes -

Deferred income taxes are provided to reflect the future tax consequences of differences between the tax basis of assets and liabilities and their reported amounts in the financial statements using enacted tax rates.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

Earnings Per Share -

Basic earnings per share is determined without the effect of any outstanding potentially dilutive stock options or other convertible securities and diluted earnings per share is determined with the effect of outstanding stock options and other convertible securities that are potentially dilutive. Basic earnings per share for the three months and six months ended June 30, 1999 and 1998 were determined as follows:

	For the Three Months Ended June 30, 1999			For the Three Months Ended June 30, 1998		
	Loss	Shares	Per Share	Loss	Shares	Per Share
	(In thousands, except per share amounts)					
Net Loss	\$ (911)	24,391		\$ (1,304)	24,228	
Less Preferred Stock Dividends	(473)	-		-	-	
Net Loss to Common Stockholders	<u>\$ (1,384)</u>	<u>24,391</u>	<u>\$ (.06)</u>	<u>\$ (1,304)</u>	<u>24,228</u>	<u>\$ (.05)</u>

	For the Six Months Ended June 30, 1999			For the Six Months Ended June 30, 1998		
	Loss	Shares	Per Share	Loss	Shares	Per Share
	(In thousands, except per share amounts)					
Net Loss	\$ (5,030)	24,371		\$ (734)	24,224	
Less Preferred Stock Dividends	(473)	-		-	-	
Net Loss to Common Stockholders	<u>\$ (5,503)</u>	<u>24,371</u>	<u>\$ (.23)</u>	<u>\$ (734)</u>	<u>24,224</u>	<u>\$ (.03)</u>

Diluted earnings per share are not presented since the effect of outstanding stock options and other convertible securities would be anti-dilutive.

New Accounting Standard -

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133") which has been amended by SFAS No.137. The Statement establishes accounting and reporting standards that are effective for fiscal years beginning after June 15, 2000 which require that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. The Statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met.

The Company is currently using derivatives to hedge floating interest rate and natural gas price risks. Such derivatives are reported at cost, if any, and gains and losses on such derivatives are reported when the hedged transaction occurs. Accordingly, the Company's adoption of SFAS No. 133 will have an impact on the reported financial position of the Company, and although such impact has not been determined, it is currently not believed to be material. Adoption of SFAS No. 133 should have no significant impact on reported earnings, but could materially affect comprehensive income.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

(2) LONG-TERM DEBT -

As of June 30, 1999 Long-term debt is comprised of the following:

(In thousands)	
Revolving Bank Credit Facility.....	\$ 110,000
11 1/4% Senior Notes due 2007.....	150,000
Other	310

	\$ 260,310
	=====
Less current portion	(310)

	\$ 260,000
	=====

On April 29, 1999, the Company closed the sale of \$150.0 million in aggregate principal amount of 11.25% Senior Notes due in 2007 (the "Notes"). Interest on the Notes is payable semiannually on May 1 and November 1, commencing on November 1, 1999. Proceeds from the sale of the Notes were used to reduce amounts outstanding under the Company's bank credit facility. The Notes are unsecured obligations of the Company and are guaranteed by all of the Company's principal operating subsidiaries. The Company can redeem the Notes beginning on May 1, 2004.

On April 29, 1999, the Company entered into a new bank credit facility which consists of a \$162.5 million revolving credit commitment provided by a syndicate of banks for which The First National Bank of Chicago serves as administrative agent. The borrowing base under the new bank credit facility is \$162.5 million. Such borrowing base may be affected from time to time by the performance of the Company's oil and gas properties and changes in oil and gas prices. The determination of the Company's borrowing base is at the sole discretion of the administrative agent and the bank group. The next scheduled borrowing base redetermination under the new bank credit facility will not occur until October 1999. The revolving credit line under the new bank credit facility bears interest at the option of the Company at either (i) LIBOR plus 2.25% or (ii) the "corporate base rate" plus 1.25%. The Company incurs a commitment fee of 0.5% per annum on the unused portion of the borrowing base. The revolving credit line matures on December 9, 2002 or such earlier date as the Company may elect. The new bank credit facility contains covenants which, among other things, restrict the payment of cash dividends, limit the amount of consolidated debt, and limit the Company's ability to make certain loans and investments. Significant financial covenants include the maintenance of a current ratio, as defined, (1.0 to 1.0), maintenance of tangible net worth (\$105.0 million), and maintenance of an interest coverage ratio (2.5 to 1.0). The Company's new bank credit facility is secured by the Company's oil and gas properties.

COMSTOCK RESOURCES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

(3) PREFERRED STOCK -

On April 29, 1999, the Company sold 1,948,001 shares of its Series A 1999 Convertible Preferred Stock, \$10 par value (the "Preferred Stock"), and 1,051,999 shares of its Series B 1999 Non-Convertible Preferred Stock, \$10 par value in a private placement for \$30.0 million. On June 30, 1999, the Company converted all of the shares of the Series B 1999 Non-Convertible Preferred Stock into 1,051,999 shares of Series A 1999 Convertible Preferred Stock resulting in 3,000,000 shares of Preferred Stock outstanding. The Preferred Stock accrues dividends at an annual rate of 9% which are payable quarterly in cash or in shares of the Company's common stock, at the election of the Company. Shares of the Preferred Stock are convertible, at the option of the holder, into shares of common stock of the Company. Based on the initial conversion price of \$4.00 per share of common stock, each share of Preferred Stock is convertible into 2.5 shares of common stock. On May 1, 2005 and on each May 1, thereafter, so long as any shares of the Preferred Stock are outstanding, the Company is obligated to redeem an amount of shares of Preferred Stock equal to one-third of the shares of the Preferred Stock outstanding on May 1, 2005 at \$10.00 per share plus accrued and unpaid dividends. The mandatory redemption price may be paid either in cash or in shares of common stock, at the option of the Company. The Company has option to redeem the shares of Preferred Stock upon payment to the holders of the Preferred Stock of a specified rate of return on the initial purchase. Upon a change of control of the Company, the holders of the Preferred Stock have the right to require the Company to purchase all or a portion of the Preferred Stock.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders
of Comstock Resources, Inc.:

We have reviewed the accompanying consolidated balance sheet of Comstock Resources, Inc. (a Nevada Corporation) as of June 30, 1999 and the related consolidated statements of operations for the three month and six month periods ended June 30, 1999 and 1998 and the consolidated statements of stockholders' equity and cash flows for the periods ended June 30, 1999 and 1998. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Dallas, Texas
August 9, 1999

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

Results of Operations

The following table reflects certain summary operating data for the periods presented:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	1999	1998	1999	1998
	----	----	----	----
Net Production Data:				
Oil (MBbls).....	564	693	1,250	1,375
Natural gas (MMcf).....	5,644	6,697	11,680	13,333
Average Sales Price:				
Oil (per Bbl)	\$16.23	\$12.73	\$13.86	\$13.73
Natural gas (per Mcf)	2.06	2.39	1.97	2.35
Average equivalent price (per Mcfe)	2.30	2.29	2.11	2.33
Expenses (\$ per Mcfe):				
Oil and gas operating(1)	\$.65	\$.56	\$.62	\$.58
General and administrative05	.05	.05	.05
Depreciation, depletion and amortization(2)	1.23	1.21	1.27	1.19
Cash Margin (\$ per Mcfe) (3)	\$ 1.60	\$ 1.67	\$ 1.44	\$ 1.70

- (1) Includes lease operating costs and production and ad valorem taxes.
(2) Represents depreciation, depletion and amortization of oil and gas properties only.
(3) Represents average equivalent price per Mcfe less oil and gas operating expenses per Mcfe and general and administrative expenses per Mcfe.

Revenues -

The Company's oil and gas sales decreased \$4.0 million (16%) in the second quarter of 1999, to \$20.8 million from \$24.8 million in 1998's second quarter due to a 16% decrease in the Company's natural gas production and a 19% decrease in the Company's oil production. The Company's average second quarter gas price also decreased in 1999 by 14%. For the six months ended June 30, 1999, oil and gas sales decreased \$9.9 million (20%), to \$40.4 million from \$50.3 million for the six months ended June 30, 1998. The decrease is attributable to a 12% decrease in natural gas production and a 9% decrease in oil production combined with 16% lower realized natural gas prices and 1% higher realized oil prices. The Company hedged a significant amount of its 1999 natural gas production in February 1999 at a fixed price of \$2.03 per Mcf. Without the impact of the hedge, the Company would have realized \$2.28 per Mcf and \$2.00 per Mcf for its natural gas production for the three months and six months ended June 30, 1999, respectively. The production declines are attributable to the significantly lower drilling activity in the first half of 1999. The Company has plans to increase its drilling activity in the third and fourth quarters and anticipates that production levels will begin to increase in the fourth quarter of 1999.

Other income increased \$1.7 million to \$1.8 million in the second quarter of 1999 from \$72,000 in the second quarter of 1998. Other income for the six months ended June 30, 1999 increased \$1.6 million to \$1.8 million from \$188,000 for the six months ended June 30, 1998. Included in other income in the second quarter of 1999 is a \$1.7 million insurance recovery received by the Company on the Habenero prospect which was drilled in the second quarter of 1998 and was written off when the well was abandoned due to numerous well control problems encountered.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS
(continued)

Costs and Expenses -

Oil and gas operating expenses, including production taxes, decreased \$217,000 (4%) to \$5.9 million in the second quarter of 1999 from \$6.1 million in the second quarter of 1998 due primarily to the 17% decrease in oil and natural gas production (on an equivalent Mcf basis). Oil and gas operating expenses per equivalent Mcf produced increased 9(cent) to 65(cent) in the second quarter of 1999 from 56(cent) in the second quarter of 1998. Oil and gas operating costs for the six months ended June 30, 1999 decreased \$644,000 (5%) to \$11.8 million from \$12.4 million for the six months ended June 30, 1998 due to the 11% decrease in oil and natural gas production (on an equivalent Mcf basis). Oil and gas operating expenses per equivalent Mcf produced increased 4(cent) to 62(cent) for six months ended June 30, 1999 from 58(cent) for the same period in 1998.

In the second quarter of 1999, the Company had no exploration expense. Exploration expense for the first six months of 1999 was \$644,000 which relates to the write off of a dry hole drilled in the Gulf of Mexico during the first quarter of 1999.

Depreciation, depletion and amortization ("DD&A") decreased \$1.9 million (14%) to \$11.3 million in the second quarter of 1999 from \$13.2 million in the second quarter of 1998 due to the 17% decrease in oil and natural gas production (on an equivalent Mcf basis). DD&A per equivalent Mcf produced increased by 2(cent) to \$1.23 for the three months ended June 30, 1999 from \$1.21 for the three months ended June 30, 1998. For the six months ended June 30, 1999, DD&A decreased \$1.0 million (4%) to \$24.8 million from \$25.8 million for the six months ended June 30, 1998. The decrease is due to the 11% decrease in oil and natural gas production partially offset by the higher costs per unit of amortization. DD&A per equivalent Mcf increased by 8(cent) to \$1.27 for the six months ended June 30, 1999 from \$1.19 for the six months ended June 30, 1998.

General and administrative expenses, which are reported net of overhead reimbursements, of \$476,000 for the second quarter of 1999 were 20% lower than general and administrative expenses of \$594,000 for the second quarter of 1998. For the first six months of 1999, general and administrative expenses decreased \$106,000 (10%) to \$910,000 from \$1.0 million for the six months ended June 30, 1998.

Interest expense increased \$1.7 million (40%) to \$5.9 million for the three months ended June 30, 1999 from \$4.2 million for the three months ended June 30, 1998. Interest expense for the six months ended June 30, 1999 increased \$2.5 million (30.0%) to \$11.0 million in 1999 from \$8.4 million for the six months ended June 30, 1998. The Company capitalized interest expense of \$589,000 in the second quarter of 1998 and \$1.1 million in the six months ended June 30, 1998 on its unevaluated properties. In 1999, no interest expense was capitalized. The remaining increases are related to a higher average interest rate on the Company's debt. The weighted average annual interest rate under the Company's bank credit facility increased to 7.4% in 1999's second quarter as compared to 7.1% in the second quarter of 1998. For the six months ended June 30, 1999, the Company's weighted average interest rate under the Company's bank credit facility was 7.3% as compared to 7.1% for the six months ended June 30, 1998. The interest rate on the Company's Senior Notes issued to refinance \$150.0 million of amounts outstanding under the bank credit facility on April 29, 1999 of 11.25% is significantly higher than the 7.1% rate charged under the bank credit facility in 1998's second quarter.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS
(continued)

The Company reported a net loss of \$1.4 million after preferred stock dividends of \$473,000 for the three months ended June 30, 1999, as compared to a net loss of \$1.3 million for the three months ended June 30, 1998. Net loss per share for the second quarter was 6(cent) on weighted average shares outstanding of 24.4 million as compared to net loss per share of 5(cent) for the second quarter of 1998 on weighted average shares outstanding of 24.2 million.

The net loss for the six months ended June 30, 1999 was \$5.5 million after preferred stock dividends of \$473,000, as compared to a net loss of \$734,000 for the six months ended June 30, 1998. Net loss per share for the six months ended June 30, 1999 was 23(cent) on weighted average shares outstanding of 24.4 million as compared to a net loss per share of 3(cent) for the six months ended June 30, 1998 on weighted average shares outstanding of 24.2 million.

Capital Expenditures

The following table summarizes the Company's capital expenditure activity for the six months ended June 30, 1999 and 1998:

	Six Months Ended June 30, 1999	1998
	-----	-----
	(In thousands)	
Acquisitions	\$ -	\$ 2,230
Other leasehold costs	2,172	2,117
Development drilling	611	5,616
Offshore production facilities	1,564	-
Exploratory drilling	4,413	6,124
Workovers and recompletions	1,251	6,084
Other	201	171
	-----	-----
Total	\$ 10,212	\$ 22,342
	=====	=====

The timing of most of the Company's capital expenditures is discretionary with no material long-term capital expenditure commitments. Consequently, the Company has a significant degree of flexibility to adjust the level of such expenditures as circumstances warrant. For the six months ended June 30, 1999 and 1998, the Company spent \$10.0 million and \$22.3 million, respectively, on development and exploration activities. The Company currently anticipates substantially increasing its drilling activity for the remainder of 1999 and expects to spend an additional \$31.0 million on development and exploration projects in the last half of 1999.

The Company intends to primarily use internally generated cash flow to fund capital expenditures other than significant acquisitions. The Company does not have a specific acquisition budget as a result of the unpredictability of the timing and size of potential acquisition activities. The Company intends to use borrowings under its bank credit facility, or other debt or equity financings to the extent available, to finance significant acquisitions. The availability and attractiveness of these sources of financing will depend upon a number of factors, some of which will relate to the financial condition and performance of the Company, and some of which will be beyond the Company's control, such as prevailing interest rates, oil and gas prices and other market conditions.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS
(continued)

Capital Resources and Liquidity

Funding for the Company's activities has historically been provided by operating cash flow, debt and equity financings and asset dispositions. In the first six months of 1999, the Company's net cash flow provided by operating activities totaled \$18.5 million before changes to other working capital accounts and the Company borrowed \$10.0 million under its revolving bank credit facility.

On April 29, 1999, the Company closed the sale of \$150.0 million in aggregate principal amount of 11.25% Senior Notes due in 2007 (the "Notes"). Interest on the Notes is payable semiannually on May 1 and November 1, commencing on November 1, 1999. Concurrently with the sale of the Notes, the Company also sold 3,000,000 shares of its preferred stock in a private placement for \$30.0 million. The preferred stock accrues dividends at an annual rate of 9% which are payable quarterly in cash or in shares of the Company's common stock, at the election of the Company.

The Company's primary needs for capital, in addition to funding of ongoing operations, relate to the acquisition, development and exploration of oil and gas properties and the repayment of principal and interest on debt. In the first six months of 1999, the Company incurred capital expenditures of \$10.2 million primarily for development and exploration activities and reduced amounts outstanding under its bank credit facility by \$178.0 million with the proceeds from the sale of the Notes and the preferred stock.

The Company entered into a new bank credit facility on April 29, 1999, consisting of a \$162.5 million revolving credit commitment provided by a syndicate of banks for which The First National Bank of Chicago serves as administrative agent. Indebtedness under the new bank credit facility is secured by substantially all of the Company's assets and is subject to borrowing base availability which is generally redetermined semiannually based on the banks' estimates of the future net cash flows of the Company's oil and gas properties. The borrowing base under the new bank credit facility is \$162.5 million. Such borrowing base may be affected from time to time by the performance of the Company's oil and gas properties and changes in oil and gas prices. The determination of the Company's borrowing base is at the sole discretion of the administrative agent and the bank group. The next scheduled borrowing base redetermination under the new bank credit facility will not occur until October 1999. The revolving credit line under the new bank credit facility will bear interest at the option of the Company at either (i) LIBOR plus 2.25% or (ii) the "corporate base rate" plus 1.25%. The Company incurs a commitment fee of 0.5% per annum on the unused portion of the borrowing base. The revolving credit line matures on December 9, 2002 or such earlier date as the Company may elect. The new bank credit facility contains covenants which, among other things, restrict the payment of cash dividends, limit the amount of consolidated debt, and limit the Company's ability to make certain loans and investments. Significant financial covenants include the maintenance of a current ratio, as defined, (1.0 to 1.0), maintenance of tangible net worth (\$105.0 million), and maintenance of an interest coverage ratio (2.5 to 1.0).

The Company believes that cash flow from operations and available borrowings under the Company's new bank credit facility will be sufficient to fund its operations and future growth as contemplated under its current business plan. However, if the Company's plans or assumptions change or if its assumptions prove to be inaccurate, the Company may be required to seek additional capital. Management cannot be assured that the Company will be able to obtain such capital or, if such capital is available, that the Company will be able to obtain it on acceptable terms.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS
(continued)

Year 2000

"Year 2000," or the ability of computer systems to process dates with years beyond 1999, affects almost all companies and organizations. Computer systems that are not Year 2000 compliant by January 1, 2000 may cause an adverse effect to companies and organizations that rely upon those systems. The Company is assessing and correcting computer processing chips that are unable to properly process dates beyond 1999. The Company has outsourced its significant financial information systems. Based on information received from the Company's providers, the Company is relying on assurances from the providers that they are Year 2000 compliant. The Company's costs related to Year 2000 have not been significant and it expects future costs will not be material.

Because the Company outsources its information technology systems and software, it believes that there is little risk associated with Year 2000 for its information systems. The Company also believes that there is minimal risk with embedded technology associated with its operations because it does not own any significant gas processing plants or pipelines., nor does it have any significant electronic field data capture systems on its wells. However, the Company cannot provide assurance that all significant third parties will achieve compliance in a timely manner. Such failure to achieve Year 2000 compliance could have an adverse effect on the Company's operations and cash flow due to potential shut-in production or delay in drilling schedules. Although the Company does not have a formal contingency plan, it stands ready to switch from vendors that are not Year 2000 compliant.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

The Company's business is impacted by fluctuations in crude oil and natural gas commodity prices and interest rates. The following discussion is intended to identify the nature of these market risks, describe the Company's strategy for managing such risks, and to quantify the potential affect of market volatility on the Company's financial condition and results of operations.

Oil and Gas Prices

The Company's financial condition, results of operation, and capital resources are highly dependent upon the prevailing market prices of, and demand for, oil and natural gas. These commodity prices are subject to wide fluctuations and market uncertainties due to a variety of factors that are beyond the control of the Company. These factors include the level of global demand for petroleum, foreign supply of oil and gas, the establishment of and compliance with production quotas by oil-exporting countries, weather conditions, the price and availability of alternative fuels, and overall economic conditions, both foreign and domestic. It is impossible to predict future oil and gas prices with any degree of certainty. Sustained weakness in oil and gas prices may adversely affect the Company's financial condition and results of operations, and may also reduce the amount of net oil and gas reserves that the Company can produce economically. Any reduction in oil and gas reserves, including reductions due to price fluctuations, can have an adverse affect on the Company's ability to obtain capital for its exploration and development activities. Similarly, any improvements in oil and gas prices can have a favorable impact on the Company's financial condition, results of operations and capital resources. Based on the Company's volume of oil and gas production for the six months ended June 30, 1999, a \$1.00 change in the price per barrel of oil would result in a change in the Company's cash flow for such period of approximately \$1.1 million and a \$0.10 change in the price per Mcf of natural gas would result in a change in the Company's cash flow of approximately \$600,000.

The Company periodically has utilized hedging transactions with respect to a portion of its oil and gas production to mitigate its exposure to price fluctuations. While the use of these hedging arrangements limits the downside risk of price declines, such use may also limit any benefits which may be derived from price increases. The Company has primarily used price swaps, whereby monthly settlements are based on differences between the prices specified in the instruments and the settlement prices of certain futures contracts quoted on the NYMEX or certain other indices. Generally, when the applicable settlement price is less than the price specified in the contract, the Company receives a settlement from the counterparty based on the difference. Similarly, when the applicable settlement price is higher than the specified price, the Company pays the counterparty based on the difference. In February 1999, the Company entered into natural gas price swaps covering 9.3 Bcf of its natural gas production for March 1999 to October 1999 at 1.2 Bcf per month at a fixed price of \$2.03 per Mcf (after basis adjustment), which represents approximately 60% of the Company's estimated natural gas production for that period. As a result of the natural gas price swaps in place, the Company realized a loss of \$1.0 million for the six months ended June 30, 1999. The fair value of the Company's open gas price swap contracts as of June 30, 1999 was a liability of \$2,825,000.

Interest Rates

The Company's outstanding long-term debt at under its bank credit facility of \$110.0 million at June 20, 1999 is subject to floating market rates of interest. Borrowings under the credit facility bear interest at a fluctuating rate that is linked to LIBOR. Any increases in these interest rates can have an adverse impact on the Company's results of operations and cash flow. The Company has entered into interest rate swap agreements to hedge the impact of interest rate changes on a portion of its floating rate debt. As of June 30, 1999 the Company has interest rate swaps with a notional amount of \$100.0 million which fixed the LIBOR rate at an average rate of 5.0% through September 2000. As a result of the interest rate swaps in place, the Company realized a gain of \$30,000 for the six months ended June 30, 1999. The fair value of the Company's open interest rate swap contracts as of June 30, 1999 was an asset of \$710,000.

PART II - OTHER INFORMATION

ITEM 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

- (a) The Company's annual meeting of stockholders was held in Dallas, Texas at 4:00 p.m., local time, on June 23, 1999.
- (b) Proxies for the meeting were solicited pursuant to Regulation 14 under the Securities Exchange Act of 1934, as amended. There was no solicitation in opposition to the nominees for election as director as listed in the proxy statement and such nominees were elected.
- (c) Out of a total 29,217,607 shares of the Company's common stock and preferred stock outstanding and entitled to vote, 28,066,183 shares were present at the meeting in person or by proxy, representing approximately 96%. Matters voted upon at the meeting were as follows:

- (i) The election of two Class B Directors to serve on the Company's board of directors until the 2002 annual meeting of stockholders and the election of One Class C director to serve until the 2000 annual meeting. The vote tabulation with respect to each nominee was as follows:

Nominee -----	For ---	Against -----
M. Jay Allison	27,725,919	340,264
David W. Sledge	27,725,919	340,264
Roland O. Burns	27,725,919	340,264

Other Directors of the Company whose term of office as a Director continued after the meeting are as follows:

Class A Directors -----	Class C Director -----
Franklin B. Leonard Cecil E. Martin, Jr.	Richard S. Hickok

- (ii) The 1999 Long-term Incentive Plan as adopted by the Board of Directors on March 25, 1999 was approved by a vote of 10,666,546 shares for, 5,109,563 shares against and 886,843 shares abstaining.
- (iii) The issuance of 1,051,999 shares of Series A Convertible Preferred Stock, par value \$10.00 per share, and shares of common stock related thereto was approved by a vote of 11,032,389 shares for, 594,896 shares against and 72,778 shares abstaining.
- (iv) The appointment of Arthur Andersen LLP as the Company's certified public accountants for 1999 was approved by a vote of 27,949,336 shares for, 66,805 shares against and 50,042 shares abstaining.

ITEM 6: EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

- 10.1*# The Comstock Resources, Inc. 1999 Long-term Incentive Plan.
- 10.2*# Form of Stock Option Agreement Under the 1999 Long-term Incentive Plan.
- 10.3*# Form of Restricted Stock Grant Agreement under the 1999 Long-term Incentive Plan.
- 10.4*# Employment Agreement dated June 23, 1999 by and between the Company and M. Jay Allison.
- 10.5*# Employment Agreement dated June 23, 1999 by and between the Company and Roland O. Burns.
- 27. Financial Data Schedule for the Six Months ended June 30, 1999.

* Filed

Management contract or compensatory plan document.

b. Reports on Form 8-K

Current reports on Form 8-K filed during the second quarter of 1999 and to the date of this filing are as follows:

Date Filed	Item	Description
-----	----	-----
May 4, 1999	5	Sale of 11 1/4% Senior Notes and Convertible Preferred Stock

SIGNATURES

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

COMSTOCK RESOURCES, INC.

Date August 13, 1999

/s/M. JAY ALLISON

M. Jay Allison, Chairman, President and Chief Executive Officer
(Principal Executive Officer)

Date August 13, 1999

/s/ROLAND O. BURNS

Roland O. Burns, Senior Vice President, Chief Financial Officer, Secretary, and Treasurer (Principal Financial and Accounting Officer)

COMSTOCK RESOURCES, INC.
1999 Long-Term Incentive Plan

I. GENERAL

1. Purpose. The COMSTOCK RESOURCES, INC. 1999 Long-term Incentive Plan (the "1999 Plan") has been established by COMSTOCK RESOURCES, INC. (the "Company") to:

- (a) attract and retain key executive and managerial employees;
- (b) motivate participating employees, by means of appropriate incentive, to achieve long-range goals;
- (c) attract and retain well-qualified individuals to serve as members of the Company's Board of Directors;
- (d) provide incentive compensation opportunities which are competitive with those of other public corporations; and
- (e) further identify Participants' interests with those of the Company's other stockholders through compensation alternatives based on the Company's common stock;

and thereby promote the long-term financial interest of the Company and its Subsidiaries, including the growth in value of the Company's equity and enhancement of long-term shareholder return.

2. Effective Date. Subject to the approval of the holders of a majority of the Stock of the Company present, or represented and entitled to vote at the Company's 1999 annual meeting of its stockholders, the 1999 Plan shall be effective as of April 1, 1999, provided, however, that awards made under the 1999 Plan prior to such approval of the 1999 Plan by stockholders of the Company are contingent on such approval of the 1999 Plan by the stockholders of the Company and shall be null and void if such approval of the stockholders of the Company is withheld. Further, in addition to any other restrictions on transferability set forth herein, no Participant shall have any right to sell, assign, transfer, pledge or place any encumbrance on any award or Stock underlying an award prior to such stockholder approval of this 1999 Plan. The 1999 Plan shall be unlimited in duration; provided, however, that no awards of Incentive Stock Options may be made under the 1999 Plan after ten years from the earlier of the date of its adoption by the Board or the date of its approval by the stockholders of the Company.

3. Definitions. The following definitions are applicable to the 1999 Plan.

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee" means the Compensation Committee of the Board.

"Disability" means the inability of a Participant, by reason of a physical or mental impairment, to engage in any substantial gainful activity, of which the Board shall be the sole judge.

"Effective Date" means April 1, 1999.

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"Fair Market Value" of any Stock means, as of any date, the last sale price for such Stock as reported by the New York Stock Exchange (or by the principal consolidated transaction reporting system for any other national securities exchange which is the principal exchange on which the stock is listed or accepted for trading) on the date or, if Stock is not traded on that date, on the next preceding date on which Stock was traded.

"Non-employee Director" means each member of the Board who is not a full-time employee of the Company.

"Option Date" means, with respect to any Stock Option, the date on which the Stock Option is awarded under the 1999 Plan.

"Participant" means (i) any employee of the Company or any Subsidiary who is selected by the Board or Committee to participate in the 1999 Plan; and (ii) to the extent provided in paragraphs I.5(b) and III.2, any Non-employee Director, to the extent provided in paragraph I.5(b).

"Performance Unit" shall have the meaning ascribed to it in Part V.

"Permitted Transferees" means members of the immediate family of the Participant, trusts for the benefit of such immediate family members, and partnerships in which substantially all of the interests are held by the Participant and members of his or her immediate family. An immediate family member shall mean any descendant (children, grandchildren and more remote descendants), including step-children and relationships arising from legal adoption, and any spouse of a Participant or a Participant's descendant.

"Related Company" means any corporation during any period in which it is a Subsidiary, or during any period in which it directly or indirectly owns 50% or more of the total combined voting power of all classes of stock of the Company that are entitled to vote.

"Restricted Period" has the meaning ascribed to it in Part IV.

"Restricted Stock" has the meaning ascribed to it in Part IV.

"Retirement" means (i) termination of employment in accordance with the retirement procedures set by the Company from time to time; (ii) an employee's termination of employment or a Non-employee Director's ceasing to serve as a member of the Board because of Disability; or (iii) an employee's termination of employment or a Non-employee Director's ceasing to serve as a member of the Board voluntarily with the consent of the Company (of which the Committee shall be the sole judge).

"Stock" means the Company's common stock, \$.50 par value per share.

"Stock Option" means the right of a Participant to purchase Stock pursuant to an Incentive Stock Option or Non-Qualified Option awarded pursuant to the provisions of the 1999 Plan.

"Subsidiary" means any corporation during any period of which 50% or more of the total combined voting power of all classes of stock entitled to vote is owned, directly or indirectly, by the Company.

4. Administration. The authority to manage and control the operation and administration of the 1999 Plan shall be vested in the Committee. Subject to the provisions of the 1999 Plan, the Committee will have authority to select employees to receive awards of Stock Options, Restricted Stock and/or Performance Units, to determine the time or times of receipt, to determine the types of awards and the number of shares covered by the awards, to establish the terms, conditions, performance criteria, restrictions, and other provisions of such awards, to determine the number and value of Performance Units awarded and

earned, and to cancel or suspend awards. In making such award determinations, the Committee may take into account the nature of services rendered by the employee, his or her present and potential contribution to the Company's success and such other factors as the Committee deems relevant. The Committee is authorized to interpret the 1999 Plan, to establish, amend, and rescind any rules and regulations relating to the 1999 Plan, to determine the terms and provisions of any agreements made pursuant to the 1999 Plan, and to make all other determinations that may be necessary or advisable for the administration of the 1999 Plan.

A majority of the Committee shall constitute a quorum, and the acts of a majority of the members present at any meeting at which a quorum is present, or acts approved in writing by all members of the Committee, shall be the acts of the Committee, unless provisions to the contrary are embodied in the Company's Bylaws or resolutions duly adopted by the Board. All actions taken and decisions and determinations made by the Board or the Committee pursuant to the Plan shall be binding and conclusive on all persons interested in the 1999 Plan. No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith with respect to the 1999 Plan.

Notwithstanding the foregoing, all authority to exercise discretion with respect to the participation in the 1999 Plan of persons who are "officers" within the meaning of the applicable Securities and Exchange Commission rules relating to Section 16 of the Securities Exchange Act of 1934, as amended, and/or directors of the Company, or the timing, pricing and amounts of awards granted under the 1999 Plan to such officers and directors, shall be vested in (a) the Board, or (b) the Committee, if consisting of two or more directors each of whom is a non-employee director within the meaning ascribed to such term in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, or within any successor definition or any successor rule.

5. Participation. (a) Employees. Subject to the terms and conditions of the 1999 Plan, the Committee shall determine and designate, from time to time, the key executives and managerial employees of the Company and/or its Subsidiaries who will participate in the 1999 Plan. In the discretion of the Committee, an eligible employee may be awarded Stock Options, Restricted Stock or Performance Units or any combination thereof, and more than one award may be granted to a Participant. Except as otherwise agreed to by the Company and the Participant, any award under the 1999 Plan shall not affect any previous award to the Participant under the 1999 Plan or any other plan maintained by the Company or its Subsidiaries.

(b) Non-employee Directors. Each Non-employee Director shall be granted without further action by the Board or the Committee a Non-Qualified Stock Option to purchase 10,000 shares of Stock at the close of business of each annual meeting of stockholders of the Company. An individual who is first elected and commences serving as a Non-employee Director shall also be granted without further action by the Board or the Committee a Non-Qualified Stock Option for 10,000 shares of Stock on the date of such election as a director.

The Non-Qualified Stock Options shall be fully vested and exercisable by each Non-employee Director after the Director has completed six continuous months of service as a member of the Board after the Option Date (unless his service terminates during such period by reason of death or Disability). The term of each Non-Qualified Stock Option shall be five years from the Option Date, and the exercise price shall be 100% of the Fair Market Value of a share of Stock as of the Option Date. The full purchase price of each share of Stock purchased upon exercise of a Non-Qualified Stock Option shall be paid in the manner set forth in Article III, paragraph 3 hereof. All outstanding options become 100% vested and exercisable if service as a member of the Board terminates by reason of death, Disability or Retirement.

6. Shares Subject to the 1999 Plan. The shares of Stock with respect to which awards may be made under the 1999 Plan shall be either authorized and unissued shares or authorized and issued shares held in the treasury by the Company (including, in the discretion of the Committee, shares purchased in the market).

(a) Awards to Employees. Subject to the provisions of paragraph I.10, the number of shares of Stock available under the 1999 Plan for the grant of Stock Options, Performance Units and Restricted Stock to key executive and managerial employees shall not exceed 1,200,000 shares in the aggregate. The number of shares of Stock available under the 1999 Plan for the grant of non-qualified stock options, Performance Units and Restricted Stock shall be increased, as of the first day of each fiscal year commencing January 1, 2000, by one percent (1%) of the then current number of shares of Stock outstanding. In addition, shares of Stock available under the 1991 Long-Term Incentive Plan (the "1991 Plan") which remain available at the Effective Date of the 1999 Plan (58,630 shares) shall be available for grant under the 1999 Plan. If, for any reason, any award under the 1999 Plan or the 1991 Plan otherwise distributable in shares of Stock, or any portion of the award, shall expire, terminate or be forfeited or canceled, or be settled in cash pursuant to the terms of the 1999 Plan or the 1991 Plan and, therefore, any such shares are no longer distributable under the award, such shares of Stock shall again be available for award under the 1999 Plan.

(b) Awards to Non-Employee Directors. Subject to the provisions of paragraph I.10, the number of shares of Stock available under the 1999 Plan for the grant of Options to Non-employee Directors shall not exceed 225,000 shares, which includes 170,000 shares remaining available from the 1991 Plan for grant to Non-employee Directors at the Effective Date. The number of shares of Stock available under the 1999 Plan for the grant of Options to Non-employee Directors shall be increased, as of the first day of each fiscal year commencing January 1, 2000, by 50,000 shares. If, for any reason, any Option award to a Non-employee Director under the 1999 Plan or the 1991 Plan, or any portion of such award, shall expire, terminate or be forfeited or canceled, or be settled in cash pursuant to the terms of the 1999 Plan or the 1991 Plan and, therefore, any such shares are no longer distributable under the award, such shares of Stock shall again be available for award to Non-employee Directors under the 1999 Plan.

7. Compliance With Applicable Laws and Withholding of Taxes. Notwithstanding any other provision of the 1999 Plan, the Company shall have no liability to issue any shares of Stock under the 1999 Plan unless such issuance would comply with all applicable laws and the applicable requirements of any securities exchange or similar authority. Prior to the issuance of any shares of Stock under the 1999 Plan, the Company may require a written statement that the recipient is acquiring the shares for investment and not for the purpose or with the intention of distributing as amended, the shares. In the case of a Participant who is subject to Section 16(a) and 16(b) of the Securities Exchange Act of 1934, as amended, the Committee may, at any time, add such conditions and limitations to any election to satisfy tax withholding obligations through the withholding or surrender of shares of Stock as the Committee, in its sole discretion, deems necessary or desirable to comply with Section 16(a) or 16(b) and the rules and regulations thereunder or to obtain any exemption therefrom. All awards and payments under the 1999 Plan to employees are subject to withholding of all applicable taxes, which withholding obligations may be satisfied, with the consent of the Committee, through the surrender of shares of Stock which the Participant already owns, or to which a Participant is otherwise entitled under the 1999 Plan.

8. Transferability. Incentive Stock Options, Performance Units, and, during the period of restriction, Restricted Stock awarded under the 1999 Plan are not transferable except as designated by the Participant by will or by the laws of descent and distribution. Incentive Stock Options may be exercised during the lifetime of the Participant only by the Participant or his guardian or legal representative. If expressly permitted by the terms of the stock option agreement, Non-Qualified Stock Options may be transferred by a Participant to Permitted Transferees, provided that there is not any consideration for the transfer.

9. Employment and Stockholder Status. The 1999 Plan does not constitute a contract of employment, and selection as a Participant will not give any employee the right to be retained in the employ of the Company or any Subsidiary. The 1999 Plan does not constitute or serve as evidence of an agreement or understanding, express or implied, that the Company will retain a director for any period of time. Subject to the provisions of paragraph IV.3(a),

no award under the 1999 Plan shall confer upon the holder thereof any right as a stockholder of the Company prior to the date on which he fulfills all service requirements and other conditions for receipt of shares of Stock. If the redistribution of shares is restricted pursuant to paragraph I.7, certificates representing such shares may bear a legend referring to such restrictions.

10. Adjustments to Number of Shares Subject to the 1999 Plan. In the event of any change in the outstanding shares of Stock of the Company by reason of any stock dividend, split, spinoff, recapitalization, merger, consolidation, combination, exchange of shares or other similar change, the aggregate number of shares of Stock with respect to which awards may be made under the 1999 Plan, the terms and the number of shares of any outstanding Stock Options, Performance Units, or Restricted Stock, and the purchase price of a share of Stock under Stock Options, may be equitably adjusted by the Committee in its sole discretion.

11. Change in Control. Notwithstanding any other provision of the 1999 Plan, in the event of a change in control, all outstanding Stock Options and Restricted Stock will automatically become fully exercisable and/or vested, and Performance Units may be paid out in such manner and amounts as determined by the Committee. For purposes of this paragraph 11, a Change in Control of the Company shall be deemed to have taken place if, without the approval or recommendation of a majority of the then existing Board of the Company:

(a) a third person shall cause or bring about (through solicitation of proxies or otherwise) the removal or resignation of a majority of the then existing members of the Board or if a third person causes or brings about (through solicitation of proxies or otherwise) an increase in the size of the Board such that the then existing members of the Board thereafter represent a minority of the total number of persons comprising the entire Board;

(b) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, becomes the beneficial owner of shares of any class of the Company's stock having 20% or more of the total number of votes that may be cast for the election of directors of the Company;

(c) the stockholders of the Company approve a definitive agreement for the merger or other business combination of the Company with or into another corporation pursuant to which the Company will not survive or will survive only as a subsidiary of another corporation, for the sale or other disposition of all or substantially all of the assets of the Company, or any combination of the foregoing.

For purposes hereof, a person will be deemed to be the beneficial owner of any voting securities of the Company which it would be considered to beneficially own under Securities and Exchange Commission Rule 13d-3 (or any similar or superseding statute or rule from time to time in effect).

12. Agreement With Company. At the time of any awards under the 1999 Plan, the Committee will require a Participant to enter into an agreement with the Company in a form specified by the Committee, agreeing to the terms and conditions of the 1999 Plan and to such additional terms and conditions, not inconsistent with the 1999 Plan, as the Committee may, in its sole discretion, prescribe.

13. Amendment and Termination of 1999 Plan. Subject to the following provisions of this paragraph 13, the Board may at any time and in any way amend, suspend or terminate the 1999 Plan. No amendment of the 1999 Plan and, except as provided in paragraph I.10, no action by the Board shall, without further approval of the stockholders of the Company, materially increase the total number of shares of Stock with respect to which awards may be made under the 1999 Plan, materially increase the benefits accruing to Participants under the 1999 Plan or materially modify the requirements as to eligibility for participation in the 1999 Plan, if stockholder approval of such amendment is a condition to the availability of the exemption provided by Securities and Exchange Commission Rule 16b-3 or of the Code at the time such amendment is adopted. Further, the formula provisions of paragraph I.5 may be amended no more

than once every twelve months, other than to comport with changes in the Code. No amendment, suspension or termination of the 1999 Plan shall alter or impair any Stock Option, share of Restricted Stock or Performance Unit previously awarded under the 1999 Plan without the consent of the holder thereof.

II. INCENTIVE STOCK OPTIONS

1. Definition. The award of an Incentive Stock Option under the 1999 Plan entitles the Participant to purchase shares of Stock at a price fixed at the time the option is awarded, subject to the following terms of this Part II.

2. Eligibility. The Committee shall designate the Participants to whom Incentive Stock Options, as described in section 422A(b) of the Code or any successor section thereto, are to be awarded under the 1999 Plan and shall determine the number of option shares to be offered to each of them. Incentive Stock Options shall be awarded only to key employees of the Company, and no Non-employee Director shall be eligible to receive an award of an Incentive Stock Option. In no event shall the aggregate Fair Market Value (determined at the time the option is awarded) of Stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year (under all plans of the Company and all Related Companies) exceed \$100,000.

3. Price. The purchase price of a share of Stock under each Incentive Stock Option shall be determined by the Committee, provided, however, that in no event shall such price be less than the greater of (a) 100% of the Fair Market Value of a share of Stock as of the Option Date (or 110% of such Fair Market Value if the holder of the Incentive Stock Option owns stock possessing more than 10% of the combined voting power of all classes of stock of the Company or any Related Company) or (b) the par value of a share of Stock on such date. To the extent provided by the Committee, the full purchase price of each share of Stock purchased upon the exercise of any Incentive Stock Option shall be paid in cash or in shares of Stock (valued at Fair Market Value as of the day of exercise), or in any combination thereof, at the time of such exercise and, as soon as practicable thereafter, a certificate representing the shares so purchased shall be delivered to the person entitled thereto.

4. Exercise. No Incentive Stock Option may be exercised by a Participant after the Expiration Date (as defined in paragraph II.5 below) applicable to that option. Each Option shall become and be exercisable at such time or times and during such period or periods, in full or in such installments as may be determined by the Committee at the Option Date.

5. Option Expiration Date. The "Expiration Date" with respect to an Incentive Stock Option or any portion thereof awarded to a Participant under the 1999 Plan means the earliest of:

(a) the date that is 10 years after the date on which the Incentive Stock Option is awarded;

(b) the date established by the Committee at the time of the award;

(c) the date that is one year after the Participant's employment with the Company and all Related Companies is terminated because of death or permanent and total disability; as defined in Code Section 22(e)(3); or

(d) the date that is three months after the date the Participant's employment with the Company and all Related Companies is terminated for reasons other than death or permanent and total disability.

III. NON-QUALIFIED STOCK OPTIONS

1. Definition. The award of a Non-Qualified Stock Option under the 1999 Plan entitles the Participant to purchase shares of Stock at a price fixed at the time the option is awarded, subject to the following terms of this Part III.

2. Eligibility. The Committee shall designate the Participants to whom Non-Qualified Stock Options are to be awarded under the 1999 Plan and shall determine the number of option shares to be offered to each of them. No Non-employee Director shall be eligible to receive an award of a Non-Qualified Stock Option except to the extent granted pursuant to the formula set forth in Paragraph I.5(b) above.

3. Price. The purchase price of a share of Stock under each Non-Qualified Stock Option shall be determined by the Committee; provided, however, that in no event shall such price be less than the greater of (a) 100% of the Fair Market Value of a share of Stock as of the Option Date or (b) the par value of a share of such Stock on such date. To the extent provided by the Committee, the full purchase price of each share of Stock purchased upon the exercise of any Non-Qualified Stock Option shall be paid in cash or by tendering, by either actual delivery of shares or by attestation, shares of Stock (valued at Fair Market Value as of the day of exercise), or in any combination thereof, at the time of such exercise. Shares of Stock acquired pursuant to the exercise of a Non-Qualified Stock Option shall be subject to such conditions, restrictions and contingencies as the Committee may establish in the award agreement. If the Company shall have a class of its Stock registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, an option holder may also make payment at the time of exercise of a Non-Qualified Stock Option by delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker approved by the Company, that upon such broker's sale of shares of Stock with respect to which such option is exercised, it is to deliver promptly to the Company the amount of sale proceeds necessary to satisfy the option exercise price and any required withholding taxes.

4. Exercise. No Non-Qualified Stock Option may be exercised by a Participant after the Expiration Date applicable to that option. Unless otherwise specified herein, each Option shall become and be exercisable at such time or times and during such period or periods, in full or in such installments as may be determined by the Committee at the Option Date.

5. Option Expiration Date. The "Expiration Date" with respect to a Non-Qualified Stock Option or any portion thereof awarded to a Participant under the 1999 Plan means the earliest of:

- (a) the date established by the Committee at the time of the award or set forth in paragraph I.5(b), as applicable;
- (b) the date that is three months after the employee Participant's employment with the Company and all Subsidiaries or the Non-employee Director Participant's service as a member of the Board is terminated for reasons other than Retirement or death; or
- (c) the date that is three years after the date the employee Participant's employment with the Company and all Subsidiaries or the Non-employee Director Participant's service as a member of the Board is terminated by reason of Retirement or death.

IV. RESTRICTED STOCK

1. Definition. Restricted Stock awards are grants of Stock to Participants, the vesting of which is subject to a required period of employment and any other conditions established by the Committee or by the terms of this 1999 Plan.

2. Eligibility. The Committee shall designate the Participants to whom Restricted Stock is to be awarded and the number of shares of Stock that are subject to the award. Restricted Stock shall be awarded only to key employees of the Company, and no Non-employee Director shall be eligible to receive an award of Restricted Stock.

3. Terms and Conditions of Awards. All shares of Restricted Stock awarded to Participants under the 1999 Plan shall be subject to the following terms and conditions and to such other terms and conditions, not inconsistent with the 1999 Plan, as shall be prescribed by the Committee in its sole discretion and as shall be contained in the agreement referred to in paragraph I.12.

- (a) Restricted Stock awarded to Participants may not be sold, assigned, transferred, pledged or otherwise encumbered, except as hereinafter provided, for a period of ten years or such shorter period as the Committee may determine, but no less than three years, after the time of the award of such stock (the "Restricted Period"). Such restrictions shall lapse as to the Restricted Stock in accordance with the time(s) and number(s) of shares as to which the Restricted Period expires, as set forth in the Agreement with the Participant. Except for such restrictions, the Participant as owner of such shares shall have all the rights of a stockholder, including but not limited to the right to vote such shares and, except as otherwise provided by the Committee, the right to receive all dividends paid on such shares.
- (b) The Committee may in its discretion, at any time after the date of the award of Restricted Stock, adjust the length of the Restricted Period to account for individual circumstances of a Participant or group of Participants, but in no case shall the length of the Restricted Period be less than three years.
- (c) Except as otherwise determined by the Committee in its sole discretion, an employee Participant whose employment with the Company and all Subsidiaries terminates prior to the end of the Restricted Period for any reason shall forfeit all shares of Restricted Stock remaining subject to any outstanding Restricted Stock award which have not then vested in accordance with the agreement entered into under paragraph I.12.
- (d) Each certificate issued in respect of shares of Restricted Stock awarded under the 1999 Plan shall be registered in the name of the Participant and, at the discretion of the Committee, each such certificate may be deposited in a bank designated by the Committee. Each such certificate shall bear the following (or a similar) legend:

"The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) contained in the COMSTOCK RESOURCES, INC. 1999 Long-Term Incentive Plan and an agreement entered into between the registered owner and COMSTOCK RESOURCES, INC. A copy of such plan and agreement is on file in the office of the Secretary of COMSTOCK RESOURCES, INC., 5005 LBJ Freeway, Suite 1000, Dallas, Texas 75244 or, if the Company changes its principal office, at the address of such new principal office."

- (e) As the Restricted Period for Restricted Stock expires and such restrictions lapse, such Restricted Stock shall be held by a Participant (or his or her legal representative, beneficiary or heir)

free of all restrictions imposed by the 1999 Plan and the Agreement. Such shares shall nevertheless continue to be subject to any restriction imposed under applicable securities laws.

V. PERFORMANCE UNITS

1. Definition. Performance Units are awards to Participants who may receive value for the units at the end of a Performance Period. The number of units earned, and value received for them, will be contingent on the degree to which the performance measures established at the time of the initial award are met.

2. Eligibility. The Committee shall designate the Participants to whom Performance Units are to be awarded, and the number of units to be the subject of such awards. Performance Units shall be awarded only to key employees of the Company, and no Non-employee Director shall be eligible to receive an award of a Performance Unit.

3. Terms and Conditions of Awards. For each Participant, the Committee will determine the timing of awards; the number of units awarded; the value of units, which may be stated either in cash or in shares of Stock; the performance measures used for determining whether the Performance Units are earned; the performance period during which the performance measures will apply; the relationship between the level of achievement of the performance measures and the degree to which Performance Units are earned; whether, during or after the performance period, any revision to the performance measures or performance period should be made to reflect significant events or changes that occur during the performance period; and the number of earned Performance Units that will be paid in cash and/or shares of Stock.

4. Payment. The Committee will compare the actual performance to the performance measures established for the performance period and determine the number of units to be paid and their value. Payment for units earned shall be wholly in cash, wholly in Stock or in a combination of the two, in a lump sum or installments, and subject to vesting requirements and such other conditions as the Committee shall determine. The Committee will determine the number of earned units to be paid in cash and the number to be paid in Stock. For Performance Units awarded in shares of Stock, one share of Stock will be paid for each unit earned, or cash will be paid for each unit earned equal to either (a) the Fair Market Value of a share of Stock at the end of the Performance Period or (b) the Fair Market Value of a share of Stock averaged for a number of days determined by the Committee. For Performance Units awarded in cash, the value of each unit earned will be paid in its initial cash value, or shares of Stock will be distributed based on the cash value of the units earned divided by (a) the Fair Market Value of a share of Stock at the end of the Performance Period or (b) the Fair Market Value of a share of Stock averaged for a number of days determined by the Committee.

5. Retirement, Death or Termination. A Participant whose employment with the Company and all Subsidiaries terminates during a performance period because of Retirement or death shall be entitled to the prorated value of earned Performance Units, issued with respect to that performance period, at the conclusion of the performance period based on the ratio of the months employed during the period to the total months of the performance period. If a Participant's employment with the Company and all Subsidiaries terminates during a performance period for any reason other than Retirement or death, the Performance Units issued with respect to that performance period will be forfeited on the date such Participant's employment terminates. Notwithstanding the foregoing provisions of this Part V, if a Participant's employment with the Company and all Subsidiaries terminates before the end of the Performance Period with respect to any Performance Units awarded to him, the Committee may determine that the Participant will be entitled to receive all or any portion of the units that he or she would otherwise receive, and may accelerate the determination and payment of the value of such units or make such other adjustments as the Committee, in its sole discretion, deems desirable.

NON-QUALIFIED STOCK OPTION AGREEMENT
UNDER THE COMSTOCK RESOURCES, INC.
1999 LONG-TERM INCENTIVE PLAN

AGREEMENT made as of by and between Comstock Resources, Inc. ("Company"),
and _____ ("Employee").

WHEREAS, the Company maintains the Comstock Resources, Inc. 1999 Long-term Incentive Plan (the "Plan") providing for the grant to employees of the Company of options to purchase the common stock, par value \$.50 per share (the "Common Stock"), of the Company, to attract and retain key executive and managerial employees and to motivate participating employees to achieve long-range goals; and

WHEREAS, Employee is one of such key executive and managerial employees and therefore has been selected to participate in the Plan; and

THEREFORE, in consideration of the mutual promise(s) and covenant(s) contained herein, it is hereby agreed as follows:

I. GRANT AND EXERCISE OF OPTIONS

1.1 Grant of Options. The Employee, in connection with his service as an employee, shall have the right and option to purchase from the Company, at the times and on the terms and conditions hereinafter set forth and in the Plan, shares of the authorized Common Stock of the Company at the purchase price of Three dollars and eighty-seven and one half cents (\$3.875) per share (the "Options"). The Options granted pursuant to this Agreement are not intended to constitute incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended.

1.2 Exercise of Options. Employee shall vest in and shall have the right to exercise the Options during the time intervals set forth below:

Number of Shares	May Be Purchased Not Before	Not After
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Options may be exercised in whole or in part but only within the time intervals specified hereinabove. Each exercise of an Option, or any part thereof, shall be evidenced by a notice in writing to the Company as provided in Paragraph 1.3. The purchase price of the Common Stock as to which an Option shall be exercised shall be paid in full at the time of exercise as specified in Paragraph 1.5 herein. Employee shall not have any of the rights of a shareholder of the Company with respect to the Common Stock covered by an Option except to the extent that one or more certificates for such Common Stock shall have been delivered to him, or he has been determined to be a shareholder of record by the Company's Transfer Agent upon due exercise of the Option.

1.3 Written Notice. The Options granted herein shall be exercised only in the State of Texas at the principal office of the Company by the Employee in person by delivering to the Secretary of the Company a written notice specifying the number of shares of Common Stock the Employee then desires to purchase, such written notice to be in substantially the following form and to be signed by the Employee:

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"I hereby purchase from Comstock Resources, Inc. (the "Company") at Frisco, Texas, shares of its Common Stock in accordance with the Company's 1999 Long-Term Incentive Plan, and in accordance with my Non-qualified Stock Option Agreement dated _____. I hereby tender in payment therefor the full Option Price."

1.4 Option Price. The purchase price for the shares subject to the Options ("Option Price") shall be \$3.875 per share, which is the fair market value of the shares of Common Stock on the date hereof.

1.5 Payment of Option Price. Payment of the Option Price for shares of Common Stock purchased under this Agreement shall be made upon the exercise of an Option and may be paid to the Company by any of the following, or a combination thereof, at the election of the Employee:

(a) in cash (including check, bank draft, or money order); or

(b) by actual delivery (or by attestation) of shares of Common Stock

already owned by Employee and having a fair market value equal to the aggregate Option Price;

(c) by delivery of a properly executed exercise notice together with such other documentation as the Company and the broker shall require to effect an exercise of the Option and delivery to the Company of the sale or loan proceeds required to pay the Option Price and any required withholding taxes.

II. TERMINATION OF EMPLOYMENT

2.1 Termination Before an Option Becomes Exercisable. If Employee's employment with the Company shall be terminated for any reason whatsoever before the date that any Option granted hereunder shall first have become exercisable by Employee, then Employee's full interest in such Option shall terminate on the date of such termination of employment and all rights under such Option shall cease.

2.2 Discharge or Resignation. If Employee ceases to be an employee of the Company, by reason of the fact that he is discharged for cause, as determined solely and exclusively by the committee appointed by the Board to administer the Plan (the "Committee"), or by reason of his resignation or voluntary action, all rights of Employee to exercise the Options granted hereunder shall terminate, lapse, and be forfeited at the time of Employee's termination of employment.

2.3 Retirement. If Employee's termination of employment is due to retirement with the consent of the Company, Employee shall have the right to exercise all Options then exercisable under this Agreement at any time within three (3) months after such retirement; provided, however, that in case Employee shall die within three (3) months after such date of retirement without having exercised such Options, the personal representatives, heirs, legatees, or distributees of Employee, as appropriate, shall have the right up to one (1) year from such date of retirement to exercise any such Option to the extent that the Option was exercisable prior to the death of Employee and had not been so exercised.

2.4 Death. If Employee ceases to be an employee of the Company by reason of death, the personal representatives, heirs, legatees, or distributees of Employee, as appropriate, shall have the right up to one (1) year from the termination of employment to exercise any Options which were exercisable prior to death and had not been so exercised.

2.5 Disability. If Employee ceases to be an employee of the Company due to his disability, as determined solely and exclusively by the Board of Directors, Employee shall have the right to exercise all Options then exercisable under this Agreement at any time within one (1) year after such termination; provided,

however, that in case employee shall die within one (1) year after such date of termination without having exercised such Options, the personal representatives, heirs, legatees, or distributees of Employee, as appropriate, shall have the right up to one (1) year from such date of termination to exercise any such Option to the extent that the Option was exercisable prior to the death of Employee and had not been so exercised.

2.6 Limitations on Exercise. Despite the provisions of Paragraphs 2.3, 2.4, and 2.5, no Option shall be exercisable under any condition after the dates specified in Paragraph 1.2. In addition, the provisions of Paragraphs 2.3, 2.4, and 2.5 shall be subject to the provisions of Paragraphs 3.4, 3.5, and 3.6.

III. MISCELLANEOUS

3.1 Limited Transferability of Options. The Option may be transferred by the Employee to a Permitted Transferee, as defined in the Plan, provided that there cannot be any consideration for the transfer. Options transferred to Permitted Transferees will remain subject to the terms and conditions of the Plan and the stock option agreement as if the Employee still held such options. References herein to option "Holder" shall mean the Employee or a Permitted Transferee.

3.2 Restrictions on Exercise. The exercise of each Option granted under this Agreement shall be subject to the condition that if at any time the Company shall determine, in its discretion, that the satisfaction of withholding taxes or other withholding liabilities, or that the listing, registration or qualification of any shares of Common Stock otherwise deliverable upon such exercise upon any securities exchange or under any state or federal law, or the consent or approval of any regulatory body, is necessary or desirable as a condition of, or in condition of, or in connection with, such exercise or the delivery or purchase of such shares thereunder, then in any such event such exercise shall not be effective unless such withholding, listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

3.3 Changes in Capital Structure If there is any change in the capital structure of the Company through merger, consolidation, reorganization, recapitalization, or otherwise, or if there shall be any stock dividend, stock split or combination of shares of Common Stock, the number and the Option Price of the shares with respect to which an Option has been granted hereunder shall be proportionately adjusted by the Board as it deems equitable, in its absolute discretion, to prevent dilution or enlargement of the rights of Employee. The issuance of stock for consideration shall not be considered a change in the Company's capital structure. No adjustment provided for in this Paragraph 3.3 shall require the issuance of any fractional shares of Common Stock.

3.4 Dissolution or Liquidation. In the event of the dissolution or liquidation of the Company, any Option granted under this Agreement shall terminate as of a date to be fixed by the Board of Directors, provided that not less than thirty (30) days' written notice of the date so fixed shall be given to Employee and Employee shall have the right during such period to exercise all Options granted hereunder to the extent not previously exercised, even though such Options might not otherwise be exercisable, by reason of an insufficient lapse of time. At the end of such period, any unexercised Options shall terminate and be of no further effect.

3.5 Reorganization. Subject to the provisions of Section 3.6, if applicable, in the event of a merger, consolidation, combination, exchange of shares or other similar change (a "Reorganization") in which the Company is not the surviving or acquiring company, or in which the Company is or becomes a wholly-owned subsidiary of another company after the effective date of the Reorganization, then

(a) If there is no plan or agreement respecting the Reorganization or if such plan or agreement does not specifically provide for the change, conversion, or exchange of the shares of Common Stock under outstanding and unexercised Options for securities of another corporation, then the Board of Directors shall take such action, and the options shall terminate, as provided in Paragraph 3.4; or

(b) If there is a plan or agreement respecting the Reorganization and if such plan or agreement specifically provides for the change, conversion, or exchange of the shares of Common Stock under outstanding and unexercised Options for securities of another corporation, then the Board of Directors shall adjust the shares of Common Stock under such outstanding and unexercised Options (and shall adjust the shares of Common Stock remaining under the Plan which are then available to be optioned under the Plan, if such plan or agreement makes specific provision therefor) in a manner not inconsistent with the provisions of such plan or agreement for the adjustment, change, conversion, or exchange of such shares of Common Stock and such Options.

3.6 Change in Control. If there is any Change in Control, all Options which have been granted under this Agreement will automatically become fully exercisable and vested.

3.7 Compliance with Securities Laws. The Company may elect not to register under the Securities Act of 1933, as amended, shares of Common Stock issuable upon the exercise of Options under the Plan. If so, then upon the exercise of an Option hereunder Employee shall deliver to the Company such written commitments as may be required by the Company. These commitments shall certify that Employee is acquiring the shares of Common Stock solely for Employee's own account, solely for investment and not with a view to distribution. These commitments shall also certify that no distribution of the shares of Common Stock acquired by Employee will be made unless registered under the above Act or pursuant to an opinion of counsel satisfactory to the Company that the proposed distribution may be consummated without violation of such Act. Absent registration of shares of Common Stock issued under the Plan, the Company may place an appropriate legend containing such restrictions on all certificates evidencing shares of Common Stock distributed under the Plan.

3.8 Nonguarantee of Employment. Nothing in this Agreement shall confer upon employee any right to continue in the employ of the Company or interfere in any way with the right of the Company to terminate his employment at any time.

3.9 Options Subject to Plan. The Options granted hereunder are subject to the terms and provisions of the Plan as adopted by the Board of Directors effective as of April 1, 1999. In case of any conflict between this Agreement and the Plan, the terms and provisions of the Plan shall be controlling. Unless otherwise defined herein, all terms used herein that are defined in the Plan shall have the same meaning herein as in the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

ATTEST: COMSTOCK RESOURCES, INC.

BY:

Title

EMPLOYEE:

RESTRICTED STOCK AGREEMENT
UNDER THE COMSTOCK RESOURCES, INC.
1999 LONG-TERM INCENTIVE PLAN

AGREEMENT made as of _____, by and between Comstock Resources, Inc. ("Company") and _____ ("Award Recipient"):

WHEREAS, the Company maintains the Comstock Resources, Inc. 1999 Long-term Incentive Plan ("Plan") under which the Company's Compensation Committee of the Board of Directors ("Committee") may, among other things, award shares of the Company's Common Stock ("Common Stock") to such members of the Company's management team as the Committee may determine, subject to terms, conditions, or restrictions as it may deem appropriate;

WHEREAS, pursuant to the Plan, the Committee has awarded to the Award Recipient a restricted stock award conditioned upon the execution by the Company and the Award Recipient of a Restricted Stock Agreement setting forth all the terms and conditions applicable to such award in accordance with the Plan;

THEREFORE, in consideration of the mutual promise(s) and covenant(s) contained herein, it is hereby agreed as follows:

1. AWARD OF SHARES. Under the terms of the Plan, the Committee has awarded to the Award Recipient a restricted stock award on _____, ("Award Date"), covering _____ shares of Common Stock subject to the terms, conditions, and restrictions set forth in this Agreement.

2. STOCK CERTIFICATES. The stock certificate(s) evidencing the restricted stock award shall be registered on the Company's books in the name of the Award Recipient as of the Award Date. The Company reserves the right to place a legend on the stock certificate(s) restricting the transferability of such certificate(s) and referring to the terms and conditions (including forfeiture) approved by the Committee and applicable to the shares represented by the certificate(s).

During the restriction period, except as otherwise provided in Paragraph 3 of this Agreement, the Award Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote the shares and receive dividends and/or other distributions declared on such shares.

3. AWARD RESTRICTIONS. The shares covered by the restricted stock award shall vest in accordance with the schedule set forth below:

Date	Percent Vested
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Upon the vesting of any part of the restricted stock award by virtue of the lapse of the restriction period set forth above or under Paragraph 4 of this Agreement, the Award Recipient or beneficiary(ies) are free to hold or dispose of such certificate at will, subject to the restrictions imposed by applicable securities laws and to the following provisions of this Paragraph 3.

During the restriction period, the shares covered by the restricted stock award not already vested are not transferable by the Award Recipient by means of sale, assignment, exchange, pledge, or otherwise. However, during the restriction period, the Award Recipient does have the right to tender for sale or exchange with the Company's written consent any such shares in the event of any tender offer within the meaning of Section 14(d) of the Securities Exchange

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Act of 1934. Notwithstanding any provision of this Agreement to the contrary, shares of Common Stock covered by this restricted stock award shall not be transferable by the Award Recipient or beneficiary(ies) until the date that is six months following the Award Date.

4. TERMINATION OF EMPLOYMENT; CHANGE IN CONTROL. If the Award Recipient terminates employment with the Company due to death or Disability during the restriction period, the restricted stock award, to the extent not already vested, shall vest in full as of the date of such termination. Termination of the Award Recipient's employment with the Company for any other reason shall result in forfeiture of the restricted stock award on the date of termination to the extent not already vested. The Award Recipient may designate a beneficiary(ies) to receive the stock certificate representing that portion of the restricted stock award automatically vested upon death. The Award Recipient has the right to change such beneficiary designation at will.

In the event of a Change in Control of the Company during the restriction period, the restricted stock award, to the extent not already vested, shall vest in full as of the date of such Change in Control.

5. WITHHOLDING TAXES. The Company shall have the right to retain and withhold from any payment under the restricted stock awarded the amount of taxes required by any government to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Award Recipient receiving shares of Common Stock under a restricted stock award to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Award Recipient an amount equal to such taxes required to be withheld by the Company to reimburse the Company for any such taxes or retain and withhold a number of shares having a market value not less than the amount of such taxes and cancel (in whole or in part) any such shares so withheld in order to reimburse the Company for any such taxes.

6. ADMINISTRATION. The Committee shall have full authority and discretion, (subject only to the express provisions of the Plan) to decide all matters relating to the administration and interpretation of the Plan and this Agreement. All such Committee determinations shall be final, conclusive, and binding upon the Company, the Award Recipient, and any and all interested parties.

7. NO RIGHT TO CONTINUED EMPLOYMENT. Nothing in the Plan or this Agreement shall confer on an Award Recipient any right to continue in the employ of the Company or in any way affect the Company's right to terminate the Award Recipient's employment without prior notice at any time for any reason.

8. AMENDMENT(S). This Agreement shall be subject to the terms of the Plan as amended except that the restricted stock award that is the subject of this Agreement may not in any way be restricted or limited by any Plan amendment or termination approved after the date of the award without the Award Recipient's written consent.

9. FORCE AND EFFECT. The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

10. GOVERNING LAWS. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Texas.

11. SUCCESSORS. This Agreement shall be binding upon and inure to the benefit of the heirs and permitted successors and assigns of the respective parties.

12. NOTICES. Unless waived by the Company, any notice to the Company required under or relating to this Agreement shall be in writing and addressed to:

Comstock Resources, Inc.
Comstock Tower
5300 Town and Country Blvd.
Suite 500
Frisco, Texas 75034
Attention: President or Secretary;

or to such other address as the Company maintains as its principal executive offices.

13. ENTIRE AGREEMENT. This Agreement and the Plan contain the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by the parties. In the event of any conflict between the terms and provisions of this Agreement and those of the Plan, the terms and provisions of the Plan including, without limitation, those with respect to powers of the Committee, shall prevail and be controlling. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default. Any capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date hereof.

COMSTOCK RESOURCES, INC.

By: _____
Title

Award Recipient

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") executed by and between COMSTOCK RESOURCES, INC., a Nevada corporation (the "Company") with principal offices at 5005 LBJ Freeway, Suite 1000, Dallas, Texas 75244, and M. Jay Allison ("Employee"), an individual residing at #3 Post-N-Paddock, Frisco, Texas 75034.

1. Employment. The Company hereby agrees to employ Employee, and Employee hereby agrees to render his exclusive service to the Company, in his current capacity of President and Chief Executive Officer of the Company, with such duties as may be assigned to him from time to time by the Board of Directors for a period of time commencing on June 23, 1999 (the effective date of this Agreement) and ending on June 22, 2000 (the "Employment Period"), subject to earlier termination as hereinafter provided. Upon termination of Employee's employment for any reason except for death, disability or for good cause, including termination of the Employment Period, the Company shall assign to the Employee ownership of any life insurance policies owned by the Company insuring the Employee's life.

2. Place of Employment. Unless otherwise agreed by the Company and Employee, throughout the term of this Agreement, Employee's business office shall be located in Dallas, Texas, at such location as may be specified by the Board of Directors of the Company.

3. Base Compensation. Employee shall be compensated by the Company at a minimum base rate of \$20,416.67 per month, payable semimonthly on the fifteenth and final days of each month during the period of Employee's employment under this Agreement, subject to such increases and additional payments as may be determined from time to time by the Board of Directors of the Company in its sole discretion. Such compensation shall be in addition to any group insurance, pension, profit sharing, and other employee benefits, which are extended from time to time to Employee in the discretion of the Board of Directors of the Company and for which Employee is eligible. Subject to such rules and procedures as are from time to time specified by the Company, the Company shall also reimburse Employee for all reasonable expenses incurred by him on behalf of the Company.

4. Performance of Services. Employee shall devote his full working time to the business of the Company; provided, however, Employee shall be excused from performing any services for the Company hereunder during periods of temporary incapacity and during vacations conforming to the Company's standard vacation policy, without thereby in any way affecting the compensation to which he is entitled hereunder.

5. Continuing Obligations. In order to induce the Company to enter into this Agreement, the Employee hereby agrees that all documents, records, techniques, business secrets and other information which have come into his possession from time to time during his employment by the Company or which may come into his possession during his employment hereunder, shall be deemed to be confidential and proprietary to the Company and the Employee further agrees to retain in confidence any confidential information known to him concerning the Company and its subsidiaries and their respective businesses so long as such information is not publicly disclosed. In the event of a breach or threatened breach by the Employee of the provisions of this Paragraph 5, the Company shall, in addition to any other available remedies, be entitled to an injunction restraining Employee from disclosing, in whole or in part, any such information or from rendering any services to any person, firm or corporation to whom any of such information may have been disclosed or is threatened to be disclosed.

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6. Property of Company. All data, drawings, and other records and written material prepared or compiled by Employee or furnished to Employee while in the employ of the Company shall be the sole and exclusive property of the Company, and none of such data, drawings or other records, or copies thereof, shall be retained by Employee upon termination of his employment. Notwithstanding the foregoing, Employee shall be under no obligation to return public information.

7. Surviving Provisions. The provisions of Paragraphs 5 and 6 of this Agreement shall continue to be binding upon Employee in accordance with their terms, notwithstanding termination of Employee's employment hereunder for any reason.

8. Termination for Good Cause. It is agreed and understood that the Company cannot terminate the employment of the Employee under this Agreement except for good cause, and that, without prejudice to the generality of the right to terminate for good cause, each of the following contingencies shall be good cause:

(a) Should Employee by reason of injury or illness become incapable for more than one hundred fifty (150) consecutive days of satisfactorily performing his duties as an employee under this Agreement;

(b) Should Employee for reasons other than illness or injury absent himself from his duties without the consent of the Company (which consent shall not be unreasonably withheld) for more than twenty (20) consecutive days;

(c) Should Employee be convicted of a felony involving moral turpitude;

(d) Should Employee during the period of his employment by the Company engage in any activity that would in the opinion of the Board of Directors of the Company constitute a material conflict of interest with the Company; provided that termination for cause based on this subparagraph (d) shall not be effective unless the Employee shall have received written notice from the Board of Directors of the Company of such activity (which notice shall also include a demand for the Employee to cease the activity giving rise to the conflict of interest) fifteen (15) days prior to his termination and the Employee has failed after receipt of such notice to cease all activities creating the conflict of interest; or

(e) Should Employee be grossly negligent in the performance of his duties hereunder, or materially in breach of his duties and obligations under this Agreement; provided that termination for cause based on this subparagraph (e) shall not be effective unless the Employee shall have received written notice from the Board of Directors of the Company (which notice shall include a description of the reasons and circumstances giving rise to such notice) fifteen (15) days prior to his termination and the Employee has failed after receipt of such notice to satisfactorily discharge the performance of his duties hereunder or to comply with the terms of this Agreement, as the case may be.

The Company may for good cause terminate Employee's employment under this Agreement without advance notice, except as otherwise specifically provided for in subparagraphs (d) and (e) above. Termination shall not affect any of the Company's other rights and remedies.

9. Payment of Certain Costs of Employee. If a dispute arises regarding the interpretation or enforcement of this Agreement, all legal fees and expenses incurred by the Employee in seeking to obtain or enforce any right or benefit provided for in this Agreement or in otherwise pursuing his claim will be paid by the Company, to the extent permitted by law. The Company further agrees to pay prejudgment interest on any money judgment obtained by the Employee calculated at the First National Bank of Chicago N.A. prime interest rate in effect from time to time from the date that payment(s) to him should have been made under this Agreement.

10. Mitigation. The Employee is not required to mitigate the amount of any payments to be made by the Company pursuant to this Agreement by seeking other employment or otherwise.

11. Successors.

(a) Except as may otherwise be provided under any other written agreement between the Company and the Employee with respect to the terms of Employee's employment in the event of a change of control of the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance satisfactory to the Employee, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Paragraph 11 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement shall inure to the benefit of and be enforceable by the Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Employee should die during the term hereof, the Company shall pay an amount equal to any amounts then payable to Employee hereunder, plus an amount equal to six months' annualized total compensation (considering Employee's base pay and his most recent annual bonus, if any), with all such amounts to be paid to Employee's devisee, legatee or other designee or, if there be no such designee, to his estate.

12. No Inconsistent Obligations. Employee represents and warrants that he has not previously assumed any obligations inconsistent with those of this Agreement.

13. Modification. This Agreement shall be in addition to all previous agreements, written or oral, relating to Employee's employment by the Company, and shall not be changed orally, but only by a written instrument to which the Company and the Employee are both parties.

14. Binding Effect. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, and shall also bind and inure to the benefit of any successor of the Company by merger or consolidation or any assignee of all or substantially all of its properties.

15. Bankruptcy. Notwithstanding anything in this Agreement to the contrary, the insolvency or adjudication of bankruptcy of the Company, whether voluntary or involuntary, shall terminate this Agreement and the rights and obligations of Company and Employee hereunder shall be of no further force or effect.

16. Law Governing. This Agreement made, accepted and delivered in Dallas County, Texas, is performable in Dallas County, Texas, and it shall be construed and enforced according to the laws of the State of Texas. Venue shall lie in Dallas County, Texas for the purpose of resolving and enforcing any dispute which may arise under this Agreement and the parties agree that they will submit themselves to the jurisdiction of the competent State or Federal Court situated in Dallas County, Texas.

17. Invalid Provision. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be impaired thereby.

18. Notices. For purposes of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

M. Jay Allison
#3 Post-N-Paddock
Fisco, Texas 75034

If to the Company:

Comstock Resources, Inc.
5005 LBJ Freeway, Suite 1000
Dallas, Texas 75244

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

EXECUTED and effective as to this 23rd day of June 1999.

COMSTOCK RESOURCES, INC.

/s/ROLAND O. BURNS

Roland O. Burns
Senior Vice President

EMPLOYEE:

/s/M. JAY ALLISON

M. Jay Allison

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") executed by and between COMSTOCK RESOURCES, INC., a Nevada corporation (the "Company") with principal offices at 5005 LBJ Freeway, Suite 1000, Dallas, Texas 75244, and Roland O. Burns ("Employee"), an individual residing at 8430 Edgewood Cove, Frisco, Texas 75034.

1. Employment. The Company hereby agrees to employ Employee, and Employee hereby agrees to render his exclusive service to the Company, in his current capacity of Senior Vice President, Chief Financial Officer, Secretary and Treasurer of the Company, with such duties as may be assigned to him from time to time by the Board of Directors for a period of time commencing on June 23, 1999 (the effective date of this Agreement) and ending on June 22, 2000 (the "Employment Period"), subject to earlier termination as hereinafter provided. Upon termination of Employee's employment for any reason except for death, disability or for good cause, including termination of the Employment Period, the Company shall assign to the Employee ownership of any life insurance policies owned by the Company insuring the Employee's life.

2. Place of Employment. Unless otherwise agreed by the Company and Employee, throughout the term of this Agreement, Employee's business office shall be located in Dallas, Texas, at such location as may be specified by the Board of Directors of the Company.

3. Base Compensation. Employee shall be compensated by the Company at a minimum base rate of \$11,666.67 per month, payable semimonthly on the fifteenth and final days of each month during the period of Employee's employment under this Agreement, subject to such increases and additional payments as may be determined from time to time by the Board of Directors of the Company in its sole discretion. Such compensation shall be in addition to any group insurance, pension, profit sharing, and other employee benefits, which are extended from time to time to Employee in the discretion of the Board of Directors of the Company and for which Employee is eligible. Subject to such rules and procedures as are from time to time specified by the Company, the Company shall also reimburse Employee for all reasonable expenses incurred by him on behalf of the Company.

4. Performance of Services. Employee shall devote his full working time to the business of the Company; provided, however, Employee shall be excused from performing any services for the Company hereunder during periods of temporary incapacity and during vacations conforming to the Company's standard vacation policy, without thereby in any way affecting the compensation to which he is entitled hereunder.

5. Continuing Obligations. In order to induce the Company to enter into this Agreement, the Employee hereby agrees that all documents, records, techniques, business secrets and other information which have come into his possession from time to time during his employment by the Company or which may come into his possession during his employment hereunder, shall be deemed to be confidential and proprietary to the Company and the Employee further agrees to retain in confidence any confidential information known to him concerning the Company and its subsidiaries and their respective businesses so long as such information is not publicly disclosed. In the event of a breach or threatened breach by the Employee of the provisions of this Paragraph 5, the Company shall, in addition to any other available remedies, be entitled to an injunction restraining Employee from disclosing, in whole or in part, any such information or from rendering any services to any person, firm or corporation to whom any of such information may have been disclosed or is threatened to be disclosed.

E-21

6. Property of Company. All data, drawings, and other records and written material prepared or compiled by Employee or furnished to Employee while in the employ of the Company shall be the sole and exclusive property of the Company, and none of such data, drawings or other records, or copies thereof, shall be retained by Employee upon termination of his employment. Notwithstanding the foregoing, Employee shall be under no obligation to return public information.

7. Surviving Provisions. The provisions of Paragraphs 5 and 6 of this Agreement shall continue to be binding upon Employee in accordance with their terms, notwithstanding termination of Employee's employment hereunder for any reason.

8. Termination for Good Cause. It is agreed and understood that the Company cannot terminate the employment of the Employee under this Agreement except for good cause, and that, without prejudice to the generality of the right to terminate for good cause, each of the following contingencies shall be good

cause:

(a) Should Employee by reason of injury or illness become incapable for more than one hundred fifty (150) consecutive days of satisfactorily performing his duties as an employee under this Agreement;

(b) Should Employee for reasons other than illness or injury absent himself from his duties without the consent of the Company (which consent shall not be unreasonably withheld) for more than twenty (20) consecutive days;

(c) Should Employee be convicted of a felony involving moral turpitude;

(d) Should Employee during the period of his employment by the Company engage in any activity that would in the opinion of the Board of Directors of the Company constitute a material conflict of interest with the Company; provided that termination for cause based on this subparagraph (d) shall not be effective unless the Employee shall have received written notice from the Board of Directors of the Company of such activity (which notice shall also include a demand for the Employee to cease the activity giving rise to the conflict of interest) fifteen (15) days prior to his termination and the Employee has failed after receipt of such notice to cease all activities creating the conflict of interest; or

(e) Should Employee be grossly negligent in the performance of his duties hereunder, or materially in breach of his duties and obligations under this Agreement; provided that termination for cause based on this subparagraph (e) shall not be effective unless the Employee shall have received written notice from the Board of Directors of the Company (which notice shall include a description of the reasons and circumstances giving rise to such notice) fifteen (15) days prior to his termination and the Employee has failed after receipt of such notice to satisfactorily discharge the performance of his duties hereunder or to comply with the terms of this Agreement, as the case may be.

The Company may for good cause terminate Employee's employment under this Agreement without advance notice, except as otherwise specifically provided for in subparagraphs (d) and (e) above. Termination shall not affect any of the Company's other rights and remedies.

9. Payment of Certain Costs of Employee. If a dispute arises regarding the interpretation or enforcement of this Agreement, all legal fees and expenses incurred by the Employee in seeking to obtain or enforce any right or benefit provided for in this Agreement or in otherwise pursuing his claim will be paid by the Company, to the extent permitted by law. The Company further agrees to pay prejudgment interest on any money judgment obtained by the Employee calculated at the First National Bank of Chicago N.A. prime interest rate in effect from time to time from the date that payment(s) to him should have been made under this Agreement.

10. Mitigation. The Employee is not required to mitigate the amount of any payments to be made by the Company pursuant to this Agreement by seeking other employment or otherwise.

11. Successors.

(a) Except as may otherwise be provided under any other written agreement between the Company and the Employee with respect to the terms of Employee's employment in the event of a change of control of the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance satisfactory to the Employee, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Paragraph 11 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement shall inure to the benefit of and be enforceable by the Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Employee should die during the term hereof, the Company shall pay an amount equal to any amounts than payable to Employee hereunder, plus an amount equal to six months' annualized total compensation (considering Employee's base pay and his most recent annual bonus, if any), with all such amounts to be paid to Employee's devisee, legatee or other designee or, if there be no such designee, to his estate.

12. No Inconsistent Obligations. Employee represents and warrants that he has not previously assumed any obligations inconsistent with those of this Agreement.

13. Modification. This Agreement shall be in addition to all previous agreements, written or oral, relating to Employee's employment by the Company, and shall not be changed orally, but only by a written instrument to which the Company and the Employee are both parties.

14. Binding Effect. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, and shall also bind and inure to the benefit of any successor of the Company by merger or consolidation or any assignee of all or substantially all of its properties.

15. Bankruptcy. Notwithstanding anything in this Agreement to the contrary, the insolvency or adjudication of bankruptcy of the Company, whether voluntary or involuntary, shall terminate this Agreement and the rights and obligations of Company and Employee hereunder shall be of no further force or effect.

16. Law Governing. This Agreement made, accepted and delivered in Dallas County, Texas, is performable in Dallas County, Texas, and it shall be construed and enforced according to the laws of the State of Texas. Venue shall lie in Dallas County, Texas for the purpose of resolving and enforcing any dispute which may arise under this Agreement and the parties agree that they will submit themselves to the jurisdiction of the competent State or Federal Court situated in Dallas County, Texas.

17. Invalid Provision. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be impaired thereby.

18. Notices. For purposes of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Employee:

Roland O. Burns
8430 Edgewood Cove
Frisco, Texas 75034

If to the Company:

Comstock Resources, Inc.
5005 LBJ Freeway, Suite 1000
Dallas, Texas 75244

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

EXECUTED and effective as to this 23rd day of June 1999.

COMSTOCK RESOURCES, INC.

/s/M. JAY ALLISON

M. Jay Allison
President and
Chief Executive Officer

EMPLOYEE:

/s/ROLAND O. BURNS

Roland O. Burns

This schedule contains summary financial data extracted from the Consolidated Financial Statements of Comstock Resources, Inc. and Subsidiaries for the six months ended June 30, 1999 and is qualified in its entirety by reference to such financial statements.

		1,000
YEAR		
DEC-31-1999		JUN-30-1999
		4,104
	0	
	15,829	
	0	
	0	
	22,838	
		559,177
	(169,932)	
	419,297	
18,820		
		260,000
30,000		
	0	
	12,393	
	92,200	
419,297		
		40,387
	42,310	
		0
	37,228	
	910	
	0	
	10,980	
	(6,808)	
	(1,778)	
(5,030)		
	0	
	0	
		0
	(5,030)	
	(0.23)	
	(0.23)	