



**COMSTOCK
RESOURCES**

NYSE:CRK



2nd Quarter 2016 Results



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This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our current expectations or forecasts of future events. These statements include estimates of future natural gas and oil reserves, expected natural gas and oil production and future expenses, assumptions regarding future natural gas and oil prices, budgeted capital expenditures and other anticipated cash outflows, as well as statements concerning anticipated cash flow and liquidity, business strategy and other plans and objectives for future operations.

Factors that could cause actual results to differ materially from expected results are described under Risk Factors in our 2015 Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”).

Our production forecasts are dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity.

Important factors that could cause actual results to differ materially from those in the forward-looking statements herein include the timing and extent of changes in commodity prices for oil and gas, operating risks, liquidity risks, including risks relating to our bank credit facility, our outstanding notes and any restructuring thereof, our ability to continue as a going concern and any potential bankruptcy proceeding, political and regulatory developments and legislation, and other risk factors and known trends and uncertainties as described in the Registration Statement on Form S-4 filed with the SEC and in our Annual Report on Form 10-K for fiscal year 2015 filed with the SEC. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in the forward-looking statements.

2016 Q2 Summary

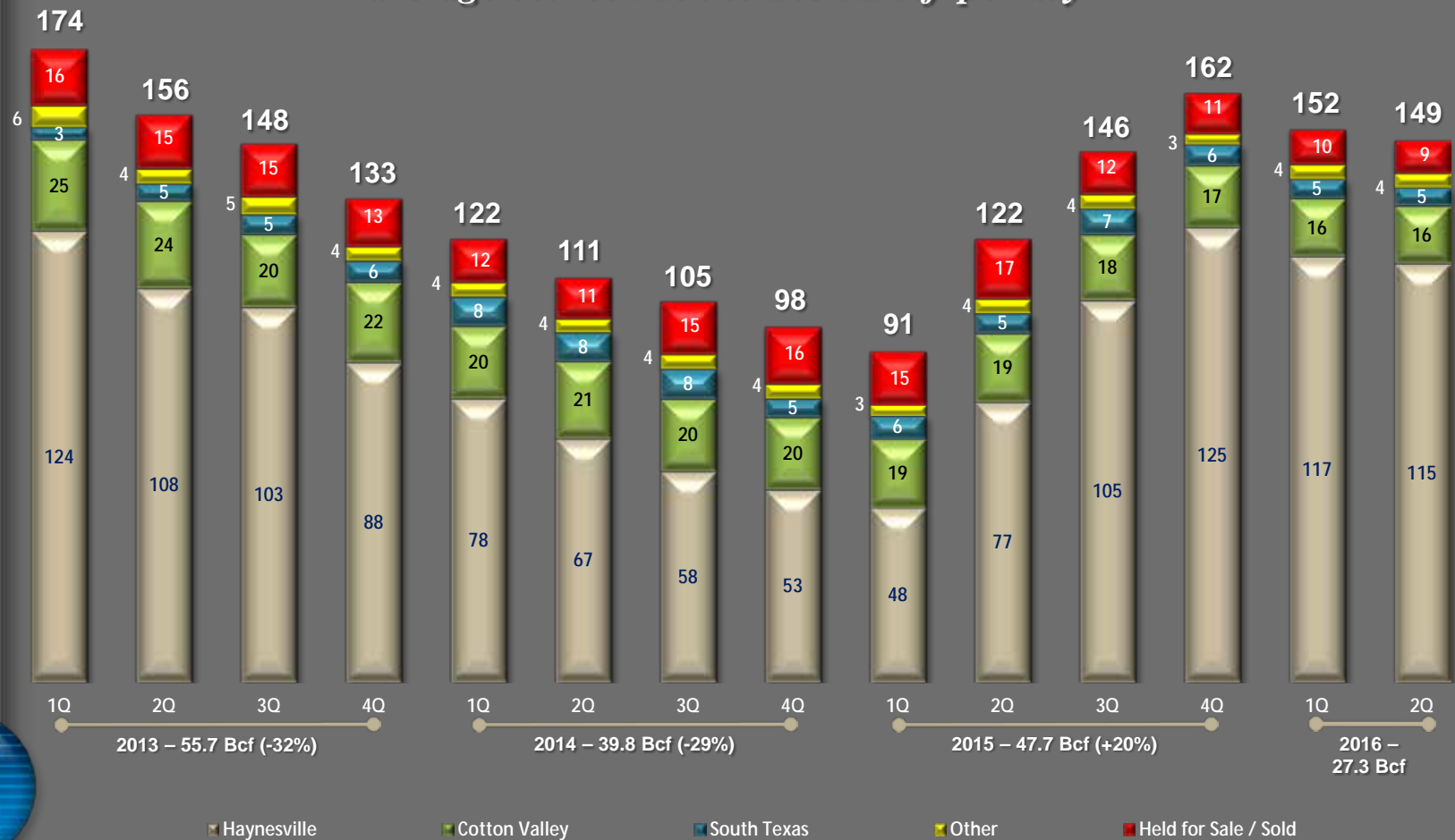


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- § **Low oil and natural gas prices continue to adversely impact financial results**
 - § **Oil Price ▼ 24%, Gas Price ▼ 16%**
 - § **Oil & Gas Sales - \$42 million, ▼ 46%**
 - § **EBITDAX - \$19 million**
- **Haynesville/Bossier shale program continues to deliver**
 - **All 2015 -16 wells are performing above the 14-16 Bcf type curve**
 - **Two second quarter wells had average IP rates of 24 Mmcf/day.**
 - **2016 new wells also added an additional 13 Mmcf per day from offset wells.**
- **Retired \$107 million in long-term debt in 2016 which saves us \$8.7 million in annual interest payments (\$28.4 million in total interest to maturity)**
- **Protecting liquidity to get through the low prices**
 - **Liquidity of \$117 million**
 - **Pending asset sale will add to liquidity**
 - **Announced exchange offer to give Company flexibility to restart drilling program in 4th quarter**

Natural Gas Production (MMcf / day)

2016 natural gas production is estimated to average between 130 to 145 MMcf per day

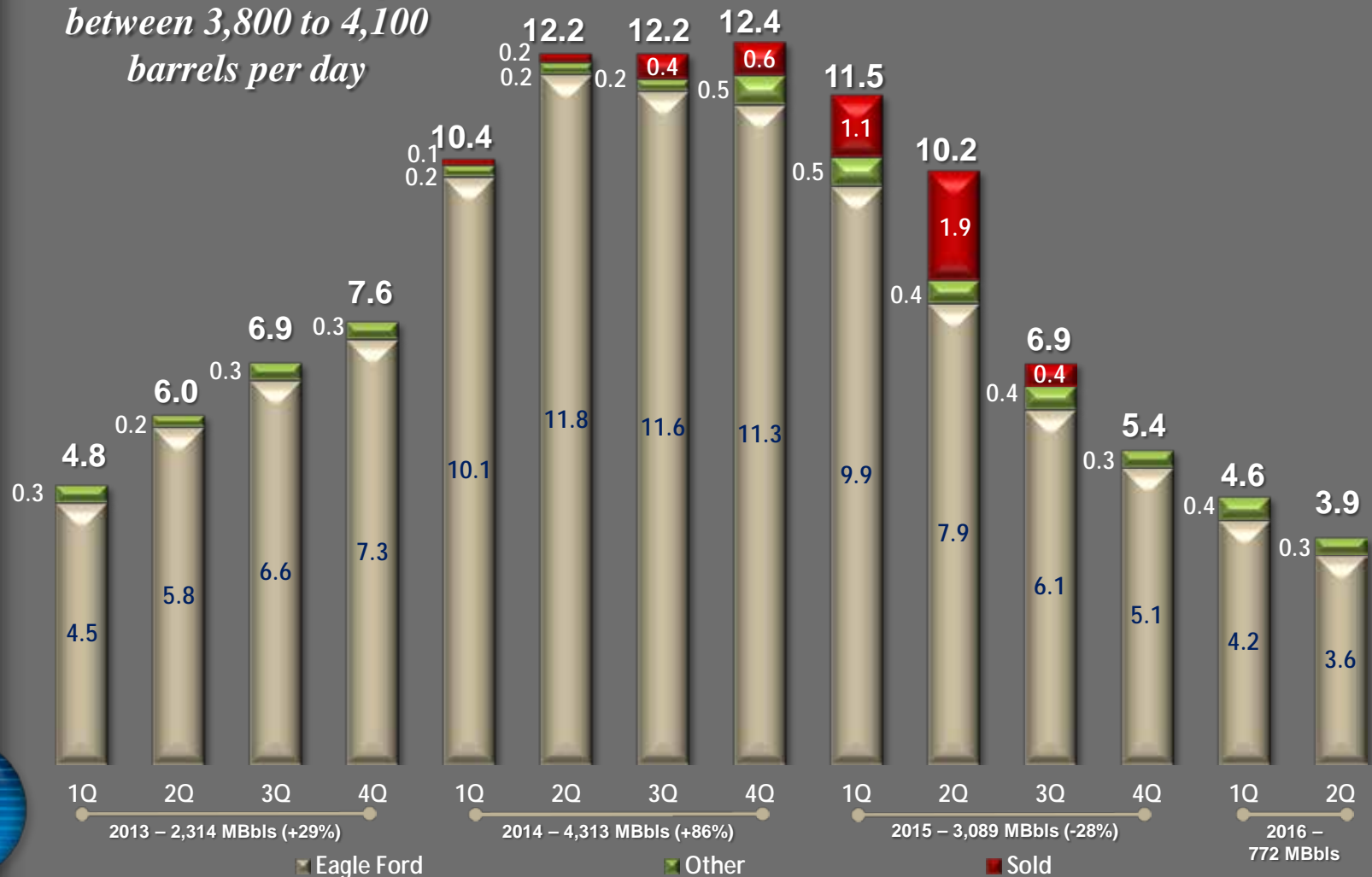


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Oil Production

(MBbls / day)

2016 oil production is estimated to average between 3,800 to 4,100 barrels per day



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2016 Second Quarter Financial Results

\$ in millions except per unit amounts



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	2016 Second Quarter	2015 Second Quarter	% Change
<i>Oil Production (Mbbbls)</i>	355	924	-62%
<i>Gas Production (MMcf)</i>	13,519	11,073	22%
<i>Production (MMcfe)</i>	15,649	16,616	-6%
<i>Oil Price (Per Barrel)</i>	\$42.21	\$55.34	-24%
<i>Gas Price (Per Mcf)</i>	\$1.99	\$2.37	-16%
<i>Oil and Gas Sales⁽¹⁾</i>	\$41.8	\$77.3	-46%
<i>Lifting Costs</i>	18.4	24.9	-26%
<i>General and Administrative</i>	5.7	7.2	-21%
<i>Depreciation, Depletion and Amort.</i>	36.0	90.6	-60%
<i>Exploration and Impairments</i>	1.7	25.0	
<i>Net Loss on Sales and Exchange of Properties</i>	1.6	111.8	
<i>Operating Income (Loss) before Taxes⁽¹⁾</i>	(\$21.6)	(\$182.2)	
<i>Net Income (Loss)</i>	\$4.9	(\$135.1)	
<i>Net Income (Loss) per Share</i>	\$0.41	(\$14.64)	
<i>Net Income (Loss) per Share⁽²⁾</i>	(\$4.05)	(\$5.56)	
<i>EBITDAX</i>	\$19.3	\$47.7	-60%
<i>Cash Flow from Operations⁽³⁾</i>	(\$8.3)	\$15.0	-155%

⁽¹⁾ Includes Realized Hedging Gains and Losses

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

⁽³⁾ Excludes Working Capital Changes

2016 Six Months Financial Results

\$ in millions except per unit amounts



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	First 6 Months 2016	First 6 Months 2015	% Change
<i>Oil Production (Mbbls)</i>	772	1,960	-61%
<i>Gas Production (MMcf)</i>	27,344	19,273	42%
<i>Production (MMcfe)</i>	31,974	31,034	3%
<i>Oil Price (Per Barrel)</i>	\$33.69	\$49.53	-32%
<i>Gas Price (Per Mcf)</i>	\$1.94	\$2.43	-20%
<i>Oil and Gas Sales ⁽¹⁾</i>	\$79.0	\$143.8	-45%
<i>Lifting Costs</i>	36.9	45.9	-20%
<i>General and Administrative</i>	11.2	15.1	-26%
<i>Depreciation, Depletion and Amort.</i>	74.9	182.5	-59%
<i>Exploration and Impairments</i>	32.2	67.7	
<i>Net Loss on Sales and Exchange of Properties</i>	0.9	111.8	
<i>Operating Income (Loss) before Taxes ⁽¹⁾</i>	(\$77.1)	(\$279.1)	
<i>Net Income (Loss)</i>	(\$51.7)	(\$213.6)	
<i>Net Income (Loss) per Share</i>	(\$4.82)	(\$23.18)	
<i>Net Income (Loss) per Share ⁽²⁾</i>	(\$9.52)	(\$10.88)	
<i>EBITDAX</i>	\$34.0	\$87.5	-61%
<i>Cash Flow from Operations ⁽³⁾</i>	(\$22.3)	\$35.0	-164%

⁽¹⁾ Includes Realized Hedging Gains and Losses

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

⁽³⁾ Excludes Working Capital Changes

Proved Oil and Gas Reserves

Despite a very limited drilling program, Comstock achieved an all-in finding cost of 20¢ per Mcf in the first half of 2016 with total proved reserves additions of 151 Bcf and capital expenditures of \$30.3 million.



Proved Reserves as of 12/31/15

Production

Divestitures

Price Related Revisions*

Additions

Proved Reserves as of 6/30/16

	Oil <i>MBbls</i>	Gas <i>Bcf</i>	Total <i>Bcfe</i>
	9,229	569.6	625.0
	(772)	(27.3)	(32.0)
	(163)	(3.7)	(4.7)
	(1,556)	(26.1)	(35.4)
	1,376	143.0	151.3
	8,114	655.5	704.2

*SEC Prices

Q216- \$37.86/Bbl and \$2.07/Mcf

YE15- \$46.88/Bbl and \$2.34/Mcf

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Balance Sheet

(\$ in millions)

June 30, 2016

Cash and cash equivalents \$ 67

Revolving Credit Facility -

10 % Senior Secured Notes due 2020 \$ 700

7¾ % Senior Notes due 2019 \$ 288

9½ % Senior Notes due 2020 \$ 175

Total Debt \$ 1,163

Total Net Debt \$ 1,096

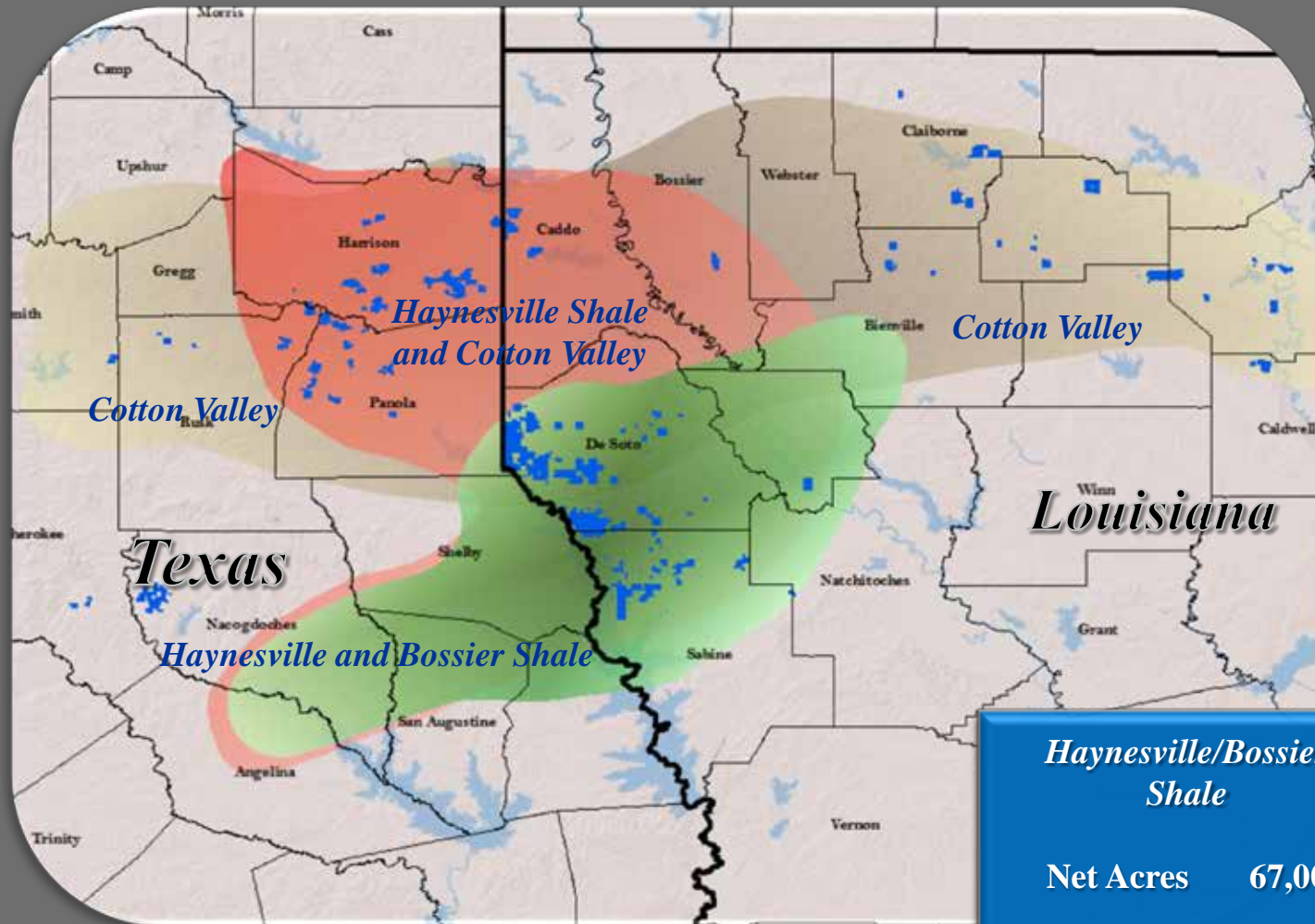
Available Credit Line \$ 50

Total Liquidity \$ 117

Retired \$237 million in long-term debt for \$46 million and 13.7 million shares (2.7 million as adjusted for the reverse stock split) of common stock generating annual interest savings of \$20.6 million with total interest savings to maturity of \$83.0 million.

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Haynesville/Bossier Shale



Haynesville/Bossier Shale

Net Acres	67,000
Resource Potential	6 + Tcf

Drilled 10 (9.6 net) extended lateral wells in 2015
Drilled 3 (2.8 net) extended lateral wells in 2016

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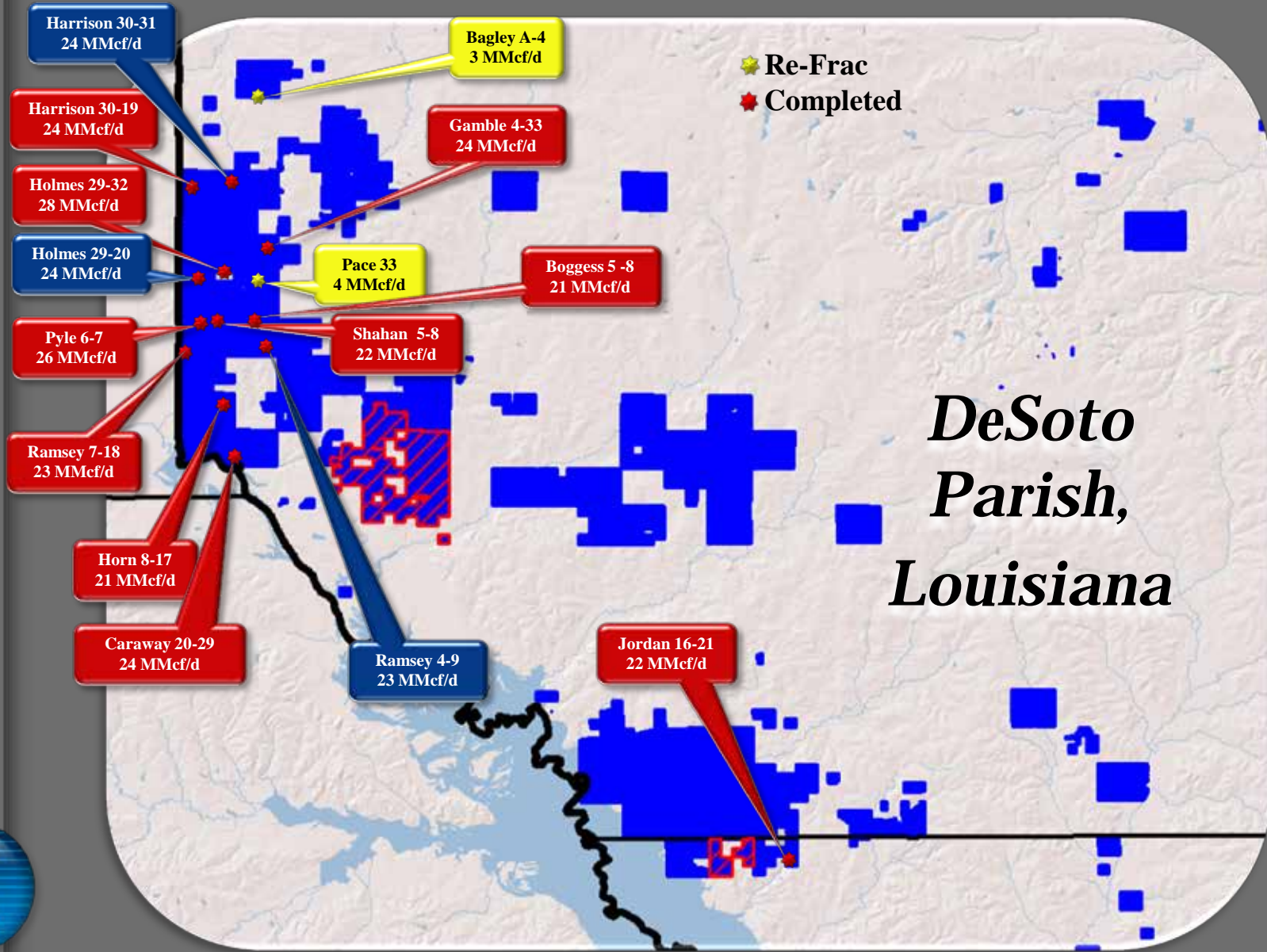
Haynesville Shale Program



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- § Applying newest drilling and completion technologies to an established world class asset
 - *Extended laterals*
 - *Larger stimulation treatment*
 - *Rates of return improve as well costs decline*
 - *New wells have 49% to 79% rates of return at natural gas prices of \$2.50 to \$3.00/Mcf at current well costs*
- § Extensive inventory of drilling and recompletion opportunities (*operated and mapped locations*)
 - *Haynesville –*
 - 4,500 ft. - 230*
 - 7,500 ft. - 83*
 - 10,000 ft. - 70*
 - *Bossier –*
 - 4,500 ft. - 130*
 - 7,500 ft. - 95*
 - 10,000 ft. - 97*
- § Premium gas market
 - *Comstock has favorable marketing arrangements*

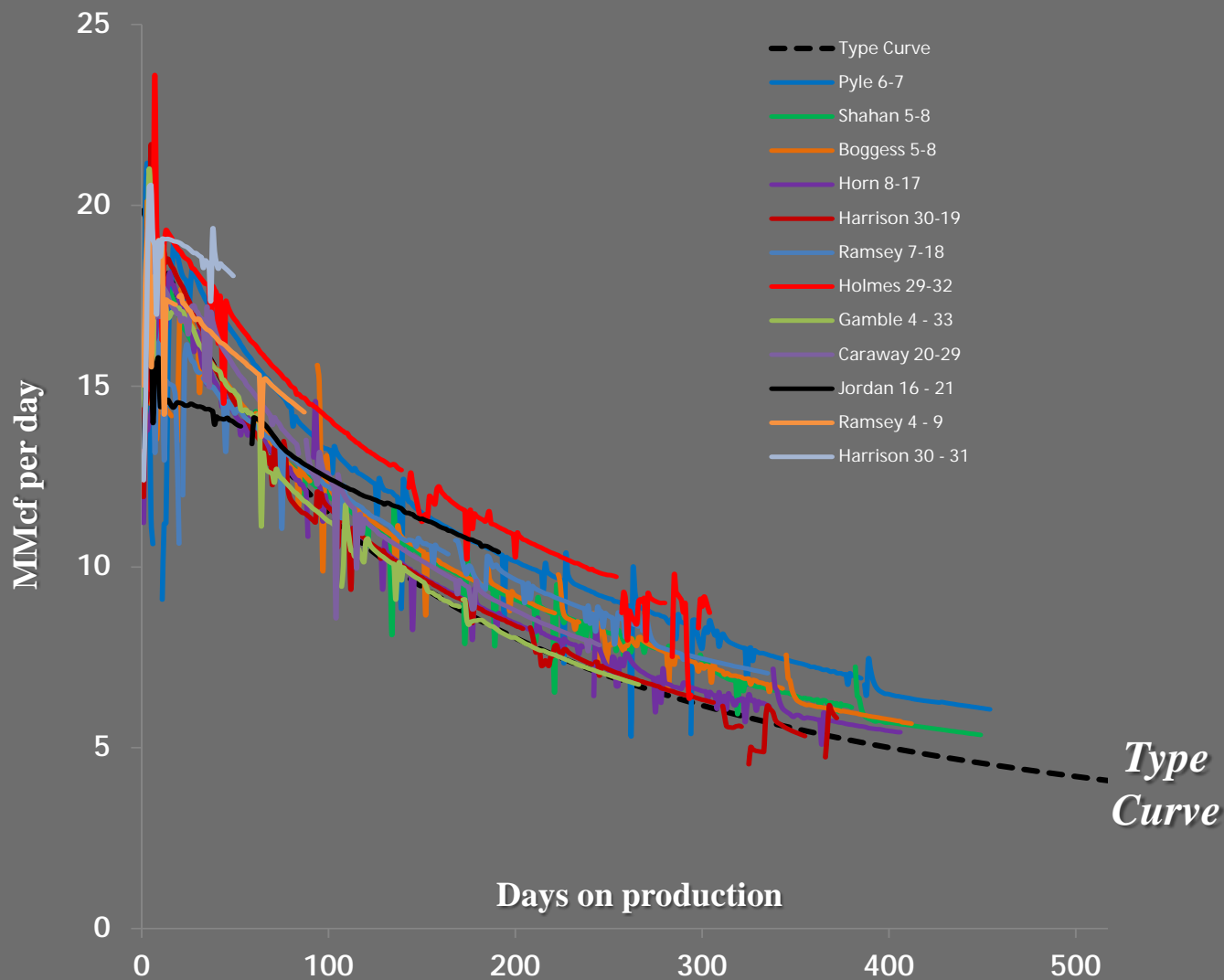
Haynesville Shale Program



Acquired in Exchange

Haynesville Extended Lateral Wells

Haynesville shale 7,500 foot lateral wells



New wells exceeding expectations

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Haynesville Well Economics



	4,500' L	7,500' L	10,000' L
Estimated Well Costs (\$ millions)	\$6.5	\$8.5	\$10.8
24 Hr IP (Mmcf per day)	15	20	24
Decline B Factor	0.99	0.99	0.99
Initial Decline (%)	73	67	64
Proppant/Cluster (K lbs)	150	150	150
EUR (Bcf per lateral ft.)	2.07	2.07	2.07
EUR (Bcf)	9.0	15.5	20.7

Haynesville Well Economics



Rate of Return vs. Natural Gas Prices

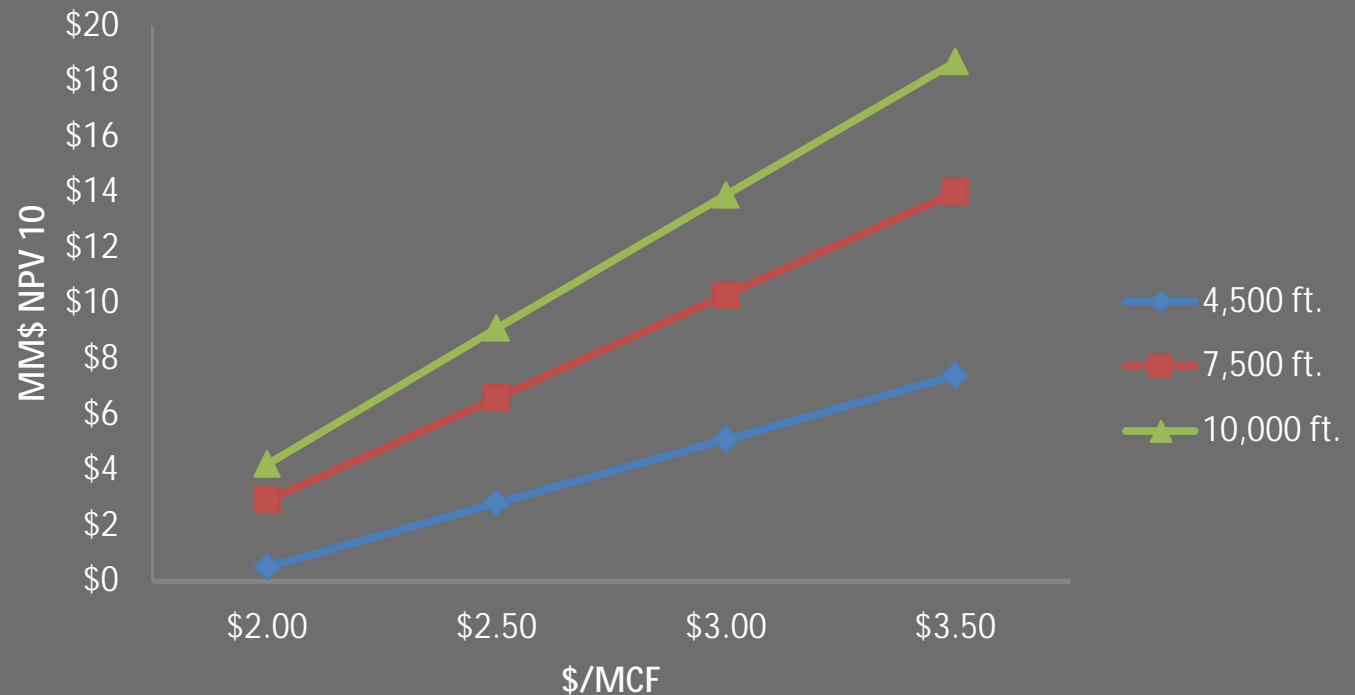


Haynesville Well Economics

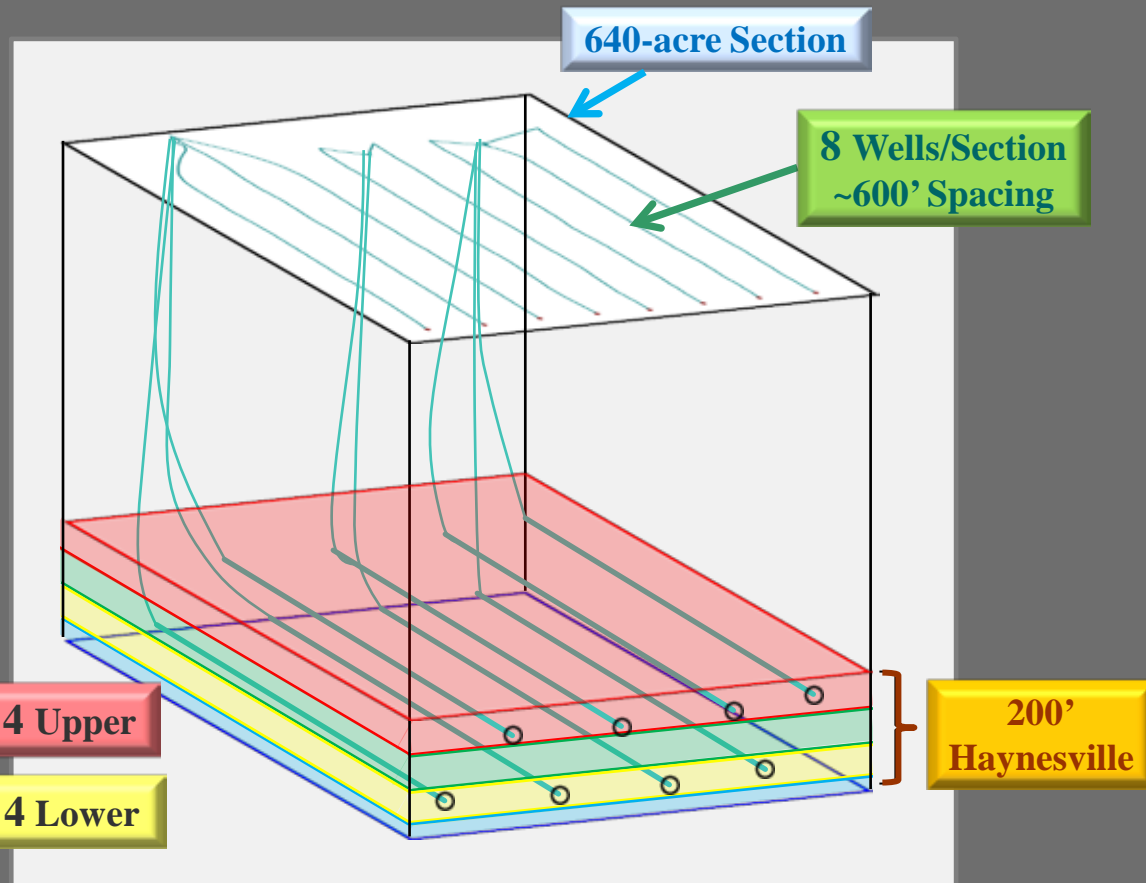


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NPV 10 vs. Natural Gas Prices



Haynesville Staggered Lateral Potential



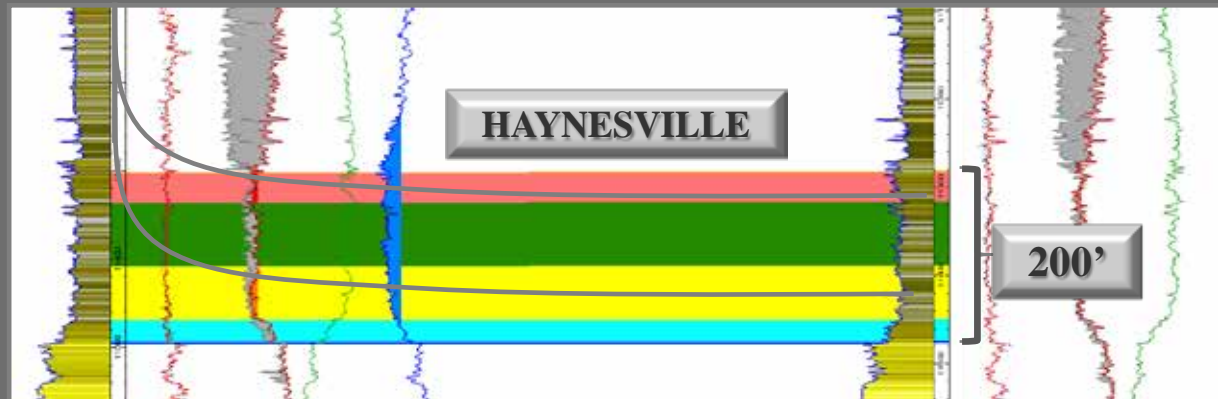
UPSIDE

- More Reserves Recovered
- More Efficient Reservoir Drainage, Less Waste
- Potential to add 83 Additional extended lateral locations

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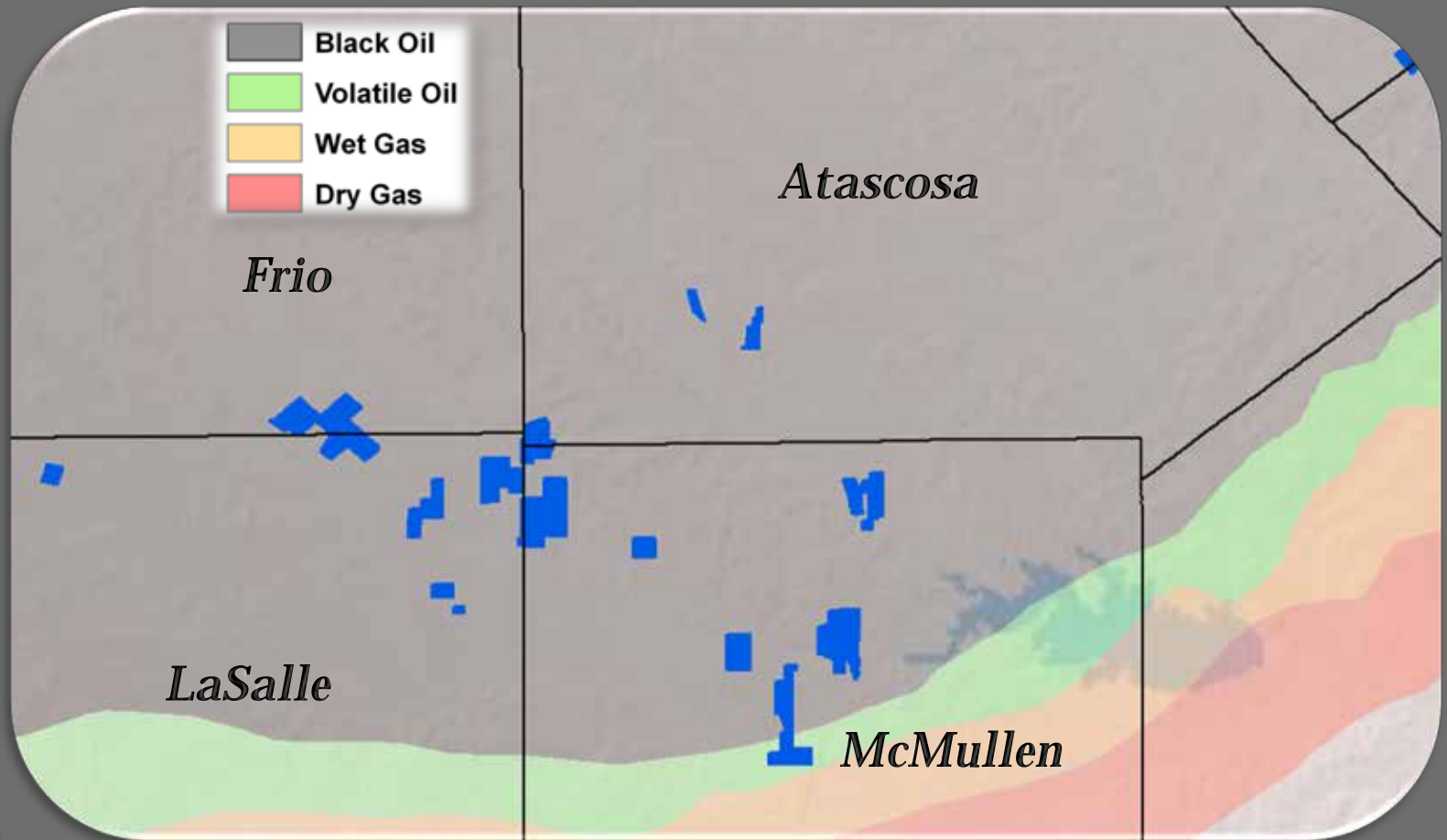
Upper

Lower



South Texas Eagle Ford Shale Program

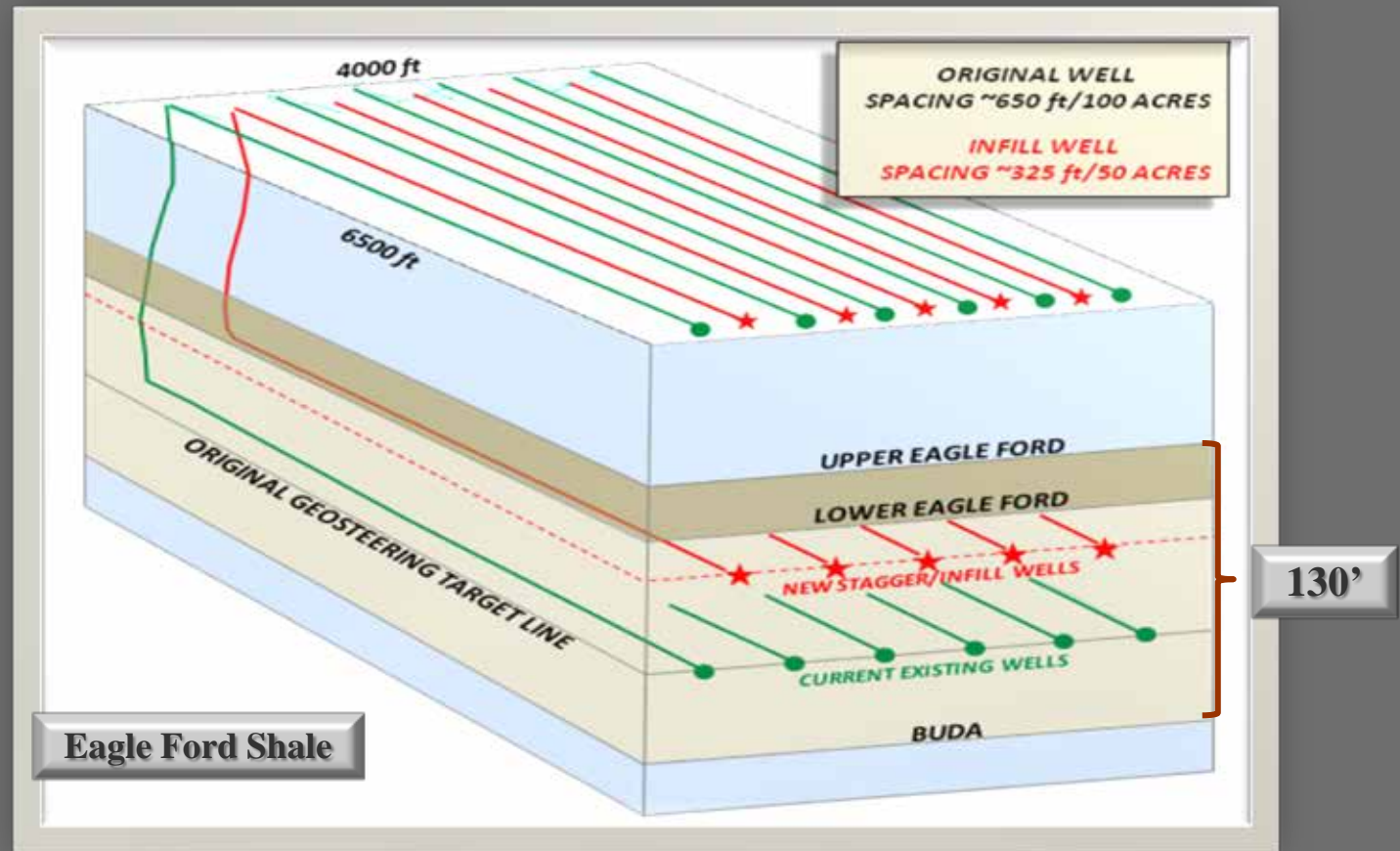
*26,000 gross acres (19,000 net) prospective for oil
in the Eagle Ford shale
83 future drilling locations in oil window*



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Eagle Ford Stacked / Staggered Lateral Development

- **253** Potential Additional In-Fill Locations



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Exchange Summary

§ Existing unsecured noteholders:

§ Par for par into new second lien PIK notes

§ Convertible into 73.5% of the pro forma common stock

§ Existing secured noteholders:

§ Par for par into new first lien notes

§ Same terms as today, except for Company option to pay up to \$75 million of interest in kind at 11%

§ Also receive penny warrants for 2% of pro forma shares

§ Conditions:

§ (1) Minimum participation of 95%; (2) Closing by September 15, 2016; (3) All accrued interest paid in cash



Sources of Funds (\$mm)	Amount	Uses of Funds (\$mm)	Amount
Issue New:		Exchange Existing:	
10.00% 1st Lien Toggle Notes due 2020	\$700.0	10.00% 1st Lien Notes due 2020	\$700.0
7.75% 2nd Lien Convertible PIK Notes due 2019	\$288.5	7.75% Senior Unsecured Notes due 2019	\$288.5
9.50% 2nd Lien Convertible PIK Notes due 2020	\$174.6	9.50% Senior Unsecured Notes due 2020	\$174.6
Total Sources of Funds	\$1,163.1	Total Uses of Funds	\$1,163.1

Repositioning Comstock towards Growth

- § The exchange offer will allow Comstock to redirect cash flow from interest expense to capital expenditures
 - § Deploy two rigs in 2017 and drill a total of 24 wells
 - § Fueling growth in production and EBITDAX
- § Comstock will save up to \$109 million in cash interest in 2017



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Status Quo (No Drilling)
Expected Production (MMcfe/d)

Two Rig Development
Expected Production (MMcfe/d)



Transaction Rationale



Rebuilding Balance Sheet

- § Enhance liquidity and put rigs to work, allowing Comstock to maintain and grow enterprise value
- § Delever the balance sheet through conversion of unsecured debt into equity



Focus on Drilling, Production Growth and Value Creation

- § Refocus on Comstock's core strategy of drilling wells with competitive economics, funded with cash flow
- § Scalable drilling program with inventory of ~700 operated locations will grow EBITDAX



Protection of All Stakeholders' Interests

- § Exchange terms allow participating noteholders to protect their credit positions
- § Participating noteholders will also benefit from equity upside

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